VOLUME 16 / ISSUE 47 / NOVEMBER 19, 2021

IBP - A Company Set Up Under Section 42 of the Companies Act, 2017

economicletter

a weekly publication of The Institute of Bankers Pakistan

Domestic Economic Roundup

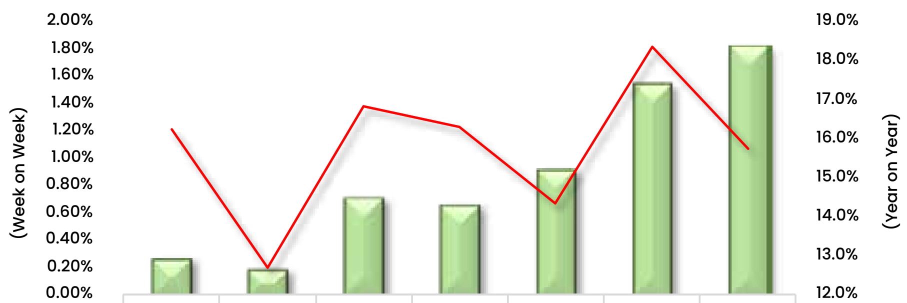
COVID-19: Impact of SBP's Measures Taken During 2020

(Rs. in billion)

Loans Deferred*	657.0	Loans Approved for Hospitals*	17.8
Loans Restructured*	253.6	Loans Approved for Investment*	436.0
Loans Approved for Wages*	238.0	ATMs' Availability (26-07-2021)	97 Percent

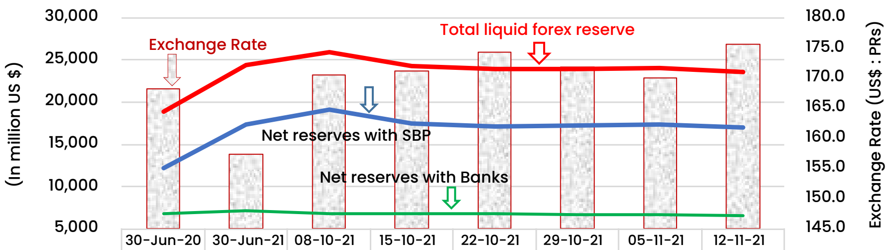
*Since the schemes are no longer available, no further change is expected in the data above.

Weekly Trend in Sensitive Price Indicator (SPI)



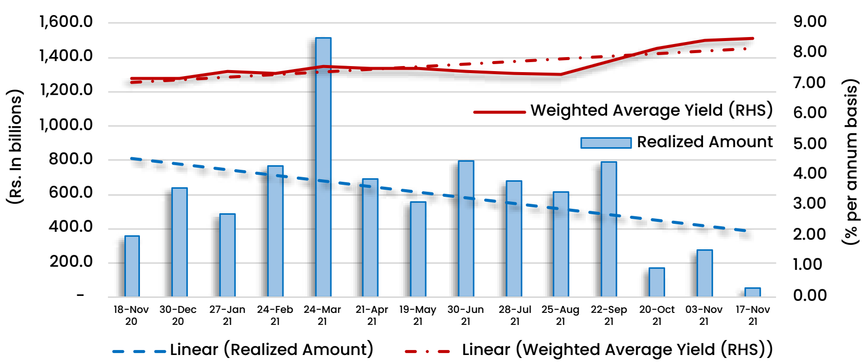
	07-Oct-21	14-Oct-21	21-Oct-21	28-Oct-21	04-Nov-21	11-Nov-21	18-Nov-21
YoY	12.9%	12.7%	14.5%	14.3%	15.2%	17.4%	18.3%
WoW	1.21%	0.20%	1.38%	1.23%	0.67%	1.81%	1.07%

Exchange Rate & Foreign Exchange Reserves (Cumulative)



	30-Jun-20	30-Jun-21	08-10-21	15-10-21	22-10-21	29-10-21	05-11-21	12-11-21
Exchange Rate	168.2	157.3	170.4	171.2	174.3	171.8	170.1	175.7
Net reserves with SBP	12,132	17,298	19,138	17,492	17,147	17,200	17,326	16,945
Net reserves with Banks	6,754	7,099	6,831	6,835	6,787	6,726	6,700	6,605
Total liquid forex reserve	18,886	24,397	25,969	24,327	23,934	23,926	24,026	23,551

MTBs Acceptance (Auction+ Non-Competitive Bids)



Markets at a Glance

Rates taken till Friday, November 19, 2021

MONETARY POLICY RATE

8.75% | Effective from November 19, 2021

KIBOR (6 MONTHS)

	Bid%	Offer%
Starting	8.67	8.92
Ending	8.91	9.16
Change	+0.24	+0.24

FOREX RATES

	GBP	EURO	USD
Starting	PKR 235.21	PKR 201.25	PKR 175.73
Ending	PKR 235.59	PKR 198.33	PKR 175.24
Change	PKR +0.38	PKR -2.92	PKR -0.49

PAKISTAN STOCK EXCHANGE

100 Index

Starting	45,749
Ending	46,489
Change	+740

GOLD RATES

10 GM, 24K

Starting	PKR 104,086
Ending	PKR 104,189
Change	+103

VOLUME 16 / ISSUE 47 / NOVEMBER 19, 2021
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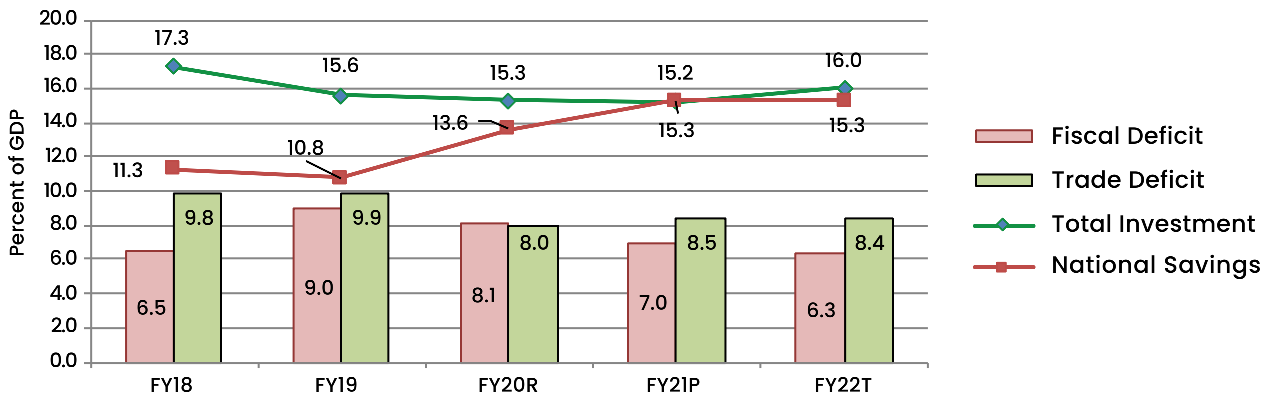
Pakistan's Major Economic Indicators

Real Sector (Percent Growth)	FY18	FY19	FY20[R]	FY21[P]	FY22[T]
GDP (Real)	5.5	2.1	-0.5	3.9	4.8
Agriculture Sector	4.0	0.6	3.3	2.8	2.8
Industrial Sector	5.4	-0.7	-7.4	8.7	8.7
Services Sector	6.3	3.8	-0.6	4.4	4.4
Real GDP (Rs. in billion)	12,344.3	12,600.7	12,541.8	13,036.4	13,6621.1
Nominal GDP (Rs. in billion)	34,616.3	38,086.2	41,556.3	47,709.3	53,876.0
GNP (mp) US $ Per Capita	181,441	198,565	215,060	246,414	271,548
GNP (mp) US $ Per Capita	1,651.9	1,459.1	1,360.9	1,542.5	NA

As Percent of GDP (mp)



CPI INFLATION (YoY%)	Annual Average			Year-on-Year		
	FY19	FY20	FY21	OCT 2020	SEP 2021	OCT 2021
General	6.8	10.7	8.9	8.9	9.0	9.2
Food (Urban)	4.6	13.6	12.4	13.9	10.8	9.4
Non-Food (Urban)	8.5	8.3	5.7	3.6	8.1	9.7

Currency in Circulation as on (Stock data)					Rs. in billion
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	Oct 23, 2020	Oct 22, 2021
4,387.8	4,950.0	6,142.0	6,909.9	6,185.3	7,134.1

Sources: i) Annual Plan 2020-21, Planning Commission | ii) Pakistan Economic Survey 2019-20, Finance Division iii) Data published on SBP website
T = Taget | P = Provisional | R = Revised

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SBP Raises Policy Rate by 150 Basis Points to Anchor Higher Inflation Expectations

In its meeting held on November 19, 2021, Monetary Policy Committee (MPC) of the State Bank of Pakistan decided to raise the policy rate by 150 basis points to 8.75 percent. This reflected the MPC's view that since the last meeting, risks related to inflation and the balance of payments have increased while the outlook for growth has continued to improve.

The heightened risks related to inflation and balance of payments stem from both global and domestic factors. Across the world, price pressures from COVID-induced disruptions to supply chains and higher energy prices are proving to be larger and longer-lasting than previously anticipated. In response, central banks have generally begun to tighten monetary policy to keep inflation expectations anchored.

In Pakistan too, high import prices have contributed to higher-than-expected CPI, SPI, and core inflation outturns. At the same time, there are also emerging signs of demand-side pressures on inflation and inflation expectations of businesses have risen on account of further upside risks from domestic administered prices. With respect to the balance of payments, the current account deficits in September and October have been larger than anticipated, reflecting both rising oil and commodity prices and buoyant domestic demand. The burden of adjusting to these external pressures has largely fallen on the rupee. As a result of these developments, the balance of risks has shifted away from growth and toward inflation and the current account faster than expected. Accordingly, the MPC was of the view that there is now a need to proceed faster to normalize monetary policy to counter inflationary pressures and preserve stability with growth. Today's rate increase is a material move in this direction. Looking ahead, the MPC re-iterated that the end goal of mildly positive real interest rates remains unchanged and, given today's move, expects to take measured steps to that end.

SBP Increases the Number of Monetary Policy Committee (MPC) Meetings from Six to Eight Times a Year in Line with International Best Practices

In continuation of efforts to make the process of monetary policy formulation more predictable and transparent in line with international best practices, the State Bank of Pakistan (SBP) has decided on November 19, 2021 to increase the frequency of monetary policy reviews from six (6) to eight (8) times a year. This action will bring the frequency of meetings in line with that in comparable emerging markets. It will also help to enhance the predictability of monetary policy actions. Accordingly, the schedule for the next five MPC meetings is as follows:

- December MPC meeting: Tuesday, Dec 14, 2021
- January MPC meeting: Monday, Jan 24, 2022
- March MPC meeting: Tuesday, Mar 8, 2022
- April MPC meeting: Tuesday, Apr 19, 2022
- June MPC meeting: Friday, Jun 10, 2022

The advance calendar for the next half-year of MPC meetings will be shared at the time of the June 2022 MPC meeting.

SNIPS

A Cancer Vaccine

The human papillomavirus (HPV) vaccine is cutting cases of cervical cancer by nearly 90 percent, the first real-world data has shown, reports BBC.

SBP Digitizes Process for Banking Policy Regulatory Approvals to Enhance Efficiency and Promote Green Banking Practices

Building upon its initiative of end-to-end digitization of regulatory approval process, known as Regulatory Approval System (RAS), State Bank of Pakistan (SBP) has now achieved another milestone by launching a module pertaining to the banking policy and regulations, according to a November 15, 2021 press release. With the launch of this module in RAS, banks, Development Finance Institutions (DFIs) and Microfinance Banks (MFBs) can now submit their request letters/ proposals on a dedicated online portal to SBP's Banking Policy and Regulations Department whereby SBP, after digitally processing them, would also be in a position to disseminate the regulatory decisions to them through the same portal. Earlier in October 2020, Governor SBP Dr. Reza Baqir had launched the SBP FX RAS for end-to-end digitization of Foreign Exchange (FX) related case submission process. The system turned out to be a huge success as it enabled the customers to lodge their FX related requests from the location of their convenience, thereby sparing their valuable time previously spent in navigating the paper-based processes. It also enabled banks to submit FX related cases electronically for regulatory approval of SBP and SBP-Banking Services Corporation (BSC).

Implementation of RAS for Banking Policy and Regulation related issues will be effective from November 24, 2021. It will enable banks, DFIs and MFBs to digitally submit their requests and receive regulatory decisions through a single window. Nevertheless, in addition to online submission, banks, DFIs and MFBs shall also continue with the manual submission of their cases that will cease after a brief transitory period till December 31, 2021.

Implementation of SBP's RAS is expected to conserve precious resources, contribute towards SBP's Green Banking initiative and bring efficiency in the communication between banking sector and SBP. Moreover, this arrangement will

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also replace paper based submissions that are prone to logistic and storage issues, and cause inadvertent and unnecessary delays for relevant stakeholders. RAS is a regulatory initiative under SBP's Vision 2020 aiming at the digital flow of information amongst the stakeholders to improve the service standards through leveraging upon digital techniques.

For details: https://www.sbp.org.pk/bprd/2021/C4.htm

Workers' Remittances Continue to Register Strong Inflow in October 2021

Workers' remittances continued their strong streak as inflows recorded $2.5 billion in October 2021, up 10.2 percent (y/y) and only marginally lower compared to last month (5.7 percent). In addition to remaining above $2 billion since June 2020, this is the eighth consecutive month when remittances have been close to or above $2.5 billion. On a cumulative basis, remittances have risen to $10.6 billion during the first four months of FY22 (July-October 2021), which is 11.9 percent higher than the same period last year. Remittance inflows during the first four months of FY22 have mainly been sourced from Saudi Arabia ($2.7 billion), UAE ($2.0 billion), UK ($1.5 billion) and USA ($1.1 billion).

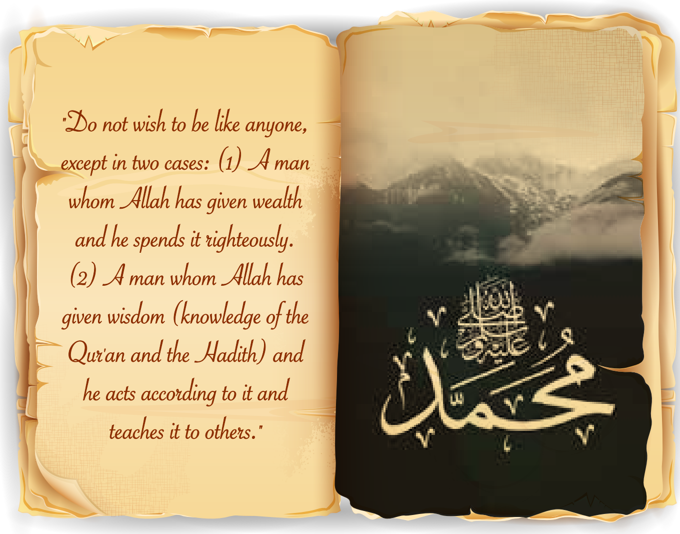
Proactive policy measures by the government and SBP to incentivize the use of formal channels and altruistic transfers to Pakistan amid the pandemic have positively contributed towards the sustained improvement in remittance inflows since last year.

SBP Raises Banks' Cash Reserve Requirement from 5 percent to 6 percent to Contain Monetary Expansion and Moderate Domestic Demand

SBP has decided to increase the average Cash Reserve Requirement (CRR), to be maintained during a period of two weeks by scheduled banks, from 5 percent to 6 percent and minimum CRR to be maintained each day from 3 percent to 4 percent, according to an SBP press release on November 13, 2021. CRR is the amount of money that banks are required to keep with State Bank of Pakistan and is applicable on demand liabilities and time liabilities with tenor of less than a year. Time liabilities with tenor of more than one year shall continue to be exempted from maintenance of cash reserves.

With the economy recovering briskly from last year's acute COVID shock, there is a need to gradually normalize policy settings, including the growth of monetary aggregates. In recent months, real money supply growth has drifted above its trend. The measure will moderate this growth as well as domestic demand, thereby helping to sustain the current economic recovery, achieve the government's medium-term inflation target and reduce pressures on the Rupee. In addition, this measure is likely to have positive impact on deposit mobilization as the banks would be encouraged to generate more deposits to cope with additional liquidity requirements for their operations. This would incentivize banks to offer better returns on deposits to attract these funds; thus serving the SBP objective of encouraging savings. It may also be highlighted that waiver of CRR on Time liabilities with tenor more than a year will encourage banks to raise more long-term deposits, which will facilitate asset-liability matching and enable banks to extend long term loans for construction and housing financing.

For details: https://www.sbp.org.pk/dmmd/2021/C20.htm



FBR Develops an Automated Facility in WeBOC to Facilitate Businesses

In the continuation of the ongoing drive for digitization, Pakistan Customs (FBR) has developed an automated facility in WeBOC System to enable the small and medium export enterprises to acquire imported input goods from a Common Export House for subsequent exports under the Export Facilitation Scheme, 2021. Common Export House is a warehouse authorized by the Collector of Customs for import, warehouse and supply of input goods without payment of customs duty, sales tax, federal excise duty and withholding tax, to the small and medium export enterprises, direct or indirect exporters or commercial exporters. FBR has already issued a procedure for obtaining authorization to operate as Common Export House vide SRO 957(I)/2021 dated July 30, 2021. Public warehouses already operating under Customs warehousing rules can also apply to operate as a Common Export House, simultaneously.

The newly introduced automated facility in WeBOC includes features of online application filing for authorization to operate as Common Export House, authorization of common export warehouse by the regulatory collectorate and filing of import Goods Declarations (GDs) of input goods by the authorized user of Common Export House as importer. This automated system will also facilitate supply of input goods to the SMEs and other authorized buyers within a period of two years from the date of importation.

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International Economic Roundup

Inflation: UK Prices Soar at Fastest Rate for Almost Ten Years

The cost of living surged by 4.2 percent in the 12 months to October, the highest rate in almost 10 years. It is mainly due to higher fuel and energy prices but the cost of second-hand cars and eating out also rose, the Office for National Statistics (ONS) said.

Inflation is up sharply since COVID restrictions ended this summer and the economy reopened. The Bank of England says it may have to raise interest rates in the "coming months" to tackle the surging prices.

October's reading is far higher than the 3.1 percent rise recorded in the year to September and more than double the Bank's target of 2 percent.

Grant Fitzner, chief economist at the ONS, said, "Inflation rose steeply in October to its highest rate in nearly a decade. This was driven by increased household energy bills due to the price cap hike, a rise in the cost of second-hand cars and fuel as well as higher prices in restaurants and hotels. Costs of goods produced by factories and the price of raw materials have also risen substantially and are now at their highest rates for at least 10 years."

Sir John Gieve, a former member of the Bank of England's Monetary Policy Committee which sets the interest rate, said that the high inflation figures were not "a one-off". "The Bank and other forecasters expect it to rise right the way through to April, to around 5 percent, and then to stay well above target for the rest of the year," he told the BBC's Today program. "So this isn't really a blip, this is quite a marked trend."

Paula Sharp and Sarah Allan, nursery workers from Halifax in Yorkshire, have increased the hours they work because of their rising household costs.

"I'm getting more money in, but I'm paying it out on fuel, food, clothes," said Paula. Both women have seen a steep rise in their gas and electricity bills, and say they have to spend time shopping around to find the best deals on goods.

"We are tending to go for offers in the supermarket. The kids can't just put what they want in the trolley," says Sarah, who has 12 year-old twins. "Everything has gone up. It might only be 50p or 60p here or there, but it does add up."

The ONS said household energy bills were the biggest driver of inflation after the regulatory price cap on domestic gas and electricity was increased last month. Gas bills rose by 28.1 percent in the year to October, while electricity climbed by 18.8 percent. Petrol prices also rose 25.4p to 138.6p per liter, amid a surge in global oil prices. It is the highest price since September 2012.

The ONS also singled out the rising cost of second-hand cars, which stems from a global microchip shortage that has slowed the production of new vehicles, pushing up demand for older models. Used car prices are up by 27.4 percent since April this year.

Earlier this month, Bank of England governor Andrew Bailey apologized for the rising prices and warned inflation could climb as high as 5 percent. Commenting on the latest figures, Chancellor Rishi Sunak said, "Many countries are experiencing higher inflation as we recover from COVID, and we know people are facing pressures with the cost of living."

SNIPS

The Cost of Distribution

Out of every dollar that US consumers pay for food groceries, just 15 cents go towards the actual food — the rest goes towards processing, marketing and distribution, says the Financial Times.

But shadow chancellor Rachel Reeves said households would be more than £1,000 worse off a year due to the price rises. "Instead of taking action, the government are looking the other way, blaming 'global problems' while they trap us in a high tax, low growth cycle," she said.

Most analysts now expect the Bank of England to increase interest rates from their current historic lows at its next meeting in December.

Paul Dales, chief UK economist at Capital Economics, said he expects rates to rise from 0.1 percent to 0.25 percent in December, then to 0.5 percent in February, reaching 1-1.25 percent by the end of next year.

Dan Boardman-Weston, chief investment officer at BRI Wealth Management, said inflation would "keep getting worse" over the coming months, leaving the Bank of England no choice but to act. But he added: "The Bank of England needs to be careful that they're not too hasty in tightening monetary policy as a policy misstep could do more harm to the economy than this transitory inflation we are witnessing."

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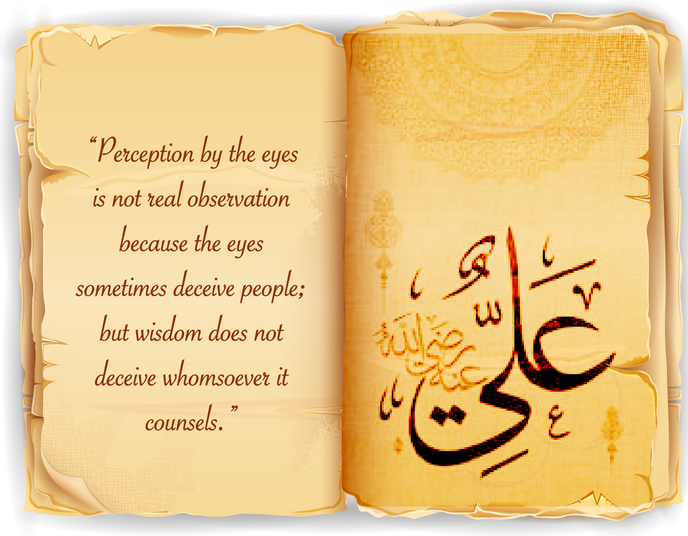

What the COP26 Climate Conference Really Accomplished

The United Nations global climate summit in Glasgow, Scotland, ended over the weekend with an agreement among nearly 200 nations to accelerate the fight against the climate crisis and to commit to tougher climate pledges.

The two week conference ended with some significant accomplishments, including new pledges on methane gas pollution, deforestation, coal financing, as well as completion of long-awaited rules on carbon trading and a notable U.S.-China deal. The summit also closed with calls on governments to return in 2022 with stronger pledges to slash greenhouse gas emissions and to provide more available funding for nations most vulnerable to a changing climate.

But some climate scientists, legal experts, and politicians argued the final deal out of Glasgow resulted in incremental progress inadequate to address the severity of the climate crisis. Some climate activists and campaigners also sharply criticized the COP26 as an exclusionary fortnight of talks that became a public relations exercise.

Some experts point out that the real measure of success after the COP26 will be if and when countries turn their promises into action.

"In a year marked by uncertainty and mistrust, COP26 affirmed the importance of collective global action to address the climate crisis," Ani Dasgupta, president and CEO of the World Resources Institute, said in a statement.

"While we are not yet on track, the progress made over the last year and at the COP26 summit offered bright spots," Dasgupta said. "The real test now is whether countries accelerate their efforts and turn commitments into action."

Highlights from the 26th UN Climate Summit

- *New pledges on methane pollution*

More than 100 countries have now joined a U.S. and E.U.-led coalition to cut 30 percent of methane gas emissions by 2030 from 2020 levels, a significant step towards limiting one of the major culprits of climate change. The Global Methane Pledge covers countries that account for nearly half of global methane emissions and 70 percent of global GDP. Methane is 84 times more potent than carbon and does not last as long in the atmosphere before it breaks down. This makes it a critical target for combatting climate change quickly while simultaneously minimizing other greenhouse gas emissions.

Barry Rabe, a professor at the University of Michigan and a senior fellow at the Brookings Institution, said that while the summit devoted unprecedented attention to reducing methane emissions, the pledge is just a start. "The Glasgow meetings serve as a reminder of just how hard it is to achieve transformational progress on climate change in a few weeks, despite all of the melodrama," Rabe said. "That said, [there's] some real progress here on issues such as carbon markets, coal transition, methane and more. The emerging question is whether these areas of agreement can be implemented."

The pledge includes six of the world's 10 biggest methane emitters — the U.S., Brazil, Indonesia, Nigeria, Pakistan and Mexico. But China, Russia and India, which together comprise 35 percent of global methane emissions, did not join the coalition. "It's going to make a huge difference, not just when it comes to fighting climate change — it's going to improve health, improve food supply and boost economies," President Joe Biden said at the launch of the pledge.

- *An eleventh hour agreement on coal*

The summit negotiations ended on Saturday with a final deal among nearly 200 nations that for the first time targeted fossil fuels as the key driver of climate change. The deal, however, contained a last-minute change that some officials called a softening of critical language regarding coal power.

India and China, some of the world's biggest burners of coal, insisted on a last-minute change of fossil fuel language in the pact, switching the words from a "phase out" to a "phase down" of coal. Opposing countries fought the request but ultimately conceded.

Some experts, disappointed by the change of language on coal power, said the deal was still better than nothing and provides incremental progress on transitioning from fossil fuels to clean energy.

"It's meek, it's weak and the 1.5C goal is only just alive, but a signal has been sent that the era of coal is ending. And that matters," Greenpeace International Executive Director Jennifer Morgan wrote in a tweet about the deal.

- *A U.S.-China pledge to slow climate change*

The U.S. and China, the world's two largest emitters of carbon, agreed to cooperate this decade to prevent global warming from surpassing 1.5 degrees Celsius and ensure that progress result from the conference. The alliance between the rivals surprised delegates during the summit. The U.S.-China agreement lacks specific details or deadlines but emphasizes that Chinese and American leaders will work to boost clean energy, mitigate deforestation and slash methane emissions. The joint declaration said the countries will work together to help accelerate the transition to a net-zero global economy.

"The United States and China have no shortage of differences," U.S. special climate envoy John F. Kerry said in announcing the agreement during the summit. "But on climate, cooperation is the only way to get this job done."

- *Strengthening 2030 targets to reach 1.5°C goal*

Some experts have billed the conference as humanity's last and best chance to support the goal to not surpass 1.5 degrees Celsius of global warming — the temperature target inscribed in the 2015 Paris Accord. Countries ultimately agreed to submit tougher 2030 targets next year and to put forward long term strategies to aid the transition to net-zero emissions by around mid-century in order to avoid the worst consequences of climate change. A draft of the final COP26 deal did not offer a rolling annual review of climate pledges that some developing countries have urged. Nations are currently required to revisit their pledges every five years. The agreement also left unresolved answers on how much and how swiftly each nation must cut its emissions.

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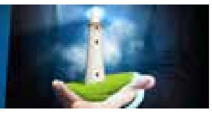
Millennials in Charge

About 60 percent of millennials now have direct reports, giving them the opportunity to drive real changes within their organizations and the teams they lead, says HBR Ascend.

Keeping global temperatures from surpassing the 1.5 degrees Celsius level will require the world to nearly half greenhouse gas emissions within the next decade reach net-zero emissions by 2050, according to the Intergovernmental Panel on Climate Change. Scientists warn the world has already warmed about 1.1 degrees Celsius above pre-industrial levels. Despite global pledges, the world is on track to see global temperature rise of 2.4 degrees Celsius by the end of the century.

James Salzman, a professor of environmental law at UCLA Law School, said the summit reflected an important shift in global climate strategy toward a sectoral approach because it featured separate agreements on issues like methane, coal and deforestation, rather than focusing solely on greenhouse gas mitigation. "Talk is cheap, of course, and it remains to be seen whether these amount to anything more than aspirational rhetoric," Salzman said. "But the pivot could be significant in breaking down a huge problem into more bite-sized approaches."

MANAGEMENT VIEWS



Influence How Decisions Get Made, Even If You Are Not the Most Senior Person in the Room

You do not have to be the most senior person in a room to influence how decisions are made. When you have a lot invested in an outcome, you can do some behind-the-scenes work to make things go the way you want — even when the decision is ultimately up to the boss. Start by understanding the final decision-maker's interests. Ideally, this involves asking lots of open-ended questions, such as "Help me understand…" or "Say more about…" or simply "Why is this important to you?" When you do not have ready access to the senior person, look to past decisions and statements — such as open memos to employees or shareholders or social media posts — for clues about what matters most to them. You might also consult with their trusted allies and confidantes. Then use that information to make the case for why the option you are advocating for aligns with what they care most about. But do not neglect other stakeholders; you do not want to be known as a brown noser, backstabber, or backroom dealer. So, be attentive to the interests of others, and frame your argument in a way that meets their needs as well and puts the team, not just your interests, first.

(This tip is adapted from *These Strategies Will Help You Influence How Decisions Get Made*, by Robert C. Bordone and Daniel Doktori – HBR.)

Ego Is the Enemy of Good Leadership

The inflated ego that comes with success – the bigger salary, the nicer office, the easy laughs – often makes us feel as if we have found the eternal answer to being a leader. But the reality is, we have not. An inflated ego makes us susceptible to manipulation; it narrows our field of vision; and it corrupts our behavior, often causing us to act against

VOLUME 16 / ISSUE 47 / NOVEMBER 19, 2021

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our values. Breaking free of an overly-protective or inflated ego and avoiding the leadership bubble is an important and challenging job that requires selflessness, reflection, and courage.

The higher leaders rise in the ranks, the more they are at risk of getting an inflated ego. And the bigger their ego grows, the more they are at risk of ending up in an insulated bubble, losing touch with their colleagues, the culture, and ultimately their clients. Let us analyze this dynamic step by step.

As we rise in the ranks, we acquire more power. And with that, people are more likely to want to please us by listening more attentively, agreeing more and laughing at our jokes. All of these tickle the ego. And when the ego is tickled, it grows. David Owen, the former British Foreign Secretary and a neurologist, and Jonathan Davidson, a professor of psychiatry and behavioral sciences at Duke University, call this the 'hubris syndrome,' which they define as a "disorder of the possession of power, particularly power which has been associated with overwhelming success, held for a period of years."

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A C-Suite Misbalance

Women hold 21 percent of C suite level roles in the US according to data from the US Equal Employment Opportunity Commission, published by MIT Sloan School of Management.

An unchecked ego can warp our perspective or twist our values. When we are caught in the grip of the ego's craving for more power, we lose control. Ego makes us susceptible to manipulation; it narrows our field of vision; and it corrupts our behavior, often causing us to act against our values.

Our ego is like a target we carry with us. And like any target, the bigger it is, the more vulnerable it is to being hit. In this way, an inflated ego makes it easier for others to take advantage of us. Because our ego craves positive attention, it can make us susceptible to manipulation. It makes us predictable. When people know this, they can play to our ego. When we are a victim of our own need to be seen as great, we end up being led into making decisions that may be detrimental to ourselves, our people and our organization.

An inflated ego also corrupts our behavior. When we believe we are the sole architects of our success, we tend to be ruder, more selfish and more likely to interrupt others. This is especially true in the face of setbacks and criticism. In this way, an inflated ego prevents us from learning from our mistakes and creates a defensive wall that makes it difficult to appreciate the rich lessons we glean from failure.

Finally, an inflated ego narrows our vision. The ego always looks for information that confirms what it wants to believe. Basically, a big ego makes us have a strong confirmation bias. Because of this, we lose perspective and end up in a leadership bubble where we only see and hear what we want to. As a result, we lose touch with the people we lead, the culture we are a part of, and ultimately our clients and stakeholders.

Breaking free of an overly protective or inflated ego and avoiding the leadership bubble is an important and challenging job. It requires selflessness, reflection and courage. Here are a few tips that will help you:

- **Consider the perks and privileges you are being offered in your role.** Some of them enable you to do your job effectively. That is great. But some of them are simply perks to promote your status and power and ultimately ego. Consider which of your privileges you can let go of. It could be the reserved parking spot or a special pass for the elevator.

- **Support, develop, and work with people who would not feed your ego.** Hire smart people with the confidence to speak up.

- **Humility and gratitude are cornerstones of selflessness.** Make a habit of taking a moment at the end of each day to reflect on all the people that were part of making you successful on that day. This helps you develop a natural sense of humility, by seeing how you are not the only cause of your success. And end the reflection by actively sending a message of gratitude to those people.

Leadership is about people and people change every day. If we believe we have found the universal key to leading people, we have just lost it. If we let our ego determine what we see, what we hear, and what we believe, we have let our past success damage our future success.

(This excerpt is from *the article Ego Is the Enemy of Good Leadership*, by Rasmus Hougaard and Jacqueline Carter- HBR.)

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IBP ONLINE TRAINING CALENDAR
NOVEMBER 2021

WEDNESDAY
24 NOV
2021

Credit Risk Review

Facilitator: M.A. Hijazi

2PM - 6PM

PKR 8,500/-
PER PARTICIPANT

* fee (excluding taxes)

WEDNESDAY
24 NOV
2021

Budgeting and Forecasting Skills for Managers

Facilitator:
Muhammad Ahmad Khan

9:30AM - 1:30PM

PKR 8,500/-
PER PARTICIPANT

* fee (excluding taxes)

SATURDAY
27 NOV
2021

FATF & Pakistan AML/CFT/CPF Regime for Financial Institutions

Facilitator: Kamran Hyder

10AM - 2PM

PKR 8,500/-
PER PARTICIPANT

* fee (excluding taxes)

SATURDAY
27 NOV
2021

Commercial & Private Remittances Under Foreign Exchange Manual 2020

Facilitator: Rana Salim Saleem

10AM - 2PM

PKR 8,500/-
PER PARTICIPANT

* fee (excluding taxes)

SATURDAY
27 NOV
2021

Enterprise Risk Management

Facilitator:
Aamir Shaukat Hussain

2PM - 6PM

PKR 8,500/-
PER PARTICIPANT

* fee (excluding taxes)

SUNDAY
28 NOV - 26 DEC, 2021

Certification Course in Islamic Banking & Takaful

Facilitator:
Islamic Banking Experts

3PM - 8PM

PKR 25,000/-
PER PARTICIPANT

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OPERATIONS & GENERAL MANAGEMENT | COMPLIANCE & REGULATIONS | TRADE FINANCE | CREDIT & RISK | ISLAMIC FINANCE