



## CPDI BUDGET WATCH

### Pakistan point-of-sale payments slump after protest violence

Business Recorder (May 11, 2023)

KARACHI: Point-of-sale transactions routed through Pakistan's main digital payment systems fell by around 50% the day after former Prime Minister Imran Khan's arrest ignited countrywide protests and prompted authorities to shut down mobile internet services, data showed on Thursday. The reason for the slump was primarily the mobile broadband suspension, in addition to lower footfall at the limited number of stores opened due to the political tu... [Read More](#)

### Pakistan cannot take harsh decisions on IMF instructions, says Ishaq Dar

Profit.pakistantoday.com.pk (May 11, 2023)

ISLAMABAD: Finance Minister Ishaq Dar said on Thursday that Pakistan cannot take harsh decisions on the instruction of the International Monetary Fund (IMF). Talking to a media person after speaking at 3rd Islamabad Security Dialogue, the Finance Minister said that the country is required to make a payment of \$3.7 billion in May and June 2023 which would be done in time. He said that payments will be arranged before the due date and financing commitments made by friendly ... [Read More](#)

### Pakistan's deepening political turmoil douses hopes for IMF relief

Business Recorder (May 10, 2023)

LONDON/KARACHI: The political crisis engulfing Pakistan is eroding hopes that the country can get its much needed programme with the International Monetary Fund (IMF) back on track soon and escape a full-blown debt crunch, analysts said. Violent clashes between supporters of Imran Khan and police broke out across the country after Pakistan's anti-corruption agency arrested the former prime minister on Tuesday. The latest rupture in Pakistan's febrile politics comes as the 230 ... [Read More](#)

### Another day, another bank wants to transition to Islamic Banking

Profitpakistantoday.com.pk (May 10, 2023)

KARACHI: Zarai Taraqati Bank Limited (ZTBL), a Pakistani agricultural lender providing financing services to farmers, plans to convert its banking system from conventional to Islamic banking. After the Federal Government's directive last year to end the Riba-based banking and financial system within the next five years, the conversation has been rife in the banking sector. Faysal Bank has successfully transitioned to Islamic banking while other banks like Summit Ban ... [Read More](#)

## More trouble for Pakistan as WB links \$450m loan with IMF review

Geo.tv (May 09, 2023)

ISLAMABAD: The World Bank has linked approval of second RISE-II (Resilient Institution for Sustainable Economy) loan with the completion of the stalled International Monetary Fund (IMF) programme, denting Pakistan's efforts for securing loans from multilateral creditors, The News reported Tuesday. The World Bank's RISE-II programme envisages loans worth \$450 million. The Asian Infrastructure Investment Bank (AIIB) would also provide co-financ... [Read More](#)

## Pakistan could default without IMF bailout, Moody's warns

The Dawn (May 09, 2023)

Pakistan could default without an International Monetary Fund (IMF) bailout as its financing options beyond June are uncertain, ratings agency Moody's was quoted as saying in a report published by Bloomberg on Tuesday. "We consider that Pakistan will meet its external payments for the remainder of this fiscal year ending in June," said Grace Lim, a sovereign analyst with the ratings company in Singapore. "However, Pakistan's financing options beyond June are highly uncer ... [Read More](#)

## Pakistan fails to satisfy IMF in maintaining forex reserves

Profit.pakistantoday.com.pk (May 08, 2023)

ISLAMABAD: Patience is a virtue lesser known to Pakistanis, be it in ques at the bank or a traffic signal. However the IMF has taken it upon itself, to give Pakistanis a crash course in patience. The staff level agreement (SLA) of the IMF, has been further delayed as Islamabad was unable to satisfy the Fund with regard to maintaining \$ 10 billion foreign exchange reserves or equivalent to two months of imports. The agenda of IMF Executive Board meetings was uploaded on the Fund web ... [Read More](#)

## Pakistan needs fundamental change in approach to economic development: SAARC

Business Recorder (May 08, 2023)

ISLAMABAD: President South Asian Association of Regional Cooperation (SAARC) Chamber of Commerce and Industry, Iftikhar Ali Malik on Sunday said Pakistan needs a paradigm shift, a fundamental change in its approach to governance and economic development. Talking to a delegation traders led by Mian Ejaz Ahmad Arain CEO The Falcon International in Lahore, he said Pakistan is confronted with various challenges, such as political instability, corruption, poverty and terr... [Read More](#)

## Govt, IMF budget talks next week

Pakistanobserver.net (May 07, 2023)

The federal government's economic team and the International Monetary Fund will begin consultations over the budget for the next fiscal year 2023-24 from next week during which the global lender will be taken into confidence that will be in accordance with the terms agreed with it. Sources said the Federal Board of Revenue had already met the IMF team present in the country last week and briefed it on the progress made so far in the budgeting process for the next financial year as ... [Read More](#)

## FPCCI seems perturbed about steep fall in exports

Business Recorder (May 07, 2023)

KARACHI: Irfan Iqbal Sheikh, President Federation of Pakistan Chambers of Commerce and Industry (FPCCI), has expressed his shock that as per latest trade statistics of Pakistan, exports have declined by 26.68 percent in April 2023 on YoY basis. He said this is the direct, inevitable and forewarned result of the sudden, harshest withdrawal of gas & power subsidies for the five zero-rated, export-oriented industries on the dictation of the IMF; however, to add insult to injury, .... [Read More](#)

## Pakistan needs to repay \$3.7bn debt by June: Fitch

The Dawn (May 06, 2023)

KARACHI: Pakistan needs to repay another \$3.7 billion in external debt by the end of June 30 this year, Bloomberg reported on Friday. During the entire current fiscal year, the country has been struggling to avoid default with the help of friendly countries and multilateral lending agencies but the next fiscal year is about to begin with another huge requirement of dollars. In an interview with Bloomberg, a Fitch Rating official said Pakistan would have to re... [Read More](#)

## Current expenditures cross annual budgeted estimation within nine months

Profit.pakistantoday.com.pk (May 06, 2023)

ISLAMABAD: Despite revising the revenue targets, conducting austerity drives and not providing funds for provincial elections, the federal government's current expenditures have crossed the annual budgeted estimation of Rs 8.709 trillion in nine months. The Fiscal Operations Report (July-March) issued by the Ministry of finance states that the total expenditures of the government has reached close to Rs 10 trillion in nine months. As per the report, the government has ... [Read More](#)

# Japan urges Pakistan to allow import of manufacturing equipment of vehicles

Geo.tv (May 05, 2023)

ISLAMABAD: Japan on Thursday urged Pakistan to allow the import of manufacturing equipment of vehicles as the dollar liquidity crunch has severely impacted the issuance of letters of credit (LCs) to Japanese companies operating in the country, The News reported on Friday. According to the publication, Japanese companies are also mulling the idea of establishing plants for hybrid vehicles in Pakistan and export them from Pakistan in the future. According to an .... [Read More](#)

# Pakistan faces \$3.7bn debt payments in May, June: report

Business Recorder (May 05, 2023)

Pakistan faces a total of \$3.7 billion of debt payments starting this month, Fitch Ratings said, according to Bloomberg. "About \$700 million of maturities are due in May and another \$3 billion in June," Krisjanis Krustins, a Hong Kong-based director at Fitch, said in an emailed response quoted by Bloomberg. Fitch expects \$2.4 billion of deposits and loans from China will be rolled over, the report added. The debt payments underscore the crucial need for Pakistan to resume its bail.... [Read More](#)

# Experts propose strategies to strengthen financial institutions, capital markets

The News (May 04, 2023)

LAHORE: Deputy Governor of the State Bank of Pakistan, Dr. Inayat Hussain, has suggested a comprehensive reform program to address vulnerabilities and bottlenecks across all sectors of Pakistan's economy. Speaking on the second and final day of the Sixteenth International Conference on "Managing Pakistan's Economy" at the Lahore School of Economics, Dr. Hussain emphasised the need for documentation of the economy and the digitalisation of the conventi .....

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# IMF to discuss Pakistan's FY24 budget plans

Business Recorder (May 04, 2023)

KARACHI: The International Monetary Fund (IMF) is preparing to discuss Pakistan's financial year 2024 budget plans, as part of the lender's support programme to the cash-strapped nation, which the country's parliament would need to pass by June, the IMF's Pakistan mission chief told Reuters on Thursday. Negotiations over key budget targets such as the fiscal deficit are one of the last hurdles before the IMF approves a staff-level agreement (SLA) ... [Read More](#)

## Exports plunge by 27pc in April

The Dawn (May 03, 2023)

ISLAMABAD: For the eighth month in a row, Pakistan's merchandise exports shrank by 26.68 per cent year-on-year to \$2.12 billion in April, data released by the Pakistan

Bureau of Statistics showed on Tuesday. In the first 10 months (July to April) of 2022-23, exports were down 11.71pc at \$23.17bn compared to \$26.24bn in the

corresponding period last year. The export proceeds are declining mainly because of internal and external factors raising fears about the closure of industrial unit ... [Read More](#)

## Dar reassures IMF of commitment to programme

Profit.pakistantoday.com.pk (May 03, 2023)

Pakistan's Finance Minister, Senator Ishaq Dar, has reiterated the federal government's commitment to the International Monetary Fund (IMF) programme

during a meeting with US Embassy Charge'd Affaires Andrew Schofer. The meeting comes amid reports of blame being shifted between Pakistani authorities and the

IMF for the delay in reviving the bailout programme. The existing IMF programme expires on June 30, 2023. The finance minister informed Schofer about the... [Read More](#)

## Additional Rs60bn tax collection from cigarettes expected this year

Dunyanews.tv (May 02, 2023)

LAHORE (Web Desk) - The Pakistan government is expected to collect an additional revenue of at least Rs60 billion after increasing the federal excise duty (FED)

on tobacco products, social activists said while rejecting multinational tobacco industry's claim of illicit cigarettes in the market. The multinational tobacco

companies continue to falsely claim since 2014 that share of illicit cigarettes is 40% of the market. This number is used consistently to cause panic in the government. .... [Read More](#)

## ADB vows to continue backing Pakistan's economic recovery

The Dawn (May 02, 2023)

Asian Development Bank (ADB) President Masatsugu Asakawa on Tuesday said the bank will maintain its support for Pakistan in the ongoing year, focusing on critical

economic and structural reforms through a policy based lending programme. The pledge was announced by the top ADB official during a news conference held at the

start of the 56th annual meeting of the ADB in Incheon, South Korea. Asakawa acknowledged the government's efforts to stabilise the eco ... [Read More](#)

## Sugar price hike has nothing to do with exports, says PSMA

Profit.pakistantoday.com.pk (May 01, 2023)

LAHORE: The Pakistan Sugar Mills Association (PSMA) has categorically rejected a news item which appeared in a section of the media that the current surge in the prices of sugar is due to the export of the commodity. In a statement, PSMA mentioned that the sugar industry of Pakistan was demanding permission for the export of surplus sugar, since March 2022, but the government had been continuously delaying it. Then the price of sugar was in the range of Rs 80-85 per kilogram, while ... [Read More](#)

## First time in three years: no startup deal for Pakistan in April 2023

Business Recorder (May 01, 2023)

Dwindling startup funding in Pakistan took another hit in April 2023 as not a single deal was closed for the first time in three years. According to Data Darbar Co-founder Mutaher Khan, the last time this happened was in May 2020, when Covid had gripped most of the world. Data Darbar is website that tracks investment flows into the country's tech ecosystem. The decline in startup funding has little to do with the economic crisis in Pakistan, says Mutaher. "The fall was seen due to global do ... [Read More](#)

## First Republic auction underway, with deal expected by Sunday

Dunyanews.tv (April 30, 2023)

(Reuters) - U.S. regulators are trying to clinch a sale of First Republic Bank (FRC.N) over the weekend, with roughly half a dozen banks bidding, sources said on Saturday, in what is likely to be the third major U.S. bank to fail in two months. Citizens Financial Group Inc (CFG.N), PNC Financial Services Group (PNC.N) and JPMorgan Chase & Co (JPM.N) are among bidders vying for First Republic in an auction process being run by the Federal Deposit Insurance Corp, according to sou... [Read More](#)

## Inflation to remain at 'elevated level' in coming months: finance ministry

Geo.tv (April 30, 2023)

ISLAMABAD: The Ministry of Finance has warned that headline inflation is expected to remain at an "elevated level" in the coming months, adding to the concerns of the public and the government, The News reported Sunday. In its monthly economic update report released on Saturday, the Finance Ministry expects that the consumer price index (CPI)-based inflation will be hovering at around 36-38% for April. "Its key drivers are fo... [Read More](#)

# US urges Pakistan to implement IMF reforms

The News (April 29, 2023)

WASHINGTON: The United States has asked Pakistan to implement reforms agreed with the International Monetary Fund (IMF) to move forward. The staff-level agreement was supposed to be signed on February 9 but had been delayed over IMF's demands. "The reform(s) that Pakistan and IMF agreed to are not easy, but it's crucial that Pakistan take these actions to bring the country back to sound financial footing, avoid falling into further debt and grow Pakistan's econo... [Read More](#)

# US fears vulnerability may force Pakistan deeper into debt

The Dawn (April 29, 2023)

WASHINGTON: Increasing vulnerability will force Pakistan deeper into debt, speakers at a seminar on US-Pakistan relations argued while urging Washington to help Islamabad rebuild its ailing economy. The seminar — organised jointly by Wilson Centre, Washington, and the International Academy of Letters (IAL), USA — tried to explore how to promote US-Pakistan relations after the withdrawal of American troops from Afghanistan. Speakers stressed the need to transform the sec... [Read More](#)

# Pakistan all set to get discounted Russian oil

Business Recorder (April 28, 2023)

ISLAMABAD: Prime Minister Shehbaz Sharif said on Thursday that everything was set for his country to receive a shipment of discounted Russian oil. "As we speak, the Russian oil is being loaded to arrive here," he told the parliament. Petroleum Minister Musadik Malik told Reuters last week that Pakistan had made its first purchase of cut-price Russian crude. The discounted purchase offers much needed respite to cash-strapped Pakistan, which has been struggling to ave ... [Read More](#)

# Pakistan urges US to restore military financing, sales

The Dawn (April 28, 2023)

WASHINGTON: Pakistan urged the United States on Thursday to restore military financing and sales suspended by the Trump administration as a senior US official acknowledged the importance of this bilateral relationship in a key strategic region. "It is important that the US restores — for Pakistan — Foreign Military Financing and Foreign Military Sales, suspended by the previous administration," Masood Khan, Pakistan's envoy in Washin ... [Read More](#)

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