



# **Monetary Policy Information Compendium**

**September 2015**

Consolidated by

**Statistics & DWH Department**

**STATE BANK OF PAKISTAN**

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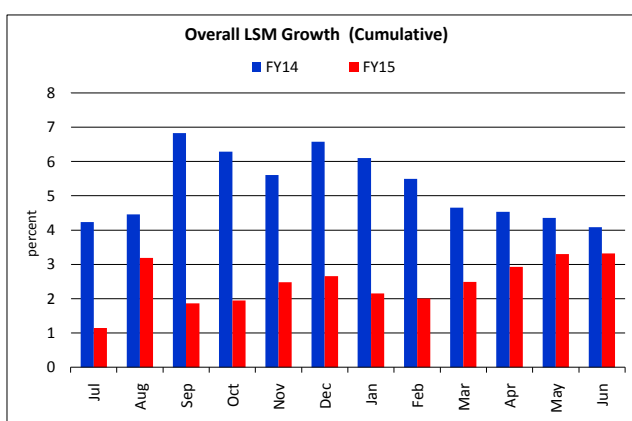
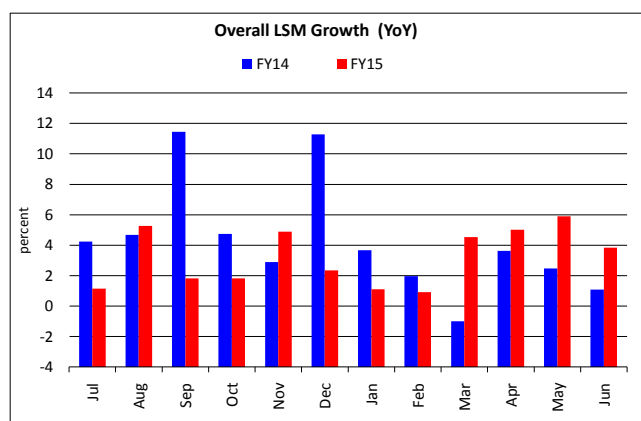


**Growth**

*Cumulative growth of 3.3 percent has been recorded in the LSM sector for Jul-Jun FY15, compared to a growth of 4.1 percent during the same period last year.*

**Growth in Large Scale Manufacturing (LSM) Sector (percent)**

Groups	Weights	YoY change		Cumulative change during Jul-Jun	
		Jun-15	Jun-14	FY15	FY14
<b>Overall</b>	<b>70.2</b>	<b>3.8</b>	<b>1.1</b>	<b>3.3</b>	<b>4.1</b>
Textile	20.9	↑ 0.4	↑ 0.5	↑ 0.5	↑ 1.3
Food, beverages and tobacco	12.4	↓ -4.0	↑ 5.5	↓ -1.1	↑ 7.7
Petroleum products	5.4	↑ 7.9	↑ 1.3	↑ 5.9	↑ 8.3
Iron and steel products	5.4	↑ 23.1	↑ 2.5	↑ 35.4	↑ 5.6
Non-metallic mineral products	5.4	↓ -3.2	↑ 5.5	↑ 2.1	↑ 1.2
Automobile	4.6	↑ 45.2	↓ -18.8	↑ 23.6	↓ -2.6
Fertilizer	4.4	↑ 19.0	↑ 4.8	↑ 4.6	↑ 16.5
Pharmaceuticals	3.6	↑ 6.3	↑ 1.0	↑ 7.5	↓ -0.1
Paper and board	2.3	↓ -20.8	↑ 12.2	↓ -9.9	↑ 11.4
Electronics	2.0	↑ 1.6	↑ 14.2	↑ 5.6	↑ 9.1
Chemicals	1.7	↑ 13.8	↑ 4.8	↑ 8.4	↑ 6.6
Leather products	0.9	↓ -0.1	↑ 1.2	↑ 7.0	↑ 10.8
Wood products	0.6	↓ -2.7	↓ -84.3	↓ -74.0	↓ -27.6
Engineering products	0.4	↓ -26.7	↓ -6.1	↓ -18.3	↓ -13.3
Rubber products	0.3	↑ 4.7	↑ 18.0	↑ 1.5	↑ 11.9



*Major crops have shown mixed trend in FY15.*

**Major Crops**

	Production				Area under cultivation				Yield		
	(million tons)			percent change	(million hectares)		percent change	(Kg/hectare)		percent change	
	FY16 <sup>T</sup>	FY15 <sup>P</sup>	FY14 <sup>R</sup>	FY15 <sup>P</sup> over FY14 <sup>R</sup>	FY15 <sup>P</sup>	FY14 <sup>R</sup>	FY15 <sup>P</sup> over FY14 <sup>R</sup>	FY15 <sup>P</sup>	FY14 <sup>R</sup>	FY15 <sup>P</sup> over FY14 <sup>R</sup>	
Cotton <sup>1</sup>	15.5	13.9	12.8	↑ 9.2	3.0	2.8	↑ 5.5	801	774	↑ 3.5	
Sugarcane	68.0	62.7	67.5	↓ -7.1	1.1	1.2	↓ -2.7	54,910	57,511	↓ -4.5	
Rice	6.9	7.0	6.8	↑ 3.0	2.9	2.8	↑ 3.7	2,423	2,437	↓ -0.6	
Wheat	26.0	25.5	26.0	↓ -1.9	9.2	9.2	↓ -0.2	2,775	2,824	↓ -1.7	

<sup>1</sup> Cotton production is stated in thousand bales of 375 lbs each.

<sup>P</sup>: Provisional; <sup>T</sup>: Target; <sup>R</sup>: Revised

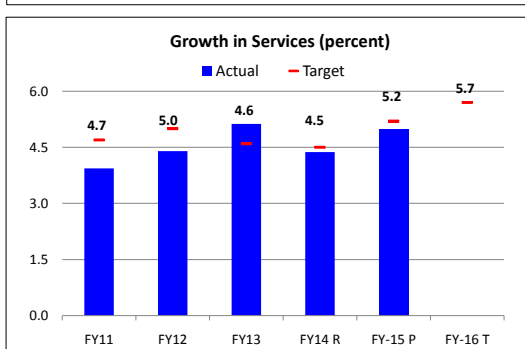
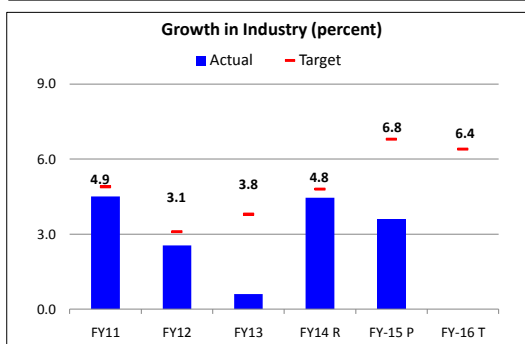
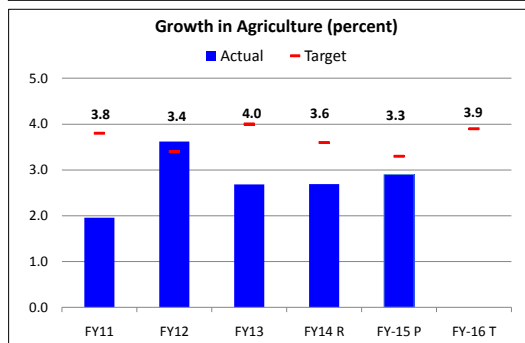
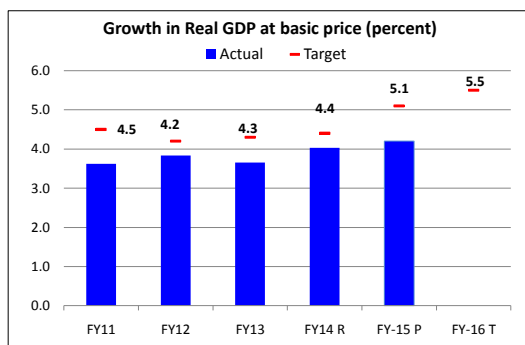
Sources: Pakistan Bureau of Statistics (PBS) and Planning Commission of Pakistan.



**Real GDP (Provisional) shows growth of 4.2 percent during FY15, lower than the target of 5.1 percent.**

### Production Approach - GDP at Constant Prices of 2005-06 (percent)

	FY15 <sup>P</sup>			FY14 <sup>R</sup>
	Growth	Shares	Contribution	Growth
<b>Agriculture of which</b>	<b>2.9</b>	<b>20.9</b>	<b>0.6</b>	<b>2.7</b>
Important crops	0.3	5.3	0.0	8.0
Other crops	1.1	2.3	0.0	-5.4
Livestock	4.1	11.8	0.5	2.8
<b>Industry of which</b>	<b>3.6</b>	<b>20.3</b>	<b>0.7</b>	<b>4.5</b>
Manufacturing	3.2	13.3	0.4	4.5
Large-scale <sup>1</sup>	2.4	10.6	0.3	4.0
Small-scale	8.2	1.7	0.1	8.3
Construction	7.0	2.4	0.2	7.2
<b>Services of which</b>	<b>5.0</b>	<b>58.8</b>	<b>2.9</b>	<b>4.4</b>
Wholesale & retail trade	3.4	18.3	0.6	4.0
Transport Storage and Communications	4.2	13.4	0.6	4.6
Finance & insurance	6.2	3.1	0.2	4.2
General Government Services	9.4	7.4	0.7	2.9
<b>Real GDP (basic prices)</b>	<b>4.2</b>	<b>100.0</b>	<b>4.2</b>	<b>4.0</b>
<b>Real GDP (market prices)</b>	<b>5.5</b>	<b>105.5</b>	<b>5.8</b>	<b>4.7</b>



	FY15 <sup>P</sup>	FY14 <sup>R</sup>	FY13
Real GDP (bp, billion Rs)	10,644	10,211	9,816
Nominal GDP (mp, billion Rs)	27,384	25,068	22,379
Nominal GDP (mp, billion US\$) <sup>2</sup>	270	244	231

### Expenditure Approach - GDP at Constant Prices of 2005-06 (percent)

	FY15 <sup>P</sup>			FY14 <sup>R</sup>
	Growth	Shares <sup>3</sup>	Contribution <sup>3</sup>	Growth
<b>Consumption</b>	<b>5.1</b>	<b>88.1</b>	<b>4.4</b>	<b>4.9</b>
Private	3.6	76.4	2.7	5.4
Government	16.0	11.7	1.6	1.5
<b>Fixed capital formation</b>	<b>8.3</b>	<b>13.4</b>	<b>1.0</b>	<b>4.2</b>
Private	3.2	9.8	0.3	6.2
Public plus general government	25.1	3.6	0.7	-1.9
<b>Changes in stocks</b>	<b>5.5</b>	<b>1.6</b>	<b>0.1</b>	<b>4.7</b>
<b>Net exports of goods and nonfactor services</b>	<b>4.2</b>	<b>-3.1</b>	<b>-0.1</b>	<b>-0.2</b>
Exports of goods and non-factor services	-2.6	10.6	-0.3	-1.6
Imports of goods and non-factor services	-1.1	13.7	-0.2	0.2
<b>GDP (market prices)</b>	<b>5.5</b>	<b>100.0</b>	<b>5.5</b>	<b>4.7</b>
Indirect Taxes	18.7	5.9	1.0	7.8
Subsidies	-39.9	0.7	-0.5	-26.0
<b>GDP (basic prices)</b>	<b>4.2</b>	<b>94.8</b>	<b>-</b>	<b>4.0</b>
<b>Total domestic demand<sup>4</sup></b>	<b>5.5</b>	<b>103.1</b>	<b>5.5</b>	<b>4.8</b>

Note: Targets, except for FY16, shown in the graphs are based on FY00 prices (as base year).

<sup>1</sup> For FY15, LSM data pertains to Jul-Apr; <sup>2</sup> GDP in dollar terms is calculated using average exchange rate during the year FY15

<sup>3</sup> Shares and contributions in GDP growth are based on real GDP(mp).

<sup>4</sup> Domestic demand is calculated as sum of consumption, fixed capital formation and change in stock expenditures on real GDP.

Source: Pakistan Bureau of Statistics; <sup>R</sup>: Revised; <sup>P</sup>: Provisional; Basic price (bp): The basic price is the price the producer gets on output excluding any taxes on the products and including any subsidies on the products.



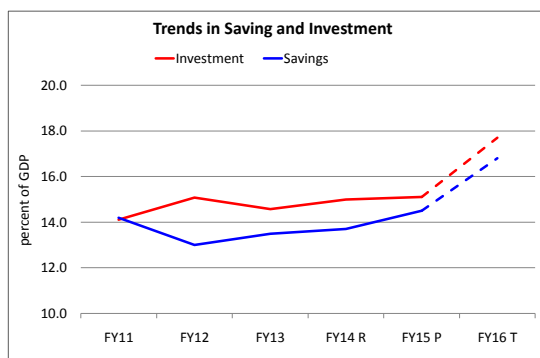
**Saving and Investment**

*Savings-investment gap in FY15 improved significantly since the national savings as percent of GDP increased to 14.5 in FY15 from 13.7 percent in FY14.*

**Saving and Investment** (at current market prices-2005-2006)

as percent of GDP

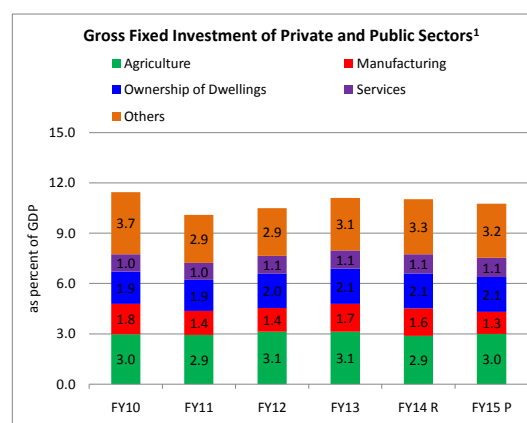
	FY16 Target	Actual	
		FY15 <sup>P</sup>	FY14 <sup>R</sup>
<b>A. Investment</b>	<b>17.7</b>	<b>15.1</b>	<b>15.0</b>
Gross fixed investment	16.1	13.5	13.4
Private sector	12.2	9.7	10.0
Public including general public	4.0	3.9	3.4
Change in capital stocks	1.6	1.6	1.6
<b>B. National savings</b>	<b>16.8</b>	<b>14.5</b>	<b>13.7</b>
<b>C. Domestic savings</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Saving investment gap (B - A)</b>	<b>-0.9</b>	<b>-0.6</b>	<b>-1.3</b>



*Gross fixed investment in the Manufacturing and Transport & communication sectors as percent of GDP have declined in FY15.*

**Gross Fixed Investment of Private and Public Sectors<sup>1</sup> at Current Market prices**

	FY15 <sup>P</sup>		FY14 <sup>R</sup>
	As percent of GDP	Percent share in total	As percent of GDP
Agriculture	3.0	27.8	2.9
Mining and quarrying	0.3	2.8	0.3
Manufacturing	1.3	12.2	1.6
Construction	0.2	2.0	0.2
Electricity and gas	0.6	5.8	0.6
Transport and communication	1.6	15.1	1.8
Wholesale and retail trade	0.3	2.5	0.3
Finance and insurance	0.2	1.7	0.2
Ownership of dwellings	2.1	19.4	2.1
Services	1.1	10.6	1.1
<b>Total</b>	<b>10.8</b>	<b>100.0</b>	<b>11.0</b>



<sup>1</sup> Economic category wise distribution of government's gross fixed investment is not available.

P: Provisional; R: Revised;

Source: Pakistan Bureau of Statistics and Planning Commission of Pakistan,



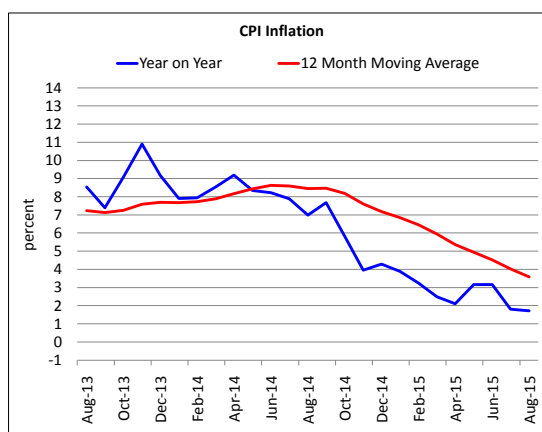
## Inflation

(Calculated from price indices with base year 2007-08)

**Headline CPI inflation (YoY) has decreased to 1.7 percent in August 2015 from 1.8 percent in the previous month.**

**Consumer Price Index (CPI) (percent change)**

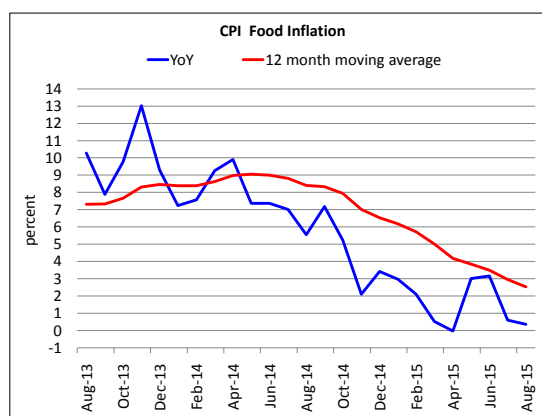
	MoM <sup>1</sup>	MoM SA <sup>2</sup>	YoY <sup>3</sup>	12M moving average <sup>4</sup>
Aug-14	0.3	0.0	7.0	8.4
Sep-14	0.4	0.3	7.7	8.5
Oct-14	0.2	0.0	5.8	8.2
Nov-14	-0.5	-0.1	4.0	7.6
Dec-14	-1.0	0.2	4.3	7.2
Jan-15	0.1	-0.2	3.9	6.8
Feb-15	-0.9	-0.1	3.2	6.5
Mar-15	0.2	0.0	2.5	5.9
Apr-15	1.3	0.5	2.1	5.4
May-15	0.8	1.0	3.2	4.9
Jun-15	0.6	0.7	3.2	4.5
Jul-15	0.4	-0.6	1.8	4.0
Aug-15	0.2	0.0	1.7	3.6
<b>3-year average for August</b>	<b>0.6</b>	<b>0.3</b>	<b>5.8</b>	



**CPI food inflation (YoY) has decreased to 0.4 percent in August 2015 from 0.6 percent in the previous month.**

**CPI - Food (37.48 % weight in basket) (percent change)**

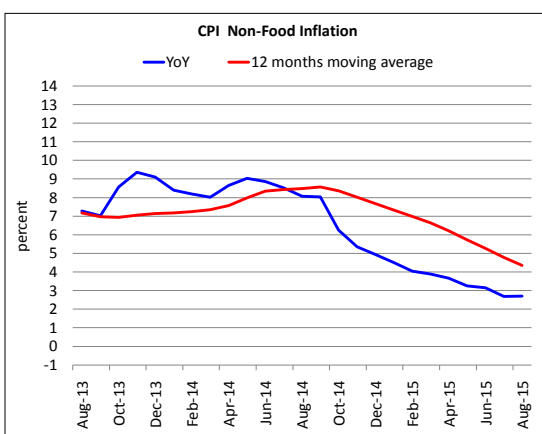
Aug-14	0.6	-0.2	5.6	8.4
Sep-14	0.0	-0.1	7.2	8.3
Oct-14	-0.2	-0.2	5.2	7.9
Nov-14	-0.4	-0.2	2.1	7.0
Dec-14	-2.1	0.1	3.4	6.5
Jan-15	-0.5	-0.5	3.0	6.2
Feb-15	-1.8	-0.2	2.1	5.7
Mar-15	0.5	-0.2	0.5	5.0
Apr-15	1.4	0.3	0.0	4.2
May-15	1.8	2.0	3.0	3.8
Jun-15	1.2	1.4	3.2	3.5
Jul-15	0.1	-1.8	0.6	3.0
Aug-15	0.3	-0.4	0.4	2.5
<b>3-year average for August</b>	<b>0.9</b>	<b>0.2</b>	<b>5.4</b>	



**CPI non-food inflation (YoY) remained unchanged at 2.7 percent in August 2015 as compared to the previous month.**

**CPI - Non Food (62.52 % weight in basket) (percent change)**

Aug-14	0.2	0.2	8.1	8.5
Sep-14	0.6	0.6	8.0	8.6
Oct-14	0.5	0.1	6.2	8.4
Nov-14	-0.6	-0.1	5.4	8.0
Dec-14	-0.2	0.2	4.9	7.7
Jan-15	0.5	0.1	4.5	7.3
Feb-15	-0.3	0.0	4.0	7.0
Mar-15	0.0	0.1	3.9	6.6
Apr-15	1.3	0.6	3.7	6.2
May-15	0.0	0.3	3.3	5.7
Jun-15	0.2	0.3	3.2	5.3
Jul-15	0.5	0.3	2.7	4.8
Aug-15	0.2	0.2	2.7	4.3
<b>3-year average for August</b>	<b>0.3</b>	<b>0.3</b>	<b>6.0</b>	



Source: Pakistan Bureau of Statistics, Statistics and Data Warehouse Department (S&DWD), SBP.

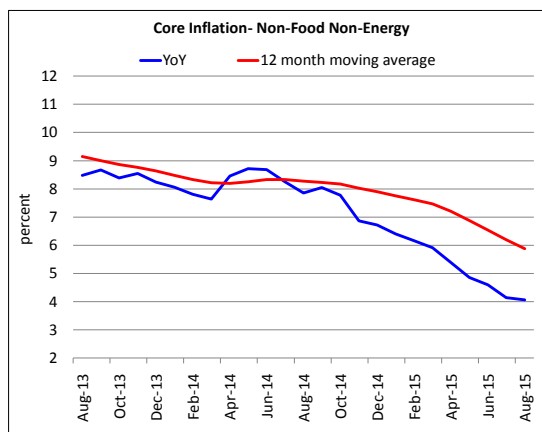
<sup>1</sup> Month-on-Month; <sup>2</sup> Month-on-month changes in seasonally adjusted series; <sup>3</sup> Year-on-Year; <sup>4</sup> These changes are calculated on the basis of 12 month average of CPI over the 12 month average of preceding year.



*The non-food non-energy (NFNE) core inflation (YoY) remained unchanged at 4.1 percent in August 2015 as compared to the previous month.*

**Core Inflation - Non-food non-energy (53.52% weight in basket) (percent)**

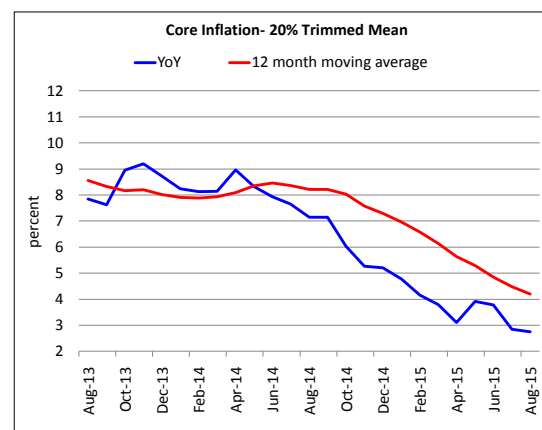
	MoM	YoY	12M moving average
Aug-14	0.2	7.8	8.3
Sep-14	0.7	8.0	8.2
Oct-14	0.6	7.8	8.2
Nov-14	-0.5	6.9	8.0
Dec-14	0.1	6.7	7.9
Jan-15	0.7	6.4	7.8
Feb-15	0.0	6.2	7.6
Mar-15	0.0	5.9	7.5
Apr-15	1.4	5.4	7.2
May-15	0.0	4.9	6.9
Jun-15	0.1	4.6	6.5
Jul-15	0.6	4.1	6.2
Aug-15	0.1	4.1	5.9
<b>3-year average for August</b>	<b>0.3</b>	<b>6.8</b>	



*The 20 percent trimmed mean measure of core inflation (YoY) remained unchanged at 2.8 percent in August 2015 as compared to the previous month.*

**Core - 20% Trimmed (percent change)**

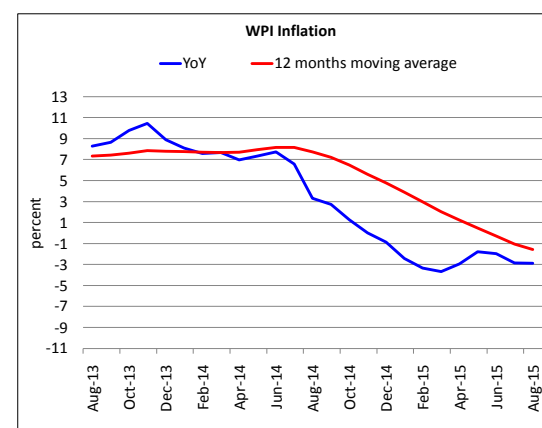
	MoM	YoY	12M moving average
Aug-14	0.2	7.1	8.2
Sep-14	0.2	7.1	8.2
Oct-14	0.4	6.0	8.0
Nov-14	0.1	5.3	7.6
Dec-14	0.0	5.2	7.3
Jan-15	0.3	4.8	7.0
Feb-15	-0.2	4.2	6.6
Mar-15	0.0	3.8	6.1
Apr-15	0.6	3.1	5.6
May-15	0.1	3.9	5.3
Jun-15	0.2	3.8	4.9
Jul-15	0.5	2.8	4.5
Aug-15	0.1	2.8	4.2
<b>3-year average for August</b>	<b>0.3</b>	<b>5.9</b>	



*The WPI inflation (YoY) remained unchanged at -2.9 percent as compared to the previous month.*

**Wholesale Price Index (WPI) (percent change)**

	MoM	MoM SA	YoY	12M moving average
Aug-14	-0.5	-0.7	3.3	7.7
Sep-14	0.2	0.2	2.7	7.2
Oct-14	-0.3	-0.2	1.3	6.5
Nov-14	-1.0	-0.5	0.0	5.6
Dec-14	-1.9	-0.9	-0.9	4.8
Jan-15	-1.0	-1.2	-2.4	3.9
Feb-15	-1.1	-0.8	-3.4	3.0
Mar-15	0.0	-0.4	-3.7	2.0
Apr-15	0.9	0.5	-2.9	1.2
May-15	1.1	1.1	-1.8	0.5
Jun-15	1.2	0.4	-2.0	-0.3
Jul-15	-0.4	-0.4	-2.9	-1.1
Aug-15	-0.5	-0.7	-2.9	-1.6
<b>3-year average for August</b>	<b>0.6</b>	<b>0.3</b>	<b>2.9</b>	



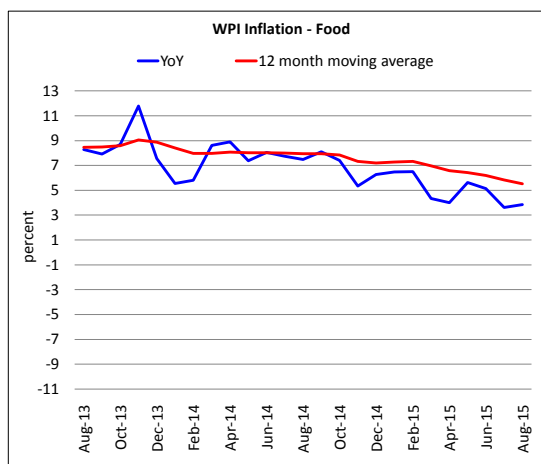
Source: Pakistan Bureau of Statistics, Statistics and Data Warehouse Department (S&DWD), SBP.



**WPI food inflation (YoY) has increased to 3.8 percent in August 2015 from 3.6 percent in the previous month.**

**WPI -Food (38.82% weight in basket) (percent change)**

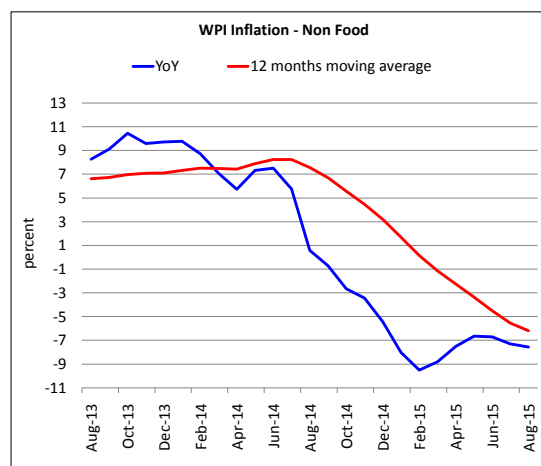
	MoM	MoM SA	YoY	12M moving average
Aug-14	0.8	0.2	7.5	7.9
Sep-14	0.5	0.5	8.1	8.0
Oct-14	0.3	0.5	7.4	7.8
Nov-14	-0.8	0.1	5.3	7.3
Dec-14	-1.7	0.1	6.3	7.2
Jan-15	0.0	0.2	6.5	7.3
Feb-15	-0.5	0.4	6.5	7.3
Mar-15	-0.1	-0.8	4.3	7.0
Apr-15	1.5	0.9	4.0	6.6
May-15	1.2	1.3	5.6	6.4
Jun-15	1.9	0.6	5.1	6.2
Jul-15	0.6	-0.4	3.6	5.8
Aug-15	1.0	0.5	3.8	5.5
<b>3-year average for August</b>	<b>0.9</b>	<b>0.4</b>	<b>6.5</b>	



**WPI non-food inflation (YoY) stood at -7.6 percent in August 2015 compared to -7.3 percent in previous month.**

**WPI - Non Food (61.18% weight in basket) (percent change)**

	MoM	MoM SA	YoY	12M moving average
Aug-14	-1.3	-1.3	0.6	7.6
Sep-14	-0.1	0.0	-0.7	6.7
Oct-14	-0.7	-0.7	-2.7	5.6
Nov-14	-1.2	-0.9	-3.4	4.5
Dec-14	-2.0	-1.5	-5.4	3.2
Jan-15	-1.8	-2.2	-8.0	1.7
Feb-15	-1.5	-1.7	-9.5	0.2
Mar-15	0.1	-0.1	-8.8	-1.2
Apr-15	0.4	0.2	-7.5	-2.2
May-15	1.0	0.9	-6.6	-3.4
Jun-15	0.7	0.2	-6.7	-4.5
Jul-15	-1.1	-0.4	-7.3	-5.5
Aug-15	-1.6	-1.6	-7.6	-6.2
<b>3-year average for August</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>	

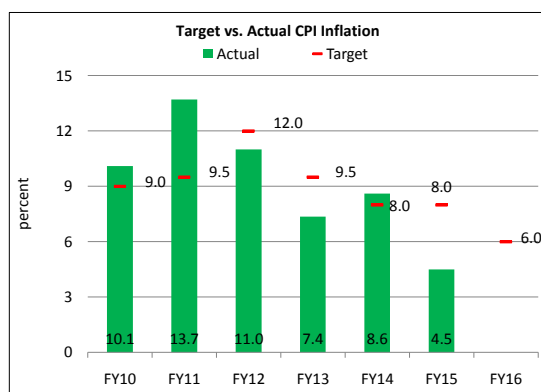


**Average CPI inflation is recorded at 4.5 percent in FY15 compared to 8.6 percent in FY14.**

**Average CPI and WPI Inflation (percent change)**

	CPI			WPI
	Headline	Food	Non Food	
FY-15	4.5	3.5	5.3	-0.3
Jul-Aug FY15	7.4	6.3	8.3	4.9
Jul-Aug FY16	1.8	0.5	2.7	-2.9

Source: Pakistan Bureau of Statistics, Statistics and Data Warehouse Department (S&DWD), SBP.







### CPI and SPI Inflation by Groups

Compared to the previous month, the headline CPI inflation (YoY) has slightly decreased in August 2015 as the decrease due to food group while the non-food group remained the same.

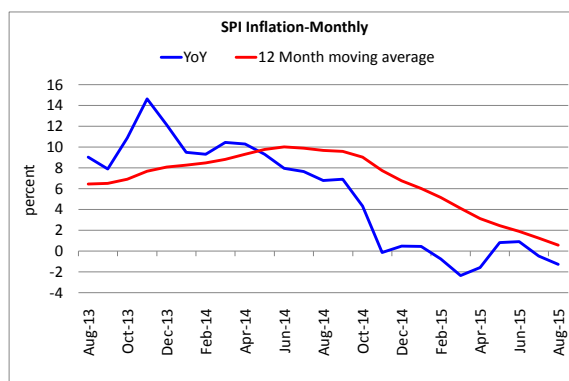
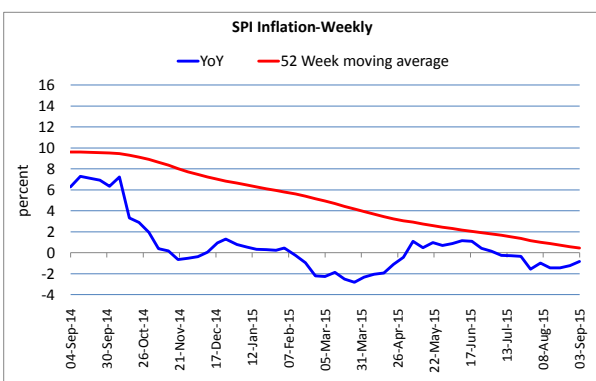
#### Group-Wise CPI Inflation

Groups	Weights	Aug-15			Jul-15		
		MoM	YoY	12m MA <sup>1</sup>	MoM	YoY	12m MA <sup>1</sup>
<b>I. Food group</b>	<b>37.5</b>	<b>0.3</b>	<b>0.4</b>	<b>2.5</b>	<b>0.1</b>	<b>0.6</b>	<b>3.0</b>
Food and non-alcoholic beverages	34.8	0.3	-0.6	1.6	0.0	-0.3	2.1
Alcoholic beverages and tobacco	1.4	0.0	16.2	19.7	1.7	16.6	20.3
Restaurant & hotels	1.2	0.2	4.3	5.9	0.2	4.4	6.4
<b>II. Non-food group</b>	<b>62.5</b>	<b>0.2</b>	<b>2.7</b>	<b>4.3</b>	<b>0.5</b>	<b>2.7</b>	<b>4.8</b>
Clothing and footwear	7.6	0.3	4.8	7.2	0.5	4.8	7.5
Housing, water, electricity, gas fuels	29.4	0.3	4.8	5.6	0.9	4.5	5.9
Furnishing & household equipment maintenance etc.	4.2	0.3	4.3	5.8	0.9	4.5	6.2
Health	2.2	0.1	3.2	4.8	0.2	3.2	5.1
Transport	7.2	-0.3	-10.4	-6.5	0.0	-10.0	-5.3
Communication	3.2	0.0	0.4	0.3	0.0	0.4	0.3
Recreation and culture	2.0	0.0	2.1	3.1	0.0	2.3	3.3
Education	3.9	0.0	9.3	12.7	0.0	9.3	13.2
Miscellaneous	2.8	0.3	2.4	4.4	-0.1	2.8	4.8
<b>Overall</b>	<b>100</b>	<b>0.2</b>	<b>1.7</b>	<b>3.6</b>	<b>0.4</b>	<b>1.8</b>	<b>4.0</b>

SPI inflation stood at 0.29 percent during the first week of September 2015 from -0.06 percent in the previous week.

#### Sensitive Price Indicator (SPI) (percent change)

Income groups	13-Aug-15	20-Aug-15	27-Aug-15	3-Sep-15	Aug-15		
	WoW <sup>2</sup>				MoM	YoY	12m MA <sup>1</sup>
Up to Rs 8000	-0.40	-0.23	-0.24	0.25	-0.2	-1.5	0.7
Rs 8001-12000	-0.44	-0.29	-0.25	0.22	-0.3	-1.4	0.8
Rs 12001-18000	-0.47	-0.32	-0.12	0.15	-0.3	-1.0	1.0
Rs 18001-35000	-0.49	-0.37	0.04	0.46	-0.4	-1.0	0.9
Above Rs 35000	-0.50	-0.40	0.00	0.35	-0.5	-1.5	0.1
<b>All</b>	<b>-0.48</b>	<b>-0.35</b>	<b>-0.06</b>	<b>0.29</b>	<b>-0.4</b>	<b>-1.3</b>	<b>0.6</b>



<sup>1</sup> Twelve month moving average inflation <sup>2</sup> WoW: Week on Week.

Source: Pakistan Bureau of Statistics

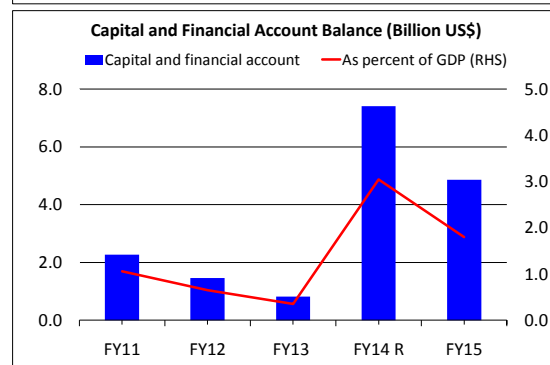
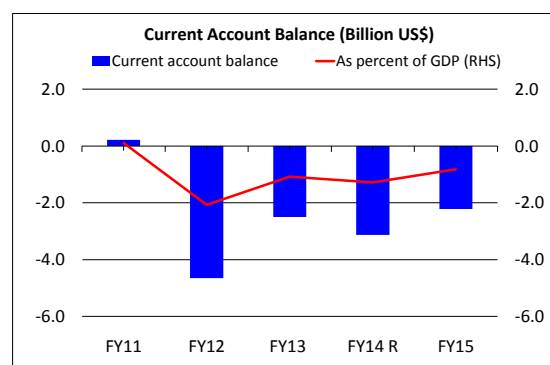
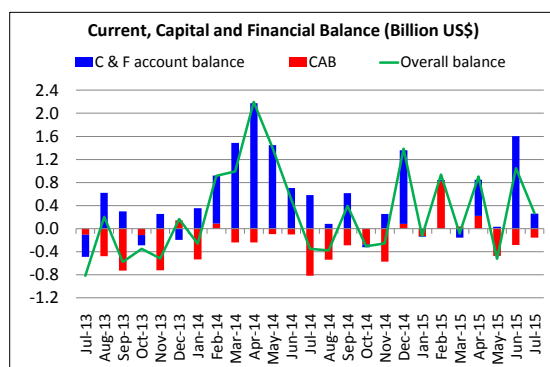


## Balance of Payments

**External current account balance witnessed a deficit of US\$ 0.16 billion during July FY16, compared to a deficit of US\$ 0.82 billion in the same period last year.**

### Balance of Payments Summary (million US\$)

Items	July		FY15	FY14
	FY16	FY15		
<b>A) Current account balance (CAB)</b>	<b>-159</b>	<b>-820</b>	<b>-2,221</b>	<b>-3,130</b>
Trade balance	-1,806	-2,115	-17,072	-16,701
Exports	1,760	1,909	24,142	25,068
Imports	3,566	4,024	41,214	41,769
Services (net); of which	102	-380	-2,432	-2,551
CSF	337	0	1,452	1,050
Income (net)	-281	-211	-4,479	-3,943
Current transfers (net); of which	1,826	1,886	21,762	20,065
Remittances	1,664	1,649	18,454	15,837
<b>B) Capital and financial (C&amp;F) account balance ; of which</b>	<b>258</b>	<b>579</b>	<b>4,863</b>	<b>7,410</b>
Foreign direct investment (net) <sup>1</sup>	70	18	642	1,572
Foreign portfolio investment (net)	-25	79	1,895	2,760
Other investment assets	237	304	-11	211
Other investment liabilities	-32	174	1,966	1,010
Of which : General government	140	351	1,298	1,610
of which: Disbursements	266	467	4,102	4,349
Amortization	126	116	2,804	2,734
<b>C) Net Errors and omissions</b>	<b>168</b>	<b>-109</b>	<b>-6</b>	<b>-422</b>
<b>Overall balance (A+B+C)</b>	<b>267</b>	<b>-350</b>	<b>2,636</b>	<b>3,858</b>
<b>SBP gross reserves<sup>2</sup></b>	<b>15,087</b>	<b>10,682</b>	<b>14,843</b>	<b>10,509</b>
<b>SBP net liquid reserves<sup>3</sup></b>	<b>13,767</b>	<b>9,277</b>	<b>13,532</b>	<b>9,097</b>
<b>As percent of GDP<sup>4</sup></b>				
<b>Current account balance; of which</b>			<b>-0.8</b>	<b>-1.3</b>
Exports			8.9	10.3
Imports			15.3	17.2
<b>Capital and financial inflows; of which</b>			<b>1.8</b>	<b>3.0</b>
FDI			0.2	0.6



<sup>1</sup> Net FDI equals direct investment by foreigners in Pakistan less direct investment made by Pakistanis abroad.

<sup>2</sup> SBP gross reserves includes banks' deposits for meeting cash reserve requirements (CRR) against their foreign currency deposits and foreign currency cash holdings of SBP, but it excludes unsettled claims on RBI. <sup>3</sup> SBP reserves without CRR and foreign currency cash holding of SBP.

<sup>4</sup> For FY14 revised, provisional GDP has been used and average exchange rate has been used to calculate GDP in US\$.

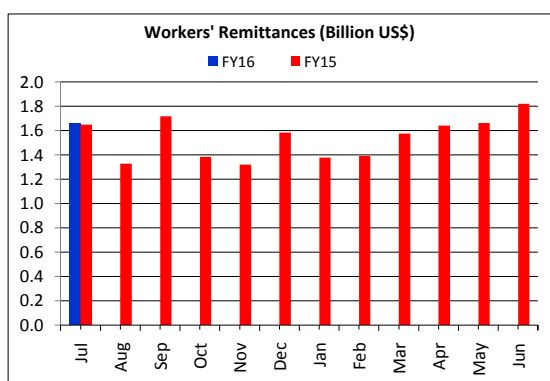
### Workers' remittances registered YoY growth of 0.9 percent in July 2015.

#### Workers' Remittances<sup>5</sup> (million US\$)

Share (in percent) is calculated as a ratio of cumulative flow of a group (item) to	July		FY15	YoY growth in July FY16
	FY16	FY15		
<b>Total inflows</b>	<b>1,664</b>	<b>1,649</b>	<b>18,454</b>	<b>0.9</b>
USA	255	257	2,586	-0.7
UK	232	248	2,287	-6.3
Saudi Arabia	474	454	5,630	4.4
UAE	368	353	4,207	4.1
Other GCC <sup>6</sup>	198	180	2,152	10.1
All others	136	157	1,592	-13.4

<sup>5</sup> Only cash, <sup>6</sup> Kuwait, Qatar, Bahrain and Oman.

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





**Trade and Foreign Investment**

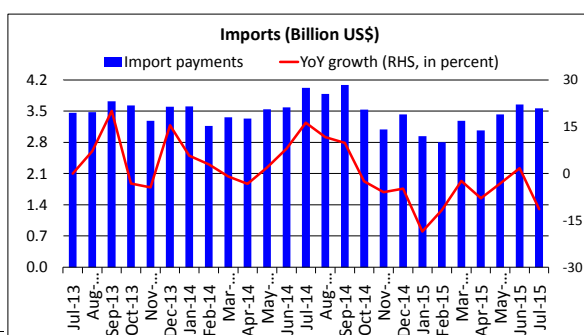
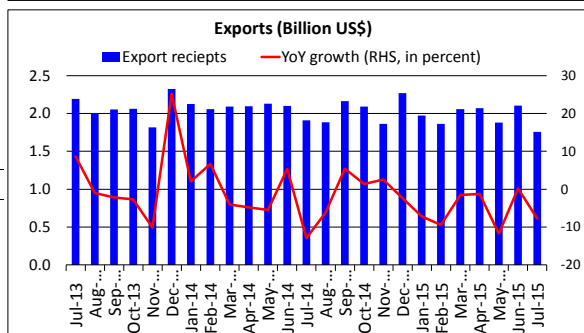
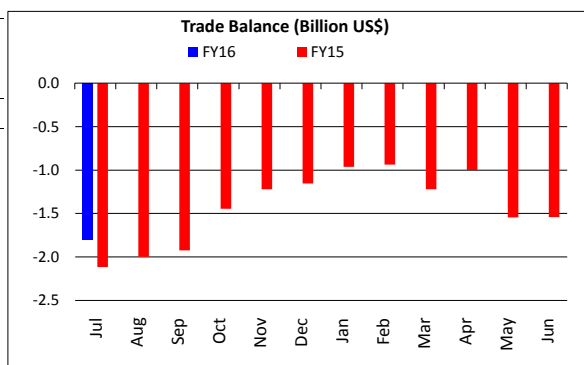
*Trade Balance witnessed a deficit of US\$ 1.81 billion during July FY16, compared to a deficit of US\$ 2.12 billion in the same period last year.*

Trade in Goods -Major Groups (million US\$)

	July		FY15	Shares <sup>1</sup> July FY16
	FY16	FY15		
<b>Exports</b>	<b>1,760</b>	<b>1,909</b>	<b>24,142</b>	<b>100</b>
<b>Textile group</b>	<b>1,127</b>	<b>1,054</b>	<b>13,528</b>	<b>64</b>
Knitwear, bed wear	398	361	4,464	23
Cotton cloth	205	209	2,485	12
Cotton Yarn	128	137	1,817	7
Readymade garments	187	153	2,043	11
<b>Other manufactures group</b>	<b>339</b>	<b>370</b>	<b>4,407</b>	<b>19</b>
Chemical and pharma	99	93	1,248	6
Leather items <sup>2</sup>	87	88	1,073	5
Cement	25	34	417	1
Engineering goods	16	27	275	1
Jewellery	1	1	11	0
<b>Food group</b>	<b>242</b>	<b>293</b>	<b>4,395</b>	<b>14</b>
Rice	95	136	2,036	5
<b>All others</b>	<b>52</b>	<b>191</b>	<b>1,812</b>	<b>3</b>
<b>Imports</b>	<b>3,566</b>	<b>4,024</b>	<b>41,214</b>	<b>100</b>
<b>Petroleum group</b>	<b>953</b>	<b>1,642</b>	<b>12,145</b>	<b>27</b>
Petroleum products	593	1,011	7,752	17
Petroleum crude	360	632	4,393	10
<b>Machinery group</b>	<b>459</b>	<b>444</b>	<b>5,609</b>	<b>13</b>
Telecom	99	112	1,225	3
Electrical machinery	82	49	935	2
Power machinery	73	80	814	2
<b>Agriculture &amp; other chemicals group</b>	<b>609</b>	<b>528</b>	<b>6,699</b>	<b>17</b>
Plastic materials	146	138	1,772	4
Fertilizer manufactured	98	31	700	3
<b>Food group</b>	<b>344</b>	<b>387</b>	<b>4,625</b>	<b>10</b>
Palm oil	154	183	1,682	4
Tea	35	24	364	1
<b>Metal group</b>	<b>282</b>	<b>288</b>	<b>3,247</b>	<b>8</b>
Iron steel (IS) and IS scrap	224	241	2,675	6
<b>All others</b>	<b>919</b>	<b>735</b>	<b>8,890</b>	<b>26</b>
<b>Trade Balance</b>	<b>-1,806</b>	<b>-2,115</b>	<b>-17,072</b>	

<sup>1</sup> Share (in percent) is calculated as a ratio of cumulative flow of a group (item) to cumulative flow of total exports/imports during July FY16.

<sup>2</sup> Includes tanned and manufactured leather.

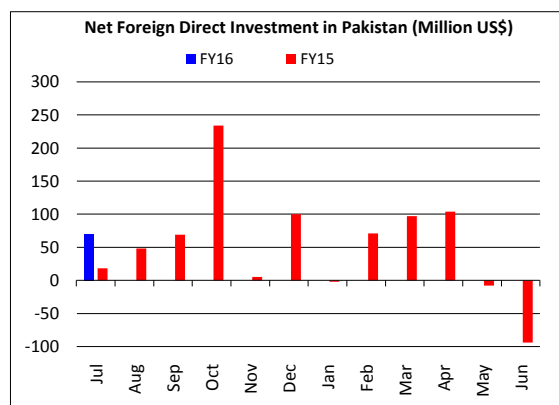


*FDI (net) inflows registered a significant YoY increase of 306.6 percent in July 2015.*

Net Foreign Direct Investment (FDI) in Pakistan (million US\$)

	July		FY15	YoY growth in Jul FY16
	FY16	FY15		
<b>Net inflows: Of which</b>	<b>75</b>	<b>18</b>	<b>709</b>	<b>306.6</b>
<b>Selected Countries</b>				
USA	-50	21	239	-341.5
UAE	15	22	222	-31.6
UK	7	16	100	-55.9
China	53	-2	230	2,905.8
<b>Selected Sectors</b>				
Communication	12	-2	100	860.1
Financial businesses	10	5	112	99.7
Oil and gas exploration	12	24	248	-50.0
Power	33	3	127	891.8
Trade	1	13	59	-89.5
<b>Memorandum Item:</b>				
Net overall FDI <sup>3</sup>	70	18	642	

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



<sup>3</sup> These numbers correspond to net FDI flows given in the balance of payments table and adjusted for net FDI made by Pakistanis abroad.

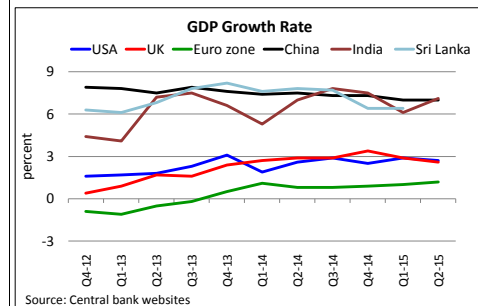
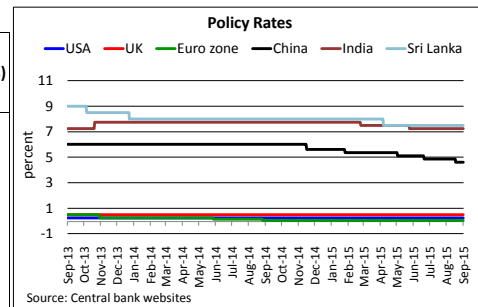


Global Economy

Only two central banks have changed policy rate during the last two months.

Policy Rates in Major Economies

Major economies	Current		Previous policy rate	Change (bps)
	Policy rate	w.e.f		
USA	0.25	16-Dec-2008	1.00	-75
UK	0.50	5-Mar-2009	1.00	-50
Euro zone	0.05	4-Sep-2014	0.15	-10
Japan	0.10	19-Dec-2008	0.30	-20
Canada	0.75	15-Jul-2015	1.00	-25
Australia	2.00	5-May-2015	2.25	-25
China	4.60	26-Aug-2015	4.85	-25
India	7.25	2-Jun-2015	7.50	-25
Sri Lanka	7.50	Apr 15 2014	8.00	-50
Malaysia	3.25	10-Jul-2014	3.00	25
Indonesia	7.50	17-Feb-2015	7.75	-25
Thailand	1.50	29-Apr-2015	1.75	-25



Real GDP growth in most of the countries has decreased in Q2-CY15 as compared to the Q2-CY14.

Key Macroeconomic Indicators

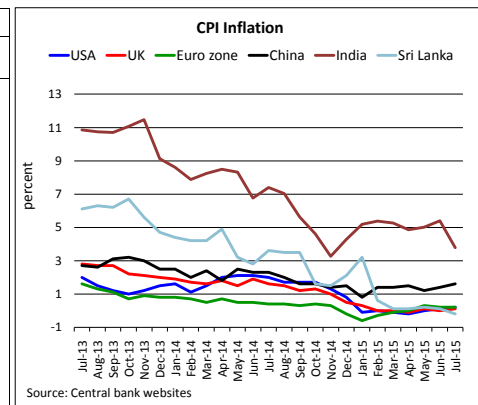
	Inflation (YoY) <sup>1</sup> Jul-15	GDP growth <sup>2</sup> Q2-2015	Current account balance <sup>3</sup>		Reserves <sup>5</sup> (billion US\$) June-15	Lending rates <sup>6</sup>	
			Fiscal balance <sup>3</sup>	as a percent of GDP <sup>4</sup>		Nominal	Real
USA	0.2	2.7	-2.6	-2.6	39.6	3.3	3.2
UK	0.1	2.6	-4.8	-4.4	92.9	0.5	0.4
Euro zone	0.2	1.2	2.5	-2.1	240.1	7.1	6.8
Japan	0.2	0.7	2.6	-6.8	1186.4	1.2	-1.0
Australia	1.5	2.0	-3.1	-2.4	42.7	5.5	3.9
China	1.6	7.0	3.0	-2.7	3730.0	4.9	3.5
India	3.8	7.1	-1.2	-4.1	327.8	10.3	5.4
Sri Lanka	-0.2	6.4	-	-	5.9	6.4	4.3
South Korea	0.7	2.2	7.6	0.4	362.1	3.4	3.0
Malaysia	3.3	4.9	3.4	-4.1	101.5	4.6	2.5
Indonesia	7.3	4.7	-2.6	-2.0	102.4	12.7	5.6
Thailand	-1.1	2.8	2.4	-2.0	152.5	6.5	7.6

<sup>1</sup> Values of Inflation of Australia pertains to June, 2015 ; <sup>2</sup> Annual growth, measured as a percentage change over the same quarter of previous year, GDP growth of Sri Lanka pertains to Q1 of 2015 ; <sup>3</sup> Latest 12 months; <sup>4</sup> The Economist, Economic and Financial indicators, August 29, 2015; <sup>5</sup> IMF (IFS) Reserve position data pertains to June 2015 except for India, Sri Lanka and South Korea pertains to May 2015 and china pertains to March 2015 ; <sup>6</sup> IMF (IFS) data pertains to June 2015 except for UK, Euro Zone, Malaysia and Indonesia pertains to May 2015, India and south korea pertains to April 2015, Japan pertains to February 2015 and Sri Lanka pertains to December 2014.

IMF's world output growth projection for 2015 is 3.3 percent in July 2015.

World Economic Outlook - Real GDP Growth

	2014 (IMF estimates)	2015 Projections		
		IMF <sup>1</sup>	World Bank <sup>2</sup>	OECD <sup>3</sup>
<b>World output</b>	<b>3.4</b>	<b>3.3</b>	<b>2.8</b>	<b>-</b>
<b>Advanced<sup>4</sup></b>	<b>1.8</b>	<b>2.1</b>	<b>2.0</b>	<b>-</b>
US	2.4	2.5	2.7	2.0
Euro area	0.8	1.5	1.5	1.4
Japan	-0.1	0.8	1.1	0.7
UK	2.9	2.4	2.6	2.4
<b>Emerging &amp; Developing</b>	<b>4.6</b>	<b>4.2</b>	<b>4.4</b>	<b>-</b>
Russia	0.6	-3.4	-2.7	-3.1
China	7.4	6.8	7.1	6.8
India	7.3	7.5	7.5	6.9
ASEAN-5	4.6	4.7	-	-



Sources: Bloomberg, World Bank, IMF, OECD, The Economist, World Economic Outlook, and Central Bank Websites. <sup>1</sup> IMF Projections of July 2015 ,

<sup>2</sup> World Bank Projection of June 2015, <sup>3</sup> OECD Projections of June 2015. <sup>4</sup> World Bank projections are for "high income" countries.



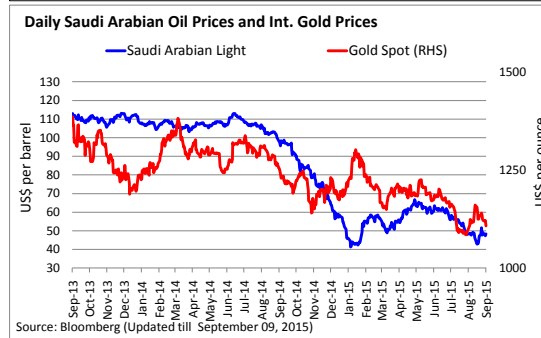
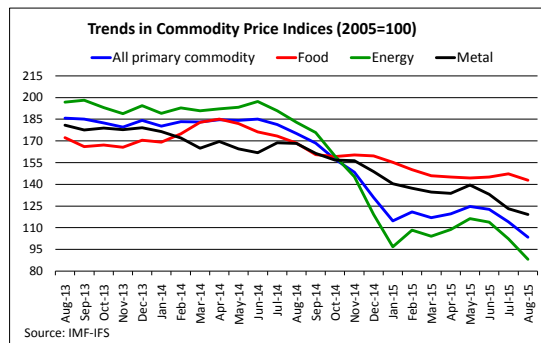
All commodity price index by IMF has registered a decline of 9.4 percent during August 2015 over previous month.

World Commodity Price Indices (2005=100)

	Aug-15	Percent change since	
		Jul-15	End June - 15
All commodity price index	103.4	↓ -9.4	↓ -15.7
Food price index	142.8	↓ -3.1	↓ -1.5
Energy index	88.3	↓ -13.8	↓ -22.5
Non fuel price index	129.2	↓ -3.6	↓ -6.0
Metal price index	119.2	↓ -3.3	↓ -10.5
Crude oil price (\$/bbl) *	48.7	↑ 3.2	↓ -19.6
Cotton spot (US cents/ pound) *	64.7	↓ -2.1	↓ -7.4
Palm oil (\$/m. ton)	484.7	↓ -15.8	↓ -20.1
Soya bean Oil (\$/m. ton)	628.7	↓ -9.6	↓ -14.8
Wheat (\$/m. ton)	179.8	↓ -8.9	↓ -14.3
Gold spot (\$/Oz) *	1124.3	↑ 0.4	↓ -4.1
Sugar (US cents/pound)	24.5	↓ -0.7	↓ -1.0

Sources: Bloomberg for Crude oil price (Saudi Arabian Light), Cotton Spot and Gold spot. IMF (IFS) for all other items.

\* Average during the month upto September 09, 2015. The percentage changes have been calculated by taking average prices of current month with the previous month and end June prices.



Most of the Stock Price Indices have shown downward trend during July 2015 so far as compared to previous month.

Capital Market Indices

	Sep-15	Percent change since	
		Aug-15	End June - 15
US (DJIA)	16272.2	↓ -4.6	↓ -9.2
DJ EURO STOXX	3220.0	↓ -6.5	↓ -8.6
UK (FTSE 100)	6118.4	↓ -5.2	↓ -9.8
Japan (Nikkei 225)	18042.0	↓ -9.4	↓ -11.6
China (SSEA)	3315.1	↓ -12.0	↓ -34.0
France (CAC 40)	4583.6	↓ -6.2	↓ -7.0
Germany (DAX)	10157.5	↓ -6.1	↓ -9.6
India (BSE)	25435.4	↓ -7.1	↓ -6.3
World dev'd (MSCI)	1612.7	↓ -5.5	↓ -8.9
Emerging Markets (MSCI)	795.2	↓ -6.1	↓ -18.9
World all (MSCI)	388.5	↓ -5.6	↓ -10.0

<sup>1</sup> Updated till September 09, 2015

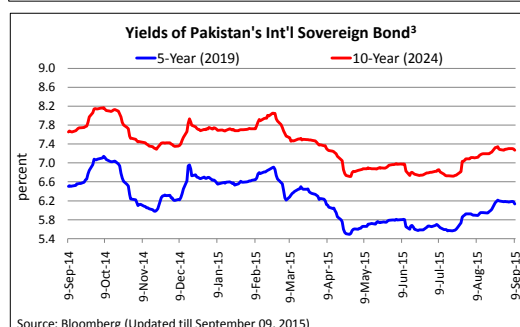
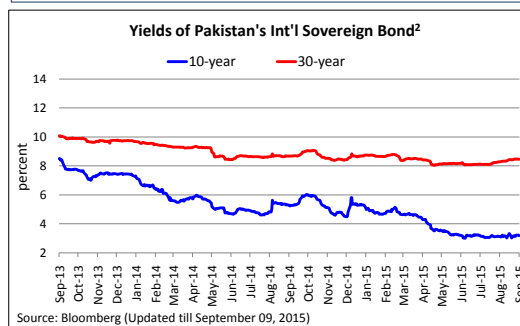
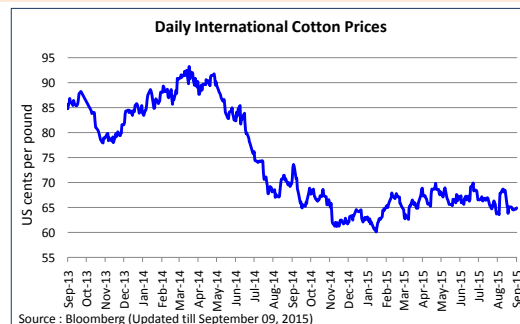
<sup>2</sup> 30 Yr Bond = \$300 M (Coupon rate = 7.875%): Issued - Mar 24, 2006; Maturity -Mar 23, 2036

<sup>3</sup> 10 Yr Bond = \$500 M (Coupon rate = 7.125%): Issued - Mar 24, 2006; Maturity - Mar 23, 2016

<sup>4</sup> 10 Yr Bond = \$1000 M (Coupon rate = 8.25%): Issued - April 8, 2014; Maturity - April 15, 2024

<sup>5</sup> 5 Yr Bond = \$1000 M (Coupon rate = 7.25%): Issued - April 8, 2014; Maturity -April 15, 2019

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



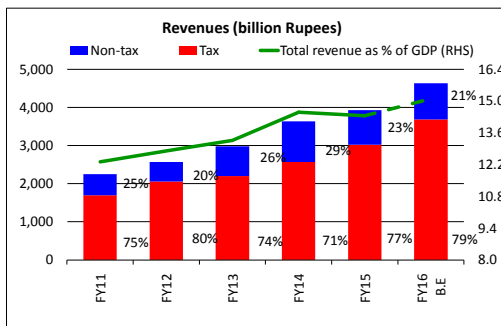


## Revenues, Expenditures and Fiscal Balances

Fiscal deficit was recorded at 5.3 percent of GDP during FY15 compared to 5.5 percent in FY14.

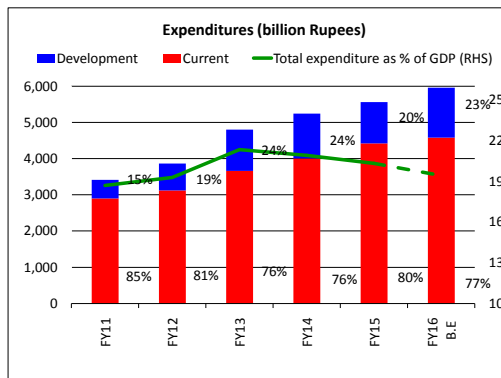
### Revenues (billion Rs)

	FY16 BE <sup>1</sup>	FY15	FY14	FY15 RE <sup>2</sup>
<b>Total revenues</b>	<b>4,631</b>	<b>3,931</b>	<b>3,637</b>	<b>4,217</b>
Tax revenue	3,681	3,017	2,565	3,149
Growth (YoY) %	16.9	17.6	16.6	22.8
of which: FBR revenues	3,104	2,588	2,266	2,605
<b>Non-tax revenues</b>	<b>951</b>	<b>913</b>	<b>1,073</b>	<b>1,068</b>
Growth (YoY) %	-11.0	-14.9	37.0	-0.4



### Expenditures (billion Rs)

	FY16 BE <sup>1</sup>	FY15	FY14	FY15 RE <sup>2</sup>
<b>Total expenditures</b>	<b>5,960</b>	<b>5,388</b>	<b>5,026</b>	<b>5,600</b>
Current	4,580	4,425	4,005	4,477
Growth (YoY) %	2.3	10.5	9.4	11.8
of which: Interest payments	1,280	1,304	1,148	1,270
Defence	781	698	623	720
Development Expenditure & net lending	1,380	1,141	1,237	1,123
Growth (YoY) %	22.9	-7.8	8.5	-9.2
Unidentified Expenditure <sup>3</sup>	-	-178	-215	-



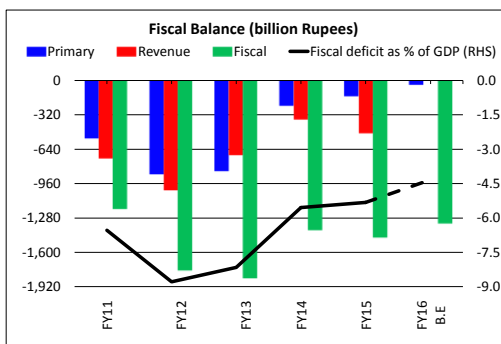
### Overall Balance (billion Rs)

	FY16 BE <sup>1</sup>	FY15	FY14	FY15 RE <sup>2</sup>
<b>Fiscal balance<sup>4</sup></b>	<b>-1,328</b>	<b>-1,457</b>	<b>-1,389</b>	<b>-1,383</b>
Revenue balance <sup>5</sup>	52	-494	-368	-260
Primary balance <sup>6</sup>	-48	-153	-241	-113
<i>As percent of GDP</i>				
Fiscal balance	-4.3	-5.3	-5.5	-5.0
Revenue balance	0.1	-1.8	-1.5	-0.9
Primary balance	-0.2	-0.6	-1.0	-0.4

During FY15, fiscal deficit was mainly financed through borrowings from domestic sources.

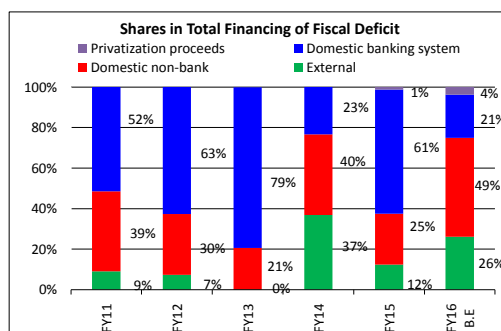
### Financing of Fiscal Deficit (billion Rs)

	FY16 BE <sup>1</sup>	FY15	FY14	FY15 RE <sup>2</sup>
<b>Financing</b>	<b>1,328</b>	<b>1,457</b>	<b>1,389</b>	<b>1,383</b>
1. External	346	181	512	358
2. Domestic <sup>8</sup> : of which	982	1,276	877	1,025
Non-bank	649	366	553	605
Banking system: of which	283	892	324	402
SBP	0	-434	160	-
Scheduled banks	283	1,323	164	-
Privatization proceeds	50	17	-	18



### FBR Tax Collection<sup>9</sup> (billion Rs)

	Direct	Sales	Customs	FED <sup>10</sup>	Total taxes
Q1	128	176	42	28	374
Q2	195	202	57	30	484
Q3	160	202	62	27	452
Q4	244	247	69	41	601
<b>FY13</b>	<b>736</b>	<b>841</b>	<b>240</b>	<b>119</b>	<b>1,936</b>
Q1	161	231	53	24	469
Q2	221	250	57	34	563
Q3	217	235	59	32	543
Q4	285	285	72	49	692
<b>FY14</b>	<b>884</b>	<b>1,002</b>	<b>241</b>	<b>139</b>	<b>2,266</b>
Q1	190	259	65	25	538
Q2	269	255	71	39	634
Q3	243	247	74	40	603
Q4	328	328	97	60	813
<b>FY15<sup>P</sup></b>	<b>1,029</b>	<b>1,089</b>	<b>306</b>	<b>164</b>	<b>2,588</b>



<sup>1</sup> Budget Estimates; Estimated from Budget in Brief 2014-15, MoF; <sup>2</sup> Revised Estimates FY15 are taken from Budget documents 2014-15, MoF. Source:

[http://www.finance.gov.pk/budget/Budget\\_in\\_Brief\\_2015\\_16.pdf](http://www.finance.gov.pk/budget/Budget_in_Brief_2015_16.pdf); <sup>3</sup> In Fiscal Accounts, these expenditures are named as 'Statistical Discrepancy'; <sup>4</sup> Fiscal balance = total revenue - total expenditure; <sup>5</sup> Revenue balance = total revenue - current expenditure; <sup>6</sup> Primary balance = total revenue - total expenditure + interest payment; <sup>7</sup> GDP(mp) on new basis (2005-2006) has been used to calculate deficit to GDP ratios; <sup>8</sup> It includes the amount of Privatization Proceeds; <sup>9</sup> as reported in fiscal accounts; <sup>10</sup> Federal excise duty;

P Provisional

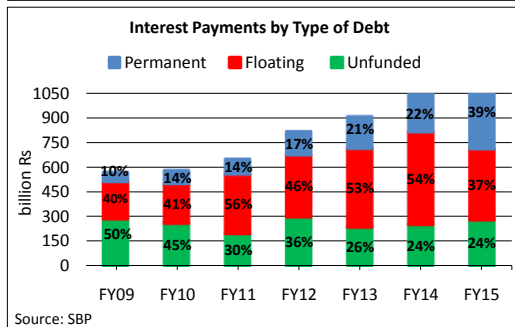
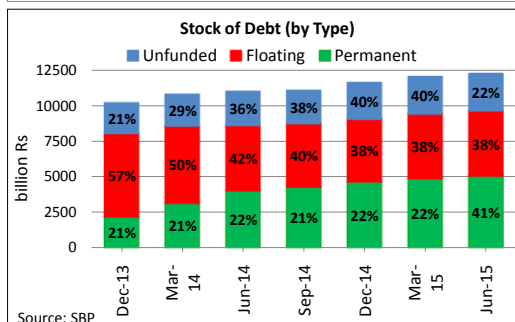
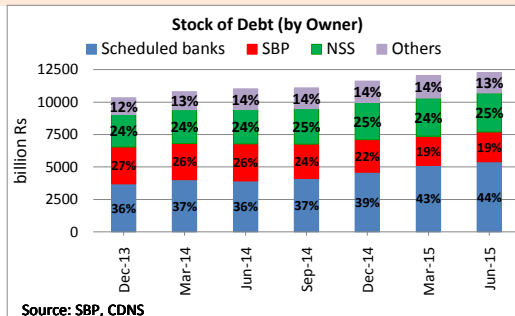


### Government Domestic Debt

Stock of government domestic debt has increased by Rs. 1,287 billion during FY15.

#### Debt by Owner - end period stocks (billion Rs)

	Jun-15 <sup>P</sup>	Jun-14 <sup>R</sup>	Change since Jun-14
<b>1. Bank</b>	<b>7,699</b>	<b>6,781</b>	<b>918</b>
Commercial banks	5,415	3,925	1,489
SBP	2,284	2,855	-571
<b>2. Non-bank</b>	<b>4,557</b>	<b>4,189</b>	<b>368</b>
National saving schemes (NSS)	3,006	2,670	336
Others	1,551	1,519	32
<b>3. Foreign currency instruments<sup>1</sup></b>	<b>5</b>	<b>4</b>	<b>0</b>
<b>Total(1+2+3)</b>	<b>12,260</b>	<b>10,974</b>	<b>1,287</b>



#### Debt by Type - end period stocks (billion Rs)

	Jun-15 <sup>P</sup>	Jun-14 <sup>R</sup>	Change since Jun-14
<b>1. Permanent debt</b>	<b>5,008</b>	<b>3,999</b>	<b>1,009</b>
PIBs	4,155	3,222	933
Prize bonds	523	447	76
Others <sup>2</sup>	331	331	0
<b>2. Floating debt</b>	<b>4,610</b>	<b>4,600</b>	<b>10</b>
MTBs	2,149	1,747	402
MRTBs-replenishment <sup>3</sup>	2,460	2,852	-392
<b>3. Unfunded debt<sup>4</sup>: of which</b>	<b>2,638</b>	<b>2,371</b>	<b>267</b>
Saving schemes	2,416	2,156	260
<b>4. Foreign currency instruments</b>	<b>5</b>	<b>4</b>	<b>0</b>
<b>Total(1+2+3+4)</b>	<b>12,260</b>	<b>10,974</b>	<b>1,287</b>
<b>Government domestic liabilities<sup>5</sup></b>	<b>358</b>	<b>270</b>	<b>88</b>

<sup>1</sup> Includes FEBCs, FCBCs, DBCs and special USD bonds held by the residents.

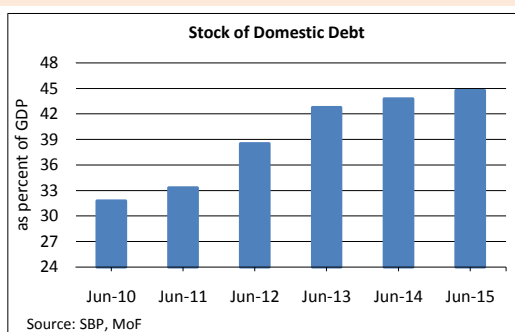
<sup>2</sup> Includes market loans and GOP Ijara Sukuk 3 Years. <sup>3</sup> Includes Outright Sale of MRTBs, if any.

<sup>4</sup> Includes funds mobilized through NSS excluding prize bonds. <sup>5</sup> This reflects provincial governments' borrowings from banks for commodity operations.

Interest payments on domestic debt have shown YoY growth of 12.7 percent during FY15.

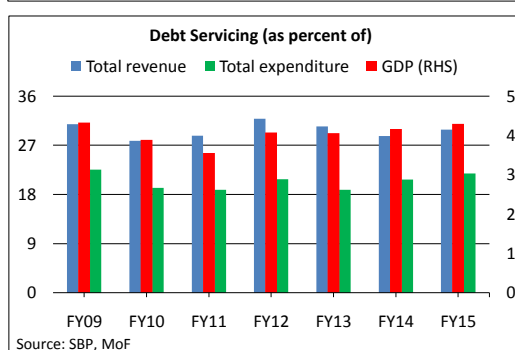
#### Debt Servicing (billion Rs)

	Jul-Jun		Percent change during FY15 over FY14
	FY15 <sup>P</sup>	FY14	
Permanent <sup>6</sup>	463	229	102.6
Floating	432	562	-23.1
Unfunded	280	252	10.8
<b>Total</b>	<b>1175</b>	<b>1043</b>	<b>12.7</b>



#### Indicators of Domestic Debt Sustainability

Debt stock as percent of GDP <sup>7</sup>	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15
		33.3	38.5	42.8	43.8
Debt servicing as percent of GDP <sup>7</sup>	FY11	FY12	FY13	FY14	FY15
		3.6	4.1	4.1	4.2
Total revenue	28.8	31.8	30.4	28.7	29.9
Tax revenue	38.3	39.8	41.3	40.7	38.9
Total expenditure	18.8	20.8	18.8	20.7	21.8
Current expenditure	22.4	26.2	24.8	26.0	26.5



<sup>6</sup> Includes prize bonds;

<sup>7</sup> Based on revised GDP published by PBS on 18-05-2015.

<sup>R</sup>: Revised; <sup>P</sup>: Provisional

Sources: Central Directorate of National Savings (CDNS), Statistics and Data Warehouse Department (S&DWD), SBP and Ministry of Finance (MoF).



## External Debt

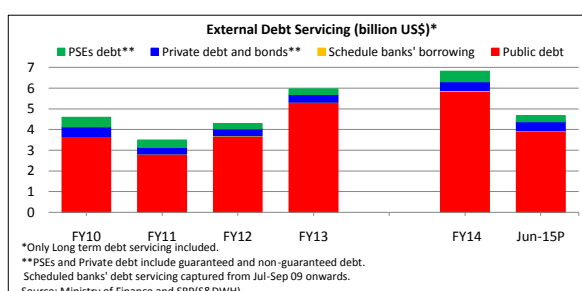
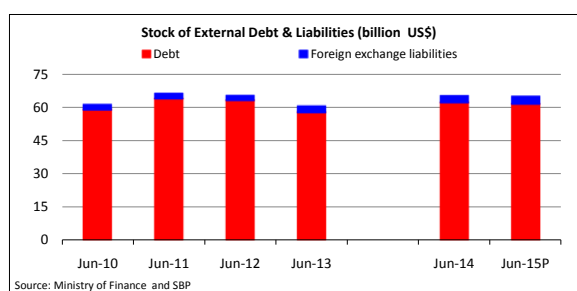
**Stock of public sector external debt has decreased by US\$ 0.2 billion during FY15.**

Debt & Liabilities <sup>1</sup> - end period stocks (million US\$)				Debt Servicing (million US\$)		
Items	Jun-15 <sup>P</sup>	Jun-14 <sup>R</sup>	Change during FY15	Items	FY15 <sup>P</sup>	FY14
<b>1. Public debt (a+b+c)</b>	<b>54,611</b>	<b>54,793</b>	<b>-181</b>	<b>1. Public debt (a+b+c)</b>	<b>3,931</b>	<b>5,847</b>
<b>a) Government debt</b>	<b>46,799</b>	<b>48,491</b>	<b>-1,692</b>	<b>a) Government debt<sup>3</sup></b>	<b>2,577</b>	<b>2,541</b>
<b>i) Long term (&gt;1 year)</b>	<b>46,281</b>	<b>47,790</b>	<b>-1,509</b>	Principal	1,663	1,834
Paris club	11,664	13,607	-1,943	Interest	914	707
Multilateral	24,262	25,826	-1,565	<b>b) To IMF</b>	<b>1,264</b>	<b>3,182</b>
Other bilateral	4,473	3,465	1,008	Principal	1,226	3,130
Euro/Sukuk global bonds	4,550	3,550	1,000	Interest	39	52
Military debt	0	36	-36	<b>c) Foreign exchange liabilities</b>	<b>90</b>	<b>124</b>
Commercial loans/credits	200	150	50	Principal	0	100
Local currency Securities (PIBs)	32	16	16	Interest	90	24
Saudi fund for development (SFD)	100	140	-40	<b>2. PSEs guaranteed debt</b>	<b>62</b>	<b>301</b>
SAFE China deposits	1,000	1,000	0	Principal	47	273
NBP/BOC deposits	0	0	0	Interest	15	28
<b>ii) Short term (&lt;1 year)</b>	<b>518</b>	<b>701</b>	<b>-183</b>	<b>3. PSEs non-guaranteed debt<sup>3</sup></b>	<b>242</b>	<b>199</b>
Of which: IDB	389	413	-24	Principal	221	179
<b>b) From IMF</b>	<b>4,103</b>	<b>3,020</b>	<b>1,083</b>	Interest	20	20
i) Federal government	52	919	-867	<b>4. Scheduled banks' borrowing<sup>3</sup></b>	<b>18</b>	<b>49</b>
ii) Central bank	4,051	2,101	1,950	Principal	18	48
<b>c) Foreign exchange liabilities (FEL)<sup>2</sup></b>	<b>3,709</b>	<b>3,281</b>	<b>428</b>	Interest	0	1
<b>2. Public sector enterprises (PSEs)</b>	<b>2,478</b>	<b>2,137</b>	<b>342</b>	<b>5. Private guaranteed debt</b>	<b>0</b>	<b>0</b>
a) Guaranteed debt	1,033	486	546	<b>6. Private non-guaranteed debt<sup>3</sup></b>	<b>419</b>	<b>298</b>
b) Non-guaranteed debt	1,446	1,650	-204	Principal	354	239
<b>3. Scheduled banks</b>	<b>2,338</b>	<b>1,989</b>	<b>350</b>	Interest	65	59
<b>a) borrowing</b>	<b>1,386</b>	<b>1,080</b>	<b>306</b>	<b>7. Private non-guaranteed bonds</b>	<b>0</b>	<b>117</b>
i) Long term (>1 year)	10	33	-23	Principal	0	112
ii) Short term (<1 year)	1,376	1,046	329	Interest	0	5
<b>b) Non-resident deposit (LCY &amp; FCY)</b>	<b>952</b>	<b>909</b>	<b>44</b>	<b>Total Long term external debt servicing (1+2+3+4+5+6+7)</b>	<b>4,672</b>	<b>6,811</b>
<b>4. Private sector</b>	<b>3,043</b>	<b>3,048</b>	<b>-5</b>	Principal	3,529	5,915
a) guaranteed debt	0	0	0	Interest	1,143	897
<b>b) non-guaranteed debt</b>	<b>3,043</b>	<b>3,048</b>	<b>-5</b>	<b>Memorandum Items</b>		
i) Loans	1,945	1,934	11	<b>Short term debt servicing-principal<sup>4</sup></b>	<b>715</b>	<b>173</b>
ii) Private non-guaranteed bonds	12	12	0	(excluding item No.3 below)		
iii) Trade credit and others liabilities	1,086	1,102	-16	1. Government debt	582	0
<b>5. Debt liabilities to direct investors-intercompany debt</b>	<b>2,676</b>	<b>3,400</b>	<b>-723</b>	2. PSEs non-guaranteed debt	64	151
<b>Total external debt (excl. FEL)</b>	<b>61,438</b>	<b>62,083</b>	<b>-645</b>	3. Scheduled banks' borrowing	36,798	28,559
<b>Total external debt &amp; liabilities (1+2+3+4+5)</b>	<b>65,147</b>	<b>65,365</b>	<b>-218</b>	Net flows <sup>5</sup>	384	413
				4. Private non-guaranteed debt	69	22

**Stock of external debt as percent of GDP decreased to 24.2 percent by the end of June 2015.**

### Indicators of External Debt Sustainability

End period debt stock as percent of	Jun-10						External debt servicing as percent of					
	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15 <sup>P</sup>	FY10	FY11	FY12	FY13	FY14	FY15 <sup>6</sup>
<b>GDP<sup>7</sup></b>	35.4	31.2	30.9	27.0	25.8	24.2	2.4	1.6	2.0	2.6	2.7	1.7
<b>Reserves</b>	364.2	347.2	426.8	550.8	459.8	348.3	24.4	18.3	27.9	53.9	47.9	25.0
<b>Exports</b>	312.8	261.7	264.9	245.5	260.7	269.8	21.0	13.8	17.3	24.0	27.2	19.3



R: Revised; P: Provisional; <sup>1</sup> External debt data format has been changed, as SBP enhances coverage & quality of external debt statistics by adopting Special Data Dissemination Standard, for more details visit <http://www.sbp.org.pk/ecodata/Revision-EDS.pdf>; <sup>2</sup> Allocation of SDR and Nonresident LCY deposits with central bank added to FEL; <sup>3</sup> Only long term debt servicing included; <sup>4</sup> As per the guidelines available in IMF's External Debt Guide for Compilers and Users 2003, the principal repayment of short term debt is excluded from over all principal repayments. However, for the information of data users, short term repayment of principle has been reported as Memorandum Items; <sup>5</sup> Net flows of short term borrowings by banks reflect the net increase (+) or decrease (-) in the stock of short term bank borrowings during the period; <sup>6</sup> Only long term debt servicing included from FY11 and onwards; <sup>7</sup> Based on revised GDP published by PBS on 18-05-2015, Sources: Economic Affairs Division and SBP(S&DWH)





## Total Debt

**Stock of total debt and liabilities increased by Rs. 1,624 billion during FY15.**

### Total Debt Stock (billion Rs)

	Jun-15 <sup>P</sup>	Jun-14 <sup>R</sup>	Change during FY15	Share in Jun- FY15 (percent)
I. Government domestic debt	12,260	10,974	1,287	61.6
II. Government external debt <sup>1</sup>	4,764	4,791	-28	23.9
III. Debt from IMF	418	298	119	2.1
IV. External liabilities	378	324	53	1.9
V. Private sector external debt	548	498	50	2.8
VI. PSEs external debt	252	211	41	1.3
VII. PSEs domestic debt	459	366	93	2.3
VIII. Commodity operations <sup>2</sup>	564	492	72	2.8
IX. Intercompany External Debt from Direct Investor abroad	272	336	-63	1.4
<b>Total debt &amp; liabilities (I to IX)</b>	<b>19,915</b>	<b>18,291</b>	<b>1,624</b>	<b>100.0</b>
<b>Total public debt (I to IV)</b>	<b>17,819</b>	<b>16,388</b>	<b>1,431</b>	<b>89.5</b>
<b>Total external debt &amp; liabilities (II to VI &amp;+ IX)</b>	<b>6,631</b>	<b>6,459</b>	<b>173</b>	<b>33.3</b>
<b>Commodity operations &amp; PSEs debt (VI to VIII)</b>	<b>1,275</b>	<b>1,070</b>	<b>206</b>	<b>6.4</b>

### Total Debt Servicing (billion Rs)

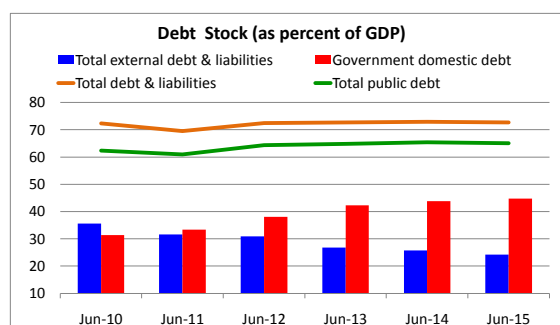
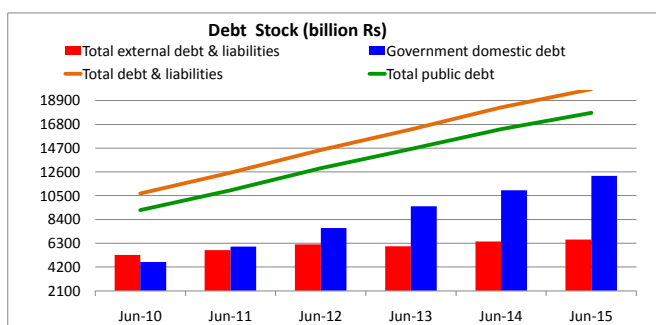
	FY15 <sup>P</sup>	FY14 <sup>R</sup>	Share in FY15 (percent)	Share in FY14 (percent)
<b>Total Debt Servicing(A+B)</b>	<b>1704</b>	<b>1791</b>	<b>100.0</b>	<b>100.0</b>
<b>A. Total interest payment on debt and liabilities (I+II)</b>	<b>1346</b>	<b>1183</b>	<b>79.0</b>	<b>66.0</b>
<b>I. Interest payment on debt (a+b)</b>	<b>1285</b>	<b>1134</b>	<b>75.4</b>	<b>63.3</b>
a. Domestic debt	1175	1043	68.9	58.2
b. External debt	110	91	6.5	5.1
<b>II. Interest payment on liabilities (a+b)</b>	<b>61</b>	<b>49</b>	<b>3.6</b>	<b>2.7</b>
a. Domestic liabilities	52	47	3.1	2.6
b. External liabilities <sup>1</sup>	9	3	0.5	0.1
<b>B. Principal repayment of external debt and liabilities<sup>3</sup></b>	<b>358</b>	<b>609</b>	<b>21.0</b>	<b>34.0</b>

### Debt stock (as percent of GDP)

	Jun-15 <sup>P</sup>	Jun-14 <sup>R4</sup>	Jun-13 <sup>4</sup>
<b>Total debt and liabilities</b>	<b>72.7</b>	<b>73.0</b>	<b>73.2</b>
Total public debt	65.1	65.4	65.4
Total external debt and liabilities	24.2	25.8	27.0
Government domestic debt	44.8	43.8	42.8
PSEs debt and liabilities	4.7	4.3	4.4

### Debt Servicing (as percent of)

	FY15 <sup>P</sup>	FY14 <sup>P</sup>	FY13 <sup>R</sup>	FY12
GDP	6.2	7.1	6.9	6.3
Total revenue	43.4	49.3	51.6	49.3
Tax revenue	56.5	69.9	69.9	61.7
Total expenditure	31.6	35.6	31.9	32.2
Current expenditure	38.5	44.7	42.0	40.5



Note: R: Revised; P: Provisional; <sup>1</sup> Rupee value of external debt and liabilities computed by applying the corresponding end period average exchange rate to the end-period stock; <sup>2</sup> This includes borrowings from banks by provincial and Federal governments agencies for commodity operations; <sup>3</sup> This is excluding short term debt repayment; <sup>4</sup> Based on revised GDP published by PBS on 18-05-2015.

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

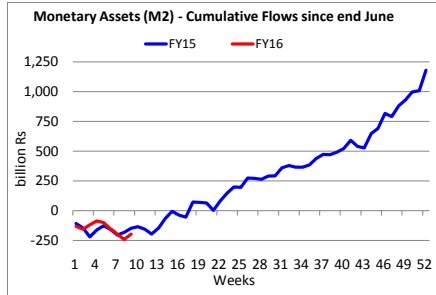


## Monetary and Credit Aggregates

Monetary contraction during FY16 so far mainly owes to NDA .

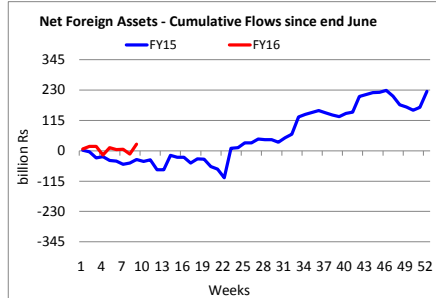
### Monetary Assets of the Banking System (billion Rs)

	End June 2015 stocks <sup>P</sup>	Cumulative flows since end-June		FY15 flows
		Latest week	A year ago	
		28-Aug-15	29-Aug-14	
<b>NFA</b>	819.3	25.0	-33.2	218.3
<b>NDA</b>	10,464.3	-220.8	-115.0	1,097.2
<b>Net government borrowings: of which</b>	6,997.2	141.1	112.2	933.0
Net budgetary borrowing	6,410.4	141.8	126.0	861.0
Commodity operations	564.5	3.2	-10.3	72.0
<b>Non-government borrowings: of which</b>	4,390.4	-61.3	-45.6	288.3
Private sector	3,937.4	-73.5	-55.9	208.7
PSEs	434.7	12.6	10.7	80.0
<b>Other items (net)</b>	-923.3	-300.6	-181.6	-124.1
<b>M2</b>	11,283.6	-195.7	-148.2	1,315.5



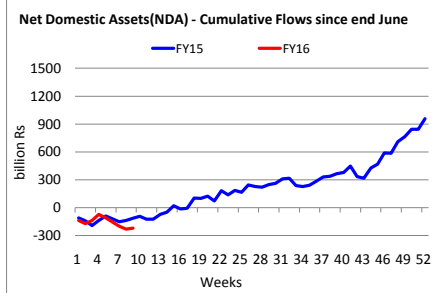
### Monetary Liabilities of the Banking System (billion Rs)

<b>Currency in circulation</b>	2,554.7	147.5	27.8	376.9
<b>Total deposits with banks</b>	8,713.6	-343.2	-176.2	936.6
Demand deposits with banks	7,396.8	-330.4	-207.1	891.0
Time deposits with banks	719.1	0.6	18.4	47.3
RFCDs with banks	597.8	-13.4	12.5	-1.6
<b>M2</b>	11,283.6	-195.7	-148.2	1,315.5



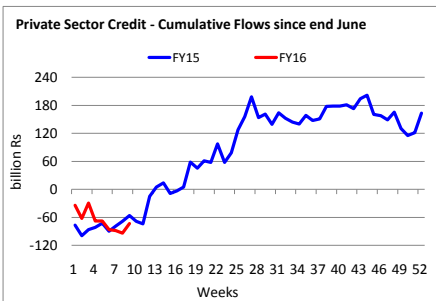
### Monetary Assets of the Banking System (percent growth)

	YoY (28-Aug-15)	Since end June		FY15
		Latest week	A year ago	
		28-Aug-15	29-Aug-14	
<b>NFA</b>	48.7	3.1	-5.5	36.3
<b>NDA</b>	10.7	-2.1	-1.2	11.7
<b>Government borrowings</b>	15.6	2.0	1.8	15.4
Budgetary borrowing	15.4	2.2	2.3	15.5
Commodity operations	17.7	0.6	-2.1	14.6
<b>Non-government sector borrowings</b>	6.7	-1.4	-1.1	7.0
Private sector	5.2	-1.9	-1.5	5.6
PSEs	22.4	2.9	3.0	22.5
<b>Other items (Net)</b>	-24.8	-32.6	-22.7	-15.5
<b>M2</b>	12.9	-1.7	-1.5	13.2



### Memorandum Items

	Latest week	A year ago	FY15
	28-Aug-15	29-Aug-14	
Money multiplier	3.27	3.43	3.59
Currency to deposit ratio (percent)	32.28	29.02	29.32
M2 to GDP ratio (percent)	36.15	35.86	41.21
Private sector credit to GDP ratio (percent)	12.60	13.41	14.38



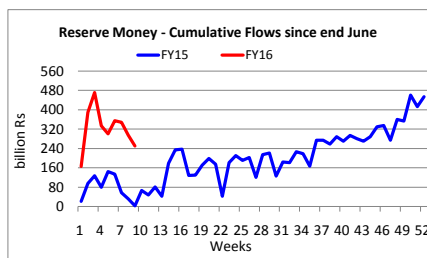
<sup>R</sup>, Revised (All weekly numbers are provisional); Source: Statistics & Data Warehouse Department (S&DWD), SBP



**Net OMO injections remained the key driver of reserve money growth during FY16 so far.**

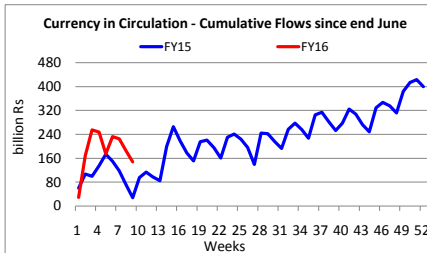
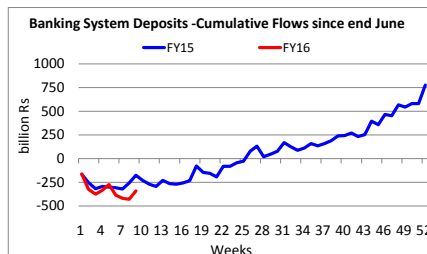
### Monetary Assets of SBP (billion Rs)

	End June 2015 stocks	Cumulative flows since end-June		FY15 Flows
		Latest week	A year ago	
		28-Aug-15	29-Aug-14	
<b>NFA</b>	<b>729.0</b>	<b>27.0</b>	<b>-55.4</b>	<b>239.3</b>
<b>NDA: of which</b>	<b>2,414.5</b>	<b>223.1</b>	<b>58.8</b>	<b>42.9</b>
Budgetary borrowing	1,935.7	-135.5	110.6	-474.1
Other items (net)	58.5	389.8	-19.0	613.7
Net impact of OMOs/discounting	662.0	447.8	36.3	679.2
<b>Reserve money</b>	<b>3,143.4</b>	<b>250.1</b>	<b>3.4</b>	<b>282.2</b>



### Monetary Liabilities of SBP (billion Rs)

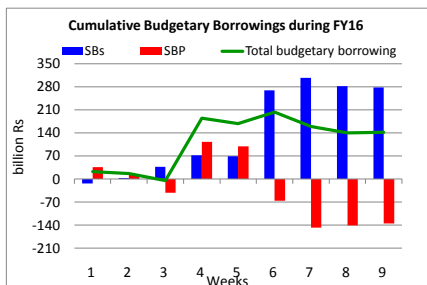
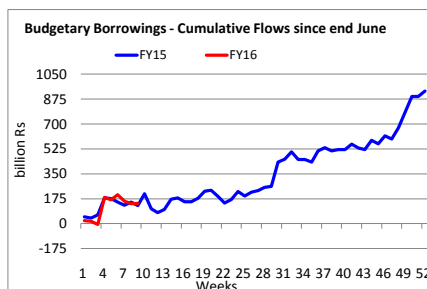
	End June 2015 stocks	Cumulative flows since end-June		FY15 Flows
		Latest week	A year ago	
		28-Aug-15	29-Aug-14	
Currency in circulation	2,554.7	147.5	27.8	376.9
Cash in tills	160.3	-14.3	-10.3	20.8
Bank deposits with SBP (reserves)	413.2	117.0	-14.3	-117.5
Other deposits with SBP	15.2	-0.1	0.2	2.0
	<b>(28-Aug-15)</b>	<b>(percent growth)</b>		
<b>NFA of the SBP</b>	<b>74.1</b>	<b>3.7</b>	<b>-11.3</b>	<b>48.9</b>
<b>NDA of the SBP: of which</b>	<b>8.5</b>	<b>9.2</b>	<b>2.5</b>	<b>1.8</b>
Budgetary borrowing	-28.6	-7.0	4.6	-19.7
<b>Reserve money</b>	<b>18.5</b>	<b>8.0</b>	<b>0.1</b>	<b>9.9</b>



**In FY16 so far, government borrowing needs are entirely met from Scheduled Banks.**

### Details on Government Borrowing for Budgetary Support (billion Rs)

	End June 2015 stocks	Cumulative flows since end-June		FY15 flows
		Latest week	A year ago	
		28-Aug-15	29-Aug-14	
<b>Budgetary borrowing</b>	<b>6,410.4</b>	<b>141.8</b>	<b>126.0</b>	<b>861.0</b>
<b>Federal government</b>	<b>7,010.6</b>	<b>162.7</b>	<b>175.7</b>	<b>951.1</b>
From SBP	2,105.5	-114.8	177.1	-462.2
SBP's holdings of MRTBs	2,281.4	190.8	-60.0	-570.9
From scheduled banks (SBs)	4,905.1	277.5	-1.4	1,413.3
<b>Provincial governments</b>	<b>-600.2</b>	<b>-20.9</b>	<b>-49.7</b>	<b>-90.1</b>
From SBP <sup>1</sup>	-169.8	-20.7	-66.5	-11.9
From scheduled banks <sup>2</sup>	-430.4	-0.2	16.8	-78.2
<b>Memorandum Items</b>				
<b>Budgetary borrowing on cash basis</b>	<b>6,336.7</b>	<b>102.0</b>	<b>126.6</b>	<b>888.3</b>
SBP	1,893.5	-163.1	108.9	-434.2
Scheduled banks	4,443.3	265.0	17.7	1,322.6



<sup>1</sup> Current overdraft ceilings for provinces are: Rs37.2 billion for Punjab; Rs15 billion for Sindh; Rs10.1 billion for KPK; Rs7.1 billion for Baluchistan, Rs4.5 billion for AJK.

<sup>2</sup> The end-June 2015 net stock of borrowings was negative as provincial governments' deposits with scheduled banks exceeded their borrowings.

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



### Private Sector Credit

Credit to private sector decreased by Rs. 68.0 billion during July 2015 compared to a decrease of Rs. 72.6 billion during July 2014.

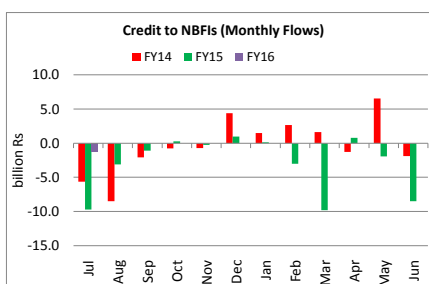
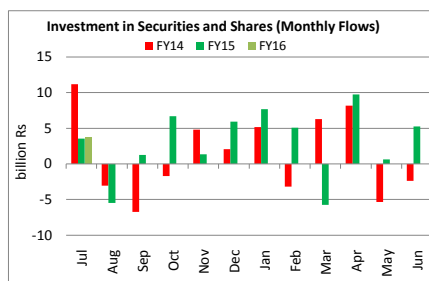
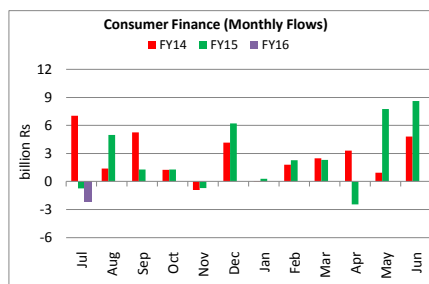
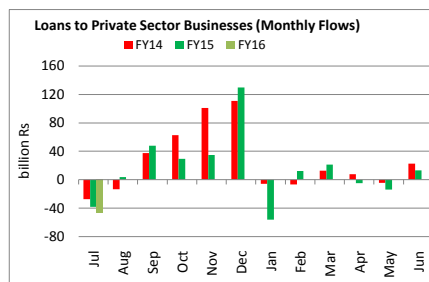
#### Credit to Private Sector

	End June 2015 stocks	Cumulative flows (billion Rs)		FY15
		Jul FY16	Jul FY15	
<b>Total credit to private sector <sup>1</sup></b>	<b>3,937.4</b>	<b>-68.0</b>	<b>-72.6</b>	<b>208.7</b>
<b>1. Loans to private sector businesses</b>	<b>2,944.7</b>	<b>-46.5</b>	<b>-38.0</b>	<b>179.5</b>
<b>By type</b>				
Working capital: of which	1,891.1	-60.4	-28.0	49.6
Export finance	282.3	-6.4	4.5	6.3
Import finance	181.6	1.4	12.6	24.5
Fixed investment	1,053.6	13.9	-10.1	129.9
<b>By Sectors: of which</b>				
<b>Agriculture</b>	<b>285.4</b>	<b>↓ -5.4</b>	<b>↑ 3.3</b>	<b>↑ 32.7</b>
<b>Manufacturing: of which</b>	<b>1,704.4</b>	<b>↓ -35.5</b>	<b>↓ -28.9</b>	<b>↑ 68.4</b>
Textiles	549.7	↓ -8.0	↓ -12.7	↓ -8.4
Food products & beverages	429.7	↓ -19.6	↓ -18.8	↑ 15.3
Chemicals & products	209.7	↑ 2.3	↓ -3.2	↑ 17.9
Non-metallic mineral products	73.4	↓ -2.1	↑ 1.9	↑ 19.7
Wearing apparel, readymade gar.	53.7	↓ -1.3	↓ -0.9	↓ -0.3
<b>Electricity, gas and water</b>	<b>267.2</b>	<b>↑ 5.0</b>	<b>↓ -2.3</b>	<b>↓ -11.4</b>
<b>Construction</b>	<b>66.0</b>	<b>↓ -1.9</b>	<b>↓ -2.8</b>	<b>↑ 13.6</b>
<b>Commerce and trade</b>	<b>237.0</b>	<b>↓ -6.0</b>	<b>↓ -7.9</b>	<b>↑ 13.7</b>
<b>Transport, storage and comm.</b>	<b>146.6</b>	<b>↓ -4.2</b>	<b>↓ -3.2</b>	<b>↑ 29.5</b>
<b>Services: of which</b>	<b>151.7</b>	<b>↑ 1.4</b>	<b>↑ 4.7</b>	<b>↑ 17.6</b>
Real estate/renting & business act	97.7	↑ 0.5	↑ 4.1	↑ 8.2
<b>2. Personal: of which</b>	<b>381.7</b>	<b>↓ -6.3</b>	<b>↓ -0.3</b>	<b>↑ 44.0</b>
Consumer financing	273.9	↓ -2.2	↓ -0.7	↑ 31.1
<b>3. Investment in securities and shares</b>	<b>223.4</b>	<b>↑ 3.8</b>	<b>↑ 3.6</b>	<b>↑ 35.9</b>
<b>4. Others<sup>2</sup>: of which</b>	<b>387.7</b>	<b>↓ -19.0</b>	<b>↓ -37.8</b>	<b>↓ -50.8</b>
Non-bank finance companies	117.3	↓ -1.3	↓ -9.7	↓ -35.3

<sup>1</sup> From Weekly Monetary Survey's month end position.

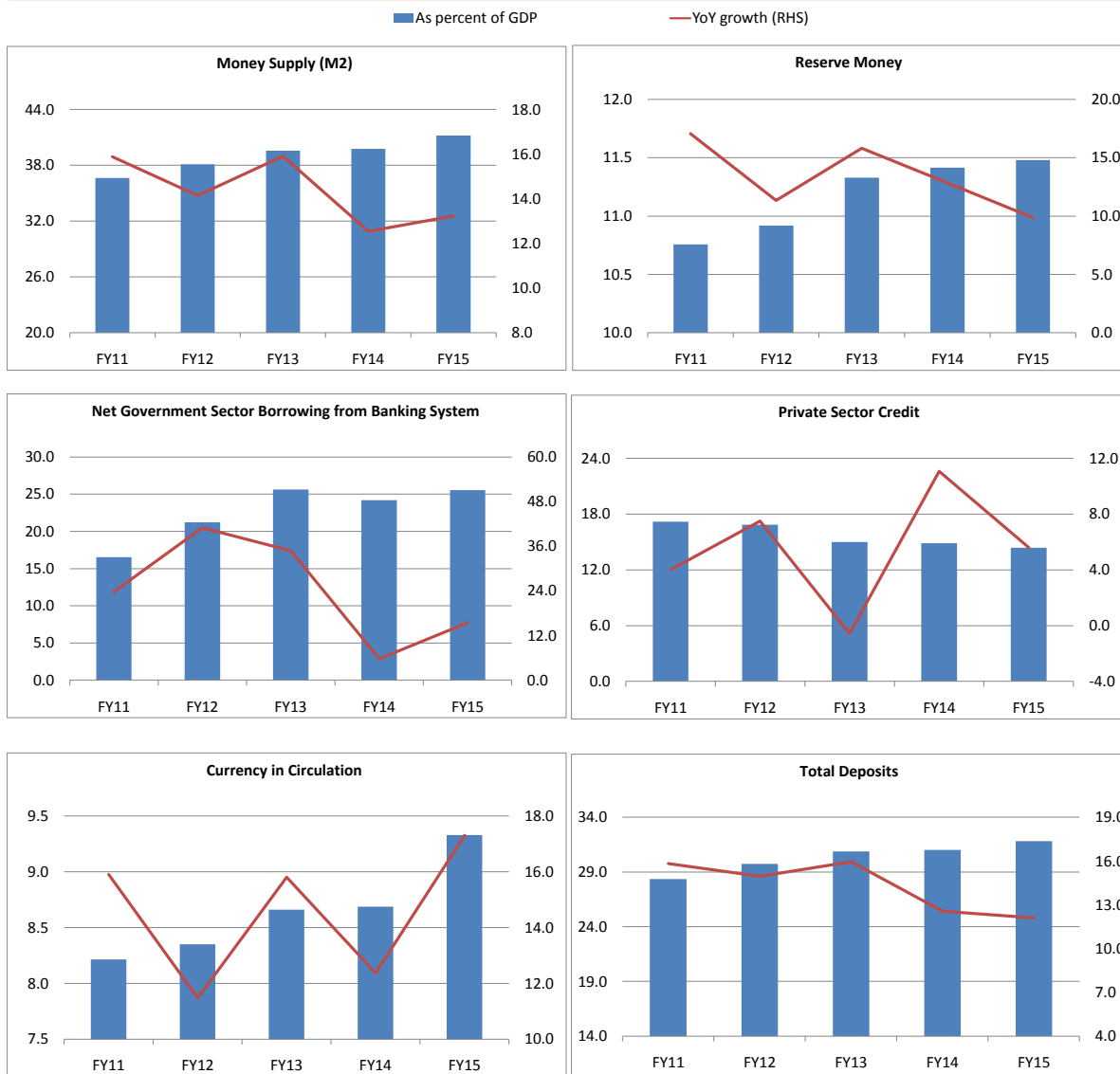
<sup>2</sup> This also includes credit to some Public Sector Enterprises, and other categories.

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





## Key Indicators of Monetary Sector

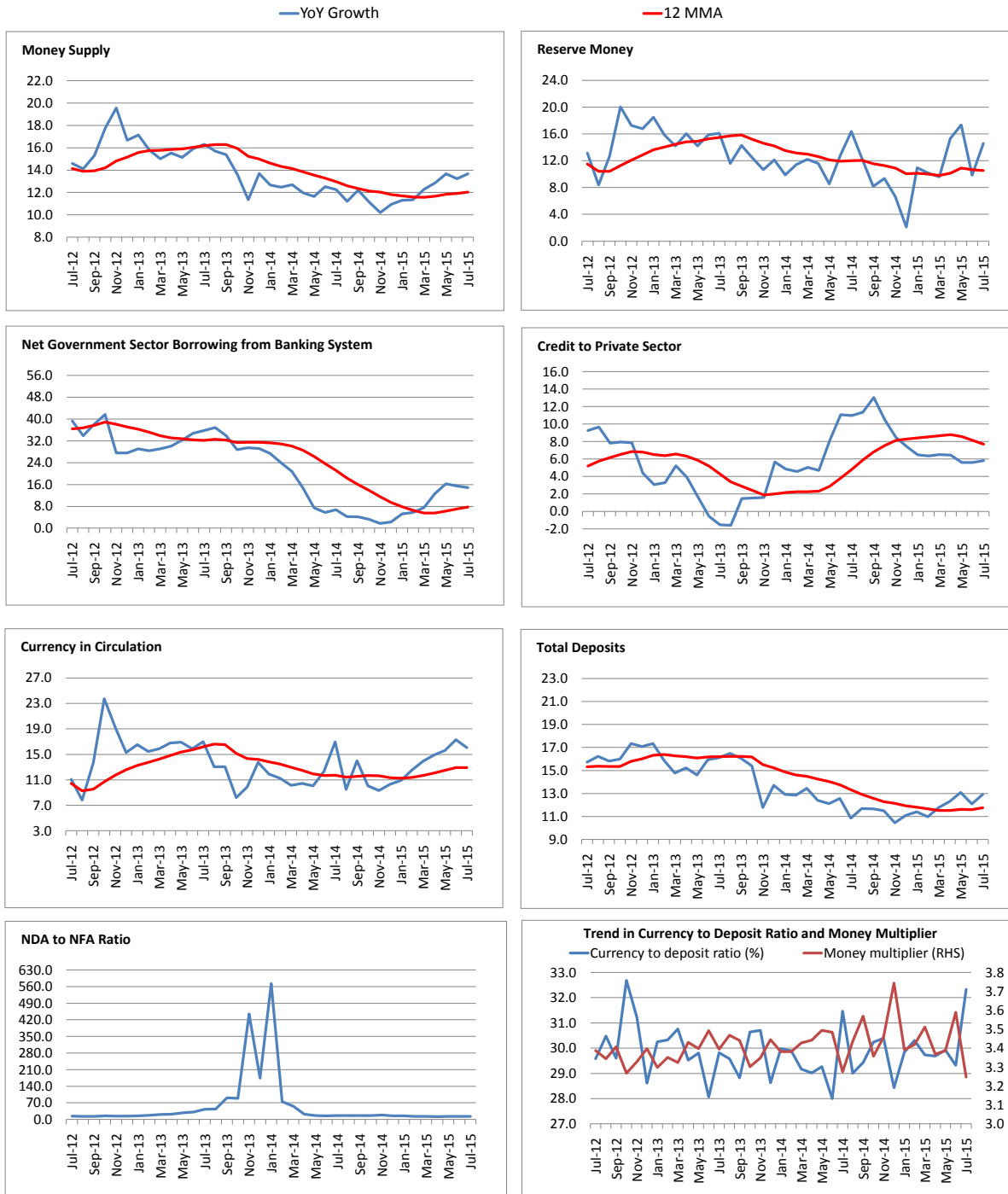


YoY growth of end June Stocks

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



## Trends in Monetary Aggregates



Month end stocks data has been used.  
 YoY growth shows growth over same month last year.  
 Source: Statistics and Data Warehouse Department (S&DWD), SBP.



## Money Market

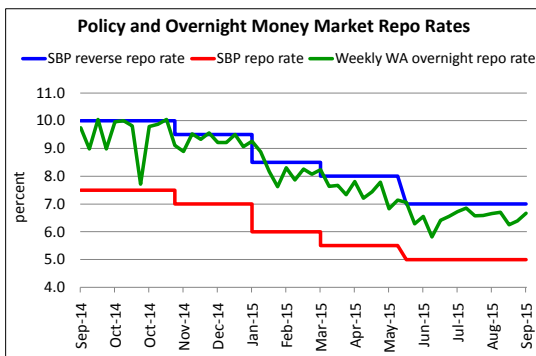
With effect from 25th May 2015, SBP decreased the SBP reverse repo rate by 100 bps to 7.0 percent.

Policy Instruments (percent)

	Current	w.e.f	Previous	w.e.f	Change <sup>1</sup>
SBP reverse repo rate	7.0	25-May-15	8.0	24-Mar-15	↓ -100
SBP repo rate	5.0	25-May-15	5.5	24-Mar-15	↓ -50
Bi-weekly average CRR on DL and TL < 1 year	5.0	1-Nov-08	6.0	18-Oct-08	↓ -100
Daily minimum CRR on DL and TL < 1 year	3.0	12-Oct-12	4.0	1-Nov-08	↓ -100
CRR on TL > 1 year	0.0	4-Aug-07	3.0	22-Jul-06	↓ -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

<sup>1</sup> Basis points

DL: Demand Liabilities; TL: Time Liabilities



Volatility in overnight repo rate has decreased in Q1-FY16, compared to Q4-FY15.

Weighted Average O/N Money Market Repo Rate (percent)

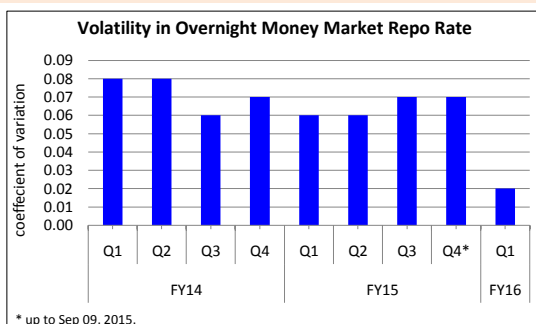
	FY15				FY16
	Q2	Q3	Q4	Year	Q1 *
WA O/N repo rate <sup>2</sup>	9.38	8.30	6.95	8.51	6.63
Standard deviation	0.60	0.60	0.50	1.19	0.10
CoV <sup>3</sup>	0.06	0.07	0.07	0.14	0.02

\* up to Sep 09, 2015

YTD: Year to date

<sup>2</sup> Weekly Weighted Average O/N Repo Rate

<sup>3</sup> CoV (Coefficient of Variation) is a ratio and is unit free.



\* up to Sep 09, 2015.

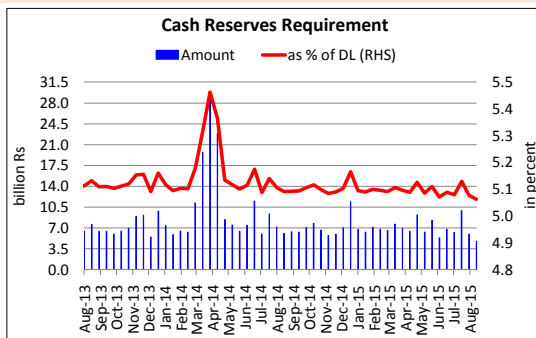
Banks' holding of government securities now stands at 85 percent of their total liquid assets maintained.

Bi-weekly Cash Reserves Requirement (CRR)<sup>4</sup> (billion Rs)

	Maintenance period ended as on		Change since Last MPS	
	27-Aug-15	30-Jul-15	30-Jul-15	16-Jul-15 <sup>5</sup>
Cash required	380.2	382.0	↓ -1.8	↓ -12.8
Cash maintained	384.9	391.9	↓ -6.9	↓ -14.3
Excess cash reserves (per day)	4.7	9.9	↓ -5.2	↓ -1.5

<sup>4</sup> Bi-weekly CRR is the proportion of local currency time and demand liabilities (TDL) that scheduled banks are required to maintain with SBP in the form of cash on average during the reserve maintenance period.

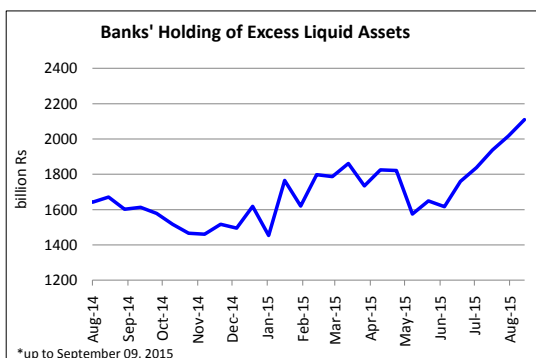
<sup>5</sup> As on Thursday preceding the last monetary policy decision.



Overall Reserve Requirement (billion Rs)

	Maintenance period started as on		Change since Last MPS	
	28-Aug-15	31-Jul-15	31-Jul-15	17-Jul-15 <sup>9</sup>
<b>Required reserves</b>	<b>1840.8</b>	<b>1863.0</b>	↓ -22.2	↑ 7.4
for CRR	383.5	388.1	↓ -4.6	↑ 1.5
for SLR	1457.3	1474.9	↓ -17.6	↑ 5.8
<b>Maintained<sup>6</sup></b>	<b>3951.1</b>	<b>3800.5</b>	↑ 150.6	↑ 279.2
Cash	577.3	637.7	↓ -60.4	↓ -158.4
Cash in tills	171.5	187.2	↓ -15.7	↓ -53.6
Balance with SBP	366.2	372.4	↓ -6.2	↓ -123.4
Balance with NBP	39.6	78.2	↓ -38.5	↑ 18.7
Securities	3351.6	3140.7	↑ 210.9	↑ 437.5
Others <sup>7</sup>	22.2	22.1	↑ 0.1	↑ 0.1
<b>Excess liquid assets<sup>8</sup></b>	<b>2110.3</b>	<b>1937.5</b>	↑ 172.8	↑ 271.8

Source: Off-site Supervision and Enforcement Department, SBP



\* up to September 09, 2015

<sup>6</sup> Data corresponds to the balances as on that date

<sup>7</sup> Includes Section 13(3) deposits and share capital of MFBs.

<sup>8</sup> Includes excess securities + cash and other assets maintained.

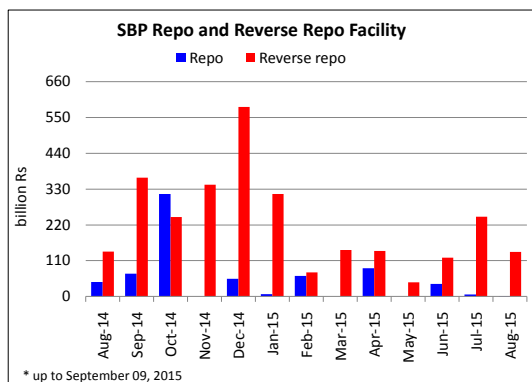
<sup>9</sup> As on Friday preceding the last monetary policy decision



**Banks' use of SBP's reverse repo facility decreased in Q1-FY16 so far, compared to Q1-FY15.**

### Use of SBP's Standing Facilities

	SBP reverse repo		SBP repo	
	Amount	Days	Amount	Days
	billion Rs	No.	billion Rs	No.
<b>FY14</b>	<b>4,084.5</b>	<b>71</b>	<b>1,084.3</b>	<b>39</b>
Q1	250.6	11	419.0	13
Q2	977.6	16	199.8	6
Q3	1,559.1	26	239.9	6
Q4	1,297.2	18	225.6	14
<b>FY15</b>	<b>2,697.5</b>	<b>71</b>	<b>729.5</b>	<b>21</b>
Q1	693.3	21	163.5	4
Q2	1,170.4	21	369.4	8
Q3	531.6	18	70.5	4
Q4	302.3	11	126.2	5
<b>FY16<sup>1</sup> Q1</b>	<b>382.2</b>	<b>11</b>	<b>7.4</b>	<b>2.0</b>



<sup>1</sup> Updated up to Sep 09, 2015

**The level of average outstanding OMOs has shown positive trend in FY16 so far.**

### Outstanding Open Market Operations<sup>2</sup> (billion rupees)

	Average Outstanding OMOs	End-period Outstanding OMOs
<b>FY14</b>	<b>53.9</b>	<b>-</b>
Q1	(34.7)	(40.0)
Q2	(11.8)	66.1
Q3	67.0	250.0
Q4	196.9	-
<b>FY15</b>	<b>418.6</b>	<b>624.8</b>
Q1	63.0	0.0
Q2	281.0	0.0
Q3	683.2	718.4
Q4	744.1	624.8
<b>FY16<sup>3</sup> Q1</b>	<b>1,029.2</b>	<b>1,160.5</b>

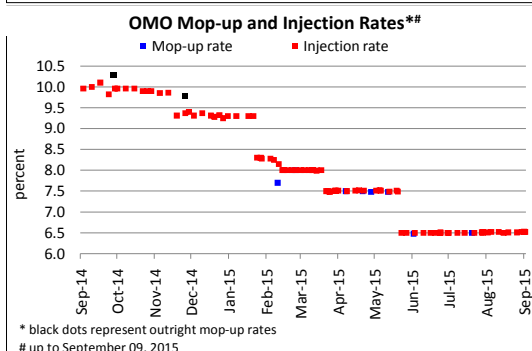
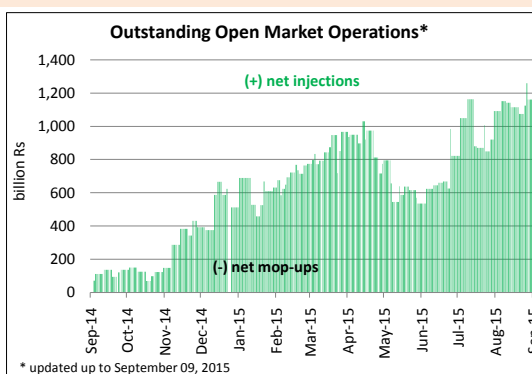
<sup>2</sup> It does not include the impact of outright transactions.

\*Note: (+) amount means net injection

(-) amount means net mop-up

<sup>3</sup> Updated up to Sep 09, 2015

Source: Domestic Markets & Monetary Management Department, SBP



### Outright Open Market Operations (billion rupees)

	Net Sale	End-period Outstanding
<b>FY14</b>	<b>379.6</b>	<b>-</b>
Q1	-	-
Q2	90.5	90.5
Q3	289.1	289.1
Q4	-	-
<b>FY15</b>	<b>346.5</b>	<b>186.5</b>
Q1	70.0	70.0
Q2	90.0	90.0
Q3	-	-
Q4	186.5	186.5
<b>FY16<sup>4</sup> Q1</b>	<b>-</b>	<b>-</b>

<sup>4</sup> Updated up to Sep 09, 2015

### Open Market Operations for GoP Ijara Sukuk - Outright<sup>5</sup> (billion rupees)

	Bai-Muajjal Purchases	Ready Sales
<b>FY15</b>	<b>179.9</b>	<b>179.9</b>
Q1	-	-
Q2	90.4	90.4
Q3	89.5	89.5
Q4	-	-
<b>FY16<sup>6</sup> Q1</b>	<b>-</b>	<b>-</b>

<sup>5</sup> As per DMMD Circular No. 17 of 2014 dated October 15, 2014.

<sup>6</sup> Updated up to Sep 09, 2015

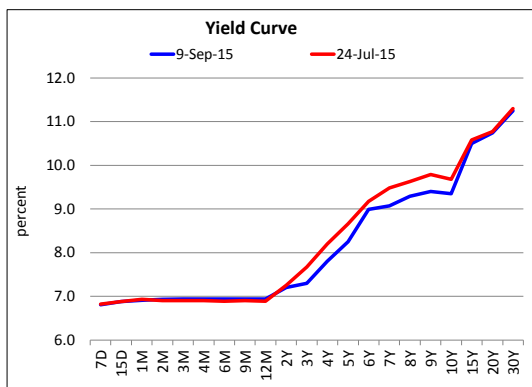




**Secondary market yield for one week, one month and above one year tenors has decreased since the last monetary policy decision in July 2015.**

**Pak Rupee Revaluation (PKRV) Rates<sup>1</sup> (%)**

Tenors	Current		Change (in basis points) since	
	9-Sep-15	10-Aug-15	Last MPS	
			10-Aug-15	24-Jul-15
1-week	6.81	6.98	↓ -17	↓ -1
2-week	6.88	7.00	↓ -12	↑ 0
1-month	6.91	6.98	↓ -7	↓ -2
3-month	6.94	6.95	↓ -1	↑ 4
6-month	6.94	6.95	↓ -1	↑ 5
9-month	6.94	6.95	↓ -1	↑ 4
12-month	6.94	6.95	↓ -1	↑ 5
2-year	7.20	7.31	↓ -11	↓ -5
3-year	7.30	7.65	↓ -35	↓ -37
5-year	8.25	8.65	↓ -40	↓ -41
7-year	9.07	9.36	↓ -29	↓ -41
10-year	9.35	9.58	↓ -23	↓ -33
20-year	10.74	10.72	↑ 2	↓ -3
30-year	11.25	11.26	↓ -1	↓ -5

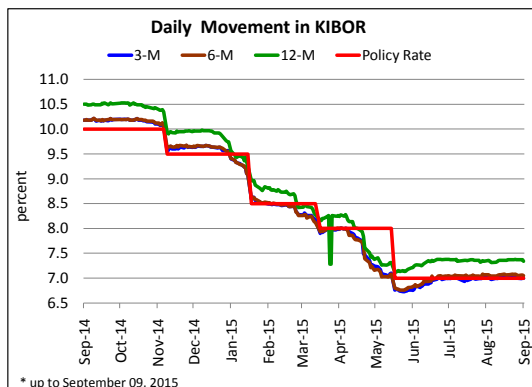


<sup>1</sup> It is secondary market yield-to-maturity used by banks to revalue their holding of securities (i.e. mark to market).

**KIBOR of 9-month and less tenors have increased since the last monetary policy decision in July 2015.**

**Tenor-wise KIBOR (%)**

Tenors	Current		Change (in basis points) since	
	9-Sep-15	10-Aug-15	Last MPS	
			10-Aug-15	24-Jul-15
1-week	6.91	6.97	↓ -6	↑ 4
2-week	6.94	6.96	↓ -2	↑ 7
1-month	6.97	6.99	↓ -2	↑ 9
3-month	7.00	7.01	↓ -1	↑ 5
6-month	7.05	7.07	↓ -2	↑ 2
9-month	7.34	7.33	↑ 1	↑ 4
12-month	7.34	7.35	↓ -1	↓ -1
2-year	7.54	7.64	↓ -10	↓ -12
3-year	7.69	7.98	↓ -29	↓ -36

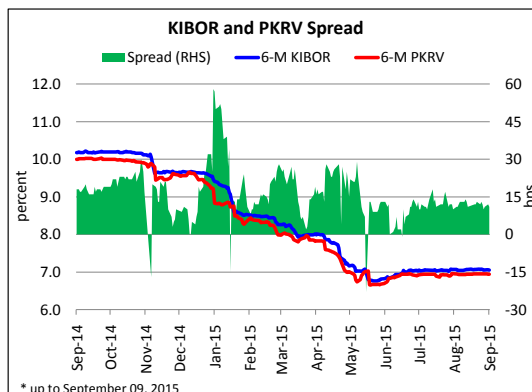


\* up to September 09, 2015

**Spreads between KIBOR and PKRV rates for the tenors 6-month, 12-month and 2-year have decreased compared to their levels observed at the time of monetary policy announcement in July 2015.**

**KIBOR and PKRV Spread (basis points)**

Tenors	Current		Change since	
	9-Sep-15	10-Aug-15	Last MPS	
			10-Aug-15	24-Jul-15
1-week	10	-1	↑ 11	↑ 5
2-week	6	-4	↑ 10	↑ 7
1-month	6	1	↑ 5	↑ 11
3-month	6	6	↑ 0	↑ 1
6-month	11	12	↓ -1	↓ -3
9-month	40	38	↑ 2	↑ 0
12-month	40	40	↑ 0	↓ -6
2-year	34	33	↑ 1	↓ -7
3-year	39	33	↑ 6	↑ 1



\* up to September 09, 2015

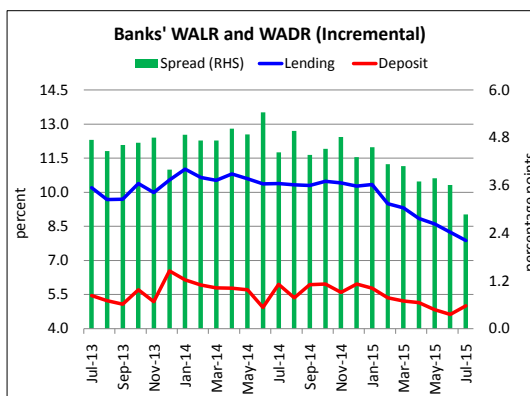
Sources: SBP and Financial Market Association of Pakistan



**Spread between incremental WALR and WADR stands at 287 bps in Jul 2015.**

### Weighted average Lending and Deposit Rates (percent per annum)

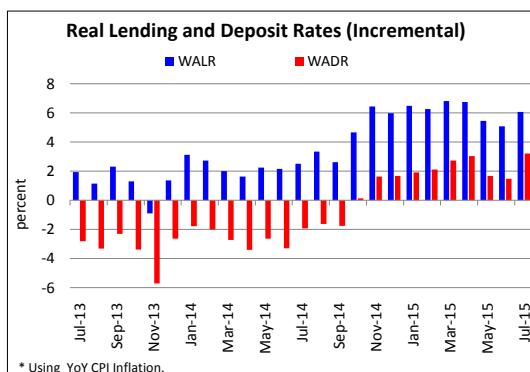
Months	Incremental <sup>1</sup>		Spread (bps)	Outstanding		Spread (bps)
	WALR	WADR		WALR	WADR	
Jul-14	10.38	5.95	443	11.06	5.11	595
Aug-14	10.33	5.36	497	10.92	5.17	575
Sep-14	10.30	5.93	437	11.00	5.12	588
Oct-14	10.48	5.96	452	10.92	5.11	581
Nov-14	10.41	5.59	482	10.93	5.11	581
Dec-14	10.28	5.97	431	10.92	4.90	602
Jan-15	10.35	5.78	457	10.73	4.94	579
Feb-15	9.50	5.36	414	10.55	4.66	589
Mar-15	9.31	5.22	408	10.47	4.55	591
Apr-15	8.85	5.15	370	9.95	4.38	558
May-15	8.61	4.83	377	9.85	4.26	559
Jun-15	8.24	4.63	362	9.63	3.89	574
Jul-15	7.88	5.00	287	9.42	3.95	547



<sup>1</sup> Weighted average rates on incremental (fresh) loans and deposits (including interbank and zero markup) during a month.

**Both real lending and deposit rates, calculated on the basis of YoY CPI inflation, have increased in July 2015.**

Months	Real (based on 12-month MA inflation) <sup>2</sup>		Real (based on YoY inflation) <sup>3</sup>	
	WALR	WADR	WALR	WADR
Jul-14	1.79	-2.64	2.49	-1.93
Aug-14	1.88	-3.08	3.33	-1.63
Sep-14	1.83	-2.54	2.62	-1.75
Oct-14	2.30	-2.22	4.66	0.14
Nov-14	2.81	-2.01	6.44	1.63
Dec-14	3.09	-1.22	5.98	1.67
Jan-15	3.50	-1.06	6.47	1.91
Feb-15	3.05	-1.09	6.26	2.12
Mar-15	3.36	-0.73	6.82	2.73
Apr-15	3.49	-0.21	6.74	3.04
May-15	3.67	-0.11	5.45	1.67
Jun-15	3.72	0.10	5.08	1.47
Jul-15	3.86	0.98	6.07	3.20



\* Using YoY CPI Inflation.

<sup>2</sup> Nominal rate less CPI inflation (12-month moving average).

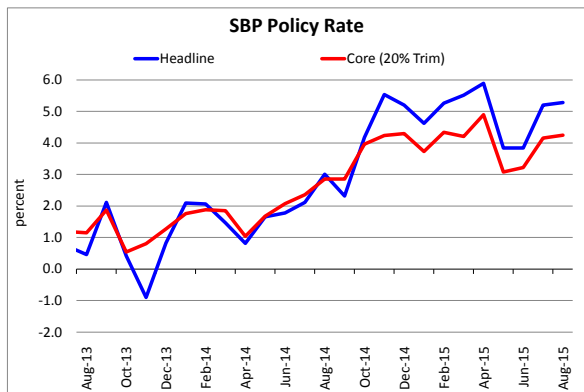
<sup>3</sup> Nominal rate less CPI inflation (year on year).

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

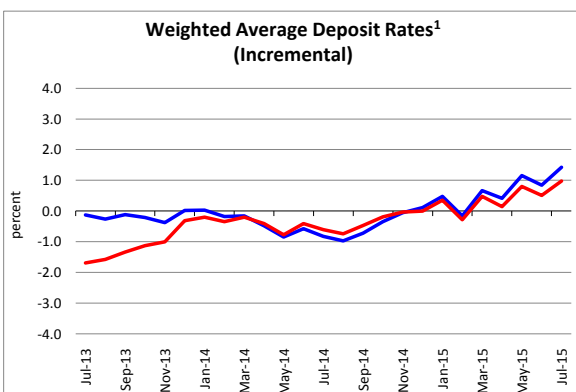
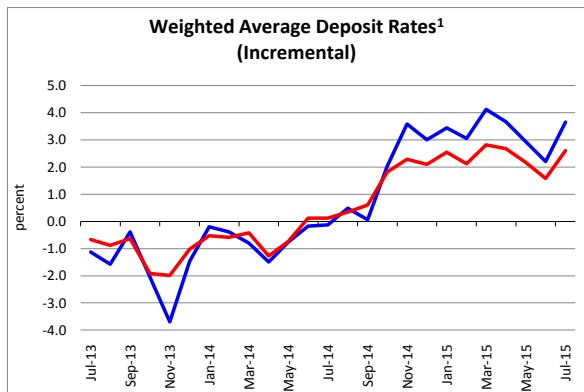
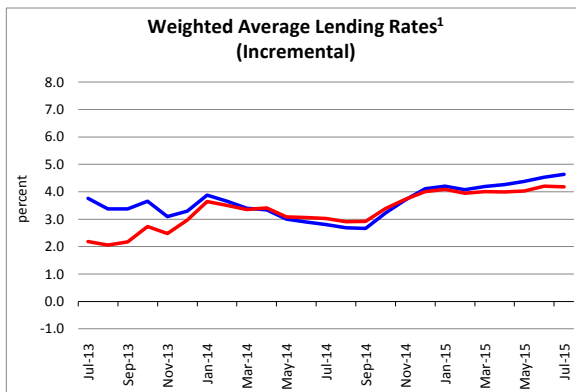
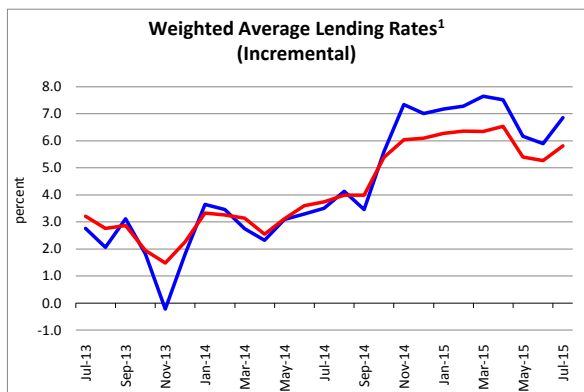
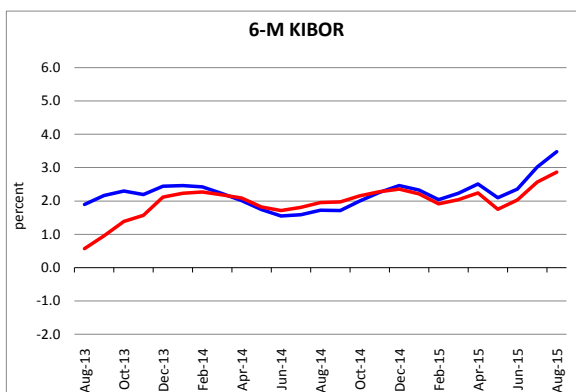
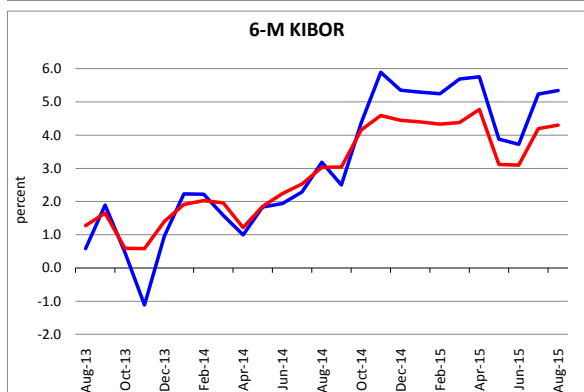
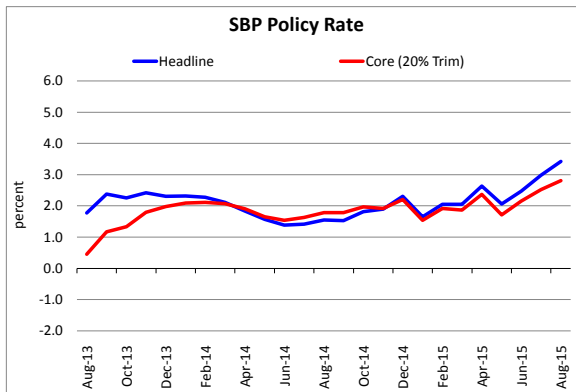


### Real Interest Rates

Using YoY CPI inflation



Using 12-month moving average CPI inflation



<sup>1</sup> Weighted average lending and deposit rates excluding transactions in the interbank and on zero markup.

Sources: PBS and Statistics & Data Warehouse Department, SBP



**In the T-bill auctions held in Q1-FY16 so far, government has raised greater than the targeted amount.**

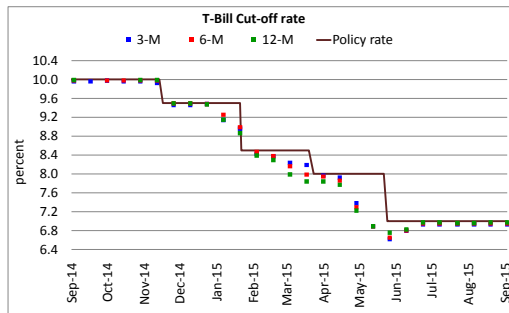
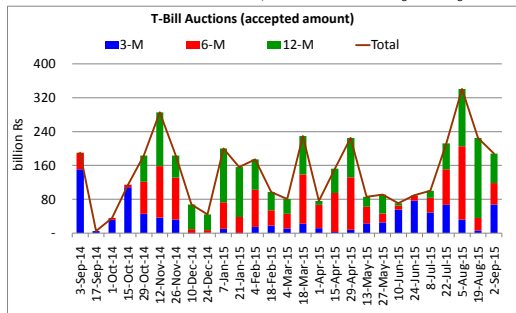
FY/Q/ Settlement date	T-bill Auction (billion Rs (Realized value); rates in percent)													Non- competitive bids <sup>4</sup>
	TOTAL				3-Month			6-Month			12-Month			
	Target	Maturity	Offered	Accepted <sup>2</sup>	Offered	Accepted <sup>2</sup>	Cut-off <sup>3</sup>	Offered	Accepted <sup>2</sup>	Cut-off <sup>3</sup>	Offered	Accepted <sup>2</sup>	Cut-off <sup>3</sup>	
<b>FY13</b>	<b>5,075.0</b>	<b>5,049.0</b>	<b>7,160.3</b>	<b>4,772.3</b>	<b>1,308.0</b>	<b>884.2</b>	-	<b>3,243.1</b>	<b>2,136.6</b>	-	<b>2,609.1</b>	<b>1,751.4</b>	-	<b>511.3</b>
Q1	1,500.0	1,487.1	2,231.1	1,611.3	191.0	129.5	10.23	967.6	755.4	10.24	1,072.5	726.4	10.26	152.2
Q2	1,125.0	1,148.9	2,012.2	956.5	191.2	81.6	9.28	1,174.3	543.0	9.30	646.7	331.8	9.36	128.3
Q3	1,125.0	1,103.8	1,492.6	1,050.8	665.9	460.5	9.41	713.3	515.9	9.43	113.4	74.5	9.42	111.7
Q4	1,325.0	1,309.2	1,424.4	1,153.6	259.9	212.5	8.96	388.0	322.4	8.97	776.5	618.7	8.98	119.0
<b>FY14</b>	<b>8,425.0</b>	<b>8,148.4</b>	<b>6,951.4</b>	<b>6,354.6</b>	<b>5,209.6</b>	<b>4,696.7</b>	-	<b>924.8</b>	<b>857.6</b>	-	<b>817.0</b>	<b>800.4</b>	-	<b>287.8</b>
Q1	1,600.0	1,594.6	1,446.6	1,276.7	1,200.3	1,057.4	9.41	230.6	210.0	9.45	15.7	9.3	8.98	72.2
Q2	2,100.0	2,248.8	2,591.3	2,259.2	2,560.6	2,244.7	9.96	29.9	14.5	9.98	0.8	-	-	87.9
Q3	2,450.0	2,360.2	1,728.3	1,646.0	1,177.3	1,129.2	9.96	325.3	300.7	9.98	225.6	216.1	9.99	72.7
Q4	2,275.0	1,944.7	1,185.3	1,172.7	271.4	265.4	9.96	339.0	332.4	9.97	575.0	575.0	9.99	55.0
<b>FY15</b>	<b>3,745.0</b>	<b>3,305.3</b>	<b>6,167.0</b>	<b>3,244.2</b>	<b>1,525.6</b>	<b>1,068.0</b>	-	<b>1,977.3</b>	<b>1,107.3</b>	-	<b>2,664.0</b>	<b>1,069.0</b>	-	<b>292.5</b>
Q1	700.0	630.1	603.3	601.2	535.8	534.9	9.96	56.1	54.9	9.98	11.4	11.4	9.99	39.4
Q2	1,245.0	978.9	976.0	915.4	262.7	255.7	9.48	324.1	323.2	9.48	389.2	336.6	9.47	60.0
Q3	925.0	569.8	2,394.1	937.8	121.6	75.8	8.19	750.9	375.6	7.99	1,521.6	486.4	7.84	106.2
Q4	875.0	1,126.6	2,193.5	789.9	605.4	201.6	6.93	846.2	353.6	6.95	741.8	234.7	6.97	87.0
<b>FY16<sup>1</sup> Q1</b>	<b>950.0</b>	<b>653.8</b>	<b>1,172.8</b>	<b>1,065.4</b>	<b>246.9</b>	<b>221.4</b>	<b>6.93</b>	<b>399.0</b>	<b>372.4</b>	<b>6.95</b>	<b>526.9</b>	<b>471.5</b>	<b>6.97</b>	<b>54.05</b>

<sup>1</sup> Up till September 09, 2015

<sup>2</sup> The amount does not include the non-competitive bids.

<sup>3</sup> Quarterly rate are for end-period.

<sup>4</sup> These amounts are raised from non-bank institutions and/or individuals at auctions weighted average rate.



**In the PIB auctions held in Q1-FY16 so far, government has raised less than the targeted amount.**

PIB Auction (billion Rs (Face value); rates in percent) <sup>5</sup>										
		3-Year	5-Year	7-Year	10-Year	15-Year	20-Year	30-Year	Total	Target
<b>FY14</b>	<b>Cut-off rate<sup>6</sup></b>	<b>12.1</b>	<b>12.6</b>	-	<b>13.0</b>	-	<b>13.0</b>	-	<b>2212.0</b>	-
	<b>Offered</b>	<b>1221.7</b>	<b>459.9</b>	-	<b>508.1</b>	-	<b>22.3</b>	-	<b>2212.0</b>	-
	<b>Accepted</b>	<b>1161.6</b>	<b>420.7</b>	-	<b>416.0</b>	-	<b>20.3</b>	-	<b>2018.6</b>	<b>780.0</b>
Q3	Cut-off rate	12.1	12.6	-	12.9	-	12.9	-	1026.8	-
	Offered	527.5	249.6	-	237.0	-	12.8	-	1026.8	-
	Accepted	503.2	245.4	-	218.6	-	11.8	-	978.9	180.0
Q4	Cut-off rate	12.1	12.6	-	13.0	-	13.0	-	875.7	300.0
	Offered	609.9	140.3	-	124.4	-	9.0	-	883.6	-
	Accepted	604.7	139.1	-	123.9	-	8.0	-	875.7	300.0
<b>FY15</b>	<b>Cut-off rate<sup>6</sup></b>	<b>7.6</b>	<b>8.1</b>	-	<b>R</b>	-	<b>8.8</b>	-	<b>2125.8</b>	-
	<b>Offered</b>	<b>1081.1</b>	<b>564.7</b>	-	<b>471.4</b>	-	<b>8.8</b>	-	<b>2125.8</b>	-
	<b>Accepted</b>	<b>471.6</b>	<b>274.7</b>	-	<b>210.9</b>	-	<b>8.0</b>	-	<b>965.2</b>	<b>750.0</b>
Q1	Cut-off rate	12.6	13.0	-	13.5	-	13.6	-	371.9	-
	Offered	207.6	64.1	-	92.7	-	7.5	-	371.9	-
	Accepted	162.4	57.4	-	74.6	-	7.5	-	302.0	300.0
Q2	Cut-off rate	10.6	10.8	-	11.7	-	-	-	819.0	-
	Offered	481.2	145.0	-	192.0	-	0.8	-	819.0	-
	Accepted	178.1	69.8	-	92.4	-	-	-	340.3	150.0
Q3	Cut-off rate	8.3	8.7	-	9.5	-	-	-	607.8	-
	Offered	229.0	243.5	-	134.8	-	0.5	-	607.8	-
	Accepted	37.7	116.2	-	24.7	-	0.5	-	179.1	150.0
Q4	Cut-off rate <sup>6</sup>	8.1	9.0	-	R	-	-	-	327.2	-
	Offered	163.3	112.1	-	51.8	-	-	-	327.2	-
	Accepted	93.4	31.4	-	19.1	-	-	-	143.8	150.0
<b>FY16<sup>7</sup> Q1</b>	<b>Cut-off rate<sup>6</sup></b>	<b>7.60</b>	<b>8.52</b>	-	<b>9.40</b>	-	-	-	<b>539.9</b>	-
	<b>Offered</b>	<b>313.87</b>	<b>189.58</b>	-	<b>36.41</b>	-	-	-	<b>539.9</b>	-
	<b>Accepted</b>	<b>87.90</b>	<b>24.70</b>	-	<b>2.22</b>	-	-	-	<b>114.8</b>	<b>150.0</b>

<sup>6</sup> -: Either no bid received or bids were rejected.

<sup>5</sup> Excluding non-competitive bids and short-selling accommodation

<sup>6</sup> Quarterly rate are for end-period.

<sup>7</sup> Up till September 09, 2015

**Government had successfully raised the targeted amount in the Sukuk auctions held in Q4-FY14.**

3-year Ijarah Sukuk Auction (billion Rs; margin in bps)				
	Target	Total offered	Total accepted	Cut-off margin <sup>8</sup>
<b>FY13</b>	<b>88.0</b>	<b>196.9</b>	<b>90.0</b>	-
Q1	45.0	110.6	47.0	(25)
Q2	-	-	-	-
Q3	43.0	86.3	43.0	(30)
Q4	-	-	-	-
<b>FY14</b>	<b>49.5</b>	<b>113.7</b>	<b>49.5</b>	-
Q1	-	-	-	-
Q2	-	-	-	-
Q3	-	-	-	-
Q4	49.5	113.7	49.5	(200)
<b>FY15</b>	-	-	-	-
Q1	-	-	-	-
Q2	-	-	-	-
Q3	-	-	-	-
Q4	-	-	-	-

<sup>8</sup> This cut-off margin, with the benchmark of 6-Month MTB Auction Weighted Average Yield, is applicable to all accepted bids

Source: Domestic Markets & Monetary Management Department, SBP



Foreign Exchange Market

In FY16 so far, Pak rupee has depreciated by 2.49 percent against US Dollar.

	PKR against international currencies			% App/(Dep) of PKR
	Latest 09-Sep-15	Last MPS 24-July-15	Jun-15	Cumulative since Jun-15
USD	104.38	101.82	101.78	(2.49)
Euro	116.72	111.37	113.36	(2.87)
Sterling	160.38	157.58	159.99	(0.24)
JPY	0.87	0.82	0.83	(3.67)
USD Kerb	104.70	103.05	102.80	(1.81)
Premium (Rs)	0.32	1.23	1.02	-
Daily NEER	92.06	93.31	92.04	0.03

Source: SBP

	International exchange rates <sup>2</sup>			% App/(Dep) of USD
	Latest 09-Sep-15	Last MPS 24-July-15	Jun-15	Cumulative since Jun-15
USD/EUR	1.12	1.09	1.11	(0.39)
USD/GBP	1.54	1.55	1.57	2.30
JPY/USD	120.58	123.99	122.07	(1.21)
INR/USD	66.41	63.98	63.76	4.15
CNY/USD	6.38	6.21	6.20	2.85
THB/USD	36.10	34.93	33.77	6.91
MYR/USD	4.33	3.81	3.77	14.67
SGD/USD	1.42	1.37	1.35	5.15

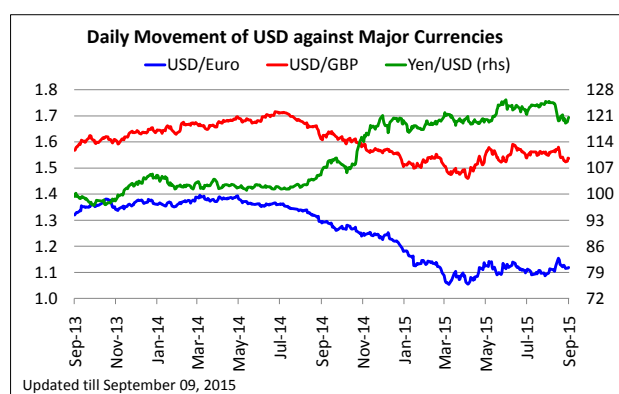
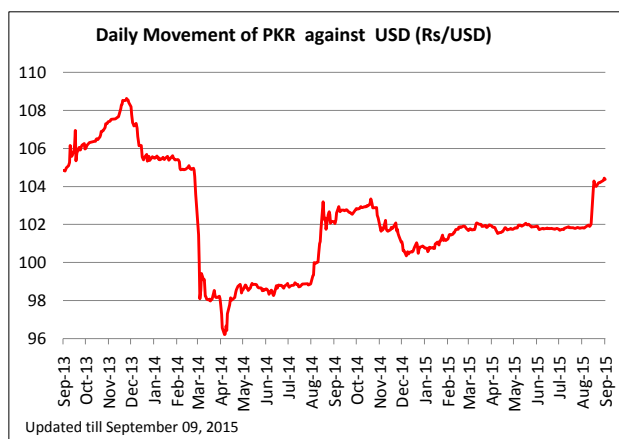
<sup>2</sup> The exchange rates are shown as per country practices

PKR/USD Interbank Exchange Rate Trends on Fiscal Year Basis

	High	Low	Close	Average	Volatility C/C <sup>3</sup>
FY10	85.58	81.40	85.51	83.89	3.02
FY11	86.50	83.93	85.97	85.56	2.40
FY12	94.69	85.79	94.55	89.27	2.48
FY13	99.80	93.70	99.66	96.85	1.67
FY14	110.50	95.75	98.80	102.88	4.07
FY15	103.45	98.58	101.78	101.46	2.44
FY16 <sup>4</sup>	104.52	101.69	104.38	102.49	2.30

<sup>3</sup> Reuters: Average Close-to-Close Daily Volatility (in %)

<sup>4</sup> Updated upto 09th September 2015



PKR/USD Interbank Exchange Rate Trends on Quarterly Basis

	High	Low	Close	Average	Volatility C/C <sup>3</sup>
Q3-FY13	98.53	97.22	98.44	97.92	1.30
Q4-FY13	99.80	98.24	99.66	98.52	1.03
Q1-FY14	110.50	99.55	106.06	103.06	3.45
Q2-FY14	108.75	105.10	105.32	107.01	3.03
Q3-FY14	105.70	97.12	98.53	103.48	5.63
Q4-FY14	98.96	95.75	98.80	98.31	4.14
Q1-FY15	103.27	98.58	102.63	100.70	4.32
Q2-FY15	103.45	100.23	100.48	101.88	2.92
Q3-FY15	102.24	100.53	101.94	101.41	1.74
Q4-FY15	102.18	101.44	101.78	101.83	0.87
Q1-FY16 <sup>4</sup>	104.52	101.69	104.38	102.49	2.30



**In Real terms, Pak rupee has appreciated by 1.4 percent during July FY16.**

**Changes in Nominal Effective Exchange Rate (NEER)**  
Base Year: CY2010

		NEER Index	2013		2014				2015		
			Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Jul <sup>P</sup>
2013	Sep		81.06	-	-2.00	4.97	6.41	4.78	10.52	14.59	13.49
	Dec	79.44	-	-	7.11	8.57	6.91	12.77	16.93	15.80	16.97
2014	Mar	85.09	-	-	-	1.36	-0.18	5.29	9.17	8.11	9.20
	Jun	86.25	-	-	-	-	-1.53	3.87	7.70	6.65	7.73
	Sep	84.93	-	-	-	-	-	5.48	9.37	8.31	9.41
	Dec	89.59	-	-	-	-	-	-	3.68	2.68	3.72
2015	Mar	92.89	-	-	-	-	-	-	-	-0.97	0.04
	Jun	91.99	-	-	-	-	-	-	-	-	1.01
	Jul <sup>P</sup>	92.92	-	-	-	-	-	-	-	-	-

**Changes in Relative price Index (RPI)**  
Base Year: CY2010

		RPI	2013		2014				2015		
			Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Jul <sup>P</sup>
2013	Sep		123.12	-	1.80	2.23	3.72	5.77	4.74	3.61	5.84
	Dec	125.34	-	-	0.42	1.88	3.90	2.89	1.78	3.97	4.40
2014	Mar	125.86	-	-	-	1.45	3.46	2.46	1.35	3.53	3.96
	Jun	127.69	-	-	-	-	1.98	0.99	-0.10	2.05	2.47
	Sep	130.22	-	-	-	-	-	-0.97	-2.04	0.07	0.48
	Dec	128.96	-	-	-	-	-	-	-1.08	1.05	1.47
2015	Mar	127.56	-	-	-	-	-	-	-	2.15	2.58
	Jun	130.31	-	-	-	-	-	-	-	-	0.41
	Jul <sup>P</sup>	130.85	-	-	-	-	-	-	-	-	-

<sup>P</sup> Provisional

**Changes in Real Effective Exchange Rate (REER)**  
Base Year: CY2010

		REER Index	2013		2014				2015		
			Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Jul <sup>P</sup>
2013	Sep		99.80	-	-0.23	7.31	10.36	10.82	15.76	18.73	20.11
	Dec	99.57	-	-	7.56	10.62	11.08	16.03	19.01	20.39	22.12
2014	Mar	107.10	-	-	-	2.84	3.27	7.87	10.64	11.93	13.53
	Jun	110.14	-	-	-	-	0.42	4.90	7.58	8.84	10.40
	Sep	110.60	-	-	-	-	-	4.46	7.14	8.39	9.94
	Dec	115.53	-	-	-	-	-	-	2.56	3.76	5.24
2015	Mar	118.49	-	-	-	-	-	-	-	1.17	2.61
	Jun	119.87	-	-	-	-	-	-	-	-	1.43
	Jul <sup>P</sup>	121.59	-	-	-	-	-	-	-	-	-

<sup>P</sup> Provisional

Source: SBP



Capital Market

**KSE-100 Index has decreased by 2.6 percent and Market Capitalization by 3.5 percent respectively during September 2015 so far.**

Performance of Karachi Stock Exchange

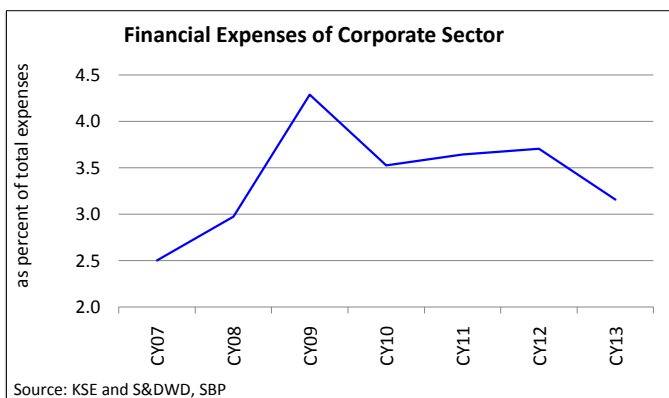
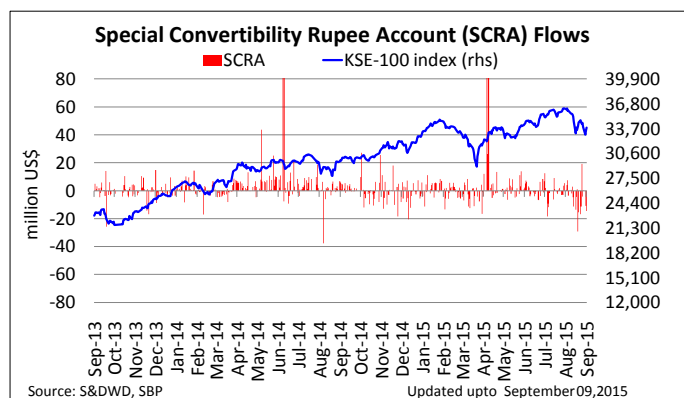
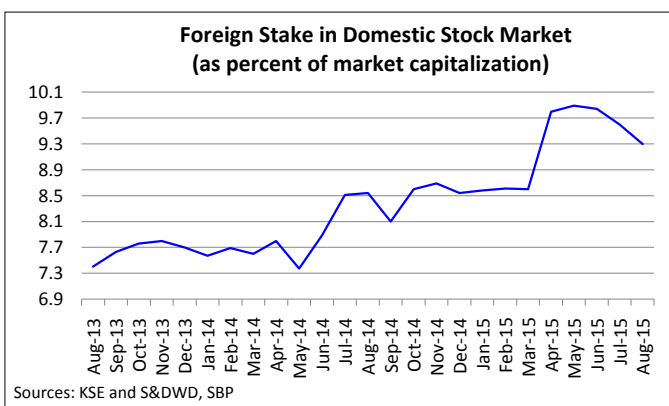
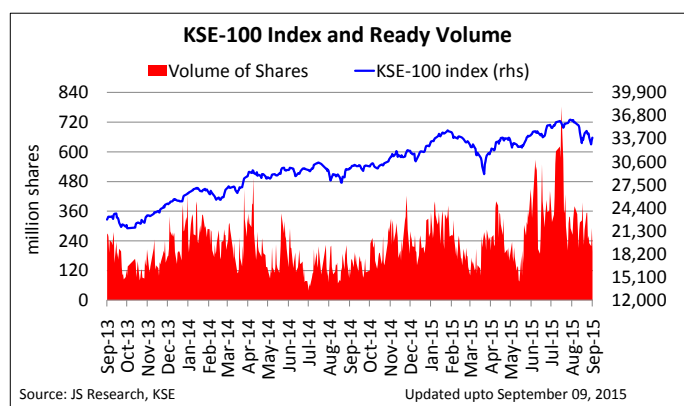
	FY16		FY-15	FY-14	Percentage change during		
	Sep-15 <sup>1</sup>	Aug-15			Sep FY16 <sup>2</sup>	FY15	FY14
End-period KSE-100 index	33,830	34,727	34,399	29,653	-2.6	16.0	41.2
End-period KSE-30 index	20,627	21,218	21,573	20,416	-2.8	5.7	26.0
Market capitalization (billion Rs) <sup>3</sup>	7,336	7,605	7,211	6,171	-3.5	16.9	43.5
Ready volume (million shares) <sup>3</sup>	257	305	220	216	-	-	-
SCRA flows (US\$ million) <sup>4</sup>	-21.9	-85.2	826.7	689.1	-	-	-

<sup>1</sup> Upto 09 September 2015

<sup>2</sup> Reflects growth since end of the previous month

<sup>3</sup> Average during the period

<sup>4</sup> Cumulative flow during the period upto 09 September 2015



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



## Financial Soundness Indicators

*Overall performance of the banking system has deteriorated during Q4-FY15 compared to the previous quarter.*

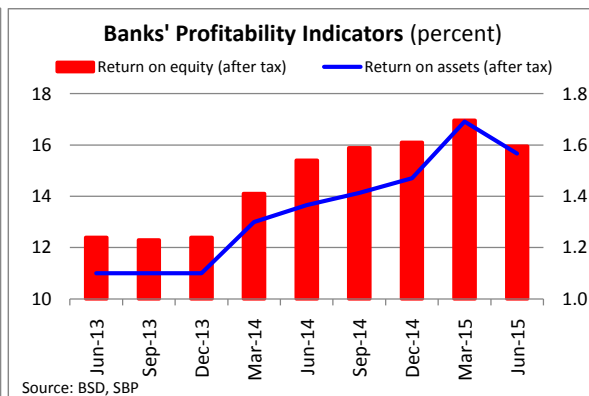
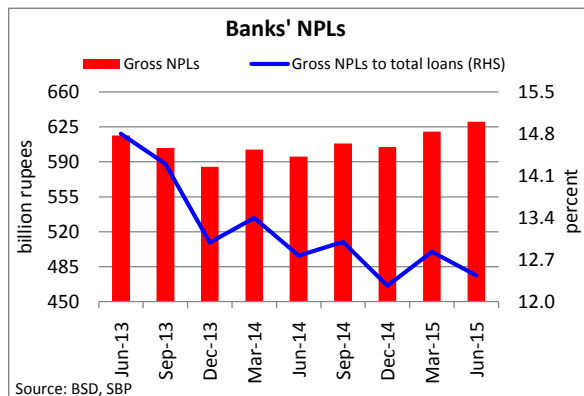
percent

	Jun 2014	Sep 2014	Dec 2014	Mar 2015	Jun 2015
Risk weighted CAR <sup>1</sup>	15.1	15.5	17.1	17.4	17.2
Gross NPLs to total loans	12.8	13.0	12.3	12.8	12.4
Provision to NPLs	79.5	77.6	79.8	80.2	80.8
Net NPLs to net loans	2.9	3.2	2.7	2.8	2.6
Returns on assets (before tax)	2.1	2.2	2.2	2.6	2.7
Return on assets (after tax)	1.4	1.4	1.5	1.7	1.6
ROE (before tax) <sup>2</sup>	23.5	24.2	24.3	26.0	27.5
ROE (after tax) <sup>2</sup>	15.4	15.9	16.1	17.0	15.9
Net interest income/gross income	70.6	71.4	71.3	68.4	67.5
Liquid assets/total assets	47.8	48.3	49.2	51.9	52.3
Liquid assets/total deposits	60.6	61.4	64.5	70.4	69.5
Advances/deposits	47.7	48.2	48.2	46.9	45.7

Note: Figures are based on unaudited Quarterly Report of Condition (QRC) submitted by banks.

<sup>1</sup> Data of IDBP, PPCBL, and SME is based on Basel I.

<sup>2</sup> Average equity and surplus.



Source: Banking Surveillance Department (BSD), SBP