

economicletter

a weekly publication of The Institute of Bankers Pakistan

Pakistan

The **SBP** has **descheduled** the **KASB Bank** following its merger with Bank Islami.

The **SBP** has **automated** the revised capital adequacy ratio (**CAR**) reporting format under “Basel III” on data acquisition portal (DAP).

According to **SBP**, Pakistan Real time Interbank Settlement Mechanism (**PRISM**), settled **198,250 transactions** valued at **Rs. 51.5 trillion** during the third quarter of the current fiscal (January- March 2015) representing an **increase of 5% in volume and 21% in value** over the preceding quarter.(October- December 2014).

According to **SBP**, **home remittance** during July- April 2014-15 amounted to \$14.960 bn against \$12.807 bn in the same period of 2013-14.

The **SBP** has directed that **Banks and DFI's** cannot appoint **Chairman** of the Board **as a member** of a specialized committee formed to share workload.

The **SBP** has allowed **exchange companies** a **spread of one percent** in buying and selling of foreign exchange.

According to SBP total liquid foreign exchange reserves as on April 8, 2015 stood at \$17.739bn of which \$12.550bn was held by the SBP and the rest with banks.

According to the Federal Finance Minister, the **IMF** is to disburse the **due tranche** of **\$506 mn** of its Extended Fund Facility (EFF) of \$6.8 bn by June 2015.

The **government and the IMF** have agreed to implement measures to end the scourge of **circular debt** --- the difference between payables and receivables --- currently estimated at **Rs.600 bn** by focusing on increases in tariff rates and privatization programmes as also through related measures.

The Asian Development Bank (**ADB**) under its “Country Partnership Strategy” has expressed its willingness to provide **\$6.0 bn over the next five years for infrastructure development** in the country.

According to Pakistan Bureau of Statistics (**PBS**), **merchandise export** earning in the first ten months of the current fiscal (July- April 2014-15) amounted to \$18.926 bn against \$20.975bn in the same period of 2013-14 **Merchandise import** payments were recorded at \$37.848bn against \$37.085bn during the above periods.

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	6.91	7.16	Rs.157.00	Rs.114.30	Rs.101.73	33,530	Rs.40,800
Ending	6.77	7.02	Rs.160.43	Rs.115.80	Rs.101.96	33,039	Rs.39,857
Change	- 0.14	- 0.14	+ 3.43	+ 1.5	+ 0.23	-491	-943