

economicletter

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Pakistan

According to **SBP**, **home remittances** during July-February 2014-15 rose to \$ 11.750 bn against \$ 10.248 bn in the same period of 2013-14.

According to **SBP**, **cash recovery** by banks and DFIs of non-performing loans (**NPLs**) was recorded lower at Rs. 66.117 bn in calendar year 2014 compared to Rs. 73.345 bn in calendar year 2013.

According to **SBP**, the **federal government borrowing for budgetary support from scheduled banks** in the first eight months of the current fiscal (**July-February 2014-15**) was recorded at Rs. 1.029 trn against Rs. 318.422 bn in the same period last fiscal. It **retired** Rs. 434.726 bn of borrowing **from the SBP** compared to a borrowing of Rs. 367 bn during the above periods.

According to **SBP**, the stock of **external debt and liabilities** fell to \$ 64.34 bn by end December 2014 compared to \$ 65.64 bn as on end June 2014.

According to **SBP**, **servicing of external debt and liabilities** during October-December 2014 amounted to \$ 1.535 bn compared to \$ 1.459 bn during the July-September quarter of the year.

According to **SBP**, the **fiscal deficit** in the first quarter of the current fiscal (July-September 2014) was recorded at **1.2% of GDP** against **1.1% of GDP** in the

same quarter last fiscal.

According to **SBP**, **government servicing cost on domestic debt** during July-November 2014 stood at Rs. 485.0 bn against Rs. 455.0 bn in the same period of 2013.

According to the **Deputy Governor of SBP**, the **economy** is on track to grow by **5.0%** in the current fiscal ending June 2015 against the achieved growth of **4.8%** last fiscal.

According to **SBP**, total **liquid foreign exchange** reserves as on March 06, 2015 stood at \$ 16.284 bn of which \$ 11.272 bn was held by **SBP** and the rest with banks.

The government has approved the **sale of 41.54%** of its **residual shares** in Habib Bank Ltd. (**HBL**) in two phases at a price to be determined later, depending upon bids received, to the highest bidder.

According to **PBS**, exports of the **services sector** during July-December 2014 rose by 16.24% over the same period of 2013 to \$ 2.822 bn. Imports of the sector during the above periods rose by 2.09% to \$ 4.017 bn.

According to the Report of the **World Bank** titled "**Country Partnership Strategy 2015-19**", the Bank >>

Markets at a glance

Weekly Review	KIBOR (6 months)		Foreign Exchange Rates			KSE	Gold Rate
	Bid %	Offer %	UK (£)	Euro (€)	US (\$)	100 Index	(10 gm)
Beginning	8.01	8.26	Rs.154.68	Rs.111.65	Rs.101.78	33,263	Rs.40,800
Ending	7.96	8.21	Rs.151.16	Rs.107.86	Rs.101.70	32,929	Rs.39,857
Change	- 0.05	- 0.05	- 3.52	- 3.79	- 0.08	- 334	- 943

is considering an investment of \$ 11.0 bn over the next five years including a provision of \$ 1.1 bn from International Development Association, its soft-arm lending agency.

According to the **U.S.** Commerce Secretary, the government **has held in abeyance** for some time the signing of a **Trade and Investment Framework Agreement**.

The National Electric Power Regulatory Authority (**Nepra**) has approved in principle **purchase of 1,000 MWs of electricity from Iran**.

The **Sensitive Price Indicator** (SPI) registered an increase of 0.30% year-on-year in the week ending March 05, 2015 over the same week of 2014. The weekly SPI monitors changes in prices of 53 essential commodities, mostly kitchen items, data for which is collected from 17 urban centres.

INTERNATIONAL

The Bank of England (**BoE**) has left its **key lending rate** unchanged at **0.50%**.

Brazil's central bank has raised its **key lending rate** by 10.25% to 12.75%, the raise being the fourth in successive meetings.

Bank Negara, the central bank of Malaysia, has left its **key lending rate** unchanged at 3.25%.

China expects its **economy to grow by 7.0%** this year compared to a growth of 7.4% in 2014.

The **IMF** expects the **Bangladesh economy** to grow by 6.0% in the fiscal ending June 2015 against the government targeted growth of 7.3%. For the next fiscal, the IMF has forecast a growth of 6.5%.

GDP growth in South Africa fell to 1.5% in 2014 against 2.2% in 2013. The budget for 2015 has targeted the growth to rise to 2.5%.

The Greek economy shrank by 0.4% in the last quarter of 2014 compared to a growth of 0.7% during the preceding July-September quarter of the year.

GDP growth in Mexico, the second largest economy in Latin America after Brazil, posted a growth of 2.1% in 2014, the fastest pace since 2009.

Thailand's economy expanded by 0.7% in 2014 compared to a growth of 2.9% in 2013. The government has targeted a growth of between 3.5 - 4.5% for 2015.

The 28-nation European Union (**EU**) has agreed to **integrate its energy market** through a common policy with a view to mitigate the volatility in the prices at international oil markets. The bloc imported 53% of its energy needs in 2014 costing it 400 bn euros (\$ 455 bn).

The European Union (**EU**) has **granted France**, the second largest economy after Germany in the eurozone, until 2017 to bring its fiscal deficit to below 3.0% of its GDP, to meet the ECB prescribed norm.

Unemployment in Brazil rose to 5.3% of workforce in January against 4.3% last December, the highest level since September 2013.



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