VOLUME 19 / ISSUE 24 / JUNE 14, 2024

IBP - A Company Set Up Under Section 42 of the Companies Act, 2017

economicletter

a weekly publication of The Institute of Bankers Pakistan

Domestic Economic Roundup

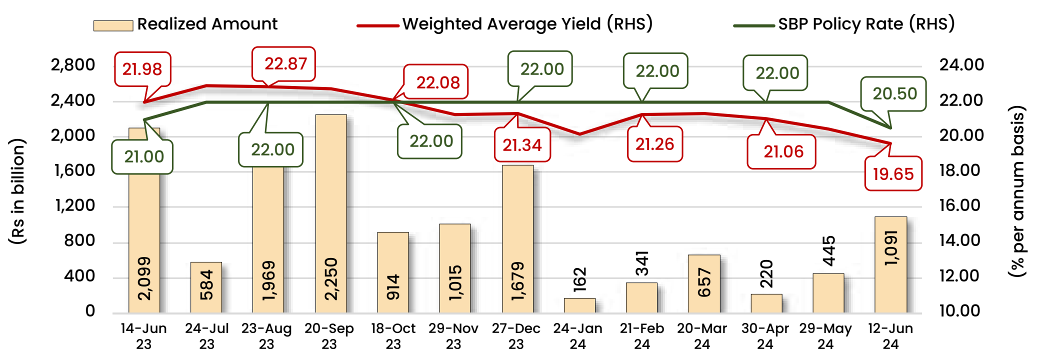
Key Money & Banking Indicators:

(Rs in billion)

	Stocks at End - June 2023	Flows		Monetary Impact Since 1st July to	
		FY22	FY23	31-May-24	2-June-23
Total Deposits with Banks	22,262.4	2,615.1	2,327.6	3,409.1	1,306.7
Broad Money (M2)	31,523.3	3,304.9	3,920.6	3,029.6	2,429.9
Govt. Sector Borrowings (Net)	23,723.1	3,357.7	4,100.2	5,891.9	3,347.4
Credit to Private Sector	9,167.1	1,329.7	208.3	184.3	83.2

https://shorturl.at/hI146

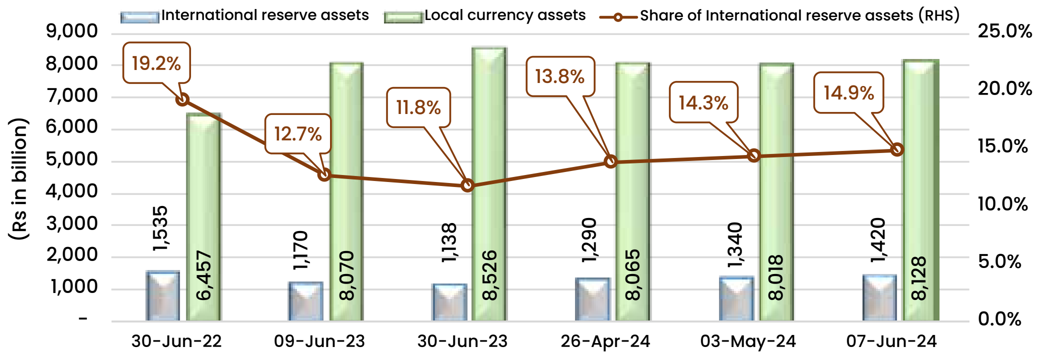
MTBs Acceptance (Auction+ Non-Competitive Bids)



MTB's: https://shorturl.at/gkxA3 | SBP Policy: https://shorturl.at/gklzG

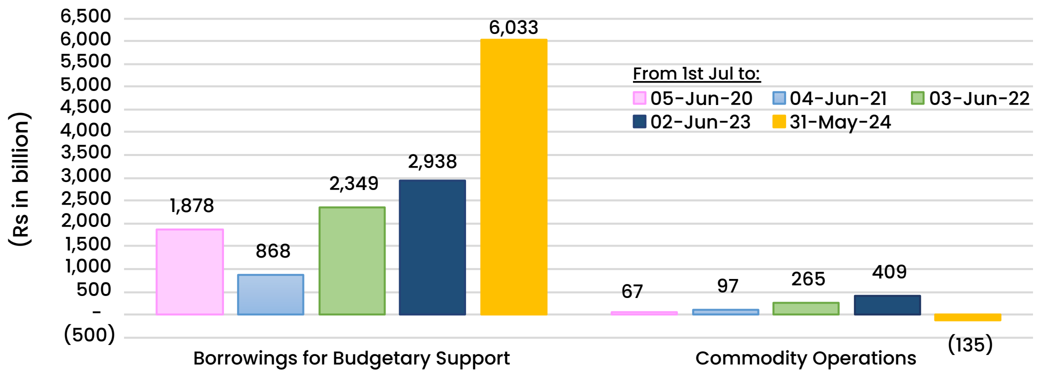
Assets Composition of Total Banknotes Issued

https://tinyurl.com/22n5xnum



Government Sector Borrowings (Net)

https://shorturl.at/AFSX7



Markets at a Glance

Rates taken till Friday, June 14, 2024

SBP POLICY RATE

20.5% Effective from June 11, 2024

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

KIBOR (3 MONTHS)

	Bid%	Offer%
Starting	20.43	20.68
Ending	19.94	20.19
Change	-0.49	-0.49

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

FOREX RATES

	GBP	EURO	USD
Starting	PKR 356.04	PKR 302.96	PKR 278.20
Ending	PKR 354.56	PKR 298.23	PKR 278.51
Change	-1.48	-4.73	+0.31

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

PAKISTAN STOCK EXCHANGE

	100 Index
Starting	73,754
Ending	76,706
Change	+2,952

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

GOLD RATES

	10 GM, 24K
Starting	PKR 212,701
Ending	PKR 205,986
Change	-6,715

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

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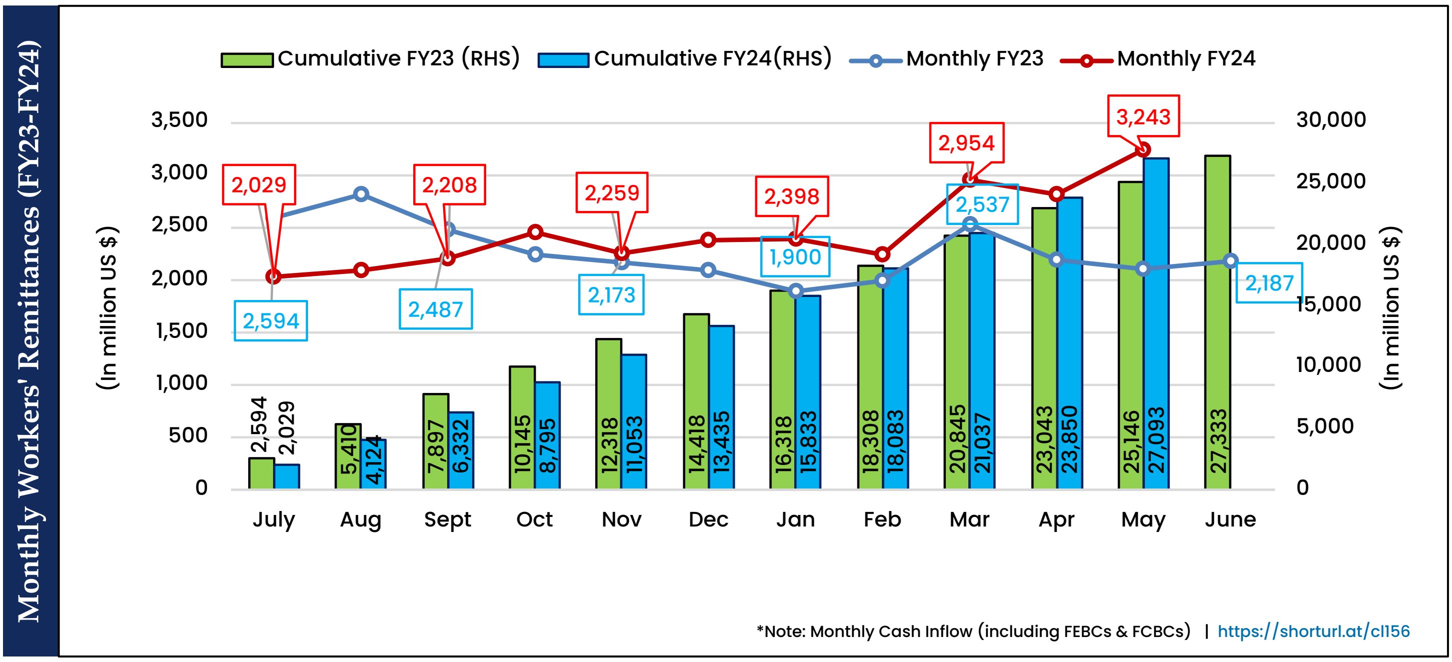
Monthly Workers' Remittances

($ US in million)

Month	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY23	2,594	2,816	2,487	2,248	2,173	2,100	1,900	1,990	2,537	2,198	2,103	2,187
FY24	2,029	2,095	2,208	2,463	2,259	2,382	2,398	2,250	2,954	2,812	3,243	
Cumulative FY23 (RHS)	2,594	5,410	7,897	10,145	12,318	14,418	16,318	18,308	20,845	23,043	25,146	27,333
Cumulative FY24 (RHS)	2,029	4,124	6,332	8,795	11,053	13,435	15,833	18,083	21,037	23,849	27,093	



*Note: Monthly Cash Inflow (including FEBCs & FCBCs) | https://shorturl.at/cl156

CPI Inflation	Annual Average			Year-on-Year		
	FY20	FY21	FY22	May 2023	Apr 2024	May 2024
General	10.7	8.9	12.2	38.0	17.3	11.8
Food (Urban)	13.6	12.4	13.4	48.1	11.3	2.2
Non-Food (Urban)	8.3	5.7	10.8	26.6	25.6	23.6

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	June 02, 2023	May 31, 2024
6,142.0	6,909.9	7,572.5	9,148.7	8,686.8	8,749.0

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

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Central Banks' Gallery

State Bank of Pakistan

SBP Instructs Banks to Adopt Digital Supply Chain Finance (DSCF) Solutions

State Bank of Pakistan has issued instructions to banks to develop and implement digital solutions for supply chain finance within six months to leverage the technology for increasing the SMEs' access to finance as well as digitizing the retail payments. The circular issued by SBP on June 11, 2024 requires banks to establish effective Supply Chain Finance (SCF) function having suitably trained HR and systems to develop and offer digital SCF products to the SMEs. The banks have been further advised to either develop their own digital solutions for SCF or partner with any Fintech, Service Providers for providing digital SCF. The DSCF solutions will not only increase access of SMEs to finance but also improve operational efficiency, reduce costs, and strengthen risk management practices.
SBP circular can be accessed at SBP website:
https://www.sbp.org.pk/smefd/circulars/2024/C1.htm.

https://tinyurl.com/yjef4d9j

MPC Decides to Reduce Policy Rate to 20.5 percent

At its meeting on June 10, 2024, the Monetary Policy Committee (MPC) decided to reduce the policy rate by 150 bps to 20.5 percent, effective from June 11, 2024. The MPC noted that while the significant decline in inflation since February was broadly in line with expectations, the May outturn was better than anticipated earlier. The Committee assessed that underlying inflationary pressures are also subsiding amidst tight monetary policy stance, supported by fiscal consolidation. This is reflected by continued moderation in core inflation and ease in inflation expectations of both consumers and businesses in the latest surveys. At the same time, the MPC viewed some upside risks to the near-term inflation outlook associated with the upcoming budgetary measures and uncertainty regarding future energy price adjustments. Notwithstanding these risks and today's decision, the Committee noted that the cumulative impact of the earlier monetary tightening is expected to keep inflationary pressures in check.

The MPC noted the following key developments since its last meeting. First, real GDP growth remained moderate at 2.4 percent in FY24 as per provisional data, with subdued recovery in industry and services partially offsetting the strong growth in agriculture. Second, reduction in the current account deficit has helped improve the FX reserves to around US$9 billion despite large debt repayments and weak official inflows. The government has also approached the IMF for an Extended Fund Facility program, which is likely to unlock financial inflows that will help in further build-up of FX buffers. Lastly, international oil prices have declined, whereas non-oil commodity prices have continued to inch up.

Based on these developments, the Committee, on balance, viewed that it is now an appropriate time to reduce the policy rate. The Committee noted that the real interest rate still remains significantly positive, which is important to continue guiding inflation to the medium-term target of 5 – 7 percent. The Committee also emphasized that the future monetary policy decisions will remain data-driven and responsive to evolving developments related to the inflation outlook.

CPI Inflation:

YoY (May 2024)	11.8 %	MoM (May 2024)	-3.2 %

https://tinyurl.com/2u5rhskj

Central Bank of the UAE

The UAE SFWG Launches the Principles for Sustainability-Related Disclosures for Reporting Entities in line with the Year of Sustainability

In line with the announcement of 2024 as the 'Year of Sustainability', the UAE Sustainable Finance Working Group (SFWG) launched the 'Principles for Sustainability-Related Disclosures for Reporting Entities' on June 10, 2024 as part of the joint efforts of the UAE supervisory authorities to upgrade requirements for sustainability-related disclosures for the UAE financial institutions according to the best international practices.

The principles serve as a declaration of common understanding among the UAE SFWG members of the minimum expectations in this area, within their respective jurisdictions, to ensure the development and implementation of disclosure frameworks in line with these principles, and within the targeted scope related to the environmental, social, and governance (ESG) factors.

The Securities and Commodities Authority (SCA) hosted the working group members to announce the launch of the principles, which were signed by His Excellency Mohammed Ali Al Shorafa Al Hammadi, Chairman of the SCA; His Excellency Khaled Mohamed Balama, Governor of the Central Bank of the UAE (CBUAE); His Excellency Essa Kazim, Governor of the Dubai International Financial Centre; and Emmanuel Givanakis, CEO of the Financial Services Regulatory Authority of Abu Dhabi Global Market (ADGM).

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His Excellency Mohamed Ali Al Shorafa Al Hammadi, Chairman of the SCA, delivered the opening speech, in which he thanked the UAE SFWG members, indicating that the launch of the 'Principles for Sustainability-Related Disclosures for Reporting Entities' represents a major landmark in the work done by the group, which has spared no effort since its founding in reaffirming the UAE's commitment to transitioning to a sustainable green economy, in line with the National Climate Change Plan 2050, and boosting the UAE's ranking in global competitiveness reports as well as establishing it as a regional and international reference for climate neutrality.

Taking place in Abu Dhabi, the signing ceremony was attended by Her Excellency Dr Maryam Buti Al Suwaidi, CEO of the SCA, and Ian Johnston, Chief Executive of the Dubai Financial Services Authority.

Following the signing, the UAE SFWG member authorities will officially release the principles for licensed financial institutions to encourage them to promote transparency in sustainability-related matters to best serve the interests of all stakeholders in the UAE.

On this occasion, His Excellency Khaled Mohamed Balama, Governor of the Central Bank of the UAE (CBUAE), said: "In line with the wise leadership's vision to create a more sustainable future, the UAE Central Bank, through its membership in the UAE Sustainable Finance Working Group, continues to ensure effective cooperation and coordination to promote sustainability in the banking and insurance sectors and advance the UAE's sustainable finance agenda. Launching the 'Principles for Sustainability-Related Disclosures for Reporting Entities' underscores the efforts to accelerate the development of an integrated sustainable finance ecosystem and bolster the resilience of the financial sector as part of the efforts to establish a leading global status for the UAE in sustainable finance and achieve climate neutrality by 2050 at the local and international levels".

The UAE Sustainable Finance Working Group was founded in 2019 to facilitate the UAE's economic transformation and encourage the adoption of sustainable financing at the local level. The working group (UAE authorities) consists of ministries (Ministry of Finance, Ministry of Economy, Ministry of Climate Change and Environment, Office of the UAE Special Envoy for Climate Change), financial services regulators (the CBUAE, the SCA, the Financial Services Regulatory Authority of Abu Dhabi Global Market, and the Dubai Financial Services Authority) and the UAE stock exchanges (the ADX, the DFM, and Nasdaq Dubai).

https://tinyurl.com/3nb4zrtd

CBUAE Maintains the Base Rate at 5.40 percent

The Central Bank of the UAE (CBUAE) has decided to maintain the Base Rate applicable to the Overnight Deposit Facility (ODF) at 5.40 percent.

This decision was taken on June 12, 2024 following the US Federal Reserve's announcement today to keep the Interest Rate on Reserve Balances (IORB) unchanged.

The CBUAE has also decided to maintain the interest rate applicable to borrowing short-term liquidity from the CBUAE at 50 basis points above the Base Rate for all standing credit facilities.

The Base Rate, which is anchored to the US Federal Reserve's IORB, signals the general stance of monetary policy and provides an effective floor for overnight money market interest rates in the UAE.

CPI Inflation:

YoY (February 2024)	3.36 %

https://tinyurl.com/4mtd4nfr

Danmarks Nationalbank

Danmarks Nationalbank lowers the current-account rate, the rate of interest on certificates of deposit, the lending rate and the discount rate by 0.25 percentage point with effect from 7 June, 2024.

The interest rate reduction is a consequence of the reduction by the European Central Bank of its main monetary policy rate, the deposit facility rate, by 0.25 percentage point. Thereby, the monetary policy spread vis-á-vis the euro area will remain unchanged.

Effective from the above date, Danmarks Nationalbank's interest rates are:

Current-account rate: 3.35 per cent p.a.

Certificates of deposit rate: 3.35 per cent p.a.

Lending rate: 3.50 per cent p.a.

Discount rate: 3.35 per cent p.a

CPI Inflation:

YoY (May 2024)	2.2 %

https://tinyurl.com/mr3jkt28

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Central Bank of the Republic of Türkiye

Central Bank of Türkiye Launches the FAST Escrow Overlay Service.

For payment transactions requiring confirmation/registration, the FAST Escrow Overlay Service, which will provide a secure platform, was launched on May 31, 2024. The service will be available for use in a wide range of business models, buying and selling second-hand cars in particular, that require secure transactions for the parties involved.

Built on the FAST System, the Escrow Overlay Service is an intermediary service that offers assurance to the parties involved in transactions for money transfers that require confirmation/registration by authorized institutions by holding the transaction amount at a FAST participating institution until the necessary procedures are completed. This service ensures the payer that the amount will not be transferred to the payee until the confirmation/registration process has been completed. Similarly, the payee is guaranteed that the amount will be credited to their account once the confirmation/registration process is completed. At the launch of the service, the maximum transaction limit for FAST Escrow Transactions will be TRY 2 million.

As with other FAST System overlay services, the Escrow Overlay Service is expected to be adopted widely and rapidly. https://tinyurl.com/ycyvpvmr

Commercial Banks' Gallery

Financial Facilitation will Augment Pak-China Business Activities, says NBP President

National Bank of Pakistan (NBP) President, Mr. Rehmat Ali Hasnie, participated in the Pakistan China Business Conference held in Shenzhen, China. Mr. Hasnie was among the delegation accompanying Prime Minister Shehbaz Sharif who on June 11, 2024 landed in China's Shenzhen on his official visit to the country, as Islamabad aims to advance bilateral trade and economic ties with Beijing and attract Chinese investors via business-to-business (B2B) projects. The conference provided a platform for fostering economic ties between Pakistan and China. Mr. Hasnie met with key officials, including Mr. SHI Weigan, Director-General of the Shenzhen Local Financial Supervision Administration, to discuss potential opportunities for establishing an NBP branch in Shenzhen and exploring the city's government incentives.

The President NBP also held fruitful discussions with representatives from the Ministry of Finance and Silk Road International Investment Management Co. Ltd. (SRIIF) about potential collaboration opportunities.

Furthermore, Mr. Hasnie met with Mr. Wallace LAI, COO of Huawei Technologies, and Mr. Ethan SUN, CEO of Huawei Pakistan, to explore avenues for collaboration on smart products, financial solutions, and services. He also visited the Huawei Technology Centre, gaining insights into their latest advancements. https://tinyurl.com/49pxkfpz

BoP Partners with NayaPay to Revolutionize Remittance Payments

Bank of Punjab (BoP) announced its strategic partnership with NayaPay to revolutionize remittance payments directly into NayaPay wallets. NayaPay wallet holders can seamlessly receive remittances through Bop's global remittance partners.

This initiative highlights commitment to leveraging innovative technology for foreign inward remittance ensuring fast, secure and efficient services. https://tinyurl.com/s6yrnvpk

HABIBMETRO Enters into a Tripartite Agreement with 1LINK and KuickPay for Onboarding of Online Billers

The partnership aims to facilitate bulk onboarding of online billers. The signing ceremony was attended by Mr. Khurram Shahzad Khan, President & CEO of HABIBMETRO; Mr. Najeeb Agrawalla, CEO of 1LINK; and Mr. Saqib Ali Kazmi, CEO of KuickPay along with their respective teams at the 1LINK Headquarters. https://tinyurl.com/3ktwzbfv

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Economic Horizons

Federal Budget FY25 Unveiled

The Federal Government ("Government" or "FG") has announced the Budget for the Fiscal Year 2024-25 ("FY25") on June 12, 2024, emphasizing on an 'expansionary fiscal policy', aimed to achieve a balance between countering structural imbalances and moving towards robust growth. As per the Government, an inclusive and sustainable growth budget has been announced to bring the economy back on track. Moreover, Pakistan's GDP growth has shown a slight improvement of 2.38%, as per the provisional estimates of FY24. Despite significant growth in FY24 compared to FY23, the FY24 growth was primarily supported by the agriculture sector. However, inflation rose throughout the year, and the sluggish 1.2% growth in the industrial and services sectors led to a stagflation situation in Pakistan. Nevertheless, various macroeconomic indicators showed improvement in FY24.

Key Highlights of the Budget 2024-25:

- The total outlay of the Federal budget 2024-25 is Rs 18,877 billion which is 25.0% more than the size of the budget (revised) estimates of 2023-24.
- The projected interest payment in the budget is estimated at Rs 9,775 billion, which is 18.0% higher than the figures of Rs 8,251 billion in (revised) budget 2023-24.
- Current expenditure of the country is estimated at Rs 17,203 billion in 2024-25 vs. Rs 14,232 billion a year ago.
- The total Federal expenditure is estimated at Rs 18,877 billion (Current Expenditure Rs 17,203 plus Development expenditure Rs 1,674).
- The current expenditure accounts for 91.0% of the total estimated expenditures, which is a substantial growth.
- The defense budget is estimated at Rs 2,210 billion in 2024-25 which is almost 18.0% higher than the revised figures of Rs 1,854 billion last year.
- The Federal Government will increase subsidies by Rs 292 billion to Rs 1,363 billion in 2024-25 from Rs 1,071 billion in estimates of 2023-24.
- Provincial share in the NFC award is estimated for 2023-24 at Rs 7,438 billion which is 37.0% of the FBR's revenue collection.
- The size of the total Development expenses is estimated at Rs 1,674 billion, which includes Federal PSDP Rs 1,400 billion, public private partnership worth Rs 274 Billion.
- Moreover, the Federal Government has projected Rs 12,970 billion as the tax revenue target in FY24, almost a 40.0% growth from the current Fiscal Year's revised figures of Rs 9,252 billion.
- Considering the 40% growth target set by the Government for FBR revenue, as against the nominal growth of 15.5%; the projected GDP growth of 3.5%, and the inflation projection of 12.0% during 2024-25. Factoring in the same, the said growth target for FBR revenue seems unrealistic and unachievable.
- However, in our humble view the Government may be able to collect PKR 12,000 billion worth tax target, provided they introduce the remaining revenue measures mentioned in the RRMC interim report in the Finance Act 2024.
- Pakistan has an excellent potential to enhance its tax revenue collection and can easily finance its debts and deficits. https://tinyurl.com/bdzjyumv

Committee Recommends Closure, Merger of Some Govt Entities; Contributory Pension for New Employees

The committee constituted to reduce the government's expenditures recommended on June 12, 2024 to close, merge, or hand over some government departments to provinces, introduce a contributory pension mechanism for newly-appointed employees, and abolish the vacancies lying vacant for over a year. Headed by the Deputy Chairman of Planning Commission and comprising federal Cabinet, Establishment, and Power secretaries, Dr Qaiser Bangali, Dr Farrukh Saleem and Muhammad Naveed Iftikhar, presented its preliminary report to Prime Minister Shehbaz Sharif containing its short and medium-term recommendations at a meeting held to discuss the reduction in government's expenses and the size of its infrastructure. The committee suggested engaging the private sector for service delivery in the government departments, besides banning unnecessary travel of government officials to reduce expenditures by promoting teleconferencing. Moreover, the official vehicles should be withdrawn from the officers availing the monetization facility, it added. Based on the said recommendations, the prime minister constituted a high-powered committee instructing it to furnish a comprehensive report within 10 days, considering the best global practices. Federal cabinet members Ahsan Iqbal, Ahad Khan Cheema, Muhammad Aurangzeb and Ali Pervaiz Malik, PM's Coordinator Rana Ehsan Afzal and relevant senior officers attended the meeting. https://tinyurl.com/4cr6a6v2

SECP Publishes Report Crop and Livestock Insurance in Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has issued a report titled *Securing Livelihoods: A Comprehensive Look at Crop and Livestock Insurance in Pakistan and the Way Forward*. This report emphasizes the crucial need for agricultural insurance in Pakistan which currently accounts for only 2 percent of the total non-life sector premiums.

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The report underscores the central role of Pakistan's agriculture sector in the economy, accounting for 23 percent of the GDP, with 63 percent of this share attributed to livestock. However, this sector faces significant risks including climate change, floods, droughts, pests, diseases, and high input costs.

Despite the global prominence of agriculture insurance in over 100 countries, Pakistan's agricultural insurance landscape remains underdeveloped, accounting for only 2 percent of the total non-life sector premiums. At present, government-led insurance schemes cover approximately 14 percent of farmers, necessitating substantial expansion and enhancement. The report provides a detailed review of existing government-led agricultural insurance schemes such as the Crop Loan Insurance Scheme, the Livestock Insurance for Borrowers, and the Punjab Fasal Beema Scheme. It also discusses several pilot initiatives by the private sector.

The report also highlights challenges, both on the demand and supply sides, that hinder the growth of agricultural insurance in Pakistan which include the limited capacity of the insurance industry of Pakistan to cover substantial losses in the agriculture sector and the absence of robust data necessary for risk measurement by the insurers. A pervasive lack of insurance culture among farmers, driven by perceptions of non-viability and unaffordability, further stifles demand.

To address these issues, the report recommends reassessing current schemes and establishing insurance pools or consortiums to consolidate risks, making agricultural insurance financially viable for insurers and economically feasible for farmers. A mandatory national crop insurance initiative and a nationwide livestock insurance program with graduated subsidies for subsistence farmers are suggested. Integration of crop and livestock insurance into social protection initiatives of the Government and incorporation of agricultural insurance into the national disaster risk financing strategy and food security policies are among other proposals.

The report is available at SECP's website at secp.gov.pk

https://tinyurl.com/y4ssdfm5

SECP's Crackdown on Illegal Personal Loan Apps Continues

The Securities and Exchange Commission of Pakistan (SECP) vigilantly monitors app stores, websites and social media for illegal personal loan apps in order to protect the public from falling into debt traps.

'DD Credit', an illegal app found to be reaching out to the public through advertisements on Facebook was reported to the PTA and FIA and was consequently blocked by the PTA. The SECP, through its efficient inhouse surveillance mechanism has identified 141 illegal apps and reported them to Google, Apple and the PTA for prompt blocking along with referring these apps to the FIA for action in accordance with the Prevention of Electronic Crimes Act of 2016. This coordinated approach has proved instrumental in curbing the proliferation of illegal apps.

These apps pose significant risks to user safety including misuse of personal information/sensitive financial data, fraud, blackmail and harassment etc. **The SECP, therefore, warns the general public not to download illegal apps from any website or links shared through email or social media.**

An updated list of illegal apps, as identified by the SECP and reported to respective app stores, PTA and FIA, is placed on SECP website for public information. The General Public is advised to exclusively download SECP approved personal loan apps THAT ARE ONLY AVAILABLE on official app stores of Google and Apple. The list of SECP approved personal loan apps is also available on SECP website for convenience of the general public. https://tinyurl.com/y4ssdfm5

International Economic Roundup

Global Economy Expected to Stabilize First Time in Three Years: World Bank

The global economy is expected to stabilize for the first time in three years in 2024—but at a level that is weak by recent historical standards, according to the World Bank's latest *Global Economic Prospects report*. Global growth is projected to hold steady at 2.6 percent in 2024 before edging up to an average of 2.7 percent in 2025-26. That is well below the 3.1 percent average in the decade before COVID-19, read the report.

The forecast implies that over the course of 2024-26 countries that collectively account for more than 80 percent of the world's population and global GDP would still be growing more slowly than they did in the decade before COVID-19.

Overall, developing economies are projected to grow 4 percent on average over 2024-25, slightly slower than in 2023. Growth in low-income economies is expected to accelerate to 5 percent in 2024 from 3.8 percent in 2023. However, the forecasts for 2024 growth reflect downgrades in three out of every four low-income economies since January. In advanced economies, growth is set to remain steady at 1.5 percent in 2024 before rising to 1.7 percent in 2025. "Four years after the upheavals caused by the pandemic, conflicts, inflation, and monetary tightening, it appears that global economic growth is steadying," said Indermit Gill, the World Bank Group's Chief Economist and Senior Vice President.

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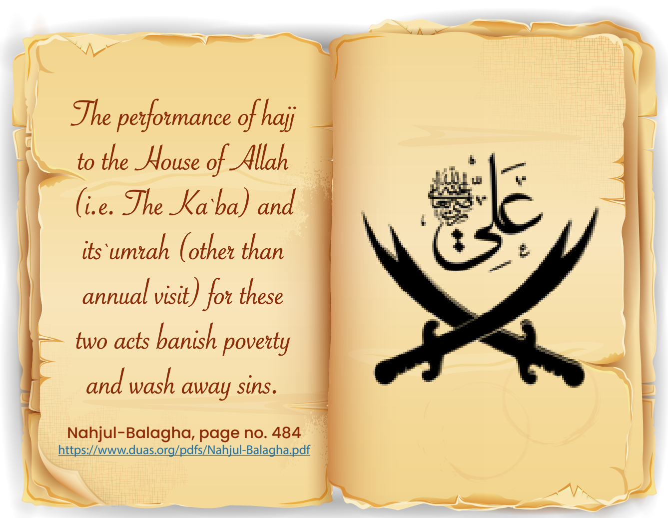

"However, growth is at lower levels than before 2020. Prospects for the world's poorest economies are even more worrisome. They face punishing levels of debt service, constricting trade possibilities, and costly climate events. Developing economies will have to find ways to encourage private investment, reduce public debt, and improve education, health, and basic infrastructure. The poorest among them—especially the 75 countries eligible for concessional assistance from the International Development Association—will not be able to do this without international support." The report further added that this year, one in four developing economies is expected to remain poorer than it was on the eve of the pandemic in 2019. This proportion is twice as high for countries in fragile-and conflict-affected situations.

Moreover, the income gap between developing economies and advanced economies is set to widen in nearly half of developing economies over 2020-24 —the highest share since the 1990s. Per capita income in these economies—an important indicator of living standards—is expected to grow by 3.0 percent on average through 2026, well below the average of 3.8 percent in the decade before COVID-19. Global inflation is expected to moderate to 3.5 percent in 2024 and 2.9 percent in 2025, but the pace of decline is slower than was projected just six months ago. Many central banks, as a result, are expected to remain cautious in lowering policy interest rates. Global interest rates are likely to remain high by the standards of recent decades—averaging about 4 percent over 2025-26, roughly double the 2000-19 average.

"Although food and energy prices have moderated across the world, core inflation remains relatively high—and could stay that way," said Ayhan Kose, the World Bank's Deputy Chief Economist and Director of the Prospects Group. "That could prompt central banks in major advanced economies to delay interest-rate cuts. An environment of 'higher-for-longer' rates would mean tighter global financial conditions and much weaker growth in developing economies."
https://tinyurl.com/35uskfxp

African Development Bank Joins Climate Action Africa Forum (CAAF24) Deal Room

The African Development Bank is joining the 2024 Climate Action Africa Forum (CAAF24) Deal Room from the June 19-20, 2024 at the Landmark Event Centre, Lagos, Nigeria. The Nigeria Sovereign Investment Authority, The Catalyst Fund and the Africa Enterprise Challenge Fund are also supporters. The CAAF24 Deal Room is an innovative platform connecting high-impact climate innovators in Africa with potential investors committed to accelerating sustainable solutions. Eligible climate-tech businesses focused on emission reduction, energy, agriculture, transportation, circular economy, and building and construction can apply.

The Bank's participation reflects its commitment to boosting investments in Africa's green economy by galvanizing a community of innovators, entrepreneurs, and investors to create applicable solutions to mitigate the challenges of climate change on the African continent.

"Through the CAAF24 Deal Room, and with African Development Bank's presence, we aim to bridge the critical gap between promising climate ventures and the essential resources they need to thrive," says Grace Oluchi Mbah, Executive Director of Climate Action Africa. "By facilitating connections between passionate entrepreneurs and dedicated investors, including the strategic involvement of the Bank, we can collectively unlock the immense potential of climate solutions in Africa."

The CAAF24 Deal Room will conclude with a post-event accelerator in partnership with the Silicon Valley-based Founder Institute and IDEA Africa. This initiative is designed to further accelerate and enhance support for promising climate tech startups and founders participating in the Deal Room. The African Development Bank is a multilateral institution whose objective is to contribute to the sustainable economic development and social progress of the African countries that make up the Bank's regional member countries.

Climate Action Africa is a leading Africa-focused social enterprise at the forefront of the continent's climate action ecosystem. CAA actively promotes collaborations, fosters an enabling ecosystem, and champions eco-friendly, sustainable practices, alongside supporting research and localized innovations across the continent.
https://tinyurl.com/mw9a5d3x

SNIPS

World's Largest Fund for Bitcoin

BlackRock's iShares Bitcoin Trust has become the world's largest fund for the cryptocurrency, amassing almost $20 billion in total assets since listing in the US at the start of the year, reports Bloomberg.

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HR TIPS

Working for an Overly Critical Manager

Do you work for an overly critical boss? When every task seems to invite scrutiny, it's easy to feel overwhelmed and demoralized. But you're not powerless. Here's how to manage up effectively and reduce the emotional toll of chronic criticism. View feedback as engagement. Your boss's criticism means they're invested in your work. Separate their tone from what they're saying to extract insights that could actually be valuable. Translate harsh words like "This is unacceptable" to "There are issues to address" in your mind. Get ahead of their negativity. Proactively seek your boss's input. Before starting a project, ask for their thoughts, then show them rough drafts early on to capture their expectations and conserve your energy. Put them on the spot. Encourage more balanced feedback by asking what's going well, not just what needs work. And when they deliver vague criticism, ask for specific examples and clarification to make the feedback constructive. Try "yes, and..." Acknowledge your boss's perspective ("yes"), then add your own ("and"). For instance, "Yes, the timeline is tight, and I believe we can meet deadlines if we adjust our resource allocation slightly." Reward good behavior. Acknowledge when your boss gives constructive and positive feedback. A simple "Thanks for sharing! That helps me feel more motivated" shows what kind of feedback has a positive impact on your performance.

(This tip is adapted from *How to Work for an Overly Critical Boss*, by Melody Wilding –HBR.)

Overcoming 3 Key Challenges of Hybrid Work

Hybrid work is here to stay for many organizations—and it comes with some pain points. Here are three key challenges managers of hybrid teams face and how to take on each one. **Aligning schedules**. Rather than establishing fixed in-office days, focus on critical times for in-person presence, such as onboarding, busy periods, and key meetings or projects. Clearly communicate why these moments are important so employees understand the reasoning and accept the policy. **Building a strong culture**. Sustaining corporate culture with less in-person time is difficult. Reframe your approach by appealing to employees' desire to help others. Highlight how their presence supports their coworkers, customers, and clients. Make in-person time more valuable by fostering meaningful interactions and connections through mentorship programs and client meetings. **Ensuring productivity**. Favor supportive, transparent check-ins over micromanagement and surveillance. Tie employees' roles closely to specific deliverables and provide regular feedback. And do not overlook your own development: Take advantage of training opportunities your company offers and get together with your peers to share best practices and discuss challenges.

(This tip is adapted from *3 Challenges to Hybrid Work—and How to Overcome Them* by Mark C. Bolino and Corey Phelps - HBR.)

Get to the Bottom of Your Burnout

Burnout is more than just feeling tired or spent, and a vacation alone is not enough to reverse it. If you are feeling de-energized and disengaged, ask yourself these questions to figure out what is driving your burnout so you can take steps to address it—and possibly prevent it from happening again in the future.

If you are feeling a sense of depletion or fatigue from being overextended for a prolonged period of time, ask:

- What one or two things have been most exhausting or stressful for me?
- What has been stopping me from getting adequate rest or taking regular breaks?
- What energizes me that has been missing from my work or my life?

If you are perpetually lacking a sense of accomplishment, struggling to feel productive, or feeling like your work isn't meaningful, ask:

- Where do I feel the most ineffective?
- What is most frustrating to me or getting in my way?
- What is taking significantly more energy than it should?

If you find yourself disengaged and mentally withdrawn from your job, ask:

- What is making me feel negative or cynical?
- What did I previously enjoy about work that I no longer do?
- When did this shift occur and what prompted it?

(This tip is adapted from *9 Questions to Help You Figure Out Why You're Burned Out*, by Rebecca Zucker –HBR.

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