

# **STATISTICS ON SCHEDULED BANKS IN PAKISTAN**

**June 2013**



**STATE BANK OF PAKISTAN  
STATISTICS & DATA WAREHOUSE  
DEPARTMENT**

**[www.sbp.org.pk](http://www.sbp.org.pk)**



### **Our Mission**

To promote monetary and financial stability and foster a sound and dynamic financial system, so as to achieve sustained and equitable economic growth and prosperity in Pakistan.



### **Our Vision**

To transform SBP into a modern and dynamic central bank, highly professional and efficient, fully equipped to play a meaningful role, on sustainable basis, in the economic and social development of Pakistan.

# Contents

<b>I. Introduction</b>	v-vii
<b>II. Explanatory Notes</b>	viii-xii
<b>III. Review</b>	xiii-xxviii
<b>IV Statistical Tables</b>	
<b>1 Scheduled Banks' Liabilities and Assets</b>	
1.1 Liabilities and Assets	2-5
<b>2 Scheduled Banks' Deposits</b>	
2.1 Deposits Distributed by Type of Accounts	8-11
2.2 Deposits Distributed by Category of Deposit Holders & Type of Accounts	12-29
2.3 Deposits Distributed by Rate of Interest & Type of Accounts	30-37
2.4 Deposits Distributed by Rate of Return & Type of Accounts (PLS)	38-43
2.5 Deposits Distributed by Size of Accounts & Category of Deposits Holders	44-47
2.6 Deposits Distributed by Size of Accounts	48-51
2.7 Debits to Deposit Accounts & Turnover	52
<b>3 Scheduled Banks' Advances</b>	
3.1 Advances Classified by Securities	54-63
3.2 Advances Classified by Borrowers	64-73
3.3 Advances Classified by Rate of Interest/Return & Securities	74-77
3.4 Advances Classified by Rate of Interest/Return & Borrowers	78-81
3.5 Advances Classified by Size of Accounts & Borrowers	82-83
3.6 Advances Classified by Size of Accounts	84-87
3.7 Advances Classified by Rate of Margin	88-91
3.8 Advances Classified by Rate of Interest/Return & Rate of Margin	92-93
3.9 Advances Classified by Securities & Rate of Margin	94-99
<b>4 Scheduled Banks' Bills</b>	
4.1 Classification of Bills Purchased & Discounted	102-105
<b>5 Scheduled Banks' Investments</b>	
5.1 Classification of Investments in Securities & Shares	108-111
<b>6 Regional Advances and Deposits</b>	
6.1 Province/Region wise Advances by Borrowers	114-115
6.2 Province/Region wise Deposits by Categories	116-117
<b>V. Appendices</b>	
I Number of Reporting Scheduled banks & their Branches	118
II Reporting Scheduled Banks & their Branches by Groups	119
III Bank-wise List of Reporting Branches	120-187
IV Islamic Banking Network in Pakistan	
a Islamic Banking Institutions (IBIs)	188-202
b Standalone Islamic Banking Branches of Conventional Banks	203-212
c Islamic Banking Institutions (IBIs) by Cities	213-236
d Standalone Islamic Banking Branches of Conventional Banks by Cities	237-250
e Distribution of Islamic Banking Branches	251-252
f Distribution of Stand-alone Islamic Banking Branches	253-254

## **Preface**

Statistics & DWH Department of the State Bank of Pakistan makes all out efforts to publish quality statistics with minimum possible time lag. The publication “Statistics on Scheduled Banks in Pakistan” is a reflection of the one of such efforts in this regard. The publication has significant importance and it provides information on multi aspects of the financial sector which is widely used by users working in various disciplines.

The “Statistics on Scheduled Banks in Pakistan” is based on half-yearly branch-wise data reported by the scheduled banks operating in Pakistan. The data is collected on various dimensions of bank’s assets and liabilities i.e. deposits, advances, investments and bills purchased & discounted etc. This publication is divided into different parts; each part possesses its own significance. The data tables are supported by easy-to-understand graphs and charts which help to provide the insight of the complicated numbers at a glance. The quality and reliability of data has been improved significantly over the years. I appreciate the efforts of the team in compiling this valuable publication. Comments and suggestion for further improvements in the publication are welcome.

Dr. Azizullah Khattak  
Director  
Statistics & DWH Department

## **Acknowledgement**

The team is greatly thankful to Dr. Azizullah Khattak, Director and Dr. Ishaque Ahmed Ansari, Additional Director of Statistics & DWH Department for their valuable feedback and continuous guidance in preparation of this publication. We are grateful to members of Monetary & Financial Statistics Unit of Statistics & DWH Department and Infrastructure Housing & SME Finance Department of the State Bank of Pakistan and all commercial banks for their valuable contribution in providing data for the publication.

### **Team**

# The Team

## Team Leader

- Abdul Rasul Tariq  
Senior Joint Director  
abdul.rasul@sbp.org.pk

## Team Members

- Abdul Haq Awan  
Joint Director  
abdul.haq@sbp.org.pk
- Khalid Hassan  
Deputy Director  
khalid.hassan@sbp.org.pk
- Ahmad Nadeem  
Assistant Director  
ahmed.nadeem@sbp.org.pk
- Muzzamil Hussain  
Assistant Director  
muzzamil.hussain@sbp.org.pk
- Arifa Khalil  
Assistant Director  
arifa.khalil@sbp.org.pk

## ***I. Introduction***

### **Background**

Banking sector plays a pivotal role in the economic development of a country. State Bank being a central bank and regulator of the banking system has to compile and disseminate statistics on the scheduled banks operating in Pakistan.

Statistics & DWH Department of State Bank of Pakistan compiles and disseminates data through different publications. Keeping up the pace with the increased use of IT, the data is also placed on the State Bank's website ([www.sbp.org.pk](http://www.sbp.org.pk)) for the easy access by the users. The publication is based on the revised reporting system effective from June 1982. It was based on quarterly reporting of the banks that was subsequently changed to biannual from December 1992.

### **Standards and Classifications**

Effective from December 2001, the category of deposit holders and advances classified by borrower for domestic constituents has been reclassified as Government, Non-Financial Public Sector Enterprises (NFPSE's), Non-Bank Financial Companies (NBFC's), Private Sector (Business), Trust Funds & Non-Profit Institutions (NPI's), Personal, and Others.

Major changes are carried out in the classification of banking sector attributes. The classification of economic groups under private sector has been enhanced in the light of International Standard Industrial Classification (ISIC)-Rev.3.1 of the United Nation's Statistics Division.

### **Composition of Banking Groups**

The publication is based on data of all scheduled banks operating in Pakistan which are classified into three main groups namely public sector banks, domestic private banks and foreign banks. Public sector banks are further divided into public sector commercial banks and specialized banks.

### **Scheduled Banks**

In terms of Section 13 of Companies Ordinance 1962, the scheduled banks maintain minimum required capital and reserve balance which is determined by SBP from time to time. Currently as per BSD circular No. 7 of 2009 an aggregate value not less than Rs. 9 billion by June 30, 2013 and conducting their affairs in a manner not detrimental to the interest of their depositors have been declared as scheduled banks.

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**Public Sector Banks**

The banks incorporated in Pakistan and their shares & capital controlled by the Government units is referred to Public sector banks (Appendix II).

***Public Sector Commercial Banks***

These are the scheduled banks mainly involved in the activities of deposits mobilization and extending credit through a branch network. These banks deal in short term collateralized lending such as trade financing, overdraft and provide a range of financial services to the clients. With the liberalization of banking rules and laws, commercial banks are now allowed to undertake other related activities such as underwriting, portfolio investment, securities market operations, specialized financing and related services.

***Specialized Banks***

Specialized banks are established to provide credit facilities, assistance and advice to clients in a designated sector or in a designated line of credit; for example agriculture sector, industrial sector, housing sector, SME sector. These institutions perform lending function, but may not engage in routine commercial banking activities. These are established, organized, and chartered under special legislative acts instead of being chartered as a bank under the banking law.

**Domestic Private Banks**

The banks incorporated in Pakistan and controlled by the private sector are termed as domestic private banks.

**Foreign Banks**

Bank branches with head offices outside Pakistan are called foreign banks.

**Islamic Banking**

For the promotion of Islamic Banking in Pakistan, SBP issued policies/guidelines as per BPD circular No.1 of January 2003. Wherein a three-pronged strategy was adopted as under:

- a) Establishment of full-fledged Islamic Bank(s) in the private sector.
- b) Setting up subsidiaries for Islamic banking by existing commercial banks.
- c) Allowing Stand-alone branches for Islamic banking in the existing commercial banks.

All Islamic banks, subsidiaries and stand-alone branches offer Sharia compliant products and services only.

“Sharia compliant products and services” means banking products and services



offered by banks to their clients which are duly approved by their Sharia advisers/ Sharia Supervisory Committee.

### **Scope**

This publication contains statistical tables prepared from the data supplied on half-yearly basis by the operating branches of the scheduled banks in Pakistan.

The publication starts with introduction followed by explanatory notes and review which includes summary tables on major statistics related to scheduled banks. The main variables are discussed in details aided by suitable graphs.

Some of the other major features include:

1. Key Statistics of Scheduled Banks at a Glance.
2. Distribution of Deposits, Advances, Bills Purchased & Discounted and Investments of Scheduled Banks by Groups.
3. Distribution of Type of Deposits of Scheduled Banks by Groups.
4. Maturity Breakup of Term Deposits of Scheduled Banks by Groups.
5. Advances Classified by Securities & Borrowers.
6. Advances by Modes of Financing.
7. Province/Region Wise Deposits and Advances.

## ***II. Explanatory Notes***

The scheduled banks statistics are based on branch-wise data reported on half-yearly basis by the scheduled banks in Pakistan. The data is collected on various dimensions of major sources (deposits) and resources (advances, investments and bills purchased & discounted) along with liabilities and assets statement. The data dimensions and terminology that need some explanation is discussed for information of the users.

### **Liabilities and Assets**

The items of Capital and Reserves on the liability side pertain to the principal or head office of the bank.

**Capital** comprises paid-up capital of Pakistani Banks. In case of Foreign Banks, it is the equivalent Pakistani rupee amount kept with the State Bank of Pakistan as reserve capital required to be maintained under the rules.

**Reserves** include all types of reserves maintained by the scheduled banks.

**Balances with other Scheduled Banks.** This includes the balances of all Scheduled Banks with any other bank and excludes the balances with National Bank of Pakistan working as an agent of State Bank of Pakistan, which are included in 'Balances with State Bank of Pakistan'.

As per established accounting procedure, the reporting branches of Scheduled Banks adjust certain entries with their Principal/Head (inter-bank) offices to balance their positions. The gross amounts of credits and debits of these adjustments tend to be large compared with other heads of accounts. These adjustments of 'Head office / inter-banks are netted out to consolidate bank-wise position that have been added to arrive at overall position. It is significant to mention that the data on liabilities and assets in this publication may differ slightly from the data in Weekly Press Communiqué of Off-site Supervision & Enforcement Department of SBP due to difference in timing and coverage of the two sets of data.

### **Deposits**

**Outstanding Deposits.** This shows the position of deposits held by banks at the end of the period (30th June or 31st December). Deposits are the amount held in various types of deposit accounts by bank, such as demand deposits, time and saving deposits. Deposits

include all types of deposits excluding interbank deposits, placements and margin deposits (deposits held by banks as collateral against letters of credits, letters of guarantees).

The data on Deposits is collected and compiled on various dimensions explained as under:

**Types of Accounts.** Deposits accounts are classified under five main type's namely current, call, saving, fixed and other deposits.

**Category of Deposit Holders.** This describes the main business or profession of the deposit account holders. They are broadly classified as non-resident and domestic constituents, which is cascaded down to Government, Non- financial public sector enterprises (NFPSEs), Non-bank financial Companies (NBFCs), Private sector (Business), Trust Fund and Non-Profit Institutions, Personal and Others. The Private sector has been further distributed in sub-heads such as Agriculture, Fishing, Mining & Quarrying, Manufacturing, Ship breaking, Electricity and Construction according to the ISIC classification of United Nations.

**Rate of Interest.** It is the rate offered by Scheduled Banks on various types of deposits such as foreign currency accounts scheme, over five years maturity and unclaimed, overdue or matured fixed deposits maintained under conventional banking.

**Rate of Return on PLS Deposits.** It is the rate of profit given by the Scheduled Banks on various types of deposits such as call, saving and fixed deposits maintained under the scheme "Elimination of Riba from the Banking System". The rates are announced after the completion of the period of investment usually a half year based on June and December end in July and January.

**Size of Deposits Accounts.** The deposits accounts are classified under various classes on the basis of the balances in the respective accounts. As the number of accounts is considerably large, for reporting ease, the banks have option to club the accounts and amounts in cases where, the "Nature", "Type of Accounts", "Category of Deposit Holders" and "Rate of Interest/Return" is the same. For such grouped accounts it is the average size of the group instead of actual size of the component that determines the class to which it belongs. It is believed that the estimates would not differ significantly from the actual position.

**Debits to Deposit and Turnover.** The deposits are reported on net basis at the end of half-year. The debits on these accounts help in analyzing the turnover in the respective accounts during the period. The co-efficient of turnover are calculated by dividing the debits with the averages amounts on deposits as reported by the banks.

## Advances

**Outstanding Advances.** The total amount of advances/loans recoverable at the end of the period (30<sup>th</sup> June or 31<sup>st</sup> December), are termed as outstanding. Advances includes all type of advances except interbank placements and is the amount of money borrowed from banks for a period of time at a rate of interest and at terms of repayments as agreed between the borrower and the banks backed by a collateral.

The main attributes of advances are as under:

**Type of Securities.** In banking business, the security, or collateral, consists of assets, property, deposits or valuables held as guarantee against a credit or a loan. Type of security helps in the analysis of the quality of advances of the banking system. A list of classification of securities has been prepared as per international classification that can be seen under the tables of advances classified by securities in the statistical tables.

**Category of Borrowers.** Borrowers are first classified on the basis of non-resident and domestic constituents. The latter is then further classified into government, non-financial public sector enterprises, non- bank financial companies, private sector (business), trust funds & non-profit institutions, personal and others.

**Non-Resident.** This covers the transactions with the non-residents working in our economy. This includes Officials (Embassies consulates, foreign missions), Business (Corporations working in Pakistan for short periods as construction companies) and Personals (Students, travelers).

**Government.** This includes Federal Government, Provincial & Local Governments advances. Further, disbursements to Government (Federal, Provincial & Local) are made by bank branches located in various regions/provinces, while in case of deposits, the bank branches located in the various regions/provinces have mobilized the deposits from the Government (Federal, Provincial & Local). Similarly, disbursements to eight main borrowers (Non-resident, Govt., NFPSEs, NBFCs, Private Sector, Trust Fund, Personal and Others) are made by bank branches located in various regions/provinces, while in case of deposits, the bank branches located in the various regions/provinces have mobilized the deposits from these eight categories.

**NFPSE's (Non-Financial Public Sector Enterprises).** These are the non-financial resident corporations which are controlled by government, through ownership of more than half the voting shares, legislation, decree, or regulations that establish specific corporate policy or allow the government to appoint the directors.

**NBFC's (Nonbank Financial Companies) & Financial Auxiliaries.** Non-banking financial companies, or NBFCs, are financial institutions that provide banking services, but do not hold a banking license while Financial Auxiliaries are all resident corporations and quasi corporations primarily engaged in activities closely related to financial intermediation but which do not themselves perform an intermediation role. NBFCs & Financial Auxiliaries are categorized into groups of development finance institutions, leasing companies, investment banks, modaraba companies, housing finance companies, mutual funds, venture capital companies, discount houses, stock exchange, exchange companies and insurance companies etc.

**Private Sector.** This is that part of the economy which is run for private business profit and is not controlled by the state. This includes the majors sectors like Agriculture, Manufacturing etc.

**Trust Fund.** This includes the Private Trusts and Non-profit Institutions, Non-government Organizations (NGOs)/Community Based and Organizations (CBOs).

**Personal.** This includes Bank Employees and Consumer Financing which are classified under advances, while in case of deposits, Salaried Persons, Self-employed and Other Persons (House-wives, students etc.) are included.

**Others.** This includes all those which are not classified elsewhere.

**Rate of Interest/Return.** This is the cost of using borrowed money expressed as a rate, or a percentage of the principal amount for a period of time usually a year. In case of Islamic modes of financing it is referred as rate of mark-up.

**Size of Accounts for Advances.** The classification and system for size of accounts for advances is identical to the size of accounts for deposit as explained above.

**Rate of Margin.** Margin for collateral is the excess of the market/assessed value of the collateral over the amount of loan. Banks typically prefer to provide loan amount less than the assessed value of collateral, because in the event of default, there are costs in loan recovery and substantial losses with performing collateral; hence a margin of collateral is maintained.

### **Bills Purchased & Discounted**

Classification of Bills Purchased and Discounted provides the economic group wise claims of scheduled banks. Type of bills includes Export Bills, Import Bills, Inland Bills, Foreign Bills and Others. The nature of bills purchased and discounted may be

interest based or Financing under Islamic modes which includes Purchase of Trade Bills on Exchange Rate Differential or Purchase of Trade Bills on Commission.

### **Investments**

The banks report their investment in domestic and foreign securities/shares with details of holdings of each type of securities/shares and classify them as free or encumbered according to disposability. The holdings are classified by issuing institutions of securities/shares such as Federal and Provincial Governments' securities, foreign securities and other securities/shares (including shares, debentures, NIT units, participation term certificates, Sukuk, term finance certificate, certificate of investment, mutual fund and modaraba certificates, shares of other public and private sector enterprises). The purchase price (book value), original value (face value) and market value (market price) in case of tradable securities/shares are also reported.

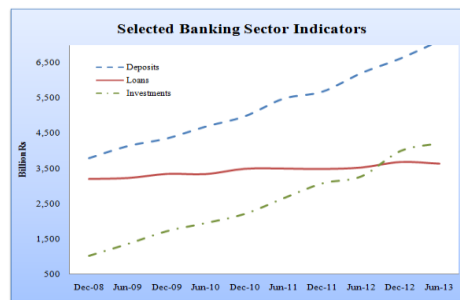
### **Regional Data**

The regional/province wise data on Advances & Deposits by Borrowers/Categories is disseminated due to the increasing demand from the users. Regional distribution of data on "Outstanding Advances" is based on disbursements by the bank branches located in the respective regions and place of actual utilization for these advances may be different from the place of disbursements. The regional position therefore may not reflect the true picture since offices of large companies/firms operating in different regions might have used banking facilities located in different regions. Therefore, there comes a huge responsibility on the part of users to keep these limitations of data in mind while drawing any conclusion on the basis of these data.

### III. Review

#### Overview

Banking sector of Pakistan is playing a key role in the growth of Pakistan economy. The progress of banking industry is due to the vigilant supervision of State Bank of Pakistan. Advances, deposits, investment in securities & shares, weighted average rates on advances & deposits are some important indicators of banking industry of Pakistan.



At the end of June 2013, deposits increased by 7.57% and 14.71% respectively as compared with the deposits at the end of December 2012 and June 2012 while advances decreased by 0.86% and increased by 3.35% respectively as compared with the advances of end December 2012 and end June 2012. Weighted average lending rate decreased by 27 basis points and stood at 11.66 percent (p.a) at the end of June 2013 when compared with end December 2012. Similarly, weighted average deposits rates have moved to 6.28 percent (p.a) at end June 2013 decreased by 17 basis points from the previous period. Summary position of selected banking indicators is given in the following table:

**Table 1: Selected Banking Sector Indicators**

Indicator	(Billion Rs.)				
	Jun-13	Dec-12	Jun-12	HY Growth	YOY Growth
Deposit	7,134.4	6,632.6	6,219.4	7.57%	14.71%
Advances and Bills	3,851.8	3,885.4	3,726.9	-0.86%	3.35%
Investment in Securities & Shares	4,213.7	3,990.8	3,273.4	5.59%	28.73%
Advances to Private Sector	2,414.2	2,540.0	2,393.1	-4.95%	0.88%
Advances to Personals	305.8	295.2	285.1	3.61%	7.28%
**WA Deposits Rate	6.28%	6.45%	6.47%	-2.64%	-2.94%
**WA Deposits Rate – Interest Bearing*	0.39%	0.55%	0.91%	-29.09%	-57.14%
**WA Deposits Rate – PLS *	6.73%	6.92%	6.97%	-2.74%	-3.44%
**WA Lending Rate	11.66%	11.93%	12.81%	-2.26%	-8.98%

\* Excluding deposits at zero rate of return

\*\* WA stands for weighted average rates paid/earned per annum

The following sections highlight movements in branch network, liabilities/ assets, deposits, advances, bills and investments, trends and banking activities concentration in various economic groups / sectors of the economy:-

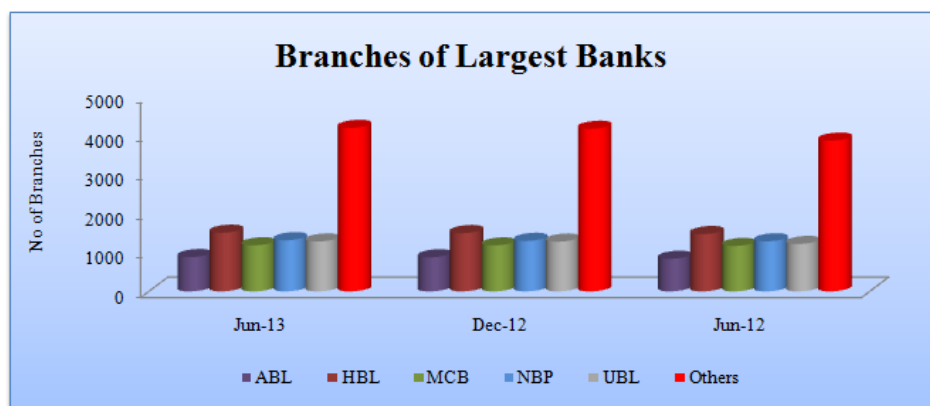
### Banking Network

The number of scheduled banks operating in Pakistan was 38 at end June 2013. The branch network position of operational Scheduled Banks operating in Pakistan is as under:

**Table 2: Comparative Position of Number of Banks and Branches in the Country**  
(Numbers)

Group or Type of Bank	Jun-13		Dec-12		Jun-12	
	Banks	Branches	Banks	Branches	Banks	Branches
<b>1. Pakistani Banks</b>	<b>31</b>	<b>10332</b>	<b>31</b>	<b>10262</b>	<b>31</b>	<b>9792</b>
i. Public Sector	9	2426	9	2400	9	2294
a. Commercial	5	1887	5	1868	5	1748
b. Specialized	4	539	4	532	4	546
ii. Domestic Private	22	7906	22	7862	22	7498
<b>2. Foreign Banks</b>	<b>7</b>	<b>29</b>	<b>7</b>	<b>33</b>	<b>13*</b>	<b>55</b>
<b>Total</b>	<b>38</b>	<b>10,361</b>	<b>38</b>	<b>10,295</b>	<b>44</b>	<b>9,847</b>

\* Foreign Banks included six Indian Banks having 9 Branches.





## Liabilities and Assets

Total liabilities/assets of all Scheduled Banks (see **Table 3**) stood at Rs. 16,086.1 billion at end June 2013, increased by Rs. 57.92 billion (0.36%) and Rs. 3,154.32 billion (24.39%) over end December 2012 and end June 2012 respectively. The asset/liabilities position of Public Sector Banks has shown an increase by Rs. 1975.33 billion (73.24 percent) over end December 2012. The Domestic Private Banks assets/liabilities decreased by Rs. 1803.49 billion (-14.04 percent) over end December 2012. While the assets/liabilities of foreign banks decreased by Rs. 113.9 billion (-23.25 percent) over the previous half year.

**Table 3: Composition of Overall Liabilities / Assets of Scheduled Banks**

(Billion Rs.)

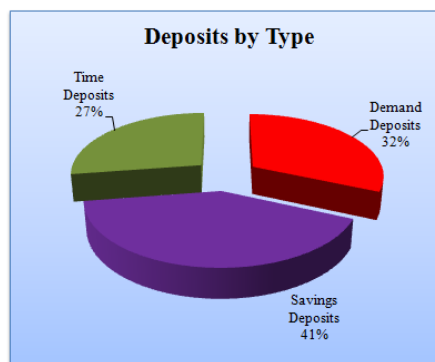
Group or Type of Banks	Jun-13	Dec-12	Jun-12	HY Growth (%)	YOY Growth (%)
<b>1. Pakistani Banks</b>	<b>15,710.1</b>	<b>15,538.3</b>	<b>12,332.9</b>	<b>1.11%</b>	<b>27.38%</b>
i. Public Sector Banks	4,672.2	2,696.9	2,535.0	73.24%	84.31%
ii Domestic Private Banks	11,037.9	12,841.4	9,797.9	-14.04%	12.66%
<b>2. Foreign Banks</b>	<b>376.0</b>	<b>489.9</b>	<b>598.9</b>	<b>-23.25%</b>	<b>-37.22%</b>
<b>Overall (1+2)</b>	<b>16,086.1</b>	<b>16,028.2</b>	<b>12,931.8</b>	<b>0.36%</b>	<b>24.39%</b>

\* Total may differ due to rounding off.

## Deposits

Total of demand and time deposits (excluding Inter-Bank) at the end of the period under review (see **Table 4**) amounting to Rs. **7,134.4** billion registered an increase of Rs. 501.81 billion (7.57 percent) over the previous half year and Rs. 915.01 billion (14.71 percent) over the same period of the last year. Of this, demand deposits for the period end June 2013 stood at Rs. 2,250.2 billion increased by Rs. 247.3 billion from previous period.

Saving deposits stood at Rs. 2,930.7 billion increased by Rs. 271.1 billion when compared with previous half year. Time deposits stood at Rs. 1,953.5 billion lower by Rs. 16.6 billion as compared to the previous period (see **Table 15**).



**Table 4: Scheduled Banks' Deposits by Type of Banks**

(Billion Rs.)

Group or Type of Banks	Jun-13	Dec-12	Jun-12	HY Growth	YOY Growth
<b>1. Pakistani Banks</b>	<b>7,010.0</b>	<b>6,476.1</b>	<b>6,060.8</b>	<b>8.24%</b>	<b>15.66%</b>
i. Public Sector Banks	1371.8	1159.1	1077.1	18.35%	27.36%
ii Domestic Private Banks	5638.2	5317.0	4983.7	6.04%	13.13%
<b>2. Foreign Banks</b>	<b>124.4</b>	<b>156.5</b>	<b>158.6</b>	<b>-20.52%</b>	<b>-21.57%</b>
<b>Overall (1+2)</b>	<b>7,134.4</b>	<b>6,632.6</b>	<b>6,219.4</b>	<b>7.57%</b>	<b>14.71%</b>

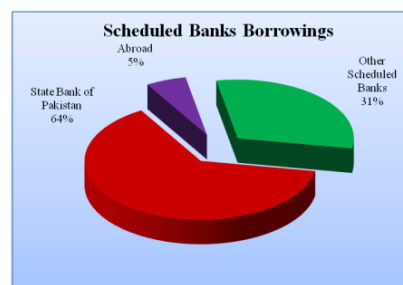
\* Total may differ due to rounding off.

**Rate of Return on Deposits:**

Weighted average rate of return on PLS (excluding current and other deposits) deposits stood at 6.73 percent in end June 2013 which is decreased by 19 basis points and 24 basis points when compared with end December 2012 and end June 2012 respectively. Similarly weighted average rate of return on interest bearing deposits decreased by 16 basis points and 52 basis points over the previous period and same period of the last year respectively and stood at 0.39 percent.

**Borrowings**

Scheduled banks borrowings at the end of June 2013 decreased by Rs. 244.2 billion (24.20 percent) when compared with end December 2012 and increased by Rs. 277.9 billion (57.04 percent) when compared with end June 2012 (see **Table 5**). Borrowings from SBP have been decreased by Rs. 411.4 billion (45.79 percent) over previous half-year and increased by Rs. 104.5 billion (27.32 percent) over the same period of the last year.



**Table 5: Composition of Scheduled Banks' Borrowings**

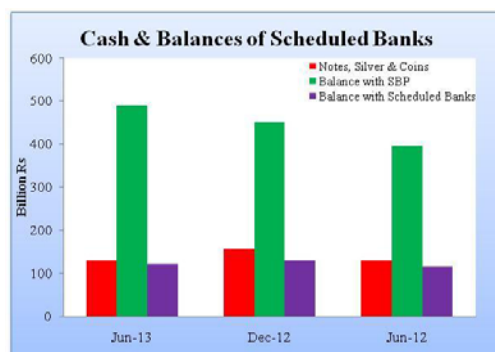
(Billion Rs.)

Source	Jun-13	Dec-12	Jun-12	HY Growth	YOY Growth
State Bank of Pakistan (SBP)	487.0	898.4	382.5	-45.79%	27.32%
Abroad	43.0	21.3	20.1	101.82%	113.87%
Other Scheduled Banks	235.1	89.6	84.6	162.37%	177.88%
<b>Total</b>	<b>765.1</b>	<b>1009.3</b>	<b>487.2</b>	<b>-24.20%</b>	<b>57.04%</b>

\* Total may differ due to rounding off.

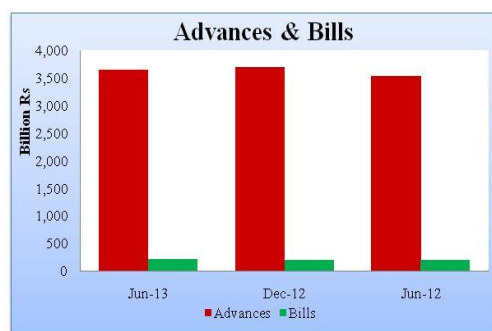
## Cash & Balances

Cash and balances of scheduled banks including balances held with the State Bank of Pakistan amounted to Rs. 741.1 billion at the end of the period under review as against Rs. 736.3 billion at end of previous half year and Rs. 639.8 billion at the end of the corresponding period of last year. Of these, balances held with State Bank of Pakistan increased by Rs. 38 billion and stood at Rs. 489.7 billion at end June 2013 compared with Rs. 451.7 billion at end December 2012.



## Loans

**Advances and Bills:** Loans (Advances + Bills) of all scheduled banks stood at Rs. 3,851.8 and decreased by Rs. 33.6 billion (0.86 percent) at end June 2013 as compared to December 2012. Loans increased by Rs. 124.9 billion (3.35 percent) when compared with June 2012. Bills purchased & discounted show an increase of Rs. 13.2 billion over December 2012. Decrease of Rs. 46.7 billion in advances contributed to an overall decrease in loans in June 2013.



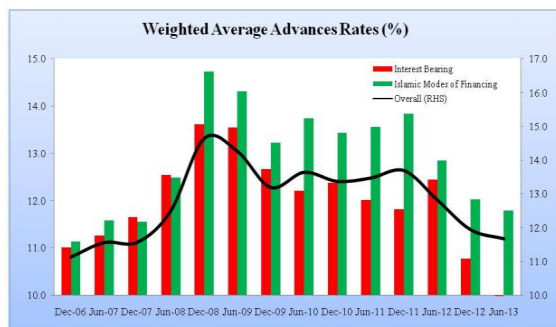
**Table 6: Advances and Bills**

(Billion Rs.)

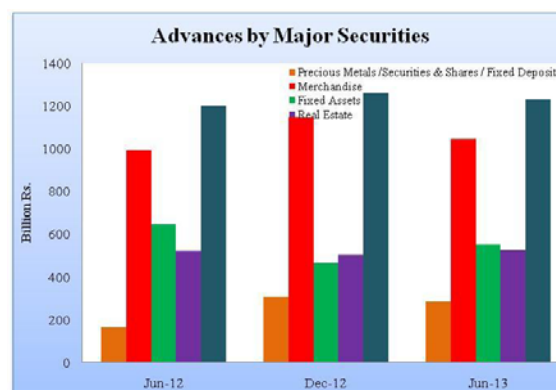
Source	Jun-13	Dec-12	Jun-12	HY Growth	YOY Growth
Advances	3,641.8	3,688.5	3,530.0	-1.27%	3.17%
Bills	210.1	196.9	196.9	6.68%	6.68%
<b>Total</b>	<b>3,851.8</b>	<b>3,885.4</b>	<b>3,726.9</b>	<b>-0.86%</b>	<b>3.35%</b>

\* Total may differ due to rounding off.

**Weighted Average Rate of Return:** The weighted average rate of return on financing under Islamic modes and interest bearing modes at end June 2013 worked out to be 11.66 percent against 11.93 percent at end December 2012 and 12.81 percent at end June 2012.



**Advances by Securities:** Classification of scheduled banks' advances by securities (see **Table 7**) indicates that the residual group "Others" which includes 'Other secured advances' and 'Advances secured by institutional & individual guarantee(s)' accounted for Rs. 1231.1 billion (33.80 percent) of the total and decreased by Rs. 28.9 billion when compared to December 2012. An amount of Rs. 1046.2 billion (28.73 percent) of the total was advanced against "Merchandise" which is decreased by Rs. 100.7 billion when compared with previous half year. "Real Estate" accepted as security by banks against advances accounted for Rs. 526.8 billion at end June 2013 and increased by Rs. 21.3 billion when compared to end December 2012. "Fixed Assets Including Machinery" amounted to Rs. 552.0 billion (15.16 percent) which is increased by Rs. 85.6 billion when compared to December 2012.



**Table 7: Scheduled Banks' Advances by Major Securities and Their % Share**

(Billion Rs.)

Type of Security	Jun-13	% Share
Gold, Bullion, Gold and Silver Ornaments, Precious Metals	69.7	1.91%
Securities, Shares, and Other Financial Instruments	166.2	4.56%
Merchandise	1046.2	28.73%
Fixed Assets Including Machinery	552.0	15.16%
Real Estate	526.8	14.47%
Fixed Deposits and Insurance Policies	49.8	1.37%
Others	1231.1	33.80%
<b>Total</b>	<b>3641.8</b>	<b>100.0%</b>

\* Total may differ due to rounding off.

**Advances by Borrowers:** Classification of advances by borrowers can be viewed in table given below showing the position as at end of June 2013 compared with previous period and the corresponding period of last year.

**Table 8: Scheduled Banks' Advances by Borrowers**

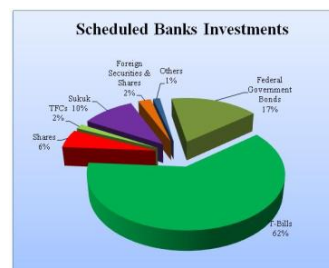
(Billion Rs.)

Borrowers	Jun-13	Dec-12	Jun-12	HY Growth	YOY Growth
Government	492.2	423.4	461.7	16.25%	6.61%
Non-financial Public Sector Enterprises	350.2	349.6	312.3	0.17%	12.14%
Non-bank Financial Companies	47.6	45.3	44.2	5.08%	7.69%
Private Sector (Business)	2414.2	2540.0	2393.1	-4.95%	0.88%
Trust Funds & Non- Profit Institutions	17.0	18.0	18.0	-5.56%	-5.56%
Personal	305.8	295.2	285.1	3.59%	7.26%
Others	14.7	17.1	15.6	-14.04%	-5.77%
<b>Total</b>	<b>3641.8</b>	<b>3688.6</b>	<b>3530.0</b>	<b>-1.27%</b>	<b>3.17%</b>

\* Total may differ due to rounding off.

## Investments

Scheduled banks total investments (see **Table 9**) stood at Rs. 4,213.7 billion as on June 2013 forming 26.2 percent of their total assets. Investment depicts increase of Rs. 223 billion (5.59 percent) and Rs. 940.41 billion (28.73 percent) compared with previous and corresponding half years. The investments in



treasury bills at Rs. 2,604.3 billion were 61.8 percent of the total investments. Whereas investment in Federal Government Bonds forming 17.11 percent of total investment, followed by Sukuk Bonds forming 10.3 percent of total investment, 'Others' forming 6.87 percent of the total investment, foreign securities and shares 2.44 percent and term finance certificate (TFC's) at 1.50 percent. Total investment under the 'Others' is Rs. 289.4 billion which includes shares, Debentures, Mutual Funds, Modaraba Certificate, Participant Term Certificate, NIT, Certificate of Investment and Other Items.

**Table 9: Scheduled Banks' Investments**

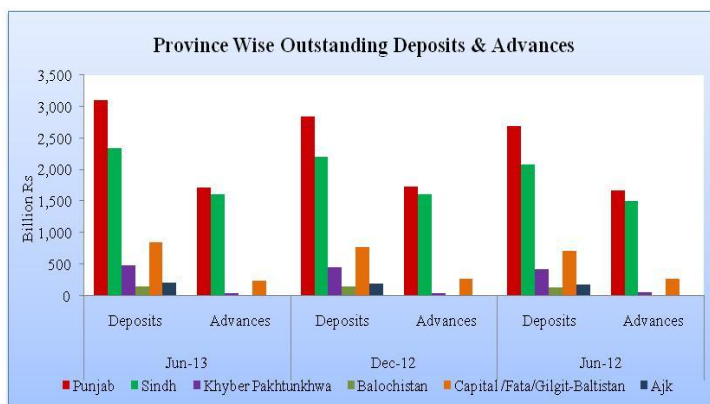
(Billion Rs.)

Securities/Shares	Jun-13	Dec-12	Jun-12	HY Growth	YOY Growth
Federal Government Bonds	720.9	622.7	493.3	15.78%	46.15%
Treasury Bills	2,604.3	2,519.7	1,916.0	3.36%	35.92%
Term Finance Certificate	63.1	70.2	71.5	-10.18%	-11.81%
Sukuk Bonds	433.0	393.4	363.7	10.07%	19.06%
Foreign Securities & Shares	103.0	91.6	76.3	12.46%	35.02%
Others	289.4	293.1	352.6	-1.25%	-17.92%
<b>Total</b>	<b>4,213.7</b>	<b>3,990.8</b>	<b>3,273.4</b>	<b>5.59%</b>	<b>28.73%</b>

\*Total may differ due to rounding off.

## Province/Region Wise Deposits and Advances

The position of Province/ Region wise share of outstanding deposits and advances by banks as on 30<sup>th</sup> June 2013 for the current, previous and corresponding period is given on next page:



**Table 10: Province/Region Wise Share of Scheduled Banks Deposits and Advances**

(Percent per Annum)

Province/Region	Jun-13		Dec-12		Jun-12	
	Deposits	Advances	Deposits	Advances	Deposits	Advances
<b>Punjab</b>	43.4%	47.1%	43.0%	47.0%	43.2%	47.6%
<b>Sindh</b>	32.8%	44.4%	33.2%	43.7%	33.4%	42.5%
<b>Khyber Pakhtunkhwa</b>	6.9%	1.2%	6.8%	1.3%	6.8%	1.5%
<b>Baluchistan</b>	2.2%	0.3%	2.3%	0.3%	2.2%	0.3%
<b>Islamabad</b>	11.4%	6.6%	11.3%	7.4%	10.9%	7.7%
<b>FATA</b>	0.2%	0.0%	0.2%	0.0%	0.2%	0.0%
<b>Gilgit-Baltistan</b>	0.3%	0.0%	0.2%	0.0%	0.3%	0.0%
<b>AJK</b>	2.9%	0.3%	2.9%	0.3%	2.9%	0.2%

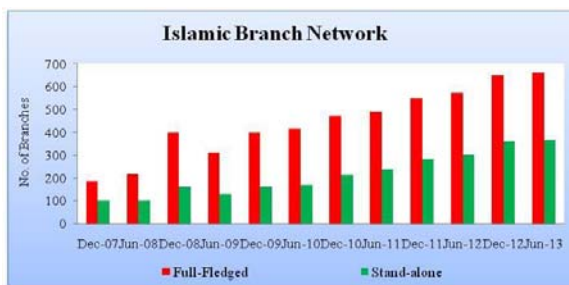
A positive growth has been observed in all the regions/provinces in total outstanding deposits with banks as on 30<sup>th</sup> June 2013. The maximum growth is shown in Gilgit-Baltistan (15.76%) followed by FATA (11.36%), KPK (9.42%), Punjab (8.71%), Federal Capital (8.57%), Sindh (6.10%), AJK (4.09%) and Balochistan shows minimum growth 0.39% percent. The overall total outstanding advances have negative growth of 1.27%. Gilgit-Baltistan and Sindh have positive growth rate of 16.67% and 0.24% respectively. While other regions/provinces have displayed a negative growth in total outstanding advances during the period under review.

Province/Region	Growth Rate (%)	
	Deposits	Advances
Punjab	8.71%	-1.00%
Sindh	6.10%	0.24%
KPK	9.42%	-3.60%
Balochistan	0.39%	-5.22%
Federal Capital	8.57%	-10.90%
FATA	11.36%	-16.67%
Gilgit-Baltistan	15.76%	16.67%
AJK	4.09%	-13.89%

### Islamic Banking

As on 30<sup>th</sup> June 2013, there were 19 banks involved in Islamic banking with a network of 1,030 branches in the country. Of these, five are full-fledged Islamic banks with 661 branches and 14 of the existing Scheduled banks have 369 branches working as stand-alone 'Islamic Banking Branches' (see **Table 11**).

The activities of Islamic bank's branches have shown improvement at end June 2013 compared with end December 2012, in terms of outstanding amount for deposits increased by Rs. 68.2 billion. Whereas, number of accounts (see **Table 12**), which have been increased by 132,567 accounts. Financing shows increase in number of accounts by 3,326 accounts and increase in amount of Rs. 24 billion when compared with previous half year. Investments at book-value also increased by Rs. 37 billion at the end of half-year under review compared with previous half-year.



**Table 11: Summary of Islamic Banking Network**

Name of Banks	(Numbers)		
	Jun-13	Dec-12	Jun-12
<b>A. Full-fledged Islamic Scheduled Banks</b>	<b>661</b>	<b>650</b>	<b>574</b>
1. Al Baraka Bank (Pakistan) Ltd.	92	90	87
2. Bankislami Pakistan Ltd.	84	83	71
3. Burj Bank Ltd.	67	67	42
4. Dubai Islamic Bank Ltd.	100	100	82
5. Meezan Bank Ltd.	318	310	292
<b>B. Stand-alone Islamic Branches of Existing Sch. Banks</b>	<b>369</b>	<b>359</b>	<b>300</b>
1. Askari Bank Ltd.	32	32	29
2. Bank Alfalah Ltd.	110	110	85
3. Bank Al Habib Ltd.	15	13	12
4. Habib Bank Ltd.	33	33	28
5. Habib Metropolitan Bank Ltd.	4	4	4
6. MCB Bank Ltd.	27	27	22
7. National Bank of Pakistan	6	6	6
8. SilkBank Ltd.	10	7	-
9. Soneri Bank Ltd	6	6	5
10. Standard Chartered Bank (Pakistan) Ltd.	10	14	15
11. The Bank of Khyber	37	36	30
12. The Bank of Punjab	5	-	-
13. United Bank Ltd.	22	19	14
14. Faysal Bank Ltd	52	52	50
<b>Total</b>	<b>1,030</b>	<b>1,009</b>	<b>874</b>



**Table 12: Deposits, Financing and Investments of Islamic Banks on Gross Basis**

(Billion Rs.)

Items		Jun-13	Dec-12	Jun-12	HY Growth (%)	YOY Growth (%)
Deposits	No. of Accounts	1,990,179	1,857,612	1,892,023	7.14	5.19
	Amount	750.8	682.6	581.2	9.99	29.17
Financing*	No. of Accounts	49,620	46,294	47,477	7.18	4.51
	Amount	266.0	241.7	208.9	10.07	27.35
Investment	Book-value	390.0	353.5	309.1	10.33	26.17

\*Includes advances &amp; bills

**Table 13: Key Statistics of Scheduled Banks at a Glance**

(Billion Rs.)			
<b>Item</b>	<b>Jun-13</b>	<b>Dec-12</b>	<b>Jun-12</b>
<b>Number of All Banks</b>	<b>38</b>	<b>38</b>	<b>44</b>
Public Sector Commercial Banks	5	5	5
Domestic Private Banks	22	22	22
Foreign Banks	7	7	13
Specialized Banks	4	4	4
<b>Number of (Reporting) Branches</b>	<b>10,361</b>	<b>10,295</b>	<b>9,847</b>
<b>Total Liabilities/Assets</b>	<b>16,086.1</b>	<b>16,028.2</b>	<b>12,931.8</b>
<b>Cash</b>	<b>741.1</b>	<b>736.3</b>	<b>639.8</b>
<b>Total Deposits (Excluding Inter-bank)</b>	<b>7,134.4</b>	<b>6,632.6</b>	<b>6,219.4</b>
Demand	2,250.2	2,002.9	1,909.3
Savings	2,930.7	2,659.6	2,400.4
Time	1,953.5	1,970.1	1,909.7
<b>Number of Accounts of Deposit Holders</b>	<b>35,147,901</b>	<b>33,562,227</b>	<b>31,746,373</b>
<b>Average Deposits per Account (Thousand Rs.)</b>	<b>203.0</b>	<b>197.6</b>	<b>195.9</b>
<b>Total Advances (Excluding Inter-bank)</b>	<b>3,641.8</b>	<b>3,688.5</b>	<b>3,530.0</b>
<b>Number of Accounts of Borrowers</b>	<b>3,283,316</b>	<b>3,337,881</b>	<b>3,416,682</b>
<b>Average Advances per Account (Thousand Rs.)</b>	<b>1109.2</b>	<b>1105.1</b>	<b>1033.2</b>
<b>Bills Purchased and Discounted</b>	<b>210.1</b>	<b>196.9</b>	<b>196.9</b>
<b>Investments in Securities &amp; Shares</b>	<b>4213.7</b>	<b>3990.8</b>	<b>3273.4</b>
<b>Bank Loan (Advances + Bills)</b>	<b>3851.7</b>	<b>3885.4</b>	<b>3726.9</b>
<b>Ratio of:</b>			
Deposits to Total Liabilities	44.35%	41.38%	48.09%
Cash to Deposits	10.39%	11.10%	10.29%
Advances to Total Assets	22.64%	23.01%	27.30%
Time Deposits to Total Deposits	27.38%	29.70%	30.71%
Advances to Deposits	51.05%	55.61%	56.76%
Investments to Deposits	59.06%	60.17%	52.63%
Bank Loan to Deposits	53.99%	58.58%	59.92%
(Loan + Investments) to Deposits	113.05%	118.75%	112.56%
<b>Weighted Average:</b>			
Deposits Rates (Excluding Zero Rate)			
• Overall	6.29%	6.45%	6.49%
• Interest Bearing	0.77%	0.55%	0.94%
• Profit & Loss Sharing	6.77%	6.92%	6.98%
Advances Rates	11.66%	11.93%	12.81%

**Table 14: Distribution of Deposits, Advances, Bills Purchased & Discounted and Investments of Scheduled Banks by Groups**

(Billion Rs.)

Group	Deposits		Advances		Bills		Investments	
	Jun13	Dec12	Jun13	Dec12	Jun13	Dec12	Jun13	Dec-2
<b>All Banks</b>	<b>7,134.4</b>	<b>6,632.6</b>	<b>3,641.8</b>	<b>3,688.5</b>	<b>210.1</b>	<b>196.9</b>	<b>4,213.7</b>	<b>3,990.8</b>
1. Public Sector								
Commercial Banks	1,353.6	1,140.7	863.2	861.7	17.5	20.9	581.9	596.4
2. Domestic Private Banks	5,638.2	5,317.0	2,604.0	2,645.7	187.0	170.4	3,491.7	3,283.8
3. Foreign Banks	124.4	156.5	52.4	62.3	5.5	5.6	113.5	86.0
4. Specialized Banks	18.2	18.4	122.2	118.8	0.0	0.0	26.6	24.6
<b>Commercial Banks (1+2+3)</b>	<b>7,116.2</b>	<b>6,614.2</b>	<b>3,519.6</b>	<b>3,569.7</b>	<b>210.1</b>	<b>196.9</b>	<b>4,187.1</b>	<b>3,966.2</b>

\* Total may differ due to rounding off.

**Table 15: Distribution of Type of Deposits of Scheduled Banks by Groups**

(Billion Rs.)

Group	Demand		Savings		Term	
	Jun-13	Dec-12	Jun-13	Dec-12	Jun-13	Dec-12
<b>All Banks</b>	<b>2,250.2</b>	<b>2,002.9</b>	<b>2,930.7</b>	<b>2,659.6</b>	<b>1,953.5</b>	<b>1,970.1</b>
1. Public Sector						
Commercial Banks	338.8	292.6	546.8	500.4	468.0	347.7
2. Domestic Private Banks	1,862.3	1,644.8	2,339.3	2,101.9	1,436.6	1,570.3
3. Foreign Banks	39.7	55.7	37.5	50.8	47.2	50.0
4. Specialized Banks	9.4	9.8	7.1	6.4	1.7	2.1
<b>Commercial Banks (1+2+3)</b>	<b>2,240.8</b>	<b>1,993.1</b>	<b>2,923.6</b>	<b>2,653.1</b>	<b>1,951.8</b>	<b>1,968.0</b>

\* Total may not match due to rounding

**Table 16: Maturity Break-up of Term Deposits of Scheduled Banks by Groups**

(Billion Rs.)

Period of Maturity	All Banks		Public Sector Commercial Banks		Domestic Private Banks		Foreign Banks		Specialized Banks	
	Jun-13	Dec-12	Jun-13	Dec-12	Jun-13	Dec-12	Jun-13	Dec-12	Jun-13	Dec-12
For Less Than 3 Months	472.0	446.7	55.9	21.7	388.5	401.2	27.5	23.8	0.1	0.1
For 3 Months and Over but Less Than 6 Months	320.3	295.3	109.8	41.5	201.0	238.6	9.2	15.0	0.3	0.3
For 6 Months and Over but Less Than 1 Years.	209.5	243.2	48.3	44.3	156.5	194.2	4.2	4.5	0.5	0.2
For 1 Year and Over but Less Than 2 Years.	667.0	701.9	212.5	204.1	447.5	490.2	6.3	6.3	0.7	1.3
For 2 Years and Over but Less Than 3 Years.	26.5	27.2	3.3	4.6	23.2	22.5	0.0	0.1	0.1	0.1
For 3 Years and Over but Less Than 4 Years.	97.3	95.5	10.4	5.9	86.9	89.5	0.0	0.1	0.0	0.0
For 4 Years and Over but Less Than 5 Years.	7.0	7.4	1.3	1.0	5.7	6.3	-	-	0.0	0.0
For 5 Years and Over	154.0	153.0	26.6	24.6	127.2	127.9	0.0	0.3	0.2	0.2
<b>Total</b>	<b>1,953.5</b>	<b>1,970.1</b>	<b>468.0</b>	<b>347.7</b>	<b>1,436.6</b>	<b>1,570.3</b>	<b>47.2</b>	<b>50.0</b>	<b>1.7</b>	<b>2.1</b>

\* Total may differ due to rounding off

**Table 17: Advances Classified by Securities & Borrowers as on 30<sup>th</sup> June 2013**

(Billion Rs.)

Securities	Govt.	NFPSEs	NBFCs	PSEs	TF&NPIs	Personals	Others	Total
I. Gold, Bullion & Silver, Ornaments and Precious Metals	-	14.6	5.3	49.8	-	-	0.0	<b>69.7</b>
II. Securities, Shares & Other Financial Instruments	18.6	108.1	7.1	27.6	3.2	0.6	0.9	<b>166.2</b>
III. Merchandise	109.1	18.6	1.8	912.2	1.0	2.6	0.9	<b>1,046.2</b>
IV. Fixed Assets Including Machinery	8.3	50.8	10.6	468.5	1.6	7.1	5.0	<b>552.0</b>
V. Real Estate	0.5	6.1	1.0	487.2	0.7	29.7	1.8	<b>526.8</b>
VI. Fixed Deposits and Insurance Policies	13.8	0.2	0.7	26.1	6.5	2.3	0.2	<b>49.8</b>
VII. Others	341.8	151.9	21.2	442.8	4.0	263.5	5.9	<b>1,231.1</b>
<b>Total</b>	<b>492.2</b>	<b>350.2</b>	<b>47.6</b>	<b>2,414.2</b>	<b>17.0</b>	<b>305.8</b>	<b>14.7</b>	<b>3,641.8</b>

\* Total may differ due to rounding off

**Table 18: Advances by Modes of Financing**

(Billion Rs.)

Modes of Financing	Jun-13		Dec-12		Jun-12	
	No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount
<b>I. Interest Based</b>	<b>257,387</b>	<b>238.6</b>	<b>314,087</b>	<b>254.7</b>	<b>308,621</b>	<b>292.0</b>
<b>II. Islamic Modes</b>	<b>3,025,929</b>	<b>3,403.2</b>	<b>3,023,794</b>	<b>3,433.8</b>	<b>3,108,061</b>	<b>3,238.1</b>
a) Mark-Up in Price on Deferred Payment Basis	2,303,143	2,653.0	2,310,235	2,751.2	2,367,729	2,600.4
b) Rent-Sharing	490	0.6	502	0.7	527	0.7
c) Qarz-e-Hasna	18,712	0.3	19,357	0.4	22,302	0.4
d) Musharaka or Profit and Loss	1,535	26.4	2,375	30.6	1,535	24.3
e) Leasing	45,793	40.7	39,162	31.5	42,412	31.2
f) Hire Purchase	1,117	2.5	847	1.0	1,075	3.9
g) Buy Back	165,386	205.3	170,826	153.8	181,975	198.3
h) Mark Down in Prices	210	0.1	219	0.1	237	1.0
i) Service Charges	209,164	4.4	210,208	4.5	211,684	4.6
j) Concessional Service Charges	2	0.0	170	13.9	-	-
k) Other Islamic Modes	280,377	469.9	269,893	446.2	278,585	373.3
<b>Total (I+II)</b>	<b>3,283,316</b>	<b>3,641.8</b>	<b>3,337,881</b>	<b>3,688.5</b>	<b>3,416,682</b>	<b>3,530</b>

\* Total may differ due to rounding off

**Table 19: Province/Region Wise Deposits and Advances**

( Billion Rupees )

Provinces / Regions	Jun-13		Dec-12		Jun-12	
	Deposits	Advances	Deposits	Advances	Deposits	Advances
<b>Overall</b>	<b>7,134.4</b>	<b>3,641.8</b>	<b>6,632.6</b>	<b>3,688.5</b>	<b>6,219.4</b>	<b>3,530.0</b>
Punjab	3,098.8	1,715.7	2,850.0	1,732.9	2,688.2	1,681.3
Sindh	2,338.7	1,616.7	2,204.2	1,612.9	2,078.6	1,501.9
Khyber Pakhtunkhwa	493.5	45.5	451.0	47.2	423.8	53.7
Balochistan	154.9	10.9	154.3	11.5	138.2	12.0
Capital	811.1	241.9	747.1	271.5	679.5	272.2
FATA	14.7	0.5	13.9	0.6	12.5	0.6
Gilgit - Baltistan	19.1	1.4	16.8	1.3	20.2	1.1
AJK	203.6	9.3	195.3	10.7	178.4	7.3