

Provisional Data on Monetary Aggregates as on October 6th 2017

1) Broad Money (M2)

(Million Rupees)

Components	Stocks at End-June 2017 ^P	Flows		Monetary Impact Since	
		FY16	FY17 ^P	1 st July to	
				6-Oct-17 ^P	7-Oct-16
A. Currency in Circulation	3,911,212	779,035	577,428	-17,733	114,850
B. Other Deposits with SBP	22,692	5,009	3,936	68	56
C. Total Demand & Time Deposits incl. RFCDs ¹ of which Residents Foreign Currency Deposits (RFCDs)	10,647,194	758,665	1,174,882	-39,323	-116,622
Broad Money (M2) (A+B+C)	14,581,098	1,542,708	1,756,246	-56,989	-1,717
Growth		13.67%	13.69%	-0.39%	-0.01%
Factors Affecting Broad Money (M2)					
A. Net Foreign Assets of the Banking System	602,355	194,851	-405,243	-278,165	-31,467
(i) State Bank of Pakistan	828,908	310,602	-204,108	-239,024	22,525
(ii) Scheduled Banks	-226,554	-115,750	-201,135	-39,140	-53,992
B. Net Domestic Assets of the Banking System (1+2+3)	13,978,744	1,347,857	2,161,489	221,176	29,750
(i) State Bank of Pakistan	3,558,171	514,369	1,024,920	134,236	210,996
(ii) Scheduled Banks	10,420,573	833,488	1,136,569	86,940	-181,245
Growth		12.87%	18.29%	1.58%	0.25%
1. Net Government Sector Borrowings (a+b+c)	8,955,388	861,330	1,135,843	442,131	332,130
a. Borrowings for Budgetary Support ²	8,281,865	791,255	1,087,051	479,204	376,565
(i) From SBP	2,349,900	-486,625	907,657	269,009	655,227
a) Federal Government	2,440,416	-368,325	710,107	442,935	672,880
of which deposits with SBP	-91,238	-93,346	237,973	17,603	-255,520
b) Provincial Government	-88,555	-110,246	189,736	-166,816	-15,735
Balochistan Government	-1,460	23,913	16,797	-24,371	-20,551
Khyber Pakhtunkhwa Government	-30,245	-48,357	45,775	-17,961	23,637
Punjab Government	-38,146	-22,049	58,286	-73,867	4,407
Sindh Government	-18,704	-63,753	68,877	-50,617	-23,228
c) AJK Government	7,279	-2,093	6,324	-3,456	1,908
d) Gilgit-Baltistan	-9,239	-5,961	1,491	-3,654	-3,826
(ii) From Scheduled banks	5,931,965	1,277,880	179,394	210,195	-278,662
a) Federal Government	6,631,399	1,364,906	361,375	196,248	-225,120
of which deposits with banks ³	-883,796	-162,784	-167,023	3,059	-9,236
b) Provincial Government	-699,434	-87,026	-181,982	13,948	-53,542
of which deposits with banks ³	-700,458	-87,026	-181,982	13,948	-53,542
b. Commodity Operations	686,508	72,115	49,934	-36,527	-44,203
c. Others	-12,985	-2,040	-1,142	-546	-232
2. Credit to Non-Government Sector (a+b+c+d)	6,119,642	556,586	1,107,054	-55,671	-110,379
a. Credit to Private Sector*	5,197,473	446,463	747,926	-55,987	-135,557
Conventional Banking Branches	4,241,174	291,970	511,441	-65,207	-138,833
Islamic Banks	628,335	116,926	139,369	-15,279	-3,825
Islamic Banking Branches of Conventional Banks	327,963	37,567	97,116	24,499	7,101
b. Credit to Public Sectors Enterprises (PSEs)	822,797	109,317	254,740	304	23,357
c. PSEs Special Account-Debt Repayment with SBP/ PSPC**	75,905	-169	100,149	0	0
d. Credit to NBFIs	23,467	975	4,239	12	1,821
3. Other Items (net)	-1,096,287	-70,060	-81,409	-165,284	-192,001
Broad Money (M2) (A+B)	14,581,098	1,542,708	1,756,246	-56,989	-1,717
Growth		13.67%	13.69%	-0.39%	-0.01%
Memorandum Items					
Accrued profit on SBP holdings of MRTBs/MTBs	50,463	-11,709	19,980	-7,262	16,500
Outstanding amount of MTBs (realized value in auctions)	3,711,754	488,888	1,097,511	628,101	407,844
Net Government Budgetary Borrowings (cash basis)	8,162,820	787,115	1,045,778	513,926	354,724
From SBP	2,299,438	-474,915	887,677	276,271	638,727
From Scheduled Banks	5,863,382	1,262,030	158,101	237,655	-284,003

P: Provisional

1/ Excluding inter-bank deposits, deposits of governments and foreign constituents.

2/ Government's borrowing net of Federal, Provincial, Azad Kashmir's and Gilgit-Baltistan's deposit with SBP and Scheduled Banks. The (-) sign in govt. deposits shows a credit balance whereas (+) sign shows their debtor/withdrawal from the system

3/ Data on government deposits with scheduled banks are available only on monthly basis therefore, the previous month data were repeated in subsequent weeks till the availability of latest month data.

Government's borrowing mechanisms from the banking system are as follows:-

(a) Borrowings from scheduled banks is mainly through fortnightly auctioning of Market Treasury Bills (MTBs) of 3, 6 and 12-month maturities. Government of Pakistan also borrows long-term by quarterly auctioning of Pakistan Investment Bonds (PIBs)/Sukuk of 3, 5, 10, 15, 20 and 30 years maturities.

(b) Federal Government may also borrow directly from SBP either through ways and means advance or purchase (by SBP) of Market Related Treasury Bills (MRTBs). The Ways and Means Advance is extended for government borrowings up to Rs.100 million at an interest rate of 4 percent per annum whereas higher amounts are borrowed through SBP purchase of 6-month MRTBs at the weighted average yield of 6-month MTB determined in the most recent fortnightly auction of treasury bills. The weighted average yield on 6-month MTB was 6.01 percent as a result of the auction conducted on 27th September 2017.

(c) Provincial Governments and the Government of Azad Jammu & Kashmir may also borrow directly from SBP through raising of their debtor balances (over drafts) within limits defined for them. An interest rate is charged on the borrowings which is weighted average of the weighted average yields of 6-month MTBs over the preceding three months. In case, the Provincial Governments or the Government of Azad Jammu & Kashmir borrow over and above the over draft limit, they are penalized by charging an incremental rate of 4 percent per annum.

* Note: Islamic Financings, Advances (against Murabaha etc), Inventories and any Other related item(s) pertaining to Islamic Financing previously reported under Other Assets has been reclassified as credit to private sector. Details of reclassifications/revisions are available in revision study on SBP website at:

www.sbp.org.pk/ecodata/Revision_Monetary_Stats.pdf

**Includes investment of Rs. 100,149 million in Pakistan Security Printing Corporation (PSPC)

Source: Based on weekly returns of scheduled banks for the week ending Friday.

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For Feedback: <http://www.sbp.org.pk/stats/survey/index.asp>