

economicletter

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Pakistan

According to **SBP**, **repatriation** of **profits and dividends** by foreign firms operating in the country rose to \$ 359.4 mn during July – September 2015 against \$ 235.5 mn in the same period of 2014.

The **SBP** has directed banks and DFIs to submit to it details of **internet breaches** which might have taken place inadvertently.

The **SBP** has directed all financial institutions including banks for introducing **Urdu** as a mode of their operations.

According to **SBP**, the **services sector trade deficit narrowed** to \$ 155 mn in the first quarter of the current fiscal (July - September 2015) against \$ 658 mn in the same quarter last fiscal.

According to SBP, total liquid **foreign exchange reserves** as on October 23, 2015 stood at \$ 19.818 bn of which \$ 14.918 bn was held by SBP and the rest with banks.

According to Pakistan Bureau of Statistics (**PBS**), f.o.b data, value – added **textile products export** earnings during the first quarter of the current fiscal (July - September 2015) fell to \$ 3.225 bn against \$ 3.410 bn in the same quarter last fiscal.

According to **PBS**, f.o.b data, import cost of the **oil sector** comprising of crude oil and petroleum products fell to \$ 2.253 bn in the first quarter of the current fiscal against \$ 3.927 bn in the same quarter last fiscal.

Markets at a glance

Weekly Review	KIBOR (6 months)		Foreign Exchange Rates			KSE	Gold Rate
	Bid %	Offer %	GBP(£)	EURO(€)	USD(\$)	100 Index	(10 gm)
Beginning	6.34	6.59	Rs. 161.2	Rs. 118.75	Rs. 104.7	33,954	Rs. 40,200
Ending	6.22	6.47	Rs. 161.7	Rs. 116.00	Rs. 105.65	34,261	Rs. 40,157
Change	-0.12	-0.12	+0.5	-2.75	+0.95	+307	-43

According to PBS, f.o.b data import cost of food products during July - September 2015 stood lower at \$ 1.198 bn against \$ 1.430 bn in the same period of 2014.

According to PBS, f.o.b data, export earnings of non-textile products during July - September 2015 fell to \$ 1.929 bn against \$ 2.590 bn in the same period of 2014.

According to PBS, the large - scale manufacturing (LSM) sector posted a growth of 4.11 % during July - August 2015, year-on-year.

According to Pakistan Cotton Ginners Association (PCGA) arrival of new crop seed - cotton (phutti) at ginneries across the country by mid-October 2015 at 5.344 mn bales was lower by 12.73% over the same period last crop season. Arrivals from Punjab and Sindh were lower by 21.61 % and 3.36 % respectively during the above periods.

According to a World Bank report, 13 % of the population or 23 mn people live on \$ 1.50 a day, (the poverty line being \$ 2.0 a day).

The government has set a production target of 26 mn tons of wheat for the current rabi crop season (November - April 2015-16), the same as of last crop season.

International

China has abandoned its decade's old policy of one child a family allowing two in a family mainly to offset the manpower needs of an ageing population.

The Peoples Bank of China has forecast that the country's economy would keep growing by 6 - 7 % per annum in the years ahead.

China has signed various agreements with Britain worth \$ 62 bn including a one-third stake in the construction of an \$ 18.0 bn civil nuclear power plant.

China's central bank has abolished its policy of capping interest rate on saving accounts and has allowed banks to set their own rates as deemed fit by them on a case-to-case basis relative to their own lending rate portfolios in different sectors of the economy.



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