



Monetary Policy Information Compendium

November 2011

Consolidated by

Monetary Policy Department

STATE BANK OF PAKISTAN



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Real Sector

LSM growth recovered sharply during Q1-FY12 compared to corresponding period of last year.

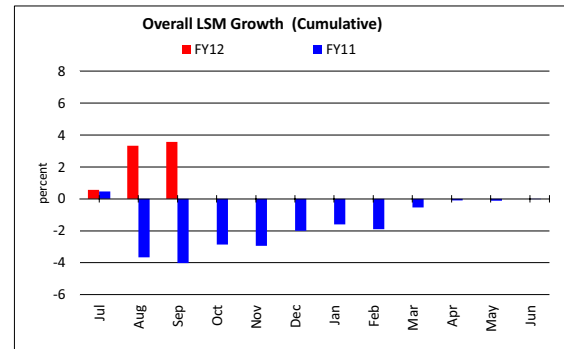
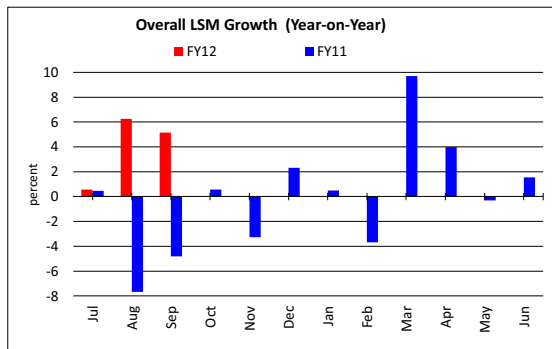
Growth in Large Scale Manufacturing (LSM) Sector*

Groups	Weights	YoY changes				Cumulative change during Jul-Sep	
		Sep-11		Sep-10		FY12	FY11
Overall	70.3	5.1	-4.8			3.6	-4.0
Textile	21.0	↑ 1.4	↑ 0.7	↑ 1.1	↑ 0.6		
Food, beverages & tobacco	12.4	↑ 6.1	↑ 6.8	↑ 9.7	↑ 2.2		
Petroleum products	5.5	↑ 5.1	↓ -23.5	↑ 11.0	↓ -17.1		
Iron & Steel Products	5.4	↓ -38.9	↓ -15.3	↓ -30.3	↓ -5.1		
Non-metallic mineral products	5.4	↑ 8.9	↓ -22.9	↑ 6.9	↓ -16.4		
Automobile	4.6	↑ 9.2	↑ 15.3	↓ -3.5	↑ 14.1		
Fertilizer	4.4	↑ 12.1	↓ -9.3	↑ 7.2	↓ -5.9		
Pharmaceuticals	3.6	↑ 18.0	↑ 0.4	↑ 20.1	↓ -0.8		
Paper	2.3	↑ 23.2	↓ -9.1	↑ 3.8	↓ -3.7		
Electronics	2.0	↓ -7.5	↑ 4.6	↓ -3.6	↓ -2.1		
Chemicals	1.7	↑ 0.5	↓ -6.4	↓ -4.9	↓ -1.5		
Leather products	0.9	↑ 46.1	↓ -26.0	↑ 26.0	↓ -40.6		
Wood products	0.59	↑ 30.2	↓ -6.2	↑ 5.3	↑ 1.9		
Engineering industries	0.4	↓ -6.9	↑ 4.8	↓ -5.1	↑ 0.5		
Rubber products	0.3	↑ 23.3	↓ -4.8	↑ 3.6	↑ 7.5		

* The data for corresponding period of last year is not yet available.

Note: Weights of LSM sectors are standardized to 100

Sources: Federal Bureau of Statistics (FBS)



Note: The growth numbers for August 2011 are calculated on revised base to 2005-06 while the previous year's numbers corresponds to old base.

The floods in early FY11 severely affected the production of major Kharif crops.

Crops	Production (million tons)				Area Under Cultivation (million hectares)				Yield (Kg/hectare)		
	FY10 ^R	FY11 ^T	FY11 ^E	% change in FY11 ^E over FY10 ^R	FY10 ^R	FY11 ^T	FY11 ^E	% change in FY11 ^E over FY10 ^R	FY11 ^T	FY11 ^E	% change in FY11 ^E over
Cotton*	12.9	14.0	11.5	↓ -11.3	3.1	3.2	2.7	↓ -13.4	745	724	↑ 2.5
Sugarcane	49.4	53.7	55.3	↑ 12.0	0.9	1.1	1.0	↑ 4.8	51,000	55,997	↑ 6.9
Rice	6.9	6.0	4.8	↓ -29.9	2.9	2.7	2.4	↓ -17.9	2,228	2,039	↓ -14.6
Wheat	23.3	25.0	24.2	↑ 3.9	9.1	9.0	8.8	↓ -3.6	2,764	2,752	↑ 7.7
Gram	0.6	0.6	0.5	↓ -6.9	1.1	1.1	1.1	↑ 0.1	552	490	↓ -7.0
Maize	3.3	3.5	3.3	↑ 2.4	0.9	1.0	0.9	↑ 0.4	3,419	3,560	↑ 2.1

* Cotton production is stated in million bales.

R: Revised, T: Target, E: Highly provisional estimates.

Note: Growth numbers may not tally due to separate rounding off of production data.

Source: Federal Bureau of Statistics



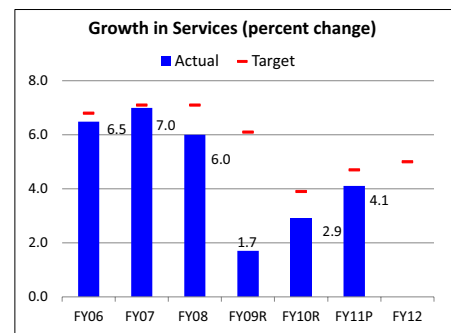
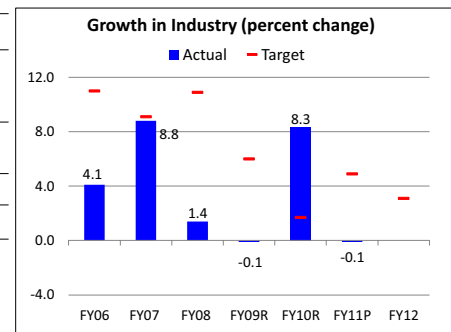
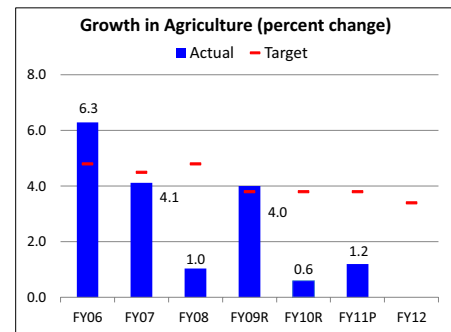
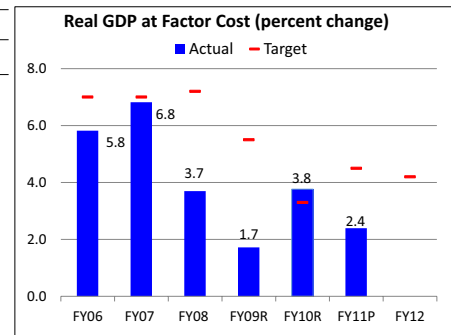
Monetary Policy Information Compendium

November 2011

Real GDP (fc) growth moderated to 2.4 percent in FY11 mainly due to lackluster performance of industrial sector affected by infrastructural constraints and unfavorable law & order situation in the country.

Income Approach- GDP at Constant Factor Cost (fc) of 1999-00, % changes

	FY10 (R)	FY11 (P)		
		Growth	Shares	Contribution
Agriculture of which	0.6	1.2	20.9	0.3
Major crops	-2.4	-4.0	6.5	-0.3
Minor crops	-7.8	4.8	2.3	0.11
Livestock	4.3	3.7	11.5	0.4
Industry of which	8.3	-0.1	25.8	-0.02
Manufacturing	5.5	3.0	18.7	0.6
Large-scale	4.9	1.0	12.1	0.1
Small-scale	7.5	7.5	5.1	0.4
Construction	28.4	0.8	2.5	0.02
Services of which	2.9	4.1	53.3	2.2
Transport & communication	2.8	1.3	10.0	0.1
Wholesale & retail trade	4.6	3.9	17.2	0.7
Finance & insurance	-11.3	-6.3	4.5	-0.3
Public administration & defence	2.5	13.2	2.7	0.8
Real GDP (fc)	3.8	2.4	-	-
Real GDP (mp)	4.1	2.4	-	-



	FY09	FY10(R)	FY11(P)
Real GDP (fc, billion Rs)	5,476	5,682	5,817
Real GDP (fc, billion US\$)	69.3	67.5	67.9

Expenditure Approach - GDP at Constant Prices of 1999-00, % changes

	FY10 (R)	FY11 (P)		
		Growth	Shares	Contribution
Consumption	3.9	7.0	85.8	6.1
Private	4.0	7.0	76.8	5.4
Government	2.2	7.5	9.0	0.7
Fixed capital formation	-6.1	-0.4	13.3	-0.1
Private	-5.7	-3.1	9.7	-0.3
Public plus general government	-7.3	7.7	3.6	2.8
Changes in Stocks	4.1	2.4	1.6	0.04
Net exports of goods and non-factor services	196.6	-127.8	-0.7	-3.6
Exports of goods and non-factor	15.8	-14.2	14.6	-2.6
Imports of goods and non-factor	4.4	6.1	15.3	1.0
GDP (market prices)	4.1	2.4	100.0	-
Less Indirect taxes plus subsidies	11.4	1.7	-5.7	-0.1
GDP (fc)	3.8	2.4	105.7	-
Total Domestic Demand*	2.3	5.9	-	-

*Domestic demand is calculated as sum of consumption and investment expenditures on real GDP; ^ GDP in dollar terms is calculated using average exchange rate during the year.

Source: Federal Bureau of Statistics; Note: LSM data pertains to Jul-Feb FY11; R: Revised; P: Provisional; T: Target



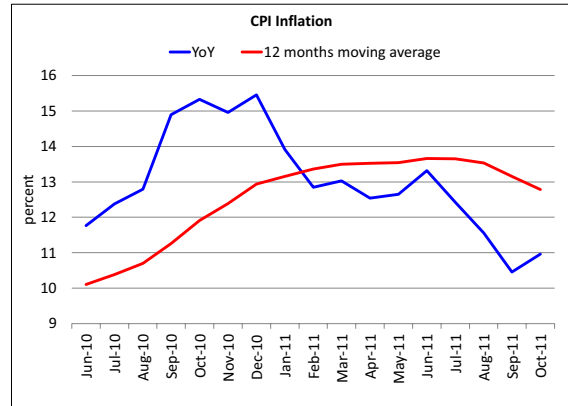
Inflation

(Calculated from the revised base of price indices from 2000-01 to 2007-08)

Headline CPI inflation (YoY) edged up in October 2011 mainly due to sharp increase in food prices.

Consumer Price Index (CPI) (percent change)

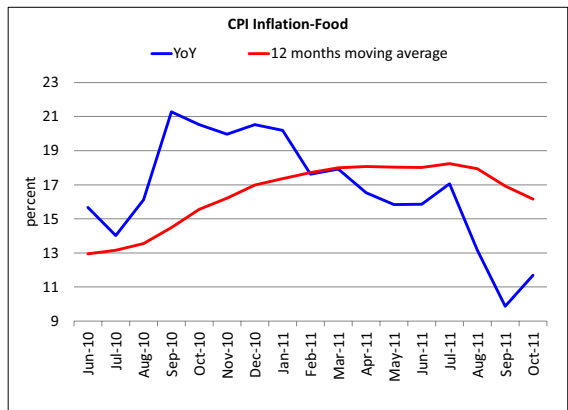
	MoM*	YoY#	12M moving average
Oct-10	1.0	15.3	11.9
Nov-10	1.0	15.0	12.4
Dec-10	-0.3	15.5	12.9
Jan-11	1.2	13.9	13.2
Feb-11	-0.6	12.8	13.4
Mar-11	1.4	13.0	13.5
Apr-11	1.4	12.5	13.5
May-11	0.2	12.6	13.5
Jun-11	1.0	13.3	13.7
Jul-11	1.3	12.4	13.7
Aug-11	1.4	11.6	13.5
Sep-11	1.0	10.5	13.2
Oct-11	1.4	11.0	12.8
3-year average for October	1.0	11.3	



Food inflation (YoY) increased sharply to 11.7 percent in October 2011 after falling below 10 percent in September.

CPI - Food (37.47% weight in basket) (percent change)

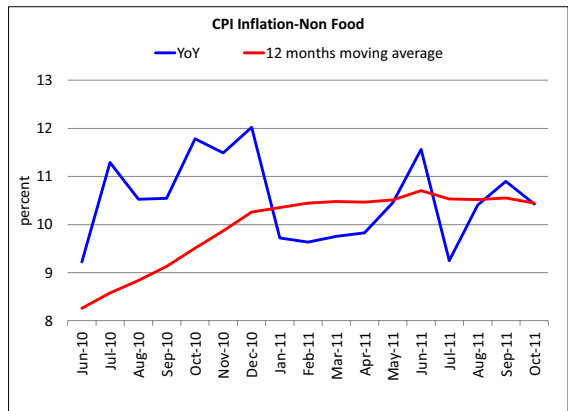
	MoM*	YoY#	12M moving average
Oct-10	0.0	20.5	15.6
Nov-10	1.6	20.0	16.2
Dec-10	-1.7	20.5	17.0
Jan-11	1.7	20.2	17.4
Feb-11	-1.8	17.6	17.7
Mar-11	2.2	17.9	18.0
Apr-11	1.3	16.5	18.1
May-11	-0.3	15.8	18.0
Jun-11	0.7	15.9	18.0
Jul-11	2.9	17.1	18.2
Aug-11	1.4	13.2	17.9
Sep-11	1.6	9.9	16.9
Oct-11	1.6	11.7	16.2
3-year average for October	0.7	13.4	



Non-food inflation (YoY), however, declined in October 2011.

CPI - Non Food (62.53% weight in basket) (percent change)

	MoM*	YoY#	12M moving average
Oct-10	1.7	11.8	9.5
Nov-10	0.5	11.5	9.9
Dec-10	0.8	12.0	10.3
Jan-11	0.8	9.7	10.3
Feb-11	0.3	9.6	10.4
Mar-11	0.9	9.8	10.5
Apr-11	1.5	9.8	10.5
May-11	0.6	10.5	10.5
Jun-11	1.2	11.6	10.7
Jul-11	0.1	9.2	10.5
Aug-11	1.4	10.4	10.5
Sep-11	0.6	10.9	10.6
Oct-11	1.3	10.4	10.4
3-year average for October	1.2	9.8	



* Month-on-Month

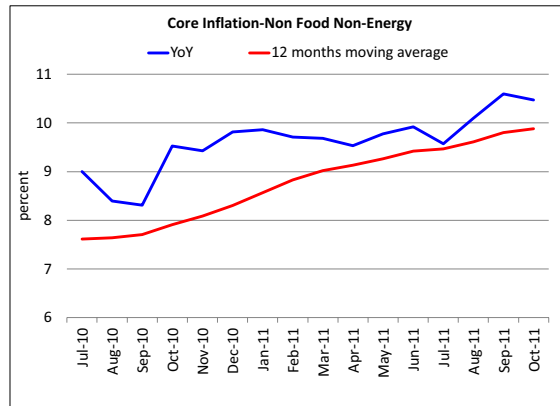
Year-on-Year

Source: Federal Bureau of Statistics



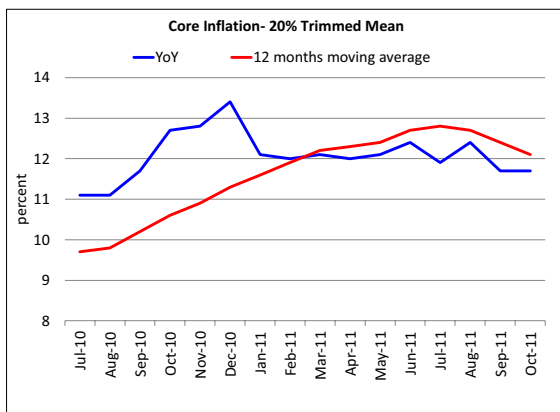
The non-food non-energy (NFNE) measure of core inflation (YoY) also decreased slightly in October 2011.

Core - Non-food non-energy (53.52% weight in basket) (percent change)			
	MoM	YoY	12M moving average
Oct-10	1.6	9.5	7.9
Nov-10	0.6	9.4	8.1
Dec-10	0.7	9.8	8.3
Jan-11	1.0	9.9	8.6
Feb-11	0.4	9.7	8.8
Mar-11	0.8	9.7	9.0
Apr-11	1.4	9.5	9.1
May-11	0.5	9.8	9.3
Jun-11	0.5	9.9	9.4
Jul-11	1.2	9.6	9.5
Aug-11	0.8	10.1	9.6
Sep-11	0.7	10.6	9.8
Oct-11	1.4	10.5	9.9
2-year average for October	1.5	10.0	



The 20% trimmed mean measure of core inflation (YoY), however, remained unchanged at 11.7 percent in October 2011.

Core - 20% Trimmed (percent change)			
Oct-10	1.6	12.7	10.6
Nov-10	0.8	12.8	10.9
Dec-10	0.8	13.4	11.3
Jan-11	1.1	12.1	11.6
Feb-11	0.4	12.0	11.9
Mar-11	1.0	12.1	12.2
Apr-11	1.0	12.0	12.3
May-11	0.5	12.1	12.4
Jun-11	0.7	12.4	12.7
Jul-11	1.1	11.9	12.8
Aug-11	0.7	12.4	12.7
Sep-11	0.6	11.7	12.4
Oct-11	1.0	11.7	12.1
2-year average for October	1.3	12.2	

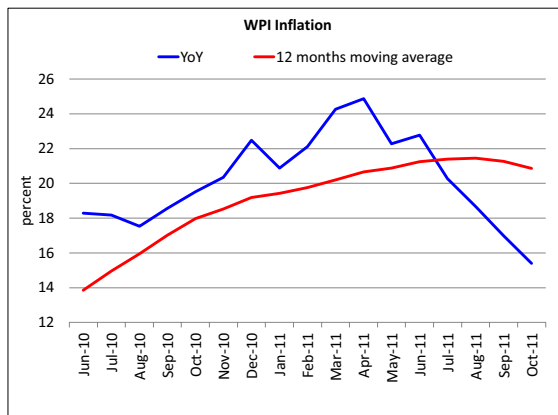


Source: Federal Bureau of Statistics



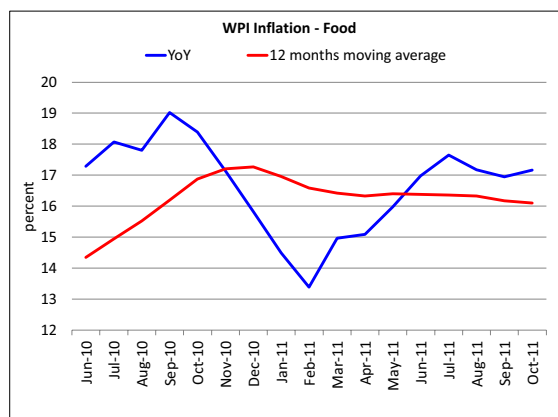
The WPI inflation (YoY) declined for the fourth consecutive month in October 2011, largely due to falling prices of non-food items.

Wholesale Price Index (WPI) (percent change)			
	MoM	YoY	12M moving average
Oct-10	1.7	19.5	18.0
Nov-10	2.5	20.3	18.5
Dec-10	2.0	22.5	19.2
Jan-11	1.9	20.9	19.4
Feb-11	2.0	22.1	19.8
Mar-11	3.3	24.3	20.2
Apr-11	2.4	24.9	20.7
May-11	-1.0	22.3	20.9
Jun-11	0.6	22.8	21.2
Jul-11	-0.4	20.3	21.4
Aug-11	0.6	18.7	21.4
Sep-11	0.2	17.0	21.3
Oct-11	0.4	15.4	20.9
3-year average for October	1.0	14.4	



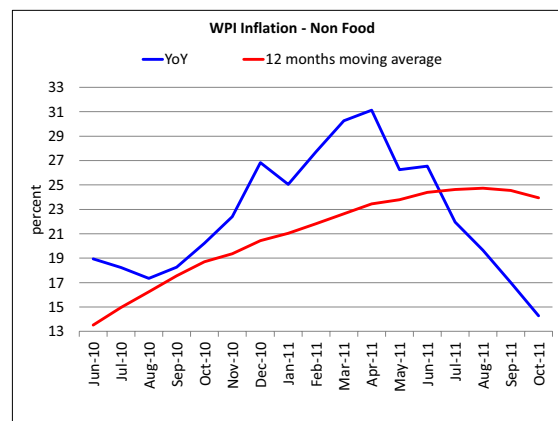
WPI food inflation (YoY) witnessed an uptick in October 2011.

WPI - Food (38.82% weight in basket) (percent change)			
	MoM	YoY	12M moving average
Oct-10	0.3	18.4	16.9
Nov-10	0.6	17.1	17.2
Dec-10	-0.7	15.8	17.3
Jan-11	2.1	14.5	17.0
Feb-11	-0.5	13.4	16.6
Mar-11	2.9	15.0	16.4
Apr-11	1.6	15.1	16.3
May-11	1.0	16.0	16.4
Jun-11	3.0	17.0	16.4
Jul-11	1.9	17.6	16.4
Aug-11	1.8	17.2	16.3
Sep-11	1.8	16.9	16.2
Oct-11	0.5	17.2	16.1
3-year average for October	0.6	15.2	



The WPI non food inflation (YoY) declined sharply to 14.3 percent in October 2011 from 17 percent in .

WPI - Non Food (61.18% weight in basket) (percent change)			
	MoM	YoY	12M moving average
Oct-10	2.7	20.2	18.7
Nov-10	3.8	22.4	19.4
Dec-10	3.6	26.8	20.5
Jan-11	1.8	25.0	21.0
Feb-11	3.4	27.7	21.8
Mar-11	3.5	30.3	22.7
Apr-11	3.0	31.1	23.5
May-11	-2.1	26.3	23.8
Jun-11	-0.8	26.5	24.4
Jul-11	-1.8	22.0	24.6
Aug-11	-0.2	19.7	24.7
Sep-11	-0.7	17.0	24.5
Oct-11	0.3	14.3	23.9
3-year average for October	1.3	13.8	



Sources: Federal Bureau of Statistics



CPI Inflation (YoY) by Groups

Increase in headline CPI inflation (YoY) in October 2011 was primarily contributed by food group.

Groups	Weights	Oct-11			Sep-11		
		MoM	YoY	12m MA*	MoM	YoY	12m MA*
I. Food Group	37.5	1.6	11.7	16.9	1.6	9.9	16.9
Food & Non-Alcoholic Bev	34.8	1.7	11.7	16.4	1.7	9.7	17.2
Alcoholic Bev & Tobacco	1.4	0.0	6.8	8.2	0.5	7.6	8.8
Restaurant & Hotels	1.2	0.3	15.5	18.3	1.0	18.2	18.3
II. Non-Food Group	62.5	1.3	10.4	10.4	0.6	10.9	10.6
Clothing & Footwear	7.6	1.5	15.2	13.3	1.4	14.9	12.9
Housing Water, Elec, Gas Fuels	29.4	1.5	7.5	9.3	0.1	7.9	9.8
Furnishing & Household Equip. Maintenance etc	4.2	3.1	16.7	11.2	0.8	14.2	10.5
Health	2.2	1.2	12.5	9.7	1.4	11.5	9.2
Transport	7.2	1.5	14.0	12.4	0.8	14.9	12.5
Communication	3.2	0.0	1.1	7.0	0.0	2.1	8.2
Recreation & Culture	2.0	0.6	4.6	4.8	0.3	5.3	5.0
Education	3.9	0.1	11.9	10.0	0.4	14.1	9.3
Misc	2.8	-0.7	19.6	16.6	3.2	23.8	16.0
Overall	100	1.4	11.0	13.2	1.0	10.5	13.2

SPI inflation (WoW) decreased sharply for all the groups in the third and fourth week of November 2011.

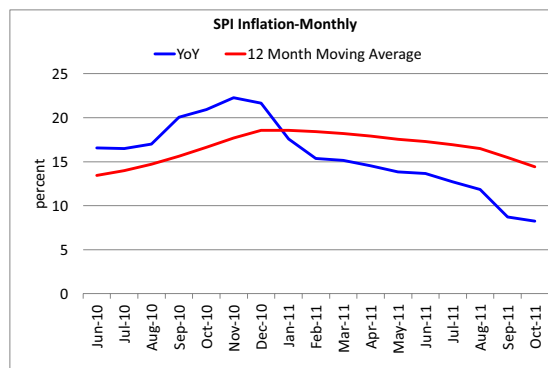
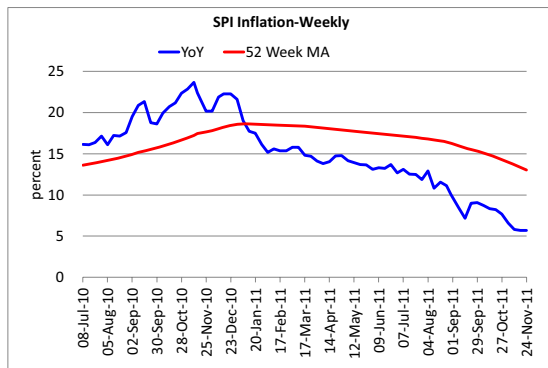
Sensitive Price Indicator (SPI) (percent change)

Income Groups	Percent change (WoW)				Oct-11		
	Current	Last week	Two weeks ago	Three weeks ago	MoM	YoY	12m MA*
	24-Nov-11	17-Nov-11	10-Nov-11	3-Nov-11			
Up to Rs 8000	-1.09	-1.12	0.90	0.27	0.8	6.5	14.0
Rs 8001-12000	-1.01	-1.10	0.90	0.24	0.7	7.2	14.2
Rs 12001-18000	-0.97	-1.12	0.91	0.23	0.8	7.6	12.7
Rs 18001-35000	-0.86	-1.05	0.87	0.19	0.8	8.1	15.3
Above Rs 35000	-0.67	-0.91	0.77	0.12	0.9	9.2	15.0
All	-0.84	-1.02	0.85	0.17	0.8	8.2	14.4

Sources: Federal Bureau of Statistics

WoW: Week on Week

*These changes are calculated on the basis of 12 month average of CPI over the 12 month average of preceding year.



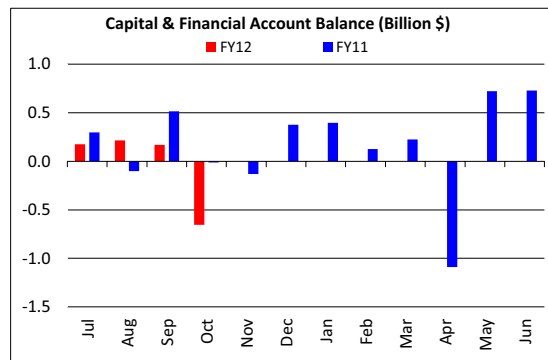
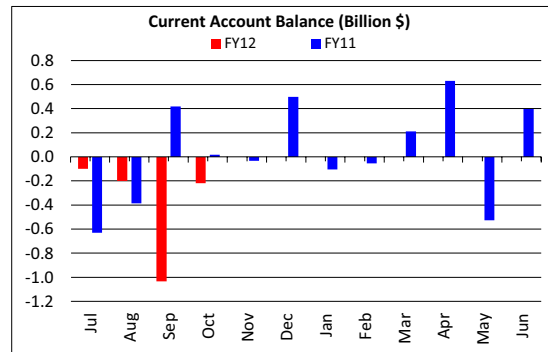
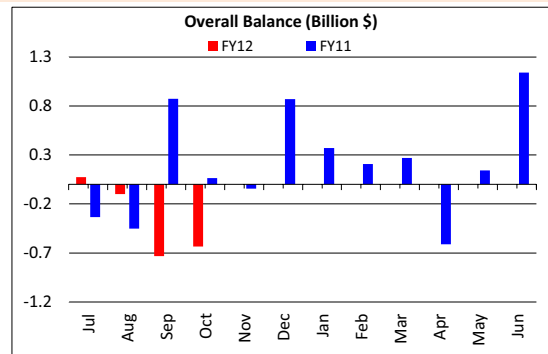


Balance of Payments

Outflows in financial account have resulted in further deterioration of overall balance of payment position during October 2011.

Balance of Payments Summary (million \$)

Items	Oct-11	Jul-Oct		FY11
		FY12	FY11	
A) Current account	-220	-1,555	-541	437
1. Trade balance	-1,147	-5,281	-3,773	-10,287
Exports	1,986	8,119	7,106	25,440
Imports	3,133	13,400	10,879	35,727
2. Services (net)	-207	-946	-934	-2,147
Receipts	467	1,649	1,491	5,473
Payments	674	2,595	2,425	7,620
3. Income (net)	-222	-888	-843	-2,952
Receipts	68	290	246	714
Payments	290	1,178	1,089	3,666
4. Current transfers (net)	1,356	5,560	5,009	15,823
Receipts: of which	1,377	5,598	5,070	15,905
Remittances	1,018	4,315	3,501	11,201
Payments	21	38	61	82
B) Capital and financial account: of which	-655	-97	728	2,049
1. Foreign investment	4	207	571	1,869
FDI (net) ¹	57	306	469	1,531
FPI	-53	-99	102	338
2. Foreign long term loans	-41	-91	242	749
Disbursements	53	472	869	2,746
Amortization	94	563	627	1,997
C) Errors & omissions	240	258	-38	7
Overall balance (A+B+C)	-635	-1,394	149	2,493
SBP gross reserves²	15,095	15,095	14,354	16,614
SBP net liquid reserves³	13,322	13,322	13,174	14,784



¹ Net FDI inflows equals direct investment in Pakistan less direct investment made by Pakistan abroad.

² These include sinking funds (earmarked for specific purposes) and foreign currency holdings of SBP, and exclude claims on RBI.

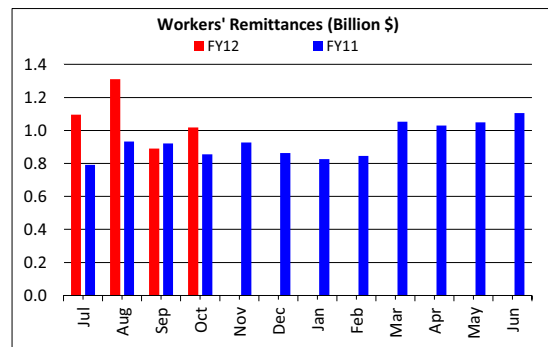
³ SBP gross reserves excluding foreign currency holdings of SBP and commercial banks deposits with SBP for CRR.

Source: Statistics & Data Warehouse Department (S&DWD), SBP

Growth in remittances rebounded in October 2011.

Workers' Remittances⁴ (million \$)

	Oct-11	Jul-Oct		FY11
		FY12	FY11	
Total: of which	1,018	4,315	3,501	11,201
USA	168	795	666	2,069
UK	118	487	393	1,200
Saudi Arabia	291	1,145	764	2,670
UAE	217	963	820	2,598
GCC ⁵	132	486	417	1,306
Others	93	438	441	1,359



⁴ Only cash, ⁵ Kuwait, Qatar, Bahrain and Oman

Source: Statistics & Data Warehouse Department (S&DWD), SBP

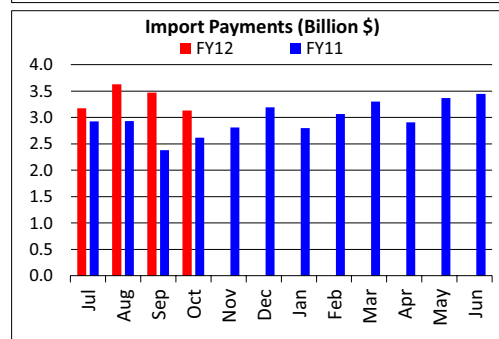
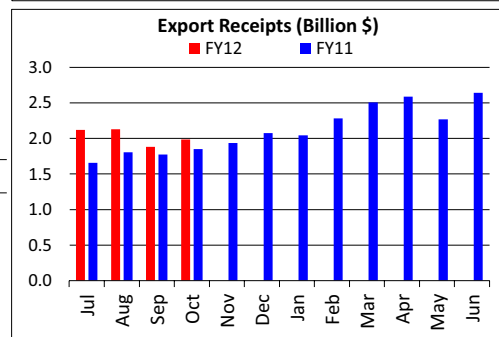
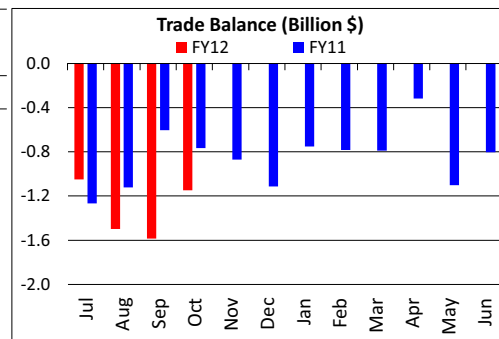


Trade

Supported by higher export receipts relative to import payments, trade deficit narrowed in October 2011 relative to previous two months.

Trade in Goods -Major Groups (million \$)

	Oct-11	Jul-Oct		Shares ¹ FY12
		FY12	FY11	
Exports	1,986	8,119	7,106	100
Textile group	1,042	4,508	3,761	56
Cotton cloth	213	878	696	11
Knitwear, bedwear	362	1,597	1,484	20
Readymade garments	113	472	331	6
Other manufactures group	361	1,495	1,300	18
Leather items ²	79	324	281	4
Chemical and pharma	109	431	293	5
Cement	45	172	163	2
Engineering goods	24	121	152	1
Food group	268	1,185	1,029	15
Rice	138	569	659	7
All Others	316	931	1,015	11
Imports	3,133	13,400	10,879	100
Petroleum group	951	5,267	3,400	39
Petroleum products	793	3,599	2,456	27
Petroleum crude	158	1,668	944	12
Machinery group	266	1,191	1,398	9
Power machinery	34	156	337	1
Electrical machinery	33	153	173	1
Agri. & other chemicals group	688	2,313	1,756	17
Fertilizer manufactured	180	382	234	3
Plastic materials	118	459	412	3
Food group	438	1,550	1,559	12
Palm oil	195	849	589	6
Sugar	0.8	4	333	0
Metal group	172	766	778	6
Iron steel (IS) & IS scrap	140	616	624	5
All Others	618	2,313	1,988	17

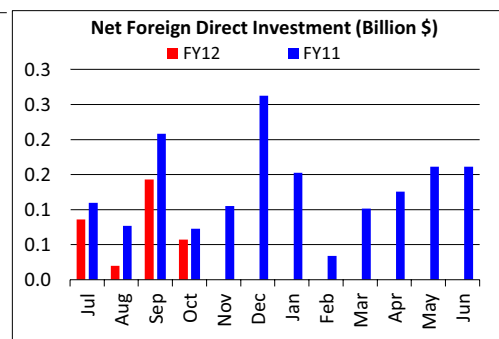


¹ Share is calculated as cumulative flow of a group(item) divided by total cumulative flow during FY12; ² Include tanned and manufactured leather

FDI inflows remained meager during October 2011.

Foreign Direct Investment inflows in Pakistan (million \$)³

	Oct-11	Jul-Oct		FY11
		FY12	FY11	
Total: Of which	58	340	471	1,572
Major countries				
USA	54	187	74	238
UAE	1	110	82	284
UK	-59	-1	87	207
Hong Kong	2	8	67	126
Major sectors				
Communication	8	-36	13	-34
Financial service	-67	-40	44	247
Oil & gas exploration	37	209	149	512
Power	13	45	46	156
Trade	-15	-7	14	53



³ The numbers in this table show gross FDI inflows and therefore may not match with the numbers in Balance of Payments table.

Source: Statistics & Data Warehouse Department (S&DWD), SBP

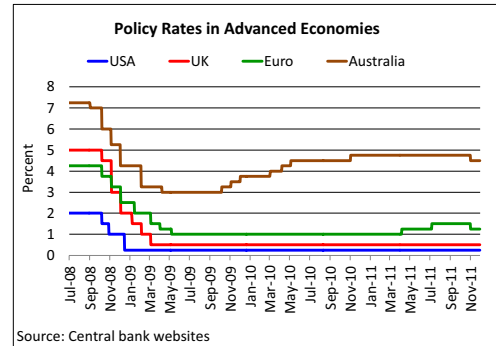


Global Economy

European Central Bank, Reserve Bank of Australia and Bank Indonesia decreased their policy rates in November 2011.

Policy Rates in Major Economies

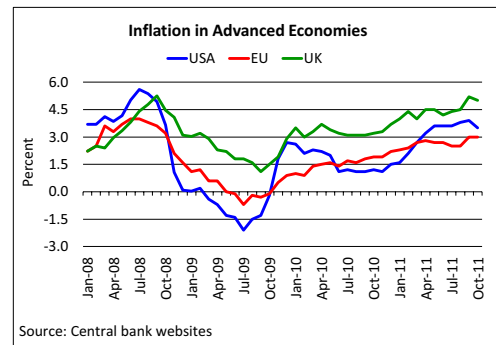
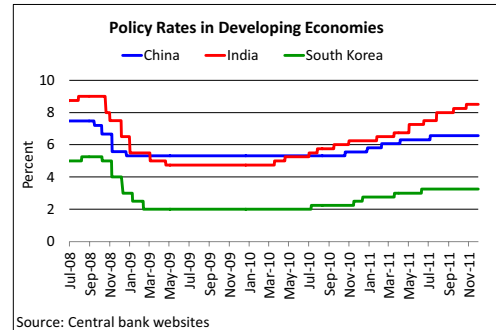
Major Economies	Current Policy Rate	Previous	Previous	Change (bps)
USA*	0.25	1.00	Dec 16 2008	↓ -75
UK	0.50	1.00	Mar 05 2009	↓ -50
ECB	1.25	1.50	Nov 03 2011	↓ -25
Japan*	0.10	0.30	Dec 20 2008	↓ -20
Canada	1.00	0.75	Sep 08 2010	↑ 25
Australia	4.50	4.75	Nov 02 2011	↓ -25
China	6.56	6.31	Jul 07 2011	↑ 25
India	8.50	8.25	Oct 25 2011	↑ 25
South Korea	3.25	3.00	Jun 10 2011	↑ 25
Malaysia	3.00	2.75	May 05 2011	↑ 25
Indonesia	6.00	6.50	Nov 10 2011	↓ -50
Thailand	3.50	3.25	Aug 24 2011	↑ 25



GDP growth in US, EU, Japan and Philippines slowed down in third quarter of 2011.

Key Macroeconomic Indicators

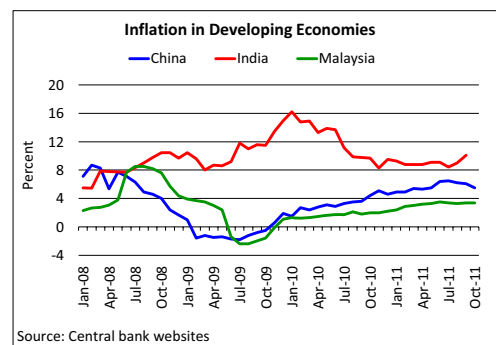
	Inflation (YoY) ¹	GDP Growth ²	Current Account Balance	Fiscal Balance
	Oct-11	Q3-2011	as a percentage of GDP (Q2-2011)	
USA	3.5	1.5	-3.3	-9.1
UK	5.0	0.5	-2.0	-8.8
Euro Area	3.0	1.4	-0.5	-4.2
Japan	-0.2	0.0	2.4	-8.3
Australia	3.5 (Sep-11)	1.4 (Q2-11)	-2.0	-2.6
China	5.5	9.1	4.0	-1.8
India	10.1 (Sep-11)	7.7 (Q2-11)	-3.2	-4.7
Sri Lanka	5.1	8.2 (Q2-11)	-	-
South Korea	3.9	3.4	2.3	1.6
Malaysia	3.4	5.8	12.3	-7.2
Indonesia	4.4	6.5	0.9	-1.2
Thailand	4.2	2.6	3.6	-2.8



IMF lowered its projection for growth in advanced economies, except for Japan, and emerging economies including China and India.

World Economic Outlook - Real GDP Growth

	2010 (IMF Estimated)	2011 Projections		
		IMF (Sep-11)	World Bank (Jun-11)	OECD (Jun-11)
World output	5.1	4.0	3.2	-
Advance	3.0	1.6	2.2	-
US	2.9	1.5	2.6	2.6
Euro area	1.8	1.6	1.7	2.0
Japan	4	-0.7	0.1	-0.9
UK	1.3	1.1	-	1.4
Emerging & Developing	7.4	6.4	6.3	-
Russia	4.0	4.3	4.4	4.2
China	10.3	9.5	9.3	9.7
India	10.4	7.8	8.0	8.2
ASEAN-5	6.9	5.3	-	-



* US Federal Reserve and Bank of Japan are currently operating under an interest rate bands of 0 to 0.25 percent and 0 to 0.1 percent respectively.

Sources: Bloomberg, IMF, OECD, The Economist and Central Bank Websites.



International commodity prices maintained the declining trend due to increased uncertainty about revival of economic activity in advanced economies.

World Commodity Price Indices (2005=100)

	Oct-11	% change since	
		Last month	End Jun-11
Global CPI	182.9	↓ -2.87	↓ -6.27
Food CPI	167.9	↓ -5.99	↓ -8.81
Commodity non-fuel CPI	171.9	↓ -7.42	↓ -11.39
Metal CPI	200.9	↓ -10.35	↓ -14.77
Crude Oil (\$/bbl)	188.4	↓ -0.90	↓ -3.77
Palm oil (\$/m. ton)	914.4	↓ -8.11	↓ -15.01
Soya bean Oil (\$/m. ton)	1126.8	↓ -7.56	↓ -9.86
Wheat (\$/m. ton)	289.0	↓ -8.52	↓ -11.47
Gold spot (\$/Oz)	1727.9	↑ 0.90	↑ 15.17
Sugar (US cents/pound)	38.2	↓ -2.77	↑ 8.74

Source: IMF-IFS

Global stock markets have come under stress in recent weeks due to Europe's long running debt woes amid rising fiscal pressures in other advanced economies.

Capital Market Indices

	Latest - November 29, 2011	% change since	
		Last month	End Jun-11
US (DJIA)	11555.6	↓ -5.5	↓ -3.2
DJ EURO STOXX	2234.2	↓ -9.3	↓ -17.7
UK (FTSE 100)	5337.0	↑ 0.6	↓ -6.3
Japan (Nikkei 225)	8418.5	↓ -7.0	↓ -13.0
China (SSEA)	2347.4	↓ -5.1	↓ -14.5
France (CAC 40)	3026.8	↓ -9.6	↓ -20.0
Germany (DAX)	5799.9	↓ -8.6	↓ -18.6
India (BSE)	15987.5	↓ -10.21	↓ -12.4
World dev'd (MSCI) ²	1102.9	↓ -6.4	↓ -14.1
Emerging Markets (MSCI) ³	885.3	↓ -7.8	↓ -21.5
World all (MSCI) ³	280.6	↓ -6.6	↓ -15.1

¹ Inflation is YoY percent changes in CPI.

² Growth is measured as percentage change over the same quarter of previous year.

³ May 11, 2011

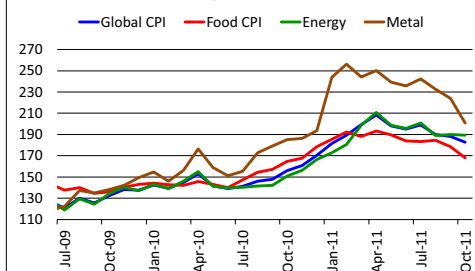
⁴ **30 Yr Bond** = \$300 M (30 Yr US T bill+302 bps=>**7.875%**): Issued - Mar 24, 2006: Maturity - Mar 23, 2036

10 Yr Bond (1) = \$750 M (10 Yr US T bill+200 bps=>**6.875%**): Issued - Jun 1, 2007: Maturity - May 31, 2017

10 Yr Bond (2) = \$500 M (10 Yr US T bill+240 bps=>**7.125%**): Issued - Mar 24, 2006: Maturity - Mar 23, 2016

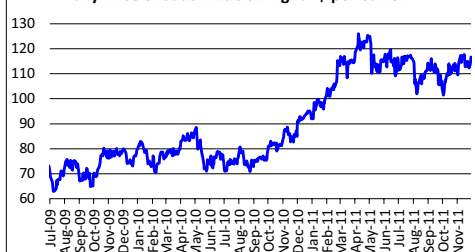
Sources: Bloomberg, IMF, OECD, The Economist and Central Bank Websites

Trends in Commodity Price Indices (2005=100)



Source: IMF-IFS

Daily Price of Saudi Arabian Light - \$ per barrel



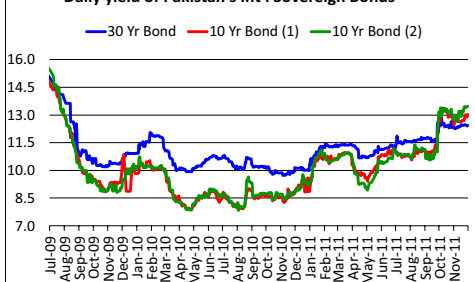
Source: Energy Information Administration

Daily Price of Gold Spot - \$ per Oz.



Source: Bloomberg

Daily yield of Pakistan's Int'l Sovereign Bonds⁴



Source: Bloomberg

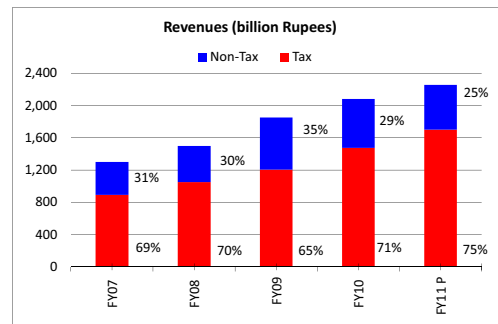


Revenues, Expenditures and Fiscal Balances*

Rise in expenditures and a shortfall in revenue collection have contributed towards breach of (revised) fiscal deficit target for FY11.

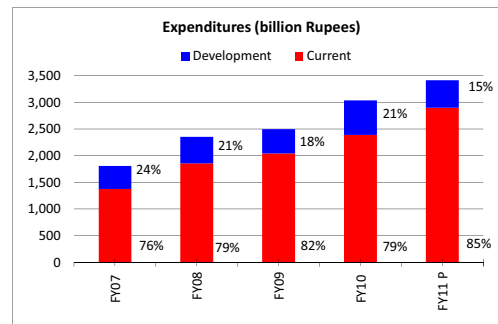
Revenues (billion Rs)

	FY12	FY11		FY10 ³
	BE ¹	BE ²	Actual	
Total revenues	2871	2574	2253	2078
Tax revenue	-	1859	1699	1473
Growth (YoY) %	-	-	15.4	10.7
of which: FBR revenues*	1952	1667	1550	1327
Non-tax revenues	-	716	554	605
Growth (YoY) %	-	-	-8.6	16.4



Expenditures (billion Rs)

	FY12	FY11		FY10 ³
	BE ¹	BE ²	Actual	
Total expenditures	3721	3259	3447	3007
Current ⁴	-	2519	2901	2354
Growth (YoY) %	-	-	23.2	13.4
Interest payments	791	-	698	642
Defence	-	-	451	375
Development & net lending	-	740	514	653
Growth (YoY) %	-	-	-21.3	43.2



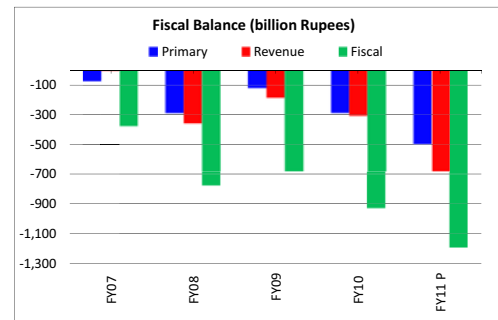
Overall Balance (billion Rs)

	FY12	FY11		FY10 ³
	BE ¹	BE ²	Actual	
Fiscal Balance⁵	-850	-685	-1,194	-929
Revenue Balance ⁶	-	-	-680	-308
Primary Balance ⁷	-	-	-496	-287

Government's reliance on domestic sources for financing, especially from the scheduled banks, increased substantially due to less than expected receipts from external sources on top of breach in fiscal deficit target.

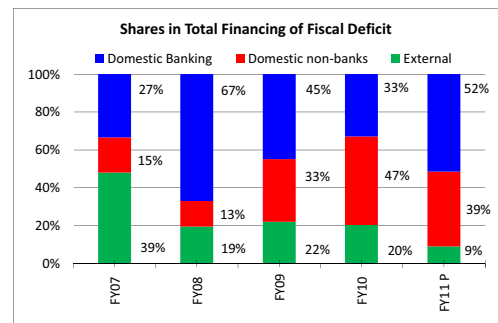
Financing of Fiscal Deficit (billion Rs)

	FY12	FY11		FY10 ³
	BE ¹	BE ²	Actual	
Financing	851	685	1194	929
1. External	135	186	108	189
2. Domestic: of which	716	499	1087	740
Non-bank	-	333	472	436
Banking system: of which	-	166	615	305
Schedule Banks	-	166	647	263
SBP	-	0	-32	42
Privatization proceeds	-	-	-	-



FBR Tax Collection (billion Rs)

	Direct	Sales	Customs	FED ⁸	Total taxes
Nov-10	33	46	13	11	103
Dec-10	78	56	17	10	162
Jan-11	37	47	14	11	108
Feb-11	37	45	14	10	106
Mar-11	66	49	18	11	144
Apr-11	50	52	15	13	130
May-11	47	79	18	16	160
Jun-11	121	77	25	17	241
Jul-11	29	62	12	10	112
Aug-11	31	61	14	10	116
Sep-11	64	59	16	9	148
Oct-11	40	60	15	9	124
Jul-October FY12⁹	163	243	57	38	500
Jul-Oct FY11	130	180	49	37	397



Sources: Ministry of Finance (MoF), Federal Board of Revenue (FBR) and State Bank of Pakistan (SBP)

* Data for Q1-FY12 is not yet released.

¹ Budget Estimates: total revenues and expenditures are computed by using their GDP ratios published in Medium Term Budgetary Statement; ² As announced in Federal Budget for FY11; ³ Final numbers from Consolidated Fiscal Accounts; ⁴ Inclusive of unidentified expenditures; ⁵ Fiscal balance = total revenue - total expenditure; ⁶ Revenue balance = total revenue - current expenditure; ⁷ Primary balance = total revenue - total expenditure + interest payment; ⁸ Federal excise duty; ⁹ Provisional Figures.

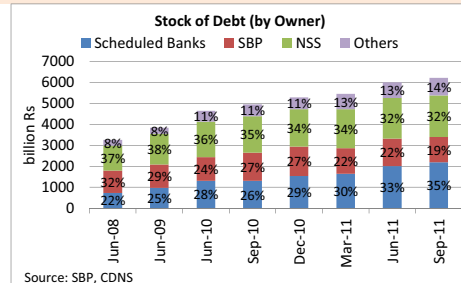


Government Domestic Debt

Government's domestic debt increased by Rs209 billion in Q1-FY12.

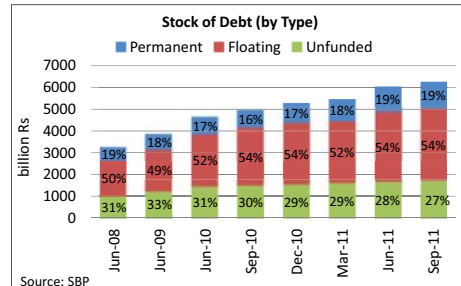
Debt by Owner - end period stocks (billion Rs)

	Sep-11	Jun-11	Change since Jun-11
Bank	3,394.2	3,328.1	66.1
Commercial banks	2,187.7	2,007.5	180.2
SBP	1,206.5	1,320.6	-114.1
Non-bank	2,830.5	2,687.5	143.1
National Saving Schemes (NSS)	1,989.8	1,932.9	56.9
Others	840.7	754.6	86.1
Foreign Currency Instruments ¹	1.4	1.4	0
Total	6,226.2	6,017.0	209.1



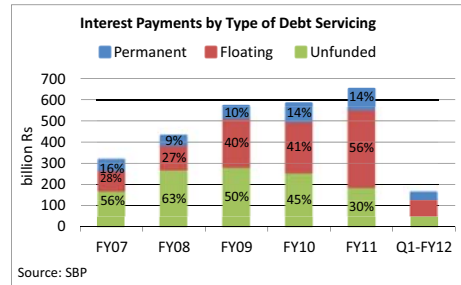
Debt by Type - end period stocks (billion Rs)

	Sep-11	Jun-11	Change since Jun-11
Long term	2,882.9	2,780.2	102.6
Permanent: of which	1,180.7	1,124.4	56.2
PIBs	670.7	618.5	52.2
Prize bonds	287.6	277.1	10.5
Unfunded: of which	1,702.2	1,655.8	46.4
NSS ²	1,588.1	1,544.3	43.8
Short term (floating): of which	3,341.9	3,235.4	106.5
MTBs	2,138.5	1,917.9	220.7
MRTBs-replenishment	1,203.4	1,317.5	-114.1
Foreign Currency Instruments ¹	1.4	1.4	0
Total	6,226.2	6,017.0	209.1



¹ It includes FEBCS, FCBCs, DBCs and special USD bonds held by the r

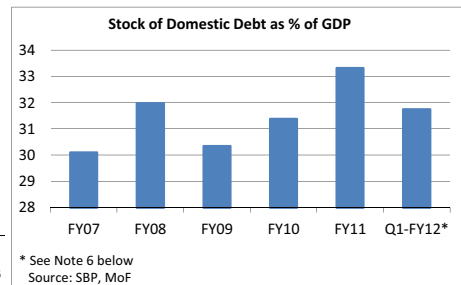
² NSS includes certificates and saving accounts only.



Interest payments on floating debt account for the major chunk of domestic debt servicing.

Debt Servicing (billion Rs)

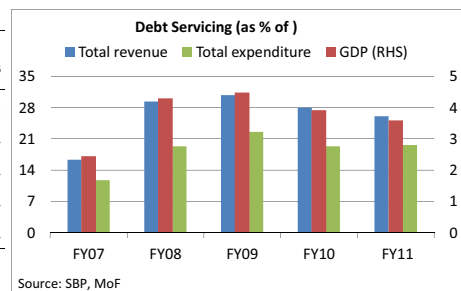
	Q1-FY12	FY11	Change in share from FY11 (%)
Permanent ³	33.0	91.8	5.8
Floating	77.0	361.4	-9.1
Unfunded	55.4	196.6	3.3
Total	165.3	650	-



Indicators of Domestic Debt Sustainability

Debt Stock as % of GDP					
	FY08	FY09 ⁴	FY10 ⁴	FY11 ⁵	FY12 ⁶
	32.0	30.3	31.4	33.3	31.7
Debt Servicing as % of					
	FY08	FY09 ⁴	FY10 ⁴	FY11 ⁵	FY12 ⁶
GDP	4.3	4.5	3.9	3.6	0.8
Total revenue	29.4	30.8	28.0	26.1	-
Tax revenue	41.9	47.3	39.5	34.4	-
Total expenditure	19.3	22.5	19.3	19.7	-
Current expenditure	23.8	27.9	24.4	22.3	-

* See Note 6 below
Source: SBP, MoF



³ Includes prize bonds; ⁴ Revised GDP

⁵ Debt stock (as on June 2011) as percent of provisional GDP for FY11.

⁶ Average of projected GDP at current market prices of FY12 and actual FY11 GDP has been used to calculate Domestic Debt/GDP ratio. The fiscal data for Q1-FY12 is not available yet.

Sources: Central Directorate of National Savings (CDNS), SBP and Ministry of Finance (MoF) ^P: Provisional figures



External Debt

Stock of external debt decreased in Q1-FY12, which largely reflects SDR revaluation impact.

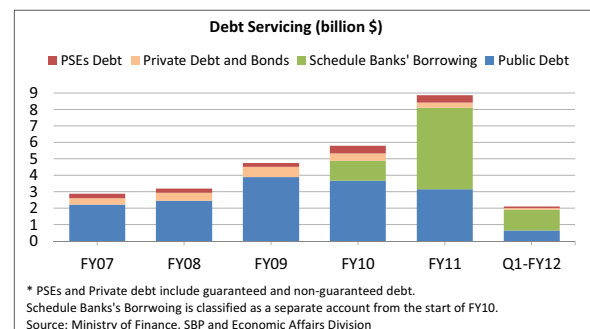
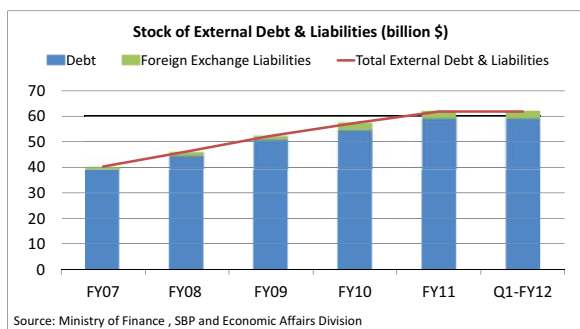
Debt & Liabilities - end period stocks (million \$)				Debt Servicing (million \$)		
Items	Jun-011 ^R	Sep-11	Change since Jun-11	Items	Jun-11 ¹	Sep-11
1. Public debt (a+b+c)	57,897	57,586	-311	1. Public debt (a+b+c)	3,153	647
a) Government Debt	46,375	46,372	-3	a) Government debt	2,574	540
i) Medium and long term (>1 yr)	45,767	45,805	38	Principal	1,817	414
Paris club	15,462	15,576	114	Interest	758	126
Multilateral	25,837	25,694	-143	b) To IMF	442	104
Other bilateral	1,925	2,092	167	Principal	268	55
Euro/Sukuk global bonds	1,550	1,550	0	Interest	174	49
Military debt	135	135	0	c) Foreign exchange liabilities	137	3
Commercial loans/credits	0	0	0	Principal	122	0
Local currency bonds (TBs & PIBs)	58	59	1	Interest	15	3
Saudi fund for development. (SFD)	200	200	0	2. PSEs guaranteed debt	158	9
SAFE China deposits	500	500	0	Principal	141	6
NBP/BOC deposits	100	0	-100	Interest	17	3
ii) Short term (<1 yr)	608	567	-41	3. PSEs non-guaranteed debt	290	76
IDB	608	567	-41	Principal	260	70
b) From IMF	8,940	8,670	-270	Interest	30	6
i) Federal government	1,997	1,949	-48	4. Scheduled banks' borrowing	4,937	1,256
ii) Central bank	6,943	6,721	-222	Principal	4,931	1,255
c) Foreign exchange liabilities (FEL)	2,582	2,544	-38	Interest	6	1
2. PSE guaranteed debt	84	186	102	5. Private guaranteed debt	0	0
3. PSE non-guaranteed debt	975	926	-49	6. Private non-guaranteed debt	311	112
4. Scheduled banks' borrowing	386	648	262	Principal	247	91
i) Medium and long term (>1 yr)	104	97	-7	Interest	64	21
ii) Short term (<1 year)	282	551	269	7. Private non-guaranteed bonds	5	0
5. Private guaranteed debt	0	0	0	Principal	0	0
6. Pvt. non-guaranteed debt (>1 yr)	2,379	2,365	-14	Interest	5	0
7. Private non-guaranteed bonds	124	124	0	Total external debt servicing		
Total external debt (excl. FEL)	59,263	59,291	28	(1+2+3+4+5+6+7)	8,854	2,099
Total external debt & liabilities				Principal	7,786	1,890
(1+2+3+4+5+6+7)	61,845	61,835	-10	Interest	1,068	209

¹Provisional

Debt stock as percent of GDP has declined, while debt servicing as percent of GDP has increased in FY11.

Indicators of External Debt Sustainability

	Debt Stock as % of						Debt Servicing as % of				
	FY07	FY08	FY09	FY10	FY11	Sep-11 ¹	FY07	FY08	FY09	FY10	FY11
GDP	28.1	30.8	33.5	33.0	29.4	27.6	2.0	2.1	3.0	3.3	4.3
Reserves	257.7	405.0	421.2	342.5	339.0	356.8	18.4	27.9	38.2	34.5	48.8
Exports	233.4	226.0	273.7	291.6	243.1	1008.4	16.6	15.6	24.8	29.4	35.0



R: Revised, Allocation of SDR added to FEL; ¹ Average of projected GDP at current market prices of FY12 and actual FY11 GDP has been used to calculate External Debt/GDP ratio for July 2011 to onward. End Period Total Liquid Reserves are used, whereas Exports during Jul-Sep-11 is used.

Sources: Economic Affairs Division and SBP



Total Debt

Increase in the total debt has mainly been driven by the growth of Domestic debt.

Total Debt Stock (billion Rs)

	Sep-11	Jun-11	Change since Jun-11	Share
Total Debt & Liabilities (I to VIII)	12,470.4	12,146.1	324.3	100.0
Total Public Debt (I to IV)	11,265.1	10,995.5	269.5	90.3
Total External Debt & Liabilities (II to VI)	5,410.7	5,318.0	92.7	43.4
Commodity Operations & PSEs Debt (VI to VIII)	930.8	902.1	28.7	7.5
<i>I. Government Domestic Debt</i>	6,226.2	6,017.0	209.1	49.9
<i>II. Government External Debt¹</i>	4,057.7	3,987.8	69.9	32.5
<i>III. Debt from IMF</i>	758.64	768.75	-10.1	6.1
<i>IV. External Liabilities</i>	222.6	222.0	0.6	1.8
<i>V. Private Sector External Debt</i>	274.5	248.4	26.1	2.2
<i>VI. PSEs External Debt</i>	97.3	91.1	6.2	0.8
<i>VII. PSEs Domestic Debt</i>	436.8	411.5	25.2	3.5
<i>VIII. Commodity Operations Debt²</i>	396.7	399.5	-2.8	3.2

Total Debt Servicing (billion Rs)

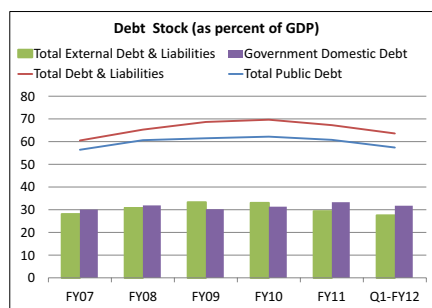
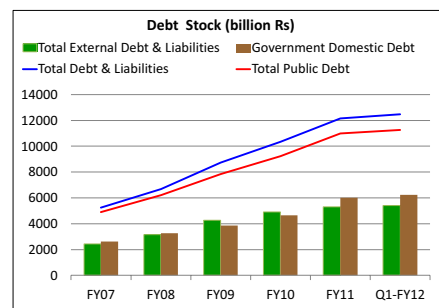
	Sep-11	FY11	Share
Total Debt Servicing	363.7	1472.3	100.0
Total Interest Payment	199.6	806.3	54.9
<i>Domestic Debt</i>	165.3	649.9	45.5
<i>External Debt</i>	17.9	90.2	4.9
<i>External Liabilities³</i>	0.3	1.3	0.1
<i>Domestic Liabilities</i>	16.1	65.0	4.4
Principal Repayment of External Debt & Liabilities	164.1	666.0	45.1

Debt stock (as percent of GDP)

	FY09	FY10	FY11	Sep-11 ⁴
Total Debt & Liabilities	68.7	69.7	67.2	63.6
Total Public Debt	61.6	62.2	60.9	57.4
Total External Debt & Liabilities	33.5	33.0	29.4	27.6
Government Domestic Debt	30.3	31.4	33.3	31.7
PSEs Debt & Liabilities	5.6	6	5.0	4.7

Debt servicing (as a percent of)

	FY09	FY10	FY11	Sep-11 ⁵
Tax revenue	80.5	73.5	78.3	-
Total revenue	52.4	52.1	59.3	-
Total expenditure	38.3	36.0	44.7	-
Current expenditure	47.5	45.4	50.6	-
GDP	7.6	7.3	8.2	1.9



Note: ¹ Rupee value of external debt computed by applying the corresponding end period average exchange rate to the end-period stock; ² This includes borrowings from banks by provincial governments and PSEs for commodity operations; ³ Rupee value of external liabilities computed by applying the corresponding period average exchange rate; ⁴ Average of projected GDP at current market prices of FY12 and actual FY11 GDP has been used to calculate Debt/GDP ratio for July 2011 to onward. Actual GDP of FY12 will be used when it becomes available in June 2012; ⁵ The data of Q1-FY12 of Fiscal is not available yet.

Source: CDNS, Ministry of Finance, Economic Affairs Division and SBP

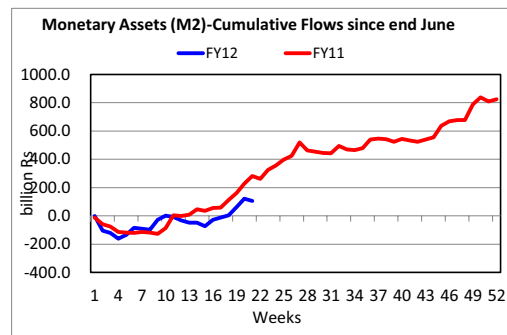


Monetary and Credit Aggregates

Deceleration in broad money (M2) growth is largely contributed by contraction in NFA of the banking system.

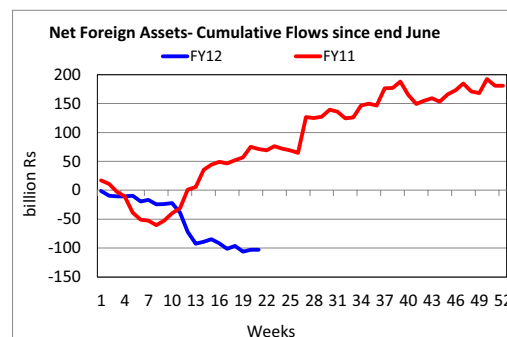
Monetary Assets of the Banking System

	End June 2011 Stocks	Cumulative Flows since end June		FY11		
		Latest week	A year ago			
					June	
					18-Nov-11	19-Nov-10
NFA	780.4	-103.1	71.2	235.1		
NDA	5914.8	208.0	210.4	682.9		
Government borrowings: of wh.	3020.5	632.6	321.1	579.6		
Budgetary borrowing	2601.6	707.8	344.9	590.2		
Commodity operations	397.5	-74.2	-25.2	-15.7		
Non-govt. sect. borrowings: of wh.	3546.8	-230.9	9.2	158.0		
Private sector	3141.2	-9.0	34.3	121.3		
PSEs	387.6	-222.2	-25.9	36.3		
Other items (net)	-652.6	-193.7	-119.9	-54.8		
M2	6695.2	104.9	281.6	918.0		



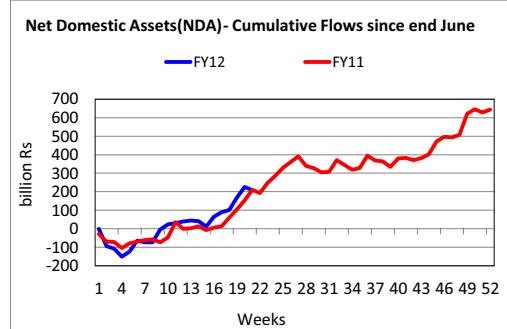
Monetary Liabilities of the Banking System

Currency in circulation	1501.4	181.0	268.8	206.0
Total deposits with banks	5183.6	-74.9	11.4	708.5
Demand deposits with banks	4123.5	-148.3	-49.5	529.5
Time deposits with banks	685.2	71.4	48.1	149.5
RFCDs with banks	374.9	1.9	12.8	29.5
M2	6695.2	104.9	281.6	918.0



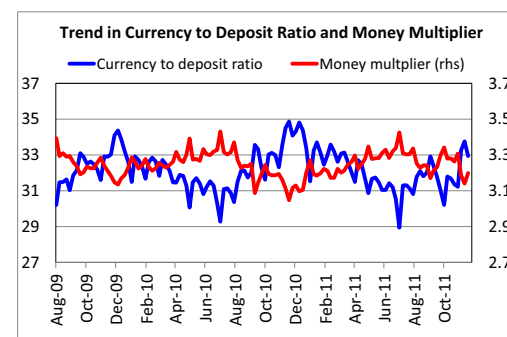
Percent Growth in Monetary Assets of the Banking System

	YoY (18-Nov-11)	Since end June		FY11
		18-Nov-11	19-Nov-10	
NFA	9.8	-13.2	13.1	43.1
NDA	12.5	3.5	4.0	13.1
Government borrowings	32.3	20.9	13.2	23.7
Budgetary borrowing	40.6	27.2	17.0	29.3
Commodity operations	-16.7	-18.7	-6.1	-3.8
Non-government sector borrowings	-2.4	-6.5	0.3	4.7
Private sector	2.6	-0.3	1.1	4.0
PSEs	-49.2	-57.3	-7.4	10.3
Other items (Net)	18.2	29.7	19.8	9.2
M2	12.2	1.6	4.9	15.9



Memorandum Items

	(billion Rs)		
	Latest week	A year ago	FY11
Money multiplier	3.2	3.0	3.4
Currency to deposit ratio	32.9	34.9	29.0
M2 to GDP ratio	32.4	33.5	37.1
Private sector credit to GDP ratio	14.9	16.9	17.4



*All FY11 numbers are provisional; Source: Statistics & Data Warehouse Department (S&DWD), SBP

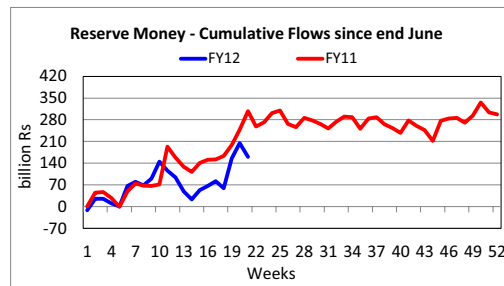


Growth in reserve money has decelerated considerably, largely due to lower government borrowings from SBP and significant contraction in SBP's NFA.

Monetary Assets of SBP

(billion Rs)

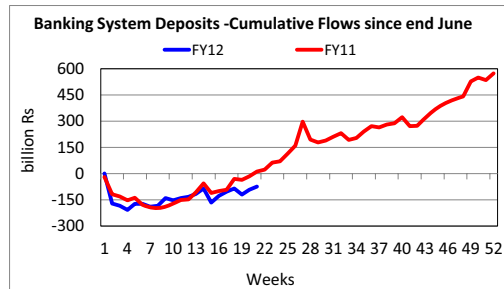
	End June 2011 Stocks	Cumulative Flows		FY11 (Provisional)
		Latest week	A year ago	
		18-Nov-11	19-Nov-10	
NFA	614.1	-115.0	29.0	235.4
NDA: of which	1351.7	275.0	279.2	51.1
Budgetary borrowing	1200.7	61.6	265.5	-8.0
Other items (net)	-179.7	229.5	3.2	51.3
Net Impact of OMOs/Discounting	63.7	254.0	17.4	55.9
Reserve money	1965.8	160.0	308.2	286.6



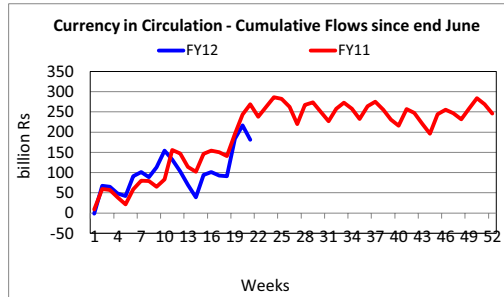
Monetary Liabilities of SBP

(billion Rs)

	End June 2011 Stocks	Cumulative Flows		FY11
		Latest week	A year ago	
		18-Nov-11	19-Nov-10	
Currency in circulation	1501.4	181.0	268.8	206.0
Cash in tills	104.9	3.6	7.2	17.2
Bank deposits with SBP (reserves)	349.4	-23.5	30.8	59.9
Other deposits with SBP	10.1	-1.1	1.4	3.5



	YoY	Percent growth		FY11
	(18-Nov-11)	18-Nov-11	19-Nov-10	
NFA of the SBP	22.4	-18.7	7.7	62.2
NDA of the SBP: of which	3.0	20.3	21.5	3.9
Budgetary borrowing	-14.4	5.1	22.0	-0.7
Other items (net)	-121.7	-127.5	-1.4	-22.2
Reserve money	7.0	8.1	18.4	17.1

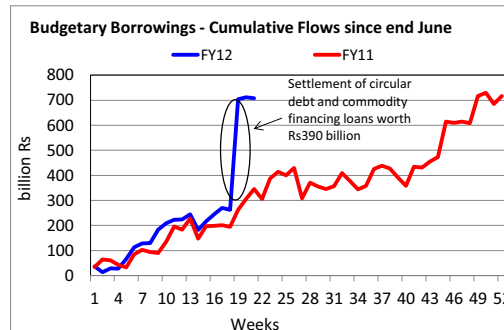


Jump in government's budgetary borrowings from scheduled banks reflects the impact of converting TFCs worth Rs391 billion, previously issued to resolve the circular debt, into T-bills and PIBs.

Details on Government Borrowing for Budgetary Support

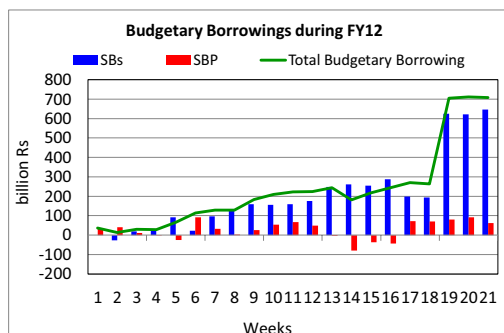
(billion Rs)

	End June 2011 Stocks	Cumulative Flows		FY11
		Latest week	A year ago	
		18-Nov-11	19-Nov-10	
Budgetary Borrowing	2601.6	707.8	344.9	590.2
Federal government	2903.5	640.3	355.3	714.8
From SBP	1239.8	17.5	281.7	98.0
SBP's Holdings of MRTBs	1317.5	-66.2	254.8	192.6
From SBs	1663.7	622.8	73.6	616.7
Provincial governments	-301.9	67.5	-10.5	-124.6
From SBP ¹	-39.1	44.1	-16.2	-106.0
From SBs ²	-262.8	23.3	5.7	-18.6



Memorandum Items

Cash basis	2523.3	716.7	341.9	588.7
SBP	1154.5	85.8	266.6	-16.9
SBs	1368.8	630.9	75.3	605.7



¹ Current overdraft ceilings for provinces are: Rs37 billion for Punjab; Rs15 billion for Sindh; Rs10.1 billion for KPK; Rs7.1 billion for Baluchistan, Rs2.7 billion for A.J.K.

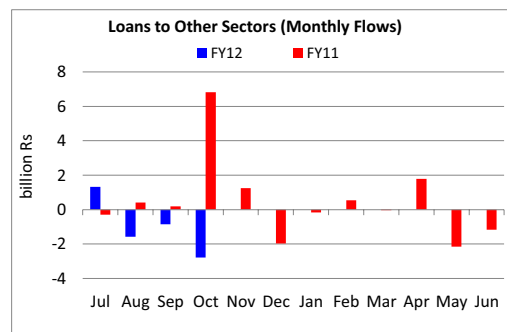
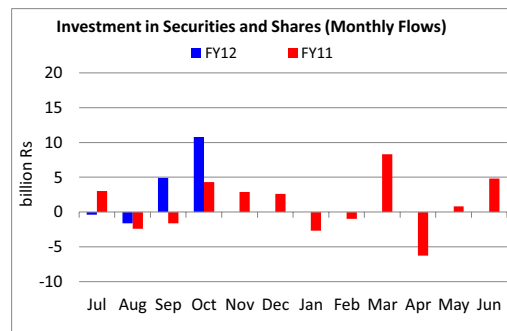
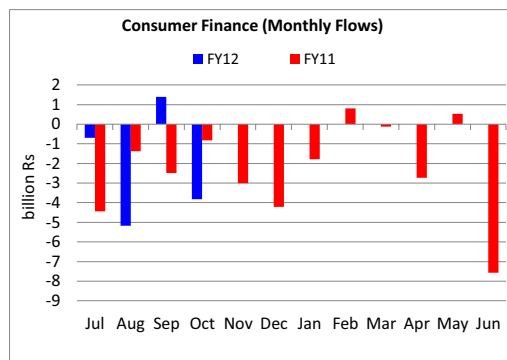
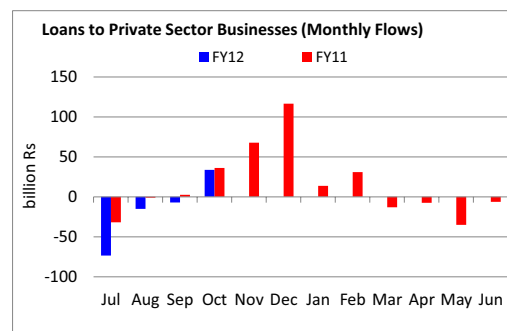
² The end-June 2010 net stock of borrowings was negative as provincial governments' deposits with scheduled banks exceeded their borrowings.



Private sector credit has started to pick up following the seasonal pattern; however, initial figures do not spell out much confidence regarding revival in economic activity.

Credit to Private Sector

	End June 2011 Stocks	Flows during Jul-Oct (billion Rs)		
		Jul-Oct FY12	Jul-Oct FY11	FY11
Total credit to private sector	3141.2	-37.2	3.1	121.3
1. Loans to private sector businesses	2431.8	-61.5	5.7	173.2
By type				
Working capital: of which	1582.2	-29.6	21.8	163.5
Export finance	266.8	-8.2	10.0	27.0
Import finance	134.7	-15.0	11.7	29.7
Fixed investment	849.6	-31.9	-16.0	9.7
By Sectors: of which				
Agriculture	180.5	↑ 7.4	↑ 4.4	↑ 11.0
Manufacturing: of which	1385.4	↓ -67.9	↓ -6.8	↑ 121.9
Textiles	514.7	↓ -21.2	↑ 25.0	↑ 44.5
Food products & beverages	275.3	↓ -65.4	↓ -44.7	↑ 61.0
Chemicals & products	158.1	↓ -5.6	↑ 0.5	↑ 1.3
Non-metallic mineral products	94.8	↑ 0.1	↑ 2.9	↓ -7.9
Wearing apparel, readymade gar	50.0	↓ -2.3	↑ 1.9	↑ 1.8
Electricity, gas and water	269.4	↑ 12.6	↑ 5.3	↑ 53.9
Construction	67.7	↓ -3.4	↑ 2.8	↑ 0.6
Commerce and trade	213.7	↓ -3.7	↑ 7.2	↓ -16.0
Transport, storage and comm.	106.2	↓ -6.6	↓ -1.0	↑ 1.1
Services: of which	153.9	↓ -0.5	↓ -4.8	↓ -7.3
Real estate/renting & business ac	111.0	↑ 1.0	↓ -0.9	↓ -2.2
2. Personal: of which	294.0	↓ -0.3	↓ -8.9	↓ -27.5
Consumer financing	217.6	↓ -8.3	↓ -9.1	↓ -27.2
3. Investment in securities and shares	158.0	↑ 13.7	↑ 3.4	↑ 13.0
4. Others	257.4	↑ 10.9	↑ 2.9	↓ -37.4

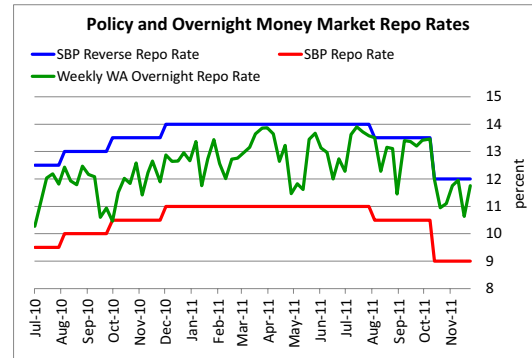




Money Market

SBP decreased the policy rate by 150 bps in the last monetary policy review as increased probability of meeting the FY12 inflation target created some room to support private sector activity.

Policy Instruments (%)					
	Current	w.e.f	Previous	w.e.f	Change ¹
SBP reverse repo rate	12.0	10-Oct-11	13.5	1-Aug-11	↓ -150
SBP repo rate	9.0	10-Oct-11	10.5	1-Aug-10	↓ -150
CRR on DL and TL < 1 year	5.0	1-Nov-08	6.0	18-Oct-08	↓ -100
CRR on TL > 1 year	0.0	4-Aug-07	3.0	19-Jan-07	↓ -300
SLR on DL and TL < 1 year	19.0	24-May-08	18.0	22-Jul-06	↑ 100
Islamic banks	19.0	3-Jun-11	14.0	1-Apr-11	↑ 500
SLR on TL > 1 year	0.0	18-Oct-08	19.0	24-May-08	↓ -1900
Islamic banks	0.0	18-Oct-08	9.0	24-May-08	↓ -900



¹ Basis points DL: Demand Liabilities; TL: Time Liabilities

Banks' holding of excess cash reserves with SBP was lower for the week ending on 17th November 2011 compared to last month.

	Weekly Cash Reserve Requirements ¹ (billion Rs)			
	Week Ended		Change since	
	Current	Last month	13-Oct-11	6-Oct-11 ²
	17-Nov-11	13-Oct-11		
Cash Required	213.0	210.9	↑ 2.1	↓ -2.9
Cash Maintained	220.9	219.7	↑ 1.2	↓ -4.1
Excess Cash Reserves (per day)	7.9	8.8	↓ -0.9	↓ -1.2

¹ Weekly CRR is the proportion of total time and demand liabilities that schedule banks are required to maintain with SBP in the form of cash on average during the week (Friday to Thursday). The data is reported by Off-site Supervision and Enforcement Department with a lag of about 1-2 weeks.

² As on Friday preceding the monetary policy decision of a change in policy rate.

	Weighted Average O/N Money Market Repo Rate (%)				
	01 Jul 2011 - 24 Nov 2011				
	Q1	Q2	Q3	Q4	YTD
WA O/N Repo Rate ¹	13.31	11.89	-	-	12.69
Standard Deviation	0.48	0.87	-	-	0.99
CoV ²	0.04	0.07	-	-	0.08

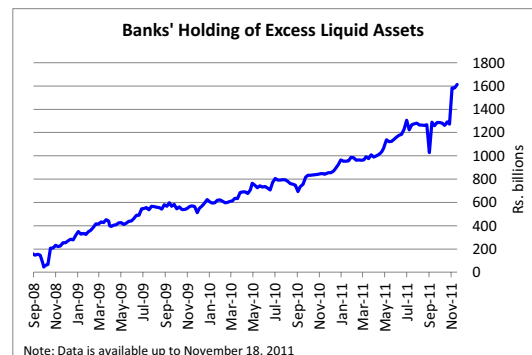
	01 Jul 2010 - 30 June 2011				
	Q1	Q2	Q3	Q4	FY11
WA O/N Repo Rate ¹	11.68	12.1	13.01	12.67	12.34
Standard Deviation	0.61	0.61	0.63	0.76	0.8
CoV ²	0.05	0.05	0.05	0.06	0.07

¹ Weekly Weighted Average O/N Repo Rate

² Coefficient of Variation

Banks' holding of excess liquid assets jumped by around Rs400 in November after government's borrowing through TFCs meant for resolution of energy-related circular debt was converted into 12-month T-bills and 5-year PIBs.

Overall Reserve Requirement (billion Rs)					
As of	Current	Last Month	Change since		
	18-Nov-11	21-Oct-11	21-Oct-11	4-Oct-08	
Required Reserves	1022.4	1018.4	↑ 4.1	↑ 59.9	
Cash ¹	213.0	212.2	↑ 0.8	↓ -63.1	
Securities ²	809.4	806.2	↑ 3.2	↑ 123.0	
Maintained	2635.2	2309.1	↑ 326.1	↑ 1616.4	
Cash	363.7	362.0	↑ 1.7	↓ -25.1	
Cash in Tills	126.0	114.7	↑ 11.3	↑ 37.9	
Balance with SBP	212.5	229.2	↓ -16.6	↓ -76.1	
Balance with NBP	25.2	18.2	↑ 7.0	↑ 13.1	
Securities	2231.5	1907.1	↑ 324.4	↑ 1618.3	
Others ³	40.0	40.0	↑ 0.0	↑ 23.2	
Excess of Liquid Assets⁴	1612.7	1290.7	↑ 322.0	↑ 1556.4	



Note: Data is available up to November 18, 2011

³ Includes Section 13(3) deposits and share capital of MFBS.

⁴ Includes excess securities + cash and other assets maintained.

Source: Off-site Supervision and Enforcement Department, SBP

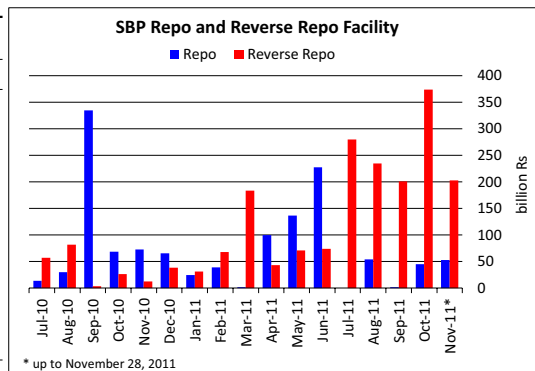
¹ Required under weekly average CRR

² Required under SLR



Banks' use of SBP reverse repo facility decreased in November 2011 relative to previous couple of months.

	SBP Reverse Repo		SBP Repo	
	Amount	Days	Amount	Days
	billion Rs	No.	billion Rs	No.
FY11	691.3	53	1,138.8	83
Q1	142.2	13	402.3	21
Q2	77.1	10	207.2	26
Q3	283.0	16	65.4	11
Q4	189.1	14	463.9	25
FY12	1,292.8	62	154.1	13
Q1	716.0	41	56.3	7
Oct	373.8	12	45.2	3
Nov*	203.1	9	52.6	3

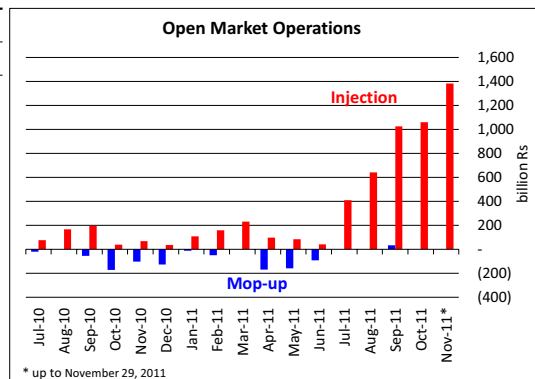


* Updated up to November 29, 2011

Source: Domestic Markets & Monetary Management Department, SBP

However, net OMO injections by the SBP remained sizeable in November 2011.

	Open Market Operations (billion rupees)			Outstanding OMOs	
	Mop-up	Injection	Net Mop-up*	Amount	Maturity
	FY11	961.3	1,252.8	(291.5)	-
Q1	74.9	436.2	(361.3)	-	-
Q2	402.6	138.5	264.1	-	-
Q3	62.7	457.1	(394.4)	-	-
Q4	421.2	221.0	200.2	-	-
FY12	32.4	4,514.1	(4,481.7)	-	-
Q1	32.4	2,074.0	(2,041.6)	-	-
Oct	-	1,058.7	(1,058.7)	-	-
04-Nov	-	338.7	(338.7)	-	-
11-Nov	-	360.0	(360.0)	-	-
18-Nov	-	342.8	(342.8)	-	-
25-Nov	-	340.0	(340.0)	(340.0)	02-Dec

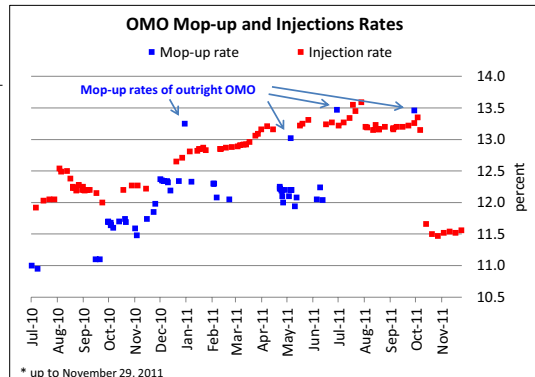


Source: Domestic Markets & Monetary Management Department, SBP

* Updated up to November 29, 2011

*Note: (-) amount means net injection

(+) amount means net mop-up





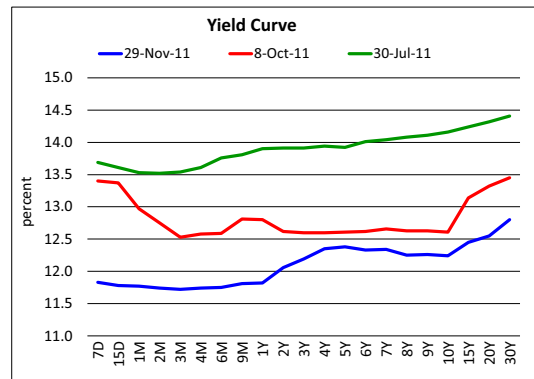
Market interest rates of different tenors adjusted quickly to decrease in the policy rate.

Pak Rupee Revaluation (PKRV) Rates¹ (%)

Tenors	Current	last month	Change since last policy rate change*	
	29-Nov-11	28-Oct-11		08-Oct-11
1-week	11.83	11.59	↓	-144
2-week	11.78	11.67	↓	-134
1-month	11.77	11.72	↓	-104
3-month	11.72	11.73	↓	-78
6-month	11.75	11.75	↓	-81
9-month	11.81	11.77	↓	-77
1-year	11.82	11.79	↓	-75
2-year	12.06	12.01	↓	-53
3-year	12.19	12.03	↓	-36
5-year	12.38	12.08	↓	-16
7-year	12.34	12.12	↓	-28
10-year	12.24	12.08	↓	-29
20-year	12.55	12.54	↓	-73
30-year	12.80	12.79	↓	-63

Source: Financial Market Association of Pakistan

* In basis points



¹ It is secondary market yield-to-maturity used by banks to revalue their holding of securities (i.e. mark to market).

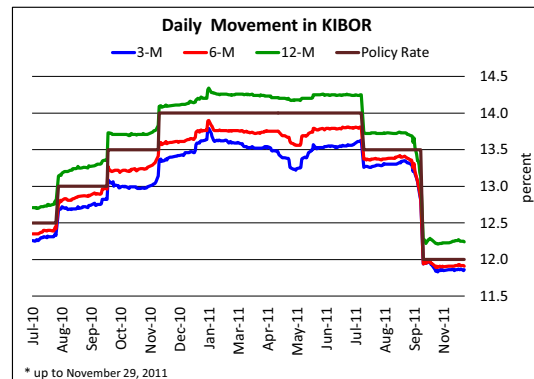
KIBOR of all tenors has decreased by 102 bps on average since the cut in policy rate announced on 8th October 2011.

Tenor-wise KIBOR (%)

Tenors	Current	last month	Change since last policy rate change*	
	29-Nov-11	28-Oct-11		08-Oct-11
1-week	12.02	11.77	↓	-132
2-week	12.03	11.85	↓	-120
1-month	12.02	11.92	↓	-107
3-month	11.86	11.83	↓	-95
6-month	11.91	11.89	↓	-91
9-month	12.20	12.19	↓	-93
12-month	12.24	12.21	↓	-89
2-year	12.30	12.29	↓	-95
3-year	12.38	12.36	↓	-92

Source: SBP and Financial Market Association of Pakistan

* In basis points



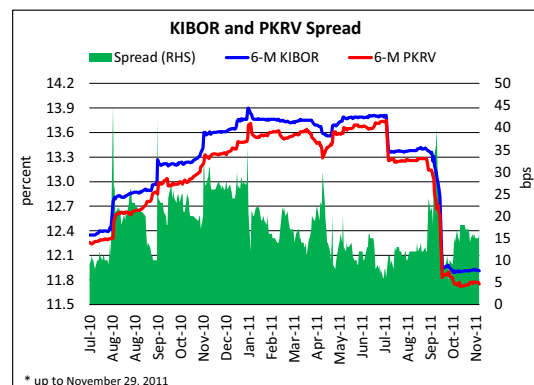
* up to November 29, 2011

The spread between 6-month KIBOR and 6-month PKRV rates has increased during November 2011.

KIBOR and PKRV Spread (basis points)

Tenors	Current	last month	Change since last policy rate change	
	29-Nov-11	28-Oct-11		08-Oct-11
1-week	19	18	↑	12
2-week	25	18	↑	14
1-month	25	20	↓	-3
3-month	14	10	↓	-17
6-month	16	14	↓	-10
9-month	39	42	↓	-16
12-month	42	42	↓	-14
2-year	24	28	↓	-42
3-year	19	33	↓	-56

Sources: SBP

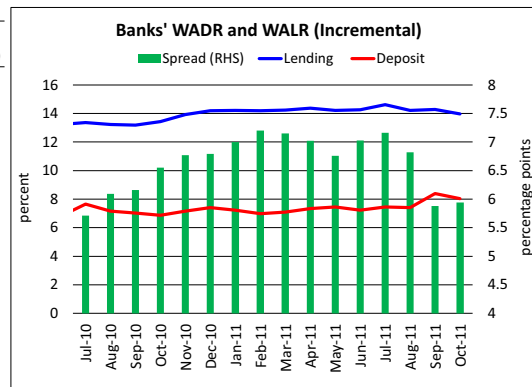


* up to November 29, 2011



The spread between lending and deposit rates narrowed considerably in September and October 2011 mainly due to slight increase in WADR.

Months	Weighted average Lending and Deposit Rates (percent per annum)					
	Incremental ¹			Outstanding		
	WALR	WADR	Spread (bps)	WALR	WADR	Spread (bps)
Oct-10	13.43	6.88	655	13.32	5.83	749
Nov-10	13.92	7.15	677	13.42	5.88	754
Dec-10	14.20	7.41	679	13.52	5.91	761
Jan-11	14.22	7.22	700	13.62	6.02	760
Feb-11	14.19	6.99	720	13.55	6.04	751
Mar-11	14.24	7.09	715	13.55	5.97	758
Apr-11	14.37	7.35	702	13.55	6.03	752
May-11	14.21	7.45	676	13.65	6.00	765
Jun-11	14.25	7.22	703	13.78	5.92	786
Jul-11	14.62	7.46	716	13.76	5.88	788
Aug-11	14.22	7.40	682	13.65	6.06	759
Sep-11	14.28	8.40	588	13.81	6.18	763
Oct-11	13.97	8.03	594	13.68	6.01	767



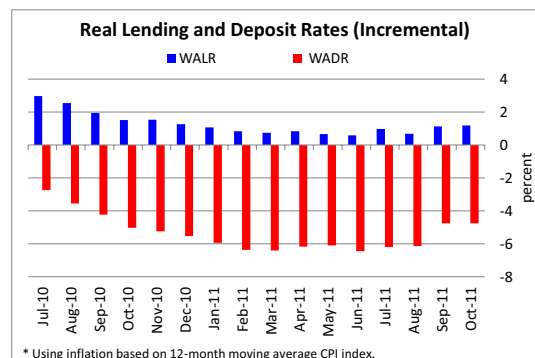
Source: Statistics & Data Warehouse Department, SBP

¹ Weighted average rates on incremental (fresh) loans and deposits during a month.

Both the real deposit and lending rates in October 2011 remained close to their respective levels in previous month.

Months	Real (based on 12-month MA inflation) ¹		Real (based on YoY inflation) ²	
	WALR	WADR	WALR	WADR
Oct-10	1.52	-5.03	-1.90	-8.45
Nov-10	1.53	-5.24	-1.04	-7.81
Dec-10	1.26	-5.53	-1.25	-8.04
Jan-11	1.07	-5.93	0.31	-6.69
Feb-11	0.83	-6.37	1.34	-5.86
Mar-11	0.74	-6.41	1.22	-5.93
Apr-11	0.84	-6.18	1.83	-5.19
May-11	0.67	-6.09	1.56	-5.20
Jun-11	0.59	-6.44	0.94	-6.09
Jul-11	0.97	-6.19	2.19	-4.97
Aug-11	0.69	-6.13	2.66	-4.16
Sep-11	1.13	-4.75	3.82	-2.06
Oct-11	1.18	-4.76	3.00	-2.94

Sources: Statistics & Data Warehouse Department, SBP & Federal Bureau of Statistics



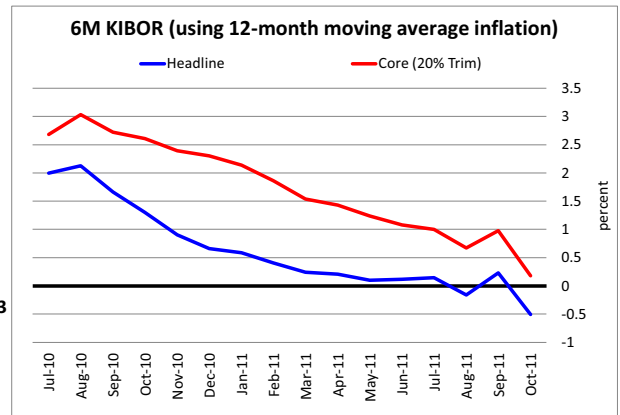
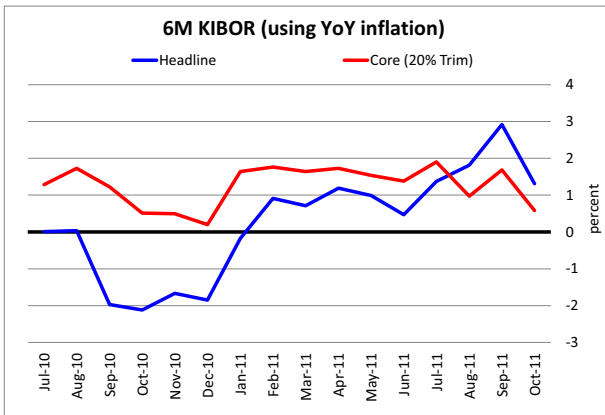
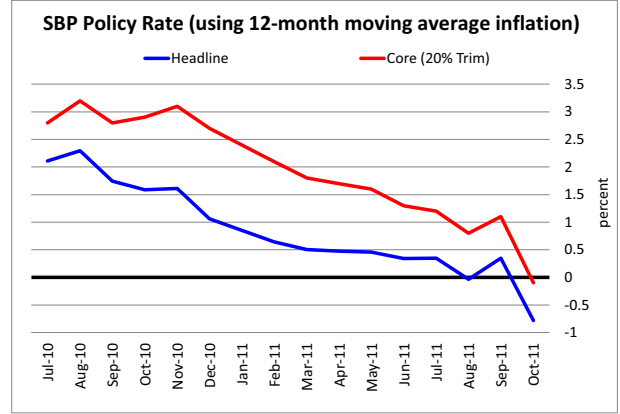
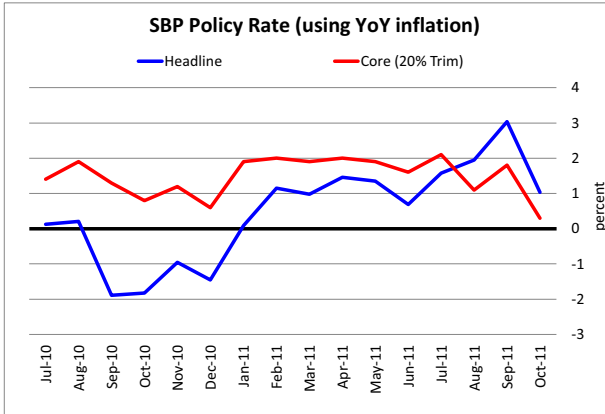
* Using inflation based on 12-month moving average CPI index.

¹ Nominal rate less CPI inflation (12-month moving average).

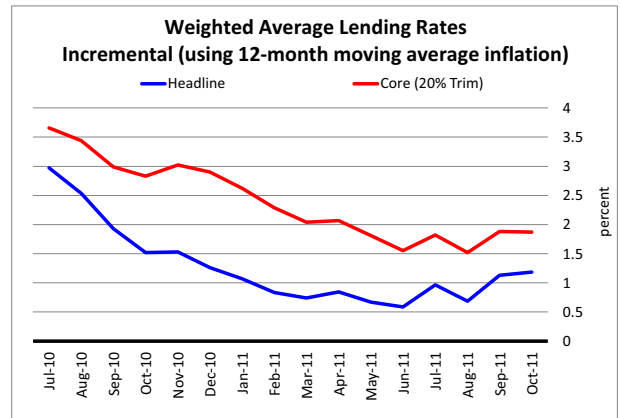
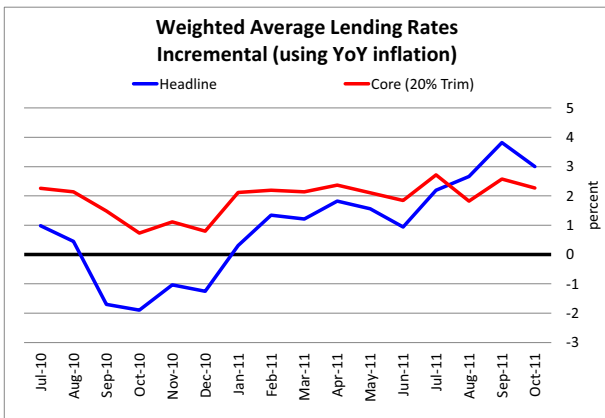
² Nominal rate less CPI inflation (year on year).



Real Interest Rates



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Sources: FBS and Statistics & Data Warehouse Department, SBP



Government's rollover risks has declined due to improved maturity profile of MTBs, i.e. from shorter to longer tenor T-bills, in the past few auctions.

Amounts in billion Rs (Realized value) ; rates in percent

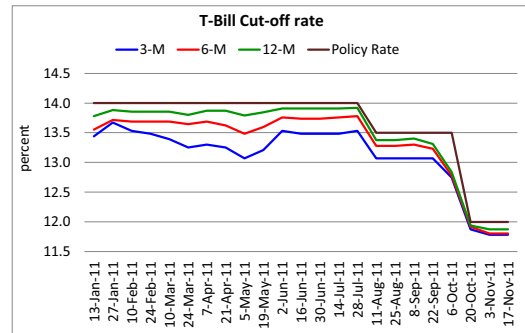
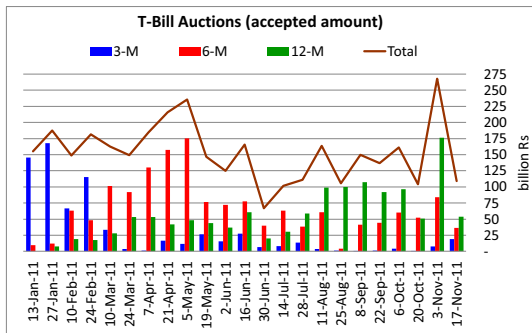
FY/Q/ Settlement Date	TOTAL				3-Month			6-Month			12-Month			Non- competitive bids (Accepted)#
	Target	Maturity	Offered	Accepted	Offered	Accepted	Cut-off*	Offered	Accepted	Cut-off*	Offered	Accepted	Cut-off*	
FY10	1,360.0	1,106.5	2,875.1	1,376.0	523.2	199.9	-	797.3	362.4	-	1,554.5	813.7	-	65.9
Q1	325.0	180.8	700.3	329.0	56.5	27.3	12.49	147.8	47.7	12.60	496.0	254.0	12.54	4.2
Q2	145.0	75.1	462.9	141.1	101.4	33.1	12.06	133.1	43.4	12.10	228.4	64.6	12.09	5.7
Q3	430.0	401.7	701.1	415.8	160.6	53.7	12.20	215.1	122.1	12.35	325.4	240.0	12.41	16.6
Q4	460.0	448.9	1,010.8	490.1	204.8	85.8	12.10	301.3	149.2	12.30	504.7	255.1	12.42	39.4
FY11	3,350.0	3,285.6	5,291.9	3,336.6	2,520.1	1,385.4	-	1,995.4	1,446.8	-	776.4	504.4	-	349.5
Q1	535.0	532.0	840.9	542.9	492.0	349.5	12.75	226.0	148.2	12.85	122.9	45.3	12.79	43.9
Q2	685.0	704.0	1,262.1	711.0	811.1	440.0	13.25	380.2	242.2	13.46	70.9	28.8	13.78	66.5
Q3	980.0	883.8	1,512.5	942.2	942.7	490.2	13.25	385.2	326.9	13.64	184.6	125.1	13.80	100.2
Q4	1,150.0	1,165.8	1,676.3	1,140.5	274.3	105.8	13.49	1,004.0	729.5	13.74	398.0	305.2	13.91	138.9
FY12	1,510.0	1,279.7	2,345.3	1,411.6	145.4	60.5	-	771.4	485.8	-	1,428.6	865.2	-	162.1
Q1	750.0	594.7	1,090.9	769.2	82.5	29.0	13.07	336.1	252.5	13.23	672.3	487.7	13.31	81.3
Oct	435.0	373.3	648.4	265.1	23.8	4.9	11.87	213.7	112.5	11.92	410.9	147.7	11.94	38.4
3-Nov	215.0	214.6	421.1	267.9	16.0	7.5	11.78	155.9	84.1	11.81	249.2	176.3	11.88	25.1
17-Nov	110.0	97.1	184.9	109.4	23.1	19.1	11.78	65.6	36.6	11.81	96.2	53.6	11.88	17.4

Source: Domestic Markets & Monetary Management Department, SBP

These amounts are raised from non-bank institutions and/or individuals at auctions weighted average rate.

R: Bids rejected; N: No bids received

*Quarterly rate are for end-period.



Like previous several auctions, activities remained skewed towards 3 and 10 year tenor bonds in the last PIB auction.

Yields in % and Face Value in billion Rs #

Settlement Date	Target	3-Year	5-Year	7-Year	10-Year	15-Year	20-Year	30-Year	Total
24-Nov-11	Cut-off rate	-	12.22	-	-	12.32	-	-	-
Offered	-	9.10	3.02	0.20	7.35	-	-	-	19.67
Accepted	15.00	4.90	R	R	4.95	-	-	-	9.85
13-Oct-11	Cut-off rate	-	12.16	12.19	-	12.24	-	-	-
Offered	-	9.33	2.90	0.25	11.98	-	-	-	24.46
Accepted	15.00	4.94	2.45	R	10.13	-	-	-	17.52
15-Sep-11	Cut-off rate	-	13.22	13.24	-	13.25	-	-	-
Offered	-	9.28	8.38	0.20	20.04	-	-	-	37.89
Accepted	20.00	6.60	6.68	R	12.84	-	-	-	26.12
18-Aug-11	Cut-off rate	-	13.48	13.50	-	13.51	13.50	-	-
Offered	-	11.25	12.57	0.30	40.41	2.39	0.15	0.15	67.22
Accepted	30.00	9.98	10.69	R	18.31	2.24	R	R	41.21

*N=No bids; R=Bids rejected

Excluding non-competitive bids and short-selling accommodation

Source: Domestic Markets & Monetary Management Department, SBP

Government accepted a total of Rs45.8 billion in the last Ijara Sukuk auction held on 9th May 2011.

In resolving the circular debt, government converted the maturing TFCs into 5-year PIBs and 12-month T-bills

Auction Date #	Settlement Date	Target	Total Offered	Total Accepted	Cut-off Margin*
9-May-11	16-May-11	45.00	51.25	45.80	0.00
1-Mar-11	7-Mar-11	45.00	56.84	47.54	0.00
13-Dec-10	20-Dec-10	40.00	57.75	37.17	0.00
8-Nov-10	15-Nov-10	40.00	64.71	51.84	0.00

* This cut-off margin is applicable to all accepted bids. The benchmark is 06-Month MTB Auction Weighted Average Yield.

The Tenor for Sukuk Auction is fixed for 3 years with a bi-annual coupon payment

Instrument	Maturity	Yield	Face Value	Realized Value
PIB (Reopening of 18-Aug-2011)	5-Year	12.6245	198.40	195.35
MTB (Reopening of 03-Nov-2011)	1-Year	11.8470	218.37	195.35
			416.77	390.70



Foreign Exchange Market

PKR has weakened against USD in November 2011 as demand for dollars increased with the widening of current account deficit and outflows from financial account.

	PKR against International Currencies			% App/(Dpp) of PKR
	Latest	Last MPS	Jun-11	Cumulative since Jun-11
	29 Nov 11	08 Oct 11		
USD	88.24	87.43	85.97	(2.57)
Euro	117.91	117.05	124.54	5.63
Sterling	137.53	135.96	137.35	(0.14)
JPY	1.13	1.14	1.07	(5.66)
USD Kerb	88.20	88.75	86.03	(2.47)
Premium (Rs)	-0.04	1.32	0.06	-
Daily NEER*	50.35	50.63	49.75	1.21

* Nominal Effective Exchange Rate

Source: SBP

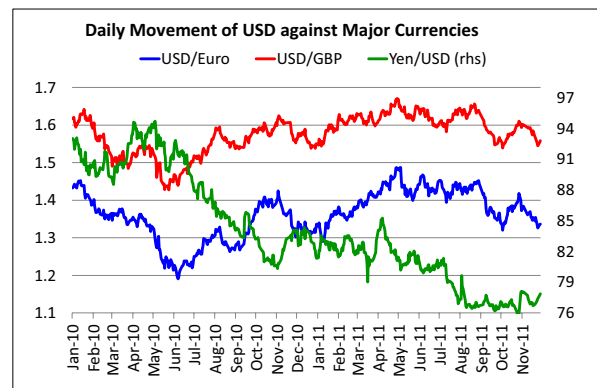
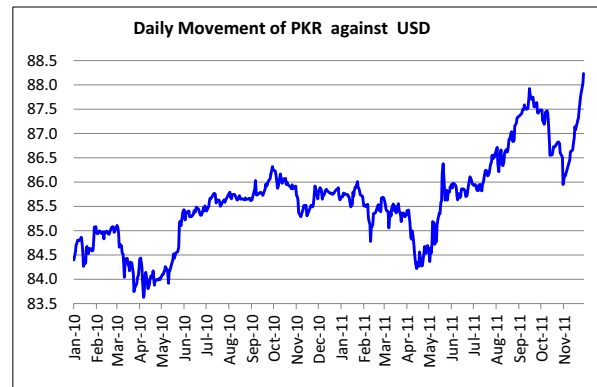
	International Exchange Rates			% App/(Dpp) of USD
	Latest	Last MPS	Jun-11	Cumulative since Jun-11
	29 Nov 11	08 Oct 11		
EUR/USD	1.34	1.34	1.45	8.42
GBP/USD	1.56	1.55	1.60	2.50
USD/JPY	77.85	76.88	80.40	(3.17)
USD/INR	52.05	49.04	44.69	16.48
USD/CNY	6.38	6.37	6.46	(1.34)
USD/THB	31.28	30.98	30.76	1.69
USD/MYR	3.18	3.16	3.02	5.37
USD/SGD	1.30	1.30	1.23	5.65

Source: SBP

USD/PKR Interbank Exchange Rate Trends on Fiscal Year Basis

	High	Low	Close	Average	Volatility C/C ¹
FY10	85.58	81.40	85.51	83.89	3.02
FY11	86.50	83.93	85.97	85.56	2.40
FY12*	88.38	85.79	88.24	86.86	2.13

¹ Reuters: Average Close-to-Close Daily Volatility (in %)
*Updated up to 29th November 2011



USD/PKR Interbank Exchange Rate Trends on Quarterly Basis

	High	Low	Close	Average	Volatility C/C ¹
Q1-FY10	83.52	81.40	83.15	82.69	3.37
Q2-FY10	84.55	83.10	84.24	83.66	1.97
Q3-FY10	85.18	83.65	84.09	84.67	2.98
Q4-FY10	85.58	83.50	85.51	84.60	3.78
Q1-FY11	86.35	85.40	86.32	85.73	1.53
Q2-FY11	86.34	85.13	85.64	85.79	1.93
Q3-FY11	86.08	84.75	85.36	85.52	2.41
Q4-FY11	86.50	83.93	85.97	85.29	3.45
Q1-FY12	87.94	85.79	87.48	86.78	1.86
Q2-FY12*	88.38	85.89	88.24	86.99	2.60

¹ Reuters: Average Close-to-Close Daily Volatility (in %)
*Updated up to 29th November 2011



In real terms, PKR has appreciated since end-June 2011 mainly due to higher domestic inflation vis-à-vis in our trading partner and competitive countries.

Changes in Real Effective Exchange Rate (REER)
Base Year: CY2000

	REER Index	App(+)/Dep(-)												
		2009				2010				2011				
		Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Oct ^P	
2009	Mar	97.56	-	-4.02	-4.96	-5.68	-0.77	3.93	5.32	5.33	3.62	3.17	6.20	9.05
	Jun	93.63	-	-	-0.98	-1.72	3.39	8.29	9.74	9.75	7.96	7.49	10.66	13.63
	Sep	92.72	-	-	-	-0.75	4.41	9.36	10.82	10.83	9.03	8.55	11.75	14.75
	Dec	92.02	-	-	-	-	5.21	10.19	11.66	11.67	9.85	9.38	12.60	15.62
2010	Mar	96.81	-	-	-	-	-	4.74	6.14	6.14	4.42	3.96	7.02	9.90
	Jun	101.40	-	-	-	-	-	-	1.34	1.34	-0.30	-0.74	2.18	4.93
	Sep	102.75	-	-	-	-	-	-	-	0.01	-1.62	-2.05	0.83	3.54
	Dec	102.76	-	-	-	-	-	-	-	-	-1.63	-2.06	0.83	3.53
2011	Mar	101.09	-	-	-	-	-	-	-	-	-	-0.44	2.50	5.25
	Jun	100.65	-	-	-	-	-	-	-	-	-	-	2.94	5.71
	Sep	103.61	-	-	-	-	-	-	-	-	-	-	-	2.68
	Oct ^P	106.39	-	-	-	-	-	-	-	-	-	-	-	-

^P Provisional

Changes in Exchange Rate (Rs/USD)

Weighted Average (Mid Rates) End Period

	WA Exchange Rate	App(+)/Dep(-)												
		2009				2010				2011				
		Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	29-Nov	
2009	Mar	80.44	-	-1.17	-3.29	-4.54	-4.44	-5.88	-6.77	-6.15	-5.71	-6.45	-8.07	-8.58
	Jun	81.39	-	-	-2.15	-3.41	-3.31	-4.77	-5.67	-5.04	-4.60	-5.35	-6.99	-7.50
	Sep	83.18	-	-	-	-1.29	-1.19	-2.68	-3.60	-2.96	-2.50	-3.27	-4.94	-5.47
	Dec	84.26	-	-	-	-	0.10	-1.40	-2.34	-1.69	-1.23	-2.01	-3.70	-4.24
2010	Mar	84.18	-	-	-	-	-	-1.50	-2.44	-1.79	-1.33	-2.10	-3.80	-4.33
	Jun	85.46	-	-	-	-	-	-	-0.95	-0.29	0.18	-0.61	-2.33	-2.87
	Sep	86.29	-	-	-	-	-	-	-	0.67	1.14	0.34	-1.39	-1.94
	Dec	85.71	-	-	-	-	-	-	-	-	0.47	-0.32	-2.05	-2.59
2011	Mar	85.31	-	-	-	-	-	-	-	-	-	-0.79	-2.50	-3.04
	Jun	85.99	-	-	-	-	-	-	-	-	-	-	-1.73	-2.27
	Sep	87.50	-	-	-	-	-	-	-	-	-	-	-	-0.55
	29-Nov	87.99	-	-	-	-	-	-	-	-	-	-	-	-



Capital Market

Both the KSE-100 and ready volume witnessed decline with increasing outflows from SCRA for the second consecutive month in November 2011.

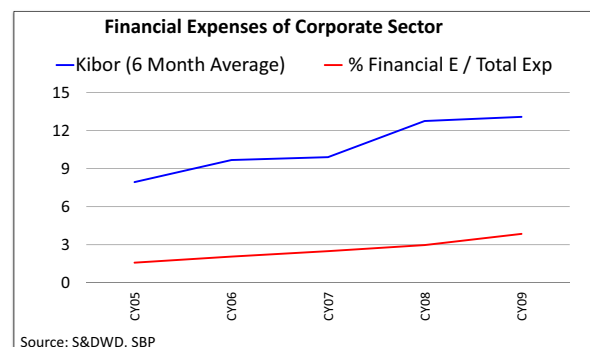
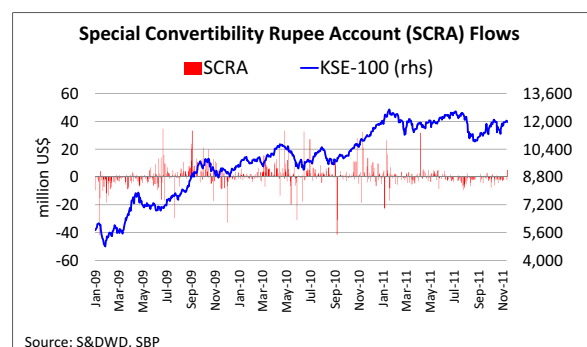
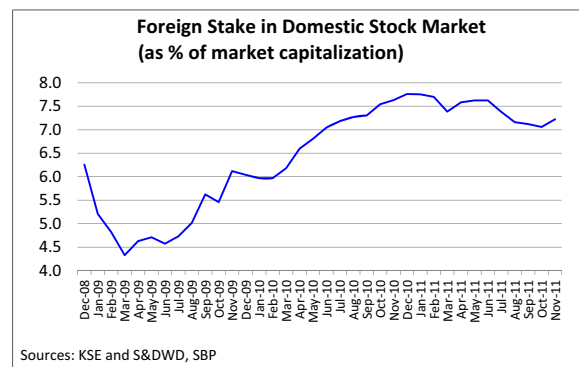
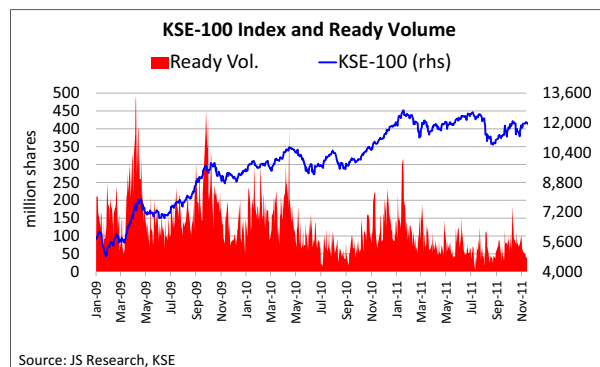
Performance of Karachi Stock Exchange

	FY12		H1-FY11	FY11	Change (%)			
	Nov-11 ¹	Oct-11			October 11 over FY11	October 11 over H1-FY11	FY11 over FY10	FY10 over FY09
KSE-100 Index	11,507.0	11,868.9	12,022.5	12,496.0	-7.9	-4.3	25.4	35.7
KSE-30 Index	10,764.7	11,243.4	11,588.2	11,586.5	-7.1	-7.1	21.0	26.2
Market Capitalization (billion Rs.)	2,996.6	3,098.6	3,269.0	3,288.7	-8.9	-8.3	17.9	28.8
Ready Volume (million shares-Avg.)	37.4	101.1	92.1	95.0	-60.6	-59.4	-66.6	54.3
SCRA Cumulative flows, Since November (US\$ million) ²	-43.5	-36.6	195.4	237.6	-118.3	-122.3	-107.6	205.9

¹ As of 29th November 2011.

² As of 28th November 2011.

Sources: Karachi Stock Exchange (KSE) and Statistics & Data Warehouse Department (S&DWD), SBP





Financial Soundness Indicators[#]

The ratio of banks' liquid assets to total assets and deposits have increased during June 2011, while their advances to deposits ratio has been consistently falling for the last few years.

percent

	2008*	2009	Jun 2010	Dec 2010	Mar 2011	Jun 2011
Risk weighted CAR ^{**}	12.2	14.0	13.9	14.0	13.6	14.1
NPLs to total loans	10.5	12.6	12.9	14.7	15.4	15.3
Provision to NPLs	69.6	69.9	73.2	66.7	66.7	67.9
Returns on assets (before tax)	1.2	1.3	1.8	1.7	2.2	2.1
Return on assets (after tax)	0.8	0.9	1.1	1.0	1.4	1.4
ROE (before tax) ^{***}	11.4	13.2	17.7	16.7	22.4	21.8
ROE (after tax) ^{***}	7.8	8.9	10.9	9.8	14.4	14.3
Net interest income/gross income	70.3	72.4	74.7	74.7	76.6	75.9
Liquid assets/total assets	28.2	32.7	34.2	35.0	35.7	38.2
Liquid assets/total deposits	37.7	44.5	45.3	45.9	47.3	49.5
Advances/deposits	75.2	67.7	63.0	61.4	61.5	56.7

Source: Banking Surveillance Department, SBP

The data for end-September 2011 is not yet available as banks are in the process of re-submitting their statements in line with the changes in Prudential Regulations as per BSD Circular No. 1 of 2011 dated 21st October 2011.

Note: FSIs are prepared on the basis of annual audited accounts except for quarter ended Jun-10, Dec-10, Mar-11 and Jun-11 which are based on unaudited Quarterly Report of Condition (QRC) submitted by banks.

*Statistics for 2008 has been restated on the basis of audit for the year 2009.

**Data of IDBP, PPCBL, and SME is based on Basel I.

***Average equity and surplus

