

# ANNUAL REPORT

2019 – 2020

## THE STATE OF PAKISTAN'S ECONOMY



STATE BANK OF PAKISTAN

## **SBP BOARD OF DIRECTORS**

Dr. Reza Baqir	Governor & Chairman
Mr. Naveed Kamran Baloch	Secretary, Finance
Mr. Atif R. Bokhari	Member
Mr. Azam Faruque	Member
Mr. Muhammad Saleem Sethi	Member
Mr. Ali Jameel	Member
Dr. Tariq Hassan	Member
Mr. Mohammad Mansoor Ali	Corporate Secretary

## LETTER OF TRANSMITTAL

State Bank of Pakistan  
Karachi.  
November 11, 2020

**Dear Mr. Chairman,**

In terms of Section 9A(2) of the State Bank of Pakistan Act, 1956, the Annual Report on the State of the Economy which includes the review of fourth quarter on the State of the Economy for the year 2019-20 is hereby enclosed for submission to the Majlis-e-Shoora (Parliament), by the Board of the State Bank of Pakistan.

Yours sincerely,



**(Dr. Reza Baqir)**  
Governor  
Chairman Board of Directors

**Muhammad Sadiq Sanjrani**  
Chairman  
Senate  
Islamabad

## LETTER OF TRANSMITTAL

State Bank of Pakistan  
Karachi.  
November 11, 2020

**Dear Mr. Speaker,**

In terms of Section 9A(2) of the State Bank of Pakistan Act, 1956, the Annual Report on the State of the Economy which includes the review of fourth quarter on the State of the Economy for the year 2019-20 is hereby enclosed for submission to the Majlis-e-Shoora (Parliament), by the Board of the State Bank of Pakistan.

Yours sincerely,



**(Dr. Reza Baqir)**  
Governor  
Chairman Board of Directors

**Asad Qaiser**  
Speaker  
National Assembly  
Islamabad

# Acknowledgements

## Analysts:

### Chapters:

1. Economic Review Asma Khalid
2. Economic Growth Adnan Kummer; Khurram Ashfaq Baluch; Talha Nadeem; Sarmad Ellahi
3. Monetary Policy and Inflation Asma Khalid; Fatima Khaliq; Junaid Kamal; Umar Mashhood
4. Fiscal Policy Muhammad Mazhar Khan; Hira Ghaffar; Muhammad Ijlal Khan
5. Domestic and External Debt Muhammad Mazhar Khan; Syed Zulqernain Hussain
6. External Sector Sajawal Khan; Muhammad Omer; Muhammad Idrees; Ali Raza Mehdi; Muhammad Farhan Akber; Sabahat
7. Understanding Low Private Credit Penetration in Pakistan: Contextualizing Recent Policy Reforms Asma Khalid; Ahmad Mobeen

*Special Section*: Covid19 and the Need to Boost Digital Connectivity in Pakistan

Asma Khalid; Umar Mashhood; Ahmad Mobeen

### Editing:

Ali Raza Mehdi and Ahmad Mobeen

### Formatting:

Syed Zulqernain Hussain; Umar Mashhood; Muhammad Idrees, Romail Ahmad Khan

### Cover:

Industry and Agriculture I (1961) by Sadequain, SBP Museum

## Publication Manager:

Asma Khalid

## Director:

Omar Farooq Saqib

## Publication Review Committees:

*PRC of the Management* Murtaza Syed (Chairman); M. Ali Choudhary; Inayat Hussain; Syed Irfan Ali; Muhammad Ali Malik; Syed Samar Husnain; Muhammad Javaid Ismail; Azizullah Khattak; M. Farooq Arby; Mahmood ul Hasan Khan; and Omar Farooq Saqib

*PRC of the Board* Muhammad Saleem Sethi (Chairman); Azam Faruque

The feedback from Research, Monetary Policy and Statistics & Data Warehouse Departments; and logistic supports by Office of the Corporate Secretary, and External Relations Department are also appreciated.