

# **Pakistan to repay \$2.522 bn loan, mark-up in three months**

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ISLAMABAD: Amid witnessing a steep decline of over \$600 million in foreign currency reserves in the last 15 days, Pakistan will have to repay over \$2.522 billion loan in the shape of principal and mark-up amounts during three months period from September to November 2018. It will have to be paid to all international, multilateral and bilateral creditors as well as investors of sovereign bond holders, The News has learnt.

“Now dollar inflows are required on immediate basis to avert eruption of full-fledged crisis keeping in view repayment requirements and steep depletion of foreign currency reserves,” top official sources confirmed to The News here on Friday.

Within these three-month period, the PTI led government will have to take important decision either for knocking at the door of the IMF for seeking another bailout package or to get breathing space by relying upon friendly countries like Saudi Arabia and China for doling out \$5 billion to \$8 billion to narrow down the financing gap on external front. The government also plans for launching the sovereign Euro and Sukuk bonds to get \$3 billion as well as Pakistani Diaspora bond to generate \$1 billion to \$2 billion. To ascertain the exact financing gap on external front, the IMF staff team is scheduled to visit Islamabad on September 27 this month and expected to stay for one week to gauge the actual economic position of the country on internal and external front of the economy.

Official documents available with The News disclosed on Friday that Pakistan would have to repay major chunk in the shape of principal amount of \$1.038 billion to all creditors, including non-guaranteed, bilateral, commercial loans and multilateral creditors, during the ongoing month (September 2018) and \$160 million as interest payment.

Out of \$1.038 billion loan repayments, Pakistan will have to repay as \$954 million as non-guaranteed loan and another \$84 million to the IMF within this ongoing month.

In bilateral creditors, Islamabad will have to repay \$67 million to China as principal amount and \$27 million as interest payment in September 2018. Pakistan is going to repay \$17 million to Japan and \$5 million to Korea in shape of principal and mark-up in September 2018. On interest repayment, Pakistan will have to pay back \$32 million to those who had invested on purchasing bonds in the past.

Pakistan will have to pay back \$412 million in the shape of principal amount and \$62 million as markup on account of commercial loans during September 2018 as the major repayment installment of principal amount would be paid back to Noor Bank

PJSC to the tune of \$200 million and \$255 million to consortium of banks, including SUISSE AG, UBL and ABL.

The government is going to repay \$129 million to the ADB as the principal amount on \$19 million loan as mark-up, \$65 million to IBRD of World Bank, \$102 million to IDA, \$24 million to IDB, \$141 million to IDB (ST), \$01 million to IFAD, and \$01 million to OPEC Fund.

In October 2018, the government will have to repay \$394 million as principal amount and \$178 million as markup of loans. Pakistan will have to repay \$01 million to France as principal amount on loans and \$10 million to Saudi Arabia in October 2018. Islamabad is going to repay \$106 million to investors who purchased bonds during the next month. The government will have to repay \$206 million to the Standard Chartered Bank (London) as principal and mark-up, \$01 million to the Bank of China, \$11 million to the China Development Bank and \$9 million to the ICBC China. The government will have to repay \$229 million to multilateral creditors during October 2018, including \$121 million to IDB as major chunk as principal and markup on loans.

In November 2018, the government will have to repay \$572 million as principal and \$146 million as interest payment on loans. The government will also have to pay back \$34 million to the IMF in November 2018.

On bilateral creditors repayment, Islamabad is going to repay \$01 million to Australia, \$02 million to Belgium, \$10 million to Canada, \$04 million to China, \$81 million to France, \$46 million to Germany, \$03 million to Italy, \$156 million to Japan, \$18 million to Korea, \$01 million to Kuwait, \$01 million to Norway, \$06 million to Russia, \$01 million to Spain, \$06 million to Sweden, \$04 million to Switzerland, \$01 million to UAE and \$61 million to USA.

The government will have to repay \$23 million to the China Development Bank and \$03 million to the Bank of China as mark-up during November 2018.

Pakistan will have to repay \$275 million as principal amount and \$16 million as mark-up of loans to multilateral creditors and major repayments will be paid to the ADB to the tune of \$51 million and \$217 million to the IDB in November this year.