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Pakistan's Economy Gaining Momentum: Governor SBP reflects on economic progress and path to a sustainable and inclusive economic growth

The Governor of the State Bank of Pakistan (SBP), Mr. Jameel Ahmad, while attending the gong ceremony at the Pakistan Stock Exchange (PSX) on Monday, highlighted noticeable progress made by Pakistan on macroeconomic front.

Reflecting on the country's recent economic journey, the Governor emphasized that Pakistan has successfully transitioned from a period marked by macroeconomic instability—characterized by high inflation, low reserves, and fears of default—to one of stable macroeconomic conditions, renewed confidence, and recovery in economic growth. He pointed to significant improvements across multiple economic indicators, signaling a much-needed revival of economic growth. He highlighted that inflation has come down substantially, external current account balance has turned into a surplus, FX buffers have been rebuilt, and public debt indicators have improved considerably during the past couple of years. He highlighted that workers' remittances reached an all-time high level of \$4.1 billion in March 2025 – partly reflecting the result of government and SBP efforts to incentivize the channeling of inflows via formal channels, as well as smooth functioning of domestic FX market. He said that total remittances for FY 25 are expected to be around USD 38 billion.

The Governor noted that with a sound macroeconomic base and renewed investor confidence, we have the opportunity to set Pakistan on a trajectory of broad-based, inclusive prosperity. He emphasized that this macroeconomic stability has been achieved through difficult policy decisions. Now, it is crucial to focus on sustainable growth. He pointed out that enhancing productivity and boosting exports must become central to Pakistan's growth model, as export activity directly contributes to greater productivity, innovation, and foreign investment.

Mr. Ahmad urged stakeholders to come together and commit to long-term strategies that ensure sustainable and inclusive growth for Pakistan. While the country is on the path to recovery, he underscored the need for reforms to address structural issues for avoiding boom-bust cycles and economic stagnation. He reaffirmed the SBP's commitment to creating a resilient and inclusive financial ecosystem, supported by an enabling regulatory environment, as the foundation for Pakistan's economic prosperity.

The Governor also emphasized the need for financial literacy to achieve true financial inclusion. He highlighted that the SBP is holding the Pakistan Financial Literacy Week from April 14 to 18, where various activities are planned across the country to engage different segments of society in financial literacy efforts. Mr. Ahmad reaffirmed that enhancing financial inclusion remains a top strategic goal within the SBP's Strategic Vision 2028, alongside building an innovative and inclusive digital financial ecosystem. The Governor shared key initiatives under the National Financial Inclusion Strategy (NFIS) 2024-28, including efforts to increase financial inclusion from 64% to 75% by 2028, while reducing the gender gap in financial services from 34% to 25% by 2028.

The Governor SBP also expressed his appreciation to the PSX management for their continued efforts in providing a vital platform for the country's capital market. Mr. Ahmad highlighted the importance of the PSX in enabling corporations to raise capital and offering investors the opportunity for substantial returns on their savings.
