

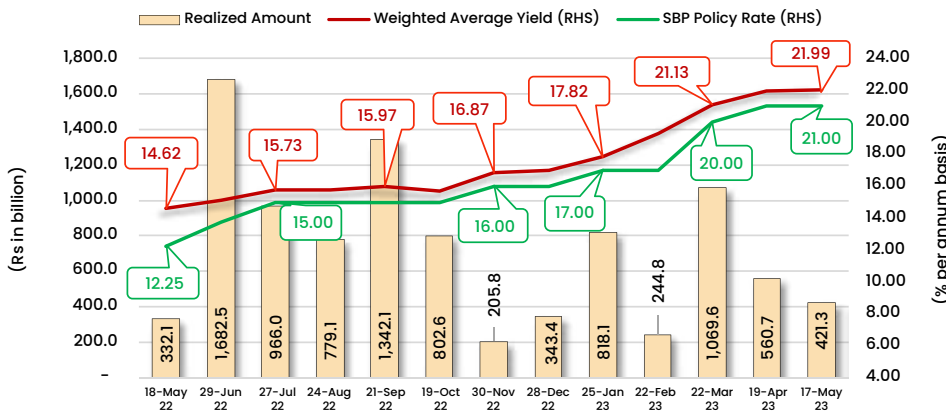
Domestic Economic Roundup

Key Money & Banking Indicators:

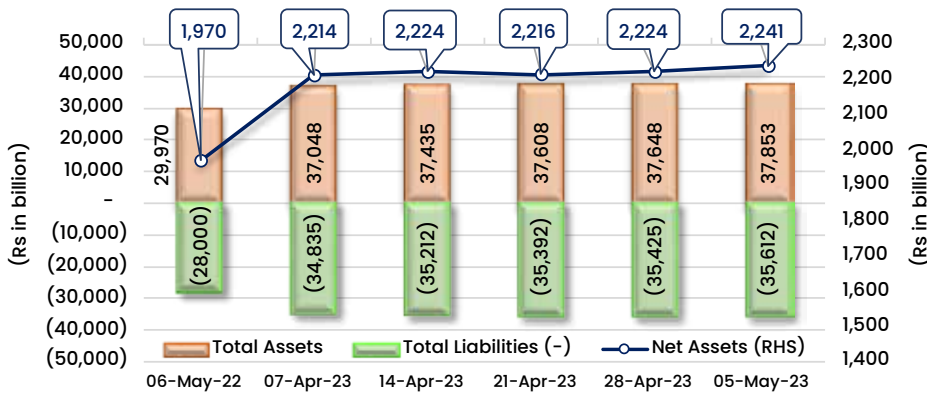
| | Stocks at End - June 2022 | Flows | | Impact Since 1st July to | |
|-------------------------------|---------------------------|---------|---------|--------------------------|-----------|
| | | FY21 | FY22 | 05-May-23 | 06-May-22 |
| Total Deposits with Banks | 19,934.8 | 2,595.0 | 2,615.1 | 561.8 | 380.1 |
| Broad Money (M2) | 27,602.6 | 3,389.7 | 3,304.9 | 1,943.4 | 1,503.2 |
| Govt. Sector Borrowings (Net) | 19,622.9 | 1,717.9 | 3,357.7 | 3,160.7 | 1,827.2 |
| Credit to Private Sector | 9,241.2 | 766.2 | 1,612.1 | 129.6 | 1,296.5 |

(Rs in billion)

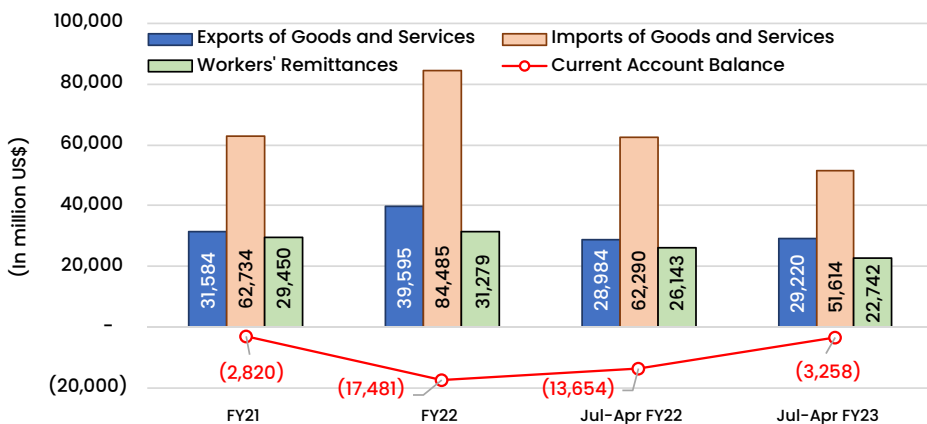
MTBs Acceptance (Auction+ Non-Competitive Bids)



Total Assets and Liabilities of Scheduled Banks



Major Components of Current Account Balance



Markets at a Glance

Rates taken till Friday, May 19, 2023

SBP POLICY RATE

21.00% | Effective from April 05, 2023

KIBOR (6 MONTHS)

| | Bid% | Offer% |
|-----------------|-------|--------|
| Change Starting | 21.80 | 22.05 |
| Change Ending | 21.81 | 22.06 |
| Change | +0.01 | +0.01 |

FOREX RATES

| | GBP | EURO | USD |
|-----------------|------------|------------|------------|
| Change Starting | PKR 356.97 | PKR 310.95 | PKR 285.08 |
| Change Ending | PKR 354.76 | PKR 308.11 | PKR 285.82 |
| Change | -2.21 | -2.84 | +0.74 |

PAKISTAN STOCK EXCHANGE

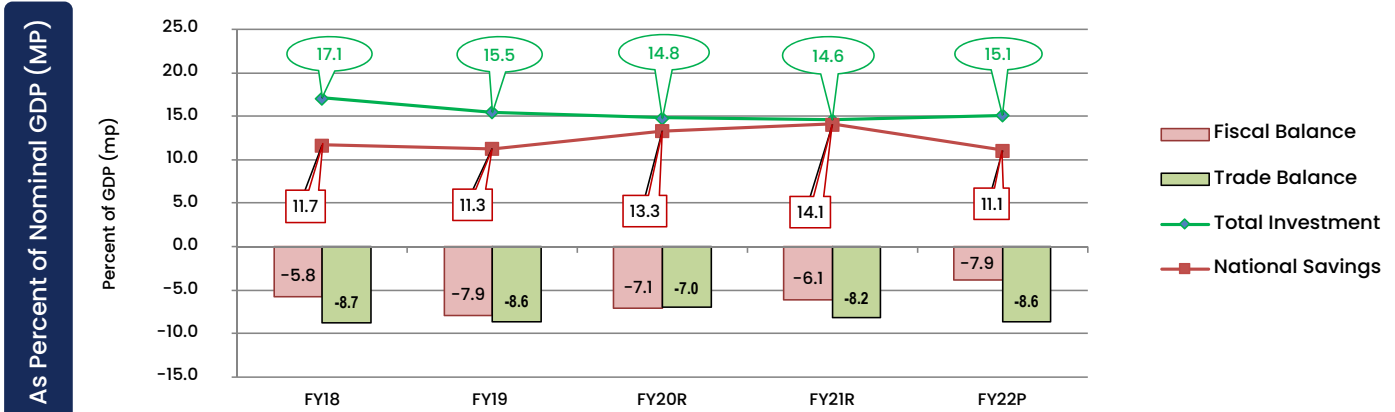
| | 100 Index |
|-----------------|-----------|
| Change Starting | 41,488 |
| Change Ending | 41,599 |
| Change | +111 |

GOLD RATES

| | 10 GM, 24K |
|-----------------|-------------|
| Change Starting | PKR 186,501 |
| Change Ending | PKR 179,218 |
| Change | -7,283 |

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 | Apr 2022 | Mar 2023 | Apr 2023 ^P |
| General | 10.7 | 8.9 | 12.2 | 13.4 | 35.4 | 36.4 |
| Food (Urban) | 13.6 | 12.4 | 13.4 | 15.6 | 47.1 | 46.8 |
| Non-Food (Urban) | 8.3 | 5.7 | 10.8 | 10.2 | 24.1 | 24.9 |

| Currency in Circulation as on (Stock data) | | | | | | Rs in billion |
|--|---------------|---------------|---------------|--------------|--------------|---------------|
| June 30, 2019 | June 30, 2020 | June 30, 2021 | June 30, 2022 | May 06, 2022 | May 05, 2023 | |
| 4,950.0 | 6,142.0 | 6,909.9 | 7,572.5 | 8,007.0 | 8,949.4 | |

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

State Bank Enhances Control Measures Requirements to Protect Customers from Digital Banking Frauds

In a major policy directive for combating the menace of social engineering and other digital banking frauds, State Bank of Pakistan (SBP) has directed commercial banks and Microfinance Banks to improve their digital fraud protection controls and processes by taking timely remedial and control preventive measures, failing which they shall be held responsible for loss of any customer funds due to delay on their part. According to a May 18, 2023 press release, these new measures are part of wider SBP objective to enhance digital financial inclusion and promote digital financial services by creating and enhancing customer trust in the safety, security & soundness of the digital banking ecosystem.

With the increasing adoption and usage of digital banking in Pakistan by a large number of financial services users, fraudsters have been taking advantage of lack of awareness among customers. SBP has been in constant consultation with the banking industry and other stakeholders to devise controls against sophisticated fraud techniques such as spoofing of banks' official helpline numbers, SIM swap attacks, identity theft, false registrations, etc. as well as focusing on consumer awareness program by SBP and banks.

It is worth noting that on April 14, 2023, SBP rolled out a new and detailed set of guidelines on enhancing security of digital banking products and services. These guidelines set out a comprehensive control regime for banks to implement by December 31, 2023. The new guidelines restrict Financial Institutions (FIs) to Formulate Digital Fraud Prevention Policy to protect their account holders and ensure effective communication of such policy. Accordingly, they will design, review and continuously improve end-to-end processes of digital fraud risk management and customer complaint management in consultation with relevant stakeholders.

According to these guidelines, FIs will design the process and application in such a way that the chances of disclosure of customer information - in whole or partially-are eliminated or minimized. Importantly, FIs will realign their processes for fraud risk management and complaint management to ensure that the dispute against the fraudulent transactions are immediately raised in Fraudulent Transaction Dispute Handling (FTDH) system.

These guidelines cover areas including governance & oversight of digital frauds, implementation of international standards and, fraud risk management solutions. This comprehensive control regime will also cover transactional controls such as reasonable and configurable limits, to prevent, trace and stop fraudulent transactions; device registration, monitoring of fraudulent devices, accounts, transactions and incident-related controls such as post-incident follow-ups, handling of disputed transactions,

protection of customer data and information such as encryption, etc. In one of the major interventions to restrict fraudulently transferred funds from leaving the banking system, SBP has directed banks offering branchless banking wallets to restrict cash-out, mobile top-up and or other online purchases from incoming fund transfers for two (2) hours.

A new liability shift framework is also part of these instructions, where banks are required to compensate the customers due to delay on their part in taking timely remedial and control measures such as delay in blocking digital channels, delay in raising dispute requests, etc. The circular issued is available at:

<https://www.sbp.org.pk/bprd/2023/C4-Annex.pdf>



PM, Iranian President Jointly Open Mand-Pishin Border Market

Prime Minister Shehbaz Sharif and Iran's President Seyed Ebrahim Raisi on May 18, 2023 jointly inaugurated the Mand-Pishin border sustenance market aimed at boosting the bilateral trade.

This is one of the six border markets which will be constructed along the Pak-Iran common border. The Mand-Pishin border sustenance marketplace will provide a thriving platform for increasing cross-border trade, fostering economic growth, and opening up new avenues of opportunity for local businesses.

The two leaders also planted a sapling in the premises of the border market as a gesture to stride forward in the bilateral relationship between the two countries. Foreign Minister Bilawal Bhutto Zardari, Power Minister Khurram Dastagir, Information Minister Marriyum Aurangzeb and senior officials of Pakistan and Iran were present.

The Prime Minister and the Iranian President also inaugurated the Polan-Gabd electricity transmission line at the Mand-Pishin border crossing point. The line will play a pivotal role in meeting the energy needs of the region, including households and businesses, by bringing-in an additional 100 MW of electricity from Iran.

The Foreign Office in a statement said, "The joint inauguration is a manifestation of the strong commitment of Pakistan and Iran to uplift the welfare of residents of the neighboring provinces of Baluchistan and Sistan-o-Baluchistan, respectively."

CPEC Created Over 155,000 Local Jobs in Pakistan

The China-Pakistan Economic Corridor (CPEC), which is marking its 10th anniversary this year, has played an important role in bilateral cooperation between China and Pakistan and created over 155,000 local jobs for Pakistani people, China's National Development and Reform Commission (NDRC) has told in Beijing on May 18, 2023. During a regular press conference, the NDRC said the CPEC had achieved fruitful results, including the Gwadar Port and relevant cooperation projects in energy, infrastructure and industry.

"Specifically, multiple highway construction programs are progressing on schedule. Power plants that have entered commercial operation provide nearly one-third of Pakistan's national electricity demand, having changed the situation of power shortage in the country," it added.

The Gwadar Port co-built by China and Pakistan has made great progress in creating a regional logistics hub and industrial base. In addition, the construction of the first phase of the Rashakai Special Economic Zone in Pakistan had been completed and achieved positive results in business attraction, said the NDRC.

As of the end of 2022, the CPEC had created 236,000 jobs, and the number of Pakistani workers reached 155,000. The NDRC vowed to accelerate cooperation in transport, energy and industrial sectors and areas related to people's livelihoods, and further expand collaboration in the agricultural, mineral and technological fields, Global Times reported on May 18, 2023.

Meanwhile, in order to expand the influence of the CPEC, the foreign ministers of China, Afghanistan and Pakistan have agreed to extend the program to Afghanistan, to further advance cooperation under the BRI. As a landlocked country, Afghanistan mainly relies on Pakistani ports for international trade. Afghanistan has become the first among landlocked Central Asian countries to benefit from using the Chinese-invested Gwadar Port in Pakistan for future cross-border trade.

After several rounds of consultations with relevant authorities in Pakistan, the Gwadar Port finally obtained an e-export trade license with Afghanistan in the second half

of 2019, according to China's Ministry of Commerce. In 2020, Afghanistan imported 43,000 tons of fertilizer via the port, contributing to its agricultural development.

SECP Amends NBFC Regulations to Adapt to New Technologies

The Securities and Exchange Commission of Pakistan (SECP) has revised the Non-Banking Finance Companies (NBFCs) and Notified Entities Regulations, 2008, with a view to promote the development of the digital financial environment and financial inclusion.

The SECP has carried out a thorough analysis of current regulations to remove redundancies and exercised broad public consultation to propose amendments in the regulations. The focus was to address market requirements, provide ease of doing business through digitalization, and protect the interests of NBFCs' customers.

For the introduction of digital fund management, lending platforms, and trustee services, enabling provisions have been made. These provisions are designed to make it easier for digital technologies to be used in order to increase accessibility, efficacy, and cost-effectiveness.

Amendments have been introduced to ensure that Asset Management Companies (AMCs) inform unitholders of account activity and keep client information confidential, as well as a time frame for dividend distributions and provisions for borrower protection are introduced.

Investment Advisors are allowed to offer portfolio management services to any investor, but must formulate a risk management policy and contingency plan approved by their Board of Directors for better risk management, accountability, board oversight, and client protection.

Non-deposit-taking NBFCs have been given greater flexibility in determining their exposure limits, as the total unsecured exposure limit of 100 percent of equity has been removed. Additionally, new licensed lending NBFCs have been given one year to meet the minimum investment requirement in their core businesses. Further, the time to file CEO applications has been extended from 10 days to 30 days.

The procedures have been simplified by eliminating redundant provisions and expressions and introducing a consolidated fit and proper criterion, affidavit, or undertaking. The application of Fit & Proper Criteria has been made necessary for pension fund managers (insurance companies).

SECP believes these amendments will create a more conducive environment for the Non-Banking Finance Services industry, leading to increased investment opportunities for the investors. The Notification of Amendments to the Non-Banking Finance Companies and Notified Entities Regulations, 2008 is available at:

<https://www.secp.gov.pk/document/s-r-o-592i2023-amendments-in-nbfc-regulations-2008/?wpdmdl=47805&refres h=6464c53350a101684325683>

Cancellation of Authorization /License issued to M/s Noble Exchange International (Pvt.) Limited

The State Bank of Pakistan (SBP) on May 17, 2023 has cancelled the authorization/license of M/s Noble Exchange International (Pvt.) Limited on account of contraventions of the relevant laws and regulations. Therefore, the aforesaid exchange company, including its head office, branches and franchises can no longer undertake any kind of foreign exchange related business activity.

Government Procures 4.902 MMT Wheat So Far

The government has so far procured over 4.902 million metric tons (MMT) of wheat under the grain-procurement campaign for the year 2023-24 against the set target of 7.8 MMT to fulfill the local consumptions and maintain the strategic reserves in the country. Despite the climate change-related challenges, heavy rains and catastrophic floods in the country, the local wheat output during the current season was estimated at 27.5 MMT, which was the highest in the last 10 years, said Food Security Commissioner in the Ministry of National Food Security and Research Imtiaz Ali Gopang.

Talking to local news agency on May 16, 2023, he said so far about 63 percent of the assigned procurement targets for the current season were accomplished and the grain procurement drive across the crop-producing areas was in full swing. Under the wheat procurement drive, the Punjab Province had completed 76 percent of its task as it procured about 3.405 MMT of wheat as against the target of 4.500 million metric tons, Gopang added.

Meanwhile, the Sindh Province has completed about 46 percent of its procurement targets and procured about 640,629 metric tons of wheat as compared to the set targets of 1.400 MMT, he added. The food security commissioner further informed that the wheat procurement task was completed by 36 percent in Balochistan, whereas Pakistan Agriculture Storage and Services Corporation (PASSCO) completed 46 percent of its procurement.

"Balochistan has so far procured about 29,632 metric tons of wheat as against its set targets of 100,000 metric tons and PASSCO procured 826,033 MMT as compared to the targets of 1.800 million metric tons," he added. It is worth mentioning here that what crop was sown over 21.942 million acres for producing about 28.37 MMT of wheat during crop season 2022-23 for fulfilling the local staple food requirements and maintaining strategic reserves.

State Bank of Pakistan and Ministry of Foreign Affairs Jointly Conduct Training Program for ASEAN Member States

National Institute of Banking and Finance (NIBAF), a subsidiary of State Bank of Pakistan, in collaboration with Ministry of Foreign Affairs organized a 5-day training program on 'Digital Payments Landscape and Financial inclusion in Emerging Markets' for the Association of Southeast Asian Nations (ASEAN) Member states. The program was held from May 8-12, 2023, which was attended by 24 participants from Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Thailand, Vietnam, ASEAN Secretariat and Pakistan. The training program was part of efforts to improve Pakistan's status on ASEAN platform from Sectoral Dialogue Partner to Full Dialogue Partner.

The program, designed for the personnel of central banks of ASEAN member states, provided an orientation of Digital Payment Systems infrastructure and its constituent components in Pakistan. In addition, deliberations were made about the critical role of SBP in democratization of digital financial services. Program participants also discussed their experiences regarding Central Bank Digital Currency, cryptocurrencies, disruptive potential of fintechs and culture of entrepreneurship in emerging markets. The program came to a close with an endeavor to reinforce the view of financial inclusion as a key enabler to reduce poverty and enhance economic growth in developing countries.

The Last Date for Encashment of Withdrawn Prize Bonds Extended

The Federal Government has given another opportunity to the public to get the withdrawn prize bonds of Rs 7500, 15,000, 25,000 and Rs 40,000 redeemed/ encashed by June 30, 2023. Earlier, the government had fixed deadline of June 30, 2022, for redemption/ encashment of these prize bonds, however, considering that some of the prize bond holders could not get their bonds redeemed a final opportunity has been given for encashment of prize bonds till June 30, 2023. The investors of aforesaid prize bonds have following options of encashment or exchange.

- ◇ Encashment at Face Value
- ◇ Conversion to Premium Prize Bonds of Rs 25,000 and/ or Rs 40,000 (Registered)
- ◇ Replacement with Special Savings Certificates (SSC) or Defense Savings Certificates (DSC)

The prize bonds can be redeemed from SBP Banking Services Corporation office and branches of commercial banks across the country till June 30, 2023. The SBP has issued necessary instructions to commercial banks to accept requests from general public for encashment or exchange of the prize bonds till the extended date.

The general public holding these bonds is encouraged to avail this final opportunity and get their holdings redeemed before June 30, 2023. These prize bonds shall not be en-cashable or exchangeable after the expiry of the extended deadline, thereby rendering them worthless.



SIBL Applies to SECP for Conversion into a Shariah Compliant Entity

After the announcement of the Federal Shariat Court Judgement last year, the Securities and Exchange Commission of Pakistan (SECP) has issued comprehensive Guidelines for Offering Islamic Financial Services, 2023, paving way for transformation of a regulated person/entity into full-fledged Islamic institution. Subsequent to issuance of these guidelines, Security Investment Bank Limited (SIBL) has applied for conversion into a Shariah-compliant investment bank.

SIBL is a public limited company listed on the Pakistan Stock Exchange and licensed to carry out investment finance services as a non-banking finance company (NBFC) under the Companies Act, 2017. SIBL has made a public disclosure at the PSX, and applied to the SECP for a certificate as a Shariah-compliant company under Section 451 of the Companies Act, 2017, read with the Shariah Governance Regulations, 2018. This conversion will be a multi-stage process, and SECP will ensure a smooth transition with minimal disruption to the customers of SIBL.

In view of the growing demand for Shariah compliant financial services, and in light of constitutional requirement to eliminate the Riba from the economy, SECP is geared towards facilitating its regulated entities desirous of converting to Shariah compliant status.

International Economic Roundup

EU States Approve World's First Comprehensive Crypto Rules

European Union states on May 16, 2023 gave the final nod to the world's first comprehensive set of rules to regulate cryptoassets, piling pressure on countries such as Britain and the United States to play catch up.

An EU finance minister meeting in Brussels approved rules that were thrashed out with the European Parliament, which gave its approval in April. The rules are expected to be rolled out from 2024. Regulating crypto has become more urgent for regulators after the collapse of crypto exchange FTX. "Recent events have confirmed the urgent need for imposing rules which will better protect Europeans who have invested in these assets, and prevent the misuse of crypto industry for the purposes of money laundering and financing of terrorism," said Elisabeth Svantesson, finance minister for Sweden, which holds the EU presidency.

The rules require firms that want to issue, trade and safeguard cryptoassets, tokenized assets and stablecoins in the 27-country bloc to obtain a license. Ministers took steps to combat tax evasion and the use of cryptoasset transfers for money laundering by making transactions easier to trace. They agreed on a requirement that from January 2026 service providers obtain the name of senders and beneficiaries in cryptoassets, regardless of the amount being transferred. There was also agreement on amending rules on how member countries cooperate with each other in taxation to cover transactions in crypto-assets, and on exchanging information on advance tax rulings for the wealthiest individuals.

Crypto firms say they want certainty in regulation, putting pressure on countries to copy the EU rules, and on regulators to come up with global norms for a cross-border activity. Britain has outlined a phased approach, starting with stablecoins and broadening out to un-backed cryptoassets later on, but there is no firm timetable.

The United States has focused on using existing securities rules for enforcement action in the sector while it decides on whether to introduce bespoke new rules and who would apply them. Hester Peirce, one of the commissioners at the U.S. derivatives regulator CFTC, said last week that a number of federal and state authorities are trying to figure out what oversight role they could play in the crypto sector. "We are wandering in the desert a bit," Peirce told a conference.

CBUAE Imposes Administrative Sanctions on 8 Banks Operating in the UAE

The Central Bank of the UAE (CBUAE) imposed administrative sanctions on eight banks operating in the UAE, pursuant to Article 137 of the Decretal Federal Law No. (14) of 2018 Regarding the Central Bank & Organization of Financial Institutions and Activities, and the Central Bank notices regarding the beneficiaries of the Nationals Defaulted Debts Settlement Fund (NDDSF) facilities.

The administrative sanctions take into account the banks' failures to comply with the CBUAE's instructions not to grant any loans or credit facilities to the beneficiaries of loans granted by the NDDSF, including credit cards.

The CBUAE, through its supervisory and regulatory mandates, works to ensure that all licensed financial institutions operating in the country, including banks, abide by the UAE laws, regulations and standards adopted by the CBUAE, to safeguard the transparency and integrity of the banks' business and enhancing the efficiency of the UAE financial system.

China Holds Rates, Adds More Liquidity as Recovery Struggles

China's central bank rolled over maturing medium-term policy loans while keeping the interest rate unchanged on May 15, 2023, as expected, but markets expect monetary easing may be inevitable in the coming months to support the economic recovery. The People's Bank of China (PBOC) said it was keeping the rate on 125-billion-yuan (\$18.1 billion) worth of one-year medium-term lending facility (MLF) loans to some financial institutions unchanged at 2.75 percent from the previous operation.

May 15, 2023's operation was meant to fully meet financial institutions' needs and to "maintain reasonably ample banking system liquidity," the PBOC said in an online statement. In an international news agency's poll of 30 market watchers conducted last week, 26 participants, or 86.7 percent, predicted no change to the MLF rate, while four respondents expected a marginal rate cut.

The government lifted stringent pandemic measures in December that have started to rekindle credit demand in the world's second-largest economy, but there are growing concerns that momentum is slowing after the initial bounce.

With evidence of subdued domestic demand and weak investor sentiment, Beijing will likely have to ramp up its easing efforts to ensure the economic recovery stays on track. Some analysts said an imminent rate cut would add further pressure on lenders' profitability after the country's largest banks recorded shrinking margins in the first quarter. "It may not be possible for banks to cut as their net

interest margins are close to the warning line of 180 basis points," Xing Zhaopeng, senior China strategist at ANZ, said. "If loans rates are further lowered, that could trigger financial risks," he said.

With 100-billion-yuan worth of MLF loans set to expire this month, the operation resulted in a net 25-billion-yuan fresh fund injection into the banking system. The central bank also injected 2 billion yuan through seven-day reverse repos while keeping borrowing costs unchanged at 2.0 percent, it said in an online statement. "We think disappointing credit data and rising deflation risks increase the probability of more monetary policy easing in the form of an interest rate cut," economists at Barclays said in a note published last week.

"A holistic approach and concerted policy efforts are needed to stabilize the housing market and boost consumer and business confidence if authorities are to break the disinflation/deflation spiral." They noted that the PBOC appeared to prefer adjusting banks' reserve requirement ratio (RRR) and other structural tools, "but the bottleneck is weak demand and the bank system is flush with liquidity," they added.

SAMA: Insurance Sector Grew by 26.9 percent in 2022

The Saudi Central Bank (SAMA) issued the 16th Saudi Insurance Market Annual Report. The report highlights the insurance sector's performance and contribution to the Kingdom's GDP in 2022.

According to the report, the insurance sector grew by 26.9 percent in 2022, bringing gross written premiums to SAR 53 billion. Health insurance, protection and savings insurance, and motor insurance recorded significant increases in gross written premiums. The penetration ratio to non-oil GDP increased from 1.91 percent in 2021 to 2.1 percent in 2022. The overall loss ratio remained unchanged at 83.4 percent in 2022. The report shows the rise in insurance operations income, with net profit reaching SAR 689 million in 2022 compared to a net loss of SAR 47 million in 2021. In addition, Saudization ratio in the sector increased from 77 percent in 2021 to 79 percent in 2022.

The report highlights regulatory developments in the insurance sector, notably the issuance of regulations and the development of standard insurance policies. These developments indicate a positive trend in the insurance sector, which is reflective of SAMA's endeavors to enhance the sector's performance and its economic impact, while protecting policyholders' interests and emphasizing fair pricing of insurance products.

The 2022 Saudi Insurance Market Report is available on SAMA's official website:

<https://www.sama.gov.sa/en-us/insurance/pages/publications.aspx>

MANAGEMENT VIEWS



Introducing AI into Your Organization

Given the rapid emergence of generative AI, you may be wondering how you should prepare to introduce it at your organization. Start by framing the technology as a set of systems your team can use for collaboration. You can do this by focusing on three things:

- ♦ **Ensure everyone has a basic understanding of how digital systems work.** Emphasize to your team that they do not have to become programmers or data scientists. You simply need them to take a new and proactive approach to collaboration (learning to work across platforms), computation (asking and answering the right questions), and change (accepting that it is the only constant).
- ♦ **Make sure your organization is prepared for continuous adaptation and change.** Communicate with other leaders to break down silos and build a centralized repository of knowledge and data. Integrating AI not only means familiarizing yourself and your employees with today's technologies, but also being structurally prepared to adapt to future advancements.
- ♦ **Build AI into your operating model.** If your organization's tech systems are static, your organization will be static. But if they are flexible, your organization will be, too. Dismantle data silos, increase cross-functional collaboration, and help to build a software- and data-driven operating model that can harness AI's potential.

(This tip is adapted from *8 Questions About Using AI Responsibly, Answered*, by Tsedal Neeley – HBR.)

How to Productively Disagree with Colleagues

Disagreements in the workplace do not have to fuel conflict. If you handle them well, they can be opportunities to build closer relationships and come up with better ideas. Here are some strategies for navigating these difficult conversations. First, approach the exchange with a willingness to learn, rather than a persuasive or combative attitude. Be humble. It is possible that you are missing something, and an open mind will invite your counterpart in instead of pushing them away. On the flip side, do not underestimate their interest in learning from you. Give them the benefit of the doubt until they prove that they have not earned it. This kind of generosity will make the exchange more pleasant for both of you. Finally, be explicit about your intentions. For example, before making your own argument, you might say: "This is

an important topic. I am curious to hear what people who disagree with me think about this issue." Then you could close your own argument with: "I recognize that not everyone sees this in the same way, and I would like to better understand where other people are coming from."

(This tip is adapted from *How to Disagree Productively*, by Hanne K. Collins et al. – HBR.)

SNIPS

Plants are Dying Globally

About 40 percent plant species worldwide are at risk of extinction, mainly due to the destruction of wild habitat, states the World Economic Forum.

Hone the People Skills You Need as a Leader

More than ever, companies need leaders who can harness ingenuity and foster engagement. It is not enough to be a technical expert or a visionary strategist. You also need to invest in your people skills to empower and enable your employees. These skills take different shapes in three areas: in small groups, across distinct networks (like teams and units), and across your entire organization. Here are the most important skills to develop in each area. In small groups and one-on-one interactions, prioritize listening. Asking good questions, empathizing with, and empowering your employees will allow you to draw wisdom, insight, and creativity from them, solve problems collectively, and foster a sense of psychological safety. Across networks, focus on collaborating and influencing. Agility and innovation depend on cross-functional cooperation and the ability to build and work through informal relationships. Across the organization, concentrate on culture-shaping and aligning. To empower, motivate, and inspire people on a large scale, you need to communicate a compelling direction or purpose and act as a cultural role model in your day-to-day leadership.

(This tip is adapted from *The Leadership Odyssey*, by Herminia Ibarra et al. – HBR.)

How to Write an Effective Self-Appraisal

Writing a self-appraisal can be daunting—but it is a skill you should get comfortable with to get both the recognition and guidance you need to grow. Here is how you can approach the task with humility, honesty, and confidence. Start by distinguishing your sense of self from your work. The goal is not to judge your value as a person—is to evaluate your performance as an employee. The content of your

appraisal should therefore focus on what you have produced, rather than your personality. Steer clear of “I am” statements and frame your work as the subject of each sentence. Consider your performance through the eyes of your stakeholders—the people inside and outside your organization whom your work affects—and communicate what problems you solved and what value you created for them. Include hard evidence, including qualitative and quantitative data, to back up these points. And do not shy away from self-criticism. While it is certainly important to highlight your positive contributions, your assessment will carry more weight if it is balanced and transparent. Think of yourself as a journalist tasked with describing both sides of the story. Include your mistakes and missteps, what you learned from them, and what resources you need to improve in the future.

(This tip is adapted from *Acing Your Self-Appraisal [Even If It's Your First]*, by Liz Wiseman – HBR.)

You Survived a Layoff. Now What?

While layoffs are devastating to those who lose their jobs, their impact also extends to those who remain at the company in the aftermath. If you have recently lost colleagues to layoffs, here is how you can move forward.

- ♦ **Take time to process your emotions.** You can experience relief about keeping your job and grief for those who were impacted simultaneously. It is not selfish to feel grateful, and it is not wrong to feel a sense of loss. And remember, there is no call for guilt; the layoffs were not your fault. If you are able to, ask to postpone any non-urgent meetings and focus on the parts of your work you find most rewarding.
- ♦ **Reach out.** Once you have taken time for yourself, show support for your peers and friends who have been let go. On a professional level, a sure way to support someone is to help them find a new role, so offer them assistance if you can.
- ♦ **Clarify your responsibilities.** It is likely that you will be expected to take on new work in the absence of your former colleagues. To avoid burnout, set up a meeting with your manager to understand what your new job responsibilities look like.
- ♦ **Think about your future.** Even though you kept your job, ask yourself whether you still want to work at your company considering all the changes that have taken place. Give yourself permission to reconsider your future.

(This tip is adapted from *You Survived a Layoff. Here's What to Do Next.*, by Abby Davisson and Myra H. Strober – HBR.)

Carbon Footprint of the Rich
The world's richest 1 percent earners emit about 1,000 times the carbon of the poorest 1 percent, according to the International Energy Agency.

Working Parents, Are Your Pandemic-Era Habits Still Serving You?

If you are a working parent, it is time to ask yourself whether the strategies you developed to balance your job and childcare during the pandemic are still serving you. Here are four common mindsets you might want to revisit.

- ♦ **Making do with limited childcare.** Has the fact that you have made it this far without regular or reliable daycare or in-person schooling left you with the unrealistic expectation that you should be able to do it all—without much support? Instead of holding yourself to an impossible standard, instead ask: What care arrangement do I really need today in order to do my job effectively?
- ♦ **Seeing remote work as the only answer.** If your organization is asking you to return to the office, do not panic. Think as broadly and creatively as possible about the flex arrangement that will work for you—and ask your manager for what you need.
- ♦ **Day-by-day thinking.** Survival mode can lead to short-term thinking in a crisis. Give yourself permission to actively imagine the long term.
- ♦ **Framing work in opposition to family.** When work and home-life responsibilities overlap—or clash—as they did so often throughout the pandemic, it is natural to talk about them in oppositional terms. Instead, discuss work in a more positive light with your family. A simple shift from “I have to go to work” to “I am going to work” can help your kids imagine their own futures.

(This tip is adapted from *Working Parents, It's Time to Let Go of These Pandemic-Era Habits*, by Daisy Dowling – HBR.)

MAY

| | Workshop | Facilitator | Fee | Timings | |
|--------------------|---|----------------|--|-------------------|--------------------|
| 23 Tuesday | BASEL III – Standards, Issues, Challenges and Implications | Awais Memon | PKR 9,500 <i>(Excluding Sales Tax)</i> | 9:30am – 1:30pm | VIRTUAL TRAINING |
| 24 Wednesday | Behavioral Finance: Biases, Emotions and Financial Behavior | Vijay Kumar | PKR 9,500 <i>(Excluding Sales Tax)</i> | 2:00pm – 6:00pm | VIRTUAL TRAINING |
| 25 Thursday | Impact of Digital Innovation on Banking | Nawroz M. Ali | PKR 9,500 <i>(Excluding Sales Tax)</i> | 9:30am – 1:30pm | VIRTUAL TRAINING |
| 25 Thursday | Understanding National Risk Assessment and Applying a Risk – Based Approach | Kamran Hyder | PKR 9,500 <i>(Excluding Sales Tax)</i> | 9:30am – 1:30pm | VIRTUAL TRAINING |
| 26 Friday | How to Avoid Financial Crimes Risk and Penalties in Branch Banking? | Waheed Zaman | PKR 9,500 <i>(Excluding Sales Tax)</i> | 9:30am – 1:30pm | VIRTUAL TRAINING |
| 29 Monday | Operational Control Tools and Techniques for Effective Branch Management | M. Qasid Mehdi | PKR 9,500 <i>(Excluding Sales Tax)</i> | 2:00 PM – 6:00 PM | VIRTUAL TRAINING |
| 30 TUE Quetta | Detection, Analysis and Reporting of Suspicious Transactions | Ali Madani | PKR 15,000 <i>(Excluding Sales Tax)</i> | 9:00am – 5:00pm | CLASSROOM TRAINING |

<https://ibp.org.pk/wp-content/uploads/2023/04/IBP-TC-April-May-23-.pdf>