



# CPDI BUDGET WATCH

## Investor confidence wanes in Pakistan's economy

Tribune.com.pk (July 20, 2023)

KARACHI: Pakistan's economy is set to post moderate growth in the current fiscal year following an unimpressive performance in the previous year. Though there are projections of economic expansion, it remains unclear whether the scared foreign investors will return for long-term engagement with Pakistan. In the last fiscal year ended June 2023, the foreign investors were denied permission for dispatching profits and dividends to their headquarters abroad. [Read More](#)

## PM Shehbaz vows to boost IT exports to \$25 billion

Business Recorder (July 20, 2023)

Prime Minister Shehbaz Sharif said on Thursday that Pakistan needed to boost its IT exports to \$25 billion and IT investment to \$20 billion within two to three years, as the government had already placed a mechanism to ensure one-window operations to facilitate the investors, APP reported. "This is something doable. This is difficult but not impossible. We have to achieve this target under all circumstances through your support and expertise," the prime minister said, addressing ... [Read More](#)

## IMF spells out stringent conditions for \$3b breather

Tribune.com.pk (July 19, 2023)

ISLAMABAD: The International Monetary Fund (IMF) has slapped a stringent condition on Pakistan to stop its intervention in the exchange rate market and also said that the risks to the new \$3 billion programme implementation were "exceptionally high". The global lender on Tuesday released its staff report on the \$3 billion Stand-by Arrangement (SBA) that also appeared in a charge sheet against the government over its poor handling of the economy during ... [Read More](#)

## ADB says Pakistan's economy weighed down by tighter monetary, fiscal policies

Business Recorder (July 19, 2023)

The Asian Development Bank (ADB) on Wednesday said Pakistan's economic growth in the fiscal year 2023 remained lower than expectations. The projection was weighed down by tighter monetary and fiscal policies to safeguard macroeconomic stability, pervasive inflation, and significant damage from flooding, read Asian Development Outlook (ADO) July 2023. However, it maintained forecast for Pakistan's economy in FY2024 on the assumption that external and ... [Read More](#)

## UK to increase Pakistan's development assistance to £133m from next financial year

Geo.tv (July 18, 2023)

ISLAMABAD: The United Kingdom has decided to triple Pakistan's development assistance from the next fiscal year, 2024-2025, increasing it from the current £41.5 million to approximately £133 million annually. The Foreign, Commonwealth, and Development Office (FCDO) head in Pakistan Jo Moir told The News that a majority of the provisional increase support would be used in various sectors, but the Official Development Assistance (ODA) would be mostly spent on ... [Read More](#)

## Pakistan's growth to reach 5pc in medium term with sustained reforms, financial support: IMF

The Dawn (July 18, 2023)

The International Monetary Fund (IMF) has predicted that Pakistan's growth is expected to gradually return to a potential five per cent in the medium term "assuming sustained policy and reform implementation and adequate financial support". Last week, the global lender's executive board had green-lit a \$3 billion nine-month standby arrangement (SBA) for Pakistan in order "to support the authorities' economic stabilisation programme". The board had approved bailout package ... [Read More](#)

## Rupee sees back-to-back losses, settles at 279.26 against US dollar

Business Recorder (July 17, 2023)

The Pakistani rupee sustained back-to-back losses against the US dollar, depreciating another 0.6% on Monday. At close, the currency settled at 279.26, a decrease of Rs1.67, as per the State Bank of Pakistan (SBP). During the previous week, the rupee settled with a marginal appreciation of 0.11% to end at 277.59 in the inter-bank market as euphoria over the International Monetary Fund (IMF) programme faded and made way for economic fundamentals. Finance Minister Ishaq ... [Read More](#)

## Outstanding ADB transactions in Pakistan amount to \$242m

The Dawn (July 17, 2023)

ISLAMABAD: The total outstanding balances and undisbursed commitments of the non-sovereign transactions of Asian Development Bank (ADB) in Pakistan amounts to \$242.48 million by the end of 2022. The latest fact sheet on Pakistan released by ADB showed total commitments in non-sovereign loans, equity investments and guarantees from ADB's own funds in 2022 amounted to \$1.1 billion for 37 transactions in economic and social infrastructure, finance sector .... [Read More](#)

# Govt urged to further strengthen ties with US

Business Recorder (July 16, 2023)

KARACHI: Former Chairman of Federal Board of Revenue (FBR) Syed Shabbar Zaidi on Saturday said that Pakistan should strengthen its bilateral ties with the United States of America (US), besides promoting trade relation with regional countries including China and India. Addressing a seminar titled "The state of Pakistan Economy: What Next?" at Pakistan Institute of International Affairs (PIIA), Shabbar said US has been Pakistan's one of the leading trade partners that generate the greatest posi ... [Read More](#)

# 'Finance minister's only remaining function is to get more loans to repay past ones'

The Dawn (July 16, 2023)

KARACHI: "Any finance minister of Pakistan has only one very simple task of how to get more loans to repay past loans. That is the only function of the country's economy left. There will, of course, be long statements about revenue generation, development, industrialisation, education, health, etc. But these are all fairy tales because there is no money for anything. And nothing will happen," said eminent economist Dr Kaiser Bengali. Speaking at a seminar — The State of Pakistan ... [Read More](#)

# Brokerage house AHL expects KSE-100 to provide upside of 24% in FY24

Business Recorder (July 15, 2023)

A brokerage house stated on Saturday that KSE-100 is expected to provide a return of 24% in fiscal year 2023-24 as the market celebrates an end to the balance of payments-led economic crisis. A report from Arif Habib Limited titled 'Pakistan Strategy FY2024: Resurgence of Optimism' cited that the index is expected to return to its historic mean multiples. The KSE-100 index has posted a return of 8.7% (3,615 points) since the staff-level agreement with the International Mo... [Read More](#)

# Expensive power to hit production, fuel inflation, warn business leaders

The Dawn (July 15, 2023)

KARACHI: The business community on Friday slammed a massive Rs4.95 per unit increase in 'uniform national tariff' saying it will not only push up the cost of doing business but dent local production and render Pakistani goods uncompetitive on the world markets. Trade and industry leaders believe that this is one of the IMF conditionalities that the government has met to secure foreign loans to bail out the country from the economic crisis. The National Electric Power .... [Read More](#)

# IMF's SBA approval gives relief to business community: FPCCI

Business Recorder (July 14, 2023)

KARACHI: Irfan Iqbal Sheikh, President FPCCI, has apprised that Pakistan's business, industry and trade community have had a sigh of relief after the approval of IMF's Standby Agreement (SBA) for a period of 9 months after a long-drawn-out period of economic uncertainty and volatility. Irfan Iqbal Sheikh hailed efforts of the Prime Minister of Pakistan, Mian Shehbaz Sharif; federal minister for finance & revenue, Ishaq Dar and economic team of the government in th... [Read More](#)

# Higher food prices contribute to weekly inflation of 29%

Profit.pakistantoday.com.pk (July 14, 2023)

ISLAMABAD: According to the Pakistan Bureau of Statistics (PBS), the inflation measured by the Sensitive Price Indicator (SPI) increased by 0.33 percent for the week ending on July 13, 2023. This rise was primarily driven by higher prices of food items, including sugar (5.22 percent), wheat flour (4.23 percent), gur (3.68 percent), salt powdered (2.17 percent), and eggs (1.34 percent). On a year-on-year basis, there has been a significant increase of 28.96 percent in overall inflation. This up ... [Read More](#)

# Pakistan dollar bonds rally after IMF clears \$3bn bailout

Business Recorder (July 13, 2023)

LONDON: Pakistan's sovereign dollar bonds gained as much as 1.7 cents, Tradeweb data showed on Thursday, after the International Monetary Fund (IMF) gave the official sign-off for a \$3 billion bailout. The 2024 and 2027 maturities notched the strongest rallies, with the latter rising by 1.75 cents by 0629 GMT. The 2027 is at a 10-month high of just over 53 cents on the dollar, while the 2024 is at its highest in more than a year trading just under 80 cents. Pakistan.. [Read More](#)

# Pakistan's stocks, currency, reflect bullish sentiment following inflows from IMF, bilateral partners

Arabnews.pk (July 13, 2023)

KARACHI: Pakistan's currency, bonds, and stocks have rallied after the South Asian country managed to secure a much-needed \$4.2 billion in funds within the last three days from the International Monetary Fund (IMF) and Gulf states, reflecting a boost in local and international investors' confidence in Pakistan, financial analysts said on Thursday. Pakistan on Thursday received \$1.2 billion from the IMF after the lender approved a crucial \$3 billion bailout pr .... [Read More](#)

## US welcomes staff-level agreement between Pakistan and IMF

Business Recorder (July 12, 2023)

The United States welcomed a nine-month Stand-By Arrangement (SBA) agreement between Pakistan and the International Monetary Fund (IMF), saying that it will continue to stand by Islamabad during difficult times. US State Department spokesperson Matthew Miller was asked about reports claiming that the US played a key role in helping Pakistan to secure \$3-billion package with the IMF. "What I would say is that we stand by the Pakistani people during these difficult times. We.. [Read More](#)

## IMF Executive Board to review \$3bn loan agreement for Pakistan

Profit.pakistantoday.com.pk (July 12, 2023)

ISLAMABAD: Today, the executive board of the International Monetary Fund (IMF) is convening to review Pakistan's \$3 billion stand-by agreement, which was finalized at the end of June. Pakistan is anticipating that the board will also release the first installment of \$1.1 billion as part of the loan program, pending the board's approval. There was speculation earlier in June when Pakistan was absent from the initial schedule, leading to concerns that the IMF would with ... [Read More](#)

## Shehbaz govt opens coffers for MPs ahead of elections

Geo.tv (July 11, 2023)

ISLAMABAD: The government of Pakistan Democratic Movement (PDM) has approved the release of funds worth billions of rupees for the development scheme for lawmakers just months before the elections, it emerged Monday. In the first quarter of the ongoing fiscal year, the government okayed the release of Rs131 billion, equivalent to 15% of the allocated funds, exclusively for Parliamentarians' discretionary schemes within the Sustainable Development Goals Achieve .... [Read More](#)

## Pakistan receives \$2 billion from Saudi Arabia: Ishaq Dar

The Dawn (July 11, 2023)

Finance Minister Ishaq Dar said on Tuesday that the State Bank of Pakistan (SBP) has received \$2 billion from Saudi Arabia, in yet another boost for the ailing economy following the \$3 billion Stand-by Agreement with the International Monetary Fund (IMF). "This inflow has increased the forex reserves held by SBP and will accordingly be reflected in the forex reserves for the week ending July 14, 2023," Dar said. "On behalf of the prime minister and army chief, I extend our heart ... [Read More](#)

# CPEC marks 10th anniversary of substantial achievements in Pakistan's development

[Profit.pakistantoday.com.pk](http://Profit.pakistantoday.com.pk) (July 10, 2023)

The China-Pakistan Economic Corridor (CPEC), a significant project of the Belt and Road Initiative (BRI), has made impressive advancements in Pakistan over the past decade. China has invested a substantial amount of \$25.4 billion directly into the CPEC. According to a senior Chinese Foreign Ministry official, the CPEC has established a comprehensive cooperation layout called "1+4," with the CPEC at its core and Gwadar Port, transportation infrastructure, energy, and industrial cooperation ... [Read More](#)

# Fitch upgrades Pakistan's rating citing 'improved external liquidity'

[The Dawn](#) (July 10, 2023)

Global rating agency Fitch on Monday upgraded Pakistan's long-term foreign currency issuer default rating (IDR) to 'CCC' from 'CCC-', citing the country's improved external liquidity and funding conditions following the staff-level agreement with the International Monetary Fund (IMF) on a nine-month Stand-by Arrangement (SBA) in June. Pakistan had secured the badly-needed \$3bn short-term financial package from the IMF last month, giving the economy a much-awaited respite ... [Read More](#)

# Pakistan's IT sector needs to diversify to stay competitive: SBP

[The News](#) (July 09, 2023)

KARACHI: Pakistan's information technology (IT) sector has shown strong growth in recent years, but it needs to diversify its products, services and markets to become more competitive and sustainable, experts from the State Bank of Pakistan's Economic Policy Review Department said in a latest podcast. The podcast shed light on the IT sector growth and the potential it holds for the country's economy, and also discussed strategies employed by developing countries ... [Read More](#)

# EU mulls extending GSP+ status for Pakistan

[Dunyanews.tv](#) (July 09, 2023)

BRUSSELS (Web Desk) – Whether Pakistan will be able to extract extension from the European Union (EU) in the GSP+ status – set to expire by the year-end – is a major challenge for the country which hasn't been able to increase exports amid a severe financial crisis. The good news is that the EU is considering an extension by introducing a legislation to continue the scheme. But the worrying aspect is there is a difference of opinion between the European Council and the European Parliament ... [Read More](#)



# Govt 'approves policy' to attract \$20-25bn foreign investment

Geo.tv (July 08, 2023)

ISLAMABAD: The Pakistan Democratic Movement (PDM)-led government has approved a major economic policy to attract foreign inflows, sources told *Geo News* Saturday, as the cash-strapped nation seeks new financing avenues. The federal cabinet Friday approved the Pakistan Investment Policy 2023 through the circulation of a summary, which aims to bring \$20-25 billion in investment, the sources said. The people, familiar with the matter, said the policy was re ... [Read More](#)

## SBP's Financial Stability Review 2022 paints dismal picture

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

KARACHI: The State Bank of Pakistan (SBP) has issued its annual flagship publication, the Financial Stability Review (FSR) for the calendar year 2022. The review presents the performance and risk assessment of various segments of the financial sector including banks, non-bank financial institutions, financial markets, financial market infrastructures and non-financial corporates. Pakistan's economy weathered a stormy year, grappling with pre-existing imbalances that ... [Read More](#)

## IMF's resident representative meets PPP's finance team

Tribune.com.pk (July 07, 2023)

In a significant development for Pakistan's economic landscape, Ester Perez Luis, the International Monetary Fund's (IMF) resident representative, met with the finance team of the Pakistan Peoples Party (PPP), including Syed Naveed Qamar, the Federal Minister for Commerce, and Saleem Mandviwala. The meeting held here in the minister's enclave, aimed to discuss the possibility of a standby agreement with Pakistan, which would have a profound impact on the nat... [Read More](#)

## IMF programme to 'reform and restructure' Pakistan's economy: PM Shehbaz

Business Recorder (July 07, 2023)

Prime Minister Shehbaz Sharif said on Friday that the recently-announced International Monetary Fund (IMF) programme would pave way for reforms and restructuring of Pakistan's economy. "Hopefully, this programme will be through and a nine-month insurance will be available to Pakistan," said Shehbaz as he addressed the launch ceremony of the social protection account under the Benazir Income Support Programme (BISP) in Islamabad. Last week, the IMF announced that it... [Read More](#)

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