

Domestic Economic Roundup

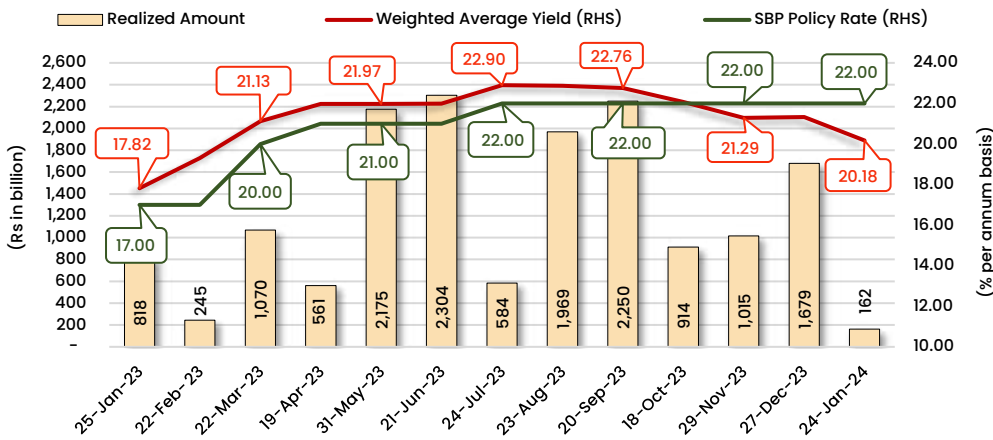
Key Money & Banking Indicators:

	Stocks at End - June 2023	Flows		Monetary Impact Since 1st July to	
		FY22	FY23	12-Jan-24	13-Jan-23
Total Deposits with Banks	22,262.4	2,615.1	2,327.6	1,158.3	(222.8)
Broad Money (M2)	31,523.3	3,304.9	3,920.6	670.2	112.4
Govt. Sector Borrowings (Net)	23,723.1	3,357.7	4,100.2	2,574.6	1,188.4
Credit to Private Sector	9,167.1	1,329.7	208.3	(8.0)	408.0

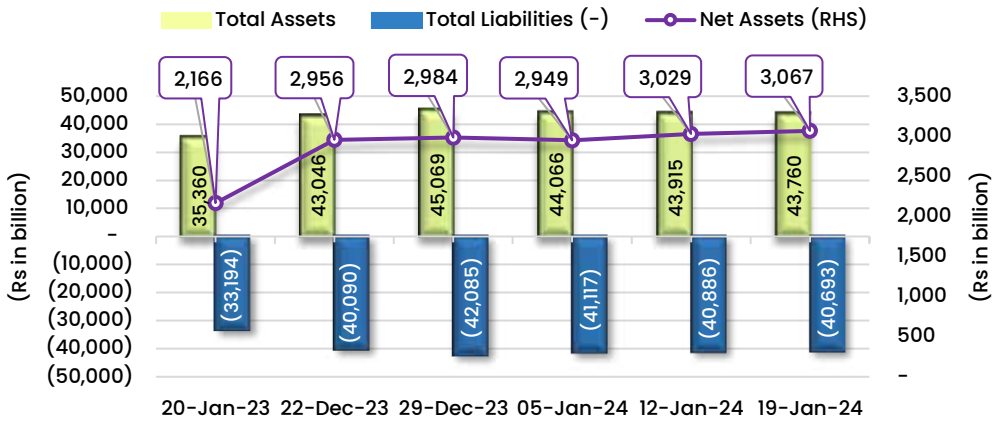
<https://shorturl.at/hil46>

MTBs Acceptance (Auction+ Non-Competitive Bids)

MTBs : <https://shorturl.at/gkxA3>
SBP Policy : <https://shorturl.at/gktzG>



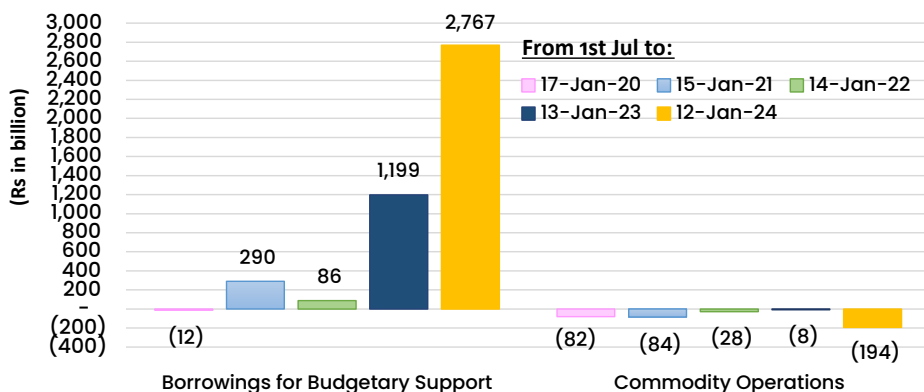
Total Assets and Liabilities of Scheduled Banks



https://www.sbp.org.pk/publications/press_comm/index.htm

Government Sector Borrowings (Net)

<https://shorturl.at/AFSX7>



Markets at a Glance

Rates taken till Friday, January 26, 2024

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	20.41	20.66
Change Ending	20.41	20.66
Change	0	0

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

FOREX RATES

	GBP	EURO	USD
Change Starting	PKR 354.94	PKR 304.47	PKR 279.90
Change Ending	PKR 354.62	PKR 302.46	PKR 279.59
Change	-0.32	-2.01	-0.31

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

PAKISTAN STOCK EXCHANGE

	100 Index
Change Starting	63,282
Change Ending	63,813
Change	+531

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

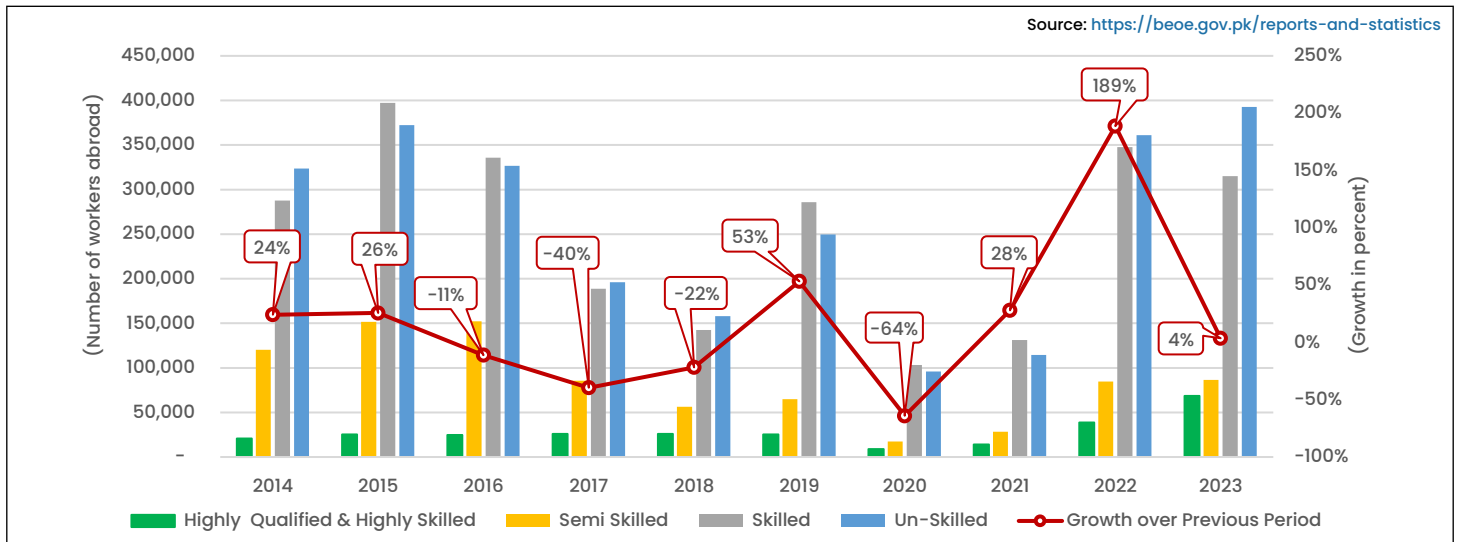
GOLD RATES

	10 GM, 24K
Change Starting	PKR 181,272
Change Ending	PKR 181,316
Change	+44

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

Growth in Registered Pakistani Workers Abroad (2014-2023)

Year	Highly Qualified & Highly Skilled	Semi Skilled	Skilled	Un-Skilled	Total	Growth over Previous Period
2014	20,863	120,204	287,649	323,750	773,329	24%
2015	25,337	151,636	397,317	372,281	971,908	26%
2016	24,682	152,235	335,671	326,765	864,035	-11%
2017	25,915	85,686	188,745	195,940	522,201	-40%
2018	25,875	56,208	142,486	157,870	408,314	-22%
2019	25,424	64,900	285,960	249,592	625,876	53%
2020	8,866	17,284	103,226	95,837	225,213	-64%
2021	13,959	28,384	131,348	114,589	288,280	28%
2022	38,841	84,660	347,733	361,105	832,339	189%
2023	68,447	86,593	314,932	392,653	862,625	4%



CPI Inflation	Annual Average			Year-on-Year		
	FY20	FY21	FY22	Dec 2022	Nov 2023	Dec 2023
General	10.7	8.9	12.2	24.5	29.2	29.7
Food (Urban)	13.6	12.4	13.4	32.7	29.8	28.8
Non-Food (Urban)	8.3	5.7	10.8	14.8	30.9	32.4

<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, 2020	June 30, 2021	June 30, 2022	June 30, 2023	Jan 13, 2023	Jan 12, 2024	
6,142.0	6,909.9	7,572.5	9,148.7	7,913.8	8,657.6	

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

Central Banks' Gallery

State Bank of Pakistan



Governor SBP Inaugurates Japanese Pottery Exhibition to Promote Collaboration between Pakistan and Japan

Governor State Bank of Pakistan (SBP) Mr Jameel Ahmad inaugurated a Japanese pottery exhibition 'Yakishime - Earth Metamorphosis' at the State Bank of Pakistan Museum on January 25, 2024. He was accompanied by the Deputy Governor SBP Mr Saleem Ullah and the senior management of the Bank. This two-week exhibition by the Japan Foundation is among the activities by the Consulate General of Japan in Karachi to promote cultural exchange between Japan and Pakistan. This year, the exhibition is jointly organized with State Bank Museum and Pakistan Japan Cultural Association (PJCA) Sindh.

Speaking on the occasion the Governor SBP highlighted that Japanese culture in general and Japanese ceramic culture in particular have always been a topic of interest to the public in Pakistan. He elaborated that cultural exchanges and people-to-people contacts are instrumental in fostering understanding and goodwill between nations. "The Cultural Agreement signed in 1957 between Pakistan and Japan has been the bedrock for bilateral relations and lays the groundwork for broadening and deepening the cultural relations between the two countries", he said.

Mr Hattori Masaru, Consul General of Japan was delighted to see the interest in Japanese culture by the Pakistani audience. He reiterated that the Consulate will strive to bring and curate Japanese cultural exchange programs to further strengthen the relations between the two countries.

The exhibition, which runs until February 7th 2024 introduces the ceramics technique yakishime which fires unglazed wares at high temperatures. By presenting more than 80 pieces of yakishime from the earliest examples to contemporary work, this exhibition provides an excellent opportunity to people of Pakistan to experience a sensibility and aesthetic unique to Japan. Along with the pottery exhibition, Japan related lectures and workshops featuring Calligraphy, Indigo Dye, Pottery, Origami will be organized at the State Bank Museum. The annual Japanese Calendar exhibition is also going to take place at the same venue from January 26th to February 7th.

The exhibition is open to public, with free entrance from January 25 to February 07, 2024. Further information about the exhibition and other activities is available at the Consulate website and Facebook page. For more details, please visit <http://tinyurl.com/2cf4bhvu>

SBP to Launch Platform for FX Interbank Market

Building an innovative and inclusive digital financial ecosystem is a key priority area of SBP Vision 2028. In this context, SBP is introducing a Centralized Foreign Exchange (FX) Trading Platform called 'FX Matching' for interbank FX market. The objective is to provide the interbank market participants a centralized trading platform that offers FX trading on anonymous basis and real time price visibility. The adoption of FX Matching platform is a key step for enhancing the depth and transparency of the interbank FX market.

For more details, please visit

<https://www.sbp.org.pk/dmmd/2024/C1.htm>

<http://tinyurl.com/25ccebada>

Central Bank of Malaysia



Bank Negara Malaysia Decides to Maintain the Overnight Policy Rate (OPR) at 3.00 percent,

The Monetary Policy Committee (MPC) of Bank Negara Malaysia on January 24, 2024 decided to maintain the Overnight Policy Rate (OPR) at 3.00 percent.

The global economy continues to expand, driven by domestic demand amid strong labor market conditions. The growth outlook remains subject to downside risks, mainly from an escalation of geopolitical tensions, higher-than-anticipated inflation outturns, and heightened volatility in global financial markets.

For the Malaysian economy, the fourth quarter advance estimates for GDP affirmed that the overall growth for 2023 expanded within expectations. Moving forward, growth is expected to improve in 2024, supported by the recovery in exports and resilient domestic expenditure. Continued employment and wage growth remain supportive of household spending. The growth outlook remains subject to downside risks stemming from weaker-than-expected external demand and larger declines in commodity production. Meanwhile, upside risks to growth mainly emanate from greater spillover from the tech upcycle, stronger-than-expected tourism activity and faster implementation of existing and new projects.

In 2024, inflation is expected to remain modest, broadly reflecting stable cost and demand conditions. Risks to the inflation outlook remain highly subject to changes to domestic policy on subsidies and price controls, as well as global commodity prices and financial market developments.

Financial institutions continue to operate with strong capital and liquidity buffers, with domestic financial conditions remaining conducive to sustain credit growth.

At the current OPR level, the monetary policy stance remains supportive of the economy and is consistent with

the current assessment of the inflation and growth prospects. The MPC remains vigilant to ongoing developments to inform the assessment on the outlook of domestic inflation and growth. The MPC will ensure that the monetary policy stance remains conducive to sustainable economic growth amid price stability. <http://tinyurl.com/ycxjby3f>

CPI Inflation:

YoY (December 2023)	1.5%	MoM (December 2023)	0.2%
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<http://tinyurl.com/yy95jxwk>

Bank of Canada



Bank Of Canada Maintains Policy Rate, Continues Quantitative Tightening

The Bank of Canada on January 24, 2024 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.

Global economic growth continues to slow, with inflation easing gradually across most economies. While growth in the United States has been stronger than expected, it is anticipated to slow in 2024, with weakening consumer spending and business investment. In the euro area, the economy looks to be in a mild contraction. In China, low consumer confidence and policy uncertainty will likely restrain activity. Meanwhile, oil prices are about \$10 per barrel lower than was assumed in the October Monetary Policy Report (MPR). Financial conditions have eased, largely reversing the tightening that occurred last autumn.

The Bank now forecasts global GDP growth of 2.50 percent in 2024 and 2.75 percent in 2025, following 2023's 3 percent pace. With softer growth this year, inflation rates in most advanced economies are expected to come down slowly, reaching central bank targets in 2025.

CPI inflation ended the year at 3.4 percent. Shelter costs remain the biggest contributor to above-target inflation. The Bank expects inflation to remain close to 3 percent during the first half of this year before gradually easing, returning to the 2 percent target in 2025.

Given the outlook, Governing Council decided to hold the policy rate at 5 percent and to continue to normalize the Bank's balance sheet. The Council is still concerned about risks to the outlook for inflation, particularly the persistence in underlying inflation. 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.

<http://tinyurl.com/zr4zrnxx>

CPI Inflation:

YoY (December 2023)	3.4%	MoM (December 2023)	-0.3%
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<http://tinyurl.com/4f63hap2>

The Saudi Central Bank (SAMA)



SAMA Licenses 'Thara' to Provide Debt-Based Crowdfunding Solutions

The Saudi Central Bank (SAMA) licensed 'Thara' to provide debt-based crowdfunding solutions. With 'Thara', there are now nine authorized companies offering debt-based crowdfunding solutions in Saudi Arabia. This addition brings the total number of finance companies licensed and permitted by SAMA to 59 companies.

This decision reflects SAMA's endeavor to support the financial sector, increase efficiency of financial transactions, and promote innovative financial solutions for financial inclusion in Saudi Arabia.

SAMA emphasizes the importance of dealing exclusively with authorized financial institutions. To view licensed and permitted financial institutions, visit SAMA's official website. <http://tinyurl.com/wsr3ctxc>

Commercial Banks' Gallery

Faysal Bank, OPay Collaborate to Expand Digital Merchant Acceptance in Pakistan

Faysal Bank Limited (FBL), a leading Islamic financial institution known for its commitment to technological innovation with Shariah compliance, announced a strategic collaboration with OPay, a global fintech giant with a proven track record in providing cutting-edge digital payment solutions, on January 25, 2024. The collaboration aims to empower the entire spectrum of small, medium, and large enterprises to accept digital payments.

This alliance aims to drive the digital transformation of merchant services, offering a seamless and efficient experience for businesses and consumers alike.

The primary focus of this partnership is to broaden the scope of digital merchant acceptance within the Islamic finance ambit, enabling businesses to adopt modern and secure payment methods, while benefitting from the Shariah compliant services of FBL.

<http://tinyurl.com/2s3h7v5v>



The First Female Centibillionaire

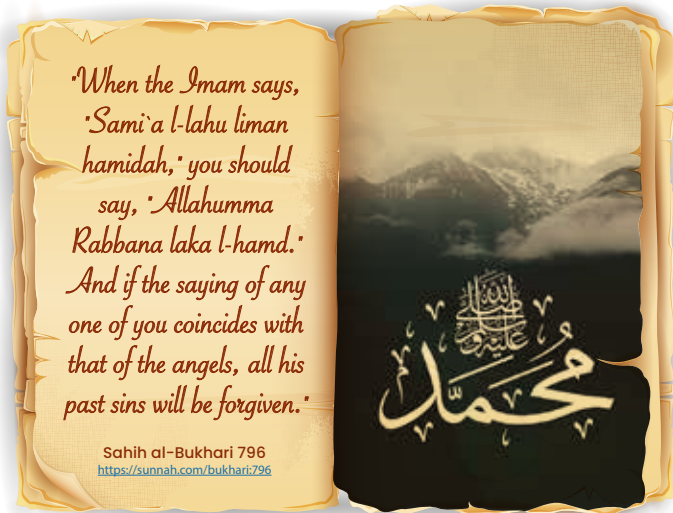
Françoise Bettencourt Meyers, the heir to the L'Oréal beauty empire, is worth over \$100 billion, making her the first woman to be worth over \$100 billion, according to Business Insider.

JS Bank Facilitates PKR 2,300 million Deal Empowering Kashf Foundation's Growth

JS Bank Limited announced the closure of a PKR 2,300 million deal for Kashf Foundation that will empower the organization to grow.

According to the bank's social media post, JS Bank served as the Agent Bank and Mandated Lead Advisor & Arranger on this monumental transaction which reinforces their commitment to supporting growth in the microfinance sector and providing tailored financial solutions that enables the nation to prosper.

The post particularly thanked National Bank of Pakistan and Pak Libya Holding Company Pvt. Limited, for their integral role in this achievement. <http://tinyurl.com/e68fyr9p>



Economic Horizons

SECP, ADB Hold Workshop on 'Women in Finance Thought Leaders'

The Securities and Exchange of Pakistan (SECP) and the Asian Development Bank on January 24, 2024, jointly organized the 'Women in Finance Thought Leaders Workshop', involving experts from the microfinance sector, ADB, Women's World Banking, IFC, and Google, to discuss strategies for women's empowerment and financial inclusion.

The inaugural day of the workshop witnessed a dynamic exploration of international best practices in the microfinance sector, shedding light on the challenges faced by non-bank microfinance institutions, particularly concerning liquidity and limited access to finance, a news release said.

A comprehensive review of the non-bank microfinance sector in Pakistan took center stage at the workshop, providing a deeper understanding of the current landscape and opportunities for growth.

Throughout the day, the workshop featured moderated sessions that delved into various facets of microfinance. A dedicated session highlighted the intersection of women and digital financial services.

The participants explored innovative approaches to empower women through technology and enhance their participation in the financial ecosystem.

Recognizing the importance of amplifying the voices of women in the financial sector, the workshop featured discussions on understanding and addressing the unique needs and perspectives of female customers.

One of the key takeaways of the day was that the solution lies in synergizing the initiatives in way that stakeholders' compliment and supplement the efforts.

The day two of workshop would build and design proposal for policy intervention to accelerate female financial inclusion. <http://tinyurl.com/2p8pu9rf>

International Economic Roundup

TDAP Sensitize Exporters on Banking Channels for Eurasia, CAR

Trade Development Authority of Pakistan (TDAP) organized an awareness session to sensitize exporters about available banking channels for financial transactions between Pakistan and countries of Eurasia and Central Asia.

The main objectives of the event organized at TDAP headquarters in Karachi were to provide a platform for networking and knowledge-sharing for empowering exporters with the necessary information to navigate the complex landscape of international transactions.

The event witnessed the participation of over 30 attendees in person and more than 50 participants online which demonstrates the growing interest and importance of cross-border trade in the region.

Chief Compliance Officer Industrial and Commercial Bank of China (ICBC), Mr Shamwail Sohail, addressing the session provided attendees with a comprehensive understanding of the working dynamics of ICBC Pakistan.

He delved into the ways ICBC facilitates Pakistani and Chinese businesses and banks in settling cross-border transactions, as well as meeting the financing needs of both countries.

The session concluded with an engaging question-and-answer session, allowing participants to seek clarification on various aspects of cross-border transactions. Mr Sohail expertly addressed the queries, providing valuable insights and guidance to the exporters present.

<http://tinyurl.com/4vh85vh3>



SAP to Restructure 8,000 Roles in Push towards AI

German software firm SAP SE opens new tab unveiled a 2 billion euro (\$2.2 billion) restructuring plan covering 8,000 roles on January 23, 2024, as it seeks to better focus on growth in artificial intelligence (AI)-driven business areas.

SAP expects generative AI to fundamentally change its business and has pledged to invest more than \$1 billion, while opening new tab in AI-powered technology startups via its enterprise capital firm Sapphire Ventures.

The company said it plans the restructuring to help better focus on key growth areas such as business AI.

The restructuring program would be implemented majorly through voluntary leave programs and internal re-skilling measures, the company said, adding that it expects to exit 2024 with a headcount "similar to the current levels." SAP has more than 105,000 employees, according to the company's website.

Eroded Pandemic Savings

Inflation has sapped 40 percent of Americans of their pandemic savings created through generous stimulus payments and lockdowns that kept people at home, preventing them from spending, as per Bloomberg.

The restructuring expenses would reflect mostly in the first half of 2024, impacting operating profit, the company said. The business software maker, separately on January 23, 2024, also forecast 2024 cloud revenue at 17 billion euros to 17.3 billion euros and updated its 2025 outlook forecasting adjusted cloud gross profit of approximately 16.2 billion euros.

Its key cloud business revenue at 2023 end came in at \$13.7 billion euros, falling short of its forecast of 14.1 billion euros. The software firm had previously missed analyst expectations for cloud revenues in the third quarter.

<http://tinyurl.com/3b4h52pk>

ADB, BANPU Sign 2.4 billion Thai Baht Deal to Support Electric Tuktuks in Thailand and Battery Production in PRC

The Asian Development Bank (ADB) and BANPU Public Company Limited signed a 2.4-billion-baht loan to support the financing of 1,500 six-seater electric tuktuks (e-tuktuks) and related charging stations for micro-scale transit services in Bangkok, Thailand. The funding will also support a 1.3-gigawatt-hour expansion of a lithium-ion electric vehicle battery manufacturing facility in Jiangsu province in the People's Republic of China (PRC).

The package also includes a concessional loan of up to \$10.7 million from the ADB-administered Clean Technology Fund. ADB will also implement technical assistance, funded by the Association of South East Asian Nations (ASEAN) Catalytic Green Finance Facility, to assess the potential for micro-scale transit services in other Southeast Asia cities.

"Asia and the Pacific accounts for more than half of global greenhouse gas emissions, and innovative solutions such as electric vehicles for micro-scale transit can ease the transition from fossil fuels," said ADB Director General for Private Sector Operations Suzanne Gaboury. "Electric vehicle adoption into the public transport sector is a powerful game changer that can help to cut emissions at densely populated urban centers right across the region."

Founded in 1983, BANPU is a leading energy company with a global business presence across the Asia and the Pacific, and a presence in the United States. In 2015, BANPU began integrating clean energy and emission-reduction initiatives into its operations and announced an accelerated transition plan toward more green and sustainable operations following its Greener & Smarter strategy.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members -49 from the region. <http://tinyurl.com/4tsx944r>

HR TIPS



Listen to Your Burnout

No two experiences of burnout are exactly alike. To recover, you first need to understand what your burnout is trying to tell you. Here are three common messages your burnout might be trying to communicate—and what to do about them.

You are expected to over-index on work. Research has consistently shown that chronic overwork leads to a decrease in productivity, higher absenteeism and turnover, poorer health, and yes, burnout. If this is your experience, it is time to invest in your rest and recovery, communicate and maintain your boundaries regarding when you are—and are not—available, and resist the temptation to check in after work hours.

You have outgrown your role. While overwork is a well-known cause of burnout, feeling chronically underutilized can also be a culprit. If you are persistently restless, bored, directionless, disengaged, or not challenged at work, it is likely you have outgrown your current role and are ready for a new chapter. If this is the case, do some self-reflection: What career would make you feel rejuvenated? Identify some possibilities, then take the first step in pursuing them.

This job is not what you signed up for. Do you feel a disconnect between what you expected when you were hired and what you actually experience at work? Pinpointing the exact misalignment is the key to resolving it. Is it your workload? Your day-to-day responsibilities? Your work culture? Your compensation? Once you have identified the problem, work with your manager to address it.

(This tip is adapted from *Your Burnout Is Trying to Tell You Something*, by Kandi Wiens - HBR.)

The Right Way to Raise a Difficult Issue with Your Boss

Raising a potentially emotional topic to your manager can be hard, especially if you are uncertain of how they might respond. Whether you are experiencing difficulties with a colleague, health issues, or feeling burned out, here is how to raise the issue with your boss in your next one-on-one.

First, consider whether your manager can actually help you, and what kind of support you might be asking for. If this issue is not something your boss can help you address, perhaps they are not the right person to discuss it with.

Once you have decided to share your issue with your boss, write down and practice your talking points. Consider their possible responses and plan for them. You might also let them know in advance that you want to bring up something sensitive in your next check-in.

Next, initiate the conversation with grace. Positive body language like smiling and soft eye contact can help you establish a warm, trusting mood. Then, lay out your talking points. If you have presented an issue that needs to be resolved, come to the meeting with possible solutions already in mind.

Finally, demonstrate composure and a willingness to adapt. Listen attentively to your manager's responses. If they suggest revisions to your proposed solution, be willing to adapt and make reasonable compromises. End the meeting by thanking them for their support and verifying any next steps.

(This tip is adapted from *How to Raise a Difficult Issue in a One-on-One with Your Boss*, by Steven G. Rogelberg and Jon Gray - HBR.)

SNIPS

The Cost of Brexit

London Mayor Sadiq Khan blamed Brexit for costing the UK economy \$178 billion, calling on the government to "urgently" rebuild relations with the European Union to stem the decline, reports Bloomberg.