Growth and Investment

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A measure of macroeconomic stability achieved over the past two years has kindled a moderate recovery in the economy, despite one of the most serious economic crises in the country's recent history. The economy grew by a provisional 4.1% in the outgoing year, after a modest growth of 1.2% in 2008-09. However, the recovery in the economy is less than secure.

First, the durability of the incipient economic turnaround is far from assured given the significant challenges the economy faces. Second, not all sectors of the economy or regions of the country appear to have participated so far in the modest upturn. Finally, from the perspective of strong job creation, overall growth is still not robust enough. In fact, latest official estimates suggest a moderate increase in unemployment.

The macroeconomic context remains difficult in the near term. However, the successful resolution of some of the critical challenges the economy has faced in 2009-10, such as the energy and water shortage, and a disturbed internal security situation, could lay the basis for higher growth in 2010-11. In addition, the economy could benefit from large initial productivity gains as capacity utilization begins to increase from a low base. For the longer term, however, without a resolution of Pakistan's perennial structural challenges, such as raising the level of domestic resource mobilization or promoting higher productivity in the economy, growth and investment will continue to be constrained, and the growth path unstable.

1.1 Global developments

The outgoing year witnessed the making of a global recovery. Leading indicators, and upgraded projections from the IMF, have so far pointed to a sharp rebound in the world economy. The latest projections from the IMF are for world output to increase by 4.2 percent in 2010, against an estimated contraction of 0.6 percent in 2009. However, as noted in the World Economic Outlook for April, the recovery is "uneven" in terms of regions and countries, and is "fragile".

After the steepest fall since World War II, global trade is expected to pick up moderately in the current year. Early signs of recovery in both global output and trade have signalled improved prospects for Pakistan's exports. The eruption of the Greek debt crisis since April, and fears of wider contagion especially in the Euro-zone, however, threatens to disrupt the recovery process.

1.2 Pakistan

Despite severe challenges, the economy has shown resilience in the outgoing year. Growth in Gross Domestic Product (GDP) for 2009-10, on an inflation-adjusted basis, has been recorded at a provisional 4.1%. This compares with GDP growth of 1.2% (revised) in the previous year.

For the outgoing year, the *Agriculture* sector grew an estimated 2%, against a target of 3.8%, and previous year's growth rate of 4%. While the *Crops* sub-sector declined 0.4% over the previous year, *Livestock* posted a healthy rise of 4.1%. The performance of the Agriculture sector was boosted by the weakening of the *El Nino* phenomenon, after late winter rains.

Industrial output expanded by 4.9%, with *Large Scale Manufacturing (LSM)* posting a 4.4% rate of growth. The *Services* sector grew 4.6%, as compared to 1.6% in 2008-09. Overall, the *Commodity Producing Sectors* are estimated to have expanded at a 3.6% pace, which represents a significant turnaround from the anaemic growth rates of the previous two fiscal years.

Table 1.1: Growth Performance of Components of Gross National Product

(Percent Growth at Constant Factor Cost)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
COMMODITY PRODUCING SECTOR	9.5	5.1	6.6	1.3	0.8	3.6
1. Agriculture	6.5	6.3	4.1	1.0	4.0	2.0
- Major Crops	17.7	-3.9	7.7	-6.4	7.3	-0.2
- Minor Crops	1.5	0.4	-1.0	10.9	-1.6	-1.2
- Livestock	2.3	15.8	2.8	4.2	3.5	4.1
- Fishery	0.6	20.8	15.4	9.2	2.3	1.4
- Forestry	-32.4	-1.1	-5.1	-13.0	-3.0	2.2
2. Mining & Quarrying	10.0	4.6	3.1	4.4	-0.2	-1.7
3. Manufacturing	15.5	8.7	8.3	4.8	-3.7	5.2
- Large Scale	19.9	8.3	8.7	4.0	-8.2	4.4
- Small Scale*	7.5	8.7	8.1	7.5	7.5	7.5
4. Construction	18.6	10.2	24.3	-5.5	-11.2	15.3
5. Electricity and Gas Distribution	-5.7	-26.6	4.7	-23.6	30.8	0.4
SERVICES SECTOR	8.5	6.5	7.0	6.0	1.6	4.6
6. Transport, Storage & Communication	3.4	4.0	4.7	3.8	2.7	4.5
7. Wholesale & Retail Trade	12.0	-2.4	5.8	5.3	-1.4	5.1
8. Finance & Insurance	30.8	42.9	14.9	11.1	-7.0	-3.6
9. Ownership of Dwellings	3.5	3.5	3.5	3.5	3.5	3.5
10 .Public Admn. & Defence	0.6	10.1	7.1	1.2	3.6	7.5
11. Services	6.6	9.9	7.9	9.8	8.9	6.6
12. GDP (fc)	9.0	5.8	6.8	3.7	1.2	4.1
13. GNP (fc)	8.7	5.6	6.7	3.7	1.7	5.5

** Slaughtering is included under small scale sector* *Source: Federal Bureau of Statistics*

1.2-a Contribution analysis

For 2009-10, sectoral contribution to growth was as follows: Services contributed 59% to overall growth in the economy for the year, followed by Industry (30%), and Agriculture (11%). In terms of individual sectors, *Manufacturing* accounted for 23% of the outgoing year's overall growth, followed by *Wholesale & Retail Trade* (21%), and *Social & Community Services* (19%).

Table 1.2 compares the structure of contribution to overall GDP growth for 2009-10, with the previous five years. Growth in Agriculture contributed 11% to headline GDP growth for the year, with Industry accounting for 30%. What stands out from the Table is the consistently high contribution to recent growth, averaging 62% for the past six years, accounted for by the *Services* sector. In 2009-10, the share of services in headline growth was roughly in line with its average, at 59%.

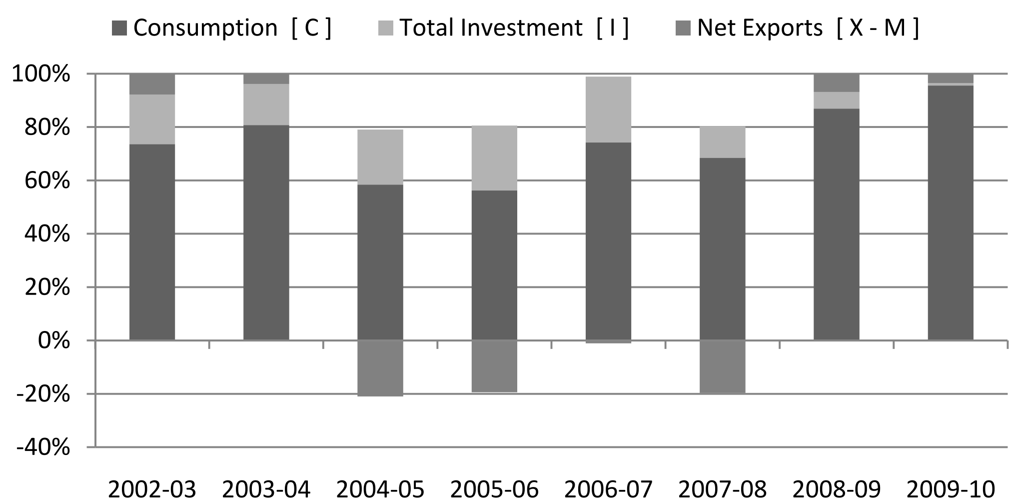
Table 1.2: GDP growth: Sectoral contribution							(Percent)
Sector	**2004-05**	**2005-06**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**Avg FY05-FY10**
Agriculture	17%	24%	13%	6%	71%	11%	24%
Industry	34%	19%	34%	10%	-41%	30%	14%
Manufacturing	30%	28%	24%	24%	-58%	23%	12%
Services	49%	57%	53%	85%	70%	59%	62%
Real GDP (fc)	100%	100%	100%	100%	100%	100%	100%

Source: Federal Bureau of Statistics

Another important point to note is the consistently declining contribution of Manufacturing to the headline growth rate. From 30% in 2004-05, the manufacturing sector's share in growth has declined to 23% for the outgoing year.

In terms of contribution by *expenditure* (i.e. the composition of GDP growth), consumption expenditure continued to account for a dominant share in growth, accounting for 96% of GDP growth in 2009-10. The large weight of private consumption expenditure in GDP was reflected in its share of 81% in the growth for the outgoing year, with general government consumption expenditure accounting for the balance 15%.

Fig-1: Composition of GDP Growth

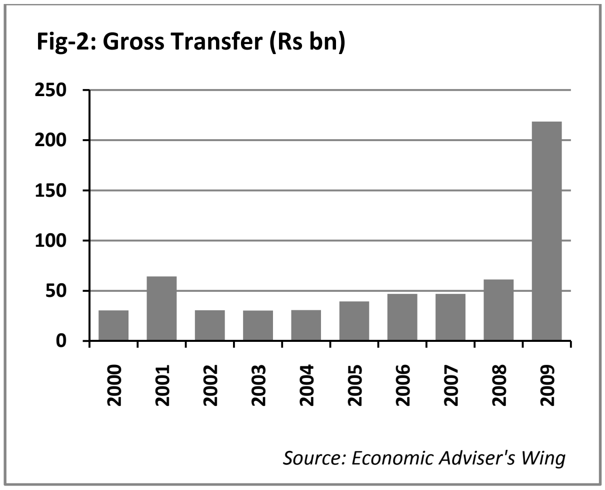


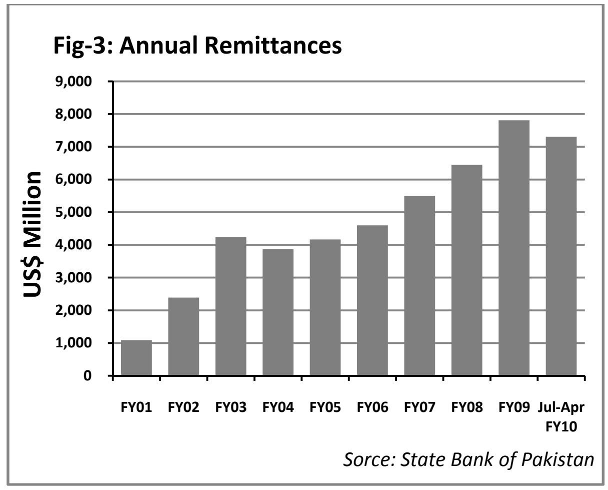
Source: Federal Bureau of Statistics

Reflecting the marginal decline in gross fixed investment for the year of -0.6%, the share of *total investment* was a nominal 1% in GDP growth. Adjusting for the assumed contribution of *Changes in stocks* category, the contribution of gross fixed capital formation (GFCF) was -1%. Finally, reflecting the sharp reduction in the external current account deficit, which is projected to decline to less than 2.8 percent of GDP for 2009-10 from 5.7 percent the previous year, share of *Net Exports* was 4%.

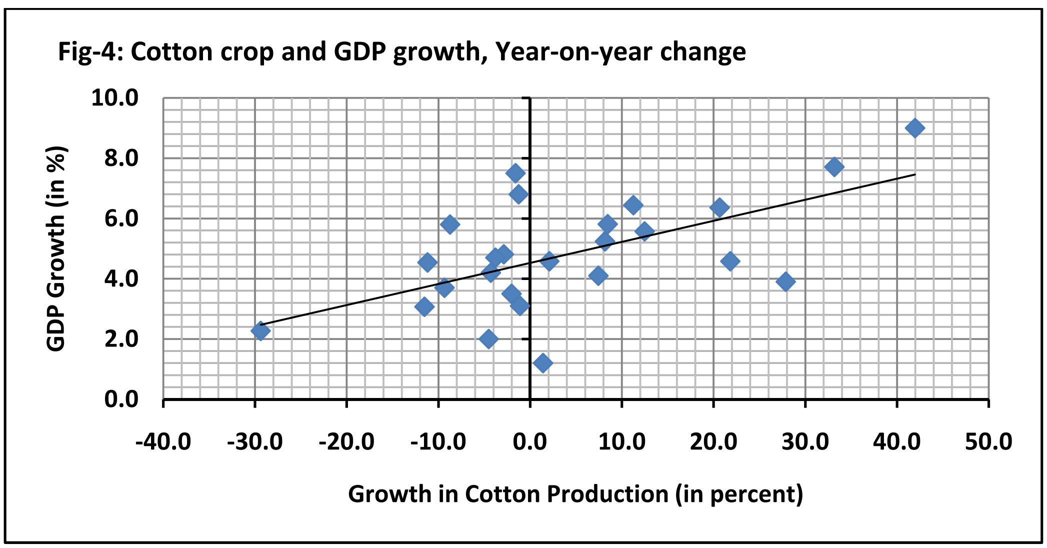
The stronger pace of economic growth in 2009-10 has occurred on the back of several favourable developments, which have included:

- Substantial transfers to the rural sector over the past two years via the government's crop support price policies, which, combined with higher worker remittances, have sustained aggregate demand in the economy;





- A larger-than-expected cotton output, which offset the moderately negative impact on the wheat crop caused by a delay in seasonal rains. The cotton crop continues to exert a disproportionate impact on overall growth in the economy (Fig-4).



- An ongoing improvement in external demand for Pakistan's exports, mainly textiles;

The revision of prior year's growth rate, based on firmer data for the full twelve months of 2008-09, as opposed to nine month data which is used at the time of preparing the provisional estimate, resulted in an adjustment in the real GDP growth from a provisional estimate of 2% to a revised 1.2%. The impact on the growth rate for 2009-10 is estimated at over one percentage point.

1.2-b Investment

At current market prices, Gross Fixed Capital Formation (GFCF) has been estimated to have declined -0.6%, after recording a 5.5% increase in 2008-09. A decline in fixed investment by the private sector has accounted for the overall change, with an estimated contraction of 3.5% for the year. The bulk of the decline has occurred in *Electricity & Gas*, *Large Scale Manufacturing*, *Transport & Communication*, and *Finance & Insurance*. *General Government* GFCF is estimated to have risen 9.8%.

Table 1.3: Gross Fixed Capital Formation In Private, Public & General Government Sectors By Economic Activity (At Current Market Prices)

Sr #	Sectors	% Change	
		2008-09 R	2009-10 P
		2007-08 F	2008-09 R
	Total GFCF (A+B+C)	**5.5**	**-0.6**
A.	**Private Sector**	5.3	-3.5
	Manufacturing	2.3	-4.9
	i. Large Scale	-7.4	-12.4
	Electricity & Gas	-4.3	-18.8
	Transport & Communication	-3.9	-14.2
B.	**Public Sector**	3.9	2.6
C.	**General Government**	7.7	9.8

F : Final, R : Revised, P : Provisional *Source: Federal Bureau of Statistics*

Clearly, this development is not salutary for the long run prospects of the economy. However, given the challenging circumstances in which the economy had to operate during 2009-10, it is not surprising that the private investment response has remained subdued.

A substantial decline in FDI inflow for the period also contributed to the decline in fixed investment in 2009-10. FDI accounts for a high share of gross fixed investment in Pakistan, with a share of close to 20 percent.

1.2-c Foreign Direct Investment

In line with a sharp decline in global flows of Foreign Direct Investment (FDI), which fell 32 percent in 2009 according to estimates of the International Institute of Finance (IIF), direct investment from this source saw a steep reduction in Pakistan. For the period July to April 2009-10, FDI totalled US$ 1.8 billion as compared to US$ 3.2 billion in the same period of FY09. This represents a decline of 45 percent.

A large part of the decline in FDI for the period was recorded under Telecommunications (a net decline of US$ 607 million), and Financial Services (a fall of US$ 548 million). Combined , the decline in these two sectors, which related to a few “lumpy” transactions last year, amounted to 81 percent of the overall reduction in FDI in 2009-10.

Investment levels in some sectors remained healthy, including in *Oil and Gas exploration* (FDI of US$ 605 million), *Communications* (US$ 222 million), *Transport* (US$ 104 million), *Construction* (US$ 86 million), and *Paper and Pulp* (US$ 81 million). Despite a steep decline, inflow of FDI into *Financial Services* was recorded at US$ 133 million for the period.

A worrying development was the large net disinvestment recorded under the IT Services sector for the year (amounting to US$ 95 million). Overall, out of the major industry categories, 12 recorded higher FDI for the period, while 24 industries witnessed a net reduction in FDI inflow.

1.2-d International Competitiveness

International competitiveness remains a key issue for the economy, and improving it a major challenge. The scale of the challenge is manifested in Pakistan's global ranking of 101 in the Global Competitiveness Index (GCI).

This issue of competitiveness is also manifested in Pakistan's share of world exports, which has declined over the past decade (from 0.16% in 2002, to 0.13% in 2008) while the share of South Asia as a whole has increased from 0.27% to 0.34% over the same period.

Apart from the "headline" numbers and statistics, however, the discussion on competitiveness and relative productivity in Pakistan's economy needs to be nuanced. Firstly, a large part of the shift in relative market shares between Pakistan and other South Asian countries represents *trade diversion* on account of the effect on Pakistan of the difficult security situation it has been facing since 2002, rather than an endogenous underlying dynamic. Secondly, developments on the competitiveness front are not uniform throughout the economy. Some segments of the Textile industry are doing well in international markets, while new export products such as *Halal* meat and Jewellery in particular are growing rapidly.

On the other hand, many Pakistani goods *and* services are finding it difficult to compete even in the *domestic* market. Construction services are an example, where Chinese companies have made large inroads.

1.2-e Constraints to Growth and Investment

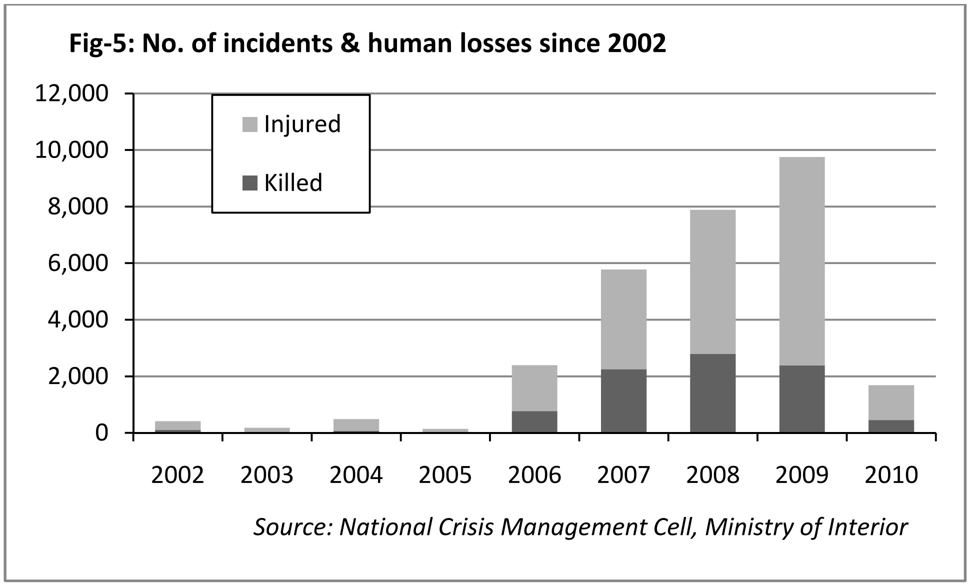
The incipient recovery in the economy has come about in the face of strong headwinds. Two severe challenges the economy had to navigate through in the outgoing year were the sharp rise in the number of incidents of terrorism across the country, and the scale and nature of the attacks, which affected growth and investment. The global "war on terror" has been imposing a heavy cost on the economy since 2001. A distinct intensification of the militants' campaign occurred during 2009, with major urban centres in Pakistan being targeted. During 2009-10, a total of 1,906 terror attacks were recorded in the country, resulting in 1,835 deaths and 5,194 injuries, according to the National Crisis Management Cell, Ministry of Interior. It is estimated that the cost to the economy of terrorism amounted to around 6 percent of GDP in 2009-10. A separate section is devoted to the impact on Pakistan of the global "war on terror".

The second challenge emanated from the energy crisis, which, due to factors detailed in a later chapter on the subject, underwent an intensification during the outgoing year. As a result, it is estimated that a loss of approximately 2.0-2.5 percent of GDP occurred in 2009-10 on account of the energy supply constraint.

The overall cost to the economy emanating from Pakistan's fight against terror is discussed in the following section.

1.2-f Impact on Pakistan of the "War on Terror"

Since *9/11*, Pakistan has been at the epicentre of the global "War on Terror". Between 2002 and end-April 2010, a total of 8,141 incidents of terrorism have occurred on Pakistan's soil, resulting in 8,875 deaths of both civilians as well as personnel of law enforcement agencies (LEAs), and injuries to a further 20,675 people.[1]



Beyond statistics of human casualties, the cumulative effects of the campaign of terror unleashed in Pakistan and the country's fight against militancy, have been enormous. Lives, homes and incomes have been uprooted, while educational attainment for virtually a whole generation of school-going age in the affected areas of NWFP and FATA has been jeopardized, or severely undermined.

In terms of the economic impact, the fall out on Pakistan has also been immense. As a front line state in the global "War on Terror", it is officially estimated that Pakistan has been impacted to the extent of over US$ 43 billion between 2001 and 2010.

Table 1.4: Estimated Loss To Economy 2005-2009

Rs billion	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10*	Cumulative 2005-10
Direct Costs	67	78	83	109	114	262	712
Indirect Costs	192	223	278	376	564	707	2,340
Total	**259**	**301**	**361**	**484**	**678**	**969**	**3,052**
In US$ bn	**4.4**	**5.0**	**6.0**	**7.7**	**8.6**	**11.5**	**43.0**

**: July-April* *Source: Finance Division, Government of Pakistan*

Since 2007-08, with the "war on terror" moving to a qualitatively different phase, with the Pakistan army mobilizing and undertaking large scale military operations in the country's North West (in Malakand/Swat, and the Agencies of South Waziristan, Bajuar, Mohmand, Khyber, and lately, Kurram and Orakzai), the negative effects on the economy have greatly increased.

[1] Source: National Crisis Management Cell, Ministry of Interior, Government of Pakistan

A brief list of the areas where the economy has been impacted includes the following:

- Decline in GDP growth
- Reduction in Investment
- Lost Exports
- Damaged/destroyed Physical Infrastructure
- Loss of Employment and Incomes
- Diversion of Budgetary Resources, to military and security-related spending
- Cutbacks in Public Sector Development Spending
- Capital, and Human Capital, Flight
- Reduction in Capital + Wealth Stock
- Exchange Rate Depreciation and Inflation

As an illustration of the magnitude of the direct costs, the additional expenditure incurred on security-related and civil relief operations since July 2007 has amounted to an estimated US$ 4 billion (2.4 percent of average GDP).[2] In addition, the cost of the humanitarian crisis spawned by this conflict has been the displacement of over 3 million people, at its peak, resulting in a budgetary outlay of US$ 600 million for the current fiscal year alone for relief and rehabilitation of the IDP population.

Largely as a result of the negative effects of the War on Terror, growth and investment have stalled. Pakistan's economy grew 1.2 percent in 2008/09, with large-scale manufacturing (LSM) contracting -8.2 percent for the year. The five year annual average rate of growth of the economy was 6.6 percent in the 2004-2008 period, while LSM output had expanded at an average of 12 percent. Hence, the change in the five year average-to-2009 trough works out to over 4.5 percent of GDP. Cumulatively, the loss of potential GDP for 2008 and 2009 is estimated at 7 percent (or equivalent to approximately US$ 11.7 billion).

Table 1.5: Change in GDP growth, Investment, LSM, FDI and Exports

		2001	2002	2003	2004	2005	2006	2007	2008	2009	5 yr Avg: 2004-2008	Chg. [2009 vs 5 Yr Avg]
Real GDP Growth (fc)	%	2.0	3.1	4.7	7.5	9.0	5.8	6.8	4.1	1.2	6.6	-5.4
Fixed Investment	% GDP	15.8	15.5	15.3	15	17.5	20.5	20.9	20.4	18.1	18.9	-0.8
Government	% GDP	5.7	4.2	4.0	4.0	4.3	4.8	5.6	5.4	4.9	4.8	0.1
Private	% GDP	10.2	11.3	11.3	10.9	13.1	15.7	15.4	15.0	13.2	14.0	-0.8
Foreign Direct Investment (FDI)	US$bn	0.3	0.5	0.8	0.9	1.5	3.5	5.1	5.2	3.7	3.3	0.5
Large Scale Manufacturing	%	10.2	3.8	0.4	18.5	18.8	9.2	8.8	4.2	-8.2	11.9	-20.1
Private Sector Credit	%	-0.5	12.1	12.8	34.3	34.4	23.5	17.3	16.5	0.7	25.2	-24.5
Exports (FBS)	US$ bn	9.20	9.14	11.16	12.31	14.39	16.45	17.0	19.1	14.8	15.8	-1.1

Source: Federal Bureau of Statistics; State Bank of Pakistan; Economic Adviser's Wing, Ministry of Finance

The export sector, with a contribution of 12 percent to GDP, and a substantial employment base, has faced the brunt of the fall out. The adverse impact on the export sector has manifested itself in the following ways:

[2] Inclusive of original allocation and supplementary grants in budget 2009/10.

- Loss of export orders / trade diversion to competitors;
- "Permanent" removal of Pakistan from global production and marketing chain of international brands/large buying houses;
- Relegation to low value-added commodity products;
- A substantial decline in price/unit value for products;
- Increase in cost of doing business;
- Loss of design and technological transfer;
- A loss of entrepreneurial capital due to capital flight and brain drain;
- Higher shipment, insurance and security costs
- A reversal of trend towards greater economies of scale;
- Loss of income, new investment and jobs;

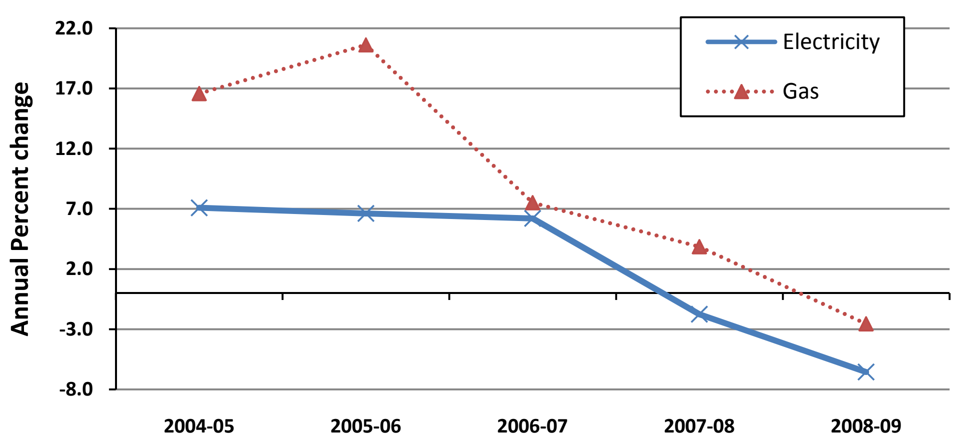
The direct and indirect costs associated with being the front-line state in the "war on terror" have been, in sum, severe, widespread and, in most cases, protracted, with the effects persisting for a fairly extended period. Indeed, Pakistan is more than likely to face a significant degree of "permanent" welfare loss on account of diversion of development spending to the security budget, capital flight and brain drain, and due to trade diversion it has suffered since '9/11'.

1.2-g Cost of Energy Crisis

Total energy consumption declined 5.2 percent in 2009 versus 2008, with consumption in the industrial sector falling by 11.7 percent. Electricity use in the industrial sector fell by 6.5 percent, while gas consumption recorded a 2.6 percent decline (**Fig-6**). Cumulatively, since 2006-07, electricity consumption by the industrial sector has declined 8.2 percent.

While the last available data pertains to fiscal year 2008-09, the impact of more recent developments in the energy sector can be gauged from the widening deficit between electricity supply and demand during 2009-10, which crossed 5,000 MW at its peak.

Fig-6: Electricity & Gas Consumption In Industrial Sector



Source: HDIP

The effect of lower energy availability is estimated at the equivalent of 2.0-2.5 percent of GDP during 2009-10.

1.3 Longer Term Constraints: Improving Policy and Changing the Incentives Framework

While the economy has had to navigate through difficult challenges in the short run, a set of complex, inter-related, and longer term, structural constraints to overall growth continue to operate.

This is manifested in the following ways:

- A stagnant or declining share of the manufacturing sector in the economy, as a percentage of GDP, in new fixed investment, and in total employment (see Table 3.1).
- A decline in size and "scale", particularly in Manufacturing (Table 1.6).

Table 1.6: Manufacturing Companies by Paid Up Capital *T*

	1990	1995	2000	2005	2009
No. of companies with paid-up:					
> Rs 500 million	1	13	6	11	2
100 - 500 million	35	12	16	25	5
50 - 100 million	23	11	13	22	5
< 50 million	587	532	269	794	668
Total	646	568	304	852	680

Source: SECP

- A faster increase in imports than exports. The Export-Import ratio had declined to a low of 0.48x in 2007 as a result.
- The expansion of the informal sector, relative to the formal part of the economy. While this trend is suggested in a number of unreleased studies, it is clearly evident from the following dynamic at work: the share of informal labour in the economy has increased, from 72.8% in 2007-08, to 73.3% in 2008-09, as a percent of total. Conversely, formal sector employment has declined over the same period.

Put together, the above trends represent a worrying picture for *scale* and the level of *formality*, in the economy. A large part of the problem relates to the *incentives framework* in place.

- The reliance on an overvalued exchange rate as an instrument of policy, especially between 2004 and 2008,
- Specifically for the viability of the domestic manufacturing sector, the Free Trade Agreement (FTA) with China since 2007 is unlikely to have helped, given China's global dominance of manufactured products, especially in the low value added segment.
- Pervasive mis-declaration and under-invoicing of imports, which according to some estimates costs the economy anywhere between Rs 100 billion to Rs 300 billion in lost revenue alone, in conjunction with the rampant misuse of the Afghan Transit Trade (ATT) facility, has undermined the viability and competitiveness of the sector.

- Recent developments on this front, with the winding up of the PACCs system by FBR, does not bode well for reducing leakages on account of weak administration of Customs.

Weaknesses in the taxation system, including in terms of policy design, have set perverse incentives for *formality* and hence, *scale*. This is evident from the following table, which depicts strikingly how uneven the "playing field" is, especially in terms of taxation, for the larger-sized firms (mostly corporate entities).

Table 1.7: Incentives for de-corporatization

	Corporate		Non-Corporate		
	Listed	**Unlisted**	**AOP**	**Small company**	**Individual**
Tax Treatment:					
"Headline" Tax rate	35	35	25	20	20
Workers Profit Participation Fund (WPPF)	5	5	No	5	No
Workers Welfare Fund (WWF)	2	2	2	2	No
Distribution out of profits (dividend)*	5.8	5.8	No	7.3	No
	47.8	**47.8**	**27.0**	**34.3**	**20.0**

Source: A.F. Ferguson

Other cost advantages to being a relatively smaller, informal player in the economy are not captured in the Table. These include savings accruing via the elimination of the regulatory "burden" (audits, inspections, filings, registration costs etc), and the use of informal channels for gaining utility connections, as well as making lower payments for consumption.

The loss of scale induced by the taxation system has seriously eroded the competitiveness of the Large Scale Manufacturing (LSM) sector, in particular. In addition, by *encouraging* informality, the taxation regime in place over the last many years has plausibly *reduced* revenue collection compared to what would have been the case counter-factually.

1.4 Prospects for Growth

While the near term outlook for growth and investment has improved moderately, it is likely to remain constrained due to a continuation of the difficult macroeconomic environment. Nonetheless, the incipient growth recovery in the economy can gain some more traction if momentum in important segments of the economy, large scale manufacturing, services, and selectively in the export sector, is reinforced and not derailed or interrupted. With relatively low levels of capacity utilization in the economy currently, a turnaround in investor confidence can unleash large productivity gains even with low levels of fixed investment.

Despite an improvement in the growth performance for 2009-10, the economic turnaround is still fragile, with non-trivial risks stalking the outlook. Some of these include:

- A further deterioration of the internal security situation;

- A continuation of energy shortages;

- The tipping of the world economy into a severe recession in the wake of the Eurozone debt crisis, which could hurt Pakistan's exports as well as remittances on the one hand, but could reduce international prices of key commodities such as oil, on the other;

The magnitude, timing and nature of external assistance inflows will be an important factor in reinforcing the nascent recovery. While the risk of pre-emption of the private sector's credit requirements by government bank borrowing was obviated to a large extent in 2009-10 by weak credit demand from the private sector, as well as improved liquidity in the banking system, the threat of crowding out of private sector demand for bank credit by government bank borrowing remains. In any case, government borrowing for budgetary support had an unintended consequence: the interest rate structure was pressured upward as a result. If and when external inflows relieve this constraint, interest rates can begin to decline at the margin.

The longer term prospects for the economy are promising, given potential drivers such as the size and dynamism of the Pakistani diaspora, the potential for unleashing large productivity gains in agriculture, improvements in the economic environment by a deepening of regional trade and investment links, and the harnessing of the "youth bulge".

TABLE 1.1

GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST OF 1999-2000

(Rs million)

Sector	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	2009-10/ 2008-09
I. COMMODITY PROD. SECTOR (A+B)	2,041,661	2,234,671	2,348,925	2,504,569	2,535,968	2,555,948	2,646,845	0.8	3.6
A. Agriculture (1 to 5)	964,853	1,027,403	1,092,098	1,137,037	1,148,851	1,195,031	1,218,873	4.0	2.0
1 Major Crops	327,057	385,058	370,005	398,617	373,188	400,486	399,729	7.3	-0.2
2 Minor Crops	124,121	125,993	126,457	125,243	138,887	136,601	135,008	-1.6	-1.2
3 Livestock	473,771	484,876	561,500	577,400	601,408	622,531	648,106	3.5	4.1
4 Fishery	13,611	13,691	16,540	19,080	20,834	21,319	21,626	2.3	1.4
5 Forestry	26,293	17,785	17,596	16,697	14,534	14,094	14,404	-3.0	2.2
B. Industry (6 to 9)	*1,076,808*	*1,207,268*	*1,256,827*	*1,367,532*	*1,387,117*	*1,360,917*	*1,427,972*	-1.9	4.9
6 Mining & Quarrying	111,473	122,621	128,288	132,254	138,047	137,707	135,411	-0.2	-1.7
7 Manufacturing	727,439	840,243	912,953	988,301	1,036,101	997,966	1,049,569	-3.7	5.2
i Large Scale	492,632	590,759	639,585	695,489	723,626	664,405	693,355	-8.2	4.4
ii Small Scale	176,841	190,121	206,656	223,365	240,139	258,173	277,562	7.5	7.5
iii Slaughtering	57,966	59,363	66,712	69,447	72,336	75,388	78,652	4.2	4.3
8 Construction	82,818	98,190	108,195	134,536	127,076	112,884	130,203	-11.2	15.3
9 Electricity and Gas Distribution	155,078	146,214	107,391	112,441	85,893	112,360	112,789	30.8	0.4
II. SERVICES SECTOR (10 to 15)	2,173,947	2,358,559	2,511,551	2,687,140	2,847,044	2,892,089	3,023,923	1.6	4.6
10 Transport, Storage & Communication	461,276	477,171	496,073	519,486	539,297	554,115	578,966	2.7	4.5
11 Wholesale & Retail Trade	766,693	858,695	838,426	887,294	934,231	921,015	968,150	-1.4	5.1
12 Finance & Insurance	141,768	185,501	265,056	304,514	338,386	314,813	303,521	-7.0	-3.6
13 Ownership of Dwellings	126,764	131,214	135,820	140,587	145,521	150,629	155,916	3.5	3.5
14 Public Admn. & Defence	267,321	268,826	295,959	316,915	320,565	332,108	357,134	3.6	7.5
15 Social and Community Services	410,125	437,152	480,217	518,344	569,044	619,409	660,236	8.9	6.6
16 GDP (fc) (I + II)	4,215,608	4,593,230	4,860,476	5,191,709	5,383,012	5,448,037	5,670,768	1.2	4.1
17 Indirect Taxes	372,029	358,455	395,440	361,841	372,651	360,584	374,531	-3.2	3.9
18 Subsidies	53,488	69,889	72,545	75,602	190,288	41,085	26,434	-78.4	-35.7
19 GDP (mp) (16+17-18)	4,534,149	4,881,796	5,183,371	5,477,948	5,565,375	5,767,536	6,018,865	3.6	4.4
20 Net Factor Income from abroad	90,721	88,766	84,343	82,434	85,586	112,838	193,711	31.8	71.7
21 GNP (fc) (16+20)	4,306,329	4,681,996	4,944,819	5,274,143	5,468,598	5,560,875	5,864,479	1.7	5.5
22 GNP (mp) (19 + 20)	4,624,870	4,970,562	5,267,714	5,560,382	5,650,961	5,880,374	6,212,576	4.1	5.6
23 Population (in million)	149.7	152.5	155.4	158.2	161.0	163.8	166.5	1.7	1.7
24 Per Capita Income (fc-Rs)	28,776	30,696	31,826	33,345	33,973	33,957	35,218	0.0	3.7
25 Per Capita Income (mp-Rs)	30,905	32,587	33,904	35,154	35,106	35,908	37,308	2.3	3.9

R : Revised F : Final Source: Federal Bureau of Statistics

P : Provisional

TABLE 1.2

SECTORAL SHARE IN GDP

(%)

Sector	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P
I. COMMODITY PROD. SECTOR	49.3	48.7	47.9	47.6	48.4	48.7	48.3	48.2	47.1	46.9	46.7
A. Agriculture	25.9	24.9	24.1	24.0	22.9	22.4	22.5	21.9	21.3	21.9	21.5
1 Major Crops	9.6	8.5	8.0	8.2	7.8	8.4	7.6	7.7	6.9	7.4	7.0
2 Minor Crops	3.5	3.3	3.1	3.0	2.9	2.7	2.6	2.4	2.6	2.5	2.4
3 Livestock	11.7	11.9	12.0	11.7	11.2	10.6	11.6	11.1	11.2	11.4	11.4
4 Fishery	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4
5 Forestry	0.7	0.7	0.7	0.7	0.6	0.4	0.4	0.3	0.3	0.3	0.3
B. Industry	23.3	23.8	23.7	23.6	25.5	26.3	25.9	26.3	25.8	25.0	25.2
6 Mining & Quarrying	2.3	2.4	2.4	2.5	2.6	2.7	2.6	2.5	2.6	2.5	2.4
7 Manufacturing	14.7	15.7	15.9	16.3	17.3	18.3	18.8	19.0	19.2	18.3	18.5
i Large Scale	9.5	10.3	10.4	10.6	11.7	12.9	13.2	13.4	13.4	12.2	12.2
ii Small Scale	5.2	5.4	5.6	5.6	4.2	4.1	4.3	4.3	4.5	4.7	4.9
iii Slaughtering	-	2.9	3.0	-	-	2.4	12.4	4.1	4.2	4.2	4.3
8 Construction	2.5	2.4	2.4	2.4	2.0	2.1	2.2	2.59	2.36	2.07	2.30
9 Electricity and Gas Distribution	3.9	3.3	3.0	2.5	3.7	3.2	2.2	2.2	1.6	2.1	2.0
II. SERVICES SECTOR	50.7	51.3	52.1	52.4	51.6	51.3	51.7	51.8	52.9	53.1	53.3
10 Transport, Storage & Communication	11.3	11.6	11.4	11.4	10.9	10.4	10.2	10.0	10.0	10.2	10.2
11 Wholesale & Retail Trade	17.5	17.9	17.8	18.0	18.2	18.7	17.2	17.1	17.4	16.9	17.1
12 Finance & Insurance	3.7	3.1	3.5	3.3	3.4	4.0	5.5	5.9	6.3	5.8	5.4
13 Ownership of Dwellings	3.1	3.2	3.2	3.1	3.0	2.9	2.8	2.7	2.7	2.8	2.7
14 Public Admn. & Defence	6.2	6.2	6.4	6.6	6.3	5.9	6.1	6.1	6.0	6.1	6.3
15 Social Services	9.0	9.3	9.8	9.9	9.7	9.5	9.9	10.0	10.6	11.4	11.6
16 GDP (fc) (I + II)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

R : Revised F : Final Source: Federal Bureau of Statistics

P : Provisional

TABLE 1.3

REAL GDP / GNP GROWTH RATES (AT CONSTANT FACTOR COST OF 1999-2000)

(%)

Sector	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P
I. COMMODITY PROD. SECTOR	0.8	1.4	4.2	9.3	9.5	5.1	6.6	1.3	0.8	3.6
A. Agriculture	-2.2	0.1	4.1	2.4	6.5	6.3	4.1	1.0	4.0	2.0
1 Major Crops	-9.9	-2.5	6.8	1.7	17.7	-3.9	7.7	-6.4	7.3	-0.2
2 Minor Crops	-3.2	-3.7	1.9	3.9	1.5	0.4	-1.0	10.9	-1.6	-1.2
3 Livestock	3.8	3.7	2.6	2.9	2.3	15.8	2.8	4.2	3.5	4.1
4 Fishery	-3.0	-12.3	3.4	2.0	0.6	20.8	15.4	9.2	2.3	1.4
5 Forestry	9.1	-4.4	11.1	-3.2	-32.4	-1.1	-5.1	-13.0	-3.0	2.2
B. Industry	4.1	2.7	4.2	16.3	12.1	4.1	8.8	1.4	-1.9	4.9
6 Mining & Quarrying	5.5	5.7	6.6	15.6	10.0	4.6	3.1	4.4	-0.2	-1.7
7 Manufacturing	9.3	4.5	6.9	14.0	15.5	8.7	8.3	4.8	-3.7	5.2
i Large Scale	11.0	3.5	7.2	18.1	19.9	8.3	8.7	4.0	-8.2	4.4
ii Small Scale	6.2	6.3	6.3	-20.0	7.5	8.7	8.1	7.5	7.5	7.5
iii Slaughtering	..	..	..	..	2.4	12.4	4.1	4.2	4.2	4.3
8 Construction	0.5	1.6	4.0	-10.7	18.6	10.2	24.3	-5.5	-11.2	15.3
9 Electricity and Gas Distribution	-13.7	-7.0	-11.7	56.8	-5.7	-26.6	4.7	-23.6	30.8	0.4
II. SERVICES SECTOR	3.1	4.8	5.2	5.8	8.5	6.5	7.0	6.0	1.6	4.6
10 Transport, Storage & Communication	5.3	1.2	4.3	3.5	3.4	4.0	4.7	3.8	2.8	4.5
11 Wholesale & Retail Trade	4.5	2.8	6.0	8.3	12.0	-2.4	5.8	5.3	-1.4	5.1
12 Finance & Insurance	-15.1	17.2	-1.3	9.0	30.8	42.9	14.9	11.1	-7.0	-3.6
13 Ownership of Dwellings	3.8	3.5	3.3	3.5	3.5	3.5	3.5	3.5	3.5	3.5
14 Public Admn. & Defence	2.2	6.9	7.7	3.2	0.6	10.1	7.1	1.2	3.6	7.5
15 Social Services	5.6	7.9	6.2	5.4	6.6	9.9	7.9	9.8	8.9	6.6
16 GDP (fc)	2.0	3.1	4.7	7.5	9.0	5.8	6.8	3.7	1.2	4.1

R : Revised P : Provisional Source: Federal Bureau of Statistics

.. : Not available F : Final

TABLE 1.4

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CONSTANT PRICES OF 1999-2000

(Rs million)

Flows	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	% Change 2009-10/ 2008-09
1 Private Consumption Expenditure	2,952,588	3,251,947	3,670,749	3,708,073	3,882,891	3,779,311	4,206,101	4,371,945	11.29	3.94
2 General Govt. Current Consumption Expenditure	384,825	390,319	396,818	588,576	532,147	739,071	506,036	573,755	-31.53	13.38
3 Gross Domestic Fixed Capital Formation	658,070	617,731	701,392	840,977	955,140	1,024,696	908,856	890,300	-11.30	-2.04
4 Change in Stocks	71,051	73,703	79,085	82,934	87,647	89,046	92,281	96,305	3.63	4.36
5 Export of Goods and Non-Factor Services	814,425	801,982	878,896	965,863	988,164	935,303	904,375	1,031,533	-3.31	14.06
6 Less Imports of Goods and Non-Factor Services	657,983	601,559	845,144	1,003,052	968,041	1,002,052	850,111	944,970	-15.16	11.16
7 Expenditure on GDP at Market Prices	4,222,976	4,534,123	4,881,796	5,183,371	5,477,948	5,565,375	5,767,538	6,018,865	3.63	4.36
8 Plus Net Factor Income from Rest of the World	127,050	90,721	88,750	84,343	82,434	85,586	112,838	193,711	31.84	71.67
9 Expenditure on GNP at Market Prices	4,350,026	4,624,844	4,970,546	5,267,714	5,560,382	5,650,961	5,880,376	6,212,576	4.06	5.65
10 Less Indirect Taxes	355,323	372,029	358,455	395,440	361,841	372,651	360,584	374,531	-3.24	3.87
11 Plus Subsidies	54,451	53,488	69,889	72,545	75,602	190,288	41,085	26,434	-78.41	-35.66
12 GNP at Factor Cost	4,049,154	4,306,303	4,681,980	4,944,819	5,274,143	5,468,598	5,560,877	5,864,479	1.69	5.46

R : Revised　　P : Provisional　　Source: Federal Bureau of Statistics

F : Final

TABLE 1.5

GROSS NATIONAL PRODUCT AT CURRENT FACTOR COST

(Rs million)

Sectors		2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	2009-10/ 2008-09
1	Agriculture	1,164,751	1,314,234	1,457,222	1,685,240	2,017,181	2,603,826	3,016,565	29.1	15.9
	Major Crops	411,836	497,556	464,276	546,418	671,374	974,190	1,101,671	45.1	13.1
	Minor Crops	126,372	154,218	168,461	184,121	211,553	235,803	281,332	11.5	19.3
	Livestock	578,218	621,170	766,448	881,806	1,051,442	1,304,639	1,537,502	24.1	17.8
	Fishery	16,728	17,490	30,492	42,668	52,391	53,731	56,182	2.6	4.6
	Forestry	31,597	23,800	27,545	30,227	30,421	35,463	39,878	16.6	12.4
2	Mining & Quarrying	208,290	182,051	219,682	252,541	301,469	346,810	346,256	15.0	-0.2
3	Manufacturing	902,486	1,136,634	1,370,793	1,567,313	1,950,522	2,067,494	2,369,029	6.0	14.6
	Large Scale	621,899	814,657	1,003,062	1,149,573	1,467,225	1,500,891	1,710,854	2.3	14.0
	Small Scale	280,587	222,176	245,962	279,943	334,610	395,005	444,571	18.0	12.5
	Slaughtering		99,801	121,769	137,797	148,687	171,598	213,604	15.4	24.5
4	Construction	115,497	153,333	179,885	225,239	260,340	294,990	308,425	13.3	4.6
5	Electricity and Gas Distribution	190,713	187,267	153,338	169,519	145,874	222,249	246,086	52.4	10.7
6	Transport, Storage & Communication	675,623	759,711	908,409	1,012,206	1,155,873	1,630,278	1,894,188	41.0	16.2
7	Wholesale & Re-tail Trade	896,357	1,093,114	1,262,001	1,441,786	1,829,944	2,100,661	2,391,058	14.8	13.8
8	Finance & Insurance	165,230	236,254	364,320	447,270	556,679	625,471	667,550	12.4	6.7
9	Ownership of Dwellings	146,264	165,441	184,812	206,166	239,010	298,789	345,759	25.0	15.7
10	Public Admn. & Defence	312,105	343,348	404,628	467,685	530,074	662,723	794,439	25.0	19.9
11	Social Services	473,211	551,181	653,437	760,134	934,618	1,228,665	1,464,134	31.5	19.2
12	GDP (fc)	5,250,527	6,122,568	7,158,527	8,235,099	9,921,584	12,081,956	13,843,489	21.8	14.6
13	Indirect Taxes	455,549	468,573	569,077	556,874	667,604	763,501	896,702	14.4	17.4
14	Subsidies	65,496	91,359	104,399	118,966	346,389	106,121	71,763	-69.4	-32.4
15	GDP (mp)	5,640,580	6,499,782	7,623,205	8,673,007	10,242,799	12,739,336	14,668,428	24.4	15.1
16	Net Factor Income from abroad	124,478	134,461	149,901	157,631	208,916	344,491	570,615	64.9	65.6
17	GNP (fc)	5,375,005	6,257,029	7,308,428	8,392,730	10,130,500	12,426,447	14,414,104	22.7	16.0
18	GNP (mp)	5,765,058	6,634,243	7,773,106	8,830,638	10,451,715	13,083,827	15,239,043	25.2	16.5
19	Population (in million)	149.65	152.53	155.37	158.17	160.97	163.76	166.52	1.7	1.7
20	Per Capita Income (fc-Rs)	35,917	41,022	47,039	53,061	62,934	75,882	86,561	20.6	14.1
21	Per Capita Income (mp-Rs)	38,524	43,495	50,030	55,830	64,930	79,896	91,515	23.1	14.5
22	Per Capita Income (mp-US $)	669	733	836	921	1,038	1,018	1,095	-2.0	7.6
23	GDP Deflator									
	Index	124.55	133.30	147.28	158.62	184.31	221.77	244.12	-	-
	Growth	7.74	7.02	10.49	7.70	16.20	20.32	10.08	-	-

R : Revised P : Provisional Source: Federal Bureau of Statistics

F : Final

TABLE 1.6

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CURRENT PRICES

(Rs million)

	Flows	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	2009-10/ 2008-09
1	Private Consumption Expenditure	3,600,963	4,184,717	5,001,499	5,720,225	6,543,843	7,835,310	10,254,625	11,815,289	30.88	15.22
2	General Government Current Consumption Expenditure	428,689	462,462	509,864	824,300	796,204	1,278,431	1,029,156	1,312,520	-19.50	27.53
3	Gross Domestic Fixed Capital Formation	736,433	844,847	1,134,942	1,565,838	1,814,620	2,094,743	2,210,920	2,196,969	5.55	-0.63
4	Change in Stocks	80,629	90,249	105,298	121,971	138,768	163,885	203,829	234,695	24.37	15.14
5	Export of Goods and Non-Factor Services	815,158	883,704	1,019,783	1,161,257	1,230,660	1,316,439	1,636,196	1,892,553	24.29	15.67
6	Less Imports of Goods and Non-Factor Services	786,224	825,399	1,271,604	1,770,386	1,851,088	2,446,008	2,595,390	2,783,598	6.11	7.25
7	Expenditure on GDP at Market Prices	4,875,648	5,640,580	6,499,782	7,623,205	8,673,007	10,242,800	12,739,336	14,668,428	24.37	15.14
8	Plus Net Factor Income from the rest of the world	151,812	124,478	134,461	149,901	157,631	208,916	344,491	570,615	64.89	65.64
9	Expenditure on GNP at Market Prices	5,027,460	5,765,058	6,634,243	7,773,106	8,830,638	10,451,716	13,083,827	15,239,043	25.18	16.47
10	Less Indirect Taxes	403,221	455,549	468,573	569,077	556,874	667,604	763,501	896,702	14.36	17.45
11	Plus Subsidies	61,791	65,496	91,359	104,399	118,966	346,389	106,121	71,763	-69.36	-32.38
12	GNP at Factor Cost	4,686,030	5,375,005	6,257,029	7,308,428	8,392,730	10,130,501	12,426,447	14,414,104	22.66	16.00

R : Revised   P : Provisional   Source: Federal Bureau of Statistics

F : Final

TABLE 1.7

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE, PUBLIC, AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CURRENT MARKET PRICES

(Rs million)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	% Change 2009-10/ 2008-09
GFCF (A+B+C)	736,433	844,836	1,134,942	1,565,838	1,814,620	2,094,743	2,210,921	2,196,969	5.5	-0.6
A. Private Sector	545,104	616,514	852,424	1,197,740	1,335,849	1,539,647	1,620,982	1,564,427	5.3	-3.5
B. Public Sector	104,051	103,536	129,482	162,022	172,697	204,873	212,879	218,432	3.9	2.6
C. General Govt.	87,278	124,786	153,036	206,076	306,074	350,223	377,060	414,110	7.7	9.8
Private & Public (A+B)	649,155	720,050	981,906	1,359,762	1,508,546	1,744,520	1,833,861	1,782,859	5.1	-2.8
SECTOR-WISE:										
1. Agriculture	75,681	81,159	135,308	145,575	151,574	147,511	171,521	191,359	16.3	11.6
2. Mining and Quarrying	77,430	18,651	33,378	49,569	75,559	94,753	136,398	144,501	44.0	5.9
3. Manufacturing (A+B)	164,920	203,929	247,166	326,797	350,248	364,088	375,350	356,736	3.1	-5.0
A. Large Scale	136,066	164,572	195,655	261,023	276,131	271,840	254,835	223,333	-6.3	-12.4
B. Small Scale*	28,854	39,357	51,511	65,774	74,117	92,248	120,515	133,403	30.6	10.7
4. Construction	7,130	10,113	17,824	26,106	38,299	33,515	42,862	44,066	27.9	2.8
5. Electricity & Gas	57,562	25,261	40,050	69,795	73,497	88,443	89,211	81,098	0.9	-9.1
6. Transport and Communication	82,864	148,646	224,974	392,651	395,240	457,156	423,549	370,403	-7.4	-12.5
7. Wholesale and Retail Trade	12,533	17,192	21,381	29,157	37,227	43,140	51,997	54,417	20.5	4.7
8. Finance & Insurance	23,366	27,945	31,580	41,009	81,683	152,038	91,325	60,264	-39.9	-34.0
9. Ownership of Dwellings	91,379	110,398	129,247	149,167	158,719	181,729	219,867	231,657	21.0	5.4
10. Services	56,290	76,754	101,065	129,936	146,500	182,147	231,781	248,358	27.2	7.2

P : Provisional R : Revised F : Final (Contd.)

* : Slaughtering is included in small scale sector

TABLE 1.7

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR BY ECONOMIC ACTIVITY AT CURRENT MARKET PRICES

(Rs million)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	% Change 2009-10/ 2008-09
PRIVATE SECTOR	545,104	616,514	852,424	1,197,740	1,335,849	1,539,647	1,620,982	1,564,427	5.3	-3.5
1. Agriculture	74,293	81,050	135,086	143,538	151,340	147,381	171,383	191,129	16.3	11.5
2. Mining and Quarrying	48,252	12,701	18,384	31,323	49,007	62,764	89,680	95,115	42.9	6.1
3. Manufacturing	163,520	200,521	244,959	320,501	346,574	362,824	371,098	352,850	2.3	-4.9
Large Scale	134,666	161,162	193,448	254,727	272,457	270,576	250,583	219,447	-7.4	-12.4
Small Scale*	28,854	39,359	51,511	65,774	74,117	92,248	120,515	133,403	30.6	10.7
4. Construction	4,178	6,608	13,418	19,248	24,262	19,091	28,205	27,601	47.7	-2.1
5. Electricity & Gas	26,417	3,039	11,612	32,372	29,633	32,843	31,438	25,538	-4.3	-18.8
6. Transport & Communication	51,381	86,951	153,558	312,549	324,335	372,544	357,850	307,040	-3.9	-14.2
7. Wholesale and Retail Trade	12,533	17,192	21,381	29,157	37,227	43,140	51,997	54,417	20.5	4.7
8. Ownership of Dwellings	91,379	110,398	129,247	149,167	158,719	181,729	219,867	231,657	21.0	5.4
9. Finance & Insurance	20,897	26,599	30,520	38,692	77,974	147,268	83,273	47,640	-43.5	-42.8
10. Services	52,254	71,455	94,259	121,193	136,778	170,063	216,191	231,440	27.1	7.1

R : Revised P : Provisional F : Final (Contd.)

* : Slaughtering is included in small scale sector

TABLE 1.7

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CURRENT MARKET PRICES

(Rs million)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	% Change 2009-10/ 2008-09
Public Sector and General Govt. (A+B)	191,332	228,322	282,518	368,098	481,771	555,096	589,939	632,542	6.3	7.2
A. Public Sector	104,054	103,536	129,482	162,022	175,697	204,873	212,879	218,432	3.9	2.6
1. Agriculture	1,388	109	222	2,037	234	130	138	230	6.2	66.7
2. Mining and Quarrying	29,178	5,950	14,994	18,246	29,552	31,989	46,718	49,386	46.0	5.7
3. Manufacturing	1,400	3,410	2,140	6,296	3,674	1,264	4,252	3,886	236.4	-8.6
4. Construction	2,952	3,505	4,406	6,858	14,037	14,424	14,657	16,465	1.6	12.3
5. Electricity & Gas	31,145	22,222	28,438	37,423	43,864	55,600	57,773	55,560	3.9	-3.8
6. Transport and Communication	31,486	61,695	71,416	80,102	70,905	84,612	65,699	63,363	-22.4	-3.6
Railways	3,133	3,336	3,439	4,754	3,680	4,296	1,609	284	-62.5	-82.3
Post Office & PTCL	6,699	5,834	10,763	15,232	11,981	14,445	23,814	23,830	64.9	0.1
Others	21,654	52,525	57,214	60,116	55,244	65,871	40,276	39,249	-38.9	-2.5
7. Wholesale and Retail Trade	-	-	-	-	-	-	-	-	-	-
8. Finance & Insurance	2,469	1,346	1,060	2,317	3,709	4,770	8,052	12,624	68.8	56.8
9. Services	4,036	5,299	6,806	8,743	9,722	12,084	15,590	16,918	29.0	8.5
B. General Govt.	87,278	124,786	153,036	206,076	306,074	350,223	377,060	414,110	7.7	9.8
Federal	31,581	41,304	38,938	53,522	78,862	83,175	59,663	75,722	-28.3	26.9
Provincial	26,689	50,059	71,567	113,512	156,261	179,756	211,330	245,537	17.6	16.2
District Govt.	29,008	33,423	42,531	39,042	70,951	87,292	106,067	92,851	21.5	-12.5

R : Revised P : Provisional F : Final

- : Nil .. : Not available

Source: Federal Bureau of Statistics

TABLE 1.8

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE, PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CONSTANT MARKET PRICES OF 1999-2000

(Rs million)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2008-09/ 2007-08	% Change 2009-10/ 2008-09
GFCF (A+B+C)	658,070	617,731	701,392	840,976	955,141	1,024,696	908,856	890,301	-11.3	-2.0
A. Private Sector	485,849	447,212	521,326	635,894	691,550	756,035	672,015	637,990	-11.1	-5.1
B. Public Sector	91,475	72,763	75,153	81,809	85,153	88,743	76,150	76,752	-14.2	0.8
C. General Govt.	80,746	97,756	104,913	123,273	178,438	179,918	160,691	175,559	-10.7	9.3
Private & Public (A+B)	577,324	519,975	596,479	717,703	776,703	844,778	748,165	714,742	-11.4	-4.5
Public & General Govt. (B+C)	172,221	170,519	180,066	205,082	263,591	268,661	236,841	252,311	-11.8	6.5
SECTOR-WISE:										
1. Agriculture	66,762	55,779	76,389	70,285	70,902	107,328	112,937	120,600	5.2	6.8
2. Mining and Quarrying	66,738	12,232	17,482	22,021	32,557	36,104	44,252	45,680	22.6	3.2
3. Manufacturing	149,275	144,010	148,129	171,302	179,530	164,909	138,239	128,000	-16.2	-7.4
Large Scale	120,969	115,700	117,147	140,320	142,424	124,299	93,796	79,363	-24.5	-15.4
Small Scale*	28,306	28,310	30,982	30,982	37,106	40,610	44,443	48,637	9.4	9.4
4. Construction	6,606	7,919	13,155	19,378	26,805	21,137	19,784	19,139	-6.4	-3.3
5. Electricity & Gas	50,119	16,934	21,659	32,056	32,750	34,764	29,710	26,439	-14.5	-11.0
6. Transport and Communication	74,151	105,851	133,953	202,033	197,176	201,000	154,999	133,193	-22.9	-14.1
7. Wholesale and Retail Trade	11,692	13,760	15,165	18,123	22,578	23,049	22,957	23,968	-0.4	4.4
8. Finance & Insurance	21,265	22,025	21,835	25,196	48,454	80,919	41,272	26,554	-49.0	-35.7
9. Ownerships of Dwellings	83,163	87,010	89,213	91,648	94,151	96,721	99,363	102,074	2.7	2.7
10. Services	49,996	54,455	59,499	65,661	71,800	78,847	84,651	89,094	7.4	5.2

R : Revised P : Provisional (Contd.)

- : Not available F : Final

* : Slaughtering is included in small scale sector

TABLE 1.8

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR
AT CONSTANT MARKET PRICES OF 1999-2000

(Rs million)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2007-08/ 2006-07	% Change 2008-09/ 2007-08
PRIVATE SECTOR	485,849	447,213	521,326	635,893	691,549	756,035	672,015	637,991	-11.1	-5.1
1. Agriculture	65,537	55,704	76,264	69,302	70,792	107,274	112,890	120,523	5.2	6.8
2. Mining and Quarrying	41,589	8,330	9,629	13,915	21,116	23,915	29,095	30,068	21.7	3.3
3. Manufacturing	145,588	141,613	146,847	167,917	177,636	164,331	136,674	126,619	-16.8	-7.4
Large Scale	119,724	113,303	115,865	136,935	140,529	123,721	92,231	77,982	-25.5	-15.4
Small Scale*	25,864	28,310	30,982	30,982	37,107	40,610	44,443	48,637	9.4	9.4
4. Construction	3,871	5,175	9,903	14,287	16,981	12,040	13,018	11,988	8.1	-7.9
5. Electricity & Gas	23,001	2,044	6,280	14,868	13,204	12,910	10,470	8,326	-18.9	-20.5
6. Transport & Communication	45,979	61,918	91,431	160,818	161,803	163,798	130,957	110,409	-20.0	-15.7
7. Wholesale and Retail Trade	11,692	13,760	15,165	18,123	22,578	23,049	22,957	23,968	-0.4	4.4
8. Ownership of Dwellings	83,163	87,010	89,213	91,648	94,151	96,721	99,363	102,074	2.7	2.7
9. Finance & Insurance	19,018	20,964	21,102	23,772	46,253	78,380	37,633	20,991	-52.0	-44.2
10. Services	46,411	50,695	55,492	61,243	67,035	73,617	78,958	83,025	7.3	5.2

R : Revised P : Provisional F : Final

(Contd.)

* : Slaughtering is included in small scale sector

TABLE 1.8

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS
AT CONSTANT MARKET PRICES OF 1999-2000

(Rs million)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 F	2008-09 R	2009-10 P	% Change 2007-08/ 2006-07	% Change 2008-09/ 2007-08
Public and General Government (A+B)	172,221	170,518	180,066	205,084	263,590	268,662	236,841	252,311	-11.8	6.5
A. Public Sector	91,476	72,762	75,153	81,810	85,152	88,744	76,150	76,751	-14.2	0.8
1. Agriculture	1,224	75	125	983	109	53	47	78	-11.3	66.0
2. Mining and Quarrying	25,149	3,902	7,853	8,106	11,441	12,189	15,157	15,612	24.3	3.0
3. Manufacturing	1,245	2,397	1,282	3,385	1,895	578	1,565	1,381	170.8	-11.8
4. Construction	2,735	2,745	3,252	5,091	9,824	9,097	6,765	7,151	-25.6	5.7
5. Electricity & Gas	27,118	14,890	15,379	17,188	19,545	21,855	19,240	18,113	-12.0	-5.9
6. Transport and Communication	28,173	43,933	42,522	41,215	35,373	37,202	24,043	22,785	-35.4	-5.2
Railways	2,804	2,376	2,048	2,446	1,836	1,889	589	102	-68.8	-82.7
Post Office & PTCL	5,992	4,154	6,408	7,837	5,977	6,351	8,715	8,569	37.2	-1.7
Others	19,377	37,403	34,066	30,932	27,560	28,962	14,739	14,114	-49.1	-4.2
7. Wholesale and Retail Trade	-	-	-	-	-	-	-	-	-	-
8. Finance & Insurance	2,247	1,061	733	1,424	2,200	2,539	3,639	5,562	43.3	52.8
9. Services	3,585	3,759	4,007	4,418	4,765	5,231	5,694	6,069	8.9	6.6
B. General Govt.	80,745	97,756	104,913	123,274	178,438	179,918	160,691	175,560	-10.7	9.3
Federal	29,217	32,357	26,694	32,017	45,976	42,729	25,427	32,102	-40.5	26.3
Provincial	24,691	39,216	49,062	67,902	91,098	92,345	90,062	104,094	-2.5	15.6
District Govt.	26,837	26,183	29,157	23,355	41,364	44,844	45,202	39,364	0.8	-12.9

R: Revised F : Final Source: Federal Bureau of Statistics

P: Provisional