

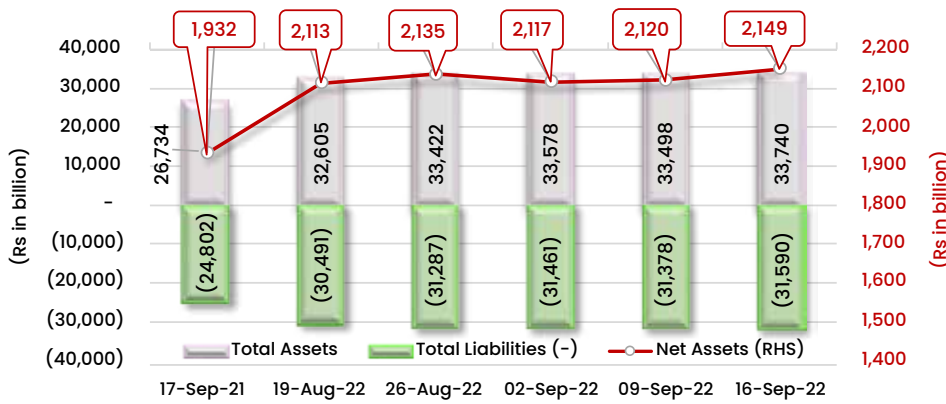
Domestic Economic Roundup

Key Money & Banking Indicators:

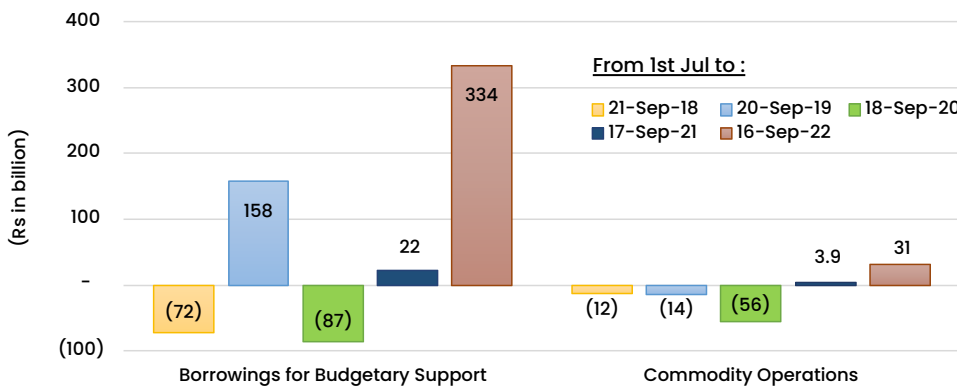
	Stocks at End - June 2022	Flows		Impact Since 1st July to	
		FY21	FY22	16-Sep-22	17-Sep-21
Total Deposits with Banks	19,934.8	2,595.0	2,615.1	(354.6)	(515.3)
Broad Money (M2)	27,603.0	3,389.7	3,305.3	(92.5)	(272.0)
Govt. Sector Borrowings (Net)	19,666.8	1,717.9	3,401.7	363.8	23.5
Credit to Private Sector	9,241.2	766.2	1,612.1	(46.5)	27.0

(Rs in billion)

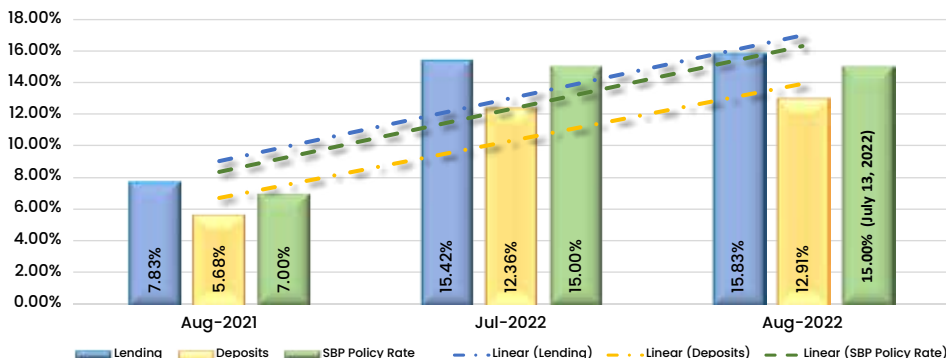
Total Assets and Liabilities of Scheduled Banks



Government Sector Borrowings (Net)



Weighted Average Lending and Deposit Rates (All Banks)



Markets at a Glance

Rates taken till Friday, September 30, 2022

SBP POLICY RATE

15.00% | Effective from July 13, 2022

KIBOR (6 MONTHS)

	Bid%	Offer%
Starting	15.87	16.12
Ending	15.66	15.91
Change	-0.21	-0.21

FOREX RATES

	GBP	EURO	USD
Starting	PKR 267.97	PKR 234.31	PKR 239.65
Ending	PKR 254.82	PKR 224.53	PKR 228.45
Change	-13.15	-9.78	-11.2

PAKISTAN STOCK EXCHANGE

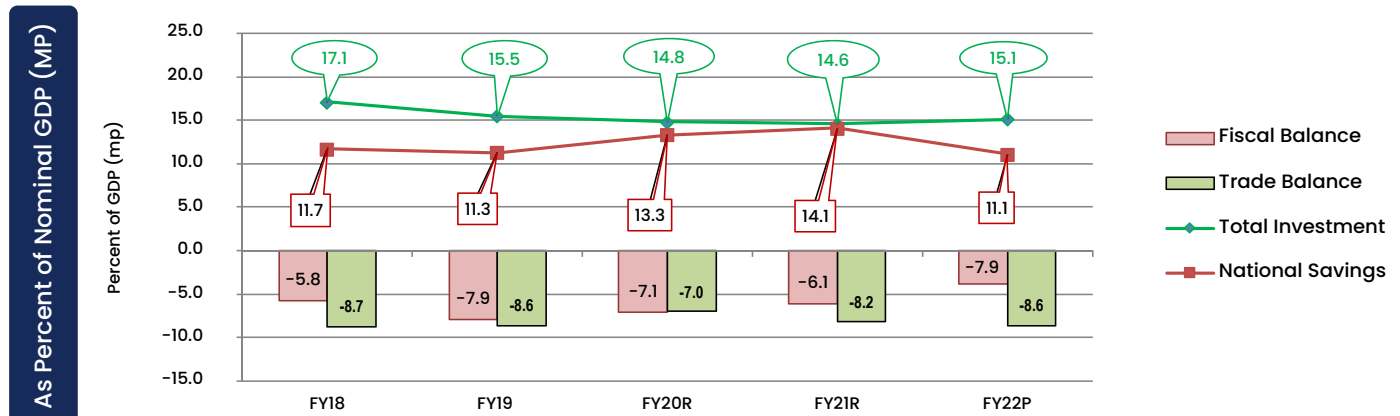
	100 Index
Starting	40,620
Ending	41,128
Change	+508

GOLD RATES

	10 GM, 24K
Starting	PKR 128,114
Ending	PKR 123,592
Change	-4,522

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	1,767.9	1,577.6	1,457.6	1,676.5	1,797.5



CPI INFLATION (YoY%)	Annual Average			Year-on-Year		
	FY20	FY21	FY22	Aug 2021	July 2022	Aug 2022
General	10.7	8.9	12.2	8.4	24.9	27.3
Food (Urban)	13.6	12.4	13.4	10.2	27.4	28.8
Non-Food (Urban)	8.3	5.7	10.8	7.2	21.3	24.7

Currency in Circulation as on (Stock data)						Rs in billion
June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	Sep 17, 2021	Sep 16, 2022	
4,950.0	6,142.0	6,909.9	7,572.5	7,154.5	7,835.4	

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

Pakistan, EU Agree on Multifaceted Development Cooperation

Pakistan and European Union (EU) have agreed on multifaceted development cooperation agenda in smart agriculture, economic growth, sustainable infrastructure, technical and vocational education, climate and green development, digital transformation, health, and several other sectors.

The was unfolded during the 12th annual meeting of the sub-group on development cooperation of the Pakistan-EU Joint Commission at the Ministry of Economic Affairs, Islamabad, said a press release issued on September 28, 2022. The meeting was co-chaired by Deputy Head of South and South East Asia of the Brussels based European Commission Ian Hoskins, and Joint Secretary of the Ministry of Economic Affairs Islam Zeb.

With an emphasis on cooperation in the rehabilitation and reconstruction of flood-stricken areas and people of Pakistan, both sides discussed the level of present development cooperation and resolved to deepen their relation for the socio-economic development of Pakistan. "We are here to commit that the European Union will, under its Multi Indicative Program (MIP) support the economic and social development of Pakistan and integrate post-flood rehabilitation and reconstruction into the existing plan, which we consider of paramount importance for the people of Pakistan", said Ian Hoskins during the meeting.

He disclosed that under the MIP 2021-2027, the EU would provide Pakistan € 265 million during the first three years in areas of Green Inclusive Growth, Human Capital and Governance, including the Rule of Law (ROL) and Human Rights (HR).

While welcoming the support of the EU, the Co-chair for Pakistan said, "We appreciate and hugely value the support being provided by the EU over decades and are very thankful to the immediate relief assistance of the EU during the recent climate calamity."

The Sub-group meeting took stock of the implementation of the Multiyear Indicative Plan, the Annual Action Plan; the post-flood rehabilitation and reconstruction and how to cope with it; and reviewed the progress of ongoing EU funded projects.

The Pakistani Delegation briefed the German counterparts about current and planned development priorities of the Government, which include a stronger focus on transparency, institutional reforms, poverty alleviation, human resource development and green energy. Both sides exchanged views on increasing the cost effectiveness of development assistance initiatives and the measures to enhance cooperation with the private sector. It merits mention that the EU's total ongoing portfolio in Pakistan is worth € 630.2 million for 38 projects. Since 2001, over € 1.9

billion have been provided to Pakistan. The Flood Relief Assistance from the EU to Pakistan amounts to € 44.24 million.



The Willy Wonka Dream

A Canadian company, Candy Funhouse, is hiring a Chief Candy Officer who will be the lead taste tester of at least 3,500 products per month for an annual salary of \$78,000 and the job is open to anyone who is older than five years of age, according to Business Insider.

SECP Expands Auto Generated MEMARTS into Standalone Incorporation Process

In pursuit of its agenda towards digitization, process reengineering and ease of doing business, the Securities and Exchange Commission of Pakistan (SECP) has further simplified the company incorporation process.

Now users can also obtain auto generated memorandum & articles of association (MEMARTS) during online incorporation process. Up till now, the applicants were required to download format of the MEMARTS from the SECP website and separately upload it in eServices.

The updated process shift will speed-up the company incorporation, reduce turnaround time, and minimize the chances of errors. In case of any query, applicants can contact SECP's WhatsApp service at 0092-306-9365625 or email at business.centre@secp.gov.pk.

ADB to Continue Support in Mitigating Climate Change Related Crisis in Pakistan

The President of Asian Development Bank (ADB) Masatsugu Asakawa on September 27, 2022 said that the ADB would continue its support in mitigating the climate change related crisis in Pakistan.

Expressing sorrow over the unprecedented losses during the recent flooding in Pakistan in a virtual press conference, the ADB President said the Bank had already approved a \$3 million grant to support the Government of Pakistan's emergency relief efforts amid widespread floods across the country.

He added that ADB knew the suffering of Pakistani people and was committed to help Pakistan overcome the devastating impact of this natural disaster and provide immediate relief to affected families.

Responding to a question about Pakistan's recent flooding and climate issues in the press conference held virtually on the occasion of 55th ADB annual meetings, the President said Developing Asia will require US\$1.7 trillion per year to support climate resilient infrastructure and to meet the infrastructure needs. ADB was providing unprecedented support of \$100 billion to deliver climate financing to its developing member countries from 2019 to 2030. "To reach this \$100 billion ambition we are exploring the opportunities for investments in climate change mitigation, scaling up adaptation project that focus on resilience and increasing climate financing".

The ADB's ambition was also to provide at least \$34 billion out of \$100 billion on climate adaptation financing by 2030. He said the grant, financed from the Asia Pacific Disaster Response Fund (APDRF), will help fund the immediate purchase of food supplies, tents, and other relief goods to support flood victims across the country. Meanwhile the ADB also announced plans to provide at least \$14 billion over 2022-2025 in a comprehensive program of support to ease a worsening food crisis in Asia and the Pacific, and improve long-term food security by strengthening food systems against the impacts of climate change and biodiversity loss.

The assistance expands ADB's already significant support for food security in the region, where nearly 1.1 billion people lack healthy diets due to poverty and food prices which have soared to record highs this year.

The funding will be channeled through existing and new projects in sectors including farm inputs, food production and distribution, social protection, irrigation, and water resources management, as well as projects leveraging nature-based solutions. ADB will continue to invest in other activities which contribute to food security such as energy transition, transport, access to rural finance, environmental management, health, and education.

"This is a timely and urgently needed response to a crisis that is leaving too many poor families in Asia hungry and in deeper poverty," said ADB President Masatsugu Asakawa, in remarks at ADB's 55th Annual Meeting. "We need to act now, before the impacts of climate change worsen and further erode the region's hard-won development gains. Our support will be targeted, integrated, and impactful to help vulnerable people, particularly vulnerable women, in the near-term, while bolstering food systems to reduce the impact of emerging and future food security risks."

Asia and the Pacific is vulnerable to food shocks, as some of its countries depend on imported staples and fertilizer. Even before the invasion of Ukraine, nutritious food was unaffordable for significant portions of the population in many ADB low-income member countries.

As well as supporting vulnerable people, ADB's food security assistance will promote open trade, improve smallholder

farm production and livelihoods, ease shortages of fertilizer and promote its efficient use or organic alternatives, support investments in food production and distribution, enhance nutrition, and boost climate resilience through integrated and nature-based solutions. A key focus will be to protect the region's natural environment from climate change impacts and biodiversity loss, which have degraded soils, freshwater, and marine ecosystems.

"An important part of our long-term approach is to safeguard natural resources and support farmers and agribusinesses which produce and distribute much of the region's food, and to promote open trade to ensure it reaches consumers efficiently," said Mr. Asakawa.



FBR Has Enabled Refund Adjustment Tab in the Return Forms for Facilitation of Taxpayers While Filing Tax Returns for Year 2022

Federal Board of Revenue (FBR) has received a number of representations from various Tax bars, businesses and other stakeholders on the issue of non-availability of refund adjustment tab in the return forms available in the Iris, an online portal of FBR for return filing. In order to ensure smooth filing of returns and to improve ease of doing business and decrease cost of compliance of taxpayers, Federal Board of Revenue (FBR) has enabled refund adjustment tab in the return forms. This facility will enable taxpayers to adjust their pending refund claims against admitted liability of Tax Year (TY) 2022 at the time of filing of tax returns who had filed applications to claim their outstanding refunds of previous years. In this regard it is informed that refunds applications filed up to September 27, 2022 are eligible for adjustment of refunds. This facility is available to all taxpayers who have not claimed excess adjustment against previous years' refunds.

FBR to Extend Full Cooperation to Qatari Businessmen Investing in Pakistan

Ambassador of Qatar to Pakistan HE Sheikh Saoud bin Abdul Rahman bin Faisal Al-Thani called on Chairman FBR Mr. Asim Ahmad at FBR Headquarters. Matters of mutual concern pertaining to cooperation in customs, trade facilitation and taxation were discussed in the meeting. Chairman FBR assured that maximum facilitation will be extended to the Qatari businessmen investing in Pakistan. He added that Pakistan greatly values the cooperation and support of Qatar in various fields especially in education and health sectors.

During the meeting, it was agreed that relevant departments of both countries would further enhance cooperation in the field of customs and tax to benefit from best practices of each other to further boost bilateral trade between the two brotherly countries.

Chairman FBR also briefed the Qatari Ambassador about the recent policy and administrative measures taken by FBR for further mobilization of revenue and facilitation of taxpayers. Qatari Ambassador appreciated the performance of FBR in the last year as well as during the first two months of the current financial year.

Dubai Port Operator to Set Up Industrial Park in Pakistan

Dubai-based global logistics and port terminal operator DP World working at Karachi port, is planning to set up an industrial park in Pakistan to attract global investors.

Sheikh Sultan bin Sulayem, chairman of the port terminal operator, said he was interested in setting up industrial parks in Pakistan, where there was no dearth of human resource.

Sheikh Sultan arrived in Pakistan on September 23, 2022 to assess the scale of a climate disaster that hit the South Asian country after the onset of monsoon rains in mid-June 2022. The subsequent floods have killed more than 1,600 people, affected 33 million and inundated a third of Pakistan, including 4 million acres of standing crops.

The chief of DP World, which already operates a container terminal at the Karachi port, said Pakistan had a huge investment potential and availability of human resource. "The vision I have is to open industrial parks in Pakistan which will be equipped with modern infrastructure. Human resource is no problem in Pakistan as the country has many highly educated engineers, who will work in these industrial parks," Arab News reported. Sheikh Sultan said many companies in the Far East were looking to move out due to increasing cost of production for which Pakistan was

an "ideal place" as the Pakistani economy had "very strong fundamentals."

The DP World chairman said he planned to pour in multi-million dollar in aid to assist Pakistan in the wake of devastating floods.

"Pakistan is facing unbelievable disaster and the media is unable to show the scale of the disaster, so I have personally come to see with my own eyes. We want to show it to the world," he said.

"The news about natural disaster is a wake-up call for everybody and we are committed to reduce the carbon footprint in our area."

Sheikh Sultan said his organization would provide food, medicines, tents and anything that was required for the flood-affected people in Pakistan.

"The United Arab Emirates (UAE) government and people are committed to help Pakistani people," he said, promising, "the issue of climate change will be raised at every forum."

Pakistan and the UAE have close fraternal relations and bilateral cooperation in a range of fields. The UAE is also Pakistan's largest trading partner in the Middle East and home to more than 1.6 million Pakistani nationals.

On August 28, 2022 the UAE's Ministry of Defense started operating an air bridge to transport humanitarian aid to Pakistan and has since sent more than 40 relief flights.

SBP Advises Public not to Respond to or Share Personal Information on Fraudulent Calls and Messages

State Bank of Pakistan (SBP) and Pakistan Banks Association (PBA) have been continuously advising the general public through consumer awareness messages, press releases, etc. not to share their personal credentials or banking information on telephonic or WhatsApp calls and messages with individuals impersonating officials of SBP, banks or any other agency.

An SBP press release issued on September 24, 2022, stated, "It has come to our knowledge that fraudsters are sending fake WhatsApp messages with SBP's logo to the general public, claiming SBP has blocked their ATM Card or Bank account due to non-verification of credentials. To verify/unblock the account, customers are asked to call either the sender of the message (i.e., call on the number from which the message was received) or on a specific number mentioned in the message. The public is informed that these messages are not sent by SBP nor does SBP deal with blocking / unblocking/ verifying of banking customers' accounts/ payment cards (ATMs, credit cards).

The public is once again reminded to remain vigilant and

not respond to any such calls, messages, or click on unverified website links and refrain from sharing their personal or financial credentials with any such individual(s). The public is advised to call their banks' dedicated helpline in case of any ambiguity and to immediately report the details of such calls, messages and website links to their concerned bank or to the relevant authorities such as Pakistan Telecommunication Authority (PTA) and Federal Investigation Agency (FIA)."

SBP Modifies Foreign Exchange Regime to Promote Documentation in Forex Transactions

In order to further enhance transparency and promote documentation in the foreign exchange transactions, State Bank of Pakistan has advised the Exchange Companies that all foreign currency sale transactions of USD 2,000/- or above (equivalent in other currencies) against PKR should only be conducted through payment modes, such as bank transfer/cheques from the personal bank account of the customer.

This step is also focused on encouraging the general public to use various banking channels, which are generally more secure, to fulfill their genuine foreign exchange needs. Relevant instructions can be accessed at the following links: <https://www.sbp.org.pk/epd/2022/FECL15.htm>

SECP Allows Listed Companies to Issue Convertible Debt Through Right Offer

The Securities and Exchange Commission of Pakistan (SECP) has notified the regulatory framework for issuance of Convertible Debt Securities (CDS) through right offer. This new framework will allow listed companies to achieve their growth objectives by raising finance in a timely and cost-effective manner.

This regulatory framework introduces a new product and way for raising capital. It also provides detailed mechanics for the same.

Presently, convertible debt is issued either by public offering or by private placement mode. Under the said Regulations, now the listed companies can also raise funds by issuing convertible debt to existing shareholders by way of right offer.

It would provide an additional investment avenue for the shareholders and allow them to earn interest/profit, while also retaining the option to convert debt instrument into share capital.

Rights of CDS can also be renounced through Securities Exchange trading platform and can also be traded in the

same manner as Letter of Right (LOR) of shares are presently traded.

Regulatory framework has been designed in line with the disclosure-based regime being followed globally. Special focus is placed on achieving a balance between investor protection and facilitation for the issuer(s).

The said Regulations can be accessed at SECP's website at <https://www.secp.gov.pk/document/issuance-of-convertible-debt-securitiesthrough-right-offer-regulations-2022/>.

SBP issues Commemorative Banknote to Mark 75 years of Pakistan's Independence

The State Bank of Pakistan (SBP) has issued a commemorative banknote of Rs75 on the occasion of 75th anniversary of Pakistan's independence. The design of this commemorative banknote was unveiled on August 14, 2022, during a ceremony at SBP headquarter, Karachi. The commemorative banknote will be available for the general public from the State Bank of Pakistan Banking Services Corporation (SBP BSC) offices and Commercial Banks' branches from September 30, 2022. This banknote is legal tender under section 25 of the SBP Act, 1956, and can be used as medium of exchange for all transactions across Pakistan.

This is the second commemorative banknote issued by SBP after the issuance of first commemorative note issued to mark the fifty years of independence of the country in 1997. The themes and concepts for both the obverse and reverse sides of the banknote were developed by SBP and local artists.

The commemorative banknote has been designed to pay tribute to the leaders contributing towards creation of Pakistan and create awareness about climate change and its impact on our environment. Accordingly, the obverse of the banknote is graced with the portraits of Quaid-i-Azam Muhammad Ali Jinnah, Allama Sir Muhammad Iqbal, Mohtarma Fatima Jinnah and Sir Syed Ahmed Khan. The reverse of the banknote highlights our national commitment towards climate change and its repercussions for Pakistan, which has gained added urgency in the light of unprecedented loss caused by the recent torrential rains and flooding in large parts of Pakistan. The images of national animal Markhor and national tree Deodar on the reverse also highlight the danger of extinction of such species and the need to preserve them. An interactive video of the design can be viewed at

<https://www.sbp.org.pk/finance/Pak-75Rupees.asp>

For further details, please visit the SBP website

<https://www.sbp.org.pk/finance/Pak75Rupees.asp>
<https://www.sbp.org.pk/press/2022/Pr-29-Sep-2022.pdf>

International Economic Roundup

Bank of England Intervenes in Bond Market After Historic Sell-Off

The Bank of England will suspend the planned start of its gilt selling next week and begin temporarily buying long-dated bonds in order to calm the market chaos unleashed by the new government's so-called mini-budget.

Yields on U.K. government bonds, known as "gilts," were on course for their sharpest monthly rise since at least 1957 as investors fled British fixed income markets following the new fiscal policy announcements. The measures included large swathes of unfunded tax cuts that have drawn global criticism, including from the IMF.

In a statement on September 28, 2022, the central bank said it was monitoring the "significant repricing" of U.K. and global assets in recent days, which has hit long-dated U.K. government debt particularly hard.

"Were dysfunction in this market to continue or worsen, there would be a material risk to UK financial stability. This would lead to an unwarranted tightening of financing conditions and a reduction of the flow of credit to the real economy," the Bank of England said.

"In line with its financial stability objective, the Bank of England stands ready to restore market functioning and reduce any risks from contagion to credit conditions for UK households and businesses."

As of September 28, 2022, the bank will begin temporary purchases of long-dated U.K. government bonds in order to "restore orderly market conditions," and said these will be carried out "on whatever scale necessary" to soothe markets.

The bank's Financial Policy Committee on Wednesday acknowledged the dysfunction in the gilt market posed a material risk to the country's financial stability, and opted to take immediate action.

The Monetary Policy Committee's target of an annual £80 billion (\$85 billion) reduction of its gilt holdings remains unchanged, the bank said, with the first gilt sales — initially slated for Monday — now taking place on October 31.

A U.K. Treasury spokesperson confirmed that the operation had been "fully indemnified" by the Treasury and said that Finance Minister Kwasi Kwarteng is "committed to the Bank of England's independence."

"The Government will continue to work closely with the Bank in support of its financial stability and inflation objectives," the spokesperson added.

The bank said it will publish a market notice outlining the operational details of the program "shortly."

Yields on U.K. 30-year gilts and 10-year gilts dropped sharply after the announcement, while sterling initially fell 1.5 percent against the dollar before recovering slightly to trade at around \$1.066 by mid-afternoon in London.

Bank of Canada Welcomes IMF Report Following Transparency Review

The Bank of Canada on September 28, 2022 welcomed the publication by the International Monetary Fund (IMF) of its final report summarizing its pilot review of the Bank's transparency practices. The report contained several recommendations for how the bank could further enhance its transparency, and the Bank published its formal response to those recommendations.

This past spring, using the IMF's new Central Bank Transparency Code (CBTC), an IMF Mission Team made up of independent experts reviewed the Bank's transparency practices across five areas: governance, policies, operations, outcomes and official relations. The Mission Team met with staff and management from across the Bank as well as with a broad range of stakeholders, including academics, think tanks, parliamentarians, market participants and journalists.

"I would like to sincerely thank the IMF for undertaking this transparency review and members of the Mission Team for their thorough work. I am also grateful to our many stakeholders for being generous with their time and candid in their feedback," said Bank of Canada Governor Tiff Macklem. "We were pleased to participate in this pilot process, and we will benefit from the recommendations in this report. We support the IMF's Central Bank Transparency Code and hope other central banks will be encouraged to use these tools."

Through the course of its review, the Mission Team recognized that the Bank of Canada sets a high benchmark for transparency and is broadly aligned with expanded and comprehensive practices, as defined by the CBTC. As well, the IMF reported that stakeholders consider the Bank to be an open, dynamic and transparent public institution.

In particular, the IMF report characterizes the Bank's monetary policy framework as comprehensive, transparent and understandable. It notes that the Bank has long been setting the standard for monetary policy communication. It adds that the Bank regularly publishes clear and understandable information on its policy framework,

decisions and operations. The bank's use of novel communication tools and channels as well as its active approach to listening to stakeholders were also acknowledged as strengths.

In its response, the bank announced that it will publish a summary of deliberations after each policy rate announcement, beginning in January 2023. More details about this new publication will be shared in the months ahead.

The bank also agreed to enhance transparency around its risk management and audit functions. And it will strengthen its efforts to communicate broadly, and in plain language, about financial stability issues.

"We know that by being transparent, we can help all Canadians understand what we are doing and why, and that's essential for their trust" Macklem said. "This is always important, and especially crucial as we work to bring inflation back to the 2 percent target."

IMF Criticizes UK's New Economic Policy

The International Monetary Fund (IMF) openly criticized Britain's new economic strategy on September 27, 2022, following another slide in bond markets that forced the Bank of England to promise a "significant" response to stabilize the economy.

Pressure piled on new Finance Minister Kwasi Kwarteng to reassess his policy, which unleashed turmoil in financial markets, as leading economists, investors and executives said that rock-bottom investor confidence would recover only if the plan was scrapped.

New British Prime Minister Liz Truss of the Conservative Party came into office on September 6, 2022 saying she wanted to snap the economy out of years of stagnant growth with deep tax cuts and deregulation.

Kwarteng's plan, designed to support households and businesses with energy bills while doubling the long-run rate of economic growth. It requires an additional 72 billion pounds (\$77.2 billion) in government debt issuance in this fiscal year alone, shocking investors, sending the costs of such borrowing even higher.

The IMF said the proposals, which sent the pound to touch an all-time low of \$1.0 on September 26, 2022, would likely increase inequality and it questioned the wisdom of such policies.

"Given elevated inflation pressures in many countries, including the UK, we do not recommend large and untargeted fiscal packages at this juncture, as it is important that fiscal policy does not work at cross purposes to monetary policy," an IMF spokesperson said.

"We are closely monitoring recent economic developments in the UK and are engaged with the authorities," the spokesperson said.

The IMF holds symbolic importance in British politics: its bailout of Britain in 1976 following a balance-of-payments crisis had long been regarded as a low point of modern British economic history.

Chinese Yuan: Currency Hits Record Lows Against US Dollar

China's yuan has hit fresh record lows against the surging US dollar. The internationally-traded yuan fell to its lowest level since data first became available in 2011.

China's domestic currency also reached its weakest point since the 2008 global financial crisis. It comes as the dollar continues to rise in value against other major currencies, after the US central bank increased interest rates again earlier this month.

Meanwhile on September 28, 2022, major stock market indexes across Asia fell sharply.

Japan's benchmark Nikkei index closed 1.5 percent lower, while the Kospi in South Korea ended the day down by 2.4 percent. Hong Kong's Hang Seng was 2.8 percent lower.

China's central bank has been trying to slow the yuan's slide by making it more expensive to bet against the currency. The People's Bank of China (PBOC) also cut how much foreign currency banks have to hold.

Many investors see the dollar as a safe place to put their money in times of trouble. That has helped to drive up its value against other currencies, including the British pound, which hit an all-time low against the dollar on September 26, 2022. Also, on September 28, 2022, the dollar reached a fresh 20-year high against a closely-watched group of leading global currencies.

The yuan's slide is yet another example of a currency weakening as a result of the strong dollar. It is also about the very different paths China and the United States are taking in response to economic issues at home.

The PBOC has been easing interest rates to revive growth in an economy ravaged by COVID lockdowns, while the US Federal Reserve is moving aggressively in the opposite direction as it tries to control inflation.

Such a divergence is not wholly problematic, Joseph Capurso, head of international and sustainable economics at the Commonwealth Bank of Australia told the BBC. The fall in the currency's value can actually be helpful for exporters within China, he said, because it would make their

goods cheaper and so could increase demand. That said, exports only make up 20 percent of the Chinese economy these days, so a weak yuan will not turn around fundamental weakness domestically largely caused by Beijing's zero-COVID strategy and a property crisis, said Mr Capurso.

A weaker currency can also lead to investors pulling their money out of the country and uncertainty in financial markets - something Chinese officials will want to avoid with the Communist Party Congress coming up next month, when its president Xi Jinping is expected to secure an unprecedented third term in office.

The yuan's fall has caused weakness in other currencies of developed economies in the region, including the Australian and Singapore dollar, as well as the South Korean won. Last week, the Bank of Japan intervened to support the yen for the first time since 1998, after the currency weakened against the dollar. Asia's emerging markets are vulnerable too - as they sell raw materials and components to China's factories and so have increasingly become dependent on the yuan.

Washington has in the past accused China of intentionally devaluing its currency to keep exports cheap and imports from the US expensive. While the strong dollar has rattled world markets, it is unlikely to deter the Fed from continuing to raise rates. "The strong dollar is working for the US market," Dimitri Zabelin at the London School of Economics' foreign policy think-tank said. It will be a consideration but it will not weigh as heavy as domestic concern about inflation."

Bank of England Banknotes Featuring HM King Charles III

The Bank of England will reveal images of updated banknotes featuring a portrait of HM King Charles III by the end of this year. The notes are expected to enter circulation by mid-2024.

His Majesty's portrait will appear on existing designs of all four polymer banknotes (£5, £10, £20 and £50). This will be a continuation of the current polymer series and no additional changes to the banknote designs will be made.

In line with guidance from the Royal Household to minimize the environmental and financial impact of the change of monarch, existing stocks of notes featuring HM Queen Elizabeth II will continue to be issued into circulation. New notes will only be printed to replace worn banknotes and to meet any overall increase in demand for banknotes.

Current banknotes featuring the portrait of HM Queen Elizabeth II will continue to be legal tender and will only be removed from circulation once they become worn or damaged. They will co-circulate with those featuring HM King Charles III.

Salient Points to Note:

1. His Majesty's portrait will feature on the front of the banknote, as well as in came in the see-through security window.
2. The current series of banknotes (series G) features the following characters in the designs: £5 - Winston Churchill, £10 - Jane Austen, £20 JMW Turner, £50 - Alan Turing.
3. HM Queen Elizabeth II first appeared on Bank of England banknotes in 1960.
4. The legal tender status of paper £20 and £50 notes will be withdrawn after 30 September 2022, as previously announced.



Arctic Warming

The Arctic is warming four times faster than the rest of the planet owing to a phenomenon called Arctic amplification which is caused by heat trapping emissions from burning fossil fuels, researchers at the Finnish Meteorological Institute found in a study.

Statement from the Governor of the Bank of England

The Bank of England is monitoring developments in financial markets very closely in light of the significant repricing of financial assets.

In recent weeks, the government has made a number of important announcements. The government's Energy Price Guarantee will reduce the near-term peak in inflation. Last September 23, 2022 the government announced its Growth Plan, on which the Chancellor has provided further detail in his statement today. "I welcome the Government's commitment to sustainable economic growth, and to the role of the Office for Budget Responsibility in its assessment of prospects for the economy and public finances. The role of monetary policy is to ensure that demand does not get ahead of supply in a way that leads to more inflation over the medium term. As the MPC has made clear, it will make a full assessment at its next scheduled meeting of the impact on demand and inflation from the Government's announcements, and the fall in sterling, and act accordingly. The MPC will not hesitate to change interest rates by as much as needed to return inflation to the 2 percent target sustainably in the medium term, in line with its remit."

MANAGEMENT VIEWS



Screen a Potential Employer for Psychological Safety

When you are looking for a new job, how can you assess whether a prospective employer values psychological safety? Here is how to screen for red flags.

- **Take note of exclusive language.** In job descriptions and interviews, take note of any subtle language cues that communicate subtle bias, such as ageist or gender-coded descriptors. What you want to hear is language that is neutral and skills-based, like “passionate programmer,” “creative software engineer,” or “experienced developer.”
- **Ask open-ended questions about culture during your interview.** For example, “Can you tell me about a time someone messed up? What happened?” This question gets to the heart of psychological safety. Psychologically safe teams allow mistakes and do not penalize employees for failure. Rather, they provide the security employees need to take risks.
- **Listen carefully to how the organization answers your questions.** If certain questions—about compensation or benefits, for example—are met with promises for follow-ups that never come, beware. Lack of transparency in the application process is a signal of a culture that might not value trust, therefore compromising psychological safety.

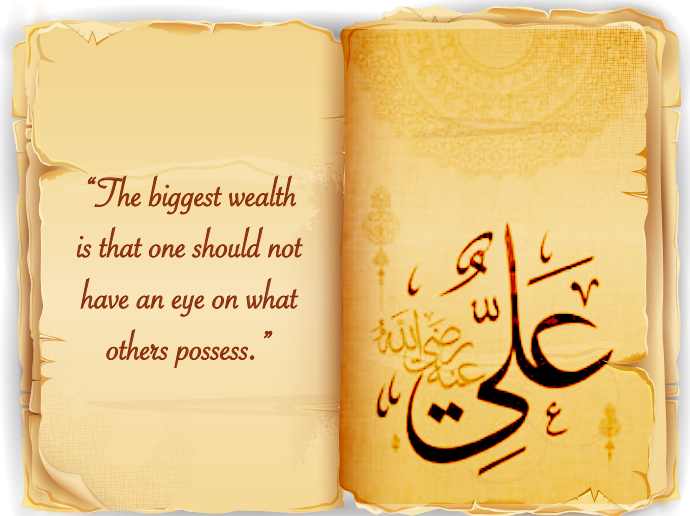
(This tip is adapted from *How to Tell If a Prospective Employer Values Psychological Safety*, by Susan Peppercorn – HBR.)

Improve How You Recognize Your Team

Showing recognition—when done well—has huge payoffs, boosting employee morale, productivity, performance, and retention. To get better at giving recognition, you want to focus on both the substance of the recognition and the manner and context in which you deliver it. To improve the substance, start by being specific. Describe to your employee what they did and the impact it had on you, the team, the organization, or your customers. While recognizing outcomes is valuable, it is also important to recognize the positive actions that led to the outcome. To improve the delivery of your recognition, consider the employee you are recognizing. Would they rather receive kudos in public or in private; verbally or via handwritten card? Tailor your delivery method to your employee's

personality. Whatever method you choose, be timely. The sooner you give the recognition after the behavior, the higher the perceived value.

(This tip is adapted from *Do You Tell Your Employees You Appreciate Them?*, by Jack Zenger and Joseph Folkman – HBR.)



Help Your Team Build Stronger Relationships

People with close relationships with their colleagues are more productive, creative, and collaborative—and they are less likely to burn out. As a leader, you can strategically engineer the conditions that allow workplace friendships to blossom—even in a remote or hybrid environment. Here is how.

- **Leverage common denominators to spark friendships.** Make it easier for employees to identify commonalities as early as onboarding. When introducing new team members, do not just focus on their work experience. Share some of their personal interests and activities, too.
- **Highlight shared goals.** Make sure your employees view each other as essential to each other's success, and that their objectives align. This will help them see themselves as teammates not just colleagues.
- **Turn tension into connection.** Use relationship-building statements to turn tense moments into opportunities for deeper connections. These can take the form of recommitting to a shared goal (“I bet we can figure this out”), acknowledging your employees' contributions

“You clearly put a lot of work into this”), or valuing their expertise (“I have always appreciated your insight into clients like this”).

(This tip is adapted from *High-Performing Teams Don't Leave Relationships to Chance*, by Ron Friedman – HBR.)

Prioritize Listening in a Crisis

Great leaders seek out—and act on—the counsel of others, especially in a crisis. You need a team of advisors that can offer as many perspectives on your situation as possible. To ensure you are prepared ahead of the next crisis, ask yourself these three questions:

- **Do I have access to diverse voices and sources of information?** Use scenario-planning to determine whose knowledge or expertise you might need in various kinds of crises, and identify whether you currently have access to it.
- **Do I routinely consider other team members' ideas or feedback when making decisions?** If not, start practicing seeking out expertise to fill your blind spots and inform your decisions. Effective crisis leaders are those who know when—and how—to defer to others.
- **What systems or processes might I put into place to surface and capture others' perspectives?** Look at how communication is structured in your organization and whether there are barriers or silos that you need to proactively address.

(This tip is adapted from *In a Crisis, Great Leaders Prioritize Listening*, by Erika James and Lynn Perry Wooten – HBR.)

Understand Your Emotions to Make Better Decisions

It is normal to experience difficult and complex emotions in the face of difficult and complex decisions. How can you harness these emotions to help you make better choices? It is all about “emotional bookending.” Start by identifying the exact decision you need to make. Are you hiring someone? Firing someone? Reshuffling your team? Name the decision—then identify exactly how you feel about it. What is the dominant emotion? Is it fear? Anxiety? A sense of being overwhelmed, or perhaps excitement, about the opportunity ahead? Naming your feelings can help create a little space between emotions and actions. Next, visualize how you might feel on the other side of the decision. Do you imagine

a sense of accomplishment or relief? Or is there still some anxiety there? Projecting the emotions, you will feel in the wake of your decision can help you untangle the discomfort you are feeling in the face of it—and help you move into your future with clarity and confidence.

(This tip is adapted from *Emotions Aren't the Enemy of Good Decision-Making*, by Cheryl Strauss Einhorn – HBR.)

Global Youth Unemployment
The number of unemployed young people around the world is set to hit 73 million in 2022, a slight improvement from the year before, but still well above global youth unemployment rates before the COVID-19 pandemic, according to a report from the United Nations

Fight Your Tendency to Micromanage

Micromanaging—being overly prescriptive or following up too much—is a surefire way to demotivate your employees and rob them of learning opportunities. Here are three ways to ensure you are not being a micromanager.

- **Focus on outcomes, not process.** The next time you assign a task or project, describe the outcome you want—not every step you want the person to take along the way. The goal here is to give them the autonomy and space they need to step up and get the job done.
- **Set clear expectations around feedback.** At the start of each new project, discuss when and how you will be giving constructive input. This will allow you to step in and redirect the flow of the project whenever necessary—without being overly involved or catching your team off guard.
- **Manage up.** In conversations with your own boss, talk about your team—how you are helping employees grow, places they are stepping up and shining, and what your plan is for the long term. This will help you build trust, demonstrate competence, and remove some of the pressure that leads to micromanaging behaviors in the first place.

(This tip is adapted from *How to Stop Micromanaging and Start Empowering*, by Lia Garvin – HBR.)



OCTOBER

Workshop

Facilitator

Fee

Timings

06 | Thursday
Faisalabad

Branch Internal Control Procedures for Cheque Payment – SBP Guidelines

Zeeshan Haider

PKR 15,000
(Excluding Sales Tax)

9:30 AM to
5:30 PM

CLASSROOM
TRAINING

08
Saturday

Raast Person-to-Person (P2P)

Syed Muhammad Taha

PKR 9,500
(Excluding Sales Tax)

10:00 AM –
2:00 PM

VIRTUAL
TRAINING