

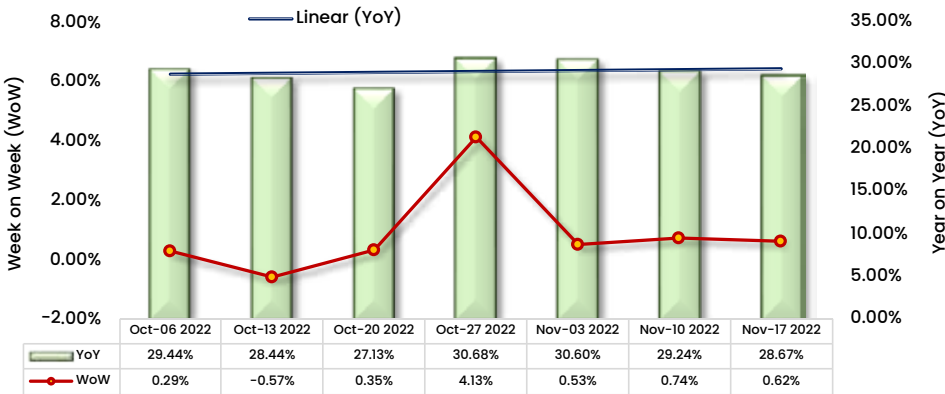
Domestic Economic Roundup

Key Money & Banking Indicators:

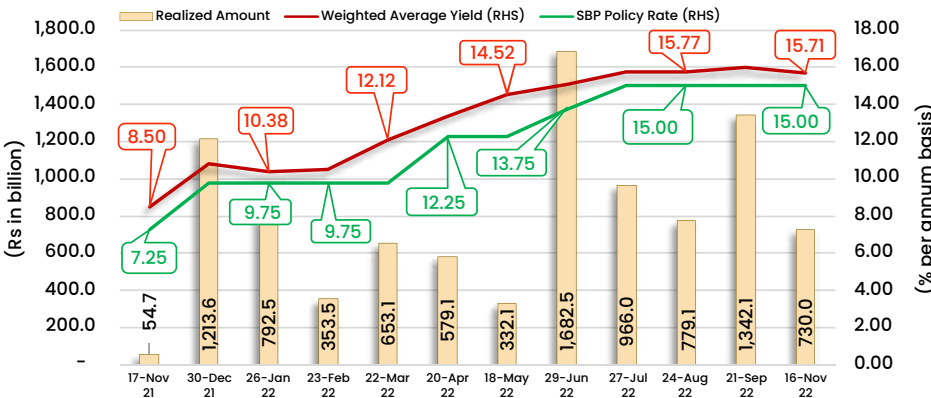
	Stocks at End - June 2022	Flows		Impact Since 1st July to	
		FY21	FY22	28-Oct-22	29-Oct-21
Total Deposits with Banks	19,934.8	2,595.0	2,615.1	(271.4)	(374.1)
Broad Money (M2)	27,603.0	3,389.7	3,305.3	(187.0)	(244.0)
Govt. Sector Borrowings (Net)	19,666.8	1,717.9	3,401.7	316.0	86.6
Credit to Private Sector	9,241.2	766.2	1,612.1	1.9	270.9

(Rs in billion)

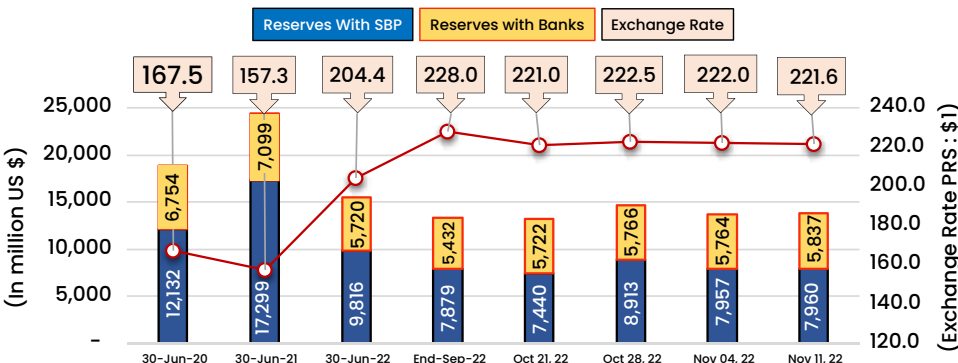
Weekly Trend in Sensitive Price Indicator (SPI)



MTBs Acceptance (Auction+ Non-Competitive Bids)



Forex Reserves and Exchange Rate



Markets at a Glance

Rates taken till Friday, November 18, 2022

SBP POLICY RATE

15.00% | Effective from July 13, 2022

KIBOR (6 MONTHS)

	Bid%	Offer%
Change Starting	15.59	15.84
Change Ending	15.61	15.86
Change	+0.02	+0.02

FOREX RATES

	GBP	EURO	USD
Change Starting	PKR 260.03	PKR 226.90	PKR 221.64
Change Ending	PKR 265.76	PKR 231.12	PKR 223.17
Change	+5.73	+4.22	+1.53

PAKISTAN STOCK EXCHANGE

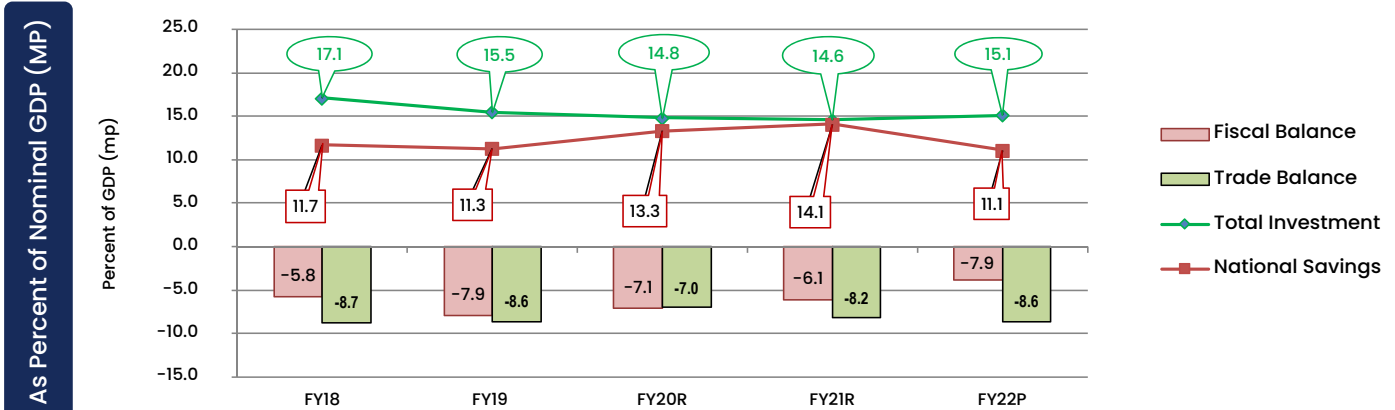
	100 Index
Change Starting	43,092
Change Ending	42,730
Change	-362

GOLD RATES

	10 GM, 24K
Change Starting	PKR 124,611
Change Ending	PKR 125,714
Change	+1,103

Pakistan's Major Economic Indicators

Real Sector (Percent Growth)	FY18	FY19	FY20 ^F	FY21 ^R	FY22 ^P
Real GDP (2015-16 = 100)	6.1%	3.1%	-0.9%	5.7%	6.0%
Agriculture Sector	3.9%	0.9%	3.9%	3.5%	4.4%
Manufacturing Sector	7.1%	4.5%	-7.8%	10.5%	9.8%
Services Sector	6.0%	5.0%	-1.2%	6.0%	6.2%
Real GDP (Rs in billion)	33,859.6	34,916.0	34,586.7	36,572.6	38,755.1
Nominal GDP (Rs in billion)	36,514.2	41,110.2	44,746.9	52,213.3	62,677.6
GNI (MP) PRS Per Capita	194,181	214,695	230,349	268,223	314,353
GNI (MP) US \$ Per Capita	1,768	1,578	1,458	1,676	1,798



CPI INFLATION	Annual Average			Year-on-Year		
	FY20	FY21	FY22	Oct 2021	Sep 2022	Oct 2022
General	10.7	8.9	12.2	9.2	23.2	26.6
Food (Urban)	13.6	12.4	13.4	9.4	30.8	34.7
Non-Food (Urban)	8.3	5.7	10.8	9.7	15.2	18.2

Currency in Circulation as on (Stock data)						Rs in billion
June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	Oct 29, 2021	Oct 28, 2022	
4,950.0	6,142.0	6,909.9	7,572.5	7,040.6	7,671.0	

Sources: i) Pakistan Economic Survey 2021-22, Finance Division ii) Pakistan Bureau of Statistics iii) Data published on SBP website | P = Provisional | R = Revised | F = Final

US Launches Initiative to Enhance US–Pakistan Bilateral Trade

In honor of Global Entrepreneurship Week, US Ambassador Mr Donald Blome, joined by the Minister of State for Finance and Revenue, Dr Ayesha Ghaus Pasha, formally launched a United States government-led initiative to enhance US–Pakistan bilateral trade.

The United States has long been Pakistan’s largest export market, with potential for further growth. According to the US Census Bureau, the United States imported nearly \$5.3 billion in Pakistani goods in 2021, and US investments in Pakistan went up by 50 percent in the past year.

The Investment Promotion Activity (IPA), implemented by the United States Agency for International Development (USAID), is a five-year project that will help strengthen Pakistan’s business environment, build the capacity of Pakistani institutions focused on investment promotion, attract foreign direct investment, and increase US–Pakistan bilateral trade and investment. Overall, the project aims to reduce barriers to investment and trade by improving Pakistan’s investment promotion capabilities.

The project will also provide grants to firms registered in Pakistan that are interested in enhancing trade with the United States and have the potential to attract foreign direct investments. These grants will play a critical role in connecting Pakistani firms with investors in the United States and other countries.

During the launch event, a Fireside Chat on US–Pakistan Bilateral Trade Opportunities, Ambassador Blome remarked, “The United States has been a leading investor in Pakistan for the past 20 years, and US investment in Pakistan is the highest it has been in over a decade. Building on and expanding that strong foundation of economic cooperation, we are continuously seeking to increase bilateral trade, boost investment, and improve entrepreneurial and educational opportunities for Pakistanis.”

As a part of the US government’s long-term commitment to helping Pakistanis secure a more prosperous future, USAID is working closely with the Government of Pakistan to streamline its business practices, improve governance, promote regulatory reforms and competition with the goal of lowering the cost of doing business, and strengthening the investment climate for foreign investors in Pakistan.

The newly launched activity will promote opportunities for enhanced trade and investment between American and Pakistani businesses.

Ayesha Ghaus Pasha said Pakistan was a resource-rich country with over 50 percent population under the age of 19 years. She said the foreign investors could explore the untapped areas in Pakistan such as tourism, hospitality, and IT sectors.

She said there was no more a security issue in Pakistan so the world must focus its attention to this big market.

FBR Policy Based on Direct Tax Dominated System

Federal Board of Revenue (FBR) on November 12, 2022 said that present policy of the Board and government is based on direct tax dominated system like the principle of equity where tax contribution is proportional to ability to pay.

Clarifying a news item published in press, it said that FBR appreciates and acknowledges the importance of direct taxes and income tax as highlighted by the authors in news item titled “Dismal Income Tax Collection”, published on November 11, 2022.

It is clarified that the present policy of FBR and the federal government is also based on direct tax dominated system like the principle of equity where tax contribution is proportional to “ability to pay”.

As a result, direct taxes collection continues to register steady growth and during the first four months of the current year direct taxes/income tax have risen to Rs 886 billion which is 41 percent higher than the direct tax inflows during the same period last year.

It is also mentioned that there is a shift in the tax mix and the ratio of direct tax to indirect tax is also increasing.

Resultantly, during first four months of the current year, percentage contribution of direct taxes in overall revenue has increased to more than 41 percent for the first time in a decade, as against 36–39 percent in the past few years as has also been quoted by the authors.

Although, FBR does not agree with the notion that withholding taxes are collected in indirect mode, FBR, during the last few years, has adopted the policy of reducing withholding tax provisions and introducing measures which directly target the rich.

Even, during the current year’s budget, maximum amendments were introduced regarding direct taxes. These amendments were aimed at taxing affluent and wealthy class by including provisions such as super tax, CVT on foreign assets, deemed rental income on the assets of the rich and higher rates for companies earning high profits such as banks.

These provisions alone have a revenue impact of approximately Rs 250 billion. At the same time certain withholding tax provisions were eliminated and consequently, the percentage contribution of withholding taxes in direct taxes has also been reduced to 65.8 percent during first four months from 67.1 percent during corresponding period of the previous year.

Authors have also pointed out towards declining tax-to-GDP ratio. Although, tax-to-GDP ratio is lower than what is desired, it is clarified that the current ratio is due to rebasing of GDP from 2005-06 figures to 2015-16 figures, thus adversely impacting it. With base year 2005-06, tax-to-GDP ratio would have been higher by at least 2 percentage points.

To further improve the ratio, FBR is continuously striving to increase the tax base with the help of IT/automation and third-party data.

In this regard Directorate General of Broadening of Tax Base was made functional during last month along with establishment of Directorate General of Digital Invoicing & Analysis.

SBP introduces Whistle Blowing Forum for Identification of Unauthorized Foreign Exchange Activities by Public

In order to promote an environment of accountability and integrity, State Bank of Pakistan (SBP) has introduced a dedicated email address i.e. (WhistleBlowing.FX@sbp.org.pk), using which public at large can report to SBP any unauthorized foreign exchange activity. This email may also be used to report any unauthorized activity carried out by an exchange company or where exchange company is not providing system generated receipt of the currency exchange transaction.

While reporting an unauthorized foreign exchange activity, the complainant is expected to provide facts and as much specific information and particulars as possible to examine the matter thoroughly. They are also expected to refrain from rumor mongering, speculation, false and frivolous allegations/accusations. The disclosure of identity for utilizing this forum is voluntary; however, if shared the identity will be kept confidential. The public at large is encouraged to be judicious in reporting incidents.

Further, if a person faces any issue in dealing with exchange companies, he/she may share the concerns at facilitation.fx@sbp.org.pk. Examples of such issues may include but are not limited to sale/purchase of foreign currency notes by Exchange Companies issuing receipts which are not system generated, charging exorbitantly high exchange rate over those displayed on the notice board, denial of genuine requests of the customer for provision of foreign currencies, etc.

Foreign Exchange business in Pakistan is regulated by State Bank of Pakistan (SBP) under Foreign Exchange Regulation Act, 1947. Under the aforesaid Act, SBP has authorized twenty-six Exchange Companies of "A" category and twenty Exchange Companies of "B" category to deal in foreign exchange business including sale purchase of foreign currency notes. The list of authorized outlets of exchange

companies of "A" & "B" category can be accessed at the following link:

<https://www.sbp.org.pk/epd/pdf/NetworkExchangeCompaniesSector.pdf>



SECP Registers 2,361 New Companies in October 2022

The Securities and Exchange Commission of Pakistan (SECP) registered 2,361 new companies in October 2022, according to a November 11, 2022 press release. This shows an increase of 17 percent as compared to corresponding period last month. The total number of registered companies now stands at 180,996.

Foreign investment has been reported in 77 new companies. These companies have foreign investors from Afghanistan, Austria, Australia, Bangladesh, China, Denmark, Iran, Italy, Jordan, Korea South, Lebanon, Lithuania, Norway, Saudi Arabia, Singapore, Yemen, Tunisia, Turkey, the UAE, the UK, and the US.

Total capitalization (paid-up-capital) with regard to newly incorporated companies for the current month stood at Rs 3 billion.

In October, about 60 percent companies were registered as private limited companies, while 37 percent were registered as single member companies. About three percent were registered as public unlisted companies, not for profit associations, foreign companies and limited liability partnership (LLP). Nearly 99.8 percent companies were registered online. The real estate development & construction sector took the lead with incorporation of 432, information technology with 355, trading with 279, services with 234, food & beverages with 93, ecommerce with 92,

tourism with 84, education with 83, corporate agricultural farming with 72, marketing & advertisement with 56, engineering with 45, power generation with 44, and 814 companies were registered in other sectors.

As a result of integration of SECP with FBR and various provincial departments, 1,969 companies were registered with FBR for generation of NTN, 81 companies with EOBI, 47 companies with PESSI/SESSI and 57 companies with excise and taxation department.

The 10,000 Myth

While 10,000 steps a day is considered the ideal to improve health, as few as 3,800 steps per day has benefits, and walking at a faster pace is even better for you, according to a study published in JAMA Neurology.

World Bank Terms Performance of FBR Under 'Pakistan Raises Revenue Program' as Satisfactory

A meeting was held between Chairman FBR, Mr Asim Ahmad and Country Director World Bank, Mr Najy Benhassine, Pakistan, to review the progress of Pakistan Raises Revenue Program (PRRP) on November 10, 2022 at FBR HQ.

FBR is implementing Pakistan Raises Revenue Program with financial assistance from the World Bank. The program is expected to contribute to a sustainable increase in domestic revenue by broadening the tax base and facilitating compliance. The World Bank has recently concluded the Mid-Term Review of the program in October to November 2022. Based on initial findings the World Bank has expressed overall satisfaction with the progress of the project due to major reforms in simplifying tax regime, automating tax administration, expanding tax net, harmonizing GST etc. The Chairman FBR praised the efforts of the teams on both sides and added that the program is going to further strengthen Information Communication Technology (ICT) based tax administration through upgrading and enhancing IT based capacities of FBR. The FBR and World Bank agreed to keep pursuing the reforms agenda under the project with renewed vigor and focus to ensure that all the desired results are achieved.

Planning Commission to Launch Pakistan Outlook 2035 on Future Socio-Economic Roadmap

The Planning Commission has initiated a comprehensive study on the future development scenario building for Pakistan titled "Pakistan Outlook 2035".

The initiative, which will assess long-term challenges in the light of prevailing economic crisis and changing global dynamics in key sectors of the economy and identify policy choices for the policy makers for rapid socioeconomic development of the country, said a press release. While chairing a meeting of the Planning Commission Members, Minister Planning and Development, Mr Ahsan Iqbal said that the study would be launched at the start of 2023, and that it would act as a prelude to developing Pakistan's Vision 2035 and Vision 2047.

He emphasized that Pakistan's economy required fundamental structural changes and development of new export led growth paradigm.

This could only be achieved by following a consistent policy framework for at least a decade.

"The country in 2017-18 was well on its way to realize the target of joining top 25 economies of the world by 2025 as set in Pakistan's Vision 2025 launched in 2014 under PMLN government but the change of government in 2018 caused a major diversion.

Continuity of policies was discarded and path of confrontation and reversals was adopted by previous government which destroyed the investor confidence and progress.

Nearly four years later, we inherited a country close to economic bankruptcy," said the minister.

While underscoring the significance of Pakistan Outlook 2025, he added, "Since day one our topmost priority has been to bring about an economic turnaround and stabilization in the country and resume the journey to national progress. Pakistan Outlook 2035 will help us understand where we are at present and where are we headed if we do business as usual a decade and a half later."

The Members of the Commission were assigned to complete the study through engagement with the relevant stakeholders. The minister directed to establish a Steering Committee for supervising the initiative, comprising of country's top economists, private sector and research institutions in the country.

The Chief Economist will coordinate the effort. The future needs assessment and target setting in Pakistan Outlook 2035 will be done on the basis of seven pillars of the

previous vision, which include: developing human and social capital; achieving sustained, indigenous and inclusive growth, democratic governance, institutional reform and modernization of the public sector; energy, water and food security; private sector and entrepreneurship-led growth; developing a competitive knowledge economy through value addition; and modernizing transportation infrastructure and greater regional connectivity.

Taking the Plunge
Even if you meet only 60 percent of the criteria of a job, apply for it, advises the Harvard Business Review.

In each case, the needs assessment and target setting will be done on the basis of two scenarios including business-as-usual scenario and the aspirational/transformational scenario.

In order to incrementally achieve tangible progress in key spheres of socioeconomic development, the study will assess the evolving needs and specify requisite interventions in each sphere on immediate, mid-term and long-term basis. It will also take into consideration the enabling and constraining factors in the process.

"In health and education, for instance, we will have to assess ahead of time what new facilities and staff we need in the light of expanding population and resource crunch. It is only on the basis of such assessment that we can optimally utilize existing human and material resources and mobilize new ones," said Dr Nadeem Javed, the Chief Economist.

Pakistan Outlook 2035 strategic document will be aligned with the 17 Sustainable Development Goals of the United Nations, ranging from poverty alleviation to climate change, on which the government is committed to realize credible progress by 2030.

The findings and recommendations of the study will be shared with the political leadership so that a national consensus is built on how to steer the country towards sustainable economic prosperity while muddling through economic and political uncertainties along the way.

International Economic Roundup

Bank of Japan (BOJ) Governor Rules Out Rate Hike Until Wages Rise More

Bank of Japan (BOJ) Governor Haruhiko Kuroda said on November 18, 2022 wages must rise by around 3 percent for inflation to sustainably hit the bank's 2 percent target, stressing the need to avoid raising interest rates until the economy strengthens enough to further drive-up pay.

Kuroda said core consumer inflation, which hit a 40-year high of 3.6 percent in October, was rising "quite a bit" but will likely slow back below 2 percent in the next fiscal year, as the impact of soaring fuel and raw materials costs dissipates.

With uncertainty over Japan's economic outlook extremely high, the central bank must focus on supporting growth with an ultra-loose policy until wages rise more, he said in semi-annual testimony to parliament.

"Raising interest rates now could delay Japan's economic recovery," Kuroda said. "I'm not saying the BOJ cannot raise rates indefinitely. I'm saying that it's inappropriate to raise rates now, in light of current economic and price developments."

Japan's nominal wages rose 2.1 percent in September from a year earlier, marking the fastest pace since 2018 but below the recent rise in inflation above 3 percent, a sign that households' purchasing power was being crippled by broad price hikes.

"It's difficult to sustainably achieve our 2 percent inflation target unless nominal wages rise steadily," Kuroda said. "We'll continue with our monetary easing to support the economy and achieve our 2 percent inflation target in a sustained, stable fashion backed by wage growth," he said.

Kuroda has repeatedly called for the BOJ to keep monetary policy ultra-loose, drawing criticism from some opposition lawmakers who blame Japan's low rates for weakening the yen and pushing up the cost of imports.

Some lawmakers and academics have called for reviewing a joint statement the government and the BOJ signed in 2013, which holds the central bank responsible for achieving 2 percent inflation with ultra-easy monetary policy.

"I don't see the need now to review the statement," Kuroda said, brushing aside the possibility of watering down his pledge to maintain an ultra-loose policy until 2 percent inflation is sustainably achieved.



Indonesia Central Bank's Says November Inflation Could Come in at 5.5 percent

Indonesia's headline inflation in November could come in at 5.5 percent, or lower than previous month when headline inflation was 5.7 percent, its Deputy Governor said on November 17, 2022, citing Bank Indonesia's (BI's) latest survey.

"(5.5 percent) is still high and still needs policies to manage that, but actually we are in a relatively better position than other countries," Deputy Governor Dody Budi Waluyo said at a book launch event. BI's inflation target is a range of 2-4 percent. In September, inflation reached nearly 6 percent or the highest in seven years.

Referring to BI's key interest rate, Dody said while the current rate of 5.25 percent was "quite high", BI was taking into account the effect of tightening monetary policy on economic recovery. At BI's policy meeting on Thursday, BI raised its key interest rate by 50 basis points for a third consecutive month and pledged to strengthen its response to "high" inflation expectations.

UNICEF Launches World's First Child-Focused Climate Risk Financing Initiative

The United Nations' Children's Fund, UNICEF, on November 16, 2022 launched a new child-focused initiative designed to increase countries' disaster preparedness and better cope with future climate calamities.

"We know more climate disasters are in the making. We just do not know where or when they will hit", Karin Hulshof, UNICEF Deputy Executive Director for Partnerships, said.

The 'Today and Tomorrow' initiative, for the first time, combines funding for immediate resilience and risk prevention programs for children today, with risk transfer finance provided by the insurance market to help cope with future cyclones.

"The risks of climate change are no longer hypothetical. They are here. And even while we work to build communities' resilience against climate disasters, we have to become much better in pre-empting risks for our children", she added.

Youth are a critically vulnerable population who are among the most affected by extreme weather events, UNICEF said. Last year, UNICEF's Children's Climate Risk Index estimated that 400 million children are currently at high exposure to cyclones.

During the initial three-year pilot, the initiative will focus on Bangladesh, Comoros, Haiti, Fiji, Madagascar, Mozambique, Solomon Islands, and Vanuatu.

To move forward, UNICEF is raising \$30 million for the project and calling for additional private and public partners to join the agency in closing the intensifying humanitarian financing gap for disaster protection for children and youth. Although extreme weather damage perpetuates and deepens inequality and poverty across generations, existing risk transfer mechanisms do not meet the specific needs of hundreds of millions of children and youth.

'Today and Tomorrow' is the first pre-arranged and event-based climate disaster risk financing mechanism that specifically targets the "child protection gap", with full support for the future, as secured by the governments of Germany and the United Kingdom under the newly launched G7-V20 Global Shield against Climate Risks.

CBUAE Participates in Tawdheef to Promote the Participation of Emiratis in the Financial Sector

The Central Bank of the UAE (CBUAE) participates in the annual Tawdheef Recruitment Show 'Tawdheef', from 14 to 16 November 2022 at the Abu Dhabi National Exhibition Center (ADNEC).

This comes in line with its commitments to achieve the strategic Emiratization goals as part of the national agenda and enhance the participation of Emirati nationals in shaping the future of the financial sector. In addition, through this participation, the CBUAE aims to accelerate the implementation of the national human capital empowerment programme in the financial and insurance sectors by encouraging Emirati talents to flourish, boost their professional paths and develop their expertise in light of the fast-paced development and ever-changing landscape of the sector.

The CBUAE provides exciting career opportunities across a broad range of disciplines in core and support departments, with a focus on attracting the right caliber who will support the vision the CBUAE to be among the top central banks globally.

The CBUAE offers a work environment that promotes innovation and agility, and continuous professional development, to promote financial and monetary stability supporting the UAE's competitiveness of the financial sector in line with future economic trends.

His Excellency Khaled Mohamed Balama, Governor of the CBUAE, said: "Emiratization is at the top of our strategic priorities that is in line with the UAE leadership's vision. We continue to work on enhancing the efforts on various initiatives to attract and invest in qualified Emirati talents, as they are the cornerstone of growth and progression towards a better future for the UAE financial and insurance sectors".

World Population Hits 8 billion on November 15, 2022, Creating More Challenges: UN

The world's population reached 8 billion on November 15, 2022, growing by 1 billion in the last 12 years and reflecting the rapid population spike of the past few decades, according to the United Nations.

The UN's World Population Prospects 2022 report has also specified that eight countries, including Pakistan, will be the biggest contributors in the next billion-mark population rise. The other nations are: India, Egypt, Congo, Ethiopia, Nigeria, Philippines, and Tanzania.

The report said India is set to become the world's most populous country by next year, surpassing China.

The UN attributed the "unprecedented growth" of the population to the increase of the human lifespan as a result of improvements in healthcare, medicine and nutrition as well as high levels of fertility in some countries.

"8 billion hopes. 8 billion dreams. 8 billion possibilities. Our planet is now home to 8 billion people," the United Nations Population Fund (UNFPA) tweeted.

"Unless we bridge the yawning chasm between the global haves and have-nots, we are setting ourselves up for an 8-billion-strong world filled with tensions and mistrust, crisis and conflict," UN Secretary-General Antonio Guterres said.

The report said that India's population stands at 1.4 billion in 2022, compared with China's 1.4 billion. India is projected to have a population of 1.7 billion in 2050, way ahead of China's 1.3 billion people by the middle of the century. The UN described the global population reaching 8 billion

as a "remarkable milestone", with long-term significance for both rich and poor countries. While it took hundreds of thousands of years for the world's population to reach 1 billion, the world grew from 7 billion to 8 billion just since 2010, a reflection of advancements in health.

As the world is expected to grow even more to over 10 billion during the next 60 years as the UN's population division of the Department of Economic and Social Affairs (DESA) reported, population growth is slowing relative to the past, and the UN warns that the challenges of feeding, housing and keeping that level of people from polluting the climate will be significant.

On the bright side, the increase in global life expectancy grew to almost 73 years, and is expected to reach 77 years in 2050.

Another key point in the UN's population report, updated in its November brief, is the gender divide: Today there are just slightly more men than women, but that even out by 2050. The '8 billion' person number is also a wake-up call for the US since the report says that global migration "will be the sole driver of population growth in high-income countries."

The report was originally published on World Population Day five months ago. It projected November 15, 2022 as the day for the 8-billion-person milestone, now dubbed the "Day of Eight Billion," to be launched by DESA, the UN's health agency (WHO), and the UN's population fund (UNFPA) at UN Headquarters in New York. A more recent policy brief – with graphs and projections by DESA was updated this month.

Cost of Living: Japan Economy Unexpectedly Shrinks After Yen Slides

Japan's economy has unexpectedly shrunk for the first time in a year as the rising cost of living hit consumer spending growth.

Gross domestic product (GDP) fell by an annualized 1.2 percent in the three months to the end of September. People reined in spending amid fears of a global slowdown and as the weak yen made imports more expensive.

However, economists expect the world's third biggest economy to avoid recession as it bounces back this year.

"We are expecting a flip back into expansion" by the end of 2022, Darren Tay, Japan economist at Capital Economics said in a note to investors. The Japanese economy "will benefit from a rebound in inbound tourism and a stronger trade balance. But virus risks and rising inflation will limit the extent of the recovery," he added. Along with global economy slowing and inflation rising around the world, Japan has struggled as its currency fell in value against the US dollar this year.

Last month the yen hit fresh 32-year lows against the dollar, which has made the cost of imported goods – from oil to food – more expensive for Japan's households and businesses. The yen's slide in recent months has been driven by the difference between interest rates in Japan and the US.

Since March, the US Federal Reserve has aggressively raised its main interest rate as it tries to tackle the rising cost of living.

Meanwhile, the Bank of Japan has kept its key rate below zero. Higher interest rates tend to make a currency more attractive to investors. As a result, there is less demand for currencies from countries with lower rates and those currencies fall in value.

However, EY's Nobuko Kobayashi highlighted that the currency's slide is good news for Japanese companies that sell their goods abroad.

"For the exporters, a weaker yen is definitely positive as it pushes down the cost. For those who produce and locally serve overseas markets, the profit converted into yen is inflated because of cheaper yen. Thus, automotive and electronics sectors benefit from weaker yen," she said.

Ms Kobayashi added that the weak yen may also be good for Japan's economy as it could help to attract investment from overseas.

Central Banks of Indonesia, Malaysia, Philippines, Singapore and Thailand Seal Cooperation in Regional Payment Connectivity

Bank Indonesia (BI), Bank Negara Malaysia (BNM), Bangko Sentral ng Pilipinas (BSP), Monetary Authority of Singapore (MAS), and Bank of Thailand (BOT) have agreed to strengthen and enhance cooperation on payment connectivity to support faster, cheaper, more transparent, and more inclusive cross-border payments. A Memorandum of Understanding (MOU) on Cooperation in Regional Payment Connectivity (RPC) was signed on November 14, 2022 in Bali, Indonesia, on the sidelines of the G20 Leaders' Summit with keynote address from Indonesia's President, His Excellency Joko Widodo.

During his remarks at the signing ceremony, President Widodo emphasized the importance of concrete joint collaborative action in addressing global challenges. The President also expressed his highest appreciation to the Governors of the five central banks for their commitment to delivering innovative breakthroughs that will further accelerate regional payment connectivity.

The RPC is expected to be a significant contributor to accelerating regional economic recovery and promoting inclusive growth. The implementation of cross-border payment

connectivity serves to support and facilitate cross-border trade, investment, financial deepening, remittance, tourism, and other economic activities, as well as a more inclusive financial ecosystem in the region. This is particularly beneficial for micro, small, and medium enterprises as it will facilitate their participation in international markets. The cooperation will include a number of modalities, including QR code and fast payment.

Accelerating economic and financial digitalization has become a global initiative with the G20 establishing its Roadmap for Enhancing Cross Border Payments. The cooperation initiative is also in line with Indonesia's G20 Presidency priority agenda in the area of digital transformation, including through payment systems in the digital era, manifested by the joint efforts to pursue enhanced cross-border payment connectivity involving Indonesia, Malaysia, Philippines, Singapore, and Thailand. Going forward, this payment connectivity initiative could be expanded to include other countries in the region and potentially other partner countries outside the region. This milestone also marks the start of Indonesia's chairmanship of the Association of Southeast Asian Nations (ASEAN) in 2023.

This joint collaboration also supports ASEAN's shared aspiration for connected payment systems that will enable fast, seamless and more affordable cross-border payments across the region. In line with ASEAN's pragmatic approach to deepen integration through mutually beneficial arrangements based on the level of readiness, this initiative provides the building blocks for wider ASEAN participation in the near future, thereby fostering stronger regional economic ties.

BI Governor Perry Warjiyo underscored that "This MOU serves as a significant milestone in paving the road for advancing cross-border payment connectivity. Existing bilateral payment connectivity arrangements will be expanded as part of the region's efforts to strengthen its economic integration. Such collaboration among central banks is key to accelerating economic recovery. We hope that other countries will follow this good example and leadership in implementing cross-border payment connectivity."

Nor Shamsiah Yunus, the Governor of BNM, said, "The initiative underscores the importance of central bank collaboration in supporting the development of next-generation payment connectivity. Realizing the vision of an ASEAN regional network of fast and efficient cross-border payment systems will advance our digital ambitions and further deepen financial integration for the benefit of the region's economic development."

Ravi Menon, Managing Director of MAS, stated, "This MOU underscores ASEAN's commitment to achieve regional payments interoperability and connectivity by 2025 to enable cheaper, faster, and more transparent cross-border payments. ASEAN's effort is aligned with the G20's goal of addressing existing frictions in global cross-border payments, creating new business opportunities and enabling inclusive growth." Deputy Governor Mamerto E. Tangonan of the BSP, who

represented BSP Governor Felipe M. Medalla, added, "The more we recognize how interdependent our economies are, the more we need to be deliberate in our pursuit of the vision of an interconnected ASEAN region. This MOU concretizes our collaborative and inclusive approach to enhancing cross-border payments in the ASEAN that will translate into efficiency gains and cost savings in various international financial transactions and economic activities."

Deputy Governor Ronadol Numnonda of the BOT, who represented BOT Governor Sethaput Suthiwartnarueput, emphasized, "Our ASEAN region has now become a global hotspot in cross-border payments linkages. Building on our previous efforts, this MOU marks another milestone in our ASEAN Payment Connectivity initiative in working together to address the long-standing pain points in cross-border payments. It also dovetails ASEAN members' current network of bilateral cross-border payment linkages and will serve as a basis for multilateral collaboration going forward. Further enhancing regional payment connectivity will pave the way for ASEAN's digital transformation and deepen financial integration in the region."

MANAGEMENT VIEWS



How to Handle the Emotional Labor of Being a Leader

As a leader today, you are expected to attend to your employees' mental health, demonstrate sensitivity and compassion, and provide opportunities for flexibility and remote work—all while delivering results. This kind of emotional labor is taxing and often overlooked by organizations. Here is how to handle the emotional labor of being a leader:

- **Recognize emotional labor as work.** Do not ignore the burden of being an emotional pillar in your organization. Instead, be honest with yourself about the challenges.
- **Embrace self-compassion.** You cannot be emotionally available all the time, and that is okay. Be kind to yourself when you are struggling to perform emotional labor. Frustration can quickly turn into negative energy, which will trickle down to your team. When you practice self-compassion, on the other hand, you are leading by example.
- **Request training.** There are tangible skills you can build to help you be more mindful and less drained by emotional labor. Ask your leaders to invest in this kind of training.

- **Create peer support groups.** It does not have to feel lonely at the top. Sharing your stress with like-minded colleagues can help alleviate it.

(This tip is adapted from *The Emotional Labor of Being a Leader*, by Dina Denham Smith and Alicia A. Grandey – HBR.)

Solve Your Team's Meeting Overload Problem

Is your team's meeting culture broken? If you sense that meetings have started to create unnecessary friction, it is probably time to intervene. Start by encouraging your team to adopt a "subtraction" mindset—that is, solving problems by doing less, not more. Ask your employees to actively consider which meetings could be shortened and which could be cut altogether. You might even go so far as starting from a clean slate, purging your team's calendars for 48 hours to assess which meetings are truly necessary. Once your team has trimmed down its meetings, redesign what is left to make the best use of that time. Which meetings can be restructured so that fewer people attend? Which can be shortened by moving work to asynchronous communication? Once your team has gone through these steps, the collective calendar will feel a whole lot lighter. Meetings are easier to fix when people do it together—when it feels like a movement, be it in your team, department, or entire organization.

(This tip is adapted from *Meeting Overload Is a Fixable Problem*, by Rebecca Hinds and Robert I. Sutton – HBR.)

Solicit Feedback from Your Team—Gracefully

As a manager, it is not enough to give feedback to your direct reports. It is also part of your job to solicit feedback from them. Still, it can be awkward to ask your employees to evaluate you. Here is how to do it gracefully. Start by telling your direct report that you are not only open to feedback, but that you want it. Explain to them that by giving you feedback, they would be helping you meet your goal of improving as a leader. Next, diffuse any fear of retaliation by demonstrating humility and honesty. Try saying something like, "I know that it can feel uncomfortable to give feedback to your boss. I have the same hesitation when my boss asks me for feedback. Let me reassure you that I see your willingness to give me helpful feedback—even if it is negative—as one of your professional assets." Demonstrate self-awareness by giving yourself constructive feedback first, which can mitigate their fear of offending you or hurting your feelings. For example, you might say, "Others have shared with me that I can be slow and methodical in my work, often prioritizing accuracy over action."

Finally, tell your direct report what you plan to do with the feedback they give you. Laying out a plan of action will help them trust that you want to implement their input.

(This tip is adapted from *How to Encourage Your Team to Give You Honest Feedback*, by Deborah Grayson Riegel – HBR.)

Take These Steps After Getting Laid Off

Being laid off is painful. But if it happens to you, you are not powerless—you can take steps to move toward a brighter future. Here is where to begin.

- **Reconfigure your mindset.** Being laid off is not a reflection of your value or skill set. It is a reflection of your former company's lack of proper planning during a turbulent economy or of its change in business strategy.
- **Write down your accomplishments.** This will help you calm any racing thoughts about the job-hunting process. Frame your accomplishments around how you solved a problem, accomplished a goal, prioritized under pressure, turned a failure into a win, completed a complex project, or overcame a roadblock.
- **Identify what you want.** Do you want to work for a small or large company? Do you want to make a career pivot, or stay in the same type of role? Do you need to stay in the same location, or would you consider moving to another city, state, or country for the right position? Answering these questions will help you start to craft a new beginning.
- **Create a job-hunting schedule.** Building a weekly or daily calendar will help you stay on track. Determine when you would network and how many people you would talk to, which days you would search for viable jobs, when you

would revise your resume for the jobs you are interested in, and how often you would practice answering potential interview questions.

(This tip is adapted from *What to Do After Being Laid Off*, by Marlo Lyons – HBR.)

Overcome Shame at Work

We have all encountered situations that make us feel ashamed at work. Maybe you got a bad review from your boss or dropped the ball on an important project. How can you stop shame from holding you back?

- **Identify whether you can learn from it.** Sometimes shame is justified, indicating that you need to make a healthy change—for example, developing ways to be timelier and more organized to achieve your goals. Other times, when you feel ashamed about something you cannot change—for example, being let go due to a reorganization—the shame is unjustified. In those cases, you have to let it go.
- **Track it.** Keep a log of when you feel self-conscious and prone to self-criticism. Use this to generate a list of incidents or comments that tend to incite shame for you. Putting words to your feelings in this way will get you into a problem-solving frame of mind.
- **Rely on supportive, healthy relationships.** Opening up to others exposes you to compassion and makes it easier for you to be compassionate with yourself. You are not alone, and in relationships you would find that other people experience the feelings you are struggling with, too.

(This tip is adapted from *Free Yourself from Shame at Work*, by Jenny Taitz – HBR.)

IBP ESSAY COMPETITION 2022 HAS BEEN ANNOUNCED

LAST DATE FOR ESSAY SUBMISSION:
DECEMBER 31, 2022

Click here for details: <https://ibp.org.pk/ibp-essay-competition-2/>

PKR 150,000

FIRST
PRIZE CASH AWARD

PKR 100,000

SECOND
PRIZE CASH AWARD

PKR 75,000

THIRD
PRIZE CASH AWARD

NOVEMBER

	Workshop	Facilitator	Fee	Timings	
22 Tuesday	Developing a Branch Business Plan	Sehba Ehsan	PKR 9,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING
22 Tuesday Quetta	Cash Management Regulatory Requirement	Ali Madani	PKR 15,000 <i>(Excluding Sales Tax)</i>	9 AM to 5 PM	CLASSROOM TRAINING
24 Thursday	E-Commerce: Recent Developments, Opportunities and Challenges	Amir Waheed Saifi	PKR 9,500 <i>(Excluding Sales Tax)</i>	9:30 AM - 1:30 PM	VIRTUAL TRAINING
26 NOV-31 DEC Every Saturday	Industrial Relations and Labor Laws – Certificate of Practitioner	M. Shafiq Ghouri	PKR 45,000 <i>(Excluding Sales Tax)</i>	10:00 AM – 4:30 PM	VIRTUAL TRAINING
28 Monday Rawalpindi	Tools & Techniques of Investigation & Reporting E-Banking Frauds	Asma Mehmood	PKR 15,000 <i>(Excluding Sales Tax)</i>	9 AM to 5 PM	CLASSROOM TRAINING
29 Tuesday	A Workshop on Reviewing Fair Treatment of Customers (FTC)	Sundus Saleem	PKR 19,000 <i>(Excluding Sales Tax)</i>	9:00 AM - 5:00 PM	VIRTUAL TRAINING
30 Wednesday	Voice of Customer – Capturing, Assessing and Reengineering	Sundus Saleem	PKR 19,000 <i>(Excluding Sales Tax)</i>	9:00 AM - 5:00 PM	VIRTUAL TRAINING

<https://ibp.org.pk/wp-content/uploads/2022/11/IBP-TRAINING-CALENDAR-Q4-DEC-2022.pdf>