MONTHLY ECONOMIC UPDATE & OUTLOOK

AUGUST 2023

GOVERNMENT OF PAKISTAN - FINANCE DIVISION - ECONOMIC ADVISER'S WING

Contents

Executive Summary

The IMF has revised global economic growth modestly higher, yet lower than 2022 due to weak performance in advanced economies. According to the latest World Economic Outlook (WEO), global growth is expected to decelerate to 3.0 percent in 2023 from 3.5 percent in 2022. The inflation rate is projected to decline globally, but tight monetary policy stance will continue at global level to address the problem of inflation which is likely to deteriorate global growth prospects further. This situation raises the cost of external borrowing for the developing countries and created currency stability predicament. Therefore, developing countries are facing the supply-side and exchange rate shock whereas there is marginal space for the policymakers to deal the short-term issues.

In Pakistan, the real sector, agriculture and manufacturing experienced mixed trends. In agriculture sector, cotton arrivals increased due to the improved seed quality. It is expected that the recent year's target of 12.77 million bales will be achieved with the use of improved quality of seed in both Sindh and Punjab. While, Large Scale Manufacturing (LSM) has faced challenges due to supply chain disruptions and policy stances. Key sectors such as automobiles, petroleum, and cement have witnessed varying levels of growth and decline.

Consumer Price Index (CPI) inflation has risen on a year-on-year (YoY) basis, and there are up-down fluctuations in inflation rates on a month-on-month (MoM) basis. In the month of July 2023, CPI inflation increased to 28.3 percent on YoY basis as compared to 24.9 percent in July 2022 whereas it increased to 29.4 percent in the previous month.

Pakistan's fiscal year 2023 witnessed increase in total expenditures, driven by higher current spending. Development expenditure rose due to increased federal Public Sector Development Program (PSDP). Revenues increased due to higher tax collection, with growth in both domestic taxes and customs duty.

The Monetary Policy Committee (MPC) has maintained the policy rate, considering improved economic certainty, external sector stability, and fiscal consolidation efforts. Money supply (M2) experienced negative growth, and foreign exchange reserves increased.

The current account deficit decreased by 35.8 percent and stood at $ 809 million during July 2023 as against $ 1.3 billion last year, owing to improvement in trade balance.

International Performance and Outlook

According to WEO-July 2023, global growth is expected to remain at 3.0% both in 2023 and 2024, lower than 3.5% in 2022. While the forecast for 2023 is modestly higher than predicted (2.8% for 2023) in the April 2023-WEO. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. The growth in advanced economies would decline from 2.7% in 2022 to 1.5% in 2023 and remain restrained at 1.4% in 2024. The Euro area is still recovering from war induced rise in gas price - would deteriorate profoundly. On the contrary, emerging markets and developing economies is forecasted to grow by 4.1% in

2023 and 2024 from 3.1% in 2022. Global inflation is projected to decline from 8.7 percent in 2022 to 6.8% in 2023 and 5.2% in 2024.

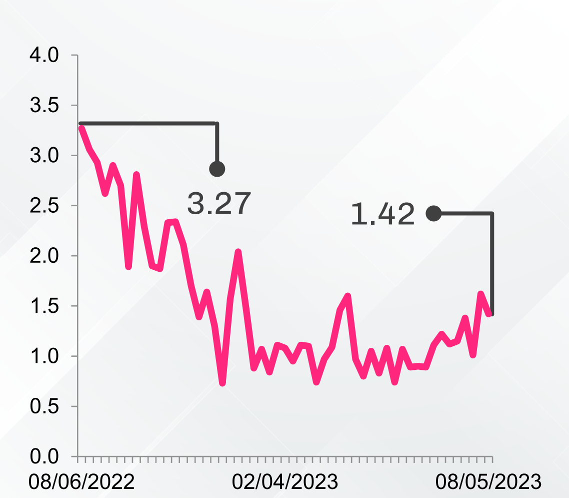
The Fed has raised the federal funds rate by 5.25 percentage points since March 2022, with policymakers approving rate increases at 11 of the last 12 meetings in a sequence of actions meant to discourage borrowing and spending, and slow both the economy and the pace of price increases. CPI rose at a 3.2% annual rate in July, which was a slight increase over June's 3%. But underlying price trends showed continued slowing.

According to Federal Reserve Bank of New York's July 2023 "Survey of Consumer Expectations", illustrates that median inflation expectations decreased across all three horizons, declining to 3.5% at the short-term horizon, 2.9%at the medium and long term horizons. Year-ahead price growth expectation for food, medical care and rent declined to their lowest levels since early 2021. Households' perceptions about their current financial situations and expectations for the future improved.

After second quarter, outlook for US economy for 2023 has improved. Both JP Morgan and Bank of America raises US economic growth estimate-no longer expects 2023 recession. GDP growth will grow by 2.0%, up from a previous forecast value of 1.5%. US economy grew faster than expected in the second quarter as a resilient labor market supported consumer spending, while businesses boosted investment in equipment and built more factories. This also reflected through growth in WEI which is currently moving around 2.0% (Fig-1).

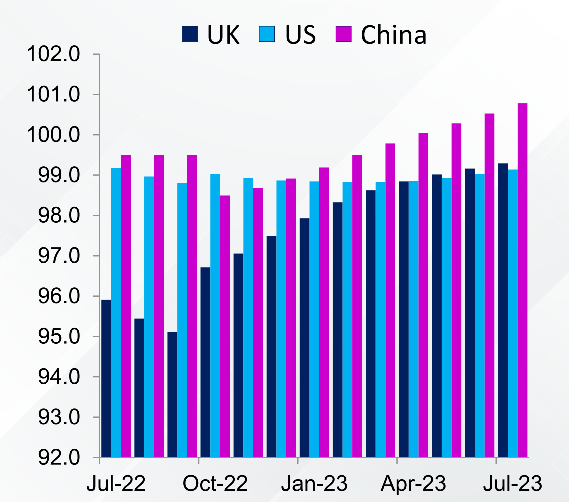
The J. P. Morgan Global Composite Output Index decreased to 51.7 in July 2023, from 52.7 in June 2023. The global economic growth eases at start of third quarter as slowdown in new orders continues. The rate of expansion in output and new orders weakened, as manufacturers sector contraction was accompanied by a further slowdown at service providers.

Fig-1: Growth in WEI (%)



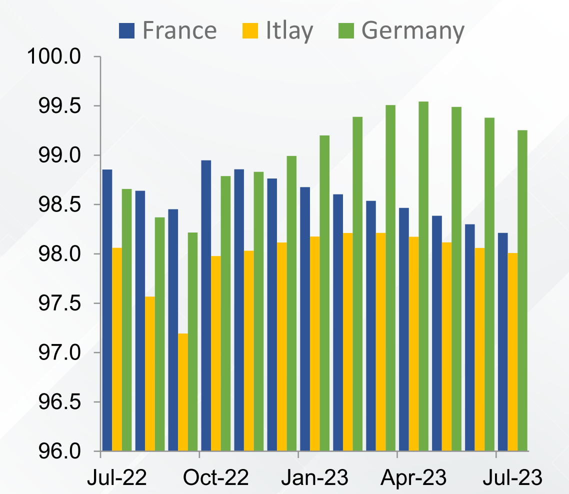
Source: Federal Reserve Bank of New York

Fig-2 (a): Composite Leading Indicator



Source: OECD

Fig-2 (b): Composite Leading Indicator



Source: OECD

Within PMI data, China, UK, and US shows moderate expansion in output for the month of July against deterioration observed in eurozone. This growth pattern also reflected through CLI position of Pakistan's main exports market for July-2023 (Fig-2).

The FAO food prices index (FFPI) averaged 123.9 points in July 2023, up by 1.5 points from June. The rebound decline in July was driven by a significant increase in the price indices for vegetable oils, partially offset by a considerable decline in the sugar along with a marginal reduction in cereals, dairy and meat.

Global commodity prices soared in July 2023. Energy prices increased by 6 percent, led by natural gas U.S 17 percent and oil 7.8 percent. Non-energy prices rose by 0.7 percent. Food prices gained 0.9 percent. Beverage eased by 1.8 percent while raw materials changed little. Fertilizer prices soared 5.3 percent. Metal price increased 0.4 percent led by tin 5.6 percent. Precious metal rose by 0.9 percent.

Performance of Pakistan's Economy

2.1 Real Sector

2.1-a Agriculture

According to Pakistan Cotton Ginners' Association (PCGA), the cotton arrivals in factories reached to 2.12 million bales (Punjab: 0.64 million bales & Sindh: 1.48 million bales) as on 15th August 2023.The improved & pest resilient quality seeds of cotton has been used both in Punjab and Sindh which will contribute to achieve current year's target of 12.77 million bales. To develop agriculture sector, under Kissan package government is providing subsidy for interest-free loans for subsistence farmers in flood affected areas, PM's Youth Business and Agriculture Loan Scheme (PMYBALS), Markup Subsidy & Risk Sharing scheme for Farm Mechanization (MSRSSFM), and Interest Free Loans to subsistence farmers in the flood affected areas.

During July FY2024, the agriculture credit disbursement recorded at Rs 151 billion as compared to Rs 112 billion last year showing increase of 35.1 percent. During July 2023, Urea offtake was recorded at 629 thousand tonnes showing an increase of 36.0 percent while DAP offtake stood at 113 thousand tonnes; increased by 67.7 percent over July 2022.

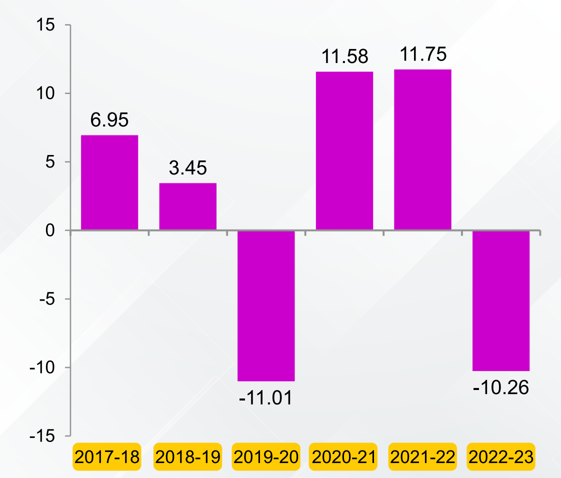
2.1-b Manufacturing

LSM witnessed a decline of 10.26 percent during FY2023 due to supply chain disruptions, inflationary pressures and resultant hike in input prices, and continued contractionary policy stance at the domestic level to correct the imbalances. On a YoY basis, LSM nosedived by 14.96 percent in June 2023 and while on MoM basis, it inched up by 0.98 percent. During the period, 4 sectors witnessed positive growth which includes, Wearing apparel, Leather Products, Furniture, and others (Football).

In July FY2024, the performance of auto-industry remains subdued due to massive increases in inputs prices, and tightening auto finance. Car production and sale decreased by 75.7percent and 64.3percent, while Trucks & Buses production and sale decreased by 72.3 percent and 28.8percent, respectively.

The sale of petroleum products declined by 6 percent in July FY2024 to 1.35 mn tons against 1.44 mn tons in the same period last year. While on MoM basis, it remained stable.

Fig-3: LSM Growth Rates (%)



Source: PBS

Total cement dispatches bounced back with the growth of 57.44percentin July FY2024, and reached to 3.212 mn tons against the period of last year. Local cement sales by the industry reached at 2.776 mn tons in July 2023, a substantial growth of 47.26 percent from the last year. Whereas exports also witnessed a healthy increase of 183.9 percent from 153,517 tons to 435,854 tons during the same period.

2.2 Inflation

CPI inflation increased to 28.3 percent on YoY basis in July 2023 as compared to 24.9 percent in July 2022 whereas it reached to 29.4 percent in the previous month.

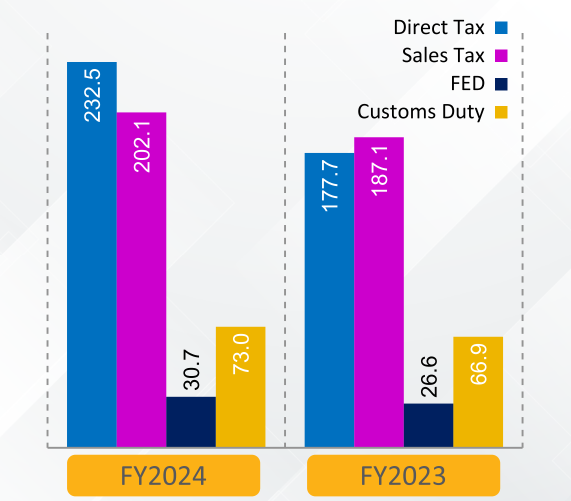
On MoM basis, it increased to 3.5 percent in July 2023 compared to a decrease of 0.3 percent in the previous month. The non-perishable items and perishable items increased by 3.9 percent and 5.6 percent respectively on MoM basis. Similarly, the increase observed in Housing, water, electricity, gas & fuels 8.0 percent, Health 2.2 percent, Furnishing & Household equipment maintenance 1.7 percent, Restaurant & Hotels 1.7 percent and Clothing & Footwear 0.6 percent. However, the only decline observed in Transport 0.2 percent.

The SPI for the week ended on 31st August 2023, recorded an increase of 0.54 percent as compared to previous week. Prices of 08 items declined, 23 items remained stable and 20 items increased.

2.3 Fiscal

The fiscal year 2023 witnessed a significant rise in total expenditure that grew by 21.5 percent to Rs.16155 billion against Rs.13295 billion in FY2022. Higher expenditures were realized mainly due to a 26.6 percent increase in current spending. In absolute terms, it stood at Rs.14583 billion in FY2023 against Rs.11521 billion recorded in FY2022. The increase in current expenditure is largely attributed to 83.2 percent rise in markup payments while non-markup spending was restricted to 5 percent. Development expenditure grew by 17.1 percent largely due to a 62.8 percent rise in federal PSDP during FY2023.

Fig-4: FBR Tax Collection (Rs. bn) (Jul FY24)



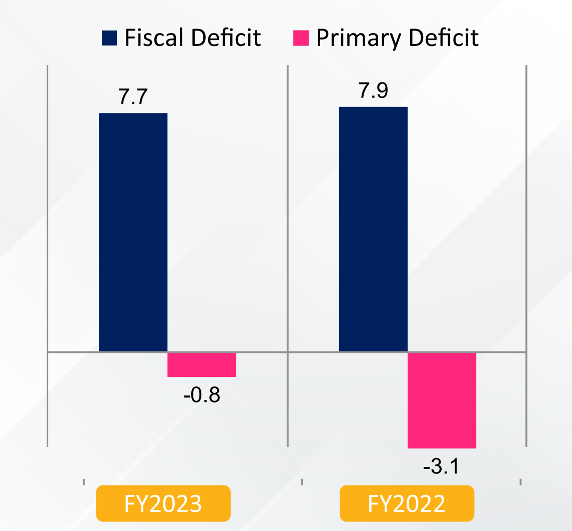
Source: FBR

On the revenue side, total revenues grew by 19.9 percent to reach Rs.9634 billion in FY2023 from Rs.8035 billion in FY2022. Within total, tax revenues (federal and provincial) grew by 15.7 to Rs.7819 billion in FY2023 as compared to Rs.6755 billion in FY2022. During FY2023, FBR tax collection grew by 16.7 percent to Rs.7169 billion against Rs.6143 billion in the same period of last year. According to the latest available data, in Jul FY2024, FBR tax collection not only grew by 17.5 percent but also surpassed the collection target by Rs.4 billion. Within total tax collection, revenues from domestic taxes grew by 19 percent while from customs duty 9 percent growth has been registered.

On the other hand, FY2023 registered a significant rise in non-tax collection largely attributed to higher receipts from petroleum levy followed by markup (PSEs & others) and Royalties on oil/gas. Overall, non-tax collection grew by 42 percent to Rs.1815 billion in FY2023 against Rs.1280 billion in FY2022.

Thus, FY2023 witnessed a fiscal deficit of 7.7 percent of GDP (Rs.6521 billion) against 7.9 percent of GDP (Rs.5260 billion) in the last year. Similarly, the primary deficit was restricted to 0.8 percent of GDP in FY2023 against 3.1 percent of GDP recorded in FY2022 mainly due to limited growth in non-markup spending.

Fig-5: Fiscal Indicators % of GDP (Jul-Jun)



2.4 Monetary

MPC has maintained the policy rate at 22 percent, decision held on 31st July, 2023. The decision is based on improved economic certainty, external sector stability, investor confidence, expected lagged impact of the accumulated monetary tightening, budgeted fiscal consolidation, and the tepid growth outlook for FY2024.

During the period 01st – 28th July, FY2024 money supply (M_2) shows negative growth of 2.0 percent (Rs. -641.7 billion) compared negative growth of 1.5 percent (Rs. -405.5 billion) in last year. Within M2, NFA increased by Rs 368.6 billion as compared decrease of Rs. 599.0 billion in last year. Whereas NDA of the banking sector decreased by Rs. 1010.2 billion as compared an increase of Rs. 193.5 billion last year. Private Sector has retired Rs. 172.6 billion as compared borrowing of Rs. 151.9 billion in last year.

2.5 External Sector

The Current Account posted a deficit of $ 809 million for July FY2024 as against a deficit of $ 1.3 billion last year, largely reflecting an improvement in trade balance. Exports on fob declined by 4.6 percent during July FY2024 and reached $ 2.1 billion ($ 2.2 billion last year). Imports on fob declined by 23.5 percent during July FY2024 and reached $ 4.2 billion ($ 5.5 billion last year). Resultantly the trade deficit (July FY2024) reached to $ 2.1 billion as against $ 3.3 billion last year.

Exports in Services during July FY2024 increased by 2.3 percent to $ 538 million as against $ 526 million. The imports in services increased by 45.3 percent to $ 811 million as compared to $ 558 million same period last year. The trade deficit in services stood at $ 273 million as against $ 32 million last year.

As per PBS, during July FY 2024, exports stood at $ 2.1 billion ($ 2.3 billion last year), declined by 8.1 percent. The major export commodities which have shown positive growth during the review period include Fish & Fish Preparation (27.2 percent in quantity & 2.2 percent in value), Fruits (29.5 percent in quantity & 4.6 percent in value), Cotton Yarn (37.8 percent in quantity& 36.0 percent in value), Plastic Materials (176.2 percent in quantity & 64.8 percent in value) and pharmaceutical products (144.3 percent in quantity & 8.9 percent in value).

2.5.1 Foreign Investment

FDI reached $ 87.7 million during July-FY2024 ($ 74.8 million last year) increased by 17.3 percent. FDI received from China $ 18.0 million (20.5 percent), Hong Kong $ 16.9 million (19.2 percent), Netherland $ 12.1 million (13.8 percent) and Switzerland $ 10.1 million (11.5 percent of total FDI). Power sector attracted highest FDI of $ 45.1 million (51.4 percent of total FDI), Oil & Gas Explorations $ 15.2 million (17.3 percent), and communication $ 8.0 million (9.1 percent).

Foreign Private Portfolio Investment has registered a net inflow of $ 16.3 million during July FY2024. Foreign Public Portfolio Investment recorded a net inflow of $ 6.0 million. The total foreign portfolio investment recorded an inflow of $ 22.3 million during July FY2024 as against an outflow of 13.9 million last. Total foreign investment during July FY2024 recorded an inflow of $ 110.0 million as against $ 60.9 million last year.

2.5.2 Worker's Remittances

In July FY2024, workers' remittances recorded at $ 2.0 billion ($ 2.5 billion last year), decreased by 19.3 percent, due to several reasons included: seasonal factors post-Eid decline, political and economic uncertainty. MoM, remittances decreased by 7.3 percent in July 2023 ($ 2.0 billion) as compared to June 2023 ($ 2.2 billion). Share of remittances (July FY2024) Saudi Arabia remained 24.0 percent ($ 486.7 million), U.A.E 15.5 percent ($ 315.1 million), U.K 15.1 percent ($ 305.7 million), USA 11.7 percent ($ 238.1 million), other GCC countries 11.3 percent ($ 228.3 million), EU 14.0 percent ($ 283.6 million), Canada 1.8 percent ($ 36.9 million), and other countries 6.5 percent ($ 132.4 million). The decline is also attributed to global economic slowdown as higher inflation in developed countries has led to higher cost of living abroad, thus reducing the surplus funds that could be sent back to homeland as remittances.

2.5.3 Foreign Exchange Reserves

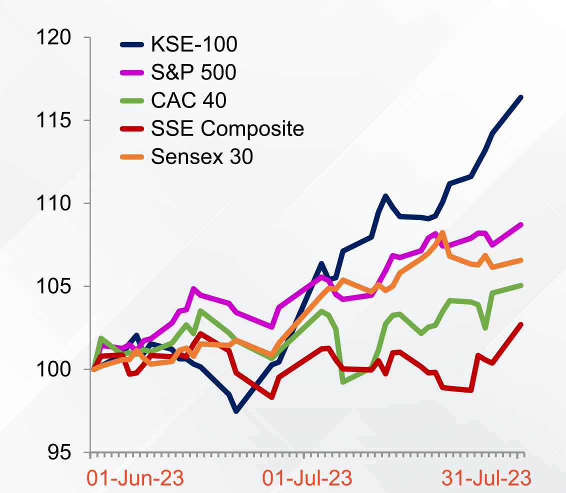
Pakistan's total liquid foreign exchange reserves increased to $ 13.1 billion on August 29, 2023, as with the SBP's reserves raise significantly to $ 7.8 billion and Commercial banks' reserves remained at $ 5.3 billion.

2.6 Performance of KSE Index

The Pakistan Stock Exchange (PSX) performed remarkably well in the month of July 2023. The benchmark of PSX KSE-100 index crossed 48,000 points mark after 2 years closed at 48,035 points as on 31st July 2023, gained 6,582 points in a single month. Similarly, market capitalization of PSX gained Rs 863 billion in the month of July and settled at Rs 7,232 billion.

During June-July 2023, the major world stock market indices remained positive. The KSE-100 index increased by 16.4 percent (Fig-6), S&P 500 of U.S (8.7 percent), Sensex 30 of India (6.6 percent), CAC 40 of France (5.0 percent) and SSE Composite of China (2.7 percent).

Fig-6: Trend of Major World Standardized Indices



Source: PSX, Investing.com

Note: All indices are standardized to 100 on the initial day of the sample taken in this figure.

2.7 Social Sector

- In a significant development towards empowering women and enhancing social protection measures, BISP's Board in its 60th meeting approved Rs 471 billion record budget for FY2024 which included Rs 361.5 billion for Benazir Kafaalat Programme, covering 9.3 million families, Rs 32.27 billion for Benazir Nashonuma Programme covering 1.5 million individuals, Rs 55.4 billion for Benazir Taleemi Wazaif which would benefit 9.2 million children.
- In addition, 6.0 billion have been earmarked for Benazir Scholarships for Undergraduates.
- PPAF through its 24 Partner Organizations has disbursed 31,636 interest free loans amounting to Rs 1.40 billion during the month of July, 2023. Since inception of interest free loan component, a total of 2,434,133 interest free loans amounting to Rs 90.91 billion have been disbursed to the borrowers.
- Council of Common Interest (CCI) has approved the results of First Ever Digital Census of Pakistan in its 50th meeting on 5th August, 2023.
- According to the results of 7th Population and Housing Census-2023 Pakistan's population has reached at 241.49 million with a growth rate of 2.55%. The percentage of the rural population in the country is 61.18 % (147.75 million) while urban is 38.82%

(93.75 million).

- Bureau of Emigration and Overseas Employment has registered 54865 workers during July, 2023 for overseas employment in different countries.
- Under Prime Minister Youth Business & Agriculture Loan Scheme the government has disbursed Rs. 22,546 million till May, 2023 to 45,129 beneficiaries for business and for Agriculture purpose.

Economic Outlook

3.1 Inflation

The international commodity price outlook is promising and is expected to offset the negative impact of local currency depreciation in Pakistan and help lower the pressure on imported commodities' prices. Moreover, the FAO Food Price Index, which tracks international prices of the most globally traded food commodities, stood at 123.9 points in July 2023, showing a decrease of 11.8 percent as compared to July 2022. Four of the FAO's five food sub-indices - cereals, meat, dairy, and vegetable oils - recorded a decline of 14.5 percent, 5.1 percent, 20.6 percent, and 23.1 percent, respectively, which would be instrumental to ease out domestic prices.

Domestically, the high base effect would provide a little solace to inflation growth however, the two massive fuel price hikes witnessed in the month of August 2023 and upward adjustment in energy tariffs, would strain the inflationary pressures in the coming months. Nevertheless, the expected lagged impact of accumulated monetary tightening, fiscal consolidation efforts of the government and better growth outlook would help easing out inflationary pressures in later half of FY 2024.

In view of above, inflation is anticipated to remain around 29 to 31 percent in August 2023. The two times raise in fuel prices drives a broad-based increase by impacting the transportation cost.

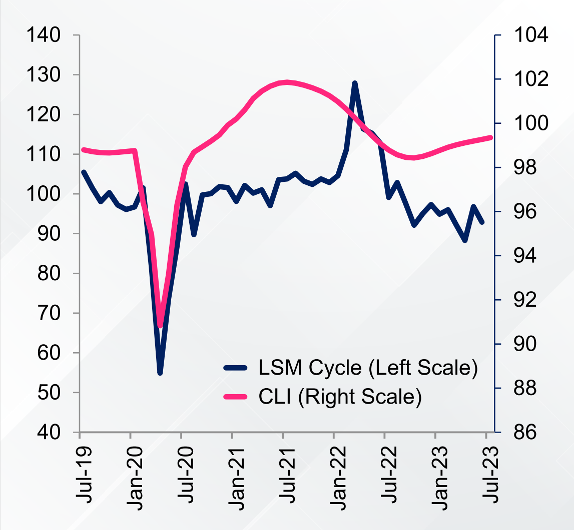
3.2 Agriculture

The extension of Kissan Package-2022 will certainly have positive impact on agriculture sector which in turn raise the livelihood of the farmers and it will contribute in achieving the targeted growth for FY2024.

3.3 Industrial activity

The LSM cycle usually follows the cyclical movements in the main trading partners, but since it is focused on the main industrial sectors and not on total GDP, it is somewhat more volatile than the cyclical component of GDP in Pakistan's main export markets. The aggregate CLI in the main export markets remained relatively stable showing no significant upward movement. As expected, the cyclical LSM pattern in the month of June remained negative due to the high base effect and deterred economic environment. However, for the month of July, the pressure is expected to ease out on the back of significant rebound in cement dispatches indicating a rise in construction activities and the removal of import restrictions.

Fig-7: Relationship between CLI and LSM cycle



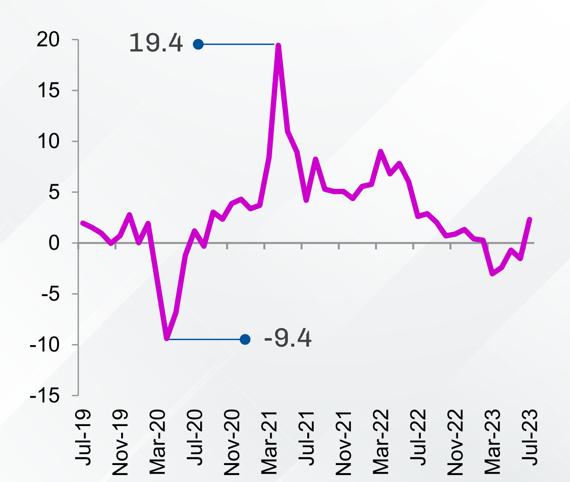
Source: PBS, OECD and EAW Calculations

3.4 Overall Economic Activity

The Monthly Economic Indicator (MEI) is developed as a tool to distribute the past annual GDP numbers, as reported by the PBS, on a monthly/quarterly basis, and to nowcast on that same frequency GDP growth for the FY in which the National Accounts are not yet available. Fig-8 presents the MEI on a monthly basis since January 2019. It should be noted that some of the data underlying the July MEI are still provisional and may be revised next month.

The MEI calculated for July 2023 shows the revival of economic fundamentals, as it recorded positive growth after Feb-2023. It lays the foundation of inclusive growth and is expected to be positive throughout the current fiscal to achieve the targeted growth of 3.5 percent.

Fig-8: Monthly Economic Indicator (MEI)



Source: EA Wing's Calculation

3.5 External

BoP data for the month of July-FY2024 shows that exports of goods and services continued to observe last year's trend and declined by 3.2 and 1.4 percent, respectively, on YoY and MoM basis. However, imports have changed their behavior after lifting the restriction, which increased by 29.8 percent on MoM basis in the month of July-FY2024. This has been translated in trade deficit of goods and services, widened from $1.18 billion in June 2023 to $ 2.4 billion in July 2023. Similarly, remittances decreased by 19.3 and 7.3 percent on YoY and MoM basis respectively. As a result, the current account turns to deficit of $ 809 million against surplus of $ 504 million in June 2023.

For the outlook, imports will gradually increase in next months, to increase in economic activities. However, exports are facing both global and domestic headwinds which may hinder growth in coming months. Taking other factors into account, current account will remain around the same level observed in July 2023.

3.6 Fiscal

The fiscal sector remained under significant pressure during FY2023 due to various factors. On the expenditure side, massive floods raised expenditure needs for urgent relief and rehabilitation activities. Additionally, an increase in the policy rate triggered higher markup payments, putting pressure on overall expenditures. On the revenue side, the import compression policy during FY2023 substantially reduced the revenues from import-related taxes. Furthermore, a considerable decline in LSM caused overall industrial activity to deteriorate. All these factors collectively took a significant toll on overall tax collection. Consequently, the fiscal deficit has been recorded at 7.7 percent of GDP considerably high from its level set in budget 2022-23.

Going forward, in FY2024, the budget strategy 2023-24 prioritized fiscal consolidation effort to meet the existing challenges on both revenue and expenditure sides. The objective is to achieve a primary surplus of 0.4 percent and reduce the fiscal deficit to 6.5 percent of GDP in FY2024. To achieve these targets the priorities are geared towards effective resource mobilization through various tax measures and expenditure control by adopting austerity measures.

While pursuing fiscal consolidation, the government is committed to safeguarding vulnerable segments of society by expanding social safety nets and ensuring targeted subsidies. These measures would be supportive in mitigating the effect of policy changes for lower-income individuals.

3.7 Final Remarks

In FY2023, external sector stabilized as current account deficit contained to $ 2.4

billion against $ 17.5 billion in FY2022. On the other hand, fiscal sector remained under tremendous pressure and fiscal deficit reached to 7.7 percent of GDP. Similarly industrial activity suppressed as LSM observed negative growth of 10.26 percent. Despite this, higher and inclusive growth target of 3.5 percent for FY2024 with some facilitation measures have commenced some dividends in July 2023 and FY2024 started with some encouraging signs and expectations - MEI observed positive growth after Feb-2023.

However, economy still confronting both global and domestic challenges. At global level, tight monetary policy stance will continue to address the problem of inflation.

ECONOMIC INDICATORS

External Sector		2022-23 July	2023-24 July	% Change
Remittances ($ Billion)		2.5	2.0	▼ 19.3%
Exports FOB ($ billion)		2.2	2.1	▼ 4.6%
Imports FOB ($ billion)		5.5	4.2	▼ 23.5%
Current Account Deficit ($ billion)		1.3	0.8	▼ 35.8%
FDI ($ million)		74.8	87.7	▲ 17.2%
Portfolio Investment ($ million)		-14.0	22.3	▲
Total Foreign Investment ($ million)		60.9	110.0	▲ 80.6%
Forex Reserves ($ Billion)	Total	13.364	13.133	-
	SBP	7.658	7.817	-
	Banks	5.706	5.316	-
		29-Aug-22	29-Aug-23	
Exchange Rate (PKR/US$)		221.92	303.06	-
		29-Aug-22	29-Aug-23	

Source: SBP

Fiscal Sector (Rs. Billion)	2021-22	2022-23	% Change
FBR Revenue (July FY23 vs July FY24)	458	538	▲ 17.5%
Non-Tax Revenue (Federal)	1185	1711	▲ 44.4%
PSDP (Excluding grants to Provinces)	400	652	▲ 63.0%
Fiscal Deficit	5260	6521	▲ 24.0%
Primary Deficit	2077	690	▼ 66.8%

Source: FBR & Budget Wing

Monetary Sector	2022-23	2023-24	% Change
Agriculture Credit (P) (July)	111.8	151.0	▲ 35.1%
Credit to Private Sector (Flows)	140.0	-178.6	▼
	1-Jul to 19-Aug	1-Jul to 18-Aug	
Growth in M2 (percent)	-3.2	-2.8	-
	1-Jul to 19-Aug	1-Jul to 18-Aug	
Policy Rate (percent)	15.00	22.00	-
	07-Jul-22	31-Jul-23	

Source: SBP

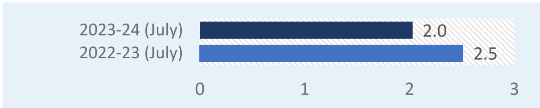
Inflation	2022-23	2023-24	% Change
CPI (National) %	24.9	28.3	-
	(July)	(July)	

Real Sector	2021-22	2022-23	% Change
Large Scale Manufacturing (LSM) %	11.6	-15.0	-
	(Jun)	(Jun)	
	11.7	-10.3	-
	(Jul-Jun)	(Jul-Jun)	
PSX Index *	43899	46770	▲ 6.5%
	03-Jul-23	29-Aug-23	
Market Capitalization (Rs trillion)	6.69	6.97	▲ 4.2%
	03-Jul-23	29-Aug-23	
Market Capitalization ($ billion)	23.39	23.01	▼ 1.6%
	03-Jul-23	29-Aug-23	
Incorporation of Companies (Jul FY23 vs Jul FY24)	1,780	2,188	▲ 22.9%

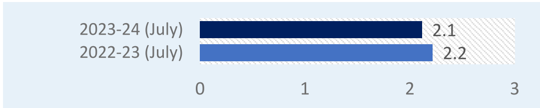
* : Formerly Karachi Stock Exchange (KSE)

Source: PBS, PSX & SECP

Remittances ($ bn) ▼ 19.3%

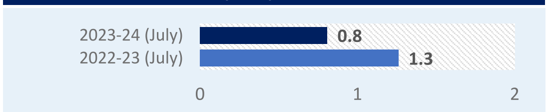


Exports FOB ($ bn) ▼ 4.6%

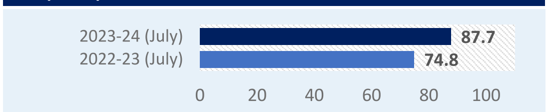


Imports FOB ($ bn) ▼ 23.5%

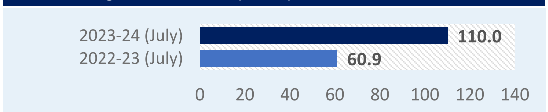
Current Account Deficit ($ bn) ▼ 35.8%



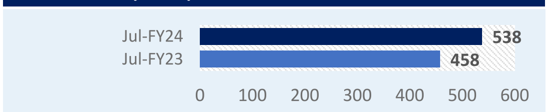
FDI ($ mn) ▲ 17.2%



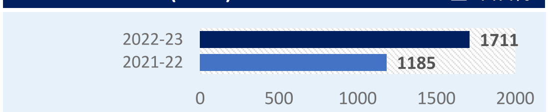
Total Foreign Investment ($ mn) ▲ 80.6%



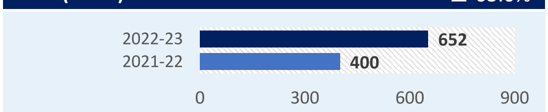
FBR Revenue (Rs.bn) ▲ 17.5%



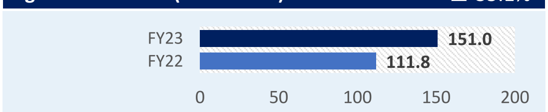
Non-Tax Revenue (Rs.bn) ▲ 44.4%



PSDP (Rs.bn) ▲ 63.0%

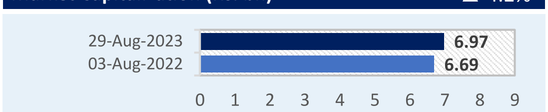


Agriculture Credit (Provisional) ▲ 35.1%



PSX Index ▲ 6.5%

Market Capitalization (Rs. bn) ▲ 4.2%



Market Capitalization ($ bn) ▼ 1.6%