

Domestic Economic Roundup

Key Money & Banking Indicators:

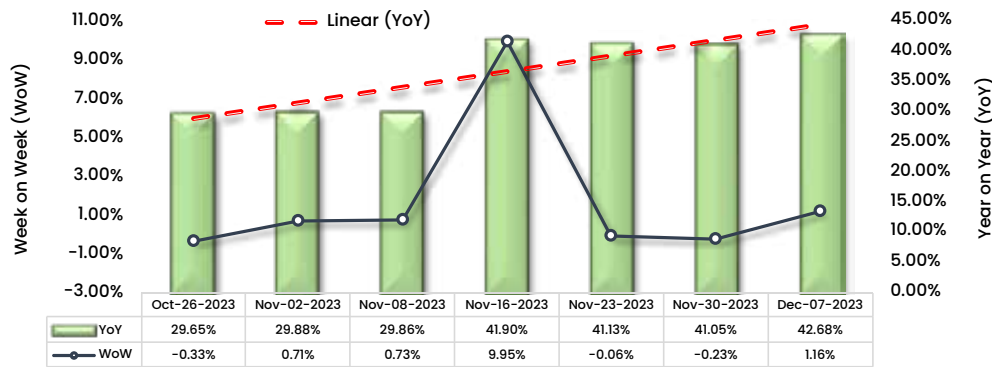
	Stocks at End - June 2023	Flows		Monetary Impact Since 1st July to	
		FY22	FY23	24-Nov-23	25-Nov-22
Total Deposits with Banks	22,262.4	2,615.1	2,327.6	504.7	(98.8)
Broad Money (M2)	31,523.3	3,304.9	3,920.6	(123.5)	5.3
Govt. Sector Borrowings (Net)	23,723.1	3,357.7	4,100.2	2,282.4	408.3
Credit to Private Sector	9,167.1	1,329.7	208.3	(90.9)	17.4

(Rs in billion)

https://www.sbp.org.pk/ecodata/BroadMoney_M2.pdf

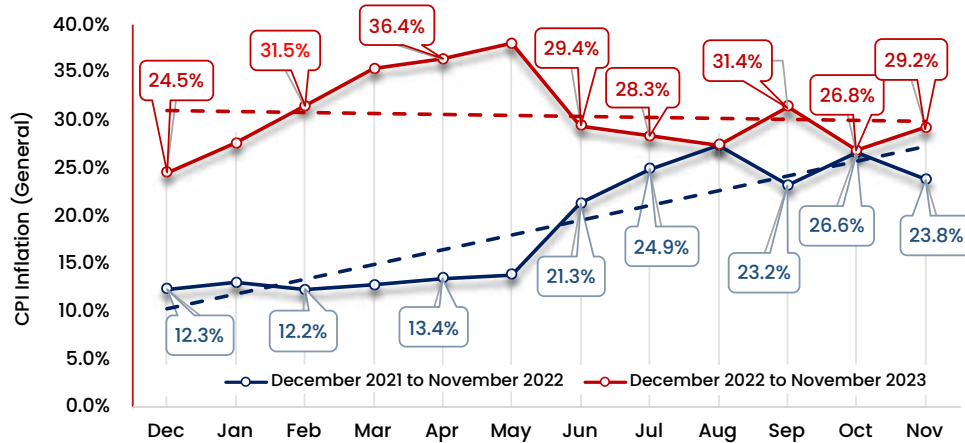
Weekly Trend in Sensitive Price Indicator (SPI)

<https://www.pbs.gov.pk/spi>



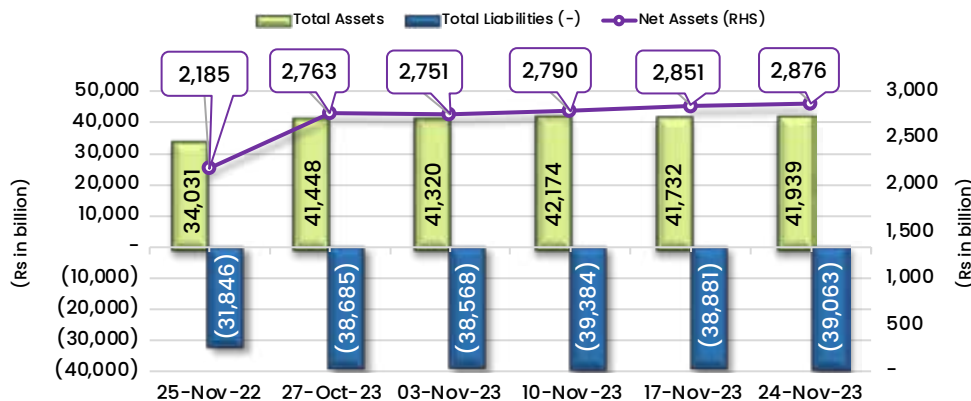
CPI Inflation General (YoY - December to November)

<https://www.pbs.gov.pk/cpi>



Total Assets and Liabilities of Scheduled Banks

<https://shorturl.at/hvGNT>



Markets at a Glance

Rates taken till Friday, December 08, 2023

SBP POLICY RATE

22.00% | Effective from June 27, 2023

<https://www.sbp.org.pk/ecodata/sir.pdf>

KIBOR (3 MONTHS)

	Bid%	Offer%
Change Starting	21.24	21.49
Change Ending	21.60	21.85
Change	+0.36	+0.36

https://www.sbp.org.pk/ecodata/kibor_index.asp

FOREX RATES

	GBP	EURO	USD
Change Starting	PKR 360.05	PKR 310.50	PKR 284.97
Change Ending	PKR 356.67	PKR 306.00	PKR 283.87
Change	-3.38	-4.52	-1.1

<https://www.sbp.org.pk/ecodata/rates/m2m/M2M-Current.asp>

PAKISTAN STOCK EXCHANGE

	100 Index
Change Starting	61,691
Change Ending	66,224
Change	+4,533

<https://dps.psx.com.pk/>

GOLD RATES*

	10 GM, 24K
Change Starting	PKR 187,245
Change Ending	PKR 185,145
Change	-2,100

<https://www.forex.pk/bullion-rates.php>

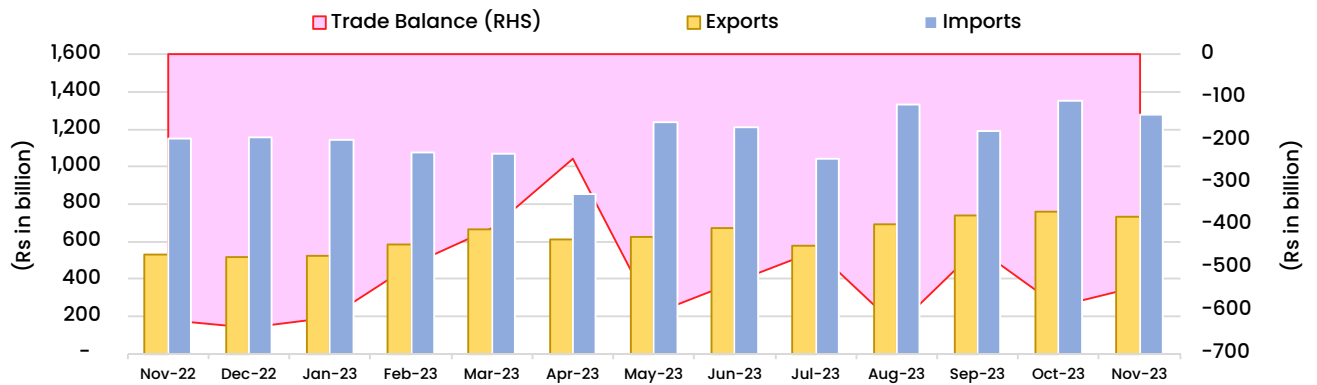
Balance of Trade Summary

(Rs in billion)

Series	Nov, 2022 (F)	Oct, 2023 (R)	Nov, 2023 (P)	% Change (November 2023 over October 2023)	% Change (November 2023 over November 2022)
Exports	531.0	754.1	735.8	(2.4)	38.6
Imports	1145.9	1363.6	1275.8	(6.4)	11.3
Balance of Trade - Services	(614.9)	(609.5)	(540.1)	(11.4)	(12.2)

<https://www.pbs.gov.pk/trade-summary>

Trends in Merchandised Trade:



Source: <https://www.pbs.gov.pk/trade-summary>

CPI Inflation

Annual Average

Year-on-Year

	FY20	FY21	FY22	Nov 2022	Oct 2023	Nov 2023
General	10.7	8.9	12.2	23.8	26.8	29.2
Food (Urban)	13.6	12.4	13.4	29.7	28.9	29.8
Non-Food (Urban)	8.3	5.7	10.8	16.4	23.1	30.9

<https://www.sbp.org.pk/ecodata/MPM-New.pdf>

<https://www.pbs.gov.pk/cpi>

Currency in Circulation as on (Stock data)

(Rs in billion)

June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	Nov 25, 2022	Nov 24, 2023
4,950.0	6,142.0	6,909.9	7,572.5	7,675.2	8,526.4

P = Provisional | R = Revised | F = Final

https://www.sbp.org.pk/ecodata/BroadMoney_M2.pdf

Central Banks' Gallery

State Bank of Pakistan



SBP Issues Instructions for Enabling 'RAAST' Person to Merchant Service

State Bank of Pakistan on December 06, 2023, has issued instructions to its Regulated Entities (REs) for enabling RAAST Person-to-Merchant (P2M) payment service for their customers. The RAAST P2M system will enable merchants to accept payments through different modes including Unified Quick Response (QR) Codes, RAAST Alias (such as mobile phones), bank accounts (IBAN), and Request to Pay (RTP). The SBP Digital Finance Group Circular issued on December 05, 2023 requires all REs i.e., Banks, Micro Finance Banks (MFBs), Electronic Money Institutions (EMIs) and Payment Service Providers (PSPs) to enable the capabilities such as (i) Read/Scan RAAST QR Codes, (ii) Process Request to Pay (Now and Later), (iii) Push Payments to merchant RAAST Aliases and IBANs, and (iv) initiate the request for returns/refunds in their respective Apps by March 2024. The REs has also been instructed to provide efficient, seamless and easy to use interfaces to their customers. Further, REs has been instructed not to charge any fee from their customers using RAAST payment options to pay for their transactions.

The SBP has also instructed the existing merchants acquiring REs to complete the integrations with 'RAAST' for enabling their respective merchants and ecommerce players to accept payments through 'RAAST' P2M service by March 31, 2024. Further, all REs shall ensure that billers/bill-aggregators already on-boarded by them are also enabled to accept payments via RAAST payment options by March 31, 2024. The enablement of RAAST P2M facility is likely to give a big boost to the SBP digitization efforts enabling hundreds of thousands of vendors across the country to receive payments against the goods and services in their accounts on real time basis. Detailed instruction on P2M launch can be accessed at SBP website at: <https://shorturl.at/bvOUX> <https://shorturl.at/msHY2>

Bank of Canada (BoC)



Bank of Canada Maintains Policy Rate, Continues Quantitative Tightening

The Bank of Canada on December 06, 2023, held its target for the overnight rate at 5 percent, with the Bank Rate at 5.25 percent and the deposit rate at 5 percent. The Bank is continuing its policy of quantitative tightening.

The global economy continues to slow and inflation has eased further. In the United States, growth has been stronger than expected, led by robust consumer spending, but is likely to weaken in the months ahead as past policy rate increases work their way through the economy. Growth in the euro area has weakened and, combined with lower energy prices, this has reduced inflationary pressures. Oil prices are about \$10-per-barrel lower than was assumed in the October *Monetary Policy Report* (MPR). Financial conditions have also eased, with long-term interest rates unwinding some of the sharp increases seen earlier in the autumn. The US dollar has weakened against most currencies, including Canada's. With further signs that monetary policy is moderating spending and relieving price pressures, Governing Council decided to hold the policy rate at 5 percent and to continue to normalize the Bank's balance sheet. Governing Council is still concerned about risks to the outlook for inflation and remains prepared to raise the policy rate further if needed. Governing Council wants to see further and sustained easing in core inflation, and continues to focus on the balance between demand and supply in the economy, inflation expectations, wage growth, and corporate pricing behavior. The Bank remains resolute in its commitment to restoring price stability for Canadians. <https://shorturl.at/FKLOQ>

CPI Inflation:

Monthly (October 2023)	3.1%	Annually	3.8%
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<https://tinyurl.com/mrxtkzxb>

Central Bank of the UAE



Bank Indonesia



Central Bank of the UAE and Bank Indonesia Agree to Expand Joint Cooperation

The Central Bank of the UAE (CBUAE) and Bank Indonesia (BI) on December 05, 2023, exchanged of Memorandum of Understanding (MoU) aimed at expanding cooperation in several sectors between the two central banks. The MoU was signed by His Excellency Khaled Mohamed Balama, Governor of CBUAE, and Perry Warjiyo, Governor of BI. In this MoU, an extension of the already established framework of cooperation, both parties commit to strengthening their relationship, enhancing information exchange, and collaborating across various areas. This includes aspects like monetary and macro-prudential policy, financial stability, payment systems, digital financial innovation, Islamic finance, technical capacity building, and the regulatory framework concerning Anti-Money Laundering and Countering the Financing of Terrorism.

<https://tinyurl.com/mry85upj>

Central Bank of the UAE



UAE Financial Sector Announces to Mobilize AED 1 trillion in Sustainable Finance by 2030 as UAE Hosts COP28

Coinciding with the UAE's hosting of COP28, the Central Bank of the United Arab Emirates (CBUAE), in cooperation with the COP28 Presidency, on December 04, 2023 organized an event to facilitate global climate finance solutions and progress towards a sustainable future.

During this global event, the UAE Banks Federation announced a significant initiative from the UAE banking sector to collectively mobilize over one trillion dirhams in sustainable finance by 2030.

Held on Finance Day at COP28, the event is aligned with the CBUAE's strategy to lead sustainable finance efforts to enable climate action. Bringing together global leaders of key international financial institutions to address global climate action and foster sustainable finance, the panel featured H.E. Kristalina Georgieva, Managing Director of the International Monetary Fund; H.E. Ravi Menon, Managing Director of the Monetary Authority of Singapore; and Mark Carney, UN Special Envoy for Climate Action and Finance. The global leaders underscored the crucial role of sustainable finance in global climate action and outlined steps to overcome challenges faced by different global regions.

The CBUAE emphasized the role of digitalization and advanced technology innovations in driving global climate action and sustainable finance. During the event, the CBUAE highlighted the solutions of the COP28 UAE TechSprint – a global initiative launched by the CBUAE in collaboration with the Bank for International Settlements, the COP28 Presidency, and the Emirates Institute of Finance, with the aim of advancing innovative technology solutions in sustainable finance to scale up climate action.

<https://tinyurl.com/y9hdr4jk>

Commercial Banks' Gallery

HBL becomes the First Capacity Building Alliance of Sustainable Investment (CASI) Member in Pakistan

Muhammad Aurangzeb, President & CEO – HBL and Dr Ma Jun, President Institute of Finance & Sustainability at the CASI ceremony held during COP28 in Dubai, UAE. HBL on December 05, 2023 in Karachi, Pakistan, by invitation from the Institute of Finance & Sustainability, joined the Capacity Building Alliance of Sustainable Investment (CASI) to become the first CASI member in Pakistan.

CASI is an international cooperation platform aiming to deliver high-quality and higher-impact sustainable finance capacity building services for developing countries, via developing a "global aggregator and distributor of sustainable finance knowledge". Under the guidelines of the Aga Khan Development Network (AKDN), HBL remains focused on sustainability and green operations initiatives. The Bank became a member of UNEP FI making it a signatory to the Principles of Responsible Banking (PRB) and Net Zero Banking Alliance (NZBA). As the first CASI member in Pakistan, HBL will contribute its expertise and resources to the alliance's capacity-building efforts, enhance awareness, and create linkage with academia.

<https://tinyurl.com/yc7kwwv2>

Economic Horizons

ADB Approves Projects Worth \$658 million for Resource Mobilization, Schools, Food Security in Pakistan

The Asian Development Bank (ADB) has approved three projects this week, totaling \$658.8 million to help Pakistan achieve its goal of more inclusive and sustainable growth and development. The projects will focus on improving domestic resource mobilization; rehabilitating schools damaged by the devastating August 2022 floods; and enhancing agricultural productivity to improve food security.

The ongoing Sindh Secondary Education Improvement Project will receive additional financing—a \$275 million emergency assistance loan that is part of ADB's \$1.5 billion pledge of support for Pakistan's recovery from the devastating 2022 floods. The additional financing will help reconstruct up to 1,600 flood-damaged schools using disaster- and climate-resilient and gender-responsive designs. This will boost resilience and inclusivity in the education system in Pakistan, helping the recovery of



learning and earning losses especially for girls in the most disadvantaged and vulnerable districts of Sindh. An \$800,000 technical assistance grant will be provided to help plan and monitor the status of reconstruction in all flood-damaged schools and provide implementation support, including for introducing inclusive design features. A concessional loan of \$80 million for the Khyber Pakhtunkhwa Food Security Support Project, which is also part of ADB's \$1.5 billion pledge of support for Pakistan's recovery from the 2022 floods, will help address climate vulnerabilities, enhance food security, and boost the livelihoods of rural farm households in the most flood-damaged districts in the province.

<https://tinyurl.com/bdeu2hf3>



Sahih Muslim 2019
<https://sunnah.com/muslim:2019>

Economy Steadily Progressing towards Recovery, Revival: MoF

The national economy is steadily progressing along a promising path toward recovery, propelled by the momentum of economic revival initiatives that are fostering a significant surge in economic activity. According to the *Monthly Economic Update & Outlook November 2023*, released by the Ministry of Finance (MoF) on December 05, 2023, the positive economic signals and recovery indicators have triggered the market sentiment, propelling the KSE-100 index of PSX by 33 percent in November, surpassing the 58199-point mark for the first time in history.

The government expects remittances to recover in October 2023, as spreads between the interbank and open market have reduced below 1 percent. However, global inflation has impacted the disposable incomes of overseas workers, resulting slowdown across the board, particularly Bangladesh, India, and the Philippines. The monetary policy rate was maintained at 22 percent, owing to the significant performance of high-frequency indicators and improved inflation outlook. Overall, positive economic signals and recovery indicators steering the improvement in the GDP outlook for the fiscal year. <https://tinyurl.com/2b4tkd9j>

International Economic Roundup

China to issue 10-billion-Yuan Sovereign Bonds in HKSAR

The Hong Kong Monetary Authority (HKMA) announced on December 07, 2023 that China's Ministry of Finance (MOF) will issue sovereign bonds totaling 10 billion yuan (1.41 billion US dollars) through its Central Money Markets Unit. A total of 3 billion additional 2025 bonds, 3 billion additional 2026 bonds, and 4 billion additional 2028 bonds will be issued this time. A tender of these bonds will be held on December 12 and for settlement on December 14, 2023. With the approval of China's State Council, the MOF has increased the issuance of the RMB sovereign bonds in the Hong Kong Special Administrative Region (HKSAR) to 50 billion yuan this year. (1 Chinese yuan equals 0.14 US dollar). <https://tinyurl.com/yvsau9es>

HR TIPS

Show Appreciation for Your Team on a Daily Basis

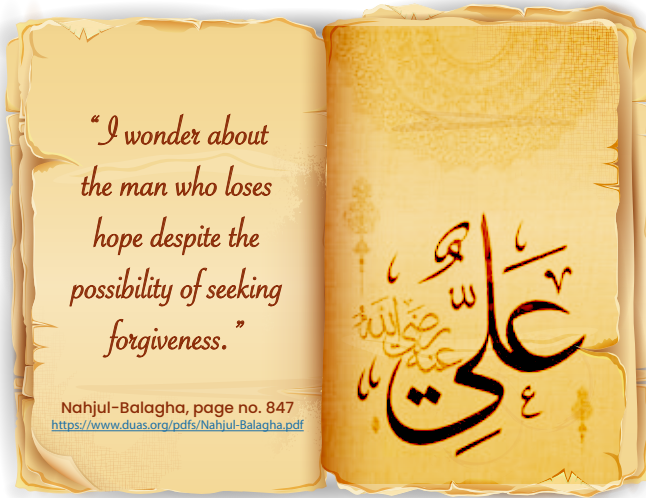
It is one thing to tell someone you appreciate them, but showing appreciation through your daily actions and behaviors can be even more impactful. Here are some simple ways you can show your team you value them, especially amid the day-to-day grind.

Show your appreciation for people's presence. Greet people by name when they arrive at the office or join a meeting—and say goodbye when they leave. It may sound like simple common courtesy, but these small gestures add up to a culture of respect and appreciation.

Show your appreciation for people's ideas and contributions. Nurture a culture of sharing ideas by calling on people, particularly those who are more junior or typically quiet, for their input in meetings. Honor their ideas and expertise by giving them credit—for example, "Maria is actually the one who came up with the idea for this project and has been leading the team to make the result happen."

Show your appreciation for people's lives outside of work. For your employees to feel appreciated, they need to know that you understand their passions, priorities, and responsibilities outside of work. Take the time to ask about your direct reports' weekends, holidays, and hobbies. Learn about their families, kids, and what they do for fun. And above all, respect work-life boundaries.

(This tip is adapted from *Simple Ways to Show Appreciation at Work*, by Christopher Littlefield - HBR.)



Use Curiosity to Shape Your Team Culture

To foster a culture of adaptability, engagement, and high performance on your team, you need to demonstrate consistent curiosity about your employees, yourself, and your organization. Here is how:

- **Curiosity about employees.** Organizations are a collection of the mindsets, attitudes, and values of the people that work within them. To shape your team's culture, you need to understand people's values and motivations. Talk to employees directly, formally survey them, or engage in focus groups about the team's culture to tap into your collective wisdom.
- **Curiosity about yourself.** As your culture evolves, you must too. Reflect with open-mindedness on your own role. Ask yourself: How have I evolved over time within this team and this organization? The better you understand your own position in the culture, the better suited you shall be to lead and shape it.
- **Curiosity about the organization.** Great leaders do not just shape culture once—they stay curious about the changing nature of their companies and contexts over time. How have your organization's mission, vision, and values changed? How has the personnel changed? And how have all of these factors affected the culture along the way? The more you understand your cultural context, the better equipped you shall be to navigate it.

(This tip is adapted from *Leaders, Make Curiosity the Core of Your Organizational Culture*, by John Coleman - HBR.)

Nail Your Next Group Presentation

A group presentation can be tricky to pull together. With so many people involved — and opinions to manage — the end product often ends up seeming clunky and uncoordinated. To create something slicker and more effective, start by strategizing in advance. Who is your audience? What is your goal? Why do you all care? Next, collectively decide on the main message, the general outline, and who will present each section before each of you starts writing your separate components. This will help you avoid the last-minute stress of trying to cram slides together into a seamless unit. Also, decide who will be in charge of fielding questions. Once you have a game plan nailed down, rehearse your presentation as a group. It is especially important to practice your transitions (for example, "Indra did a great job talking us through the challenges of entering this new market. Now, I shall provide a few solutions based on our firm's expertise"). Use a timer to ensure you are keeping to the schedule and leaving time for questions. Finally, bring your own personalities to the presentation. Personal anecdotes are a terrific way to build trust between the audience and each member of the group presenting.

(This tip is adapted from *3 Group Presentation Pitfalls — and How to Avoid Them*, by Allison Shapira - HBR.)

Expensive Sweet Tooth

The price of sugar has shot up 55 percent over the past two months worldwide because unusually dry weather has hit harvests in India and Thailand, two of the top global sugarcane producers, according to the World Economic Forum.

