

Domestic Economic Roundup

Key Money & Banking Indicators:

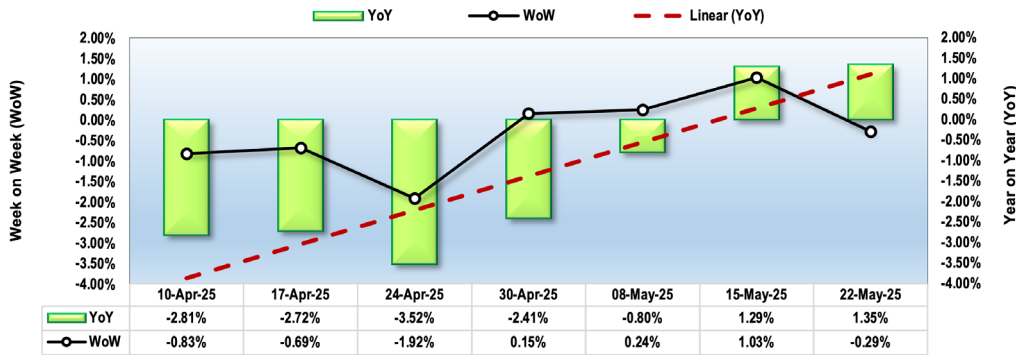
	Stocks at End - June 2024	Flows		Monetary Impact Since 1st July to	
		FY23	FY24	09-May-25	10-May-24
Total Deposits with Banks	26,665.8	2,593.0	4,921.0	95.8	2,493.9
Broad Money (M2)	35,881.8	4,175.1	4,938.8	1,251.2	2,348.9
Govt. Sector Borrowings (Net)	31,078.8	4,100.4	7,366.1	1,721.6	5,377.3
Credit to Private Sector	8,866.9	45.9	512.9	655.1	209.9

(Rs in billion)

<https://tinyurl.com/bdfssvdx>

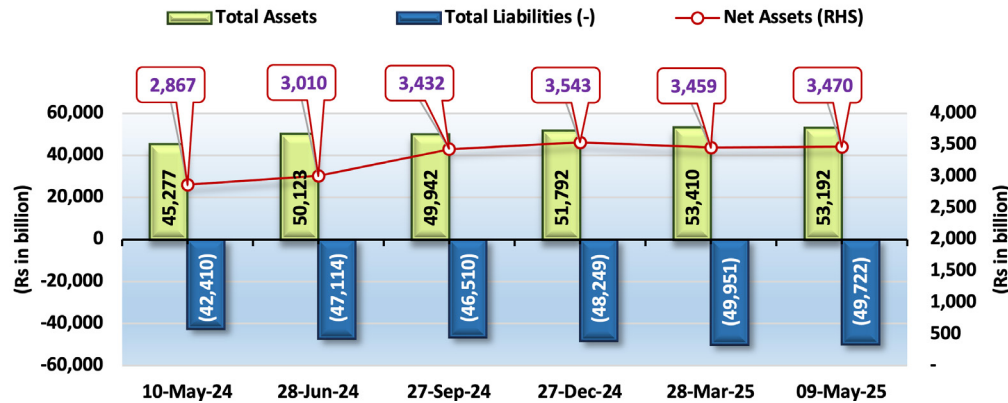
Weekly Trend in Sensitive Price Indicator (SPI)

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



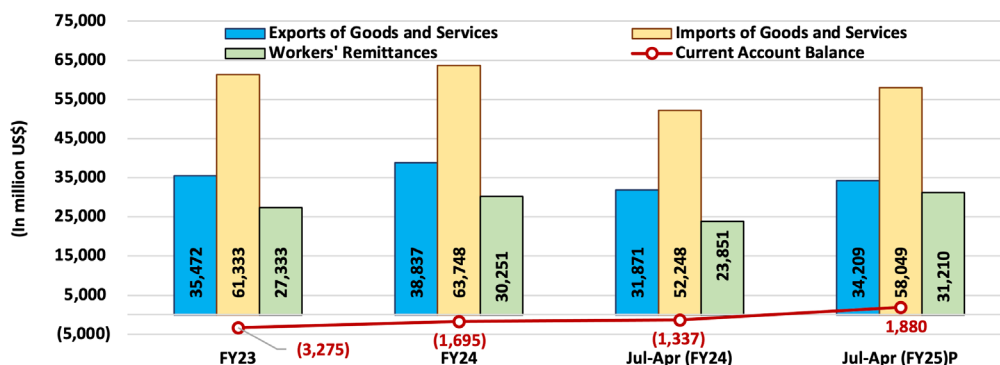
Total Assets and Liabilities of Scheduled Banks

<https://tinyurl.com/yfex7vn9>



Major Components of Current Account Balance

<https://shorturl.at/yBH19>



Markets at a Glance

Rates taken till Friday, May 23, 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	11.13	11.38
Change Ending	11.12	11.37
Change	-0.01	-0.01

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

FOREX RATES*

	GBP	EURO	USD
Change Starting	PKR 375.05	PKR 315.73	PKR 281.66
Change Ending	PKR 380.18	PKR 319.74	PKR 281.97
Change	+5.13	+4.01	+0.31

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

PAKISTAN STOCK EXCHANGE

	100 Index
Change Starting	119,649
Change Ending	119,103
Change	-546

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

GOLD RATES

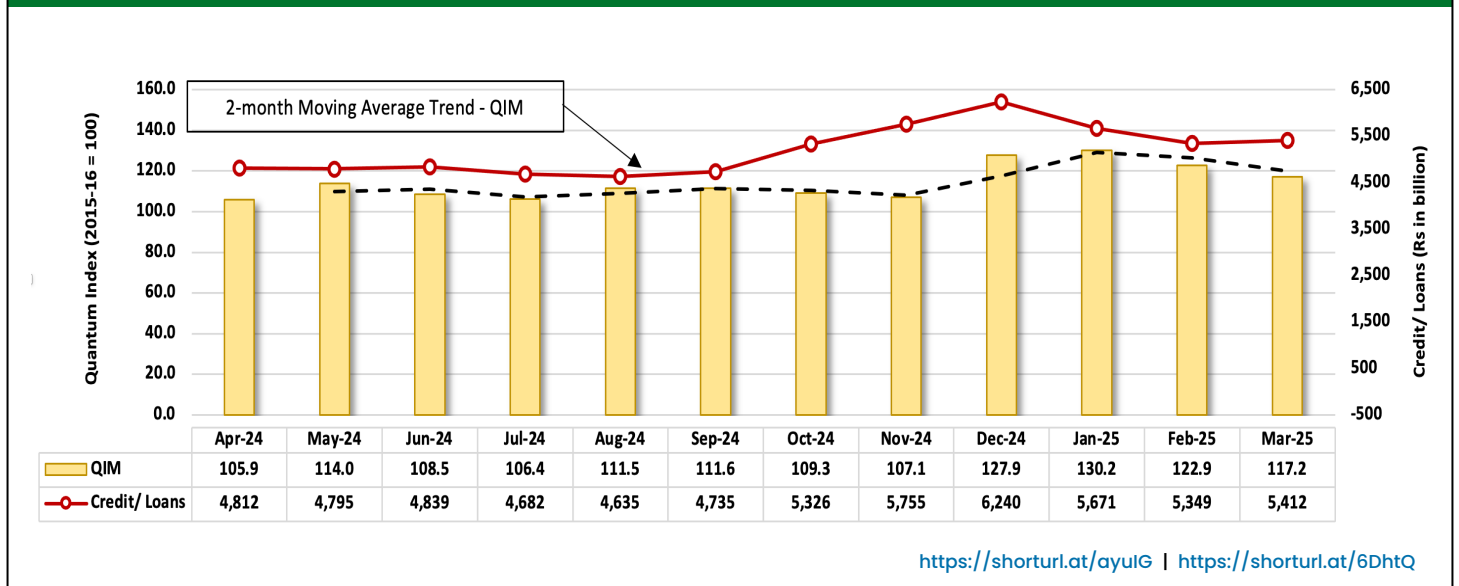
	10 GM, 24K
Change Starting	PKR 291,548
Change Ending	PKR 298,641
Change	+7,093

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

Quantum Index Numbers of Large Scale Manufacturing Industries-LSMI (2015-16 = 100)

Jul-March 2024-25			Monthly Indices and Growth				
Index for		Growth 2024-25	Index for			% age Growth	
2024-25	2023-24		Mar-25	Mar-24	Feb-25	MOM	YOY
116.01	117.74	-1.47	117.20	115.15	122.91	-4.64	1.79

Quantum Index of Manufacturing (QIM) Vs. Outstanding Credit/ Loans to Manufacturing



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 10, 2024	May 09, 2025
6,909.9	7,572.5	9,148.7	9,153.1	8,993.5	10,318.1

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

Central Banks' Gallery

State Bank of Pakistan



SBP Issues the Guidelines for the Regulatory Sandbox

In line with its Vision 2028, the SBP has issued the Guidelines for the Regulatory Sandbox (RSB) under Section 3 of the Payment Systems and Electronic Fund Transfers (PS&EFT) Act, 2007. The objective of these guidelines is to facilitate new and existing entities, including startups, to test their financial solutions under a controlled regulatory environment.

The Regulatory Sandbox will follow a cohort-based approach centered around innovative themes. SBP will soon invite applications for participation in its first cohort. The theme(s) of the first cohort will be announced by end June after completing the market engagement, which is already underway.

The Regulatory Sandbox will enable the participants to test their products and the associated operational models around innovative ideas and technologies. The Sandbox will also help SBP in refining and upgrading the regulatory environment in line with the evolving innovative technologies.

SBP welcomes and encourages all the interested parties to use the RSB platform to test their innovative ideas and products and contribute to Pakistan's evolving Fintech landscape and digital financial ecosystem. For any query/feedback on RSB, the SBP team may be reached out at the following address: regulatory.sandbox@sbp.org.pk
For details: <https://shorturl.at/NdOaU>

SBP Launches Nationwide "Go Cashless" Campaign for Eid-ul-Azha 2025

The State Bank of Pakistan (SBP) has initiated a nationwide "Go Cashless" campaign to promote digital payments and reduce reliance on cash transactions within cattle markets during the upcoming Eid-ul-Azha. This strategic initiative, in line with SBP's goal of fostering digital financial inclusion throughout Pakistan, was officially launched from May 20, 2025, and will run until June 6, 2025, or Eid night.

In partnership with the banking industry, the campaign aims to streamline the sale and purchase of sacrificial animals in 54 designated cattle markets across the country. Following the success of last year's digitalization efforts, this year's campaign seeks to further expand digital adoption among market participants.

Within these cattle markets, digital payment solutions can be utilized for various transactions, including the purchase of sacrificial animals, payment for necessities such as water and feed, and settlement of parking fees. To support both merchants and buyers during this period, the SBP has temporarily raised transaction limits, effective from May 19 to June 15, 2025:

- Branchless Banking Level-1 Accounts, Asaan Account/Asaan Digital Account, and Merchant Accounts: Daily transaction limits have been eliminated, and the per-month limit has been increased to PKR 5,000,000.

The public is strongly encouraged to take advantage of these convenient and secure digital financial services during the Eid-ul-Azha period. By participating in the "Go Cashless" campaign, individuals can contribute to a more efficient and inclusive financial ecosystem in Pakistan.

<https://shorturl.at/ZYqkT>

Hong Kong Monetary Authority



Government Welcomes Passage of the Stablecoins Bill

The Government welcomed the passage of the Stablecoins Bill by the Legislative Council on May 21, 2025 to establish a licensing regime for fiat-referenced stablecoins (FRS) issuers in Hong Kong, to further enhance Hong Kong's regulatory framework on virtual-asset (VA) activities, thereby fostering financial stability and encouraging financial innovation.

Upon implementation of the Stablecoins Ordinance, any person who, in the course of business, issues an FRS in Hong Kong, or issues an FRS that purports to maintain a stable value with reference to Hong Kong dollars in or outside Hong Kong will need to obtain a license from the Monetary Authority (MA). The relevant persons must satisfy the requirements in areas such as reserve asset management and redemption, including proper segregation of client assets, maintaining a robust stabilization mechanism, and processing stablecoin holders' requests for redemption at par value with reasonable conditions. The relevant persons must also comply with a range of requirements, including those on anti-money laundering and counter-terrorist financing, risk management, disclosure and auditing, and fitness and propriety. The MA will conduct further consultations on the detailed regulatory requirements of the regime in due course.

The regulatory regime will provide better protection for the general public and investors. Among others, under the Ordinance, only specified licensed institutions may offer an FRS in Hong Kong, and only an FRS issued by a licensed issuer may be offered to a retail investor. Additionally, to prevent fraud and scams, at all times (including the six-month non-contravention period), only advertisements

of licensed FRS issuance are allowed. Members of the public are advised to take note of the above and exercise care when receiving FRS-related advertising materials or messages.

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, said, "The Ordinance adheres to the 'same activity, same risks, same regulation' principle, with a focus on a risk-based approach to promote a robust regulatory environment. This is not only in line with international regulatory requirements, but also lays a solid foundation for Hong Kong's virtual asset market, which, in turn, promotes the sustainable development of the industry, protects users' rights and interests, and strengthens Hong Kong's status as an international financial Centre."

The Chief Executive of the Hong Kong Monetary Authority, Mr Eddie Yue, said, "The Ordinance has established a risk-based, pragmatic, and flexible regulatory regime. We believe that a robust and fit-for-purpose regulatory environment would provide favorable conditions to support the healthy, responsible, and sustainable development of Hong Kong's stablecoin and the broader digital asset ecosystem."

The Ordinance is expected to come into effect this year, to allow sufficient time for the industry to understand the requirements under the licensing regime. The regime also provides for a transitional arrangement to facilitate the industry in applying for a license and making suitable business arrangements in accordance with the regulatory regime.

The Government will continue to support the development of the VA sector. Following the implementation of the VA trading platform and stablecoins issuers regulatory regimes, the Government will soon launch consultations on VA over-the-counter and custodian services, and promulgate the second policy statement on the development of VAs. <https://shorturl.at/Aumpz>

Reserve Bank of Australia



Monetary Policy Board Decides to Lower Cash Rate Target by 25 Basis Points

At its meeting on May 20, 2025, the Board decided to lower the cash rate target by 25 basis points to 3.85 percent.

Inflation has fallen substantially since the peak in 2022, as higher interest rates have been working to bring aggregate demand and supply closer towards balance. Data on inflation for the March quarter provided further evidence that inflation continues to ease. At 2.9 percent, annual trimmed mean inflation was below 3 percent for the first time since 2021 and headline inflation, at 2.4 percent, remained within the target band of 2–3 percent. Staff forecasts released on May 20, 2025 project that while headline inflation is likely to rise over the coming year to around the top of the band as temporary factors unwind,

underlying inflation is now expected to be around the midpoint of the 2–3 percent range throughout much of the forecast period.

Uncertainty in the world economy has increased over the past three months and volatility in financial markets rose sharply for a time. While recent announcements on tariffs have resulted in a rebound in financial market prices, there is still considerable uncertainty about the final scope of the tariffs and policy responses in other countries. Geopolitical uncertainties also remain pronounced. These developments are expected to have an adverse effect on global economic activity, particularly if households and firms delay expenditure pending greater clarity on the outlook. This has also contributed to a weaker outlook for growth, employment and inflation in Australia. That said, world trade policy is changing rapidly, thereby making the central forecasts subject to considerable uncertainty.

Setting aside overseas developments, private domestic demand appears to have been recovering, real household incomes have picked up and there has been an easing in some measures of financial stress. However, businesses in some sectors continue to report that weakness in demand makes it difficult to pass on cost increases to final prices.

At the same time, a range of indicators suggest that labor market conditions remain tight. Employment is continuing to grow, measures of labor underutilization are at relatively low rates and business surveys and liaison suggest that availability of labor is still a constraint for a range of employers. Looking through quarterly volatility, wages growth has softened over the past year or so but productivity growth has not picked up and growth in unit labor costs remain high.

There are uncertainties about the outlook for domestic economic activity and inflation stemming from both domestic and international developments. While the central projection is for growth in household consumption to continue to increase as real incomes rise, recent data suggest that the pick-up will be a little slower than was expected three months ago. There is a risk that any pick-up in consumption is even slower than this, resulting in continued subdued growth in aggregate demand and a sharper deterioration in the labor market than currently expected. Alternatively, labor market outcomes may prove stronger than expected, given the signal from a range of leading indicators.

More broadly, there are uncertainties regarding the lags in the effect of monetary policy and how firms' pricing decisions and wages will respond to the demand environment and weak productivity outcomes while conditions in the labor market remain tight.

The Board judged that the risks to inflation have become more balanced. Inflation is in the target band and upside risks appear to have diminished as international developments are expected to weigh on the economy. With inflation expected to remain around target, the Board therefore judged that an easing in monetary policy at this meeting was appropriate. The Board assesses that this

move will make monetary policy somewhat less restrictive. It nevertheless remains cautious about the outlook, particularly given the heightened level of uncertainty about both aggregate demand and supply. The Board considered a severe downside scenario and noted that monetary policy is well placed to respond decisively to international developments if they were to have material implications for activity and inflation in Australia. <https://shorturl.at/Cszzx>

CPI Inflation:

YoY (March 2025)

2.4%

MoM (March 2025)

2.4%

<https://shorturl.at/BqIf7>

Financial Institutions' Gallery



State Life and JS Bank Partner to Expand Access to Insurance Across Pakistan

State Life Insurance Corporation of Pakistan (SLIC), the nation's largest and most trusted life and health insurer, has entered into a strategic partnership with JS Bank, one of the fastest growing banks in Pakistan, to offer a range of insurance products under its bancassurance model.

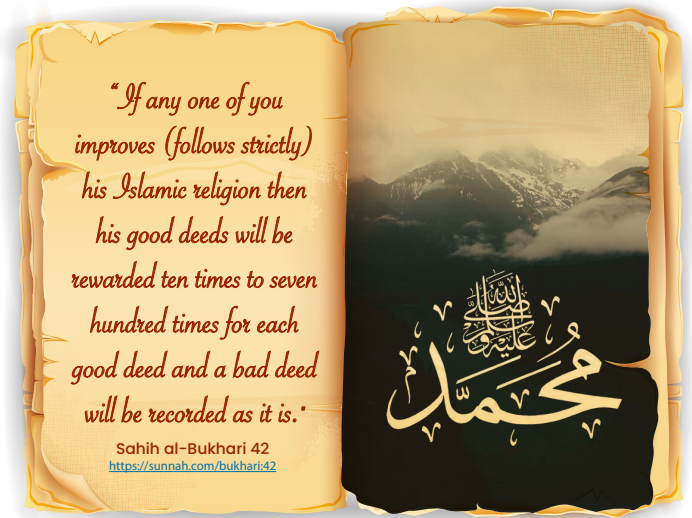
The move brings together the scale of Pakistan's public institutions with the agility of its private banking sector, enabling wider access to insurance solutions for individuals and families through JS Bank's branch network.

Through this collaboration, JS Bank customers will gain access to SLIC's insurance offerings directly through the Bank's network, enabling them to plan and protect their futures with greater convenience.

Speaking at the signing ceremony held at JS Bank's Head Office in Karachi, Mr Shahid Iqbal Baloch, Executive Director at SLIC, stated: "This partnership unites two of Pakistan's leading institutions with a shared commitment to financial inclusion and protection across all segments of society while advancing Pakistan's economic resilience."

Sharing his thoughts at the signing ceremony, Mr Atif Malik, Chief Operating Officer at JS Bank, said, "At JS Bank, we view financial protection as an essential part of overall financial wellbeing. Our collaboration with State Life enables us to extend this philosophy by making insurance more accessible to the communities we serve."

State Life leverages its legacy and market expertise to bring valuable strength to this partnership. By partnering with JS Bank, it actively expands its customer reach through a modern banking platform. Together, both institutions demonstrate a firm commitment to delivering integrated financial solutions that combine banking, savings, and protection—advancing financial inclusion and security. <https://shorturl.at/j2Mfp>



FinTech News/ Views

Swedish Firm Vopy to Roll Out Payment Service for Pakistani Freelancers

Vopy, a portfolio company of Swedish investment firm Front Ventures, has secured a verbal order from a major digital bank in Pakistan to provide a freelance payment service.

"The order comes from one of the major digital banks that Vopy's management team visited in Pakistan, where the client wishes to launch the services as soon as possible".

The company said its freelance payments service is for payments to freelance consultants, usually in the IT industry, in Pakistan who carry out assignments for companies in Europe and the UK.

"Our customer in Pakistan is keen to launch this service quickly," says Mr Sven Hattenhauer, CEO of Vopy AB. "They have requested exclusive rights to the service, which we have agreed to, and this results in a higher remuneration for us. Our customer has received a cooperation agreement for freelance payments, which we expect to be signed shortly, after which we can start the service without delay.

"We are happy and honored by this collaboration, we look forward to delivering an exciting service to a new target group, also with higher margins than our other offerings," Mr Hattenhauer added.

According to the press statement, the total volume of freelance payments to Pakistan amounts to approximately \$4 billion per year.

Vopy noted that its client in Pakistan already has extensive services for freelance consultants and is expanding rapidly, but cannot offer fast and affordable invoice payments.

“Vopy’s solution means that every freelance consultant in Pakistan receives a personal European virtual IBAN account to which payments can be made in a simple way.

“Through this arrangement, the European sender avoids the hassle of sending money directly to Pakistan and can instead pay into the European IBAN account Vopy provides, which creates a simpler process for the sender, and the money reaches the freelance consultant faster.”

The statement added that freelancers receive their payments to local Pakistani accounts within seconds after funds are received in the virtual IBAN account.

“The cost that the freelance consultant pays for the transfer is significantly lower than other available options. Thanks to this process, the freelance consultant increases his competitiveness by being able to offer his clients a very convenient payment option,” added the company.

<https://shorturl.at/G7Zcs>

Pakistan’s surplus electricity through regulated Bitcoin mining and empower youth and startups to build blockchain-based solutions at scale.

With the proposed PDAA, Pakistan is signaling its intent to become a competitive player in global digital economy, inviting responsible innovation, and building trust with investors, entrepreneurs, and international partners.

“Pakistan must regulate not just to catch up – but to lead. With the PDAA, we are creating a future-ready framework that protects consumers, invites global investment, and puts Pakistan at the forefront of financial innovation,” said Minister for Finance and Revenue, Chairman of PCC Mr Muhammad Aurangzeb.

“This is not just about crypto – it’s about rewriting our financial future, expanding access, and creating new export channels through tokenization, digital finance, and Web3 innovation,” said Mr Bilal Bin Saqib CEO of Pakistan Crypto Council. <https://shorturl.at/4pnFU>

General Economic Horizon

A. Domestic News

PDAA to Regulate, Accelerate Virtual Asset Economy: Finance Ministry

In a landmark move to embrace the future of finance, the Ministry of Finance has announced the initiation of a comprehensive strategy to regulate digital assets and accelerate the growth of Pakistan’s virtual asset economy.

The Ministry of Finance on May 21, 2025, announced the government has endorsed the establishment of a dedicated body the Pakistan Digital Assets Authority (PDAA) – to regulate blockchain-based financial infrastructure. The aim is to ensure FATF-compliant innovation, economic inclusion and responsible adoption of digital assets, it added.

The PDAA will serve as a specialized regulatory body with a clear mandate to oversee licensing, compliance and innovation within the digital asset ecosystem. Besides, it will regulate exchanges, custodians, wallets, tokenized platforms, stable coins and DeFi applications – all under a single, agile framework.

This strategic decision aligns Pakistan with other forward-thinking economies such as UAE, Japan, Singapore and Hong Kong – all of which have established digital asset regulators to foster innovation while ensuring compliance with global financial norms.

The PDAA is expected to regulate a \$25 billion plus informal crypto market, besides enabling tokenization of national assets and government debt as well as provide legal clarity to global and local investors and facilitate monetization of

National Accounts Committee Approves Q3 and Annual GDP Estimates for FY 2024-25

The 113th meeting of the National Accounts Committee (NAC) was held on May 20, 2025, at the Pakistan Bureau of Statistics, Islamabad. The Committee approved GDP growth estimates for Q1-Q3 and provisional annual estimates for FY 2024-25.

Revised growth for Q1 and Q2 stood at 1.37 percent and 1.53 percent, respectively. The economy grew 2.40 percent in Q3, driven by services (3.99 percent) and moderate contributions from agriculture (1.18 percent), while industry contracted (-1.14 percent).

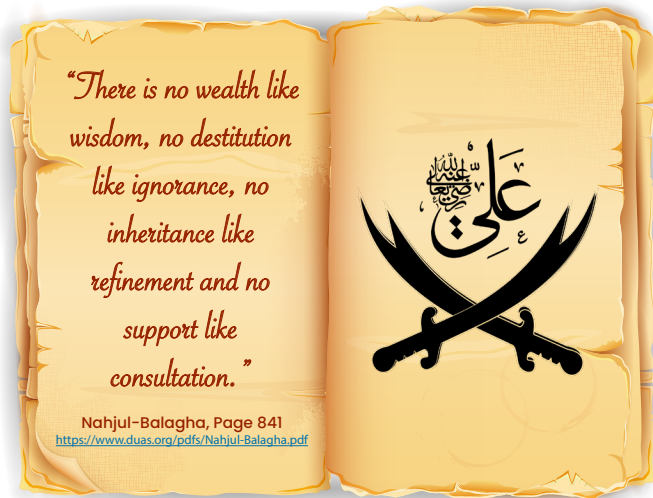
Provisional annual GDP growth for FY 2024-25 is 2.68 percent, with sectoral contributions as follows:

- **Agriculture:** 0.56 percent – despite major crop losses, strong growth in livestock (4.72 percent) and other crops (4.78 percent) provided support.
- **Industry:** 4.77 percent – led by a sharp rebound in electricity, gas & water supply (28.88 percent) and construction (6.61 percent), despite contraction in large-scale manufacturing (-1.53 percent).
- **Services:** 2.91 percent – driven by robust growth in information & communication (6.48 percent), public administration (9.92 percent), and finance (3.22 percent).

The economy’s size reached US\$ 411 billion with per capita income estimated at US\$ 1,824.

The Committee also finalized growth estimates for FY 2022-23 at -0.21 percent and revised FY 2023-24 growth to 2.51 percent. The NAC commended the collaborative efforts of the Pakistan Bureau of Statistics and key stakeholders in producing timely national accounts.

<https://shorturl.at/MmpOj>



SECP Issues Consultation Paper on Promoting Shariah-Compliant Intermediaries

The Securities and Exchange Commission of Pakistan (SECP) has issued a consultation paper proposing measures to promote Shariah-compliant intermediaries in the capital market on May 19, 2025. The paper is in line with the broader objective of SECP to facilitate the provision of Shariah-compliant services within its regulated sectors.

The paper proposes a phase-wise approach for Shariah-compliant institutional investors to route their business through Shariah-compliant brokers based on a plan to be prepared by their respective boards of directors. In addition, the paper encourages Islamic financial institutions, including providers of Islamic window services, to utilize Shariah-compliant intermediaries for takaful and investment purposes in situations where they are not obligated to do so.

Other proposed measures include creating a specific category for Shariah-compliant intermediaries for greater visibility on the Centralized Gateway Portal and a dedicated list of Shariah-compliant asset management companies on EMLAAK Financials. In order to facilitate Roshan Digital Account (RDA) clients, creating a separate category of Shariah-compliant intermediaries on the websites and mobile apps of Islamic banks may also be explored in coordination with relevant stakeholders.

Feedback on the proposals can be submitted via email to islamic.intermediaries@secp.gov.pk by June 3, 2025. The consultation paper can be accessed from the website of SECP. <https://shorturl.at/k2X4u>

Falling Commodity Prices

Global commodity prices are expected to tumble 12 percent in 2025 and an additional 5 percent in 2026, falling to levels not seen since 2020, according to the World Bank.

B. International News

China Cuts Key Rates to Aid Economy as Trade War Simmers

China cut benchmark lending rates for the first time since October on May 20, 2025, while major state banks lowered deposit rates as authorities work to ease monetary policy to help buffer the economy from the impact of the Sino-US trade war.

The widely expected rate cuts are aimed at stimulating consumption and loan growth as the world's No. 2 economy softens, while still protecting commercial lenders' shrinking profit margins.

Still, the size of the rate reductions was mild and reflected the incremental pace of monetary easing in recent years and what analysts interpreted as some wariness among policymakers for more aggressive steps while they navigate the trade war with the United States.

The People's Bank of China said the one-year loan prime rate (LPR), a benchmark determined by banks, had been lowered by 10 basis points to 3.0 percent, while the five-year LPR was reduced by the same margin to 3.5 percent.

Most new and outstanding loans in China are based on the one-year LPR, while the five-year rate influences the pricing of mortgages. Both rates are now at the lowest level since China revamped the LPR mechanism in 2019.

The lending rate cut was announced just after five of China's biggest state-owned banks said they had trimmed their deposit interest rates.

Industrial and Commercial Bank of China, Agricultural Bank of China, China Construction Bank and Bank of China reduced deposit rates by 5-25 basis points (bps) for some tenors, according to rates shown on the banks' mobile apps. The deposit rate reductions should guide smaller lenders in making similar cuts.

Banking shares edged higher following the rate decision, with the CSI Bank Index rising 0.3 percent.

Mr Marco Sun, chief financial market analyst at MUFG Bank (China), said the rate cuts were aimed at boosting credit lending and stimulating consumption.

"The central bank is likely to switch to a wait-and-see approach in coming months unless external geopolitical risks deteriorate enough to extinguish hopes that the economy can stabilize," Sun said.

The rate cuts are part of a package of measures announced by PBOC Governor Mr Pan Gongsheng and other financial regulators before talks between China and the US in Geneva earlier this month that led to a de-escalation in their trade war.

Global investment banks are raising their forecasts for China's economic growth this year, after Beijing and Washington agreed to a 90-day pause on tariffs, despite uncertainty around Sino-US trade negotiations.

"We still believe it will be quite challenging for Beijing to achieve its 'around 5 percent' growth target unless it rolls out a sizable stimulus package," Mr Ting Lu, chief China economist at Nomura, said in a note this week.

"Considering the respite on the trade war, Beijing might be under less pressure to introduce the necessary stimulus and reforms." <https://shorturl.at/sa7Uz>

Bitcoin Surges to All-Time Peak as Crypto Sentiment Improves

Bitcoin rose to its highest level on record on May 21, 2025, eclipsing the previous high from January, as risk sentiment continues to improve after last month's tariff-induced selloff. The world's largest cryptocurrency touched a high of \$109,760.08, and was last up 1.1 percent at \$108,117.

Its ascent was driven by a combination of factors including easing trade tension between the United States and China and Moody's downgrade of US sovereign debt which has prompted investors to seek alternative investment sources to the dollar.

"Now that January's high has been surpassed - and the 50 percent upside from April's lows has been achieved - bitcoin enters blue sky territory with tailwinds in the form of institutional momentum and a favorable US regulatory environment," Mr Antoni Trenchev, co-founder of digital asset trading platform Nexo, said in an emailed comment.

Bitcoin at times trades in a similar fashion to tech stocks and other assets that rise in value when investor sentiment is high. The tech-heavy Nasdaq, opens new tab is up 30 percent from its early April low.

That has also coincided with continued weakness in the dollar, opens new tab, a further boost for bitcoin's exchange rate against the US currency.

Crypto market participants often point to increased involvement from traditional financial firms as reasons for its gains.

This week they have referenced JPMorgan CEO Mr Jamie Dimon, a longtime crypto skeptic, who said the bank will let clients buy bitcoin. Earlier this month, crypto exchange Coinbase, opens new tab was added to the S&P 500 index.

Coinbase said on Monday the US Department of Justice has opened a probe into a recent data breach at the company.

"We're still in year four of the bitcoin price cycle - the year after the bitcoin halving when miner rewards are slashed in half - which historically means its best days are still ahead

of it and - while macro uncertainty and the threat of further volatility remains, a target of \$150,000 in 2025 is still very much on the cards," Mr Trenchev said.

Meanwhile, ether, the second-largest cryptocurrency, surprisingly did not rise in tandem with bitcoin. It was last down 0.5 percent at \$2,513. <https://tinyurl.com/3z63fhvd>

ADB, Indonesia Achieve Milestone in Local Currency Loan Conversions

The Asian Development Bank (ADB) has collaborated with the Ministry of Finance of the Republic of Indonesia to successfully convert 27 sovereign loans amounting to a total of \$3.3 billion from US dollars and Japanese yen to Indonesian rupiah. This marks ADB's first large-scale local currency conversions, setting a precedent for future transactions. It reflects ADB's broader strategy to support the development of local currency markets in the Asia and Pacific region.

"This successful conversion of Indonesian sovereign loans into local currency is a testament to ADB's commitment to financial innovation and stability in the region, and is the outcome of our long-standing relationship with the Indonesian Ministry of Finance in the area of debt management. By optimizing currency management, we are helping our member countries achieve more sustainable and resilient economic growth," said ADB Vice-President for Finance and Risk Management Mr Roberta Casali.

"With debt conversion, we can lower our financing costs and minimize financial uncertainty, which in turn provides greater fiscal space to address other pressing needs," said Indonesian Vice Minister of Finance Mr Thomas A.M. Djiwandono.

ADB continues to explore opportunities for local currency financing across the region. The bank's pioneering efforts in issuing local currency bonds and developing derivative markets have significantly advanced local currency financing in Asia and the Pacific. ADB's aggregate local currency portfolio reached more than \$5 billion equivalent as of 30 April 2025. Local currency loans constitute more than one-third of private sector outstanding loans and are expected to grow to more than 50 percent in the coming years.

ADB is a leading multilateral development bank supporting inclusive, resilient, and sustainable growth across Asia and the Pacific. Working with its members and partners to solve complex challenges together, ADB harnesses innovative financial tools and strategic partnerships to transform lives, build quality infrastructure, and safeguard our planet. Founded in 1966, ADB is owned by 69 members—50 from the region. <https://tinyurl.com/9b39rm42>

SELF & BUSINESS MANAGEMENT TIPS



Build the Leadership Legacy You Want Through Small Actions

As a senior leader, it is easy to focus on big goals and visible results. But legacy is not built on titles or accolades—it is shaped by the small, everyday choices you make. Here is how to lead with intention and let the facts of your leadership speak for themselves.

Clarify What You Want to Be Known For. Step back from the day-to-day and ask yourself: What do I want people to say about me when I am not in the room? Write it down to make it tangible. Reflect on the tone you set, the values you demonstrate, and how you make people feel after interactions.

Seek Out Honest Feedback. Self-awareness is incomplete without outside perspectives. Ask trusted colleagues: How do you experience working with me? What words describe my leadership? Keep an open mind—confirmation and surprise are both valuable insights.

Bridge the Gap with Small, Intentional Shifts. If your ideal legacy does not align with current feedback, make consistent, visible adjustments. Delegate more, recognize contributions publicly, check in informally, and model calm under pressure. It is these steady actions that build lasting trust.

(This tip is adapted from *The Small Actions That Become Your Legacy*, by Elisabeth Hayes – HBR.)

Push Back on Unrealistic Goals—Strategically

When change is constant, many leaders default to saying yes to unreasonable requests and goals, afraid that refusal will damage their credibility. But this can lead to burnout, poor execution, and declining trust on their teams. The best leaders practice *strategic* refusal: knowing when—and how—to say no. Here is how.

Reframe Refusal as Prioritization. It is not about what you cannot do—it is about what matters most. Position your refusal as a leadership decision. For example: “To do X well, we’d need to pause Y” or “Let’s focus on the initiatives with the highest impact.” This shifts the conversation from resistance to results.

Show the Cost of Saying Yes. Make trade-offs visible. Suggest hearing directly from teams, quantify resource limits, and offer realistic alternatives: “We can’t hit 40 percent, but we can deliver a sustainable 25 percent increase.” This keeps the conversation solutions-oriented.

Build a System That Supports Refusal. Strategic refusal should not fall on individuals alone. Assemble teams to stress-test initiatives before they approved. Run pre-mortems to surface risks early. Define “kill criteria” so projects do not drag on past their usefulness. These steps reduce decision fatigue and promote consistency.

Model strategic refusal. Set the tone by using data to back your pushback. Focus on business risk, not bandwidth. This reinforces your credibility and teaches your team that smart refusal is strong leadership.

(This tip is adapted from *When You’re Asked to Meet Impossible Goals*, by Luis Velasquez and Jordan Stark – HBR.)

SNIPS

A Dearth of Jobs Globally

Over the next decade, 1.2 billion young people will reach working age, but only 420 million jobs are expected, leaving hundreds of millions without a clear path to employment, impacting global development, as per the World Bank.