



External Communications Department

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Governor SBP updates foreign investors on Pakistan's macroeconomic outlook

The Governor of the State Bank of Pakistan (SBP), Mr. Jameel Ahmad, highlighted that Pakistan's key macroeconomic indicators have improved faster than anticipated at the beginning of the fiscal year. He noted that while the ongoing conflict in the Middle East has introduced new risks and increased uncertainty about the macroeconomic outlook, the economy is relatively better positioned compared to previous crisis episodes to manage these emerging challenges. The Governor was meeting with senior executives from leading global financial and investment institutions, including JP Morgan, Barclays, Citibank, Jefferies, and Franklin Templeton, as well as major credit rating agencies such as Fitch, Moody's, and S&P Global. These engagements took place on the sidelines of the IMF–World Bank Spring Meetings from April 13 to 18, 2026. Mr. Ahmad also conducted key bilateral meetings with the leadership of IMF and the World Bank Group.

The Governor informed participants about the significant progress Pakistan had made in stabilizing its economy prior to the outbreak of the Middle East conflict. He emphasized that a prudent monetary and fiscal policy mix had helped bring down and stabilize inflation within the target range, while strengthening the country's fiscal and external buffers. The Governor stated that during the first nine months of the ongoing fiscal year inflation averaged 5.7 percent; the external current account balance remained in surplus; and SBP's FX reserves strengthened to \$16.4 billion, mainly due to SBP's purchases from the interbank FX market. He highlighted that, with continued SBP's purchases and realization of official inflows, including under fresh bilateral arrangements, SBP's FX reserves are expected to strengthen further to around \$ 18 billion by June 2026. Governor explained that the improved macroeconomic stability has supported a gradual, sustainable, and broad-based recovery in economic growth. The real GDP registered a broad-based acceleration to 3.8 percent during H1-FY26, against 1.8 percent recorded in the first half of the last fiscal year. The Governor emphasized that the prudent policy direction meant that Pakistan's initial conditions are significantly stronger today than during previous periods of external shocks, such as the Russia–Ukraine conflict in early 2022.

Mr. Ahmad noted that these better initial conditions have put the economy in a stronger position as it now faces challenges stemming from recent developments in the Middle East, including the unprecedented surge in global energy prices and freight and insurance costs. However, he reaffirmed that the SBP and the government remain committed to preserving price stability and will not refrain from taking necessary measures to safeguard macroeconomic stability. He noted that the SBP's monetary policy has been prudently cautious with the real policy rate remaining significantly positive. Additionally, the government has posted primary fiscal surpluses. In the face of the ongoing conflict, it has implemented targeted subsidies and introduced demand-management austerity measures. The Governor also noted the staff-level agreement with the IMF for the third review of the Extended Fund Facility and the second review of the Resilience and Sustainability Facility, as well as credit ratings reaffirmation by a major agency, as independent recognition of the government's and SBP's continued commitment to macroeconomic stability and reform agenda.

During his visit, Mr. Ahmad also engaged with the Pakistani diaspora and global stakeholders at the Remittances and Roshan Digital Account (RDA) Roadshow. He highlighted the milestone achievement of RDA inflows surpassing \$12.4 billion across more than 917,000 accounts. He also outlined recent enhancements to the RDA regulatory framework, including the inclusion of non-resident entities, which are aimed at further integrating Pakistan into the global financial markets and attracting a broader range of foreign investment into the country.
