STATE BANK OF PAKISTAN RESEARCH BULLETIN

Advisory Board: Barry Eichengreen

University of California, Berkeley

Abhijit Banerjee Massachusetts Ins

Anjum Nasim

Massachusetts Institute of Technology

Institute of Development and Economic

Timothy J. Besley

London School of Economics and Political

Science

Qazi Masood Ahmed

Institute of Business Administration

Rashid Amjad

Lahore School of Economics

Editor: Wagas Ahmed

State Bank of Pakistan

Associate Editors: Zulfiqar Hyder

State Bank of Pakistan

Imran Sharif Chaudhry Bahauddin Zakariya University

Alternatives(IDEAS), Pakistan

Abdullah Tahir

State Bank of Pakistan

SBP Research Bulletin (SBP RB) aims at publishing high-quality research in the area of macroeconomics with special emphasis on monetary and exchange rate economics and policy issues, including those related to banking and finance. State Bank of Pakistan Research Bulletin is a double blind peer reviewed (by at least one international reviewer) economics research journal. The Research Bulletin also publishes special comments, by invitation only, in its 'opinion' section and has a section on 'book reviews' as well. It is indexed & abstracted internationally.

The Research Bulletin is indexed in EconLit, which is the American Economic Association's comprehensive resource to the world's economic literature. SBP also indexes the Research Bulletin into global database of research papers in economics (RePEc).

The views expressed in the articles, opinions, and book reviews are those of the author(s) and do not necessarily reflect those of the advisory board, editors, or the State Bank of Pakistan. The accuracy of the statements, findings, or analysis of the contributions in this journal is the responsibility of the author(s).

URL: http://www.sbp.org.pk/research/bulletin/

Subscription rates:

Pakistan

Individuals: Rs 250 (inclusive of postage)
Institutions: Rs 400 (inclusive of postage)

Foreign

All: US \$ 30 (inclusive of postage)

Subscription orders, accompanied with cheques/drafts drawn in favor of the State Bank of Pakistan, should be sent to:

Chief Spokesman

External Relations Department,

State Bank of Pakistan,

I.I. Chundrigar Road, P.O. Box No. 4456,

Karachi 74000. Pakistan

For all other correspondence:

Editor,

SBP Research Bulletin, State Bank of Pakistan,

I.I. Chundrigar Road, P.O. Box No. 4456,

Karachi 74000. Pakistan E-mail: <u>sbprb@sbp.org.pk</u>

ISSN 1994-201X (Print) ISSN 1994-2028 (Online)

© 2019 State Bank of Pakistan. All rights reserved. Reproduction is permitted with the consent of the editor.

Published by: Editor, SBP Research Bulletin, State Bank of Pakistan, I.I. Chundrigar Road, Karachi, Pakistan. Printed at the State Bank of Pakistan, SBP BSC, Printing Press, Karachi, Pakistan.

STATE BANK OF PAKISTAN

RESEARCH BULLETIN



Contents Articles Effectiveness of SBP's Monetary Policy Communication Sajjad Zaheer, Fatima 1 Khaliq and Waqas Ahmed Asymmetric Pass Through of Global Oil Prices to Kalim Hyder and Syed 29 Macroeconomic Variables of Pakistan Qamar Hussain Should Central Bank Forget Reserve Requirements? Muhammad Omer 51 Analysis of Policy Tool's Pass-through in Pakistan Book Review Ahmad Mobeen The Euro and the Battle of Ideas (2016) 73