



# CPDI BUDGET WATCH

## Pakistan's external financing hits \$5.97b in first half of FY24

Profit.pakistantoday.com.pk (January 18, 2024)

Pakistan has achieved a significant milestone in its external financing efforts, securing a total of \$5.968 billion during the first half of the fiscal year 2024 (1HFY24).

This amount, as reported by the Economic Affairs Division (EAD), is part of the country's targeted \$17.62 billion for the entire fiscal year. In December alone, the country received

external financing amounting to \$1.621 billion. This comprised \$1.609 billion in loans and \$12.16 million in grants from various sources. A notable portion ... [Read More](#)

## Current account posts \$397m surplus

The Dawn (January 18, 2024)

KARACHI: Pakistan's current account posted a significant surplus of \$397 million in December 2023, bringing the entire second quarter of the current fiscal year FY24 into

positive territory with a surplus of \$198m. The December surplus was primarily attributed to higher exports, increased remittances, and a significant

decline in imports, helping the country gain control over the most pressing economic issue that had brought it to the brink of default at the beginning of FY ... [Read More](#)

## SBP confirms receiving \$700m tranche from IMF

The News (January 17, 2024)

The International Monetary Fund (IMF) has released the much awaited \$700 million tranche, shoring up the State Bank of Pakistan's (SBP) foreign reserves. The SBP

confirmed the development in a statement, adding that the tranche equivalent to \$705.6 million was released on January 16 (Tuesday) "following the successful

completion of the first review by the Executive Board of IMF under Stand By Arrangement (SBA)". "The tranche release is in line with market expectations," sa ... [Read More](#)

## Service Industries to invest Rs1.5bn in its subsidiary

Profit.pakistantoday.com.pk (January 17, 2024)

Service Industries Limited on Wednesday announced authorisation to make a long-term equity investment of Rs 1.5 billion in Service Long March Tyres Limited, an

associated/subsidiary company. According to a notice sent to the Pakistan Stock Exchange (PSX), shareholders of Service Industries conducted an

extraordinary general meeting on January 17, 2024, and approved long-term equity investment in its subsidiary. Service Long March Tyres com ... [Read More](#)

## RDA inflows jump 17pc to \$160m in December

The Dawn (January 16, 2024)

KARACHI: In over three years since its launch in September 2020, Roshan Digital Account (RDA) has emerged as a significant source of foreign inflows, reaching \$7.195 billion by the end of December 2023. According to the State Bank of Pakistan's data released on Monday, the inflows in December were \$160 million marking a much better performance compared to other months. The inflow was 17 per cent higher than the \$137m received in November 2023. Under the RDA facility, non ... [Read More](#)

## Pakistan's current account goes into surplus of \$400m

Samaa.tv (January 16, 2024)

Pakistan's current account has recorded a surplus, while there has been a huge reduction in the country's current account deficit on a half-yearly basis. The development comes in the wake of an increase in income mainly through exports and remittances, and controlled expenses and imports. As per the State Bank of Pakistan, the country's current account deficit has also witnessed a big reduction on a six-monthly basis. As per the central bank, in December 2023, Pakistan's ... [Read More](#)

## Pakistan stock market sheds more than 300 points amid political uncertainty

Arabnews.pk (January 15, 2024)

KARACHI: The Pakistan Stock Exchange (PSX) lost more than 300 points on Monday, traders said, with stock analysts attributing the slump to political uncertainty ahead of the national elections in February. The benchmark KSE-100 index lost 368 points to close at 64,269 points at the end of the session on Monday, according to the PSX website. The bears returned to the trading floor days after resolutions were tabled in the upper house of parliament, the Senate, calling for a delay of national elec ... [Read More](#)

## Caretaker govt slashes petrol price by Rs8, maintains high-speed diesel

Samaa.tv (January 15, 2024)

Prime Minister Anwaarul Haq Kakar-led caretaker government on Monday night slashed the price of petrol by Rs8 per litre and maintained high-speed diesel for the next fortnight. The finance ministry in a notification stated that reduction in the prices of petroleum products will be applied from 12 o'clock tonight. It added that the decision regarding the revised petroleum prices was given the green light by the caretaker prime minister, signifying the government's commitment to .... [Read More](#)

# Experts say IMF tranche to offer limited relief amid Pakistan's inflation woes

The News (January 14, 2024)

KARACHI: Independent financial experts predicted short-term respite for Pakistan in the wake of the \$700 million disbursement after the successful first International Monetary Fund (IMF) review under a \$3 billion loan program, though they cautioned economic headwinds would persist ahead of the Feb. 8 general elections, Arab News reported. The executive board of the global lending agency greenlit the second tranche under the Stand-By Arrangement SBA. [Read More](#)

# Amendments proposed to NBFC regulations

The Dawn (January 14, 2024)

ISLAMABAD: To ensure a more conducive regulatory framework, the Securities and Exchange Commission of Pakistan (SECP) has proposed amendments to the Non-Banking Finance Companies (Establishment & Regulations) Rules 2003 to solicit public feedback. The proposed changes are based on a comprehensive review of the regulations, considering the advancements in the NBFC ecosystem and the effectiveness of mandatory approval requirements. The modification inc ... [Read More](#)

# IMF warns of sustained high inflation in Pakistan, urges monetary tightening

Profit.pakistantoday.com.pk (January 13, 2024)

The International Monetary Fund (IMF) has projected a challenging economic scenario for Pakistan, with consumer price index (CPI)-based inflation anticipated to average 24 percent in the fiscal year 2023-24. However, it is expected to decrease to 18 percent by the end of June 2024. The IMF's recent statement highlighted the need for the State Bank of Pakistan to maintain a strict monetary policy and adhere to a market-based exchange rate to manage these pressures effect ... [Read More](#)

# Stocks fail to hold intraday gains

The Dawn (January 13, 2024)

Shares at the Pakistan Stock Exchange's (PSX) KSE-100 index on Friday failed to hold intraday gains, increasing by a mere 20 points. According to the PSX website, the KSE-100 index had gained 565.79, or 0.88 per cent, at 10:56am to stand at 65,183.35 from the previous close of 64,617.56. Analysts had attributed the rally to the International Monetary Fund's (IMF) Executive Board successfully concluding the first review of Pakistan's economic reform programme. However, the index retracted ... [Read More](#)

# National Credit Guarantee Company launched to bolster financial accessibility for SMEs

[Profit.pakistantoday.com.pk](https://profit.pakistantoday.com.pk) (January 12, 2024)

The government has launched the National Credit Guarantee Company Limited (NCGCL) in a move to enhance the financial accessibility for Small and Medium Enterprises (SMEs). The NCGCL, a collaborative venture between the Government of Pakistan and Karandaaz Pakistan, aims to revolutionise the SME sector by broadening the avenues for finance. Addressing the launching ceremony on Friday, the caretaker Finance Minister Shamshad Akhtar expressed her op ... [Read More](#)

# IMF board okays \$700mn loan tranche for Pakistan

[Dunyanews.tv](https://dunyanews.tv) (January 12, 2024)

ISLAMABAD (Dunya News) – The International Monetary Fund (IMF) on Thursday finished its first review of Pakistan's economic reform programme supported by a \$3 billion Stand-By Arrangement (SBA) and allowed the immediate disbursement of \$700 million. According to the finance ministry, the completion of the first review by the IMF and the payment of Rs528m in special drawing rights brought the total disbursements under the SBA to \$1.9bn. The disbursement of the tranche co ... [Read More](#)

# High lending rates, inflation weigh growth outlook down

[The Dawn](https://thedawn.com) (January 11, 2024)

ISLAMABAD: The World Bank on Wednesday projected Pakistan's economic outlook to remain subdued during the current fiscal year and slightly recover next year amid prolonged global economic challenges. In Pakistan, the economic outlook for FY24 remains subdued, with growth projected at only 1.7pc. Monetary policy is expected to remain tight to contain inflation, while fiscal policy is also set to be contractionary, reflecting pressures from high debt-service payment .... [Read More](#)

# IMF greenlights \$700 million tranche for Pakistan

[Samaa.tv](https://samaa.tv) (January 11, 2024)

In a welcome sign, the Executive Board of the International Monetary Fund (IMF) has given its nod for the initial economic assessment of Pakistan, paving the way for the release of the next installment of \$700 million to Pakistan, as confirmed by the Ministry of Finance. The approved amount is part of the standby arrangement totaling \$3 billion between Pakistan and the IMF. Notably, Pakistan has already received \$1.2 billion under this nine-month program. The latest approval signals ... [Read More](#)

# Policymakers urged to help revive economy

Business Recorder (January 10, 2024)

KARACHI: Chairman of National Business Group Pakistan, President Pakistan Businessmen and Intellectuals Forum, Mian Zahid Hussain said if our rulers, political leaders, and people do not change their attitude, the time is not far when Afghanistan will also leave Pakistan far behind in economic and social matters. The economy of Bangladesh and other regional countries expanding rapidly, but our economy is shrinking. Mian Zahid Hussain further said that the condition...[Read More](#)

# PC okays divestment structure of PIA

The Dawn (January 10, 2024)

ISLAMABAD: The Board of Privatisation Commission (PC) approved on Tuesday the transaction structure and the legal segregation (scheme of arrangement) of Pakistan International Airlines Corporation Ltd (PIACL), which will now be placed before the Cabinet Committee on Privatisation for a final decision, to be followed by approval of the Federal Cabinet. The meeting chaired by Minister for Privatisation Fawad Hasan Fawad also approved the proposal for the divestment of ....[Read More](#)

# Pakistan seeks rollover of \$2bn loan from UAE as maturing debt looms

Profit.pakistantoday.com.pk (January 09, 2024)

In a bid to manage its financial obligations, Pakistan has formally approached the United Arab Emirates (UAE) seeking the rollover of a \$2 billion loan. As per reports, the requested amount includes one loan set to mature on January 17, 2024, bearing an interest rate of 3%. Additionally, another loan, amounting to \$1 billion with an interest rate of 6.5%, is also part of the appeal for an extension. It is noteworthy that the UAE presently holds a deposit of \$3 billion with the State Bank of Pak...[Read More](#)

# Rupee's rise spurs dollar inflows

The Dawn (January 09, 2024)

KARACHI: The regular appreciation of the rupee has compelled exporters to sell their dollars in the banking market, which has helped the exchange rate remain stable, said sources in the financial sector. The financial sector also noted another confidence boost with hopes attached to the Special Investment Facilitation Council (SIFC), as business delegations from Gulf countries have started visiting Pakistan to explore opportunities". The daily depreciation of the dollar is the root cause of ....[Read More](#)

## Three (US, USSR, China) models of economic security

The News (January 08, 2024)

Pakistan's latest National Security Policy has declared the economy an integral and vital pillar of national security. It was decided the economy, economic growth

and development would be dealt with as a prime area of national security. The state of Pakistan promised it would strive to achieve the goals of sustainable growth, inclusive

development and financial solvency to build a prosperous society. Pakistan has identified traditional tools like trade, connectivity and investment for at ... [Read More](#)

## SOEs in Pakistan face Rs1.4tr loss over two years

Profit.pakistantoday.com.pk (January 08, 2024)

A consolidated report released by the Ministry of Finance reveals that state-run commercial entities in Pakistan incurred staggering losses amounting to Rs1.395

trillion over the fiscal years 2021 and 2022. The report, titled 'Federal Footprint State-Owned Enterprises (SOEs) Consolidated Report FY2020-22,' raises concerns

about financial management and operational efficiency in the public sector. Of the 81 evaluated SOEs, 50 reported a combined profit of Rs.568.44 billion in fiscal .... [Read More](#)

## Pakistan receives 23 IMF bailouts in 75 years

Business Recorder (January 07, 2024)

WASHINGTON: Pakistan's enduring relationship with the International Monetary Fund (IMF) since 1958 has woven a tapestry of financial challenges, strategic

manoeuvres, and global assistance, shaping the nation's economic trajectory over the decades. Recent data reveals a nuanced picture of Pakistan's ongoing IMF

engagement, holding substantial implications for economic stability. Ranking fifth in outstanding debt with the IMF, standing at \$7.4 billion, Pakistan .... [Read More](#)

## Startup funding declined by over 70pc in 2023 amid political, economic challenges

The News (January 07, 2024)

KARACHI: Pakistani startups raised over \$70 million in 2023, according to independent monitoring firms, marking a significant decline of over 70 percent

compared to the major funding influx in the two preceding years, Arab News Reported. The local startups secured approximately \$360 million in 2021 and \$350

million the year after that, though they experienced a funding slowdown toward the end of 2022. Various startup funding monitors in Pakistan report different .... [Read More](#)



## Liberal financial regime to help double IT exports: minister

The Dawn (January 06, 2024)

ISLAMABAD: Caretaker Minister for Information Technology and Telecom Dr Umar Saif has said steps have been taken to liberalise the financial regime that will help double IT exports and facilitate freelancers to receive their remittances legally with minimum charges. "The IT exporters park a major part of their earnings outside the country, as they need to give payments to their international vendors and even employees based abroad," the minister said while talking to a ... [Read More](#)

## Financial experts demand 'strong' economic team after polls to tackle crises

The News (January 06, 2024)

KARACHI: Leading economic experts said they were wary of the possibility of a coalition government taking over the country post-elections, demanding a "strong" economic team to steer Pakistan out of turmoil, Arab News reported. The South Asian country of over 241 million people suffered from economic hardships throughout 2023, triggered by political instability, high inflation and interest rates, a weak currency and a precarious balance of payments crisis. ... [Read More](#)

## PBF demands govt declare 2024 'the year of exports'

Business Recorder (January 05, 2024)

KARACHI: Pakistan Business Forum (PBF) demands that Federal Government may declare the 2024 year of exports for better Pakistan. PBF Vice President and Chief Organiser, Ahmad Jawad says Pakistani Exports are on way up at \$2.8 billion per month in December 2023 but our capacity is only \$3 billion per month. "Our goal must be export led growth to \$8 billion per month through new Industry Policy under SIFC framework, however at this time we could achieve \$4 billion on month .... [Read More](#)

## PSX ends first week of 2024 on high note despite polls uncertainty

Profit.pakistantoday.com.pk (January 05, 2024)

The Pakistan Stock Exchange (PSX) benchmark KSE-100 Index closed the first week of 2024 with a 3.3% increase, reaching 64,515 points on Friday. The index had a strong start on Monday, gaining 2,211 points, but faced some resistance from the polls uncertainty in the country. According to a note by AKD Securities, the economic indicators, however, remained positive throughout the week. The State Bank of Pakistan (SBP) reported a 23-week high in its foreign exchange ... [Read More](#)

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