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**Agricultural credit disbursement rises 19%
year-on-year to Rs 17.847 billion in July 2009**

Agricultural credit disbursement by commercial and specialized banks rose 19 percent year-on-year to Rs 17.847 billion in the first month of the current 2009-10 fiscal year (FY10). In absolute terms, disbursement of credit to the agriculture sector increased by over Rs 2.849 billion in July, 2009 when compared with total disbursement of Rs 14.998 billion in the same month last year.

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 10.337 billion in July, 2009 compared with Rs 6.690 billion in July, 2008, depicting an increase of Rs 3.647 billion or 54.51 per cent. Zarai Taraqati Bank Limited, the largest specialized bank, disbursed a total of Rs 3.509 billion in July, 2009, up 12 percent when compared with Rs 3.132 billion in July 2008, while disbursement by Punjab Provincial Co-operative Bank Limited stood at Rs 548.127 million in July, 2009 compared with Rs 699.062 million in the same month last year. Besides, 14 domestic private banks also loaned a combined Rs 3.453 billion in July, 2009 compared with Rs 4.477 billion disbursed in July, 2008.

It may be recalled that the State Bank of Pakistan has set an indicative agricultural credit disbursement target of Rs 260 billion for FY10. Banks disbursed a total of Rs 233.01 billion to the agricultural sector in FY09.
