



# CPDI BUDGET WATCH

## Pakistan's reserves drop by \$54mn, mainly due to external debt payments

[Profit.pakistantoday.com.pk](https://profit.pakistantoday.com.pk) (February 01, 2024)

In the latest report by the State Bank of Pakistan (SBP), the country's foreign exchange reserves have decreased by \$54 million within a week, as revealed in data published on Thursday. As of January 26, the SBP's foreign currency reserves stand at \$8.216 billion, down from \$8.270 billion recorded on January 19. The central bank clarified that the reduction is primarily attributed to external debt repayments, as stated in a brief release accompanying the report. Taking..[Read More](#)

## Alvi for improving legal framework to strengthen transparency in govt's financial affairs

[The News](#) (February 01, 2024)

ISLAMABAD: President Dr Arif Alvi on Thursday stressed the need to improve the legal framework to strengthen transparency in the government's spending and financial accountability. Speaking at a meeting during his visit to the Office of Auditor General of Pakistan (AGP), the president said transparency could be improved by documentation of the economy and digitising the government's transactions. He said the use of modern technology will improve the per ... [Read More](#)

## Pakistan's gross national income rises 46% in H1 FY2023-24

[Profit.pakistantoday.com.pk](https://profit.pakistantoday.com.pk) (January 31, 2024)

Pakistan's gross national income has surged by 46% during the first half (July to December) of the current FY2023-24, showcasing an increase compared to the same period last year. The Ministry of Finance's data reveals that total national revenue for the first half of the fiscal year reached Rs 6.854 trillion. Breaking it down further, the second quarter alone witnessed total revenues amounting to Rs 4.168 trillion, marking an uptick from Rs 2.682 trillion recorded in the .... [Read More](#)

## Pakistan inching towards economic stability: HCCI president

[Business Recorder](#) (January 31, 2024)

HYDERABAD: President Hyderabad Chamber of Commerce and Industry (HCCI) Adeel Siddiqui has said that Pakistan is inching towards economic stability after recent economic downturn. He emphasized the need for making Pakistan's political model democratic in real terms in which check and balance principle should be given priority for any legislation. In a statement issued here Tuesday he said that direct foreign investment stood at \$1455m in 2022-23 but during care ... [Read More](#)

## Indian curbs to propel Pakistan's rice exports toward record high

The News (January 30, 2024)

MUMBAI/KARACHI:Pakistan's rice exports are likely to jump to a record high in the year ending in June as rival India's decision to curb its own shipments forces buyers to purchase more from Islamabad, which is offering the grain at nearly 16 year-high prices. The record exports are helping to alleviate tight supplies following the restrictions imposed last year by India, the world's biggest exporter, and will bolster Pakistan's depleted foreign exchange reserves, which ... [Read More](#)

## Federal cabinet gives nod to restructuring, digitisation of FBR

Dunyanews.tv (January 30, 2024)

ISLAMABAD (APP) - The federal cabinet on Tuesday approved restructuring and digitisation of the Federal Board of Revenue (FBR), on the recommendations of the Revenue Division. The approval was accorded in a meeting chaired by Caretaker Prime Minister Anwaarul Haq Kakar. The meeting was appraised of the recommendations of an inter-ministerial committee that held its meeting on 23rd January under the caretaker finance minister. During its previous meeting ... [Read More](#)

## PSX closes in red zone as KSE-100 drops over 1000 points

Profit.pakistantoday.com.pk (January 29, 2024)

The benchmark KSE-100 index of the Pakistan Stock Exchange (PSX) witnessed a bearish trend on Monday mainly due to uncertainty over energy circular debt and monetary policy. According to the PSX website, the KSE-100 index closed in the red zone after dropping 1,039 points or 1.63% to settle at the 62,773 level. Market experts attribute the dip in the stocks to the circular debt in the energy sector and the interim government's efforts about a settlement plan. "Investors will keep a close ... [Read More](#)

## SBP keeps key policy rate unchanged at 22%

Business Recorder (January 29, 2024)

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) has maintained status quo and kept the key policy rate at 22%, it was announced on Monday. "The MPC has decided that the current policy rate will continue," said SBP Governor Jameel Ahmad as he began the press conference. "The committee noted that the external account (position) has become better." Ahmad said despite payments of \$6.2 billion, foreign exchange reserves have im ... [Read More](#)

# IMF Urges Pakistan To Expand Social Support Beyond BISP

Dailyausaf.com (January 28, 2024)

ISLAMABAD: The International Monetary Fund (IMF) has urged Pakistan to introduce other social support mechanisms along with the Benazir Income Support

Program (BISP). The IMF in a statement said that Pakistan should take more steps for extending social protection to the weaker classes. "Pakistan should take consistent efforts

to run the social assistance programme," IMF stated. "The protected electricity and gas tariff slabs should remain continue," the monetary fund advised. "In curr... [Read More](#)

# International donors vow to help Pakistan address growing population

The Dawn (January 28, 2024)

ISLAMABAD: As Pakistan's population has been rapidly increasing by 2.5 percent per annum, the international donor community has assured all possible support to

improve the agenda of increasing population. It was claimed in a statement issued by the Ministry of National Health Services (NHS) on Sunday. The meeting of the

Donors Strategic Forum was held in the ministry and was chaired by Health Minister Dr Nadeem Jan. The meeting was attended by the Secretary Economic Affairs ... [Read More](#)

# Ministry of Finance implements stricter fiscal controls amid financial autonomy claims

Profit.pakistantoday.com.pk (January 27, 2024)

The Ministry of Finance (MoF) has tightened fiscal controls to limit budgetary slippages ahead of a quarterly review with the International Monetary Fund (IMF). MoF

made this move in response to the financial autonomy claimed by the federal government's corporate and autonomous entities and executive departments. The

ministry has issued new instructions, restricting all federal ministries, divisions, and their attached and subordinate offices, corporations, co ... [Read More](#)

# Establishment Division rejects pension reforms as unfair

The Dawn (January 27, 2024)

ISLAMABAD: Opposing some of the proposed pension reforms as unfair and demoralising to government employees, the Establishment Division (ED) has proposed

increasing the retirement age by two years to 62 to contain pension liabilities. The ED, which is the custodian of the employees' career path, has strongly opposed the change

in pension conditions that seek to work out retirement benefits on the basis of 36-month average of salaries instead of only last drawn salary. "The prop ... [Read More](#)

## Pakistan seeks loan extension from China to ease economic strain

Profit.pakistantoday.com.pk (January 26, 2024)

Caretaker Prime Minister Anwaar-ul-Haq Kakar has urgently approached China seeking an extension of a crucial \$2 billion loan to alleviate Pakistan's economic challenges. This move comes in the wake of a similar plea made to the United Arab Emirates (UAE). Prime Minister Kakar has formally requested his Chinese counterpart, Li Qiang, to extend the loan tenure by one year. It is anticipated that China will soon grant the extension, with the deposit deadline set for ... [Read More](#)

## National Savings announces revised profit rates

Samaa.tv (January 26, 2024)

National savings schemes in Pakistan have undergone a recent revision in their profit rates, effective January 26th. While some investors might interpret this as a setback, let's delve into the specifics and understand the potential implications. Defense Saving Certificates, a popular choice for their security and competitive returns, have witnessed a minor dip of 0.19 percentage points, bringing their new profit rate to 14.2%. Similarly, the rate for Special Saving Certificates, another attractive option ... [Read More](#)

## Stocks lose 524 points on profit-taking

The Dawn (January 25, 2024)

KARACHI: After rallying for three consecutive sessions, the Pakistan Stock Exchange (PSX) on Thursday faltered amid uncertainty about whether the International Monetary Fund would give its go-ahead to the government's plans for reducing industrial power tariff and energy sector circular debt. Ahsan Mehanti of Arif Habib Corporation said unconfirmed reports of a row over the proposed circular debt management plan dampened investor sentiments. However, the caretaker prime ... [Read More](#)

## Pakistan to remain dependent on IMF for next few years: Fitch Ratings

Geo.tv (January 25, 2024)

ISLAMABAD: Fitch Ratings, an American credit rating agency, maintained that Pakistan will remain dependent on the successful International Monetary Fund (IMF) programme implementation and its official support for the next few years, The News reported on Thursday. With elections taking place in almost half of Finch's rated portfolio of Asia Pacific (APAC) sovereigns in 2024, including Pakistan where general polls are scheduled for February 8, ... [Read More](#)

# Pakistan's debt rises to Rs2.57trn in FY2024, with Rs86bn increase in one week

Profit.pkaitstoday.com.pk (January 24, 2024)

The Pakistani government has added Rs86.28 billion to its debt in the week ending January 12, 2024, as reported by the State Bank of Pakistan's weekly estimates. This increase brings the total net borrowing for the fiscal year 2024 to Rs2.57 trillion. Government sector borrowings are categorized into three main areas: budgetary support, commodity operations, and others. For the mentioned week, the net borrowing for budgetary support was Rs87.7 billion, .... [Read More](#)

# Pakistan's food company establishes manufacturing facility in UAE

Geo.tv (January 24, 2024)

KARACHI: Pakistani food company, National Foods, has established its first overseas manufacturing facility in Sharjah, United Arab Emirates (UAE), to increase its footprint on a global level and boost exports of edible goods, Arab News reported Wednesday. According to The News, the company is principally engaged in the manufacturing and sale of a wide range of food products including pickles, ketchup and desserts. The UAE remains the primary overseas geographical ma ... [Read More](#)

# Private sector's borrowing plunges by 86% to Rs57b in 1H FY2023

Profit.pakistantoday.com.pk (January 23, 2024)

Pakistan's private sector borrowing has plunged by 86.3% to Rs57.4 billion in the first half of the current FY2023, compared to Rs419 billion during the same period last year, according to the latest data released by the State Bank of Pakistan (SBP). Islamic banks emerged as the sole lenders to the private sector during this period, indicating a downturn in both private sector activity and lending by major conventional banks. The conventional banks' balance sheets show a .... [Read More](#)

# Commitment for CPEC success renewed

The Dawn (January 23, 2024)

ISLAMABAD: Pakistan and China on Monday renewed their commitment for the success of China-Pakistan Economic Corridor (CPEC) as the two sides expressed their desire for enhanced cooperation in the areas of information technology, economy, agriculture, and human resource development. Both sides expressed this resolve during a series of meetings of visiting China's Vice Foreign Minister Sun Weidong with President Arif Alvi, caretaker Prime Minister Anwaar.... [Read More](#)

# IMF hails increase in Pakistan energy tariffs, says economy is on the right track

Dunyanews.tv (January 22, 2024)

WASHINGTON (Dunya News/Web Desk) – As people in Pakistan are already crushed by rising energy prices, the International Monetary Fund says recent increases in electricity and gas tariffs were important to shore up energy sector viability, but broader reforms are still needed to tackle the issue structurally. The IMF in a report on the first review of the stand-by arrangement says the caretaker government took significant action in the power and gas sectors to stem ... [Read More](#)

# IMF cuts Pakistan's external financing estimate for FY 2023-24

Profit.pakistantoday.com.pk (January 22, 2024)

The International Monetary Fund (IMF) has revised its projection for Pakistan's external financing needs for the fiscal year 2023-24. According to the IMF's "First Review under the Stand-By Arrangement," the revised figure stands at \$24.965 billion, which is about 7.1% of Pakistan's GDP. This marks a decrease from the earlier estimate of \$28.361 billion or 8.1% of the GDP. This adjustment indicates that the Stand-By Arrangement (SBA) program, aimed at supporting Pakistan's econo ... [Read More](#)

# Business community demands cut in interest rates

Business Recorder (January 21, 2024)

PESHAWAR: Members of the business community urged the government and State Bank of Pakistan to cut interest rate to flourish industries, trade and businesses and improve the economy of the country. The business community said prices of import items and raw materials increased exorbitantly owing to gradual increase in policy rate by the central bank, consequently cost of doing business also increasing and inflation also jacked up. According to details, a meeting ... [Read More](#)

# Pre-poll tensions may hit Pakistan's policy decisions, reforms: IMF

The News (January 21, 2024)

ISLAMABAD: The International Monetary Fund (IMF) has warned about increasing risks to Pakistan's economy, as intensification in geopolitical conflicts in Gaza and Israel could put pressure on the exchange rate and external stability. Additionally, political tensions ahead of the upcoming elections may weigh on policy decisions and reform implementation. The IMF considers that the increasing debt burden poses another risk for Pakistan. Pakistan has agr ... [Read More](#)

## Pakistan economy to grow by 2-2.5% this year, says Dr Shamshad

Business Recorder (January 20, 2024)

Caretaker Finance Minister Dr Shamshad Akhtar said that Pakistan's economy is expected to grow by 2-2.5% in the ongoing fiscal year. "Despite challenges, there has been significant progress in macroeconomic, exchange rate, and financial stability. Growth is to rebound into the positive trajectory in the range of 2-2.5%, with agriculture expected to grow by 5.6%, and industry by 2.5% this fiscal year," she said. The projections were made during Dr Akhtar's keynote address via video link at ... [Read More](#)

## Pakistan's economy shows mixed progress, as IMF calls for reforms

Samaa.tv (January 20, 2024)

The International Monetary Fund (IMF) has released a report, analyzing Pakistan's economic situation, painting a picture of mixed progress with promising improvements alongside persistent challenges. Growth on Track since July 2023: Pakistan's economic growth rate is projected to remain steady at 2% for the current fiscal year. This stability signifies progress compared to the tumultuous economic rollercoaster the country experienced earlier in 2023. Reserves ... [Read More](#)

## Amid economic challenges, experts concerned over Pakistan-Iran tensions

Business Recorder (January 19, 2024)

Economic experts have voiced concerns over the dramatic escalation of cross-border tension between Pakistan and Iran, projecting a new wave of inflation in the country if the situation persists. "Pakistan-Iran tensions simmering from a recent cross-fire incident threaten crucial trade flows, jeopardising domestic stability," said Intermarket Securities in a note on Thursday. The brokerage house shared that Iranian LPG, which accounts for 17% of Pakistan's local demand, faces potential ... [Read More](#)

## Business community demands reduction in interest rate

Profit.pakistantoday.com.pk (January 19, 2024)

PESHAWAR, Jan19: Members of the business community urged the government and State Bank of Pakistan to cut interest rates to make sure that the industries flourish. The business community said that the prices of import items and raw materials increased exorbitantly owing to gradual increase in policy rate by the central bank, consequently cost of doing business also increased and inflation also jacked up. A meeting of businessmen was held under the chairmanship ... [Read More](#)

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