

## Domestic Economic Roundup

### Key Money & Banking Indicators:

	Stocks at End - June 2024 P	Flows		Monetary Impact Since 1st July to	
		FY23	FY24 P	26-Jul-24	28-Jul-23
Total Deposits with Banks	27,239.6	2,327.6	4,977.1	-1,311.8	-289.1
Broad Money (M2)	36,560.0	3,920.6	5,036.7	-1,414.1	-769.3
Govt. Sector Borrowings (Net)	31,062.5	4,100.2	7,339.4	-192.5	-178.5
Credit to Private Sector	9,531.3	208.3	364.2	-326.9	-171.1

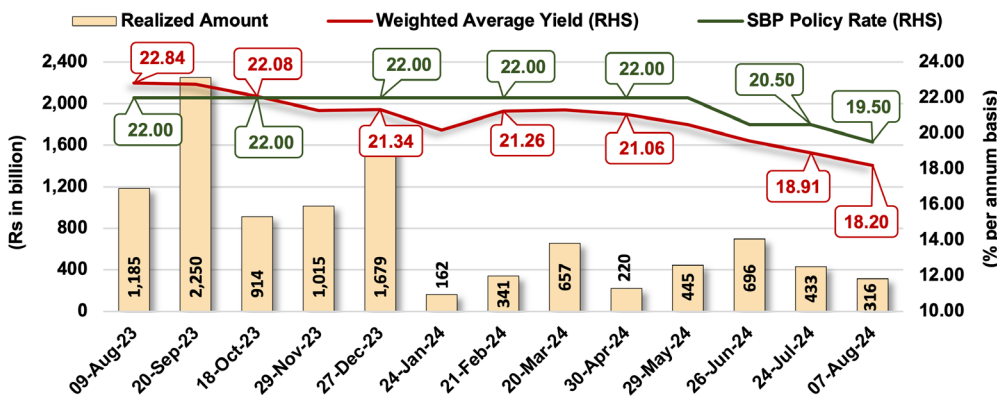
(Rs in billion)

P = Provisional

<https://tinyurl.com/bdfssvdx>

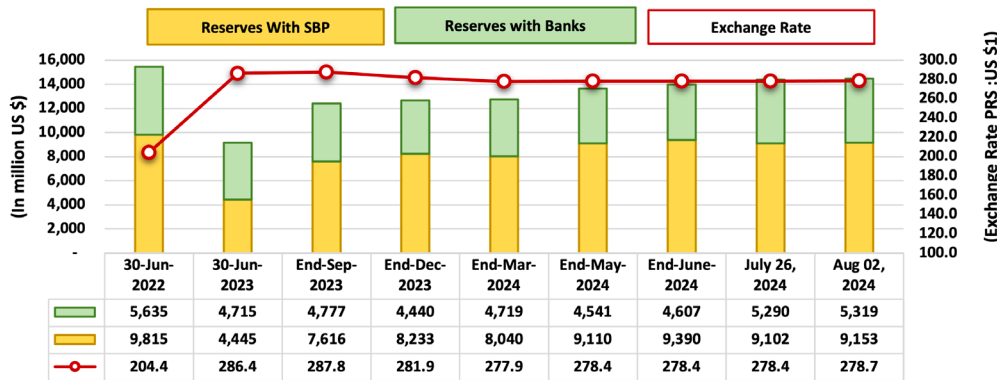
### MTBs Acceptance (Auction+ Non-Competitive Bids)

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



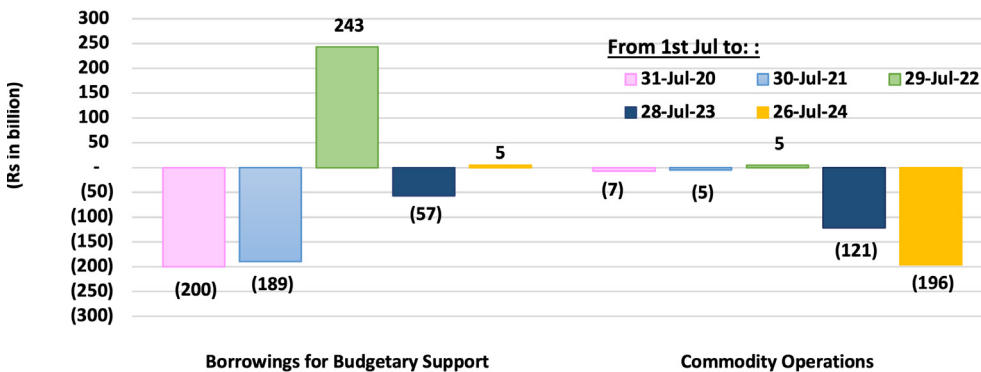
### Forex Reserves and Exchange Rate

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



### Government Sector Borrowings (Net)

<https://shorturl.at/AFSX7>



## Markets at a Glance

Rates taken till Friday, August 09, 2024

### SBP POLICY RATE

**19.5%** | Effective from July 30, 2024

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

### KIBOR (3 MONTHS)

	Bid%	Offer%
Starting	19.25	19.50
Ending	18.86	19.11
Change	-0.39	-0.39

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

### FOREX RATES

	GBP	EURO	USD
Starting	PKR 354.13	PKR 300.82	PKR 278.50
Ending	PKR 355.50	PKR 304.22	PKR 278.55
Change	+1.37	+3.4	+0.05

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

### PAKISTAN STOCK EXCHANGE

	100 Index
Starting	78,226
Ending	78,570
Change	+344

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

### GOLD RATES

	10 GM, 24K
Starting	PKR 219,234
Ending	PKR 217,121
Change	-2,113

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

## Balance of Trade Summary

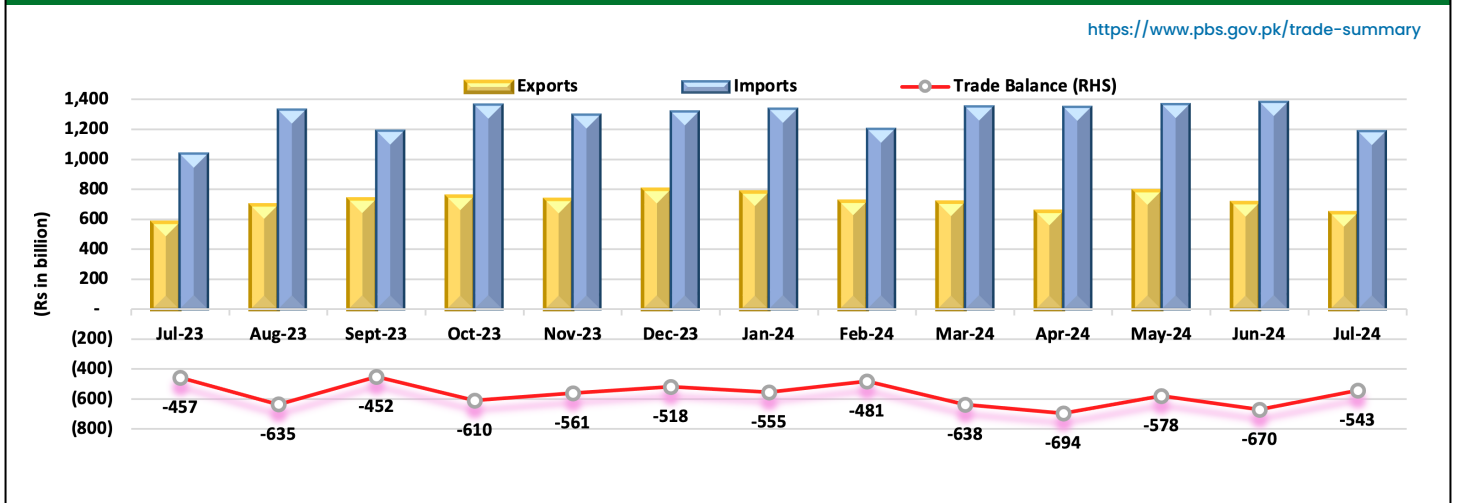
(Rs in billion)

	July, 2023 (F)	June, 2024 (F)	July, 2024 (P)	% Change (July, 2024 over June, 2024)	% Change (July 2024 over July 2023)
Exports	580.1	712.3	643.3	(9.7)	10.9
Imports	1037.2	1382.2	1186.1	(14.2)	14.4
Balance of Trade (Trade Deficit)	(457.0)	(670.0)	(542.8)	(19.0)	18.8

<https://www.pbs.gov.pk/trade-summary>

## Trends in Merchandised Trade

<https://www.pbs.gov.pk/trade-summary>



## CPI Inflation

### Annual Average

### Year-on-Year

	FY20	FY21	FY22	July 2023	June 2024	July 2024
General	10.7	8.9	12.2	28.3	12.6	11.1
Food (Urban)	13.6	12.4	13.4	40.2	2.6	3.4
Non-Food (Urban)	8.3	5.7	10.8	17.3	24.3	20.7

<https://www.sbp.org.pk/ecodata/MPM-New.pdf>

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

## Currency in Circulation as on (Stock data)

(Rs in billion)

June 30, 2021	June 30, 2022	June 30, 2023	July 28, 2023	June 30, 2024 (P)	July 26, 2024 (P)
6,909.9	7,572.5	9,148.7	8,679.6	9,153.1	9,070.1

P=Provisional

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

## Central Banks' Gallery

### State Bank of Pakistan



#### Governor SBP Encourages Strategic Approach to Transform Banking and Financial Training Landscape at the Launch of NIBAF Pakistan

Governor of the State Bank of Pakistan (SBP), Mr Jameel Ahmad, emphasized the importance of developing skills and setting high standards for the financial sector in the country. He addressed the audience at the launch ceremony of NIBAF Pakistan; a new entity formed by the merger of the National Institute of Banking and Finance (NIBAF) and the Institute of Bankers Pakistan (IBP).

The Governor, Mr Ahmad stated that NIBAF Pakistan will leverage the combined expertise of NIBAF and IBP to offer a wide range of training programs, certifications, qualifications and assessment services tailored to needs of the financial industry. He praised the hard work of the team involved in the merger, highlighting the improved efficiency and new opportunities that will come from this union. He shared his vision of making NIBAF, Pakistan a leading institute for learning and development in banking and finance, with a focus on innovation and adopting global standards.

Mr Ahmad also noted that this merger aligns with national goals of advancing professional development, promoting best practices and supporting economic development initiatives. He encouraged banks and financial institutions to actively collaborate with NIBAF Pakistan and utilize its resources for positive change and building a strong financial sector.

The launch event took place at the NIBAF Pakistan Karachi Office and was attended by leaders from the finance and banking sectors, corporate sector, development agencies, and academia. <https://shorturl.at/ndA20>

### Reserve Bank of Australia



#### Reserve Bank of Australia (RBA) Decides to Maintain the Policy Rate at 4.35 percent

The Board of RBA decided to leave the cash rate target unchanged at 4.35 percent and the interest rate paid on Exchange Settlement balances unchanged at 4.25 percent. Inflation has fallen substantially since its peak in 2022, as higher interest rates have been working to bring aggregate demand and supply closer towards balance. But inflation is still some way above the midpoint of the 2–3 percent target range. In underlying terms, as represented by the trimmed

mean, the CPI rose by 3.9 percent over the year to the June quarter, broadly as forecast in the May Statement on Monetary Policy (SMP). But the latest numbers also demonstrate that inflation is proving persistent. In year-ended terms, underlying inflation has now been above the midpoint of the target for 11 consecutive quarters. And quarterly underlying CPI inflation has fallen very little over the past year.

The economic outlook is uncertain and recent data have demonstrated that the process of returning inflation to target has been slow and bumpy.

The central forecasts set out in the latest SMP are for inflation to return to the target range of 2–3 percent late in 2025 and approach the midpoint in 2026. This represents a slightly slower return to target than forecast in May, based on estimates that the gap between aggregate demand and supply in the economy is larger than previously thought. In part, this reflects an increase in the forecast for domestic demand. But it also reflects a judgement that the economy's capacity to meet that demand is somewhat weaker than previously thought, evidenced by the persistence of inflation and ongoing strength in the labor market.

There is substantial uncertainty around these forecasts. Revisions to consumption and the saving rate in the most recent National Accounts, high unit labor costs and the persistence of inflation – particularly in the services sector – suggest there are upside risks to inflation. Wages growth appears to have peaked but is still above the level that can be sustained given trend productivity growth.

On the other hand, momentum in economic activity has been weak, as evidenced by slow growth in GDP, a rise in the unemployment rate and reports that many businesses are under pressure. And there is a risk that household consumption picks up more slowly than expected, resulting in continued subdued output growth and a noticeable deterioration in the labor market.

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 slower growth in the economy at a time of excess demand, and while conditions in the labor market remain tight.

There also remains a high level of uncertainty about the overseas outlook. The outlook for the Chinese economy has softened and this has been reflected in commodity prices. Some central banks have eased policy, although they remain alert to the risk of persistent inflation. Globally, financial markets have been volatile of late and the Australian dollar has depreciated. Geopolitical uncertainties remain elevated, which may have implications for supply chains.

Returning inflation to target within a reasonable timeframe remains the Board's highest priority. This is consistent with the RBA's mandate for price stability and full employment. To date, longer-term inflation expectations have been consistent with the inflation target and it is important that this remains the case.

Inflation in underlying terms remains too high, and the latest projections show that it will be some time yet before inflation is sustainably in the target range. Data have reinforced the need to remain vigilant to upside risks to inflation and the Board is not ruling anything in or out. Policy will need to be sufficiently restrictive until the Board is confident that inflation is moving sustainably towards the target range. <https://shorturl.at/PCP3g>

## CPI Inflation:

YoY (June 2024)	3.8%	MoM ( June 2024)	3.8%
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<https://shorturl.at/a9Vtr>



## MoU Signing Ceremony between the Bank of Punjab (BOP) and Excise and Taxation Department Punjab (ET&NC)

The Bank of Punjab (BOP) and Excise and Taxation Department Punjab (ET&NC) executed a breakthrough arrangement on August 6, 2024, which makes BOP the first bank in the industry to gain access to 'Dealer Vehicle Registration System – DVRS' via Host to Host connectivity. This is the first integration of its kind which shall enable the bank's auto-finance customers to walk in any designated office of BOP for processing of registration of their vehicles. The bank has plans to make this facility available across the main cities of the province in the coming months.

BOP is also establishing specialized booths at ET&NC offices for assisting the general public in paying duties, tax and fee within minutes. These steps will provide a lot of convenience to general public and improve delivery of Government of Punjab's services.

The ceremony was attended by Mr Muhammad Masood Mukhtar (Secretary ET&NC), Mr Farid Ahmed Khan (Group Chief Corporate & Investment Banking – BOP) and Mr Sharjeel Raza Khan (Head Transaction Banking – BOP) along with senior officials from both organizations. <https://shorturl.at/UQpmq>

## General Economic Horizon

### A. Domestic News

#### SECP Registers 2,864 New Companies in July 2024

The Securities and Exchange Commission of Pakistan (SECP) registered 2,864 new companies in July 2024. This signaled an increase of 25 percent from the corresponding month last year and marked the highest number of companies ever registered in a month. The total number of registered companies now stands at 225,561.

About 58 percent of companies incorporated in July, 2024 were registered as private limited companies, 39 percent as single-member companies, and the remaining 39 percent as public unlisted companies, not-for profit associations, trade organizations, and limited liability partnerships. 99.8 percent of companies were registered online.

The information technology sector took the lead with incorporation of 471 companies, trading with 364 companies, services with 362, real estate development & construction with 284, tourism with 164, food & beverages with 139, e-commerce with 120, education with 111, textile with 65, marketing & advertisement with 64, corporate agricultural farming with 63, chemical with 53, healthcare, and power generation 51 each. Furthermore, cosmetics & toiletries, mining & quarrying with 47 each, fuel & energy with 46, engineering with 43, pharmaceutical with 40, transport with

## Financial Institutions' Gallery



### Meezan Bank and Vlektra Electric Motorcycles sign MoU to offer Financing Solutions to Electric Bike Customers and Promote Sustainable Transportation Solutions

Meezan Bank and Vlektra Electric Motorcycles have recently entered into a strategic partnership to offer Shariah-compliant financing solutions to Electric Bike for its customers and promote sustainable transportation solutions.

Meezan Bank's Head of Car Ijarah & Apni Bike – Mr Talha Hameed, along with the product team (Mr Salman Ahmed Siddiqi and Mr Abdul Rahim) attended the MoU signing ceremony while Syed Raza Mohsin – CEO, Vlektra Electric Motorcycles, signed on their behalf.

<https://shorturl.at/kVhMT>

32, auto & allied with 27, communications with 23, cables & electric goods with 22, arts & culture with 18, paper & board, and sports-allied with 17 each, logging with 16, and 107 companies were registered in other sectors.

Foreign investment has been reported in 86 new companies mainly by foreign investors from Afghanistan, Antigua and Barbuda, Australia, Azerbaijan, Canada, China, Germany, Greece, Iraq, Italy, The Netherlands, Poland, Qatar, Russia, Sri Lanka, Turkey, UK, US and Zambia. The major chunk of investment was received from China's investment in 64 companies, whereas Turkey invested in 03, Afghanistan, and UK in 2 each and remaining countries in 01 each.

<https://shorturl.at/0qL85>

## B. International News

### IFC Partners with EU to Support Green Transition in the Philippines

To promote private-sector participation in initiatives that accelerate a green transition in the Philippines, IFC is partnering with the European Union (EU) under the Green Economy Programme for the Philippines (GEPP), part of the EU's new Global Gateway initiative.

Launched in March 2024 by the Department of Environment and Natural Resources and the EU, the GEPP was established to enhance waste management, support the transition to a sustainable, circular economy, accelerate the deployment of renewable energy, and promote technologies that can improve energy efficiency in the country.

Under the GEPP, the EU and IFC are partnering to mobilize private capital and investment from IFC and European development finance institutions to help address the country's climate challenges.

"The private sector plays a pivotal role in the collective journey towards a sustainable and prosperous future, and the EU is pleased to partner with IFC to promote green growth in the Philippines," said Luc Véron, EU Ambassador to the Philippines. "Our engagement in the country's green transformation underscores our dedication to global climate action and sustainable development, which is aligned with the European Green Deal".

Designed to run until 2028 with a budget of around Php 308 million (EUR 5.2 million), IFC's participation in the program will focus on improving the enabling environment for plastics recycling and waste management, catalyzing de-carbonization-related investments in hard-to-abate sectors, contributing to greening supply chains, and accelerating the energy transition.

"IFC is deeply committed to supporting the Philippines' private sector in its ambitions to transition to a low-carbon future," said Jean-Marc Arbogast, IFC's Country Manager for the Philippines. "Our partnership with the EU is a testament to our collective commitment to fostering resilient, green, and inclusive growth that benefits all Filipinos."

<https://shorturl.at/QMYSY>



## HR TIPS

### Get More Comfortable with Delivering Feedback

Providing feedback to your employees is part of being a manager. These performance conversations should feel productive and set the tone for a positive working relationship with your employee—but preconceived notions can hold you back from giving timely, helpful, and honest feedback. Here are three common misconceptions about delivering feedback and how to overcome them.

**Feedback Conversations are Always Long and Drawn Out.** In fact, fast feedback sessions where you simply share the behavior you are observing and allow your team member to respond can be just as effective as a lengthy one-on-one. If they are self-aware and self-motivated, they will likely acknowledge their own misstep.

**Your Feedback has to be Perfect.** Your employee might see things differently than you do, and you may or may not be "right" the first time. If you are willing to have a feedback dialogue rather than a monologue, you are likely to get new information, additional perspectives, and even reactions to the feedback that you should consider.

**With Enough Preparation, You can Manage Your Employee's Reaction.** How an employee responds to your input is based on personal factors. While you should commit to making your part of the conversation as helpful and productive as possible, also understand that you cannot control how the recipient will feel. Delaying providing an employee with feedback for fear of upsetting them harms both of you and your working relationship.

(This tip is adapted from *Overcome Your Fear of Giving Feedback*, by Deborah Grayson Riegel – HBR.)

## Thinking of Pivoting Your Strategy? Not So Fast.

As a manager, keeping your team agile and adaptable is essential. But it can be hard to know whether pivoting strategies is the right move or a big misstep. Here are some key questions to ask before making a big change to your team's strategy.

**Is Poor Execution the Real Issue?** Assess your assumptions and performance. A great plan can fail without proper implementation, so ensure your team has the right skills and commitment. Sometimes, improving execution of the strategy you already have can eliminate the need for a pivot.

**Are You Reacting To Outside Pressures?** Stakeholders can be impatient, and their anxiety can prompt unnecessary and counterproductive changes. Critically evaluate their concerns by asking: Are the issues they raise valid or misguided? Resist making changes to appease stakeholders if your strategy is well-founded and progressing well. And formulate a persuasive argument to help them understand why their trepidation is premature.

**Is a New Opportunity Distracting You?** New ideas and technologies are always arising, and they can be tempting to pursue. But when a compelling opportunity presents itself, carefully consider whether it will actually help you reach your goals more efficiently. It may not be worth the risk of diverting focus and resources just yet.

(This tip is adapted from *Is It Time to Pivot Your Strategy?*, by Ron Ashkenas – HBR.)

## Making the Most of a Working Vacation

Working during vacation is never fun, but when you have critical responsibilities, it is sometimes necessary. The key to completing your tasks while still getting some refreshing time off is establishing and maintaining your boundaries. Here is how to have a positive working vacation.

**First, Communicate, Communicate, Communicate.** Even if you plan to work during some of your time away, you can take tremendous pressure off of yourself by letting people know that you are out of the office. Instead of trying to stay available for meetings through dinner reservations, transit plans, and scheduled activities, determine in advance when and where you will have consistent internet access—and set clear expectations about when you will be available.

**And Resist the Urge to Open Messages that Are not Related to Your Urgent, Must-do Items.** To have space in your schedule to relax, you need to do less than you would if you were in the office. It is tempting to answer a random question, help someone out, or otherwise participate in non-urgent work items, but on days where you are not

working the full day, have a designated person who can field requests and messages and contact you if there is a true emergency.

(This tip is adapted from *Make the Most of Your Vacation When You Can't Fully Unplug*, by Elizabeth Grace Saunders – HBR.)

## Ask for Help from a Position of Strength, Not Weakness

Imagine you are handed a new project at work that requires skills or information you do not have. It is easy to feel overwhelmed, and while asking for help can be intimidating, you can do so in a way that actually demonstrates your strength, competence, and professionalism. Here is how.

**Start strong.** Avoid phrases like "I hate to bother you." Instead, begin with a clear purpose. For example, "I'd like to get your thoughts on a challenge I'm facing," or "I'm working on this project and would like to bounce some ideas off you."

**Acknowledge their expertise.** Rather than putting yourself down, highlight the other person's knowledge or abilities. Say, "Your background in this area is exactly what this project needs," or "I know you've handled requests like this before, so you came to mind as the perfect person to reach out to."

**Be precise and concise.** Make your request clear and specific. Instead of "I'm having trouble with this presentation. Can you help?" try "I've prepped content for the board presentation, but I'm not sure about the order of slides five through 10. Could you take a look?"

**Explain what work you have already done.** For example, "I've mapped out three potential scenarios for the project timeline. Can we chat about which is most realistic?" This will demonstrate that you have done your due diligence and help narrow the focus of your request.

(This tip is adapted from *How to Ask for Help Without Making Yourself Look Bad* by Melody Wilding – HBR.)

