



## External Relations Department

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### **SBP clarifies financing gap numbers**

This is to clarify that the estimate of financing gap for FY18, attributed to Governor SBP, appearing in today's newspapers is misconstrued. It appears that the numbers have been confused with the gross external financing requirements of the country.

Financing gap is the difference between country's estimated gross financing need and available financing. SBP's current estimates suggest that during FY18 the financing gap is likely to be around \$2.5 billion, and NOT \$ 12 billion as reported in the press.

Furthermore, it may be highlighted that the Government and SBP have recently taken several measures to contain the financing gap. These include: (i) imposition of regulatory duties on non-essential imports (ii) provision of un-interrupted energy to the export-oriented industries (iii) the export package worth Rs180 billion and, (iv) introduction of Asaan Remittance Account to support the inflow of worker remittances through official channels. These measures, together with the recent market-driven adjustment in the exchange rate would help in narrowing the current account deficit, thereby reducing the gross financing need.

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