

Market-based exchange rate system: State Bank's foreign reserves have risen to \$12.9 bn

DUBAI: Governor State Bank of Pakistan Dr Reza Baqir has said the foreign reserves of the central bank have risen to \$12.9 billion from \$7.3 billion after adopting the market-based exchange rate system for the Pakistan's currency.

Dr Reza Baqir reiterated that Pakistan's "market-based exchange rate system" has started to show the sign of recovery of the country's economy.

He was addressing the Pakistani business community in Dubai for the promotion of "Roshan Digital Account." The Pakistan Consulate Dubai in association with the Pakistan Business Council Dubai (PBC) arranged the session.

"An exchange rate that remains fixed artificially for a long time is not in favour of Pakistan's economy," Reza Baqir said. He criticised the previous government's rupee policy, saying that the former government pursued a strong rupee policy, effectively fixing the rupee against the dollar was too high, leading the country to burn through its foreign currency reserves to defend the rupee.

Reza Baqir outlined the current economic policy of Naya Pakistan and asked the overseas Pakistanis to take advantage of "Roshan Digital Account" and open the digital account with ease. Meanwhile, Deputy Governor of the State Bank of Pakistan, Murtaza Syed, briefed Pakistan's diaspora about the opening of digital account. He informed that more than 50,000 "Roshan Digital Accounts" have already been opened by the Pakistani expats.

Pakistan's Consul General in Dubai Ahmed Amjad Ali asked the State Bank authorities to resolve the issues of Pakistani labourers as he highlighted the problems of blue-collar workers of Pakistan residing and earning hard money and transferring remittances to their homeland.

Pakistan Business Council's Iqbal Dawood said that the Pakistan business community in Dubai had also been facing some challenges in investing their homeland and taxation-related issues. He requested the central bank to resolve these issues too. The Pakistani authorities promised to arrange a virtual meeting between the Pakistan business community in Dubai and Governor State Bank of Pakistan Dr Reza Baqir.