

economicletter

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Pakistan

According to SBP, home remittances declined to \$ 14.058 bn during July-March 2016-17 compared to \$ 14.388 bn in the same period of 2015-16.

According to SBP, fresh borrowings of public sector enterprises (PSEs) rose by Rs. 128.5 bn during July-March 2016-17 against Rs. 13.2 bn in the same period of 2015-16.

The Board of Investment (BoI) has attracted \$ 1.3 bn foreign investment in the first nine months of the current fiscal. The target for the full July-June 2016-17 fiscal has been set at \$ 2.7 bn.

The Asian Development Bank (ADB) has forecast economic expansion in the country at 5.2% in the current fiscal ending June 2017 and then by 5.5% in the following 2018 fiscal.

Merchandise trade deficit (PBS f.o.b. data) rose to \$ 23.38 bn during July-March 2016-17 compared to \$ 16.84 bn in the same period of 2015-16 on the back of falling exports and rising imports.

Merchandise export earnings (PBS f.o.b. data) during July-March 2016-17 fell to \$ 15.119 bn against \$ 15.597 bn during the same period of 2015-16.

Merchandise import payments (PBS f.o.b. data) rose to \$ 38.504 bn during July-March 2016-17 against \$ 32.445 bn in the same period of 2015-16.

The World Bank has signed three agreements to provide \$ 433 mn for support to the financial sector, social protection and community development.

The Economic Coordination Committee (ECC) of the Cabinet has awarded a Rs. 55 bn contract to a Chinese firm to setup a 300 MWs coal-fired power project in Gwadar, Balochistan.

Pakistan and Germany have signed an agreement to enhance cooperation in the field of governance, energy and sustainable economic development to be spread over 2017 and 2018.

Markets at a glance *Rates are taken till 5 pm*

Weekly Review	KIBOR (6 months)		Foreign Exchange Rates			PSX	Gold Rate
	Bid %	Offer %	UK(£)	EURO(€)	USD(\$)	100 Index	(10 gm)
Beginning	5.91	6.16	Rs. 131.75	Rs. 112.80	Rs. 106.10	47,889	Rs. 43,457
Ending	5.91	6.16	Rs. 132.00	Rs. 112.75	Rs. 106.40	47,577	Rs. 43,885
Change	0.00	0.00	+0.25	-0.05	+0.3	-312	+428

International

The Chiefs of the International Monetary Fund (IMF), the World Trade Organisation (WTO) and the Organisation of Economic Cooperation and Development (OECD) have unanimously agreed to promote global free trade in goods and services via suitable policy measures as opposed to pursuing populist protectionist policies as is being opted for by some countries particularly the U.S., despite being the largest economy in the world.

The Energy Ministers of the G-7 group of countries have failed in arriving at a consensus communique towards a cleaner energy deal after the U.S. expressed its reservation in favour of fossil fuel energy generation.

The U.S. President has expressed his willingness at the Summit meeting to consider extending cooperation in China's "One Belt-One Road" programme connecting the country with Europe.

India has signed 22 agreements with Bangladesh to provide the country with \$ 4.5 bn in priority development areas related mostly to infrastructure development and upgradation as also to establish a civilian nuclear power project.

China's "One Belt-One Road" the new "Silk Road", has completed its first full cycle by travelling back from London having reached London earlier. The epic freight train journey would

take 18 days to reach its destination covering a distance of 7,500 miles with large-sized 32 containers.

China's foreign exchange reserves rose for the second consecutive month to stand at \$ 3.009 trn by end-March continuing to remain highest any single country holding in the world.

Unemployment in the U.S. fell further to 4.5% of workforce in March against 4.7% in February, the lowest level since May 2007.

Unemployment in Germany in March was recorded at 5.8% of workforce, the lowest level since the reunification in 1990.

Unemployment in Brazil by end-February was recorded at 13.2% of workforce, highest since the specific data series was initiated in 2012.

CPI inflation in the U.K. in March at 2.3% was unchanged from the February level, Y.o.Y but still remained highest since September 2013.

China has signed a deal with Myanmar to build a crude oil pipeline for supply of oil to China.



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