

# economicletter

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## Pakistan

According to SBP, home remittance in the first quarter of the current fiscal (July – September 2016) fell to \$ 4.698 bn against \$ 4.966 bn in the same period last fiscal.

According to SBP, the infected portfolio of the corporate sector rose to Rs. 448.5 bn by end - June 2016 compared to Rs. 443.6 bn as by end – December 2015.

The government has enhanced the regulatory powers of the SBP for foreign exchange companies management related to imposition of penalties in non-compliance cases of its regulations.

The SBP has directed all banks and microfinance banks for submission of payment system data (PSD) through data acquisition portal (DAP).

The SBP has amended prudential regulations related to stand ardisation, consistency, rescheduling and restructuring of loans provided by banks and DFIs to the private sector.

According to SBP, total liquid foreign exchange reserves as on October 07, 2016, stood at \$ 23.492 bn of which \$ 18.410 bn was held by SBP and the rest with banks.

Export earnings of ready-made garments (PBS f.o.b. data) rose to \$ 364.07 mn in the first two months of the current fiscal (July – August 2016) against \$ 350.87 mn in the same period last fiscal.

Total despatch of cement (industry data) during the first quarter of the current fiscal (July – September 2016) rose to 8.98 mn tonnes, higher by 8.3 % over the same period last fiscal. Domestic despatches were higher by 9.50 % while export despatches were higher by 3.03 % during the above periods.

## Markets at a glance

Weekly Review	KIBOR (6 months)		Foreign Exchange Rates			PSX	Gold Rate
	Bid %	Offer %	GBP(£)	EURO(€)	USD(\$)	100 Index	(10 gm)
Beginning	5.80	6.05	Rs. 132.2	Rs. 116.75	Rs. 105.45	41,200.48	Rs. 39,394.95
Ending	5.81	6.06	Rs. 129.2	Rs. 116.25	Rs. 105.55	41,464.31	Rs. 39,992
Change	+0.01	+0.01	-3	-0.5	+0.1	+263.83	+597.05

## International

Unemployment in the U.S. in September was recorded at 5.0 % of workforce against 4.9 % in August.

The U.S. merchandise trade deficit widened to \$ 40.73 bn in August against \$ 39.55 bn in July.

A research study of the IMF has warned that global debt has hit a record level and poses a substantial impediment to global growth. Total public and private debt reached \$ 152 trn, excluding the financial sector's, of which about two – thirds was owed by the private sector. At this level it was equivalent to 225 % of global GDP.

Foreign exchange reserves held by the central bank of China at end – September 2016 stood at \$ 3.17 trn, lowest since April 2011.

Non-performing loans (NPLs) in India's banking sector by end – June 2016 rose to \$ 138.5 bn higher by 15 % over end – December 2015 level.

Iraq's foreign exchange reserves stood at \$ 50.0 bn as of now coming down progressively from \$ 59.0 bn in October 2015.

According to International Energy Agency (IEA), global investment in the energy sector fell to \$ 1.8 trn in 2015 against \$ 2.0 trn in 2014. While gas and oil upstream spending was shorter, robust investment in renewables, electricity networks and energy efficiency was witnessed during the above periods.

The World Bank has forecast GDP growth in the sub-Sahara region to average 1.6 % in 2016, lowest in about two decades.

Taiwan's central bank has left its key discount rate unchanged at 1.375 %.

Two Chinese companies have laid a rail track connecting Addis Ababa, the capital city of Ethiopia, with the port city Djibouti, stretching 460 miles.

CPI inflation in the 19-nation euro bloc averaged 0.4 % in September YoY, highest since October 2014.



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