

December 20, 2008

**Agricultural credit disbursement rises almost 8%
to Rs 74.504 Bln in first five months of FY09**

Disbursement of credit to the agriculture sector by commercial and specialized banks has increased 7.80 percent year-on-year to Rs 74.504 billion during the first five months (July-November) of the current fiscal year (2008-09).

Agricultural credit disbursement, in absolute terms, rose by Rs 5.391 billion in July-November, 2008 period when compared with disbursement of Rs 69.113 billion during the same period of the last fiscal year (2007-08).

Overall credit disbursement by five major commercial banks including Allied Bank Limited (ABL), Habib Bank Limited (HBL), MCB Bank Limited, National Bank of Pakistan (NBP) and United Bank Limited (UBL) stood at Rs 38.511 billion during July-November, 2008 period, compared with Rs 36.642 billion during the same period of the last fiscal year, depicting an increase of Rs 1.869 billion or 5.10 per cent.

Zarai Taraqati Bank Limited (ZTBL), the largest specialized bank, has disbursed Rs18.277 billion in July-November, 2008 period, compared with Rs 15.789 billion during the same period of the last fiscal year, while disbursement by Punjab Provincial Co-operative Bank Limited (PPCBL) stood at Rs 1.058 billion in July-November, 2008 period, compared with Rs 1.612 billion during same period last fiscal year. Besides, 14 domestic private banks (DPBs) also loaned a combined Rs 16.658 billion in July-November, 2008 period, up 10.54 percent when compared with Rs 15.069 billion disbursed in July-November, 2007 period.

It may be recalled that the State Bank of Pakistan has set an indicative credit disbursement target of Rs 250 billion for the agriculture sector for the current 2008-09 fiscal year (FY09) which is higher by Rs 50 billion or 25% than last fiscal year's target of Rs 200 billion and Rs 38 billion or 18% higher than the actual disbursement of Rs 212 billion in FY08.
