

Worst of stabilisation now over, says Baqir

KARACHI: State Bank of Pakistan (SBP) Governor Dr Reza Baqir on Thursday said the worst phase of economic stabilisation is now over and the country's business sector has a bright future ahead of them.

He made these remarks during his keynote address at the "CEO Summit Asia 2020" organised by the CEO Club Pakistan and Management House at a local hotel.

On the growth front, he said that there are preliminary signs of a turnaround as January statistics regarding the sales of cement, imports of machinery, and large-scale manufacturing showed an uptick.

"We can say with confidence that we have put the worst behind us," he added.

The SBP chief was sure that businesses of the country have a very bright future in front of them but stressed on the need for reforms in public sector to stimulate growth in private sector.

He said the SBP is actively supporting growth of small and medium enterprises (SMEs) to accelerate economic growth.

In addition, he said the SBP would ensure SMEs are able to get financing from banks and urged the country's chambers of commerce and industry to play their role in promoting the small and medium sectors.

He pointed out the 4.5 per cent growth in the country's exports during the first half of current fiscal year as an indicator of rising economic output. He said that during the same period, India's exports declined by 2.3pc, Thailand 2.5pc, Sri Lanka 3.6pc, Indonesia 5pc, Malaysia 6pc, and Bangladesh 7pc.

He said that Pakistan had increased its exports recently in contrast to the downward trend in the several regional countries. He said the central bank is currently working on electronic and digital money transactions for trade.

He said the bank is working on launching a platform in the form of micro-payment gateway which would put Pakistan on the map of countries with advanced systems of electronic and digital means of money transactions to do business.

At the event, Arif Habib Corporation Chairman Arif Habib said the country's investment climate has improved significantly while highlighting that Pakistani markets have paid dividends to investors.

He said the country's stock market has paid a return of up to 12pc to foreign investors.

Former Joint Chiefs of Staff Committee chairman General (retd) Zubair Mahmood Hayat said the industrial growth would get a major boost with the development of China Pakistan Economic Corridor.