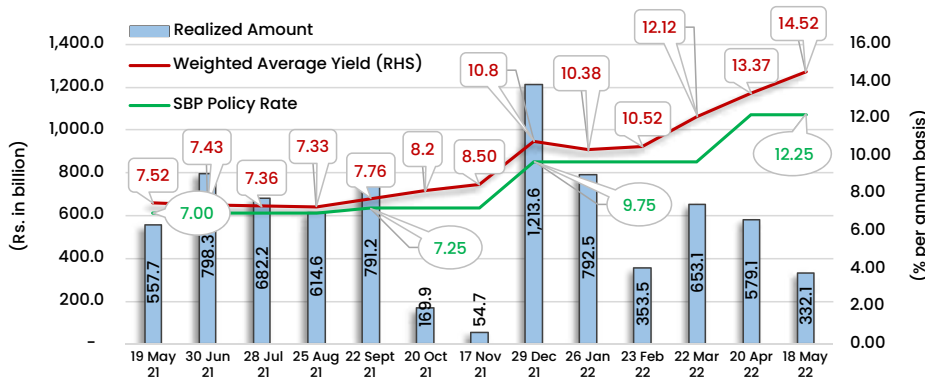


## Domestic Economic Roundup

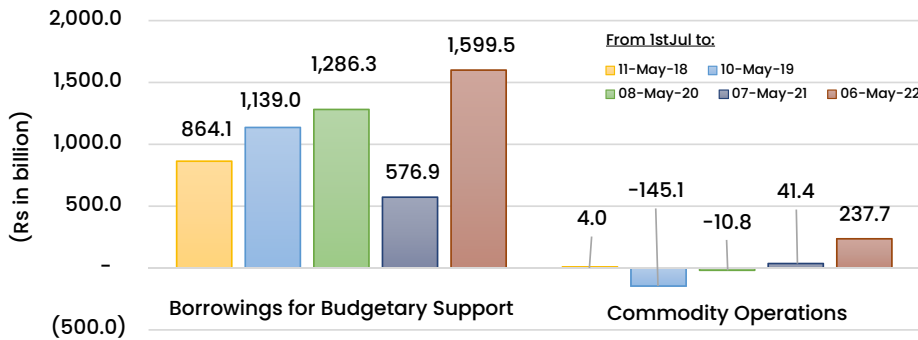
### Key Money & Banking Indicators:

	Stocks at End-June 2021	Flows		Impact Since 1st July to	
		FY20	FY21	6-May-22	7-May-21
Total Deposits with Banks	17,319.8	1,910.0	2,595.0	388.3	679.4
Credit to Private Sector	7,629.1	196.4	766.2	1,295.8	420.7
Govt. Sector Borrowings (Net)	16,265.1	2,210.6	1,717.9	1,835.1	621.3

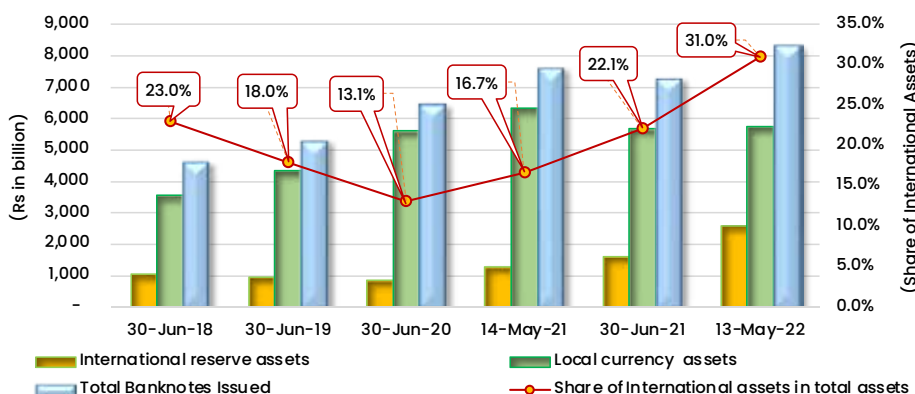
### MTBs Acceptance (Auction+ Non-Competitive Bids)



### Government Sector Borrowings (Net)



### Assets Composition of Total Banknotes Issued



## Markets at a Glance

Rates taken till Friday, May 20, 2022

### MONETARY POLICY RATE

**12.25%** | Effective from April 07, 2022

### KIBOR (6 MONTHS)

	Bid%	Offer%
Change Starting	14.75	15.00
Change Ending	14.62	14.87
Change	-0.13	-0.13

### FOREX RATES

	GBP	EURO	USD
Change Starting	PKR 235.34	PKR 200.44	PKR 192.53
Change Ending	PKR 249.91	PKR 211.71	PKR 200.14
Change	PKR +14.57	PKR +11.27	PKR +7.61

### PAKISTAN STOCK EXCHANGE

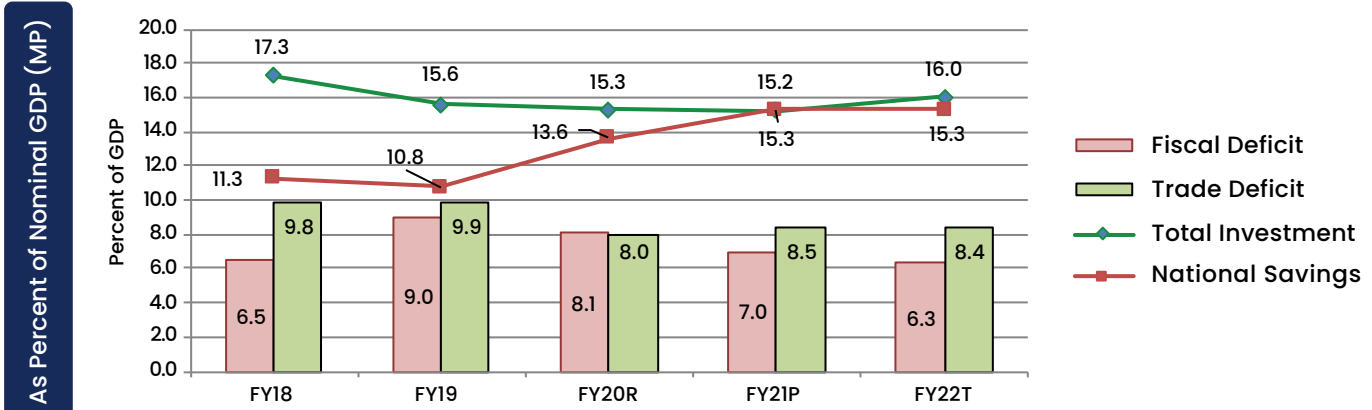
	100 Index
Change Starting	43,486
Change Ending	43,100
Change	-386

### GOLD RATES

	10 GM, 24K
Change Starting	PKR 113,129
Change Ending	PKR 118,641
Change	+5,512

## Pakistan's Major Economic Indicators

Real Sector (Percent Growth)	FY18	FY19	FY20 <sup>F</sup>	FY21 <sup>R</sup>	FY22 <sup>T</sup>
Real GDP (2005-06 = 100)	5.5%	2.1%	-0.4%	5.4%	4.8%
Agriculture Sector	4.0%	0.6%	3.3%	2.8%	3.5%
Manufacturing Sector	5.4%	-0.7%	-7.4%	8.7%	6.5%
Services Sector	6.3%	3.8%	-0.6%	4.4%	4.7%
Real GDP (Rs. in billion)	12,344.3	12,600.7	12,552.0	13,226.0	13,860.8
Nominal GDP (Rs. in billion)	39,189.8	43,798.4	47,521.5	55,488.0	62,803.5
GNP (MP) PRS Per Capita	194,181	214,695	230,262	266,614	NA
GNP (MP) US \$ Per Capita	1,768.0	1,578.0	1,457.0	1,666.0	NA



CPI INFLATION (YoY%)	Annual Average			Year-on-Year		
	FY19	FY20	FY21	Apr 2021	Mar 2022	Apr 2022
General	6.8	10.7	8.9	11.1	12.7	13.4
Food (Urban)	4.6	13.6	12.4	15.7	14.5	15.6
Non-Food (Urban)	8.5	8.3	5.7	8.2	10.4	10.4

Currency in Circulation as on (Stock data)						Rs. in billion
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	May 7, 2021	May 6, 2022	
4,387.8	4,950.0	6,142.0	6,909.9	7,015.9	8,006.9	

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

## SBP and International Finance Corporation (IFC) Join Hands to Promote Agriculture Finance Through Warehouse Receipts

Deputy Governor State Bank of Pakistan (SBP) Ms. Sima Kamil, while addressing a two-day specialized training workshop on Electronic Warehouse Receipt Financing (EWRf) for banks on May 18, 2022, observed that the subject training program will be instrumental to support SBP's recent initiative to promote EWRf in the country and banks will be able to get hands-on knowledge about EWRf product development, understanding the risk analysis, price determination mechanism and the international best practices. She encouraged senior bankers to use the relevant knowledge of EWRf gained during the session and disseminate it in the industry for its smooth implementation.

EWRf is a mechanism whereby farmers can avail financing facility from banks by placing their produce and agricultural commodities. By doing so, farmers can avoid selling their produce on unfavorable prices just to ensure cash flows to meet input requirements of next crop. It will also help in reducing Pakistan's high post-harvest losses. Adoption of EWRf by banks and its enhanced uptake will not only facilitate banks to achieve higher levels of agriculture credit disbursement but will also help them enhance credit outreach.

Ms. Sima Kamil noted that agriculture contributes almost a quarter to our GDP and employs half of the labor force; however, she regretted that people associated with agriculture sector face challenges in access to finance and modernize infrastructure that may facilitate them either in storing or timely disposal of their agricultural produce. She added that SBP took the initiative of EWRf in view of the role of warehousing regime in increasing food security, reducing post-harvest losses and allowing bank financing to farmers against commodities as collateral. She hoped that it will facilitate traders and processors to purchase inputs they need, including seeds, fuel and fertilizers, before and during the harvest, when their seasonal financing needs are significant. In parallel, it will encourage investment in agricultural infrastructure in terms of building new, modern and commercially viable warehousing infrastructure. At outset, 25 banks signed System Usage Agreements (SUAs) with Naymat Collateral Management Company and SBP assigned indicative financing targets to these banks for FY 2021-22 and 2022-23. Now, these banks have started financing against maize crop in various districts of Punjab under EWRf regime.

The Deputy Governor acknowledged the support extended by IFC in terms of technical assistance to Government of Pakistan and other key stakeholders to make building blocks for EWRf in Pakistan. She expressed gratitude for IFC team led by Mr. Zeeshan Ahmed Sheikh and Ms. Nouma who has been coordinating an IFC collaborated project for promotion of EWRf in Pakistan. She also encouraged senior

bankers to use the relevant knowledge of EWRf and disseminate in the industry for its smooth implementation.

Speaking on the occasion IFC's Country Manager for Afghanistan and Pakistan Mr. Zeeshan Sheikh observed that innovative financing models, such as electronic warehouse receipts, are extremely important as they can unlock a massive amount of capital, bolstering the farming sector and, over the long run, supporting job creation and economic growth. He also acknowledged the Government of Japan for supporting the EWR work.

SBP organized the two-day training workshop in line with the EWRf Uptake Action Plan in collaboration with IFC (World Bank). During the workshop, global experts from IFC and Pakistan shared their knowledge and experiences with senior banking officials regarding different modalities of collateralized commodity financing and EWRf. The program provided a deeper understanding of EWRf to banks that will help them to extend financing to farmers against agricultural commodities as alternate collateral.

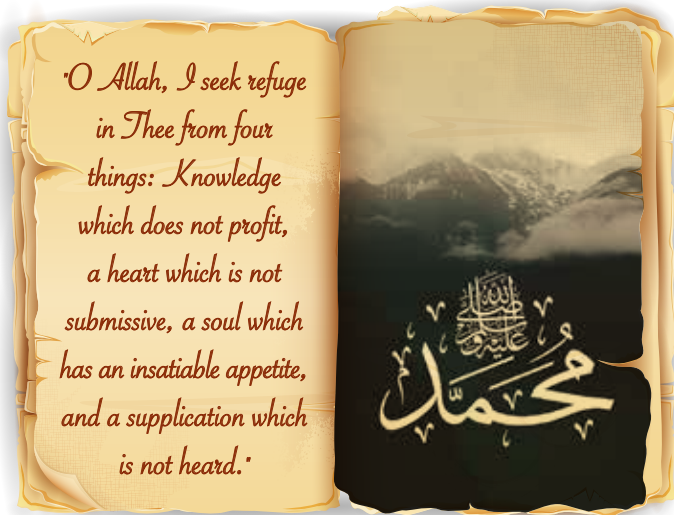
## State Bank Issues Advisory Against Illegal Offshore Foreign Exchange Trading Websites, Mobile Applications and Platforms

State Bank of Pakistan (SBP) has noticed that an increasing number of offshore foreign exchange trading websites, mobile applications and platforms such as OctaFX, Easy Forex, etc. are offering their products and services to residents of Pakistan. These digital platforms lure people through social media advertisements to buy/invest in their products or services. Examples of such products include but not limited to foreign exchange trading, margin trading, contract for differences, etc.

It is clarified for the interest of public that buying products and services being offered by aforementioned platforms by any person resident in Pakistan is prohibited and against the laws of the land. Any person in Pakistan buying products or services of such offshore platforms and remitting foreign exchange directly or indirectly to them through any payment channel is making himself/herself liable to be proceeded against for violation of provisions of the Foreign Exchange Regulation Act, 1947 (FERA).

Since such platforms are regulated neither by the SBP nor by the Securities & Exchange Commission of Pakistan (SECP); hence, the public is hereby advised to be careful and refrain from buying/investing in products and services of such offshore platforms to avoid any potential loss and legal proceedings under FERA. The instructions issued to the banks in this respect by State Bank of Pakistan are given at:

<https://www.sbp.org.pk/epd/2022/FECL8.htm>



## Pak, IMF Kick Off 7th Review on EFF Program

Federal Minister for Finance and Revenue, Miftah Ismail held a virtual meeting with International Monetary Fund (IMF) Mission chief on May 18, 2022, kicking off the 7th review on Extended Fund Facility (EFF) of the fund.

According to press statement issued by the finance ministry, the meeting was attended by Minister of State for Finance and Revenue, Dr. Aisha Ghous Pasha, Secretary Finance; Governor, State Bank of Pakistan (SBP); and Chairman Federal Board of Revenue. The first batch of the senior management of Finance Division, State Bank of Pakistan and Federal Board of Revenue has already reached Doha for the 7th Review Mission.

Finance Minister and Minister of State would be joining the team at Doha early next week to conclude the discussion with the expectation to clinch an agreement for IMF's continued support until the successful completion of the program. Finance Minister reaffirmed the government's commitment to undertake the reforms envisaged under the program and to complete the structural benchmarks. Finance Minister stated that the government understands the current economic woes and agreed that it would have to take tough decisions while mitigating the effects of inflation on the middle to low-income groups. He emphasized that few of the factors that have adversely affected the economic situation were beyond the control of the government. These included exogenous factors like supply shocks, commodity super cycle and Russia-Ukraine conflict due to which commodity prices further soared. These factors were putting pressure on Current Account as well as foreign exchange reserves, the Minister said adding the government would take measures to reduce the burden on the economy while protecting the vulnerable sections of the population.

The Minister further stated that we should aim to address structural issues so that Pakistan is able to end its fiscal deficit and move towards sustainable growth. The Finance Minister thanked the IMF Mission Chief for IMF's support at a difficult time for global economy. Both sides showed keen interest to complete the review successfully. On the occasion, IMF Mission Chief, Nathan Porter shared IMF's assessment of the challenges facing the economy with the Minister. He sensitized that Pakistan's economy demanded both immediate and long-term measures.

## Food Exports Up by 20.3 percent to \$4.5 billion in 10 Months

Food exports from the country witnessed an increase of 20.3 percent during the ten months of the current fiscal year as compared to the corresponding period of last year, Pakistan Bureau of Statistics (PBS) reported.

The exports of various food commodities were recorded at \$4,471.7 million during July-April (2021-22) as compared to the exports of \$3,717.3 million in July-April (2020-21), according to PBS data.

The food commodities that contribute in positive growth in trade included rice, the exports of which grew by 17.2 percent, from \$1,750.1 million to \$2,051.3 million.

Among the rice commodities, the exports of Basmati rice went up from \$470.2 million to \$574.2 million, an increase of 22.1 percent whereas the exports of other rice commodities climbed up from \$1,279.9 million to \$1,477.1 million, showing growth of 15.4 percent.

The other food commodities that contributed in positive growth included fruits, the exports of which increased by 4.8 percent, from \$393.4 million to \$412.2 million whereas the exports of vegetable rose by 0.5 percent, from \$277.1 million to \$278.4 million.

The exports of leguminous vegetables (pulses) increased by 100 percent, from zero exports to \$0.1 million; tobacco by 58.9 percent, from \$27.8 million to \$44.2 million; spices by 16.3 percent, from \$77.2 million to \$89.8 million; oil seeds, nuts and kernels by 118.9 percent, from \$84.6 million to \$185.2 million; meat and meat preparations by 1.9 percent, from \$279.3 million to \$284.7 million whereas the exports of all other food items increased by 63.2 percent, from \$475.9 million to \$776.5 million.

The food commodities that contribute in negative growth in trade included fish and fish preparations, the exports of which decreased by 0.7 percent, from \$351.9 million to \$349.4 million. Meanwhile, on year-on-year basis, the exports of food commodities increased by 35.7 percent during the month of April 2022 as compared to the same

month of last year. The food exports during April 2022 were recorded at \$523.9 million against the exports of \$386.1 million. On month-on-month basis, the exports of food commodities increased by 2.2 million in April 2022 when compared to the exports of \$512.7 million in March 2022, PBS reported.

## POL Import Bill Surges 95.8 percent to \$17.0 billion in 10 Months

The imports of overall petroleum group witnessed an increase of 95.8 percent during the first ten months of the current fiscal year (2021-22) as compared to the corresponding period of the last year. During the period under review, the total imports of the petroleum group stood at \$17.0 billion, as against the imports of \$8.7 billion last year, according to the latest data issued by the Pakistan Bureau of Statistics (PBS).

Among petroleum commodities, the import of petroleum products rose by 121.6 percent, from \$3.9 billion last year to \$8.6 billion during the period under review. The imports of petroleum cured also increased by 75.3 percent, from \$2.4 billion last year to \$4.2 billion during July-April (2021-22) whereas the imports of liquefied natural gas surge by 82.9 percent from \$2.0 billion to \$3.7 billion. Similarly, the import of liquefied petroleum gas grew by 39.9 percent, from \$398.2 million to \$556.9 million whereas the imports of all other petroleum group commodities increased by 33.4 percent, from \$0.2 million to \$0.2 million, the data revealed.

Meanwhile, on year-on-year basis, the petroleum group imports witnessed an increase 94.4 percent during the month of April 2022 as compared to the same month of last year. The petroleum imports during April 2022 were recorded at \$2223.5 million against the imports of \$1143.9 million during April 2021. On month-on-month basis, the petroleum imports into the country also increased by 19.4 percent during April 2022 when compared to the imports of \$1861.5 million in March 2022, the data revealed. It is pertinent to mention here that the country's total imports during July-April (2021-22) were recorded at \$65.5 billion as compared to the imports of \$44.7 billion during the same period of last year, showing growth of 46.4 percent.

The exports from the country witnessed an increase of 25.5 percent to \$26.2 billion as compared to the exports of \$20.9 billion last year. Based on the data, the trade deficit during the period under review was recorded at \$39.3 billion, showing an increase of 64.8 percent over the deficit of \$23.8 billion recorded during July-April (2020-21). The imports into the country increased from \$5.2 billion in April 2021 to \$6.6 billion in April 2022, showing growth of 26.2 percent. The exports during April 2022 were recorded at \$2.9 billion against the exports of \$2.2 billion in April 2021, the data revealed, a growth of 29.5 percent.

SNIPS

### Schools Overburdened with Refugees

About 200,000 refugees have enrolled in Polish public schools since Russia invaded Ukraine in February and an estimated half-million more Ukrainian children are living in Poland but not yet enrolled, says the Wall Street Journal.

## Governor SBP Assumes the Charge of Chairman ACU Board in its 50th Meeting

Dr. Murtaza Syed, Governor (Acting) State Bank of Pakistan (SBP) assumed the charge of Chairman of the Board of Directors of the Asian Clearing Union (ACU) in the 50th meeting of the ACU Board held in Islamabad on May 13, 2022 in both physical and virtual modes. Established in 1974 with permanent headquarters in Iran, the Asian Clearing Union (ACU) is a payment arrangement system whereby member countries settle payments for intra-regional transactions among their central banks on a net multilateral basis. Currently, the Central Banks of Bangladesh, Bhutan, Iran, India, Maldives, Myanmar, Nepal, Pakistan and Sri Lanka are members of the ACU. The main objectives of the clearing union are to facilitate payments among member countries for eligible transactions, thereby economizing on the use of foreign exchange reserves and transfer costs, as well as promoting trade and banking relations among the participating countries.

The Secretary General of ACU, Mrs. Lida Borhan Azad, presented the annual report on the operations of the union for the year 2020, which the Board approved and adopted. The Board reviewed progress on the ongoing projects being undertaken by the union. It reviewed a new web-based messaging system and constituted a sub-committee to finalize the recommendations for its implementation within six months. The Board also considered the report on issues faced by traders under the ACU mechanism and decided to implement the recommendations in the next three months. While appreciating the report on the use of domestic currencies for settlement of trade transactions prepared by the Reserve Bank of India (RBI), the Board requested RBI to convene a virtual seminar to enable member countries to gain a fuller understanding of the proposed mechanism. The Governors and head of the delegations of the countries also gave a broad overview of the economic development in their respective economies and shared their experiences in addressing the challenges emerging in the post COVID-19 global landscape. Governor Central Bank of Myanmar Mr. Than Nyein; Vice Governor Central Bank of Iran Dr. Mohsen Karimi; Chief Economist Central Bank of Bangladesh Mr. Md. Habib ur Rehman; and Executive Director Nepal Rastra Bank

Mr. Ramu Paudel participated in the meeting physically. Governor Dr. P. Nandalal Weerasinghe, and Deputy Governor of Central Bank of Sri Lanka T.M.J.Y.P Fernando; Governor Maldives Monetary Authority Mr. Ali Hashim; Ms. Yangchen Tshogel Central Bank of Bhutan; and Executive Director RBI Mr. Radha Shyam Ratho, attended the meeting virtually. At the conclusion of the Board meeting, Mrs. Lida Borhan Azad relinquished the charge of Secretary General of the ACU after distinguished service of the Union for 15 years. While appreciating the services of Mrs. Lida Borhan, the Board appointed Mr. Farhad Morsali as the new Secretary General of the ACU, as recommended by the Central Bank of Iran. The meeting ended with all member countries emphasizing their commitment to further enhancing their trade and banking relationships. It was decided that central bank digital currencies (CBDCs) would be the special topic on which research would be conducted during Pakistan's chairmanship of the ACU over the next twelve months.

## SECP Registers 2,345 New Companies in April

The Securities and Exchange Commission of Pakistan (SECP) registered 2,345 new companies in April 2022 raising the total number of registered companies to 168,030. This shows an increase of 7 percent as compared to corresponding period last year. The total number of registered companies now stands at 168,030. Total capitalization (paid-up-capital) with regard to newly incorporated companies for April stood at Rs 3.1 billion. Foreign investment has been reported in 63 new companies. These companies have foreign investors from Afghanistan, Austria, Azerbaijan, Canada, China, Denmark, Dominican Republic, Germany, Ireland, Jordan, Korea South, Philippines, Saudi Arabia, South Africa, Turkey, UAE, UK, Ukraine and the USA.

In April, about 65 percent companies were registered as private limited companies, while 33 percent were registered as single member companies. Two percent were registered as public unlisted companies, not for profit associations, foreign companies and limited liability partnership (LLP). About 99.8 percent companies were registered online and 0.02 percent companies were registered offline, while 175 foreign users were registered from overseas.

The real estate development & construction sector took the lead with incorporation of 434, information technology with 355, trading with 285, services with 195, food and beverages with 93, ecommerce with 88, education with 81, tourism with 75, marketing & advertisement with 64, corporate agricultural farming with 60, engineering with 59, healthcare with 50, pharmaceutical with 48, textile with 45, chemical with 44, logging with 40, mining and quarrying with 39, communication, and transport with 31 each, auto & allied, and power generation with 26 each, cables and electric goods with 22, fuel & energy with 17, broadcasting and telecasting, and paper & board with 16 each, cosmetics and toiletries with 15, arts & culture with 14 and 76 companies were registered in other sectors.

## International Economic Roundup

### UK Inflation Hits 40-year High of 9 percent as Energy Bills Soar

Prices are rising at their fastest rate for 40 years as higher energy bills hit millions of households. UK inflation, the rate at which prices rise, jumped to 9 percent in the 12 months to April, up from 7 percent in March. The surge came as millions of people saw an unprecedented £700-a-year increase in energy costs last month. Higher fuel and food prices, driven by the Ukraine war, are also pushing the cost of living up, with inflation expected to continue to rise this year. Citizens Advice said "the warning lights could not be flashing brighter" for the government to offer more support for households, and debt charities urged anyone finding it difficult to pay bills to seek help earlier rather than later in the year. Around three quarters of the rise in inflation in April came from higher electricity and gas bills, according to the Office for National Statistics (ONS). "There are desperate stories behind these figures," said Dame Clare Moriarty, chief executive of Citizens Advice. "People washing in their kitchen sinks because they can't afford a hot shower; parents skipping meals to feed their kids; disabled people who can't afford to use vital equipment because of soaring energy bills."



### Discriminatory Wage Gap

The wage gap typically costs Asian American, Native Hawaiian and Pacific Islander women with full-time jobs \$3,000 per year, according to a report by the National Women's Law Center.

Health analyst Cheryl Holmes, a mother-of-two, said she was trying to keep her living costs down to "as low as possible" by spending less on food and clothes, and cancelling TV subscriptions. "I've already for several years been turning the lights off in each room, setting the heating on a timer, making sure I'm using a full dishwasher and washing machine and I'm running out of ideas. It's a battle and it seems like there's not really much more that I can do." A higher energy price cap - which is the maximum price per unit that suppliers can charge customers - kicked in last month, meaning homes using a typical amount of gas and electricity are now paying £1,971 per year on average. Up until now households of all incomes had faced similar rates of inflation, but the poorest are now being hit hardest by rising prices because they have to spend far more of their household budgets on gas and electricity, think tank the Institute for Fiscal Studies said.

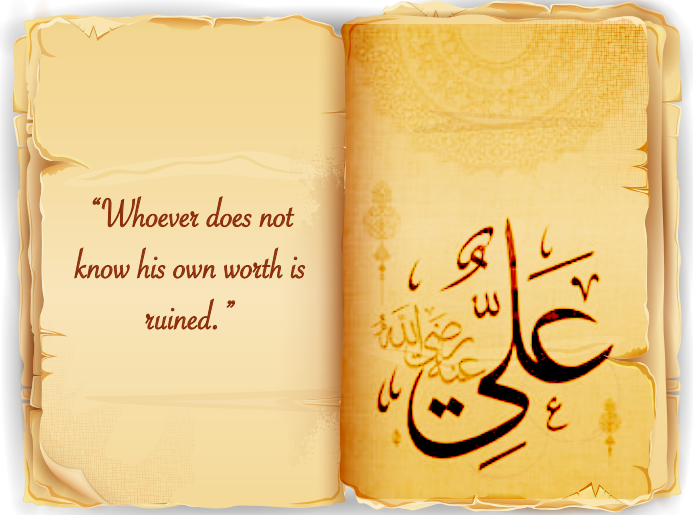
## Ukraine Invasion Could Cause Global Food Crisis, United Nation Warns

Russia's invasion of Ukraine could cause global food shortages in the coming months, the UN has warned. Secretary-General Antonio Guterres said the war had worsened food insecurity in poorer nations due to rising prices. The world could face famines that last for years if Ukrainian exports are not restored to pre-war levels, he added. The conflict has cut-off supplies from Ukraine's ports, which once exported vast amounts of sunflower oil as well as cereals such as maize and wheat. This has reduced the global supply and caused the price of alternatives to soar. Global food prices are almost 30 percent higher than the same time last year, according to the UN.

Speaking in New York on May 18, 2022, Mr. Guterres said the conflict "threatens to tip tens of millions of people over the edge into food insecurity followed by malnutrition, mass hunger and famine. There is enough food in our world now if we act together. But unless we solve this problem, we face the specter of global food shortage in the coming months," he added. He warned that there was no effective solution to the food crisis without reintegrating Ukraine's food production, as well as the fertilizer produced by Russia and Belarus, into the global market.

Mr. Guterres also said he was in "intense contact" with Russia and Ukraine, as well as the US and the EU, in an effort to restore food exports to normal levels. "The complex security, economic and financial implications require goodwill on all sides," he said. His comments came on the same day the World Bank announced extra funding worth \$12 billion (£9.7 billion) for projects addressing food insecurity. The move will bring the total amount available for such projects to more than £30 billion over the next 15 months.

Russia and Ukraine produce 30 percent of the world's wheat supply and — prior to the war — Ukraine was seen as the world's bread basket, exporting 4.5 million tonnes of agricultural produce per month through its ports. But since Russia launched its invasion in February, exports have collapsed and prices have skyrocketed. They climbed even further after India banned wheat exports on May 14, 2022. The UN says around 20 million tonnes of grain are currently stuck in Ukraine from the previous harvest which, if released, could ease pressure on global markets. While the number of people facing food insecurity had been growing even before the invasion, German Foreign Minister Annalena Baerbock, accused Moscow of making a difficult situation even worse on May 18, 2022. "Russia has launched a grain war, stoking a global food crisis," Berlin's top diplomat said. "It is doing so at a time when millions are already being threatened by hunger, particularly in the Middle East and Africa." Meanwhile, US Secretary of State Antony Blinken said the world faced the "greatest global food security crisis of our time" which had been exacerbated by what he called Russian President Vladimir Putin's "war of choice".



## Ruble Gains vs Dollar, Euro as Possible Russia Default Looms

The Russian ruble pared early losses to gain against the dollar on May 18, 2022 and headed back towards a five-year high against the euro, as some gas buyers in Europe sought to meet Russia's demand for ruble payment and sovereign default risk resurfaced. The ruble has become the best-performing currency this year despite a full-scale economic crisis, artificially supported by controls that Russia imposed in late February to shield its financial sector after it sent tens of thousands of troops into Ukraine. By 1027 GMT, the ruble was 0.4 percent stronger against the dollar at 63.33, not far from the 62.6250 level reached on May 13, its strongest since early February 2020. It had gained 0.9 percent to trade at 66.45 versus the euro, edging back towards its strongest level since mid-2017 of 64.9425, which it touched last week.

The ruble's rally to multi-year highs was slowed this week as the central bank raised the ceiling for cross-border transactions, allowing Russian residents and non-residents from friendly states to channel foreign currency abroad at an amount equivalent to up to \$50,000 a month. The previous limit was \$10,000. Export-focused companies are still obliged to convert 80 percent of their revenues, because the central bank cannot intervene after the West froze about half of its gold and foreign exchange reserves. Gas buyers in Europe were fumbling to solve a payment conundrum, after Moscow at the end of March demanded foreign buyers start to pay for gas in ruble or risk losing their supply, and appeared to take different stances on the payment scheme.

Promsvyazbank analysts said they expected the ruble to consolidate in the range of 63 to 64.5 against the greenback on May 18, 2022. Finance Minister Anton Siluanov on May 18, 2022 said Russia would service its external debt obligations in rubles if the United States blocks other options

and would not call itself in default. Washington is considering blocking Russia's ability to pay its U.S. bondholders by allowing a waiver to expire on May 25, which could push Moscow closer to the brink default. Russia's economy ministry gave new forecasts late on May 17, 2022, predicting Russia's gross domestic product (GDP) would decline by 7.8 percent this year. Meanwhile, economists at state development bank VEB said Russia's economy, hit by unprecedented Western sanctions, is potentially resilient but needs a significant increase in imports and greater freedoms.

The dollar-denominated RTS index was up 2.6 percent at 1,231.6 points, its strongest since Feb. 23. The ruble-based MOEX Russian index was 2.1 percent higher at 2,475.8 points. Veles Capital analysts said the focus on May 18, 2022 could be on dividend stories. Shares in mobile operator MTS jumped around 15 percent after the company's board recommended a dividend of 33.85 rubles (\$0.5314) per share late on May 17, 2022.

(\$1 = 63.7000 rubles)

## Shanghai Lockdown: China Unemployment Rate Near Pandemic Peak

China's jobless rate rose to 6.1 percent in April, the highest level since the 6.2 percent peak seen in the early part of the COVID-19 pandemic in February 2020. It comes as widening lockdowns led to a sharp slowdown in activity for the world's second largest economy.

Official figures also show retailers and manufacturers were hit hard. Full or partial lockdowns were imposed in dozens of cities in March and April, including a long shutdown of the commercial center Shanghai.

Chinese Premier Li Keqiang recently described the country's employment situation "complicated and grim" following the worst outbreaks of the virus since 2020.

Still, the government aims to keep the jobless rate below 5.5 percent for this year as a whole. The rise in unemployment came as lockdowns had an impact across the Chinese economy.

Retail sales saw the biggest contraction since March 2020 as they shrank by 11.1 percent in April from a year earlier, according to China's National Bureau of Statistics. That was much worse than March's 3.5 percent drop and missed the economists' expectations of a 6.1 percent fall.

At the same time industrial production fell by 2.9 percent from a year earlier, as measures to stop the spread of the coronavirus had a major impact on supply chains. That was the largest decline since February 2020 and marked a reversal of the 5 percent gain in March.

However, Shanghai on May 16, 2022, set out plans for the return of more normal life from the start of next month and the end of a lockdown that has lasted more than six weeks and contributed to the sharp slowdown of China's economy. In the clearest timetable yet, Deputy Mayor Zong Ming said the reopening of the financial, manufacturing and trading hub would be carried out in stages, with movement curbs largely to remain in place until 21 May to prevent an increase of infections, before a gradual easing.

## MANAGEMENT VIEWS



### Make Work More Fun

Is having fun at work important? Short answer: Yes! Research suggests that fun has a positive impact on employee engagement, creativity, and retention. So, how can you make it part of your workday?

- **Gamify your to-do list.** As soon as you finish a task, reward yourself with something small — take a walk, call a friend, or buy yourself a treat.
- **Switch things up.** Making simple changes can give you a fresh perspective. For example, try putting challenging work tasks on post-it notes so that you can squish them into balls and toss them in the trash when you complete them.
- **Create a soundtrack to your workday.** Build different playlists for different types of tasks. Matching your energy and rhythm to the music can be an effective way to build some positive momentum throughout the day.
- **Vary your location.** Are things starting to feel boring? Head over to your favorite coffee shop to finish your workday — or better yet, take your next phone call on a walk. A temporary relocation can be restorative, rejuvenating, and, well, fun!

(This tip is adapted from *Why Work Should Be Fun*, by Bob Nelson – HBR.)

### Make Compassion a Priority, Even When Your Organization Does Not

Compassion is an essential component of good leadership. But this can be a difficult ideal to live up to when the rest of your company's culture is more cutthroat. To be compassionate when that is not the norm, you need to lead by example. Your behavior sets the bar. People notice how you change your position when you receive new information,



how you deal with pressure, and whether you are going to bat for them. Do your best to show up for your team, even when that means going against the grain. Even as you try to treat everyone with kindness and interest, you will have to make choices about where to invest your time and energy. Otherwise, you are heading right into burnout territory. So, choose your priorities carefully and try not to overpromise. Finally, continue delivering business results. The more you do that, the more organizational credibility you will develop, and you will need that clout to advocate for your team and their interests. Ideally, others outside your area will come looking to see how you have been so successful and learn from your compassionate ways.

(This tip is adapted from *How to Be a Compassionate Manager in a Heartless Organization*, by Liz Kislik – HBR.)

## Do Not Let Microaggressions Slide

Microaggressions – insensitive statements, questions, or assumptions aimed at traditionally marginalized identity groups – are not only harmful to the person on the receiving end of them but also to a team’s culture. If you see a microaggression take place at work, how should you respond? Start by asking yourself: What is the right moment to say something – if at all? Consider the environment and be thoughtful about how to create a safe space for the conversation. Think about whether the conversation is best had in the moment (possibly in front of other people) or one-on-one. And if you do decide to confront someone, try to “call them in” by engaging in an honest, authentic dialogue rather than “calling them out.” Next, consider your relationship with the person who has made the transgression. If you know them well, you may be able to simply say, “Hey, you made a comment earlier that did not sit well with me.” However, if you do not have a personal relationship with the colleague, consider what you know about their personality (do they tend to be combative?) and history with uncomfortable conversations (are they generally approachable?). You may also need to bring in other colleagues they are closer with to help facilitate the conversation. Finally, be honest about your level of familiarity with the subject at hand. For example, maybe you recognize that a comment is a racial microaggression, but you do not know the history or full implications of it. In that case, it is OK to talk to the person and express your concern, but recognize you are not an authority on the topic, and consider learning more first or talking to someone who has more familiarity with the topic.

(This tip is adapted from *Recognizing and Responding to Microaggressions at Work*, by Ella F. Washington – HBR.)

## How to Support an Employee Who is Struggling with a Mental Health Issue

Talking about mental illness is not easy, especially at work. But it is essential, as a leader, that you are prepared to have conversations, particularly with employees who are struggling. Here are several things you can try to make sure you are a well-equipped mental health ally to an employee who you are concerned about.

- **Prepare yourself.** Think about any assumptions or preconceptions you may have about mental health conditions and the people who deal with them – then, discard them. Educate yourself on the mental health resources your organization offers. And consider your own history with mental health, and whether you would be willing to share your experience with others.
- **Find a good time to chat.** Keep an eye out for signs that the employee is struggling. Watch for lack of concentration, missed deadlines, decreased communication, or repeated, unexplained absences. Try to pick a “good day” when your colleague seems approachable or relaxed. (And remember, some people show no outward signs of struggle or work concerns, so you cannot always assume that someone is not struggling merely based on their appearance or work performance.)
- **Start gently.** Talking about mental health should feel normal. Simply asking, “How are you feeling today?” or “How was your weekend?” or “How’s that assignment going?” can create space for the discussion. Of course, do not force the conversation – follow the employee’s lead. Strike an open, genuine, and empathic tone. A casual, non-confrontational approach can facilitate a more open dialogue.
- **Reassure.** Remind them of how they were able to overcome challenging tasks in the past, reassuring them that things will be OK, and making them feel valued and needed. Many people with mental illness fear being disliked, abandoned, or rejected once others learn of their issue. So continue to have regular conversations while gently checking in.

(This tip is adapted from *How to Be a Mental Health Ally*, by Katherine Ponte – HBR.)

# MAY

	Workshop	Facilitator	Fee	Timings	
21 Saturday	Financing Needs for Potential Women Borrowers	Muhammad Akbar	PKR 8,500 <i>(Excluding Sales Tax)</i>	10:00 AM - 2:00 PM	VIRTUAL TRAINING
21 Saturday	State Bank's Banking on Equality Policy	Muhammad Akbar	PKR 8,500 <i>(Excluding Sales Tax)</i>	3 PM - 7 PM	VIRTUAL TRAINING
21 Saturday	Prudential Regulations for SME	Fatima Javaid	PKR 8,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING
24   Tue Multan	Regulatory Compliance and Internal Control	Sehrish Taj	PKR 12,500 <i>(Excluding Sales Tax)</i>	9 AM - 5 PM	CLASSROOM TRAINING
25 Wednesday	IBFT/ATM Frauds: Operational & Monitoring Lapses	Syed Khurram Abbas	PKR 8,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING
26 Thursday	Cloud Computing and Security	Imran Ashraf	PKR 8,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING
28 Saturday	SBP Refinancing Schemes	Mazhar Shahzad	PKR 8,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING
May 28, 29 - June 4, 5, 11, 12 Saturday & Sunday	Certificate Course for Verification Officer in Microfinance Banks	Multiple Trainers	PKR 20,000 <i>(Excluding Sales Tax)</i>	10 AM - 2 PM	VIRTUAL TRAINING
30 Monday	Anti Harassment Compliance and Implementing Controls	Erum Saleem	PKR 8,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING