



CPDI BUDGET WATCH

Pakistan's GDP contracts to 0.29pc in FY23

The News (May 25, 2023)

ISLAMABAD: Pakistan's provisional GDP growth rate remained dismally low and stood at 0.29 percent for the outgoing financial year 2022-23 against the revised figure of 6.1 percent in the last financial year 2021-22. Against the original target of 5 percent for the current fiscal year, the GDP growth just clinched a slight range of a positive 0.29 percent for the ongoing financial year. This low level of growth will result in rising poverty and unemployment but there are no official figures ... [Read More](#)

Govt working to present business, people-friendly budget

Dailytimes.com.pk (May 25, 2023)

Federal Minister for Finance and Revenue, Mohammad Ishaq Dar Wednesday said that the government was working to present a business and people-friendly budget for 2023-24. He said this in a meeting with a delegation from Rawalpindi, Islamabad, Sarhad Chambers of Commerce on Budget 2023-24 proposals, said a press release issued here. SAPM on Finance Tariq Bajwa, SAPM on Revenue Tariq Mehmood Pasha, Chairman RRMC Ashfaq Yousif Tola, Secretary Finance, Chairm ... [Read More](#)

MOL Pakistan 'temporarily' shuts down oil, gas production from wells after armed attack

Geo.tv (May 24, 2023)

A day after an armed attack, MOL Pakistan Oil and Gas Company on Wednesday confirmed that the production from the wells were temporarily shut down by remote access; however, the installations are "safe". An armed attack at Manzalai-08 and Manzalai-10 well sites in Hangu District — facilities run by MOL Pakistan Oil and Gas Company, which is a unit of Hungary's MOL — was reported on Tuesday wherein six personnel embraced martyrdom after putting up a brave fight. "Both... [Read More](#)

Pakistan 'will absolutely not default', asserts Dar

The Dawn (May 24, 2023)

Finance Minister Ishaq Dar on Wednesday asserted that the country was not on the verge of a financial crisis and "will absolutely not default". Dar's remarks comes amid growing fears of default, propelled by the country's declining remittances and foreign exchange reserves, as well as a prolonged delay in reaching an accord with the International Monetary Fund for the release of a \$1.1 billion tranche out of a \$6.5bn loan package. Addressing the fears during a gathering at the Federal Board of ... [Read More](#)

IMF says UK no longer heading for a recession in 2023

Dunyanews.tv (May 23, 2023)

LONDON (Reuters) - The International Monetary Fund said on Tuesday that it no longer expects Britain's economy will fall into a recession this year, upgrading forecasts that it published last month, but it also warned that the outlook remains subdued. The IMF said British gross domestic product was set to grow by 0.4% in 2023. In April, it forecast a contraction of 0.3%. The Fund said the improved outlook reflected the unexpected resilience of demand, helped in part by faster than usual.... [Read More](#)

Ensure maximum relief in next budget, PM asks economic team

The Dawn (May 23, 2023)

ISLAMABAD: Prime Minister Shehbaz Sharif has directed his economic team to utilise all possible resources to provide maximum relief to the common man in the upcoming budget for 2023-24 which is likely to be announced on June 9. Presiding over a meeting on Tuesday, the prime minister reviewed budget preparations and directed the finance ministry to take every possible step to minimise financial burden on the middle and lower income segments of society. On the occasion, the gov.... [Read More](#)

Pakistan making last-ditch efforts to revive stalled IMF programme

Geo.tv (May 22, 2023)

ISLAMABAD: Pakistan is making last-ditch efforts with the International Monetary Fund (IMF) to revive the stalled Extended Fund Facility (EFF) programme, The News reported on Monday. The hopes are diminishing each day mainly because the ongoing programme of \$6.5 billion under the EFF will expire on June 30. The parleys between Pakistan and the IMF continue for the completion of the ninth review, which was due on November 3 of last year. The formal negotiatio... [Read More](#)

Inflation in Pakistan could reach new heights in May: report

Business Recorder (May 22, 2023)

Inflation in Pakistan is likely to hit fresh peaks, and is projected to reach over 37% year-on-year (YoY) in May against 36.4% recorded in April, JS Global Securities, a brokerage house, said in a report on Monday. "We expect the datapoint to clock in at a record-high of 37.27%, as current workings suggest another sequential increase of 1.07% month-on-month," said JS Global. "This would take 11MFY23E headline Consumer Price Index (CPI) to 29.03%," it added. The brokerage house... [Read More](#)

Federal budget in doldrums amid political turmoil

Dunyanews.tv (May 21, 2023)

ISLAMABAD (Web Desk) - The uncertain political situation looming over the country along with the delay in the IMF program have raised concerns about the new budget schedule. The annual meeting of the Planning Coordination Committee has been postponed till June 2. According to reports, the schedule of the National Accounts Committee meeting regarding the budget faces changes for the second time. The meeting will take place on Monday now, and the current fiscal year's GDP ... [Read More](#)

Pakistan denies IMF sought assurance bailout funds won't be used for 'political purpose'

Arabnews.pk (May 21, 2023)

ISLAMABAD: Pakistani finance authorities on Saturday rejected reports that the International Monetary Fund (IMF) had raised concerns over the government's possible use of bailout funds for "political purpose" in the South Asian country, which awaits a crucial \$1.1 billion tranche from the global lender amid an economic crisis. A \$7 billion IMF bailout program Pakistan had signed back in 2019 is facing delay since November last year. Despite implementing to [Read More](#)

Budget proposals: PBC asks FBR to discourage use of cash in economy

Business Recorder (May 20, 2023)

ISLAMABAD: The Federal Board of Revenue (FBR) has received different budget proposals to check the cash economy in Pakistan by imposing restrictions on the use of cash above a certain limit from 2023-24. One of the leading associations, ie, Pakistan Business Council (PBC) has asked the FBR to discourage the use of cash in the economy. Restrictions on the use of cash above a certain limit would also assist. The transit treaty with Afghanistan has been misused through diversio.... [Read More](#)

Ishaq Dar says efforts underway to put economy back on track

Profit.pakistantoday.com.pk (May 20, 2023)

ISLAMABAD: Finance Minister Ishaq Dar on Sunday asserted that the government was making all possible efforts to steer the economy of the difficult situation in order to put it on the path of sustainable economic growth. Addressing the Islamabad Chamber of Commerce and Industry (ICCI), the finance minister said that friendly countries were expected to materialize their commitments with Pakistan that would pave the way to close the deal with the International [Read More](#)

Macroeconomic conditions deteriorated during first half FY23: SBP

Business Recorder (May 19, 2023)

ISLAMABAD: The Securities and Exchange Commission of Pakistan (SECP) is formulating laws to convert all non-banking financial services, including the capital market, insurance sector, leasing and savings funds, to Sharia-compliant mode. However, a weak understanding of tax authorities and banking channels is one of the key impediments in this regard to meeting the Federal Shariat Court's directive of converting all kinds and types of banking and financial ser... [Read More](#)

Working to develop Islamic financial ecosystem: SECP

The Dawn (May 19, 2023)

ISLAMABAD: The Securities and Exchange Commission of Pakistan (SECP) is formulating laws to convert all non-banking financial services, including the capital market, insurance sector, leasing and savings funds, to Sharia-compliant mode. However, a weak understanding of tax authorities and banking channels is one of the key impediments in this regard to meeting the Federal Shariat Court's directive of converting all kinds and types of banking and financial serv... [Read More](#)

Minister refutes claims of abandoning \$6.5b IMF bailout

Profit.pakistantoday.com.pk (May 18, 2023)

Minister of State for Finance and Revenue, Dr Aisha Ghaus Pasha, dismissed rumors of Pakistan's withdrawal from the \$6.5 billion IMF bailout program. Talks between the Federal Board of Revenue (FBR) and Finance Division continue, according to Pasha. Reports claimed Pakistan's tougher stance against the IMF, sparking speculation of a backtrack. Pasha reaffirmed the government's commitment to the program, noting the upcoming second budget presentation in June. She stressed the [Read More](#)

Govt unaware of true extent of ongoing economic crisis: Miftah Ismail

Business Recorder (May 18, 2023)

KARACHI: Former finance minister Miftah Ismail said on Thursday that the government is unaware of the true extent of the ongoing economic emergency because "Pakistan has been facing a crisis persistently". Speaking at an event titled 'Pakistan's Financial Crisis and a Way Forward- A Pre-Budget Discussion' at the Salim Habib University in Karachi on Thursday, he said Pakistan has managed to escape and avert its economic issues in the past, and this is why the current situation ... [Read More](#)

Senate finance committee directs SBP to prohibit cryptocurrency in Pakistan

[Profit.pakistantoday.com.pk](https://profit.pakistantoday.com.pk) (May 17, 2023)

ISLAMABAD: The Senate Standing Committee on Finance and Revenue has directed State Bank of Pakistan to prohibit cryptocurrency in Pakistan.

The meeting of the committee was held under the chair of Senator Saleem Mandviwala on Wednesday at Parliament house. SBP officials informed the committee that the

Central Bank in 2018 prohibited its regulated entities from dealing in virtual digital currency also known as cryptocurrency, keeping in view the number ... [Read More](#)

Political and economic turmoil: Pakistan's open market sees dollar shortage yet again

[Business Recorder](#) (May 17, 2023)

The US dollar was once again in scant supply in the open market as dealers cited ongoing economic and political uncertainty as the reason behind its shortage.

Customers say they have struggled to get their hands on the greenback for a few days, multiple sources confirmed to Business Recorder, while a few dealers

who had a limited stock said the US dollar was available in the range of Rs300-305, a sharp increase from Rs297 a day ago. The rupee has remained la [Read More](#)

Pakistan slashes price of petrol by Rs12 per liter to provide 'maximum relief' to masses

[Arabnews.pk](https://arabnews.pk) (May 16, 2023)

KARACHI: Pakistan's Finance Minister Ishaq Dar announced the government's decision to slash the price of petrol by Rs12 per liter and High Speed Diesel (HSD) by Rs30 per liter

on Monday, saying that the measure was taken to provide "maximum relief" to the masses amid declining prices of petroleum products in the international market. Fuel

and energy prices in Pakistan soared over the past one year as the South Asian country took tough fiscal measures in hopes of reviving a stalled \$6.5 billion loan [Read More](#)

Prize bond encashment deadline extended

[Business Recorder](#) (May 16, 2023)

KARACHI: The federal government has announced to extend the last date for encashment of withdrawn prize bonds. According to State Bank of Pakistan (SBP),

the Federal Government has given another opportunity to the public to get the withdrawn prize bonds of Rs.7500, 15,000, 25,000 and Rs. 40,000 redeemed/

encashed by June 30, 2023. Earlier, the government had fixed deadline of June 30, 2022, for redemption/encashment of these prize bonds; however, [Read More](#)

IMF 'reviewing' developments in Pakistan

Geo.tv (May 15, 2023)

ISLAMABAD: International Monetary Fund (IMF) Resident Chief in Pakistan Esther Perez Ruiz has said that the lender was reviewing the recent developments in Pakistan, hoping that a peaceful way to resolve the current dilemma will be found, The News reported on Monday. The remarks were made in response to a question of whether keeping in view the recent political developments, was there any possibility of striking the staff-level agreement within the ongoing mo ... [Read More](#)

IMF denies asking Pakistan to raise \$8bn in fresh financing

The Dawn (May 15, 2023)

KARACHI: Pakistan's external financing requirements have not been changed in talks with the International Monetary Fund over bailout funds, the IMF resident representative in Pakistan said, denying local media reports that the Fund was seeking fresh financing. "There is no truth to reports that the IMF is asking Pakistan to raise \$8 billion in fresh financing," Esther Prez Ruiz said in a text message sent to Reuters on Sunday. Prez Ruiz said that external funding requirements had not changed through ... [Read More](#)

IMF stresses on 'staying within agreed policy framework, securing financing'

Business Recorder (May 14, 2023)

The International Monetary Fund (IMF) said on Sunday it hopes a peaceful way forward is found, a remark that comes as Pakistan wrestles with a simmering political crisis at a time of severe economic distress. The IMF also stressed that staying within the policy framework agreed for the review and sufficient financing from partners remain key to regaining macroeconomic stability, amid reports that the government's action plan would wither in the face of rising political ... [Read More](#)

Business community fears 'IMF-dictated' budget to hit economy

The Dawn (May 14, 2023)

KARACHI: Contrary to past practices, Finance Minister Ishaq Dar has not approached trade and industry leadership for taking their input for the upcoming budget to be unveiled on June 9. As less than a month is left, business leaders have deplored that the PDM government has not invited them for any consultative sessions to incorporate their proposals in budget 2023-24, fuelling fears that it will be an IMF... [Read More](#)

IMF asks Pakistan to arrange \$8b

[Tribune.com.pk](#) (May 13, 2023)

ISLAMABAD: In yet another turn that has further eroded chances for revival of the \$6.5 billion bailout package, the International Monetary Fund (IMF) has asked Pakistan to now arrange \$8 billion in fresh loans to back the external debt repayments during the next seven months. The IMF's demand to seek its approval on the upcoming budget for fiscal year 2023-24 has also not been met yet, further minimising the prospects of an early completion of the pending 9th review of the Ext.... [Read More](#)

At G7, a warning about economic outlook as US debt crisis looms

[Profit.pakistantoday.com.pk](#) (May 13, 2023)

Finance leaders of the Group of Seven (G7) nations warned on Saturday of mounting economic uncertainty, in a subdued end to a three-day meeting overshadowed by concerns about the U.S. debt stalemate and fallout from Russia's invasion of Ukraine. The gathering in the Japanese city of Niigata came as global policymakers – already preoccupied by U.S. bank failures and efforts to reduce reliance on China – are now forced to grapple with a potential default by the world's largest ec... [Read More](#)

Pakistan needs significantly more financing for successful bailout review: IMF

[Business Recorder](#) (May 12, 2023)

WASHINGTON: Pakistan needs significant additional financing for a successful completion of the long-stalled ninth review of the International Monetary Fund's bailout package, the IMF said in a scheduled press conference on Thursday. Obtaining commitments of "significant additional financing" is essential before the IMF approves the release of pending bailout funds that are crucial for Pakistan to resolve an acute balance of payments crisis. A staff-level accord to release ... [Read More](#)

Govt tells IMF it will scrap fuel subsidy plan

[The Dawn](#) (May 12, 2023)

The government has told the International Monetary Fund (IMF) it would not implement a fuel subsidy programme as the two sides negotiate a long-delayed \$1.1 billion bailout for the country, Bloomberg News reported on Thursday. The IMF has also said that it would "continue engagement with the government on the loan despite the ramp-up in political tensions". The remarks came after the arrest of PTI chief Imran Khan on Tuesday sparked violent protests across the country. As for fuel subsid ... [Read More](#)

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