



CPDI BUDGET WATCH

Pakistan's textile exports significantly decline in January: APTMA

Business Recorder (February 02, 2023)

Pakistan's textile sector exports witnessed a significant decline of 12.4%, clocking in at \$1.36 billion in January 2023 in comparison to \$1.55 billion recorded in the same month of the previous year, showed provisional data released by the All Pakistan Textile Mills Association (APTMA) on Thursday. It added that the country's textile exports in the first 7 months of FY23 decreased by 8% to \$10.08 billion, declining from \$10.93 billion recorded in 7MFY22. The decline in te...[Read More](#)

SBP-held forex reserves fall to highly critical level

The News (February 02, 2023)

The foreign exchange reserves held by the State Bank of Pakistan (SBP) dropped to a highly critical level as the nation faces severe economic distress and strives to unlock the International Monetary Fund (IMF) loan. Due to foreign debt payments, the central bank said its reserves fell \$592 million to \$3,086.2 million during the week ended on January 27, their lowest since February 2014, and are barely enough to provide import cover for 18.5 days (0.61 mont... [Read More](#)

India raises defence budget to \$72.6bn amid tensions with China

The Dawn (February 01, 2023)

India proposed on Wednesday 5.94 trillion rupees (\$72.6 billion) in defence spending for the 2023-24 financial year, 13 per cent up from the previous period's initial estimates, aiming to add more fighter jets and roads along its tense border with China. Finance Minister Nirmala Sitharaman allocated 1.63tr rupees for defence capital outlays — an expenditure that would include new weapons, aircraft, warships and other military hardware, as she unveiled nearly [Read More](#)

Pakistan-IMF talks: Fund rejects circular debt management plan

Geo.tv (February 01, 2023)

ISLAMABAD: The International Monetary Fund (IMF) has rejected the circular debt management plan (CDMP) presented by the government and asked the authorities to raise the electricity tariff by Rs12.50 per unit in order to restrict the additional subsidy at Rs335 billion for the current fiscal year, according to a The News report published Thursday. An IMF mission is currently in Pakistan holding talks on the ninth review that will continue till February 9 after which a staf... [Read More](#)

Pakistan braces for fuel shortages amid liquidity crisis

The Dawn (January 31, 2023)

Pakistan could face a crunch in fuel supplies in February as banks have stopped financing and facilitating payments for imports due to depleting foreign exchange reserves,

traders and industry sources said. The country is facing a balance of payments crisis and the plummeting value of the rupee is pushing up the price of imported goods.

Energy comprises a large chunk of the import bill. Pakistan typically meets more than a third of its annual power demand using imported natural... [Read More](#)

IMF instructs Pakistan to 'strictly' adhere to financial discipline

The News (January 31, 2023)

ISLAMABAD: - The International Monetary Fund (IMF) Tuesday stressed on "strict adherence" to financial discipline in its talks with Pakistan as the two sides

began technical-level discussions for the revival of the loan facility stalled for months. During the first session today, the IMF's review mission, headed by

Nathan Porter, identified the budget deficit and slippages, reiterating its strict stance on implementing the conditions laid forth by the lender. Federal Minister ... [Read More](#)

Bangladesh secures \$4.7 billion from IMF as Pakistan, Sri Lanka see delays

Arabnews.pk (January 30, 2023)

The International Monetary Fund (IMF) has approved loans of \$4.7 billion to Bangladesh for disbursement starting immediately, making it the first to secure such

funds out of three South Asian countries that applied last year amid economic trouble. The loans are a win for Prime Minister Sheikh Hasina ahead of a general election early next

year and will help the country, which has seen a sharp widening of its current account deficit, depreciation of the taka currency and a decline in its fore... [Read More](#)

Crucial talks with IMF to start tomorrow as Pakistan inches towards reforms

Profit.pakistantoday.com.pk (January 30, 2023)

ISLAMABAD: The 'crucial' talks between Pakistan and the International Monetary Fund (IMF) will start from Tuesday, as the IMF team under the supervision of

mission chief to Pakistan Nathan Porter has reached Islamabad. A senior official of the Ministry of Finance said that the IMF team has reached Islamabad and meetings

between both sides will start tomorrow morning. Both sides will officially start negotiations in order to complete the ninth review of the Extended Fu... [Read More](#)

New petrol price hike Dar's gift to Maryam: Elahi

The Dawn (January 29, 2023)

LAHORE: The Pakistan Tehreek-i-Insaf (PTI) and its ally PML-Q have strongly condemned the increase in petrol prices at a time when the poor masses are already facing 50 years of the highest inflation under the government of incapable Pakistan Democratic Movement (PDM) leaders. They called the increase in prices the launch of a "petrol bomb" on the masses. In a tweet, PTI Chairman Imran Khan chided the PDM government, saying that the corrupt and inco... [Read More](#)

Business community calls for renewing trade with India

Dailytimes.com.pk (January 29, 2023)

With the country facing a myriad of economic challenges, a segment of the business community of the country has suggested resuming direct trade with neighboring India to ease issues cost of imports of critical goods. This was suggested by Lahore Chamber of Commerce and Industry (LCCI) President Kashif Anwar during a webinar on "Challenges Facing Pakistan's Economy – Private Sector's Perspectives," organized by the Sustainable Development Policy Institute. A... [Read More](#)

Amid rupee crisis, PM and Dar try to shift blame

The Dawn (January 28, 2023)

ISLAMABAD: The prime minister and his finance czar continued to blame the previous government for all the ills that ail the country and its economy, a day after the local currency saw one of its steepest slumps, deepening the ongoing crisis. Prime Minister Shehbaz Sharif, instead of giving any plan to rid the country of unprecedented economic crisis, told the nation that many development projects had been adversely affected by the PTI government's incompetence. Ev... [Read More](#)

Tarin fires broadside at Dar

Business Recorder (January 28, 2023)

ISLAMABAD: Pakistan Tehreek-e-Insaf (PTI) leader and former finance minister Shaukat Tarin has accused Finance Minister Ishaq Dar of taking economy to brink of default. In response to the press conference of Ishaq Dar, Tarin said that in yesterday's press conference, we had hoped that Ishaq Dar will do the honourable thing and hand over his resignation for misleading the nation, causing immeasurable suffering to the citizens through record-high inflation, and taking the economy on the ... [Read More](#)

Global economic growth projected to slow down to 1.9pc this year: UN report

The Dawn (January 27, 2023)

ISLAMABAD: A new United Nations report warns that the global economic growth is projected to slow down to only 1.9 per cent in 2023, sharply lower than the 3pc in

2022. However, the report says, the global growth is forecast to moderately pick up to 2.7pc in 2024. This will be one of the lowest growth rates in recent decades, apart from

the 2007-8 financial crisis and the height of the Covid-19 pandemic, said the World Economic Situation and Prospects 2023 report, released on Wed... [Read More](#)

Responsibility has to be fixed for 'financial apocalypse' in Pakistan: analysts

Tribune.com.pk (January 27, 2023)

KARACHI: Amid growing fears of an economic meltdown, senior analysts have said that the government needs to fix responsibility for the depletion of Pakistan's foreign

exchange reserves in a matter of months otherwise "course correction" won't be possible. The US dollar appreciated sharply within the last three days, crushing the rupee in a

record-shattering rally after Ishaq Dar, the economic wizard of the PML-N, gave up his rationality-defying efforts to artificially bolster the currency as the ... [Read More](#)

Pakistan's rupee plunges as IMF says mission to visit next week

Aljazeera.com (January 26, 2022)

The Pakistani rupee has dived to a historic low against the United States dollar after an exchange cap was lifted as the cash-strapped country seeks to unlock a vital bailout from

the IMF. The Washington-based lender has yet to approve the release of the crucial instalment of \$1.1bn, originally due to be disbursed in November last year as part

of a \$6bn bailout secured in 2019. Talks with the IMF about reviving the bailout stalled in recent months, with the institution demanding more progress on... [Read More](#)

Pakistan will continue to meet international financial obligations, finance minister assures US delegation

Arabnews.pk (January 26, 2023)

ISLAMABAD: Pakistan's finance minister Ishaq Dar told a visiting United States delegation on Wednesday the government was doing it best to put the country's economy

on a positive trajectory and would continue to fulfil its international financial obligations. The delegation was led by the deputy assistant secretary of the US

Department of Treasury, Robert Kaproth, and included macroeconomists and other US officials. Pakistan is facing huge economic challenges with a mounting ... [Read More](#)

Industry calls for urgent cut in interest rate

The Dawn (January 25, 2023)

KARACHI: Rejecting the interest rate hike to a 25-year high at 17pc, the trade and industry on Tuesday termed the State Bank of Pakistan's move as "anti-business and anti-growth." Federation of Pakistan Chambers of Commerce and Industry (FPCCI) President Irfan Iqbal Sheikh said the business community was in shock and clueless as to how they would cope with its fallout on economic activities, the viability of doing business and its inevitable adverse impacts on exports. He sa... [Read More](#)

UAE president drops clues on 'huge investment' plans for Pakistan

The News (January 25, 2023)

ISLAMABAD: United Arab Emirates (UAE) President Sheikh Mohamed Bin Zayed Al Nahyan Wednesday said his country was considering boosting its investment in Pakistan — which drastically needs such inflows to keep its economy afloat in the face of a financial crisis. Prime Minister Shehbaz Sharif and President Al Nahyan — who arrived in Pakistan on a private visit — held a bilateral meeting. PM Shehbaz, along with other government functionaries, received the dignitary at Chan... [Read More](#)

Pakistan fast heading into economic meltdown

Tribune.com.pk (January 24, 2023)

ISLAMABAD: - With over 9,000 containers still stuck up at seaports threatening to break the supply chains of essential goods, concerns have reached their peak that Pakistan is fast heading towards economic meltdown and hyperinflation. Experts have sounded alarm bells that the country is facing a deepening financial crisis with fears it could go bankrupt as inflation rises to record levels, food prices rocket and its coffers run dry. The mushrooming crisis will soon tip over in [Read More](#)

IMF agrees on talks with Pakistan for ninth tranche of loan

Dunyanews.tv (January 24, 2023)

ISLAMABAD (Dunya News) - The International Monetary Fund (IMF) has agreed on resuming talks with Pakistan regarding release of tranche under the ninth review of the Extended Fund Facility (EEF), sources told Dunya News on Tuesday. Sources said the two sides are expected to hold virtual talk this week in which the finance ministry officials will take the IMF officials into confidence regarding economic targets. They said the virtual encounter between the two sides would decide the schedule for [Read More](#)

Interest rates jacked up to 25-year high at 17%

Tribune.com.pk (January 23, 2023)

KARACHI: In line with market expectations, the State Bank of Pakistan on Saturday jacked up key policy rate by 100 basis points to over 25-year high at 17% to ensure

high inflation does not get entrenched. The announcement came as the government had invited the International Monetary Fund (IMF) to sit on the negotiation

table to sort out all 'thorny' issues, including implementing a market-based exchange rate and power tariff hike, in an effort to resume the ninth ... [Read More](#)

Crude prices retreat; Pakistan could start importing Russian oil

Arabnews.com (January 23, 2023)

RIYADH: Oil prices drifted lower in early trade on Monday, thinned by the Lunar New Year holiday in east Asia, but held on to most of last week's gains on the prospect

of an economic recovery in top oil importer China this year. Brent crude futures were down by 25 cents, or 0.29 percent, to \$87.38 at 08.20 a.m. Saudi time, while

US West Texas Intermediate crude futures fell 21 cents, or down 0.26 percent, to \$81.43 a barrel. Last week Brent rose 2.8 percent, while the US benchmark log ... [Read More](#)

Pakistan's trade with China to reach new heights: Bilawal

Dailytimes.com.pk (January 22, 2023)

Minister for Foreign Affairs Bilawal Bhutto Zardari has said that the bilateral trade relationship with China is expected to flourish further, thanks to the win-win

cooperation between both countries in the fight against climate change and investments in renewable energy. Over the last 71 years, successive generations of

leaders have nurtured bilateral ties between Pakistan and China, he said in an exclusive interview with Xinhua at the World Economic Forum, Davos, [Read More](#)

Pakistan's economic condition 'very fragile', says UK investment chief

The Dawn (January 22, 2023)

KARACHI: Foreign investors are sweet-talkers. They tend to gloss over unpleasant facts while speaking to the press. So when the head of the UK's premier development finance

institution (DFI) uses words like "very fragile" for the state of Pakistan's economy, it should set off alarm bells in Islamabad. "As an investor, it's obviously a concern. It

obviously makes a difference as you think about what you might be able to do in the future," said British International Investment (BII) Chief Execu ... [Read More](#)

Pakistan, Russia agree to strengthen energy cooperation, enhance energy trade

Profit.pakistantoday.com.pk (January 21, 2022)

Pakistan and Russia have agreed to strengthen energy cooperation, enhance energy trade and broaden energy infrastructure investment based on strategic and favorable commercial terms on Friday, January 20. They arrived at this understanding at the conclusion of the eighth session of the Pakistan-Russia Intergovernmental Commission on Trade, Economic, Scientific and Technical Cooperation (IGC) held in Islamabad. It was led by Nikolay Shulginov, Minister of Ener... [Read More](#)

Pakistan to kick-start virtual talks with IMF from Monday

Geo.tv (January 21, 2023)

ISLAMABAD: In line with its plan to convince the International Monetary Fund (IMF) to complete the pending ninth review, Pakistan shared the basic contours of negotiations with the high-ups of the multilateral institution with the expectation that both sides will kick-start virtual talks from next week. A senior official of the Finance Division told *The News* that an email has been sent to the IMF and "we are waiting for their response." While virtual talks are expected to ... [Read More](#)

Govt ready to meet all IMF demands to revive loan programme

The Dawn (January 20, 2023)

ISLAMABAD: Conveying its willingness to accept all the four major conditions of the International Monetary Fund (IMF), the government on Thursday requested the lender to send its mission to Pakistan at the earliest, preferably next week, to conclude a long-awaited agreement to revive the loan programme. "We have completed our workings on all four areas on the basis of our interactions on the sidelines of the Geneva conference," a senior member of the government told... [Read More](#)

Russia agrees to suspend debt service for Pakistan

Dailytimes.com.pk (January 20, 2023)

The 8th Intergovernmental Commission (IGC), according to Minister for Economic Affairs Sardar Ayaz Sadiq, will lay the groundwork for a "new relationship" between Russia and Pakistan in a variety of areas, including energy, economy, trade, technology, education, and business to business transactions. According to Ayaz Sadiq, during the three days of the IGC meeting in Islamabad, topics of mutual interest were discussed on a wide range of topics, including rail transportation, ... [Read More](#)

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