

Domestic Economic Roundup

Key Money & Banking Indicators:

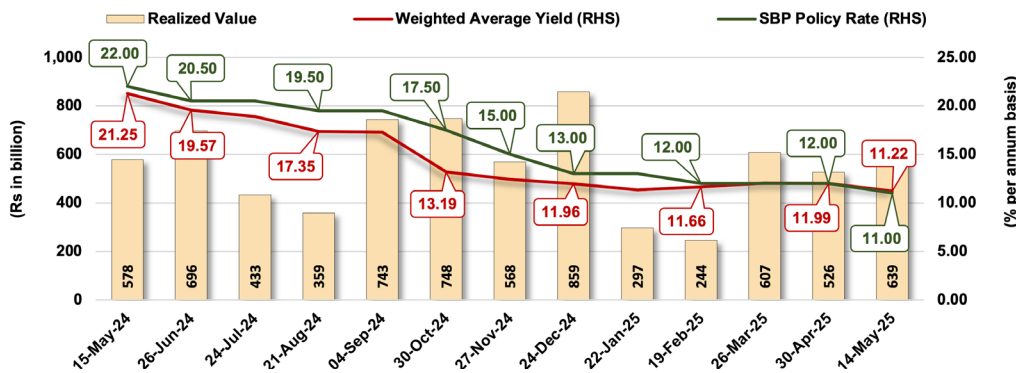
	Stocks at End - June 2024	Flows		Monetary Impact Since 1st July to	
		FY23	FY24	02-May-25	03-May-24
Total Deposits with Banks	26,665.8	2,593.0	4,921.0	788.0	2,461.9
Broad Money (M2)	35,881.8	4,175.1	4,938.8	1,686.7	2,178.3
Govt. Sector Borrowings (Net)	31,078.8	4,100.4	7,366.1	1,936.0	5,166.7
Credit to Private Sector	8,866.9	45.9	512.9	751.5	239.9

(Rs in billion)

<https://tinyurl.com/bdfssvdx>

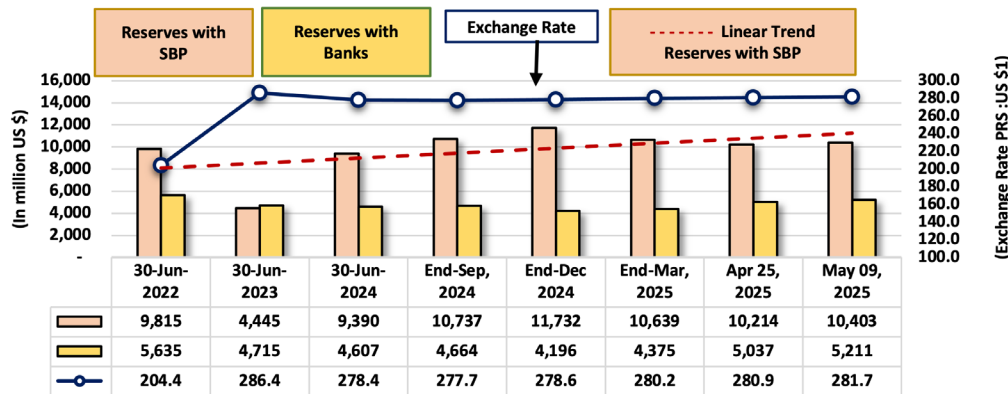
MTBs Acceptance (Auction+ Non-Competitive Bids)

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



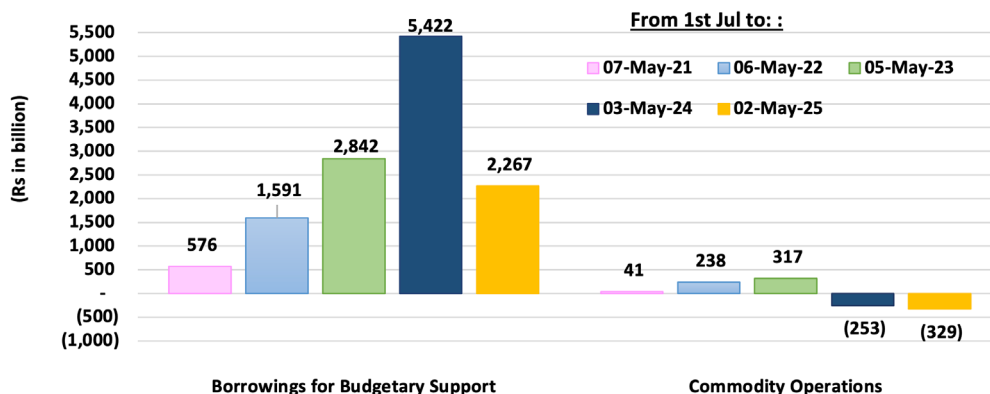
Forex Reserves and Exchange Rates as on

<https://shorturl.at/dxNU7> | <https://shorturl.at/aJM22>



Government Sector Borrowings (Net)

<https://shorturl.at/AFSX7>



Markets at a Glance

Rates taken till Friday, May 16, 2025

SBP POLICY RATE

11%

Effective from May 06, 2025

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

KIBOR (3 MONTHS)

	Bid%	Offer%
Change Starting	11.19	11.44
Change Ending	11.13	11.38
Change	-0.06	-0.06

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

FOREX RATES*

	GBP	EURO	USD
Change Starting	PKR 373.67	PKR 317.06	PKR 281.71
Change Ending	PKR 375.05	PKR 315.73	PKR 281.66
Change	+1.38	-1.33	-0.05

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

PAKISTAN STOCK EXCHANGE

	100 Index
Change Starting	107,175
Change Ending	119,649
Change	+12,474

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

GOLD RATES

	10 GM, 24K
Change Starting	PKR 301,411
Change Ending	PKR 291,548
Change	-9,863

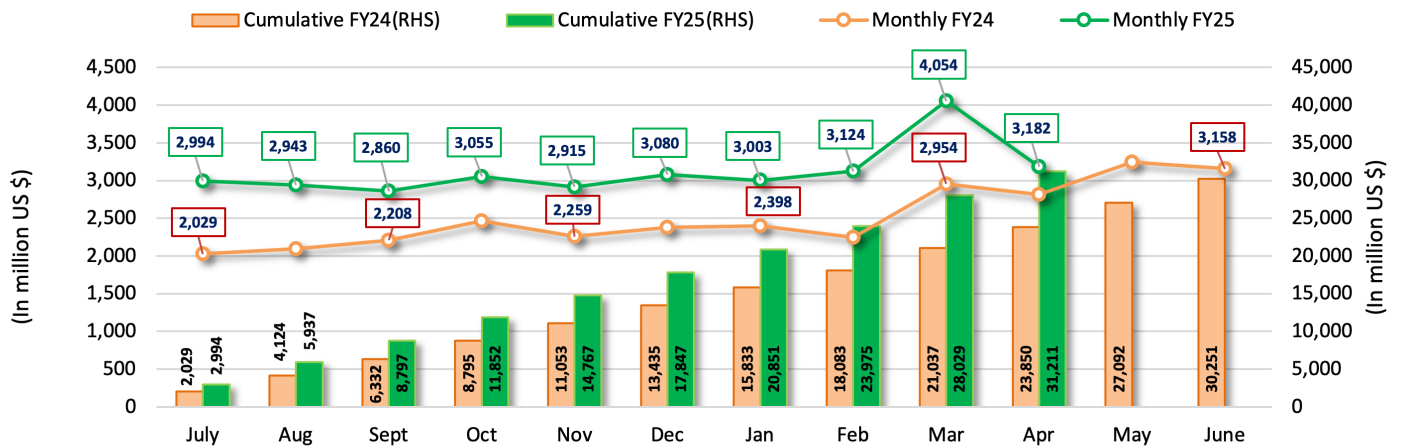
<https://www.forex.pk/bullion-rates.php>

Monthly Workers' Remittances

(\$ US in million)

Month	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY24	2,029	2,095	2,208	2,463	2,259	2,382	2,398	2,250	2,954	2,813	3,242	3,158
FY25	2,994	2,943	2,860	3,055	2,915	3,080	3,003	3,124	4,054	3,182		
Cumulative FY24 (RHS)	2,029	4,124	6,332	8,795	11,053	13,435	15,833	18,083	21,037	23,850	27,092	30,251
Cumulative FY25 (RHS)	2,994	5,937	8,797	11,852	14,767	17,847	20,851	23,975	28,029	31,211		

Monthly Workers' Remittances* (FY24 Vs. FY25)



*Monthly Cash Inflow (including FEBCs & FCBCs)

<https://shorturl.at/cII56>

CPI Inflation

Annual Average

Year-on-Year

	FY22	FY23	FY24	April 2024	March 2025	April 2025
National CPI	12.1	29.2	23.4	17.3	0.7	0.3
Food (Urban)	13.4	37.6	22.1	11.3	(1.7)	(1.9)
NFNE (Urban)	8.1	16.2	16.1	25.6	3.1	2.2

<https://www.sbp.org.pk/reports/annual/Gov-AR/pdf/2024/Gov-AR.pdf>

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

* NFNE = Non Food and Non Energy

Currency in Circulation as on (Stock data)

(Rs in billion)

June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	May 03, 2024	May 02, 2025
6,909.9	7,572.5	9,148.7	9,153.1	8,855.0	10,060.4

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

Central Banks' Gallery

State Bank of Pakistan



SBP Receives 2nd Tranche from IMF under EFF Program

IMF Executive Board completed the first review under the Extended Fund Facility (EFF) in its meeting held on May 9, 2025, and approved disbursement of SDR 760 million for Pakistan.

Accordingly, SBP has received SDR 760 million (US\$ 1,023 million) in value May 13, 2025 from the IMF. The amount will be reflected in SBP's foreign exchange reserves for the week ending on May 16, 2025. <https://shorturl.at/Luu5A>

Bank of England



BoE Reduces Bank Rate to 4.25 percent

The Monetary Policy Committee (MPC) set the monetary policy to meet the 2 percent inflation target, and in a way that helps to sustain growth and employment. The MPC adopts a medium-term and forward-looking approach to determine the monetary stance required to achieve the inflation target sustainably.

At its meeting ending on May 7, 2025, the MPC voted by a majority of 5–4 to reduce Bank Rate by 0.25 percentage points, to 4.25 percent.

There has been substantial progress on disinflation over the past two years, as previous external shocks have receded, and as the restrictive stance of monetary policy has curbed second-round effects and stabilized longer-term inflation expectations. That progress has allowed the MPC to withdraw gradually some degree of policy restraint, while maintaining Bank Rate in restrictive territory so as to continue to squeeze out persistent inflationary pressures.

Underlying UK GDP growth is judged to have slowed since the middle of 2024, and the labor market has continued to loosen.

Progress on disinflation in domestic price and wage pressures is generally continuing. Twelve-month CPI inflation fell to 2.6 percent in March from 2.8 percent in February, close to expectations in the February Monetary Policy Report. Although indicators of pay growth remain elevated, a significant slowing is still expected over the rest of the year. Wholesale energy prices have fallen back since the February Report. Previous increases in energy prices are still likely to drive up CPI inflation from April onwards, to 3.5

percent for 2025 Q3. Inflation is expected to fall back thereafter. Measures of household inflation expectations have risen recently.

Uncertainty surrounding global trade policies has intensified since the imposition of tariffs by the United States and the measures taken in response by some of its trading partners. There has subsequently been volatility in financial markets, and market-implied policy rates have moved lower. Prospects for global growth have weakened as a result of this uncertainty and new tariff announcements, although the negative impacts on UK growth and inflation are likely to be smaller.

The Committee remains focused on returning CPI inflation sustainably to target in the medium term. In deciding the appropriate degree and pace of monetary policy adjustments required to achieve this, the Committee has considered a range of possibilities for how domestic inflationary pressures could evolve, as well as the broader circumstances that could necessitate varying the course of policy. <https://shorturl.at/ncgtU>

CPI Inflation:

YoY (March 2025)	3.4%	MoM (March 2025)	0.3%
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<https://shorturl.at/nWynU>

Financial Institutions' Gallery



BankIslami Partners with Sindh Enterprise Development Fund to Promote SME Financing Across Sindh

BankIslami Pakistan Limited (BIPL) has partnered with the Sindh Enterprise Development Fund (SEDF) to promote and expand financing opportunities for small and medium enterprises (SMEs) across Sindh. Under this collaboration, both institutions aim to enhance financial access for SMEs. SEDF will offer financial incentives, including KIBOR-based profit subsidies, while BankIslami will provide tailored business financing to support the growth and sustainability of these enterprises.

The Memorandum of Understanding (MoU) was signed at BankIslami headquarters in Karachi, in presence of senior members from both organizations, including Mr Khizar Pervaiz, CEO of SEDF; Mr Syed Qassim Naveed Qamar, Special Assistant to the Chief Minister of Sindh; Mr Raja Khurram Shahzad Umar, Secretary Investment; Mr Rizwan Ata, President & CEO of BankIslami; and Mr Imran H. Shaikh, DY Chief Executive Officer of BankIslami.

Mr Syed Qassim Naveed Qamar, Special Assistant to the Chief Minister of Sindh, added, "The Sindh government is

committed to fostering an ecosystem that supports the growth of SMEs, which are the backbone of our economy. This partnership with BankIslami is a key step in providing the necessary resources for entrepreneurs, especially in sectors that have significant potential for job creation and sustainable development.”

Mr Rizwan Ata, President & CEO of BankIslami, commented, “We are pleased to join hands with SEDF and play our role in driving sustainable economic growth in Sindh. At BankIslami, we are committed to creating an accessible and impactful financial system that makes Islamic financing easy and accessible for SMEs and small businesses. Through this initiative, we aim to foster innovation and economic progress, particularly in sectors with potential to drive economic growth”.

This partnership highlights a successful public-private collaboration, driven by a shared ambition to catalyze sustainable growth in high-potential sectors. By equipping SMEs with the resources, tools, and financial support they need, both organizations are committed to enabling long-term success and economic resilience.

<https://shorturl.at/6QDRh>

EFU Life & Neem (NBFC) Digitizing Insurance Payments

EFU Life Insurance announced a strategic partnership with Neem, a Non-Banking Finance Company (NBFC), aimed at advancing financial wellness through digitizing payments and embedding insurance solutions.

This collaboration enables seamless premium payments and policy purchases through Neem’s integrated digital ecosystem, offering customers a wide range of secure options, including cards, mobile wallets, bank transfers, and IBill-supported retail outlets.

By combining EFU Life’s trusted protection solutions with Neem’s Paymenow, employees can instantly access coverage when they access their earned wages, providing a user-friendly experience that enhances accessibility, builds trust, and accelerates the adoption of insurance in everyday financial journeys. <https://shorturl.at/Qxtf>

JS Bank Launches Pakistan’s First Maternity Insurance through JS Her

In a move to support women’s health and financial well-being, JS Bank, through its women-focused banking platform JS Her, has launched Pakistan’s first dedicated maternity insurance, offering care and coverage for new mothers.

Timed to honor mothers on Mother’s Day, this innovative insurance plan provides financial support during one of life’s most critical moments. The coverage includes up to Rs 100,000 for normal deliveries and Rs 125,000 for complicated deliveries or C-sections. Women between the ages of 18 to 50 years are eligible for the plan.

Mr Atif Malik, Chief Operating Officer at JS Bank, shared his thoughts on the initiative: “At JS Bank, we’re committed to building financial solutions that support women at every stage of life. With the launch of Pakistan’s first maternity insurance under JS Her, we’re offering care, confidence, and a safety net when it’s needed most. This is a step towards more inclusive banking, where every woman feels valued and supported.”

JS Her continues to lead the way in financial innovation for women, offering a full suite of products and services designed to address their unique needs—now with a stronger focus on health, family, and long-term security.

<https://shorturl.at/SL78Z>

FinTech News/ Views

BoK Partners with Eastnets to Transform Cross-Border and Domestic Payments Infrastructure

The Bank of Khyber (BoK) has announced a strategic partnership with Eastnets to transform its cross-border and domestic payment capabilities, marking a significant milestone in the bank’s journey toward digital modernization and alignment with international financial standards.

The agreement was formally signed by Mr Amin Sajid, Group Head of Operations and Support at BoK, and Mr Khalil Sharawneh, Director of Sales and Operations at Eastnets. The signing ceremony was attended by senior executives from both organizations, including Mr Salman Ahmed Usmani, Group Head of Treasury & Investment Banking, and Mr Shaikh Mashhood Rahman, Chief Information Officer at BoK.

The integration is being facilitated by Eastnets, a globally recognized provider of compliance and transaction management solutions, ensuring secure, seamless, and efficient payment processing that adheres to international regulatory standards.

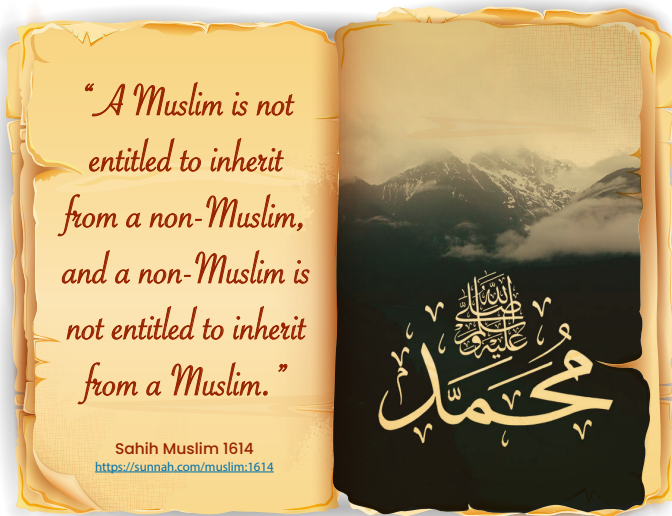
“This partnership demonstrates our commitment to innovation and excellence in financial services,” said Mr Amin Sajid. “By adopting SWIFT CBPR+ and aligning with SBP’s ATS RTGS framework, we are enhancing our operational capabilities and playing a pivotal role in strengthening Pakistan’s digital financial ecosystem.”

<https://shorturl.at/CKX7d>

SPINS

Multiplying Wealth

The world’s 500 richest people got vastly richer in 2024, with a group of billionaires reaching a new milestone: a combined \$10 trillion net worth, according to Bloomberg.



Jazz Partners with DynaSys to Accelerate IoT-Driven Innovation

Jazz, Pakistan’s top digital operator, has teamed up with DynaSys Networks, a leading Internet of Things (IoT) solutions provider, to speed up the use of IoT technology across important sectors in the country. These sectors include agriculture, energy, transportation, and urban infrastructure.

The collaboration will enable real-time data collection, automation, and analytics to drive smarter, more efficient systems nationwide, said a news release.

Built on Jazz’s extensive digital infrastructure and powered by DynaSys’ localized technology stack, the platform will allow public and private sector organizations to deploy intelligent and scalable solutions—ranging from smart irrigation systems and precision farming to predictive grid monitoring and environmental and fleet tracking. Mr Asif Aziz, President said, “It is a foundational step in reshaping Pakistan’s operational backbone through connected intelligence.”

Enterprise Solutions at Jazz, said, “Pakistan stands at the tipping point of digital transformation, and this platform is a bold leap into the future. At Jazz, we’re not just providing connectivity—we’re building the systems that will power intelligent, self-regulating cities, sustainable farms, and data-driven industries. This initiative cements our position at the forefront of the digital revolution, and demonstrates how Jazz is turning technology into tangible national progress.”

Mr Ali Akhtar, Founder and CEO of DynaSys Networks, added, “Our vision is to build technology that truly improves lives—solutions designed with local needs in mind and built to make a lasting impact. Partnering with Jazz allows us to scale these innovations and bring smart, connected solutions to the forefront of Pakistan’s digital transformation journey.”

As the world moves rapidly toward integrated, data-centric systems, this initiative positions Pakistan to reap the benefits of productivity, sustainability, and resilience offered by IoT. As part of its broader Quantica strategy, Jazz is also positioning this platform as a foundational layer for intelligent infrastructure and data-driven transformation across sectors and industries. With over 100 million customers, Jazz continues its evolution into a digital-first ServiceCo by powering a portfolio of platforms including Garaj, JazzCash, Tamasha, SIMOSA, FikrFree, and GameNow—with a focus on inclusive, impactful technology. The Jazz-DynaSys initiative marks a significant step toward building smarter, more connected communities and driving Pakistan’s digital future. <https://shorturl.at/lpYF>

General Economic Horizon

A. Domestic News

SECP Proposes Framework to Strengthen Industry Associations and Promote Self-Regulation

The Securities and Exchange Commission of Pakistan (SECP) has released a Consultation Paper on Standard Principles for Recognition and Conduct of Industry Associations, introducing a strategic framework aimed at strengthening Pakistan’s financial sector through enhanced self-regulation.

In today’s dynamic regulatory landscape, industry associations are increasingly moving beyond their conventional role as advocacy bodies. Globally, they are being recognized as vital contributors to economic development by engaging in policy dialogue, supporting regulatory compliance, and fostering responsible industry practices.

The proposed framework sets out a clear roadmap for eligible industry associations to transition into Self-Regulatory Organizations (SROs) over the next three years. These SROs will be vested with the authority to set ethical standards, monitor industry conduct, enforce compliance, and drive sector-specific initiatives, all in alignment with SECP’s overarching regulatory objectives.

Key features of the proposal include the mandatory conversion of trade associations into Section 42 companies under the Companies Act, 2017, ensuring they operate as not-for-profit entities. This aims to enhance transparency, strengthen governance, and uphold financial integrity. The framework also aligns with international best practices, emphasizing diverse and merit-based membership, strong governance, conflict-of-interest safeguards, stakeholder engagement, fair dispute resolution, a robust code of conduct, and ongoing investment in training of members and investor education.

To enhance sector-specific advocacy, the Commission encourages the establishment of specialized associations within regulated sectors, each focusing on distinct sub-sectors. This targeted approach enables tailored representation that addresses the unique operational dynamics, challenges, and compliance requirements of each segment.

This initiative underscores SECP's commitment to nurturing a transparent, accountable, and competitive financial ecosystem. By enabling the evolution of industry associations into functional SROs, the Commission aims to elevate market integrity, build investor confidence, and foster sustainable sectoral growth.

The Consultation Paper is available on the SECP's official website <https://shorturl.at/fOYKT>. Stakeholders are invited to share their feedback by emailing at industry.associations@secp.gov.pk.
<https://shorturl.at/oNMyx>

B. International News

AAOIFI issues Financial Accounting Standard 44 'Determining Control of Assets and Business' officially in Arabic

AAOIFI's Accounting Board (AAB) Translation Committee has finalized and approved for issuance the Arabic version of Financial Accounting Standard (FAS) 44 'Determining Control of Assets and Business'. The English version of this standard was issued in December 2023.

Previously addressed across multiple AAOIFI FASs and the 'AAOIFI Conceptual Framework for Financial Reporting', the definition of control plays a critical role in determining the classification and presentation of participatory instruments—whether off-balance-sheet or on-balance-sheet, and their appropriate placement within the statement of financial position. Recognizing the significance of a unified approach, the AAB has taken the initiative to integrate all relevant requirements into a single, comprehensive standard.

This standard establishes the principles of assessing as to whether and when an institution controls an asset or a business, both in the case of underlying asset(s) of a participatory structure, as well as, for the purpose of consolidation of financial statements of subsidiaries. This standard is effective immediately.

<https://shorturl.at/piETF>

SNIPS

Homelessness in the US

Between 2023 and 2024 homelessness in the US increased by 18 percent, to roughly 771,000 people, according to The Economist.



Innovative Projects Win 2025 IsDB Prize for Impactful Achievement in Islamic Economics

The Islamic Development Bank (IsDB) has announced the winners of the 2025 IsDB Prize for Impactful Achievement in Islamic Economics, honoring two pioneering projects for their creative and impactful contributions to economic development inspired by the principles of Islamic economics.

Medikids secured first place for its innovative waqf initiative, addressing waqf management challenges in Indonesia. The initiative leverages dental clinics for children and families to generate sustainable funding. Established in 2018, Medikids achieved financial stability within three years and launched a scholarship program for healthcare professionals in its second year. A portion of its net profit waqf is dedicated to enhancing waqf assets and various social welfare initiatives.

The selection committee has decided to withhold the second-place award.

The third-place prize was awarded to the Blue Filter initiative, which created a prototype to purify water by removing harmful pollutants like nitrates, chloride, and heavy metals. This technology combines natural filtration techniques with advanced automation and control systems, resulting in a solution that is both sustainable and highly effective. It also features real-time monitoring and loss management systems to ensure optimal performance and minimize water waste.

The prizes will be presented at the IsDB Group Annual Meetings, scheduled for May 19-22, 2025, in Algiers, Algeria.

IsDB Group Chairman HE Dr Muhammad Al Jasser congratulated the winners, praised their contributions to Islamic economics, and wished them continued success. He said, "The IsDB Prize serves as a key driver of strategic significance, promoting the transformation of knowledge

and principles of Islamic economics into actionable initiatives and innovative projects aimed at fostering comprehensive economic development.”

The winners were chosen by the IsDB Prize Selection Committee, which comprises eminent experts and scholars, coordinated by the IsDB Institute.

Excerpts from the IsDB Prize Selection Committee Citations

Medikids Clinic

- It serves the important role of civil society waqf in supporting the mission of a combined health sector and education sector, serving the underprivileged component of society.
- The waqf-based model is considered sustainable due to its appropriate earning incentive framework, which is in harmony with the principles of Islamic economics.

Blue Filter

- It provides a potential solution for IsDB member countries while aligning with the strategic goals of the IsDB, especially concerning food and water security.
- The model emphasizing blue and bio elements has rendered it more appealing than alternative solutions that are generally contaminated with chemicals.

Established in 1988 as the ‘IsDB Prize in Islamic Economics, Banking, and Finance,’ the prize expanded in 2020 to recognize achievements in two categories, offered alternately: (i) Development Achievement and (ii) Knowledge Contribution. The 1446H (2025) Prize cycle focuses on Development Achievement, highlighting successful projects addressing development challenges in IsDB member countries and Muslim communities worldwide. <https://tinyurl.com/58fvtd6c>

SNIPS

Nonagenarian Brilliance

While the world’s richest people saw tens of billions of dollars wiped from their net worths, Berkshire Hathaway CEO Warren Buffett’s net worth has grown by \$11.5 billion since the start of 2025, according to Bloomberg’s Billionaires Index.

SELF & BUSINESS MANAGEMENT TIPS



Empathy is a Core Leadership Skill

Many leaders dismiss empathy as an optional, ‘touchy-feely’ skill. But failing to demonstrate it can lead to low morale, poor retention, and a culture where people withhold ideas and concerns. If you want to drive better results, use these strategies to make empathy part of how you lead—consistently and clearly.

Start with a Shared Definition. Without agreement on what empathy actually is, your team will default to assumptions. Collectively define empathetic behaviors—for example, perspective-taking and respectful disagreement—and be specific about how they show up in your culture.

Be Other-Focused. Empathy means making space for others to feel heard, not filling the silence with your own experiences. Be present. Listen deeply. Ask open-ended questions. Resist the urge to rescue or relate.

Balance Support with Structure. Understand individual circumstances without sacrificing team needs. Use empathy to gather perspectives, co-create solutions, and adjust expectations—while maintaining accountability for team and individual goals.

Protect Your Energy. Empathy does not mean overextending. Set boundaries, model emotional regulation, and avoid ‘empathic distress’ by facilitating—not absorbing—others’ emotions.

Choose words that connect. Avoid dismissive phrases like “At least...” or “I know how you feel.” Instead, validate experiences, acknowledge emotions, and offer curiosity without judgment.

(This tip is adapted from *Empathy Is a Non-Negotiable Leadership Skill. Here’s How to Practice It* by Palena Neale – HBR.)