


## Remittances jump 14pc to \$2.28bn in October

 [dawn.com/news/1590117/remittances-jump-14pc-to-228bn-in-october](https://dawn.com/news/1590117/remittances-jump-14pc-to-228bn-in-october)

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KARACHI: Overseas Pakistanis sent \$2.28 billion in October, up 14.1 per cent year-on-year from \$2.0bn in the same month of last fiscal year, figures released by the State Bank of Pakistan (SBP) showed on Thursday.

Month-on-month, remittances in October were unchanged when compared to September despite clocking in above the \$2bn-mark for the fifth consecutive month.

However, on a cumulative basis, inflows during the July-October period increased by 26.5pc to \$9.431bn compared to the same period last fiscal year.

Initially, when Covid-19 gripped the entire globe in January, international lending institutions like the International Monetary Fund and World Bank had predicted a steep fall in remittances. However, remittance trend in the last five months have been against these predictions owing to lower job losses for overseas Pakistanis in the Arab countries.

In the first four months of the current fiscal year, the country has received remittances of more than \$2bn per month. This large inflow of \$9.4bn in FY21 helped stabilise exchange rate, improve foreign exchange reserves to double digits and pulled the country out of a current account deficit into a surplus.

Moreover, the rupee has also appreciated against the greenback. The US dollar has lost about 5.8pc since the last week of August. Currency experts in the banking sector said the higher liquidity of dollars in the banks helped rupee's gains against the dollar. They also mention that outflow from the country has gone down as the Covid-19 has stopped foreign tours, Umrah, education -related expenses in US and UK and health services abroad.

Further details showed that the highest inflow was from Saudi Arabia at \$2.71bn during July-October FY21. Meanwhile, remittances from the country increased by 29pc against a decline of 1.8pc in the same period last fiscal year.

In percentage terms, highest increase was noted in the remittances from UK at 55.7pc to \$1.264bn against a decline of 28.3pc in the same period of last fiscal year.

Remittances sent from the US increased by 55pc to \$816 million compared to a 54pc fall in the same period of last fiscal year.

Despite significant increase in inflows from the US and UK, Pakistan received second highest remittances from the United Arab Emirates at \$1.92bn during the first four months of the current fiscal year; an increase of 6pc.

Inflows sent from the Gulf Cooperation Council countries and European Union

increased by 6.7pc and 33pc to \$1.057bn and \$804.7m respectively.

### **SBP reserves jump by \$558m**

Foreign exchange reserves held by the State Bank of Pakistan (SBP) increased by \$557.9 million due to receipt of \$500 million as government's loan proceeds, the central bank said in a press release.

Meanwhile, reserves held by the commercial banks decreased by \$4.6m to \$7.166bn compared to \$7.171bn last week. Total reserves held by the country increased by \$553.3m during the week under review.

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