

### **Trade deficit shrinks 26.5pc**

ISLAMABAD: Pakistan's trade deficit fell by 26.5 per cent to \$15.77 billion in the first eight months of this fiscal year from \$21.46bn over the corresponding period of last year, Pakistan Bureau of Statistics said on Tuesday.

The decline came mainly on the back of double-digit decline in imports following government's corrective measures to reduce pressures on foreign exchange reserves and slump in overall demand.

On a monthly basis, the deficit fell by 14.6pc to \$1.9bn in February from \$2.26bn during the same month last year.

The commerce ministry estimates the annual trade deficit to decrease by around \$12bn to \$19bn in the ongoing fiscal year from \$31bn during the last fiscal year.

The data showed imports in the first eight months of current fiscal year clocked in at \$31.42bn, down by 14.06pc from \$36.56bn during the same period last year. The decline in value of imported goods in February was 1.71pc to \$4.07bn against \$4.14bn during the same month last year.

In February, the export proceeds edged up to \$2.14bn from \$1.88bn over the corresponding months last year, showing an increase of 13.82pc.

Between July 2019 and February, the export proceeds' grew up by 3.65pc as it stood at \$15.64bn against \$15.09bn over the corresponding months last year.

On the other hand, the export of services surged by 5.18pc year-on-year to \$3.23bn in first seven months of the current fiscal year.

On monthly basis, export of services proceeds dropped by 0.21pc in February to \$496.12 million on a year-on-year basis.

In 2018-19, export proceeds of services were recorded at \$5.37bn, from \$5.28bn over the preceding year, reflecting a paltry growth. Meanwhile, in FY18, services exports had declined 7pc year-on-year to \$5.4bn.

Meanwhile, the import of services fell to \$5.21bn in July-January FY20 from \$5.45bn in same months last year, reflecting a decline of 4.46pc. In January, imports of services fell by 2.99pc to \$678.2m on a year-on-year basis.