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**Agricultural credit disbursement rises over 8%
to Rs 130.342 Bln in first eight months of FY09**

Disbursement of credit to the agriculture sector by commercial and specialized banks has increased by 8.22 percent year-on-year to Rs 130.342 billion during the first eight months (July-February) of the current fiscal year (2008-09).

Agricultural credit disbursement, in absolute terms, rose by Rs 9.90 billion in July-February, 2009 period when compared with disbursement of Rs 120.442 billion during the same period of the last fiscal year (2007-08).

Overall credit disbursement by five major commercial banks including Allied Bank Limited, Habib Bank Limited, MCB Bank Limited, National Bank of Pakistan and United Bank Limited stood at Rs 62.632 billion during July-February, 2009 period, compared with Rs 58.026 billion during the same period of the last fiscal year, depicting an increase of Rs 4.606 billion or 8 per cent.

Zarai Taraqiati Bank Limited, the largest specialized bank, has disbursed Rs 38.427 billion in July-February, 2009 period, compared with Rs 33.012 billion during the same period of the last fiscal year, while disbursement by Punjab Provincial Co-operative Bank Limited stood at Rs 3.464 billion in July-February, 2009 period, compared with Rs 3.873 billion during same period last fiscal year. Besides, 14 domestic private banks also loaned a combined Rs 25.818 billion in July-February, 2009 period, up 1.13 percent when compared with Rs 25.530 billion disbursed in July-February, 2008 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.
