

## Domestic Economic Roundup

### Key Money & Banking Indicators:

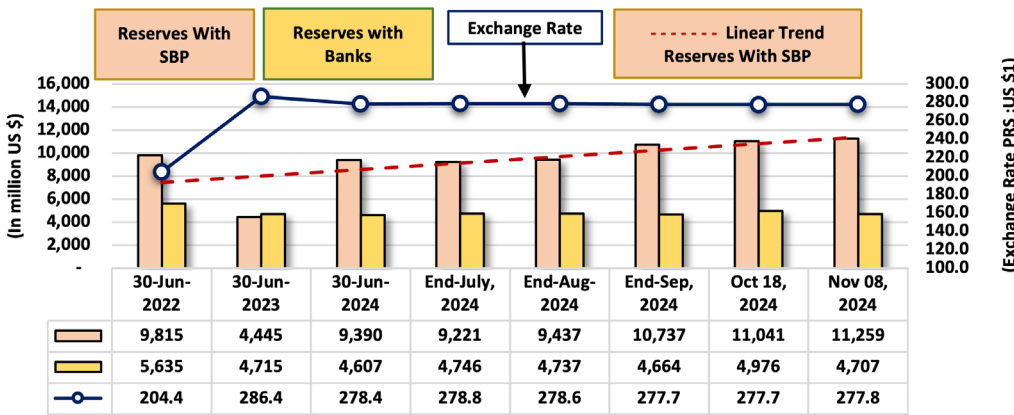
	Stocks at End - June 2024 #	Flows		Monetary Impact Since 1st July to*	
		FY23	FY24	25-Oct-24	27-Oct-23
Total Deposits with Banks	27,264.5	2,327.6	5,002.1	-564.6	278.3
Broad Money (M2)	36,553.0	3,920.6	5,029.8	-707.8	-399.2
Govt. Sector Borrowings (Net)	31,089.5	4,100.2	7,366.4	-2,075.3	555.6
Credit to Private Sector	9,531.3	208.3	364.2	447.1	-153.5

\*The latest data is available up to October 25, 2024.

<https://tinyurl.com/bdfssvdx>

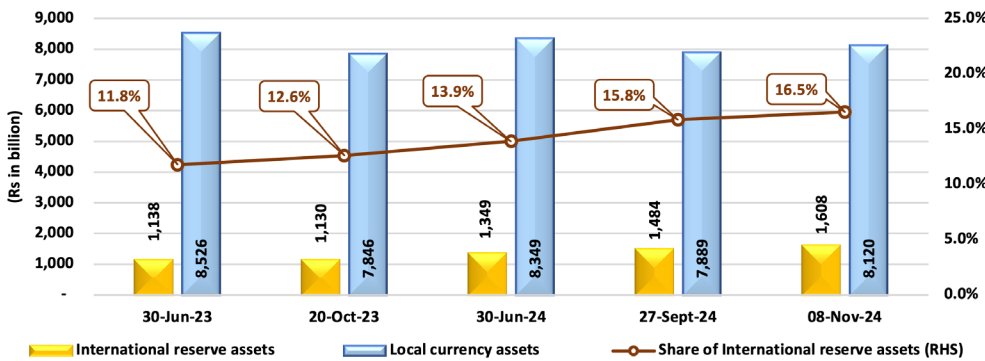
### Forex Reserves and Exchange Rates as on

<https://shorturl.at/dxNU7> | <https://shorturl.at/aJMZ2>



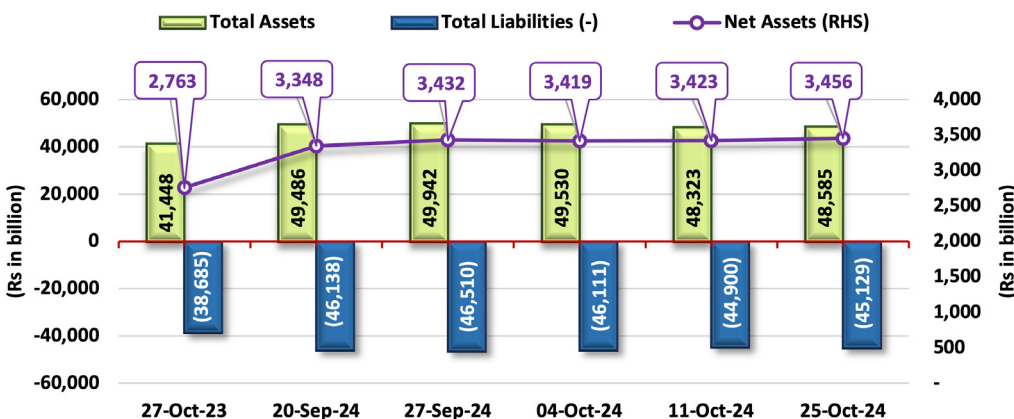
### Assets Composition of Total Banknotes Issued

<https://tinyurl.com/22n5xnum>



### Total Assets and Liabilities of Scheduled Banks

<https://tinyurl.com/yfex7vn9>



## Markets at a Glance

Rates taken till Friday, November 15, 2024

### SBP POLICY RATE

# 15%

Effective from November 05, 2024

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

### KIBOR (3 MONTHS)

Bid%	Offer%
13.49	13.74
13.51	13.76
+0.02	+0.02

[https://www.sbp.org.pk/ecodata/kibor\\_index.asp](https://www.sbp.org.pk/ecodata/kibor_index.asp)

### FOREX RATES

GBP	EURO	USD
PKR 359.55	PKR 298.94	PKR 277.74
PKR 351.54	PKR 293.50	PKR 277.67
-8.01	-5.44	-0.07

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

### PAKISTAN STOCK EXCHANGE

100 Index
93,292
94,764
+1,472

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

### GOLD RATES

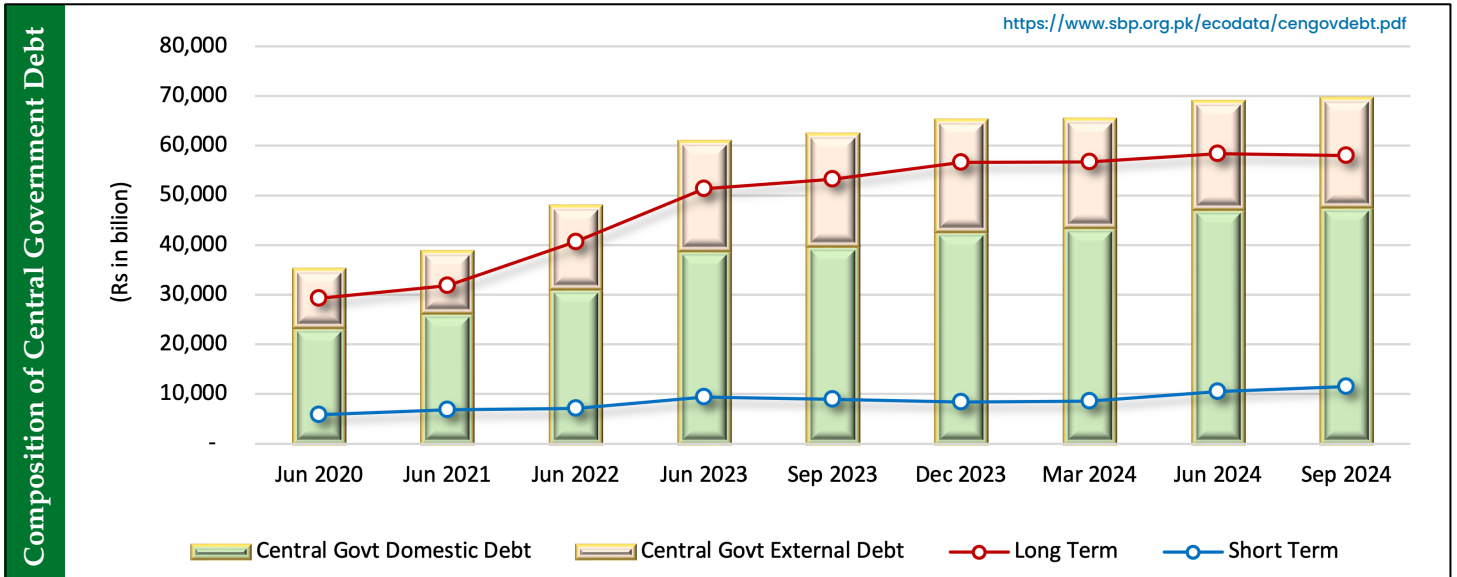
10 GM, 24K
PKR 240,865
PKR 230,170
-10,695

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

## Central Government Debt

(Rs in billion)

	Jun 2020	Jun 2021	Jun 2022	Jun 2023	Sep 2023	Dec 2023	Mar 2024	Jun 2024	Sep 2024
<b>Central Govt Domestic Debt</b>	23,283	26,266	31,085	38,810	39,698	42,595	43,437	47,160	47,536
Long Term	17,704	19,557	24,188	29,332	30,694	34,106	34,851	36,829	36,229
Short Term	5,578	6,680	6,804	9,335	8,883	8,370	8,492	10,248	11,222
Naya Pakistan Certificate	0	28	93	143	121	119	94	84	85
<b>Central Govt External Debt</b>	11,825	12,439	16,747	22,031	22,594	22,601	21,942	21,754	22,034
Long Term	11,565	12,304	16,471	21,985	22,548	22,573	21,853	21,542	21,791
Short Term	259	135	276	46	46	28	88	212	244
<b>Central Government Debt</b>	<b>35,107</b>	<b>38,705</b>	<b>47,832</b>	<b>60,841</b>	<b>62,291</b>	<b>65,195</b>	<b>65,378</b>	<b>68,914</b>	<b>69,570</b>



CPI Inflation	Annual Average			Year-on-Year		
	FY22	FY23	FY24	Oct 2023	Sept 2024	Oct 2024
<b>National CPI</b>	12.1	29.2	23.4	26.8	6.9	7.2
Food (Urban)	13.4	37.6	22.1	28.9	1.7	2.7
NFNE (Urban)	8.1	16.2	16.1	23.1	15.0	14.2

<https://www.sbp.org.pk/reports/annual/Gov-AR/pdf/2024/Gov-AR.pdf> \* NFNE = Non Food and Non Energy

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

## Currency in Circulation as on (Stock data)

(Rs in billion)

June 30, 2021	June 30, 2022	June 30, 2023	October 27, 2023	June 30, 2024	October 25, 2024(P)
6,909.9	7,572.5	9,148.7	8,480.1	9,153.1	9,031.4

P=Provisional \*The latest data is available up to October 25, 2024.

[https://www.sbp.org.pk/ecodata/BroadMoney\\_M2.pdf](https://www.sbp.org.pk/ecodata/BroadMoney_M2.pdf)

## Central Banks' Gallery

### Bundesbank



### Monetary Authority of Singapore



### Bundesbank joins Project Guardian

The Deutsche Bundesbank has become a member of Project Guardian, a collaborative initiative organized by the Monetary Authority of Singapore (MAS). Initiated by MAS in May 2022, Project Guardian is a global collaboration between policymakers and key financial industry players aimed at enhancing liquidity and efficiency of financial markets through asset tokenisation. MAS is working intensively on innovative topics that we are also dealing with in Europe, for example regarding how innovative technologies and concepts, such as distributed ledger technology (DLT) or blockchain, can be put to meaningful use in the financial sector, said Bundesbank Executive Board member Burkhard Balz. "The Bundesbank is very pleased to be cooperating with a partner that is as competent as MAS."

Various pilot projects have been launched to test use cases for the tokenization of assets, leverage network effects, and identify the potential for capital markets. The Bundesbank is a member of the Project Guardian policymaker group, which seeks to deepen cross-border collaboration, advance discussion on standardization and interoperability of digital assets, and sustainably grow the digital asset ecosystem. As part of the Asset & Wealth Management workstream, the Bundesbank will test an interoperable blockchain platform for tokenized and digital funds.

Project Guardian is essentially seeking to achieve three objectives: establishing industry frameworks for the tokenization of assets; establishing policy guidelines and standards (including the definition of a governance model setting technical standards for digital assets); and developing a sound and sustainable ecosystem for digital assets with commercial use cases that align with policy considerations and frameworks.

Mr Leong Sing Chiong, Deputy Managing Director (Markets and Development) of MAS, said, "We are delighted to welcome the Deutsche Bundesbank to Project Guardian. The Bundesbank's expertise will be invaluable as we work together to enhance liquidity and efficiency of financial markets through asset tokenization."

<https://shorturl.at/oWG5L>

### The Bank of England is to Hear from Local People in Birmingham about the Impact of the Cost of Living

The Bank of England is to hear from local people in Birmingham about the impact of the cost of living on their finances, as part of our Citizens' Forum Program which has been running across the UK since 2018.

The event is designed to gather information from local people, which will complement existing data and analysis, and help inform the Bank's policy decisions.

Over recent years, the Bank has raised interest rates to slow down price rises, and inflation has now fallen to currently stand at 1.7 percent (as at November 2024) but is expected to increase to around 2½ percent by the end of this year. At the meeting of 7 November, the Monetary Policy Committee (MPC) felt it was appropriate to reduce Bank Rate to 4.75 percent).

Inflation is now just below the 2 percent target, and the MPC needs to make sure it stays close to that target sustainably, (by ensuring it doesn't cut interest rates too quickly or by too much). But if the economy evolves as expected, it is likely that interest rates will continue to fall gradually from here.

The event in Birmingham on Tuesday, December 10 (5.30pm-8.00pm) will give attendees the opportunity to share their views with Bank officials, including Nathanaël (Nat) Benjamin, Executive Director for Financial Stability Strategy and Risk and a member of the Bank's Financial Policy Committee (FPC). The FPC identifies and monitors risks that threaten the resilience of the UK financial system. He will be joined by staff from the Bank's Agency for the West Midlands.

Graeme Chaplin, the Bank's Agent for the West Midlands said: "As the Governor has previously highlighted, there is great value for the Bank of England in hearing from local communities. It helps us understand the impact interest rates are having on people's lives and what inflationary pressures we need to guard against."

We welcome views and questions from people in Birmingham about the cost of living or the actions the Bank is taking to keep inflation low and stable."

The event will be chaired by Bridget Blow, non-executive director of English Netball and former Deputy Chair of Coventry Building Society.

Anyone aged over 18 is eligible to apply to attend which you can do via the Bank's website <https://www.bankofengland.co.uk/> before Wednesday, November 27, when registration closes. <https://shorturl.at/lu3nC>



## Monetary Authority of Singapore



### Singapore FinTech Festival 2024 Attracts 65,000 Participants

The ninth edition of the Singapore FinTech Festival (SFF), organized by the Monetary Authority of Singapore in Singapore, which took place from November 6–8, 2024, concluded successfully on 8 November with 65,000 participants from 134 countries and regions in attendance.

Key highlights of SFF 2024 include:

The invite-only **Insights Forum** brought together more than 2,300 policymakers, regulators, investors, and industry leaders for in-depth discussions across 40 roundtables. Topics ranged from the future of financial infrastructure to pathways for achieving global net-zero goals.

More than 3,400 government and regulatory attendees across 665 central banks, regulatory institutions and government organizations participated in the Regulation Zone. Key discussion areas included Artificial Intelligence (AI) solutions, quantum research and finance, cross-border data flow, and digital asset growth.

The **Technology Zone** featured 64 sessions exploring AI and quantum technologies, blockchain, and e-commerce and payments applications, showcasing real-economy impact across sectors.

At the **Founders and Investors Zone**, over 580 meetings between investors and startup founders were hosted during Investor Hours, catalyzing new opportunities and partnerships with meaningful capital.

The **Talent Zone** delivered 180 mentorship sessions and certification programmes in collaboration with academic partners, building a future-ready talent pipeline.

The **ESG Zone** spotlighted Gprnt's launch of its inaugural Disclosure and Marketplace offerings, tools meant to simplify sustainability reporting for businesses and connect them to an ecosystem of solutions to support their decarbonization efforts.

According to the Ban's press release, "The SFF organizing team expresses sincere appreciation to all sponsors, speakers, partners and attendees who contributed to SFF 2024's success.

SFF 2025 marks the Festival's 10th anniversary. Join us from November 12 to 14 2025 for this milestone event and to celebrate a decade of growth and innovation in FinTech. We look forward to welcoming and bringing together the global policy, finance and tech community next year, to continue driving meaningful progress and collaboration for decades ahead. The Insights Forum will continue as a two-day event, from 10 to 11 November." <https://shorturl.at/ZqcEB>

## The People's Bank of China



### Chinese Central Bank Publishes Financial Statistics Report (October 2024)

#### 1. Broad money rose by 7.5 percent

At end-October, broad money supply (M2) stood at RMB309.71 trillion, rising by 7.5 percent year on year. Narrow money supply (M1), at RMB63.34 trillion, fell by 6.1 percent year on year. The amount of currency in circulation (M0) was RMB12.24 trillion, an increase of 12.8 percent year on year. The first ten months of the year saw a net money injection of RMB900.3 billion.

#### 2. RMB loans grew by RMB16.52 trillion in the first ten months

At end-October, outstanding RMB and foreign currency loans totaled RMB258.18 trillion, up 7.5 percent year on year. Outstanding RMB loans stood at RMB254.1 trillion, registering a year-on-year growth of 8 percent.

New RMB loans totaled RMB16.52 trillion for the first ten months. By sector, household loans increased by RMB2.1 trillion, with short-term loans and medium and long-term (MLT) loans rising by RMB451.4 billion and RMB1.65 trillion, respectively; loans to enterprises and public institutions grew by RMB13.59 trillion, with short-term loans, MLT loans and bill financing increasing by RMB2.64 trillion, RMB9.83 trillion and RMB997.7 billion, respectively; and loans to non-banking financial institutions climbed by RMB298.7 billion.

At end-October, outstanding foreign currency loans stood at USD571.5 billion, down 15.7 percent year on year. The first ten months saw a decline of USD84.9 billion in foreign currency loans.

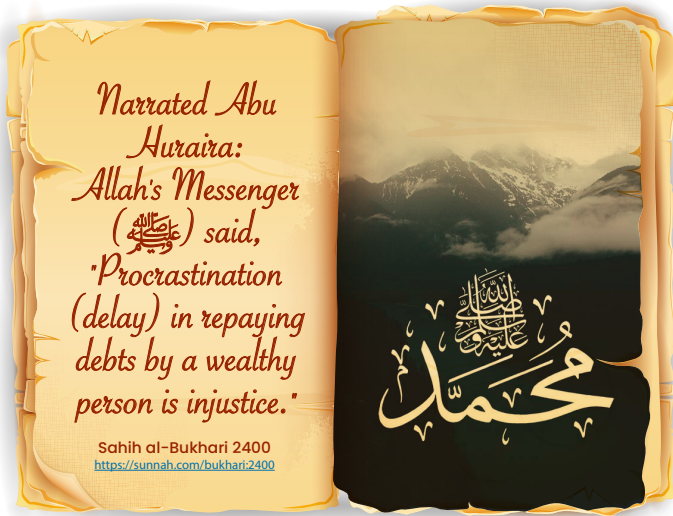
#### 3. RMB deposits increased by RMB17.22 trillion in the first ten months

At end-October, the outstanding amount of RMB and foreign currency deposits was RMB307.44 trillion, up 7 percent year on year. RMB deposits recorded an outstanding amount of RMB301.48 trillion, rising by 7 percent year on year.

In the first ten months, RMB deposits increased by RMB17.22 trillion. Specifically, household deposits, fiscal deposits and deposits of non-banking financial institutions rose by RMB11.28 trillion, RMB1.32 trillion and RMB5.58 trillion, respectively, while deposits of non-financial enterprises dropped by RMB2.84 trillion.

At end-October, the outstanding amount of foreign currency deposits was USD836.5 billion, up 6.6 percent year on year. The first ten months saw an increase of USD38.6 billion in foreign currency deposits.





#### 4. The monthly weighted average interest rates for interbank RMB lending and bond pledged repos in October stood at 1.59 percent and 1.65 percent respectively

Lending, cash bond and repo transactions in the interbank RMB market totaled RMB172.48 trillion for October, with the daily average increasing by 17.1 percent year on year to RMB9.08 trillion. Specifically, the average daily turnover of interbank lending fell by 2.1 percent, while those of cash bond trading and pledged repo trading rose by 17.6 percent and 18.2 percent year on year, respectively.

The monthly weighted average interest rate for interbank lending in October stood at 1.59 percent, down 0.19 percentage points month on month and 0.33 percentage points year on year. The monthly weighted average interest rate for pledged repos was 1.65 percent, down 0.18 percentage points month on month and 0.41 percentage points year on year.

#### 5. RMB cross-border settlement under the current account reached RMB1.31 trillion and RMB cross-border settlement of direct investment posted RMB0.63 trillion for October

RMB cross-border settlement under the current account reached RMB1.31 trillion for October, including RMB1.02 trillion in settlement of trade in goods and RMB0.29 trillion in settlement of trade in services and other current account items. RMB cross-border settlement of direct investment amounted to RMB0.63 trillion for the month, of which ODI and FDI posted RMB0.25 trillion and RMB0.38 trillion, respectively. <https://shorturl.at/BoZ7O>

### Impact of Trump's Tariffs

US shoppers could lose up to \$78 billion in annual spending power annually if Trump's new tariffs proposal on imports are implemented, says a study from the National Retail Federation.

## Oesterreichische Nationalbank

### Austrian Banking Sector's Resilience Remains High, but Risks from Commercial Real Estate Loans are Increasing: 48th Financial Stability Report

#### Presentation of the 48th Financial Stability Report of the Oesterreichische Nationalbank

The Austrian economy is in its second year of recession in 2024, and no strong recovery is expected in 2025. Despite this challenging environment, the Austrian banking sector generated very high profits and demonstrated its resilience, with supervisory measures reducing risks in residential real estate lending. Risks from commercial real estate loans continue to intensify, however. To limit these risks, an additional capital buffer will be introduced in mid-2025.

#### Austrian economy remains in recession

In 2024, the Austrian economy is showing pronounced weakness for the second year in a row. This is driven by two key factors: an industrial recession and weak growth in private consumption. As a result, the Oesterreichische Nationalbank (OeNB) revised down its growth forecast. Economic output is expected to shrink this year, and to grow at only a modest pace in 2025. In this difficult environment, demand for corporate loans remains subdued, particularly for longer-term investments. However, residential real estate lending is picking up somewhat, as rising incomes and slightly falling financing costs have improved affordability. In addition, the share of variable rate mortgages, a focus of supervisory attention due to the interest rate risk for borrowers, has declined to as little as one-fifth of new loans.

#### The Austrian banking sector's profitability remained high, which further strengthened its capitalization, but risks from corporate loans are increasing

Driven by continued high net interest income, the Austrian banking sector earned a profit of EUR 7 billion in the first half of 2024, down just slightly from the record set in the first half of 2023. A strong contribution was made by foreign business, which accounts for more than 40 percent of total assets. The profits of Austrian banking subsidiaries in Central, Eastern and Southeastern Europe rose to a new high of just over EUR 3 billion. By retaining earnings, banks strengthened their resilience. The sector's common equity tier 1 (CET1) capital ratio reached 17.7 percent, with large Austrian banking groups exceeding the average of their European peers.

However, credit quality deteriorated in the first half of 2024. The nonperforming loan ratio rose to 2.7 percent, as the Austrian economy has been undergoing a period of pronounced weakness. Commercial real estate (CRE) loans

and loans to small and medium-sized companies saw some of the largest increases. Risk provisioning, however, did not keep pace with this development. Nevertheless, the Austrian banking system proved resilient to potential shocks in a stress test recently conducted by the OeNB, where the adverse scenario simulated falling interest rates (and margins) and a deterioration in the quality of CRE loans.

Supervisory measures that address residential real estate lending in Austria (KIM-V) are effective and have strengthened financial stability. In the first half of 2024, the share of sustainable new housing loans was above 80 percent, and the nonperforming loan ratio remained low. At the same time, nearly two-thirds of banks did not even use half of the exemption volume available to them. In the CRE loan segment, which has been under supervisory scrutiny for years, risks are mounting as recent interest rate increases have laid bare the vulnerabilities of the sector's funding. The number of corporate defaults has increased, as has the volume of nonperforming loans on banks' balance sheets. As a result, the share of nonperforming CRE loans in Austria more than doubled from its 2020 low to 5.5 percent as of mid-2024. CRE prices – an important cushion to protect banks from losses in the event of defaults – have been under pressure as well. In this context, Austria's Financial Market Stability Board (FMSB) found that potential losses from CRE loans, in the event of a further deterioration of the economic environment, could pose an increased risk to financial stability. For this reason, the FMSB recommended that Austria's Financial Market Authority set a sectoral systemic risk buffer of initially 1 percent starting from mid-2025.

### The OeNB's recommendations for strengthening financial stability in Austria

For Austrian banks to meet the challenges ahead and to further strengthen financial stability, the OeNB recommends that banks:

- Continue to safeguard or, where appropriate, further strengthen their capital position by exercising restraint regarding profit distributions.
- Adhere to sustainable lending standards for real estate financing and prepare for stricter supervisory requirements for commercial real estate loans.
- Ensure adequate risk management practices, including higher risk provisions and a conservative valuation of collateral.
- Ensure sustainable profitability by maintaining cost discipline while investing in information technologies as well as in protection against cyber risks and the impact of climate change.

The OeNB's semiannual Financial Stability Report provides analyses of Austrian and international developments with an impact on financial stability and includes studies offering insights into specific topics related to financial stability. <https://shorturl.at/rAZ23>

## Financial Institutions' Gallery



### Standard Chartered Delivers Bespoke Solution to Support IATA EASY PAY in Pakistan

Standard Chartered Bank Pakistan has launched an enhanced IATA EASY PAY solution to streamline BSP ticketing and payments for IATA agents

The upgraded IATA EASY PAY solution, uniquely customized for the Pakistan market. This advanced solution is designed to streamline BSP ticketing and payment processes for International Air Transport Association (IATA) agents across the country, offering them a seamless, efficient, and closed-loop payment mechanism.

The solution allows IATA agents to pre-fund their IATA EASY PAY accounts, which are then used to issue airline tickets and other air travel-related services. Through SCB's open APIs and virtual account/ ledger capabilities, the entire process—ranging from agent onboarding to airline settlements—is significantly optimized. This new approach not only enhances efficiency but also introduces a high degree of transparency, addressing crucial industry needs around credit risk reduction while providing an additional payment channel for agents.

"This bespoke IATA EASY PAY solution underscores our commitment to delivering innovative and efficient digital financial solutions tailored to the unique needs of our clients," said Shiraz Hyder, Head of Transaction Banking at Standard Chartered Bank Pakistan. "Standard Chartered is focused on providing seamless support to drive operational efficiency so that the air travel industry can deliver on its core business with ease."

The new solution also benefits airlines by improving liquidity due to faster settlement times, marking a significant advancement in the industry's cash flow management. Feroze Jamall, IATA's Country Manager for Pakistan, added, "IATA EASY PAY is an additional payment solution for Pakistan's travel agent community when issuing tickets via the BSP. Working with Standard Chartered Bank has allowed us to improve on the service offering for the Pakistan market. This will better support the business of travel agents in Pakistan."

To facilitate the adoption of this solution, Standard Chartered and IATA have organized awareness roadshows in Karachi, Islamabad, and Lahore. These events aim to educate IATA agents on the effective use of the new IATA EASY PAY solution, enhancing their ability to navigate ticketing and payment processes seamlessly.

This initiative reflects Standard Chartered's ongoing dedication to leveraging digital innovation to support key industry sectors in Pakistan, enabling growth and operational ease in the dynamic air travel landscape.

<https://shorturl.at/KHxNh>

## Meezan Bank and CashNow Join Hands to Develop Pakistan's First Digital Islamic Supply Chain Finance Product for Suppliers

Meezan Bank has entered into a strategic alliance with CashNow, Pakistan's pioneering supply chain finance platform, to revolutionize Shariah-compliant supply chain finance. A Memorandum of Understanding (MoU) was signed recently at Meezan Bank's Head Office in the presence of senior management from both organizations.

This partnership, the first of its kind in Pakistan, enables CashNow—a cutting-edge fintech platform—to power a fully integrated digital Islamic supply chain finance solution for suppliers, developed in collaboration with Meezan Bank. Through this initiative, Meezan Bank's customers will gain access to digitally streamlined Shariah-compliant financing.

Under the terms of this MoU, Meezan Bank and CashNow have co-developed a digital Islamic product for finished goods financing. The CashNow platform integrates with Meezan's core banking system to fully digitize the transaction process, offering the Bank's customers rapid access to Shariah-approved working capital. For more information, please visit: <https://lnkd.in/d/vPi3Zw>

## FinTech News/ Views

### Askari Bank Partners with Karandaaz Pakistan to Launch Pakistan's First Cashless Ecosystem for Housing Societies

Askari Bank is advancing its role in digital financial services with the launch of Pakistan's first comprehensive cashless ecosystem initiative. This innovative project, aimed at building cashless communities, reflects the bank's mission to bring customers closer through digital transformation and financial inclusion.

Askari Bank's digital journey has already seen pioneering efforts, including an indigenous biometric verification solution integrated into its offerings. The new project, conceived and funded by Karandaaz Pakistan—a platform committed to fostering sustainable economic growth and financial inclusivity—is expected to elevate this mission to the next level. The project was developed in collaboration with Digital Miles, a fintech innovation lab, and seeks to digitalize everyday transactions within targeted communities.

The initiative was formally launched at a signing ceremony attended by senior executives, including Saleem Anwar, Acting President and CEO of Askari Bank; Ali Naqvi, Chief Digital Officer of Askari Bank; Waqas Ul Hasan, CEO of Karandaaz Pakistan; Sharjeel Murtaza, CDO of Karandaaz; Taimoor Ali, Group Head of DFS Projects at Karandaaz; and Rehan Ahmad Akhtar, CEO of Digital Miles.

In his remarks, Saleem Anwar highlighted the transformative potential of the project, stating, "This project marks a significant first step toward building financially inclusive and smart communities."

CEO of Karandaaz Pakistan, Waqas Ul Hasan, echoed this vision, emphasizing that the project aligns with Karandaaz's objective to foster a cashless ecosystem within Pakistan. "Starting with housing societies, this initiative will enable residents, merchants, and institutions to operate seamlessly in a fully digital environment, paving the way for a financially inclusive, efficient, and forward-looking community experience," he added.

This groundbreaking collaboration underscores the commitment of both Askari Bank and Karandaaz Pakistan to reshape Pakistan's financial landscape, setting a new standard for digital transactions and community integration in the country. <https://shorturl.at/Gimwp>

### NymCard Partners with Digitt Plus to Drive Fintech Innovation in Pakistan

NymCard, a global Banking-as-a-Service (BaaS) provider, has announced a strategic partnership with Digitt Plus, one of Pakistan's premier Electronic Money Institutions (EMI). This collaboration aims to reshape the digital finance landscape in Pakistan by providing fintechs with an integrated, streamlined platform for launching wallet and card programs.

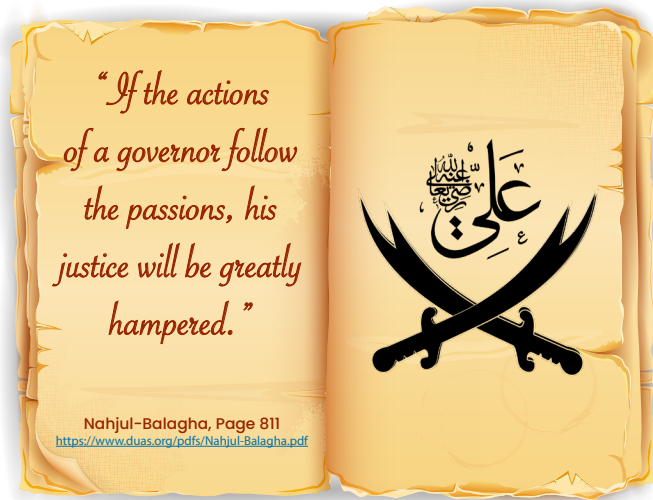
As Pakistan's digital ecosystem continues to evolve, this partnership between NymCard and Digitt Plus is set to provide fintech companies with an all-in-one solution that simplifies the creation and management of digital wallets and card issuance. With this partnership, fintechs can look forward to a robust suite of tools and services designed to accelerate time-to-market and support their growth in Pakistan's burgeoning financial services sector.

"Through this collaboration with Digitt Plus, we are delighted to support Pakistan's fintech industry by enabling faster, more efficient product launches. Together, we're committed to transforming the digital finance landscape," said a representative from NymCard.

Digitt Plus, known for its role in advancing electronic payment solutions in Pakistan, also emphasized the significance of this partnership in driving fintech innovation. "Our partnership with NymCard underscores our dedication to equipping fintechs with the resources they need to succeed and scale. This alliance will make it easier for them to bring new financial products to market and offer cutting-edge solutions to consumers," stated a Digitt Plus spokesperson.

Together, NymCard and Digitt Plus are setting a new standard for digital financial services in Pakistan, fostering an environment where fintechs can thrive and contribute to the country's digital transformation. <https://shorturl.at/YdpZj>





## General Economic Horizon

### A. Domestic News

#### SECP Launches Pakistan’s First Start-Up Summit

The development of Pakistan’s IT sector could be a transformative factor for economic growth, Finance Minister Muhammad Aurangzeb said via video link at the opening session of Pakistan Start-up Summit 2024, organized by the Securities and Exchange Commission of Pakistan (SECP) in Karachi on November 11, 2024. The two-day summit marked a pivotal moment for the country’s start-up landscape, bringing together key policymakers, founders, international experts, and stakeholders to discuss fostering a vibrant, resilient entrepreneurial ecosystem in Pakistan.

Minister Aurangzeb underscored the government’s commitment to innovation as a cornerstone for economic progress, lauding SECP’s proactive regulatory initiatives, including the Regulatory Sandbox and streamlined incorporation processes, which aim to support fintech, digital finance, and high-impact sectors crucial to economic growth.

#### SECP’s Vision: Building a Thriving Start-Up Ecosystem

In his keynote, SECP Chairman highlighted the unique crossroads faced by Pakistan’s start-up ecosystem, citing both unprecedented opportunities and existing challenges. “At SECP, our goal is not only to adapt to change but to lead it,” he said. “We’re committed to creating systems that empower our innovators, ensuring a stable yet dynamic environment for growth.” Key SECP initiatives such as the Regulatory Sandbox and the LEAP platform are central to transforming Pakistan into a regional innovation hub, particularly within fintech and embedded finance sectors. The summit’s opening address was delivered by SECP Commissioner Mujtaba Ahmad Lodhi, who stressed the importance of collaboration in building an inclusive entrepreneurial ecosystem. Lodhi reiterated SECP’s

dedication to establishing a strategic platform for discussing and addressing the foundational needs of Pakistan’s innovators.

#### International Support and Key Panel Discussions

Adding to the summit’s international scope, the UK’s Deputy High Commissioner, Sara Mooney, joined on the first day, underscoring global interest in Pakistan’s emerging start-up scene.

The first day featured six critical panel discussions focusing on various aspects necessary for building a resilient and inclusive start-up ecosystem. Key sessions included:

#### Founders’ Perspectives on Building Start-Ups in Pakistan:

Leading founders shared their entrepreneurial journeys, emphasizing the importance of innovation, market insights, and ecosystem support for success.

#### Strategies for Building a Resilient Start-Up Ecosystem:

Panelists discussed essential pillars—such as capital access, digital innovation, and regulatory reform—that are vital for sustainable growth in the start-up ecosystem.

**Empowering Female Entrepreneurs:** This session tackled unique challenges faced by women entrepreneurs and highlighted the role of public and private sectors in supporting women-led start-ups to foster inclusivity.

#### Creating a Conducive Ecosystem for Start-Ups:

Policymakers, regulatory bodies, and funding agencies explored collaborative strategies to bridge regulatory and funding gaps to support start-up growth.

**Navigating Pakistan’s Start-Up Ecosystem:** Participants examined barriers related to capital, talent, and market access, with an emphasis on how stakeholders can create a supportive entrepreneurial environment.

#### Unlocking Start-Up Growth through Capital Markets:

Experts discussed how Pakistan’s capital markets can facilitate funding for start-ups and what regulatory reforms are needed to attract more investment.

The summit’s first day concluded with remarks from Syed Asad Ali Shah, Chairman of Befiler, who applauded SECP’s dedication to advancing Pakistan’s start-up ecosystem and noted the importance of ongoing collaboration in building a sustainable, globally competitive entrepreneurial landscape.

#### A Milestone for Innovation and Economic Growth

The SECP’s Pakistan Start-up Summit 2024 has set the stage for a dynamic future for entrepreneurship in Pakistan, laying a solid foundation for collaboration among stakeholders. Positioned as a milestone event, the summit aims to foster a supportive environment for start-ups, positioning Pakistan as a competitive player in the global start-up ecosystem and paving the way for substantial contributions to economic growth. <https://shorturl.at/PzMgw>

## TPL Corp and Abhi Get SBP Approval to Jointly Acquire FINCA Microfinance Bank

TPL Corp Limited and Abhi Private Limited have received final approval from the State Bank of Pakistan (SBP) to acquire a 94.8 percent stake in FINCA Microfinance Bank Limited. This approval comes as the companies proceed with their previously announced acquisition plans, marking a significant milestone in Pakistan's microfinance landscape.

According to a filing submitted to the Pakistan Stock Exchange (PSX), TPL Corp and Abhi were informed by the SBP that the acquisition is authorized pending full compliance with applicable laws, regulations, and the SBP's terms and conditions. This final regulatory clearance allows TPL Corp and Abhi to proceed with the planned transaction and operational integration.

The acquisition was formalized through a Share Purchase Agreement and other definitive agreements signed in September 2024 with FINCA Microfinance Coöperatief U.A, the majority shareholder of FINCA Microfinance Bank. This move builds on earlier announcements made on April 29 and September 20, 2024, by TPL Corp and Abhi, underscoring their commitment to expanding financial inclusion and digital finance solutions in Pakistan.

The deal is expected to enhance access to financial services for underbanked and underserved communities across the country. With TPL's expertise in technology and Abhi's innovative financial solutions, the acquisition aims to empower FINCA Microfinance Bank to deliver enhanced services, strengthening Pakistan's microfinance sector.

<https://shorturl.at/Fp17p>

## Cars' Sale Up 46.73 percent to 30,625 Units during Jul-Oct 2024

The sale of cars during the first four months of the current financial year 2024-25 increased by 46.73 percent compared to the same months of last year, a recent data released by Pakistan Automobile Manufacturing Association (PAMA) said.

According to the data, as many as 30,625 cars were sold during the months under review as opposed to 20,871 units in the same months of last year.

The breakup figures showed that 4,424 units of Honda Civic and City were sold during July-October 2024-25 compared to the sale of 2,239 units during July-October 2023-24. Toyota Corolla and Yaris cars sales increased by 65.05 percent as it went up to 6,655 units from 4,032 units in the previous year.

Suzuki Swift's sales also rose by 26.84 percent as its sales surged from 1,576 units to 1,999 units this year.

Sales of Suzuki Cultus declined to 629 units during the first four months of the current year, whereas during the same

months last year, the sale was recorded at 1,142 units while the sale of Suzuki WagonR also decreased to 737 units from 1,160 units last year.

Suzuki Alto's sales witnessed an increase of 35.90 percent from 9,362 units to 12,723 units during the current year, whereas the sales of Suzuki Bolan surged to 2,690 units as opposed to sales of 684 units in the same months of last year. <https://shorturl.at/YBupn>

## B. International News

### ADB, Partners Signal Commitment to Climate Change Action at COP29 Event for IF-CAP

The Asian Development Bank (ADB) today joined with partners to show their commitment to climate change financing at a kick-off event at COP29, in Baku, Azerbaijan, for the Innovative Finance Facility for Climate in Asia and the Pacific (IF-CAP).

ADB President Masatsugu Asakawa told attendees IF-CAP was among the most innovative climate financing programs anywhere in the world and would be a vital tool for combating climate change in Asia and the Pacific.

"We know that the battle against climate change is the major challenge of our time," Mr. Asakawa said. "It is a challenge that requires transformative, decisive, and innovative action—which IF-CAP will provide. Among all multilateral development banks, it puts ADB at the forefront of climate finance innovation. With a multiplier effect of 4.5, it will unleash billions of dollars in much-needed investment for combating climate change in Asia and the Pacific."

Joining Mr. Asakawa at the event were representatives from IF-CAP partners: Australia Assistant Minister for Climate Change and Energy Josh Wilson; Denmark Under-Secretary of State for Development Cooperation Ole Thonke; Japan Deputy Vice Minister for International Affairs Kazuki Watanabe; Republic of Korea Deputy Minister for International Affairs Ji-young Choi; Norway Special Envoy for Climate and Security Hans Olav Ibrek; Sweden Climate Ambassador from Ministry of Climate and Enterprise Mattias Frumerie; United Kingdom Foreign Secretary David Lammy; United States Assistant Secretary of the Treasury Alexia Latortue; and Global Energy Alliance for People and Planet Chief Executive Officer Woonchong Um.

Azerbaijan Minister of Finance and ADB Governor Samir Sharifov also attended representing the COP29 Presidency.

IF-CAP is targeting total guarantees of \$2.5 billion, which will go toward covering parts of ADB's existing loan portfolio. That will allow ADB to free up an estimated \$11.25 billion in dedicated climate financing for the region. ADB has already welcomed guarantees of close to \$2.2 billion: \$1 billion from the United States, \$600 million from Japan (plus a \$25 million grant), \$280 million from the United Kingdom, \$200 million from Australia, and \$100 million from Denmark through Investment Fund for Developing Countries (IFU).

IF-CAP responds directly to the Group of Twenty (G20) recommendations that MDBs increase their lending through novel approaches such as risk transfers.

Asia and the Pacific require an estimated \$102 billion to \$431 billion per year to adapt to global warming, according to ADB's Asia-Pacific Climate Report 2024. This far exceeds the \$34 billion of adaptation finance that was tracked going into the region in 2021–2022.

To help address the region's climate investment needs, ADB is aiming for climate finance to reach 50 percent of its total annual committed financing volume by 2030. The bank is committed to reaching more than \$100 billion in cumulative climate finance, for both mitigation and adaptation, from 2019 to 2030.

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 69 members—49 from the region. <https://shorturl.at/5zNlq>

## Nuclear Technology Pivotal for Decarbonizing Cotton Industry, say Experts at COP29

Global leaders, policymakers, and industry experts on November 12, 2024, at COP29 urged immediate support for farmers in resource-poor nations, emphasising technology transfers to bolster climate resilience and sustainability in cotton cultivation.

The panel remarked during an event titled 'Decarbonizing and Adapting the Cotton-to-Clothing Value Chain through Multisectoral Partnerships' at the Pakistan Pavilion, to address the role of innovative technologies, including nuclear techniques, in tackling climate impacts on cotton farming.

Speakers noted that as climate change worsens, cotton farmers, particularly in vulnerable regions like Pakistan, Bangladesh, and Egypt, are facing unprecedented challenges such as severe floods, heatwaves, and droughts. The event was organized by Pakistan's Ministry of Climate Change & Environmental Coordination in collaboration with the International Atomic Energy Agency (IAEA), the Food and Agriculture Organization (FAO), the United Nations Industrial Development Organization (UNIDO), and the World Trade Organization (WTO).

In his keynote, Parliamentary Secretary Ahmed Atteeq Anwar highlighted cotton's critical role in global textiles, stressing the urgency of climate adaptation for cotton farmers and rural economies. "Without immediate efforts to help farmers adapt, we risk severe disruptions to supply chains and rural livelihoods," he warned.

Rafael Mariano Grossi, Director General of the IAEA, underscored nuclear technology's potential in reducing emissions and enhancing resilience across the cotton sector. Nuclear techniques, he explained, could help lower carbon emissions, improve water efficiency, enable

sustainable pest control, and monitor pollution in cotton farming, presenting a powerful solution to the industry's environmental challenges.

WTO Director General Ngozi Okonjo-Iweala added that soil mapping, a WTO initiative, is crucial for understanding soil health and selecting crops suited to climate challenges, which could improve cotton's resilience against extreme weather.

Azerbaijan's Deputy Minister of Agriculture, Sarvan Jafarov shared a successful case study in Azerbaijan, where climate-smart practices and the use of a new cotton variety have doubled crop yields in a project supported by IAEA and FAO.

The event brought together a range of voices, including representatives from Burkina Faso and the ARISE group, all reinforcing the critical role of multisectoral partnerships in creating a sustainable, climate-resilient cotton sector worldwide. <https://shorturl.at/PU9m7>

## AAOIFI Accounting Board holds its 41st Meeting and Approves in principle FAS 50 'Financial Reporting for Islamic Investment Institutions (Including Investment Funds)'

The Accounting and Auditing Organization for Islamic Financial Institutions' (AAOIFI's) Accounting Board (AAB / the board) held its 41st meeting on November 02, 2024, in the Kingdom of Bahrain. The board approved in principle the issuance of the Financial Accounting Standard (FAS) 50 'Financial Reporting for Islamic Investment Institutions (Including Investment Funds)', which supersedes present FAS 14 'Investment Funds'.

The new standard sets out the principles of financial reporting for Islamic investment institutions (IIIs) particularly prescribing overall requirements for the presentation, minimum contents and recommended structure of their financial statements. The scope of the standard has been expanded to include different types of IIIs in addition to the Islamic investment funds. In order to align with the new framework and the recently issued AAOIFI FASs, the concept and the financial reporting principles for quasi-equity have also been introduced.

Mr. Hamad Al Oqab, chairman of the AAB, at this occasion, stated: "The new standard gives special consideration to add value and strengthen the financial reporting requirements for Islamic investment institutions and to eventually benefit a broader set of stakeholders."

The board also performed a preliminary review of the proposed exposure draft for revision of FAS 26 'Investment in Real Estate'. The board advised the respective working group to further evaluate the need, scope and approach of such standard in line with the board's established strategy, whereby, AAOIFI FASs shall add on to the generally accepted accounting principles, without duplicating the efforts and creating confusions in the industry. According to



such strategy, AAOIFI FASs are developed where value addition is ensured, in terms of addressing certain specific Shari'ah principles and rules or appropriately incorporating a unique business model or transaction structure.

The proposed exposure draft to replace the current Standard on Auditing and Assurance (SOAA) 4 'Testing for Compliance with Shari'ah Rules and Principles by an External Audit' was presented to the board for its input and guidance. The board performed a thorough review and noted the comments provided by Professional Auditing Standards Committee (PASC). The board generally agreed with the approach and provided comments with regard to the possible improvement of the same before finalisation as exposure draft, which is primarily in the mandate of the AAOIFI Governance and Ethics Board.

Mr. Omar Mustafa Ansari, Secretary General of AAOIFI expressed gratitude for the board and its respective working groups' and committees' unwavering commitment and contribution in developing and revising the standards in order to address the evolving requirements of the industry. <https://shorturl.at/SIIZT>

## SELF & BUSINESS MANAGEMENT TIPS



### Do Not Let Resentment Damage Your Work Relationships

Resentment is a complex emotion that can become preoccupying and damaging. It can be tempting to hold onto resentment, but doing so has lasting consequences: strained relationships, declining productivity, and negative impacts on your mental and physical health. Here is how to diffuse any resentment you might feel for your colleagues.

**Pinpoint the source.** Start by identifying what is truly causing your resentment. Ask yourself if unmet expectations, unclear boundaries, or perceived injustices are at the root. Knowing the source will help you address it effectively.

**Step outside yourself.** Try viewing the situation from different perspectives. Are you making assumptions that might cloud your view? Reflecting can reveal constructive actions you can take.

**Focus on solutions.** Use resentment as a signal for needed change. Whether setting boundaries or adjusting expectations, taking proactive steps can ease frustration.

**Communicate constructively.** Have open, honest conversations to resolve any misunderstandings at play. Using nonjudgmental language and focusing on specific actions can make these talks productive and solution-oriented.

**Let go.** If nothing changes, practice forgiveness—for your own well-being. Letting go does not mean ignoring your needs. But it may free you from negativity and help you foster healthier relationships at work.

(This tip is adapted from *5 Strategies to Help You Manage Resentment for a Colleague*, by Dina Denham Smith - HBR.)

### Deciding When to Use a PIP

Got an employee who is not meeting expectations? Use this checklist to determine whether a performance improvement plan (PIP) is the right path forward—and remember, a PIP should be a collaborative effort, not a punishment.

**Is there a clear path to improvement?** A PIP should only be used if you believe improvement is possible, and you are ready to support the employee's growth.

**Have you engaged in routine performance management and regular check-ins?** Ensure you have consistently provided feedback, clear goals, and coaching. PIPs are a last resort, not the first step.

**Have you provided adequate resources and guidance?** Identify any external factors impacting performance, like unclear expectations or lack of resources, and resolve these first.

**Are you considering extenuating circumstances that could be affecting them?** Take your employee's personal or health issues into account. If these contribute to underperformance, consider offering support rather than a PIP.

**Have you enlisted third-party input?** Consult HR for objectivity and to confirm if a PIP is appropriate.

(This tip is adapted from *When a Performance Improvement Plan Could Help Your Employee*, by Liane Davey - HBR.)

## SNIPS

### Whooping High Per Voter Cost

The US federal election campaigns cost about 40 times more per person than in the UK or Germany, as per the Wall Street Journal.