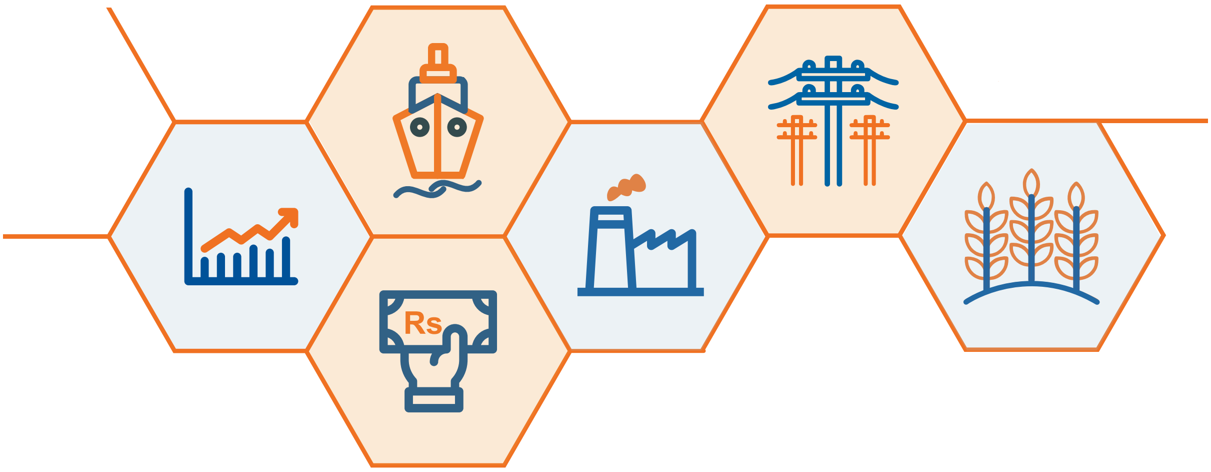


Monthly
ECONOMIC UPDATE & OUTLOOK
February 2023

Government of Pakistan
Finance Division
Economic Adviser's Wing

Contents

Executive Summary

- The global economy is expected to slow down to the level of 2.9 percent in the year 2023, mainly due to stabilization measures, and geopolitical frictions. Accordingly, global trade growth is also expected to decline to 2.4 percent despite an easing of supply bottlenecks. Further, the reopening of China's economy has the potential to stimulate a rapid global recovery.
- In Pakistan, estimates of ongoing Rabi season for wheat sowing in 2022-23 has achieved 96 percent, covering 21.94 million acres. Moreover, the increased disbursement of agriculture credit is expected to further boost wheat production, leading to a target of 28.4 million tonnes, indicating a promising outlook for farmers and the agricultural sector. However, the favorable weather conditions, the availability of high-quality seeds, and sufficient fertilizers would be critical in achieving targeted output.
- CPI inflation reached 27.6 percent on year-on-year basis in January 2023 whereas for Jul-Jan FY 2022-23, it is recorded at 25.4 percent.
- Total revenues grew by 18.8 percent to reach PKR 4,699 billion during the first half of FY2022-23 against PKR 3,956 billion in the same period of last year. The major contribution to this growth came from 26.4 percent increase in non-tax collection, while tax collection has also shown remarkable performance by posting a growth of 17 percent.
- Total expenditures for the first half of the current fiscal year increased by 19.8 percent to PKR 6,382 billion given the increase in mark-up payment which surged by 77 percent due to rise in debt servicing.
- During 1st July– 27th January, FY 2022-23, money supply (M2) observed growth of 0.4 percent compared to growth of 0.7 percent in last year. Monetary Policy Committee, on January 23, 2023, has increased the policy rate by 100 basis points to 17 percent on account of persistent inflationary pressures in the economy.
- The contraction in imports allowed the Current Account deficit to decline significantly to USD 3.8 billion for Jul-Jan FY2022-23 as against a deficit of USD 11.6 billion during same period last year.

International Economic Performance and Outlook

Global growth is projected to decelerate to 2.9 percent in 2023 before rising to 3.1 percent in 2024 (World Economic Outlook –January 2023). While the outlook for 2023 is 0.2 percentage points higher than the previous forecasts, it still falls below the historical average of 3.8 percent. This slower growth is being attributed to rising interest rates and the ongoing Russia-Ukraine conflict, which are weighing on economic activity. However, China's recent reopening enabled a faster-than-expected recovery and is expected to positively impact global growth in the coming years. Global inflation is anticipated to decline from 6.6 percent in 2023 to 4.3 percent in 2024, but it is still projected to remain above pre-pandemic levels.

Economic activity in China slowed in the fourth quarter of 2022 due to several COVID-19 outbreaks in densely populated localities, including Beijing. The outbreaks prompted renewed lockdowns that remained in place until

COVID-19 restrictions which relaxed in November and December, facilitating a full reopening. Despite, real estate investment in China continued to contract, and the restructuring of developers is taking place at a slow pace, mainly due to the lingering property market crisis. Furthermore, consumer and business sentiment remained subdued in late 2022. As a result, global trade growth has also decreased, leading to a drop in international commodity prices.

The Global Trade Update from UNCTAD projects that the slowdown in global trade which began in the second half of the year, will continue to worsen in 2023. This is mainly due to the persistence of geopolitical tensions and tight financial conditions. Several factors, such as geopolitical shocks, globalization, climate action, and technology, are also expected to have a significant impact on trade and investment in the coming year, 2024.

The FAO Food Prices Index (FFPI) averaged 131.2 points in January 2023, down 1.1 points from December, marking the tenth consecutive monthly declines. The decrease in the index in January was mainly due to sharp decline in international prices of vegetable oils, dairy and sugar, while those of cereals and meat remained mostly stable.

The Federal Reserve has increased interest rates by a quarter percentage point, with the federal funds rate for open market operations now in a target range of 4.5-4.75 percent. The rate hike was followed by unexpectedly strong job data for January, which suggested that the central bank may need to raise rates further to better balance strong demand. The Fed's Monetary Policy Committee believes that if there is continued

Reopening of China: An Opportunity for Pakistan and the World

China has finally lifted pandemic restrictions and resumed mobility. This will result in a pickup of economic activity and provide momentum to the international economy. Last year, China faced its most significant economic setback as the COVID-19 outbreak led to several lockdowns and a decline in economic growth. However, the recent reversal of policy and reopening ignited the optimistic expectations that the economy will return to its footings this spring. It is projected that the Chinese economy will grow by 5.2 percent this year, compared to 3 percent in the previous year.

Evidence suggests that if Chinese economy grows by 1 percentage point, the economic growth in other countries rise by around 0.3 percentage points. The factories in China produce a significant portion of the world's manufacturing output, surpassing the US, Germany, and Japan combined. This highlights that implementation of appropriate policies in China would not only boost the Chinese economy but would also be beneficial for other countries of the world.

International financial institutions predict that China will account for one-third of international growth during the current year. The largest beneficiaries from China's rebounding will possibly be the oil exporters and its Asian neighboring countries, according to Goldman Sachs. As China's yearly food imports reached approximately USD 266 billion and are expected to increase over the years, Pakistan can benefit from the significant and enhanced consumption patterns of the food sector within the Chinese economy. Pakistan is a home to the Chinese flagship initiative, i.e., CPEC. This initiative slowed down during previous government, and it is high time to revive the program to put Pakistan on the trajectory of sustainable development by connecting Pakistan to 150 markets worldwide through the BRI.

strength in labour market or higher inflation, it may be necessary to increase rates further over time.

The January 2023 "Survey of Consumer Expectations" from the Federal Reserve Bank of New York indicates little change in inflation expectations for the short, medium, and long term. Similarly, expectations for labour and household finances have remained mostly stable, with the exception of a significant drop in household income growth expectations in January but remain above their pre-pandemic levels.

US Services Business Activity in January 2023 registered a value of 54.7 percent, indicating a positive development in the service sector business activities. The index value above 50 percent signifies an expansion in the service sector. To bring inflation back down to the central bank's target rate, the Federal Reserve is increasing interest rates. This has resulted in the US central bank's rate-hiking cycle being the fastest since the 1980s.

However, the US manufacturing sector experienced a contraction for the third straight month in January 2023, with an index value of 47.4 percent, which was lower than December 2022's 48.4 percent. This contraction was led by a decline in the new orders and production index, indicating a further lowering demand. It is anticipated that manufacturing activity will experience more difficulty over the next few months due to tight monetary policy and previous tightening in financial conditions (Figure 1).

The J. P. Morgan Global Composite Output Index showed the signs of improvement in January 2023 with an increase to 49.8 from 48.2 in December 2022. The manufacturing sector, which had been experiencing a decline, showed some improvement, while the service sector marked higher growth following a period of contraction lasting three months. Asia was the region with the most growth, as both China and Japan returned to expansion after recent declines, and India continued to experience robust growth. However, the manufacturing PMI dropped to 47.4 in January 2023 from 48.4 in December 2022, contracting for a second straight month after a period of expansion lasting 30 months.

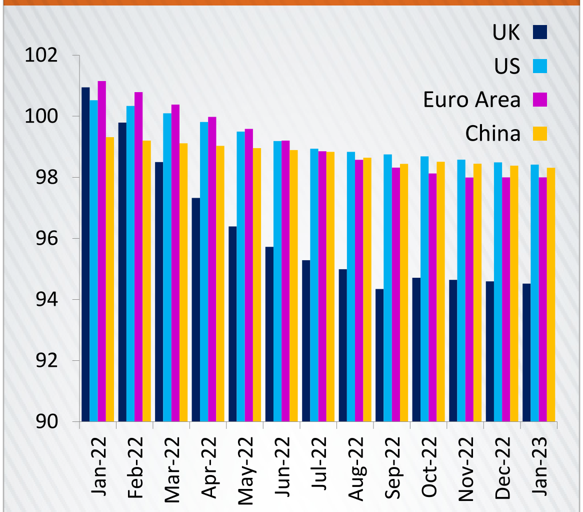
Fig-1: Growth in WEI

Source: Federal Reserve Bank of New-York

In January 2023, CLIs showed slow growth in the OECD and other major economies, primarily due to factors such as high inflation, rising interest rates, and declining share prices.

The CLIs also indicate that growth is likely to lose momentum in the US, the UK, and Canada, as well as in the Euro

Fig-2: Composite Leading Indicator



Source: OECD

area, including Germany, France, and Italy. However, there is some stabilization in the CLI for China's industrial sector, driven by the production of motor vehicles and rising share prices.

Global commodity prices showed a mixed performance in January 2023. Energy prices experienced a decline of 8.9 percent, with natural gas in Europe leading the way with a drop of 44 percent and coal declining by 16.1 percent. Non-energy prices, on the other hand, gained 1.7 percent, with food prices increasing by 0.4 percent and fertilizer prices declined by 6.2 percent. Further, metal prices experienced an overall gain of 6.0 percent, with tin seeing the largest increase at 16.5 percent, followed by iron ore at 9.3 percent and copper at 7.9 percent. Precious metals also gained in value, increasing by 4.9 percent.

Monthly Performance of Pakistan's Economy

2.1 Real Sector

2.1-a Agriculture

The recent estimates show that wheat sowing for the current Rabi season 2022-23 has achieved 96 percent of the target, covering an area of 21.94 million acres out of the planned 22.85 million acres. However, the productivity or yield can be attributed to the timely availability of quality seeds and fertilizers, as well as a rise in agriculture credit disbursement. These developments bode well for meeting the wheat production target of 28.4 million tonnes. Furthermore, the Kissan Package 2022 is expected to have a positive impact on the agriculture sector's productivity.

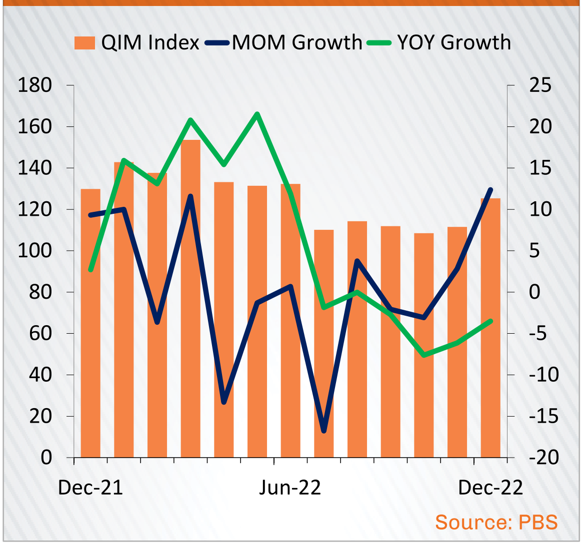
During Jul-Jan FY2023, the agriculture credit disbursement increased by 28.3 percent to PKR949.9 billion from PKR740.3 billion during same period last year. During Rabi 2022-23 (December 2022), urea and DAP off-take stood at 833 thousand tonnes (39.2 percent higher than December 2021) and 158 thousand tonnes (35.2 percent higher than December 2021).

2.1-b Manufacturing

Amid unfavorable circumstances such as economic shocks, the government is taking various measures to correct fiscal and current account imbalances and controlling inflation. Further, the global economic outlook also implies the contraction of 3.7 percent in LSM during the first half of FY2023 (Jul-Dec).

On a YoY basis, LSM declined by 3.5 percent in December 2022, but grew by 12.4 percent over the previous month. Four sectors, including Wearing Apparel, Leather Products, Furniture, and others (Football etc.), witnessed a positive growth during the period.

Fig-3: Performance of LSM



The automobile industry experienced a significant decline in production and sales during Jul-Jan FY2023 due to import compression strategies and tight auto financing. Car production and sales decreased by 38.6 percent and 43.1 percent, respectively, while Trucks and Buses production and sales decreased by 29.1 percent and 37.1 percent, respectively. The total cement dispatches also declined by 18 percent, to 25.8 million tons during Jul-Jan FY2023, as compared to 31.4 million tons during the same period last year. However, there was a marginal growth of 1.15 percent in cement dispatches during January 2023, with 4.0 million tons dispatched as compared to 3.96 million tons in Jan 2022.

2.2 Inflation

In January 2023, CPI stands at 27.6 percent on a year-on-year basis, which is higher than 24.5 percent in the previous month and 13.0 percent in January 2022. On average, the CPI inflation was recorded at 25.4 percent during Jul-Jan FY2023, which is higher than the 10.3 percent recorded in the same period last year.

Major drivers contributing to the year-on-year increase in CPI include perishable food items (61.6 percent), transport (39.1 percent), alcoholic beverages and tobacco (36.3 percent), non-perishable food items (40.3 percent), restaurants and hotels (30.1 percent), furnishing and household equipment maintenance (29.9 percent), housing, water, electricity, gas and fuel (7.8 percent), and education (10.9 percent).

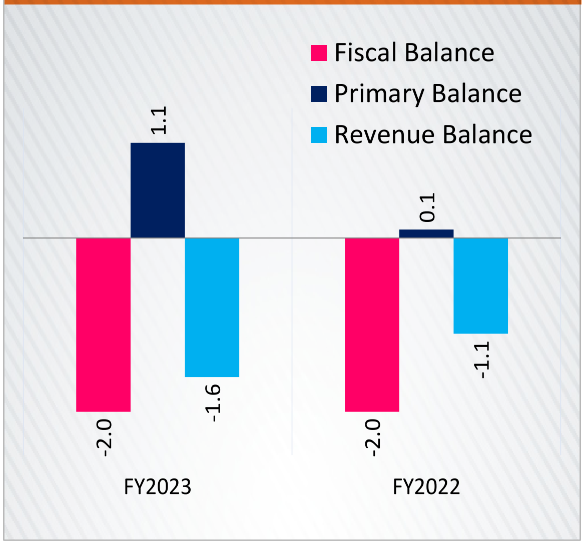
The Sensitive Price Indicator (SPI) for the week ending on February 23, 2023, increased by 2.78 percent compared to the previous week. Prices of six items declined, twelve items remained stable, and thirty-three items increased.

2.3 Fiscal Performance

During the first half of FY2022-23, total revenues grew by 18.8 percent to reach PKR 4,699 billion against PKR 3,956 billion in the same period of last year. The major contribution to this growth came from 26.4 percent increase in non-tax collection, while tax collection has also shown remarkable performance by posting a growth of 17 percent during the first half of current fiscal year.

Total expenditures grew by 19.8 percent to PKR6,382 billion in Jul-Dec FY2023

Fig-4: Fiscal Indicators % of GDP



against PKR5,328 billion in the same period last year. Current expenditures increased by 30 percent to PKR6,061 billion in Jul-Dec FY2023 against PKR 4,676 billion in comparable period of the last year. The bulk of this rise is stemmed from a sharp rise in mark-up payments which grew by 77 percent driven by higher servicing on domestic and foreign debt due to a higher level of interest rates. While PSDP (Federal and Provincial) grew by 4.5 percent during the first half of the current fiscal year.

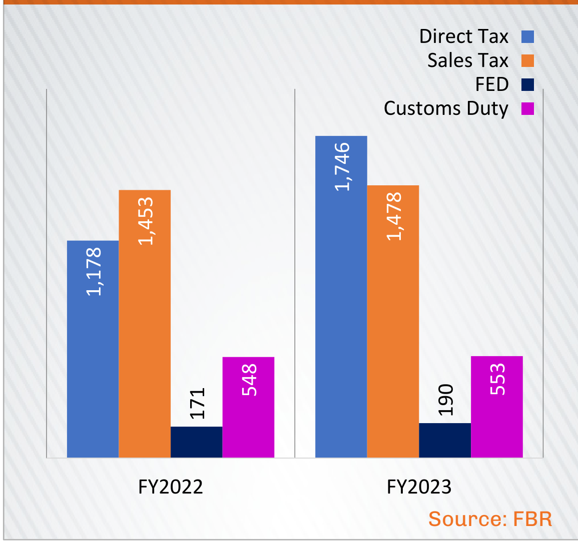
Thus, the fiscal deficit during Jul-Dec FY2023 has been contained at 2.0 percent of GDP as it was in the same period last year. While the primary balance posted a surplus of PKR 890 billion (1.1 percent of GDP) against the surplus of PKR 81 billion (0.1 percent of GDP) last year.

FBR Tax Collection

FBR tax collection exceeded the target by PKR 4.1 billion in January 2023. The provisional net tax collection increased by 24.8 percent in January 2023 to PKR 537.6 billion, up from PKR 430.9 billion in the same month of the previous year.

During Jul-Jan FY2023, net tax collection grew by 18.4 percent to PKR3,966.4 billion against PKR3,350.8 billion in the same period last year. Domestic tax collection grew by 21.8 percent, while customs duty increased by 0.9 percent.

Fig-5: FBR Tax Collection (Rs. bn) (Jul-Jan)



Within domestic taxes, collection from direct tax witnessed a remarkable performance as it increased by 48.1 percent, while sales tax grew by 1.7 percent and FED by 10.8 percent.

2.4 Monetary Sector

The Monetary Policy Committee (MPC), on January 23, 2023, increased the policy rate by 100 basis points to 17 percent. From July 1 to January 27 of FY2023, the money supply (M2) has only observed a growth of 0.4% (PKR 121.5 billion), which is lower than the growth of 0.7% (PKR 175.1 billion) observed in the same period last year. The Net Foreign Assets (NFA) component of M2 decreased by PKR 2,014.4 billion, compared to a decrease of PKR 545.5 billion in the previous year. On the other hand, the Net Domestic Assets (NDA) of the banking sector increased by PKR 2,135.9 billion, compared to an increase of PKR 720.6 billion last year.

2.5 External Sector

The balance of payments for Jul-Jan FY2023 shows a significant improvement compared to the same period last year, with the current account deficit reducing from USD11.6 billion to USD3.8 billion. This was largely due to a contraction in imports, which decreased by 20.9 percent to USD33.4 billion. Exports also declined by 7.4 percent to USD16.4 billion during the same period. The trade deficit for Jul-Jan FY2023 was USD17.0 billion, a reduction from USD24.6 billion last year, as reflected by an improvement in the trade balance.

In January 2023, the current account deficit further decreased to USD242 million, compared to USD2,467 million in the same period last year, due to an improvement in the trade balance. The PBS report indicated that several export commodities performed well during the review period, including foot balls, footwear, pharmaceutical products, surgical goods and medical instruments, meat and meat preparation, readymade garments, and knitwear. These commodities showed significant increases in value and quantity, ranging from 8.2 percent to 77 percent.

In terms of imports, the main commodities were petroleum products, petroleum crude, liquefied natural gas, palm oil, plastic materials, iron and steel, electrical machinery, and medicinal products. Petroleum products were the largest imported commodity.

2.5.1 Foreign Investment

Foreign Direct Investment (FDI) reached USD 683.5 million during Jul-Jan FY2023 (USD 1,224.7million last year) decreasing by 44.2 percent. FDI received from China stands at USD 200.2 million (29.3 percent), Japan USD 133.9 million (19.6 percent), Switzerland USD 106.5 million (15.6 percent), U.A.E. USD 83.2 million (12.2 percent), and Netherland USD 45.0 (6.6 percent of total FDI). The power sector attracted the highest FDI of USD 315.2 million (46.1 percent of total FDI), Financial Business USD 224.7 million (32.9 percent), and Oil and Gas Explorations USD 98.4 million (14.4 percent). Foreign Public Portfolio Investment recorded a net outflow of USD 1,010.9 million compared an inflow of USD 958.3 million during same period last year. Total foreign investment during Jul-Jan FY2023 recorded an outflow of USD 341.4 million as against an inflow of USD 1,875.4 million last year.

2.5.2 Worker's Remittances

During Jul-Jan FY2023, workers' remittances recorded at USD 16.0 bn (USD18.0 billion last year), decreased by 11.0 percent. MoM, remittances decreased by 9.9 percent in January 2023 (USD 1.9 billion) as compared to December 2022 (USD 2.1 billion). Share of remittances (Jul-Jan FY2023) from Saudi Arabia remained 24.3 percent (USD 3,892.1 million), U.A.E 17.9 percent (USD 2,873.7 million), U.K 14.5 percent (USD 2,314.2 million), USA 10.9 percent (USD 1,753.2 million), other GCC countries 11.7 percent (USD 1,877.9 million), EU 11.2 percent (USD 1,790.6 million), Malaysia 0.4 percent (USD 68.3 million), and other countries 9.1 percent (USD 1,436.7million).

2.5.3 Foreign Exchange Reserves

As of February 24, 2023, Pakistan's total liquid foreign exchange reserves are USD 9.3 billion including USD 3.8 billion SBP's reserves.

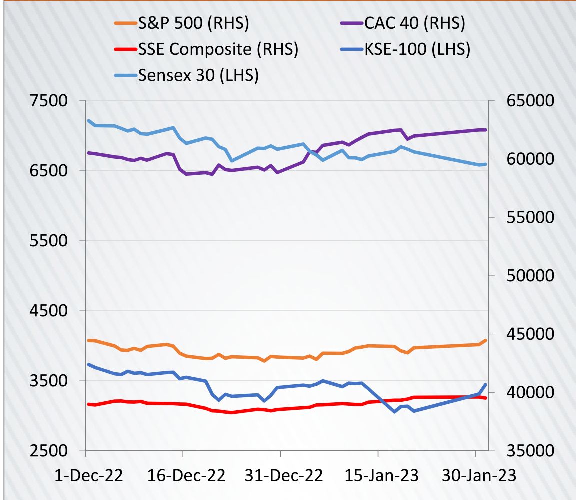
2.6 Performance of KSE Index

The KSE-100 index closed at 40,673 points as on January 31, 2023, while market capitalization settled at PKR 6,394 billion. The performance of major world indices is depicted in Figure 6.

2.7 Social Sector

- BISP has set up a special control room for the redressal of public complaints regarding disbursement of 'Benazir Kafaalat' payments to ensure transparency in distribution of the first quarterly installment of PKR 7,000 among the beneficiaries for the year 2023.
- Bureau of Emigration and Overseas Employment and Overseas Employment Corporation both have registered 59,977 emigrants during January 2023 for overseas employment in different countries.
- PPAF through its 24 Partner Organizations has disbursed 39,547interest free loans amounting to PKR 1.62 billion during the month of January 2023. Since inception of interest free loan component, a total of 2,224,976 interest free loans amounting to PKR 81.94 billion have been disbursed.
- On February 16, 2023, National Institute of Health (NIH) conducted 4,890 COVID-19 tests out of which 31 were positive. During last 24 hours one death occurred due to the virus and the total positivity rate was recorded at 0.63 percent.

Fig-6: Major World Indices



Source: Investing.com, PSX

Pakistan Economic Outlook

3.1 Inflation

Inflation is anticipated to remain high in the coming months before easing out gradually. It is expected that inflation will remain around 28 to 30 percent in coming months. The key reasons are uncertain political and economic environment, pass through of currency depreciation, recent rise in energy prices and increase in administered prices. Although, SBP has been enacting contractionary monetary policy, but the inflationary expectation would take some time to settle. The federal government, in liaison with provincial governments, is closely monitoring the demand supply gap of essential items and taking necessary measures to stabilize their prices.

It is hoped that resumption of economic stabilization program will help achieve economic stability leading to exchange rate stabilization and provide an opportunity to reap the benefit of falling international commodity prices. This will also help contain cost push inflation and provide a cushion to the government to pass through the lower commodity prices to domestic consumers.

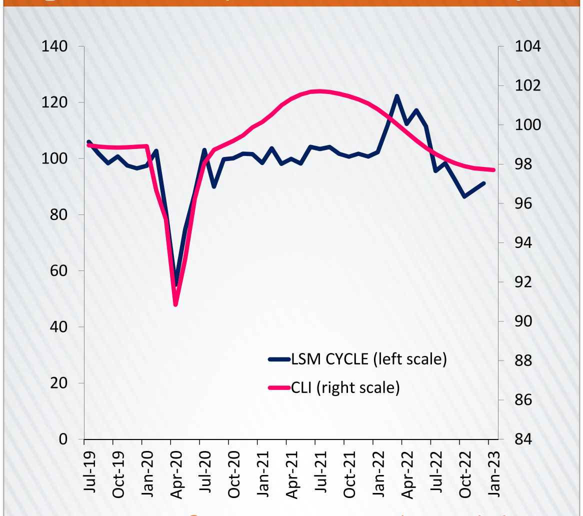
3.2 Agriculture

As of now, the favorable weather conditions and the uptake of inputs by the farmers are expected to play their positive role in meeting the wheat target of 28.4 million Tonnes. Further, the disbursements made under the Kissan package will have positive impact on the agriculture productivity and overall economic activity.

3.3 Industrial Activities

LSM's cyclical pattern is positively correlated with the cyclical position of Pakistan's main trading partners. In December 2022, LSM activity came in as expected, implying that no unexpected shocks in that month appeared. However, the international economic environment remains uncertain. This is illustrated by the CLI in Pakistan's main

Fig-7: Relationship between CLI and LSM cycle



Source: PBS, OECD and EAW Calculations

export areas, which are some how negative as compared to historical standards. The correlation coefficient between the weighted average CLI in these export areas and the cyclical position of domestic LSM is close to 0.5. It is therefore no surprise that LSM output remains significantly below its stochastic trend, although recently some improvement can be observed.

For January, LSM is expected to grow as compared to the previous month, partly due to seasonal factors. Measured on YoY basis, LSM output may marginally decline, mainly due to the high base effect in the reference period.

3.4 Overall economic activity

The Monthly Economic Indicator (MEI) is based on combining monthly data of indicators that are proven to be correlated with GDP at constant prices. Figure 8 presents the MEI on monthly basis since January 2019.

Fig-8: Monthly Economic Indicator (MEI)

Source: EA Wing's Calculation (January 2023: Provisional)

The average MEI during the first 7 months of the current fiscal year is positive, but it remained slightly in negative range in the last 4 months. Since October 2022, the MEI witnessed negative growth however there seems some improvement in the value in the following months till January.

3.5 External

According to Balance of Payment (BOP)

data, exports of goods decreased by 11.7 percent on YoY basis in the month of January 2023 and exports of services increased by 17.3 percent which can be justified due to economic slowdown in traditional export destinations of Pakistan. Usually, the month of January observe negative seasonal effect that led to decline in total exports by 4.3 percent on MoM basis.

Similarly, import contraction trend has continued. In January 2023, the import of goods is decreased by 36.7 percent on YoY basis and 7.4 percent on MoM basis. Further, import of services declined by 47.4 percent on YoY basis. Accordingly, imports of goods and services decreased by 38.4 percent. Shrinking gap between exports and imports enable to improve trade deficit in the current fiscal year by 60.5 percent. Significant improvement in trade balance has transmitted in the current account deficit which stood at USD 242 million as compared USD290 million in December. Remittance inflows also observed negative seasonal effect in the month of January which declined to USD 1,894 million as compared USD 2,102 million in December 2022. In the current baseline scenario, an improvement and recovery has been expected in remittances due to improved situation after narrowing down differences between the inter-bank and open markets subsequent allowing adjustments of the exchange rate. As a result, further improvement in current account is foreseen.

3.6 Fiscal

Despite considerable challenges both at domestic and external fronts, the fiscal sector performance remained satisfactory. The government has been able to restrict the fiscal deficit in terms of GDP at the same level as last year while primary balance remained in surplus. The improvement is largely attributed to government's prudent expenditure management strategy, which resulted in a 3.9 percent decline in federal non-mark-up expenditures on the back of decline in subsidies and grant. The current policy stance has enabled the government to increase expenditures on vulnerable segments of society through BISP and poverty alleviation fund.

On the revenue side, despite slowdown in economic activity, tax and non-tax collection have improved. Particularly, FBR tax collection have maintained its growth trajectory above 18 percent during first seven months of current fiscal year. Encouragingly, domestic tax collection, in particular direct taxes are growing at rapid pace indicating effective implementation of administrative and enforcement measures.

Although risks to domestic resource mobilization efforts persist due to economic activity and growth slowdown. However, continuing efforts to boost tax collection would aid in meeting the full-year target. Similarly, recently enacted PKR 170 billion additional taxes may support further improving the tax collection.

3.7 Final Remarks

The stabilization policy of the government has been successful in improving current account deficit by 67 percent reduction during first seven months of the current fiscal year whereas the non-markup current expenditures are also significantly reduced to contain fiscal deficit.

During the first half of the current fiscal year, interest payments on the Government's debt significantly contribute to the total expenditures, which can limit the Government's fiscal space to carry out its normal operations, investments, and social and structural policies if the trend continues.

A couple of weeks ago, the market has corrected to minimize the difference between inter-bank and open market exchange rates whereas more recently, it is corrected by 5 percent appreciation of the Pakistani Rupee given its economic fundamentals.

ECONOMIC INDICATORS

28 February, 2023

External Sector		2021-22 Jul-Jan	2022-23 Jul-Jan	% Change
Remittances ($ Billion)		18.0	16.0	▼ 11.0%
Exports FOB ($ billion)		17.7	16.4	▼ 7.4%
Imports FOB ($ billion)		42.3	33.5	▼ 20.9%
Current Account Deficit ($ billion)		11.6	3.8	▼ 67.1%
FDI ($ million)		1,224.7	683.5	▼ 44.2%
Portfolion Investment ($ million)		650.7	-1,024.9	▼
Total Foreign Investment ($ million)		1,875.4	-341.4	▼
Forex Reserves ($ Billion)	Total	23.004	9.269	-
	SBP	16.574	3.815	-
	Banks	6.430	5.454	-
		24-Feb-22	24-Feb-23	
Exchange Rate (PKR/US$)		176.39	259.99	-
		24-Feb-22	24-Feb-23	

Source: SBP

Fiscal Sector (Rs. Billion)	2021-22 Jul-Dec	2022-23 Jul-Dec	% Change
FBR Revenue (Jul-Jan)	3351	3966	▲ 18.4%
Non-Tax Revenue	765	967	▲ 26.4%
PSDP (Including grants to Provinces)	288	162	▼ 43.8%
Fiscal Deficit	1372	1683	▲
Primary Balance	81	890	▲

Source: FBR & Budget Wing

Monetary Sector	2021-22	2022-23	Change
Agriculture Credit (Provisional) Jul-Jan	740.3	949.9	▲ 28.3%
Credit to Private Sector (Flows)	806.8	435.0	▼ 46.1%
	1-Jul to 28-Jan	1-Jul to 27-Jan	
Growth in M2 (percent)	0.7	0.4	-
	1-Jul to 28-Jan	1-Jul to 27-Jan	
Policy Rate (percent)	9.75	17.00	-
	24-Jan-22	23-Jan-23	

Source: SBP

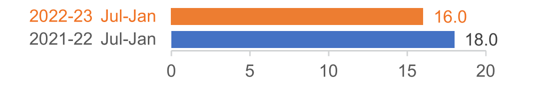
Inflation	2021-22	2022-23	% Change
CPI (National) %	13.0	27.6	-
	(Jan)	(Jan)	
	10.3	25.4	-
	(Jul-Jan)	(Jul-Jan)	

Real Sector			% Change
Large Scale Manufacturing (LSM) %	5.4	-3.5	-
	(Dec)	(Dec)	
	7.7	-3.7	-
	(Jul-Dec)	(Jul-Dec)	
PSX Index *	41630	40708	▼ 2.2%
	01-Jul-22	24-Feb-23	
Market Capitalization (Rs trillion)	6.96	6.32	▼ 9.2%
	01-Jul-22	24-Feb-23	
Market Capitalization ($ billion)	33.99	24.31	▼ 28.5%
	01-Jul-22	24-Feb-23	
Incorporation of Companies (Jul-Jan)	15,232	16,105	▲ 5.7%

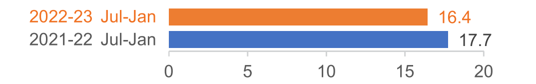
* : Formerly Karachi Stock Exchange (KSE)

Source: PBS, PSX & SECP

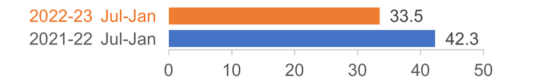
Remittances ($ bn) ▼ 11.0%



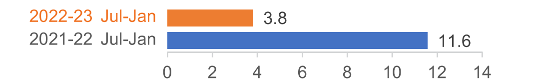
Exports FOB ($ bn) ▼ 7.4%



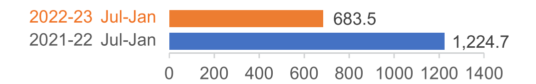
Imports FOB ($ bn) ▼ 20.9%



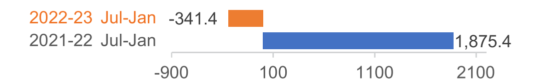
Current Account Deficit ($ bn) ▼ 67.1%



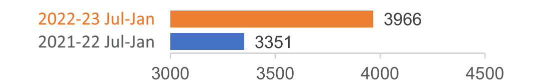
FDI ($ mn) ▼ 44.2%



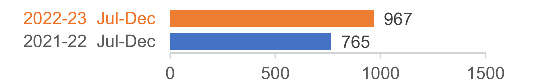
Total Foreign Investment ($ mn) ▼



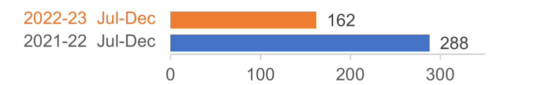
FBR Revenue (Rs.bn) ▲ 18.4%



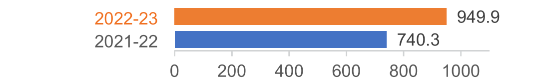
Non-Tax Revenue (Rs.bn) ▲ 26.4%



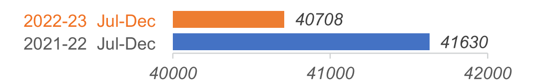
PSDP (Rs.bn) ▼ 43.8%



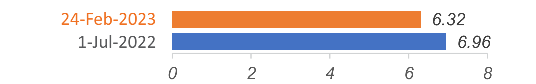
Agriculture Credit (Provisional) Jul-Jan ▲ 28.3%



PSX Index ▼ 2.2%



Market Capitalization (Rs. bn) ▼ 9.2%



Market Capitalization ($ bn) ▼ 28.5%