


FDI surges 61pc in July

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KARACHI: Foreign direct investment (FDI) jumped by 61 per cent to \$114.3 million in the first month of the current fiscal year, compared to \$71.1m in same period of 2019-20.

At the same time, the country witnessed a net outflow of \$73m from portfolio investment in July as against net inflows of \$34m in the same month of the previous fiscal year.

As per the data published by the State Bank of Pakistan on Thursday, highest inflows of \$27m came from China, followed by Malta at \$18.5m and Netherlands \$18.2m.

Some analysts found the inflow of \$114m encouraging in the wake of disastrous impact of the pandemic the world over.

Pakistan has succeeded to improve its balance of payments with record remittances in FY20 while the FDI witnessed 88pc growth last year.

China has been the leading investor in Pakistan for few years and was a major contributor to the increase in the size of FDI in 2019-20.

However, the new fiscal FY21 may drag down the inflows from elsewhere due to slowdown of economies in the developed countries.

Sector-wise, inflows came primarily from electrical machinery at \$29.4m, followed by financial business at \$23.8m and communications \$21.5m.

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