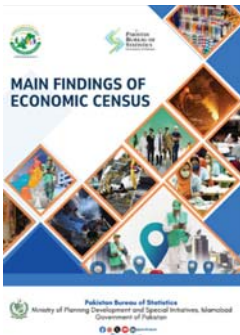


# Economy News

## Pakistan Launches First Digital Economic Census



Planning Minister Ahsan Iqbal launched Pakistan's first Digital Economic Census, conducted by the Pakistan Bureau of Statistics (PBS). The census geo-tagged 40 million buildings, recorded 7.2 million economic entities—including 2.7 million retailers, 23,000 factories, and 643,000 small units—and identified 10 million households running micro-businesses. It also documented 242,000 schools, 36,331

Madaaris, 11,568 colleges, 214 universities, 119,000 health facilities, and 6,000 places of worship. The minister said the data will help mainstream the undocumented economy and support better governance, while PBS termed the initiative a landmark in the country's economic history.

## Pakistan to Float \$1 Billion Panda Bonds in Chinese Market



Pakistan will issue \$1 billion in Panda Bonds in the Chinese market in three phases by 2028, starting with \$250 million this fiscal year, the Finance Ministry said. The plan, revived from an earlier \$250 million proposal, aims

to reduce reliance on short-term Treasury Bills and diversify borrowing. Progress is expected during Prime Minister Shehbaz Sharif's upcoming visit to China, as GDP projections show growth from Rs. 114 trillion to Rs. 163 trillion by 2028.

## Pakistan's Public Debt reaches Rs. 78.7 trillion in FY2025

Pakistan's public debt rose by Rs. 7.45 trillion in FY2024-25, reaching Rs. 78.7 trillion (\$277.6 billion), or 68.6% of GDP—well above the 60 percent FRDL Act ceiling, according to the Finance Division's Medium-Term Debt Management Strategy (2026–28). Domestic debt stood at Rs. 53.5 trillion with an average interest rate of 15.8% while external debt was Rs. 25.2 trillion at 4.4%. Interest payments consumed nearly 6% of GDP as reliance on costly domestic financing pushed its share to 68% of total debt. The strategy noted reduced refinancing risk, with the average maturity of domestic debt extended from 2.7 to 3.8 years, raising overall maturity to 4.5 years.

## Inflation Slows to 3% in August, Below Projections

Pakistan's inflation was recorded at 3% in August 2025, lower than government projections, according to PBS data. On a monthly basis, it fell 0.6% compared to a 2.9% rise in July. Urban inflation stood at 3.4% and rural at 2.4%, with the July–August average at 3.53%. Food prices dropped 1.8%, while health and education charges rose by over 10%. Utilities, clothing, and footwear also increased, but restaurant and hotel charges fell. In rural areas, tomatoes, eggs, and chicken saw sharp hikes, while fruits and vegetables declined steeply; similar trends were noted in urban markets. The Finance Ministry had projected 4–5% inflation but cautioned that flood damages could disrupt food supplies.

## PIA Privatization Set for November 2025

The Senate Committee on Privatization was informed that Pakistan International Airlines (PIA) is expected to be privatized by November 2025, with four companies in the bidding process, though two have been disqualified. Concerns were raised over PIA's Rs. 650 billion debts, while selling its two hotels was suggested to offset liabilities. The Committee also reviewed progress on other transactions, including the Nandipur and Guddu power plants, where gas supply and land transfer issues remain pending. Three power distribution companies (DISCOs) are also on the privatization list. Officials said the government has decided to exit commercial business, prioritizing profitable entities to attract investors.



## Remittances Reach \$3.2 Billion in July 2025

Overseas workers' remittances to Pakistan stood at \$3.2 billion in July 2025, up 7.4% from \$3 billion in the same month last year but down 6% from \$3.4 billion in June, according to SBP data. Saudi Arabia led with \$823.7 million, 8% higher YoY, followed by the UAE at \$665.2 million (up 9% YoY). Remittances from the UK rose 2% YoY to \$450.4 million but dropped 16% from June, while inflows from the US declined 10% YoY to \$269.6 million. The Finance Ministry noted that remittances, coupled with stable exchange rates and global commodity prices, are expected to support external sector stability. Pakistan received record-high remittances of \$38.3 billion in FY2024-25, a 26.6% jump from \$30.3 billion in FY2023-24.