Chapter 01

Growth and Investment

In FY 2024, especially in the third quarter, Pakistan's economy began to show signs of resilience and stability after facing significant challenges during FY 2023. The economy was hit by international supply shocks and domestic natural disasters (floods) in FY 2023. These events increased the country's vulnerabilities as it was recovering from the pandemic, leading to a negative GDP growth rate. GDP growth started to rise, while inflation continued to trend downward. These positive developments were attributed to the government's resilient policy management and renewed support from both multilateral and bilateral partners. Despite the challenges, the government successfully completed the IMF Stand-By Arrangement (SBA) program. Looking ahead, the government anticipates a new 3-year IMF program to support the external sector further and encourage investment flows, aiming to steer the economy toward its potential growth. Amid these positive developments, GDP growth reached 2.38 percent in FY 2024.

While the global economy has stabilized with signs of moderate recovery, it's crucial to remain vigilant about potential risks. Geopolitical tensions arising from conflicts in Ukraine and Gaza, and differing inflation rates among major economies are factors that could impact global prices, leading to currency depreciation, commodity price changes, and increased production costs in Pakistan. However, the government's proactive measures and strategic planning are aimed to mitigate these risks and boost economic stability.

The inflationary pressure that has been a concern started to ease in FY 2024. In May 2024, headline inflation reached its lowest point in 30 months. On a year-on-year basis, CPI inflation was 11.8 percent in May 2024, a significant decrease from 38.0 percent in May 2023. This decline can be attributed to several factors, such as monetary tightening, fiscal consolidation, smooth supplies of food items, favorable global commodity prices, and exchange rate stability. The government's efforts to manage these factors have played a significant role in containing inflation, demonstrating its commitment to maintaining price stability.

The government is implementing a comprehensive set of administrative, policy, and relief measures to address inflation and proactively help the vulnerable members of society. This approach is reflected in the recent decrease in inflation. From an administrative standpoint, the government has implemented structural reforms to stabilize the foreign exchange rate and ensure the availability of essential goods by targeting illegal activities such as foreign exchange malpractices, smuggling, and hoarding. Initiatives like Sasta Bazaars and Utility Stores are also being expanded to improve the availability of daily necessities. Regarding policy, government is working diligently to maintain the stability and availability of crucial goods, supported by programs like the Kissan Package, which provides subsidies and technological advancements to support agriculture. The State Bank of Pakistan maintained a high policy rate to manage inflation and economic demand effectively. Through relief measures, government is providing subsidized essentials through Utility Stores and increasing the budget of the Benazir Income Support Programme, which supports millions through the BISP Kafalat Program. These coordinated efforts aim to provide immediate relief to the masses.

The agriculture sector is recognized as a key driver of economic growth in FY 2024, with a robust growth rate of 6.25 percent. The quarterly growth rates have been observed at 8.6 percent, 5.8 percent, and 3.9 percent in Q1, Q2, and Q3 of FY 2024, respectively. The sector's recovery is attributed to government initiatives, improved input supply, and increased credit disbursement to farmers. Important crops like cotton, rice, and wheat observed healthy growth, while sugarcane and maize experienced negative growth. However, the negative impact of sugarcane and maize was offset by the high growth of wheat, cotton, and rice. Livestock, a significant portion of the agriculture sector, showed resilience and maintained average growth. This positive growth in the agriculture sector is a promising sign for Pakistan's overall economic recovery.

Industrial Sector grew by 1.21 percent in FY 2024 compared to contraction of 3.74 percent last year. The sub-sector large-scale manufacturing (LSM), representing domestic industrial production, has been consistently recovering. It experienced a slight decline of 0.1 percent during July-March FY 2024, compared to a significant contraction of 7.0 percent during the same period last year. After consecutive negative growth in Q1 and Q2 of FY 2024, the LSM sector is now showing a V-shaped recovery in Q3 of FY 2024, with a growth of 1.47 percent. Almost 50 percent of sub-sectors have recovered and posted positive growth. Factors such as high inflation, prolonged tight monetary policy, and the low recovery process in major trading partners have contributed to the contraction of the LSM sector.

Despite the slow recovery in LSM, the Commodity Sector posted a growth of 4.02 percent, which also supported the services sector. The services sector posted a growth of 1.2 percent based on significant growth in subsectors of services like Education, Human Health, Social Work Activities, and Other Private Services.

On the external front, the current account showed improvement, with the current account deficit decreasing from US $ 3.9 billion last year to US $ 0.2 billion in July-April FY 2024. This improvement was due to a 10.6 percent increase in exports and a 5.3 percent drop in imports of goods. According to the SBP data, remittances increased by 3.5 percent to US $ 23.8 billion, contributing to the current account balance improvement. Additionally, Pakistan's financial account performance improved as the country successfully increased its foreign reserves and achieved stability in the exchange rate, which is crucial for overall economic stability.

On the fiscal front, revenue growth exceeded expenditure growth during the first nine months of FY 2024. Both tax and non-tax collections saw significant increases of 29.3 percent and 90.7 percent, respectively. Additionally, efforts to limit non-mark-up spending led to an improvement in the primary surplus to Rs 1615.4 billion (1.5 percent of GDP) during July-March FY 2024, up from Rs 503.8 billion (0.6 percent of GDP) last year. The overall fiscal deficit remained at 3.7 percent of GDP, consistent with the previous year's figure.

Managing supply and demand and effectively implementing sectoral reforms are crucial to achieve sustainable and inclusive growth. On the supply-side, government is focusing on expanding production capacity, increase domestic and foreign investment and participating more actively in global value chain. This approach also involves creating an investment-friendly environment to encourage long-term commitments from potential investors. Enhanced production capacity, productivity and competitiveness will lead to increase in goods available for export and import substitution, thereby improving trade performance. The government recognizes the importance of prioritizing infrastructure investments over consumption and promoting youth entrepreneurship, which is essential for sustainable growth and increasing per capita income. This will help the economy to boost domestic production, substitute imports, and expand supply to international markets. These improvements are vital for increasing the country's potential output and employment rates. The government is fully committed to maintaining stability and fostering economic confidence.

1.1 Global Perspective

In the latest World Economic Outlook April 2024, the IMF revised the global growth forecast upward slightly due to the better performance in advanced economies and receded inflation at the global level. Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. This resilience is attributed to positive supply developments, a rebound in labour supply, and effective monetary policies. Growth in emerging markets and developing economies is expected to be stable at 4.2 percent in 2024 and 2025. Moderation in emerging and developing Asia will be offset mainly by the rising growth of economies in the Middle East, Central Asia, and sub-Saharan Africa.

Although risks to the global outlook are now broadly balanced, on the downside, new price spikes could arise from several sources. First, geopolitical tensions, including those from the Russia-Ukraine and Gaza conflict. Second, a divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. Third, growth could weaken in China without a comprehensive response to the troubled property sector, hurting trading partners. Fourth, amid high government debt in many economies, a disruptive turn to tax hikes and spending cuts could weaken activity, erode confidence, and sap support for reform and spending to reduce risks from climate change.

Nonetheless, on the upside, loose fiscal policy than necessary along with optimistic projections could raise economic activity in short term but would have ramifications for growth in the future. Inflation could fall faster than expected amid further gains in labor force participation, allowing central banks to implement easing plans. Artificial intelligence (AI) and more robust structural reforms than anticipated could also spur productivity in the major trading partners ahead.

1.1-a Global Economic Growth and Pakistan Economy

Despite limited integration into the global value chain, Pakistan's economy remains sensitive to economic fluctuations in its major trading partners. The economic condition of these partners is assessed using the weighted average of their Composite Leading Indicators (CLI). Since the second half of 2023, the CLI positions of Pakistan’s main export markets, including the UK, US, China, and Euro Area countries, have consistently expanded.

The cyclical nature of Pakistan's manufacturing sector plays a pivotal role in shaping the overall economy, as it is closely linked to the CLI of its major trading partners. Fluctuations in manufacturing output have a cascading effect on other economic sectors. In FY 2024, despite minor positive growth, the LSM sector showed resilience and signs of recovery compared to last year, leaving no offsetting impact on the overall economic growth.

The global economic downturn is dissipating, and international growth is showing signs of recovery, according to IMF's World Economic Outlook for 2024. However, significant risks persist due to geopolitical tensions, such as the ongoing conflicts in Ukraine and Gaza, coupled with differences in reduction in inflation across major trading partners. These factors will likely affect the external sector and growth prospects in Pakistan. Despite a slight decrease in global inflation, these risks could exacerbate pressures on international prices, potentially leading to currency depreciation, fluctuations in commodity prices, and increase in production cost. Moreover, stringent financial conditions globally, particularly in key trading partners, may lead to heightened capital outflows from the country.

Technological advancements are occurring rapidly in advanced economies, particularly in the major trading partners. The role of AI in boosting productivity and economic growth is widely discussed to spur its actual benefits.

Though emerging economies lag in this race, Box-I highlights the implications of artificial intelligence for productivity and economic growth in the context of Pakistan.

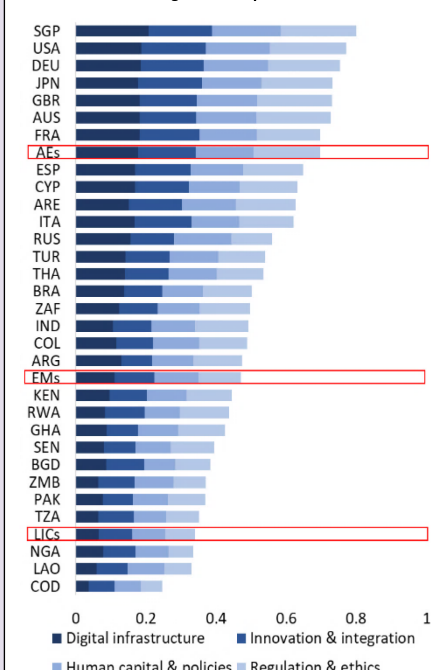
Box - I: Artificial Intelligence, Productivity, and Economic Growth

The world stands on the edge of a technological revolution poised to boost productivity, stimulate global economic growth, and elevate income levels worldwide. This new era is driven by the emergence of Artificial Intelligence (AI). AI is broadly defined as the capability of a machine or an agent to mimic human intelligence, achieve goals in a variety of environments, and perform complex tasks traditionally carried out by humans. AI encompasses various technologies designed to enable machines to perceive, interpret, act, and learn to replicate human cognitive abilities.

Integrating AI into the economic system is expected to unleash productivity gains soon. These gains in productivity could lead to high growth and higher incomes. AI is being integrated around the world at a remarkable speed. Capital deepening and a surge in productivity could raise worker productivity and incomes, contributing to overall economic growth (Cazzaniga, 2024). It promises to boost productivity and transform all sectors, including manufacturing, finance, retail, agriculture, healthcare, education, transportation, logistics, and energy.

In this technological transformation process, many actors can play a pivotal role in affecting the direction of AI integration. Major corporations have to make important decisions about how they choose to integrate AI into their workforce. The largest of these companies will also develop in-house AI. AI/computer science labs at universities will also develop AI models, some of which they will make open-source. Federal legislators and policymakers will have a significant impact through innovative policy interventions that help shape the future of technology and the economy.

The Artificial Intelligence Preparedness Index 2024



Source: IMF

The full harnessing of AI's potential depends on each country's development level. Therefore, it is crucial to focus on foundational infrastructure development and the creation of a digitally skilled labour force. Additionally, it is important to prioritize AI innovation and integration and establish adequate regulatory frameworks to maximize the benefits of increased AI use.

AI and Pakistan

Pakistan's economy has the potential to benefit from the technological revolution, which could significantly increase productivity and growth in various sectors. However, Pakistan needs to adequately prepared for this global change. Pakistan should focuss on digital infrastructure development, innovation, integration, and human capital development, which are crucial for harnessing the potential of artificial intelligence (AI). There is strong realization in Pakistan that digital infrastructure development, regulations, and policies be integrated into national policy. Such strategic policy interventions can shape the future of technology and the economy, focusing on developing digital infrastructure and skills and incentivizing research and development across all sectors of the economy. Without these measures, sectors heavily reliant on manual and traditional roles may miss out on the early benefits of AI, leading to further economic divergence.

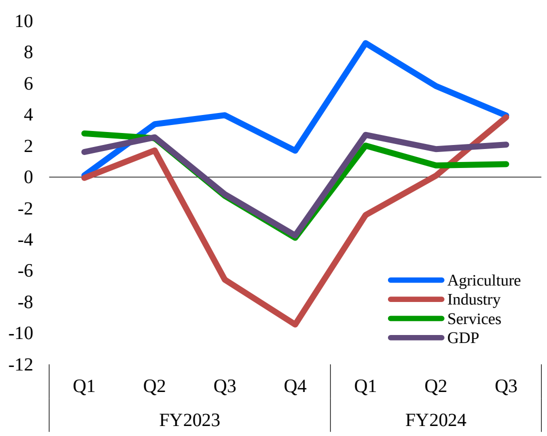
1.2 Pakistan Economy in Quarters FY 2024

GDP-Quarterly Growth

The economic journey in FY 2024 has been optimistic. External shocks and the adverse effects of floods disrupted economic activity in FY 2023, as evident from Fig-1. Quarter by quarter, the impact on agriculture was not as large as that experienced by the services and industry sectors. Over four quarters, the steep fall in service and industry growth led to negative growth in FY 2023.

However, the economic sectors experienced a 'V-shaped' recovery in FY 2024, as was historically expected post-flood; the agriculture sector increased in the first quarter. This increase in growth was attributed to government initiatives through improved input supply and increased credit disbursement to farmers. Along with improving important crops, the recovery of major trading partners and prudent measures led to a pickup in the industry and services sectors since Q1 of FY 2024. In Q3, GDP grew by 2.09 percent due to a 3.94 percent growth in agriculture, 3.84 percent in industry, and 0.83 percent in the services sector. Through the quarters, the economic sectors reflected the short-term economic performance and provided a basis for the economy's future trajectory.

Fig-1: Quarterly GDP (% Growth)



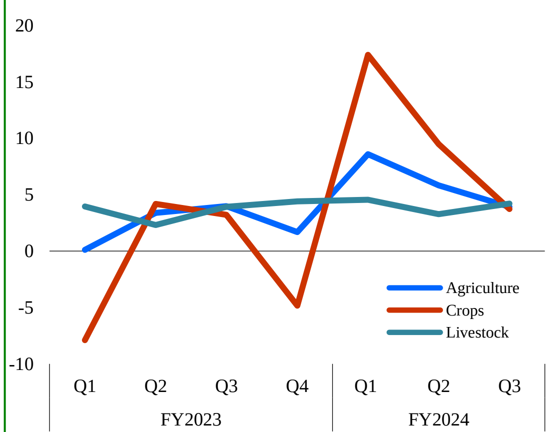
Source: PBS

Agriculture-Quarterly Growth

The FY 2024 is marked as the fiscal year of agriculture-led GDP growth. In FY 2023, due to flash floods in Q1, the agriculture sector showed moderate growth across the quarters. However, it exhibited a pronounced increase in Q1 of FY 2024, indicating a healthy start to the fiscal year.

The agriculture sector showcased a growth of 3.94 percent in Q3 compared to last year's period; this growth is driven by a 3.74 percent growth in important crops due to increased wheat, rice, and cotton production. The important crops showed an outstanding increase in Q1 and Q2 of FY 2024 compared to last year. This robust growth is attributed mainly to a bumper wheat crop, with wheat production reaching 31.44 million tonnes in FY 2024, up from 28.16 million tonnes the previous year. Other crops also experienced positive growth of 1.14 percent compared to a decline of 0.99 percent in Q3 of the last year, derived from the increased production of vegetables and fruits. These crops have maintained growth of around 1 percent over the quarters throughout FY 2024. Similarly, livestock, forestry, and fishing have also grown at normal pace.

Fig-2: Agriculture (% Growth)

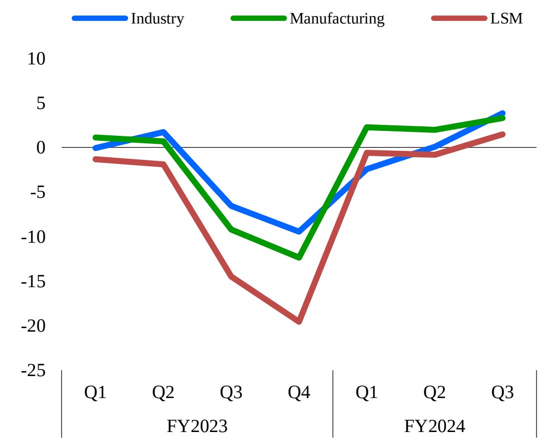


Source: PBS

Industry-Quarterly Growth

After facing negative growth in Q3 and Q4 of FY 2023 and Q1 of FY 2024, the industry has started to recover, showing positive growth of 0.09 percent and 3.84 percent in Q2 and Q3 of FY 2024, respectively. This marks a 'V-shaped' recovery, as indicated in Fig-3. The mining and quarrying sector also reported a positive growth of 0.63 percent, with significant increases in coal production (23.73 percent) and marble (5.87 percent). In large-scale manufacturing, there was a growth of 1.47 percent, driven by higher production of yarn, towels, garments, paper & board, fertilizer, tractors, and footballs. Small-scale industries and slaughtering reported steady growth. The electricity, gas, and water supply industry experienced a remarkable growth of 37.30 percent due to increased outputs from WAPDA, various companies, and DISCOs, also benefiting from a low base effect of the previous year and an increase in gas production in Q3. However, the construction industry witnessed a sharp decline of -15.75 percent in Q3, mainly due to falls in cement (-15.42 percent) and iron & steel production (-2.83 percent).

Fig-3: Industry (% Growth)

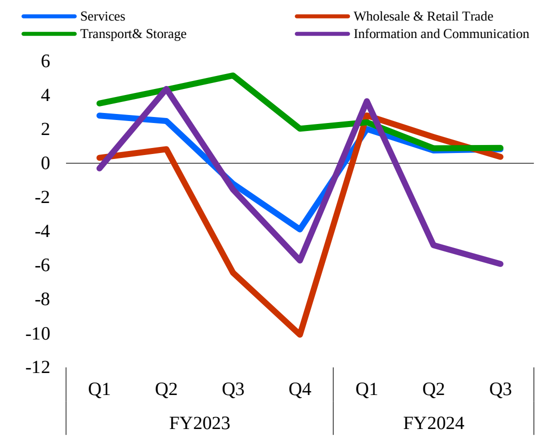


Source: PBS

Services-Quarterly Growth

After consecutive negative growth in Q3 and Q4 of FY 2023, the services sector showed resilience with moderate growth in FY 2024. The services sector observed growth of 0.83 percent in Q3 of FY 2024 compared to 2.02 percent and 0.75 percent in Q1 and Q2 of FY 2024, respectively. The most extensive wholesale and retail trade sector, which experienced sizeable negative growth until Q4 of FY 2023, also observed a positive but meager growth of 0.38 percent in Q3 of FY 2024 on the backdrop of positive growth in agricultural output and LSM. Although there was a decline in imports, the negative impact was offset by the increase in agriculture and industry output. The transport and storage industry's growth increased by 0.91 percent because of increased production from Karachi Port Trust, Karachi International Container Terminal, Qasim International Container Terminal in Karachi, and railways. Information and communication badly affected by high inflation. After a 'V-shaped' recovery in Q1 of FY 2024, it could not maintain the growth trajectory and observed negative growth in Q2 and Q3 of FY 2024. Quarter by quarter, a mixed trend is observed in all other sub-sectors of services due to high inflation and tight monetary policy, despite improvements in the commodities sector.

Fig-4: Services (% Growth)

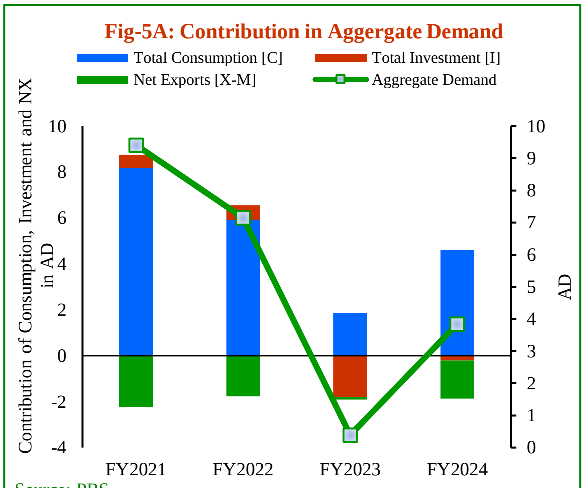


Source: PBS

1.3 Pakistan Economic Performance FY2024

Pakistan's economy rebounded the aggregate demand in the post-COVID period, with the opening up of international trade and sizeable growth in workers' remittances in FY 2022; this led to an increase in consumption as a percent of GDP. The significant contribution of the total consumption to aggregate demand in FY 2022 overheated the economy (Fig-5A). The net exports and CAD increased steeply, and the Financial Account was insufficient to offset the CAD, which increased financing requirements and exerted severe pressure on the exchange rate (Fig-5B). Deteriorating external account position, flood damages, and an increase in international prices deteriorated the economy. Consequently, the government stabilization policy and the contractionary monetary and fiscal policy pursued to contain the aggregate demand were inevitable in improving the balance of payment issues, which has played a role in the contraction of economic activity in FY 2023.

The net exports improved, and the current account posted a deficit of $ 0.2 billion in Jul-Apr FY 2024 against a deficit of $ 3.9 billion last year, narrowed down by 94.8 percent. The reduction in net exports and current account balance did not bar the boost in aggregate demand. With external sector resilience, aggregate demand has picked up on the back of domestic economic activity (Fig-5A).



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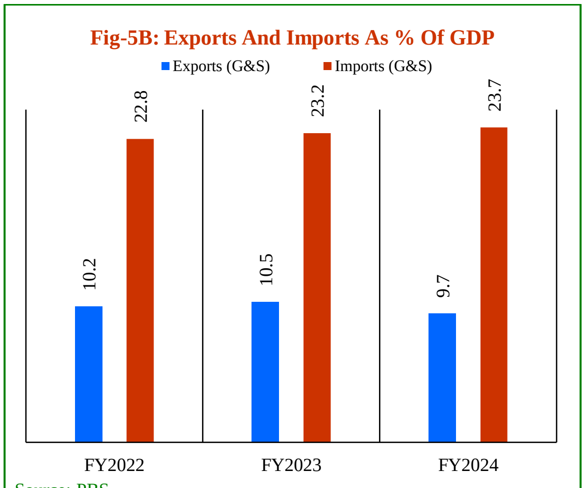
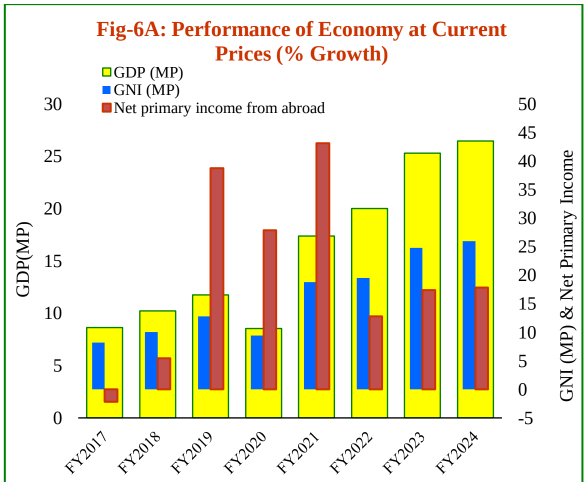


Source: PBS

Aggregate Demand Analysis

In FY 2024, the GDP at current market prices increased by 26.4 percent compared to 25.8 percent last year. It stands at Rs 106,045 billion compared to Rs 83,875 billion the previous year.

Gross National Income (GNI) is primarily used to measure the wealth of the country, which is calculated by adding net primary income (NPI) to GDP (MP). However, the movement of GNI and GDP (MP) follow a similar pattern. However, since FY 2019, significant growth has been observed in NPI, mainly due to a substantial increase in workers' remittances due to travel restrictions. During July-April FY 2024, workers' remittances posted a positive growth of 3.5 percent on the back of the recovery in the global economy and better economic performance in the main remit corridors such as the USA, UK, and EU. In comparison, GNI in rupee term posted a 25.9 percent growth in FY 2024, up from 25.1 percent last year (Fig-6A). Similarly, the per capita income in dollar terms vis-à-vis PKR witnessed a rebound in this fiscal year, standing at US $ 1680 compared to US $ 1551 last year; the stability in exchange rate and surge in economic activity increased the per capita income by 8.3 percent (Fig-6B).



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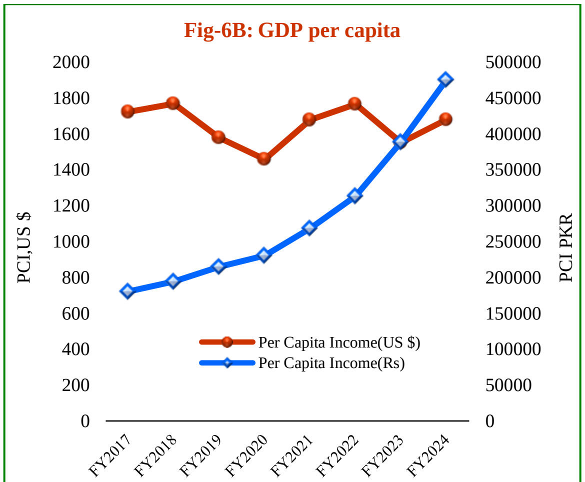


Source: PBS

Consumption: Household consumption consistently holds a large share of the GDP and remains unaffected by inflationary pressures. The decision to consume is crucial for long-term and short-term economic growth. Since FY 2016, the increased share of household spending led to a surge in imports, as domestic production could not keep up with the rising consumer demand. This situation has amplified the role of international prices in domestic inflation and uncertainty in currency value.

Table 1.1 presents the components of Aggregate Demand. The final consumption expenditure covers private consumption, Non-Profit Institutions Serving Households (NPISH), and General Government Consumption. Regarding household private consumption expenditures, it has been observed that tight monetary policy and high international prices have slightly altered the consumption pattern in FY 2023 and FY 2024. This private consumption expenditure may not be changed because of the workers' remittances and cash transfers to the low segment of society through relief packages. The private consumption share is up by 0.6 percent, while the share of public consumption is slightly decreased due to contractionary public expenditures in the same period.

Table 1.1: Composition of GDP (at Current Prices): Expenditure Approach

	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
	As percent of GDP (MP)			Growth Rates (%)			Point Contribution		
Household Consumption	85.01	82.38	83.06	23.02	21.94	27.48	18.99	18.65	22.64
NPISH Consumption	0.89	0.82	0.78	9.81	16.23	20.43	0.10	0.14	0.17
General Government Consumption	10.49	10.32	9.31	14.60	23.76	14.01	1.60	2.49	1.45
Total Consumption [C]	**96.39**	**93.52**	**93.15**	**21.91**	**22.08**	**25.93**	**20.68**	**21.29**	**24.25**
Gross Fixed Investment	13.85	12.42	11.43	28.93	12.80	16.40	3.71	1.77	2.04
Private	10.36	9.46	8.67	25.48	14.93	15.81	2.51	1.55	1.50
The public, including the General Public	3.49	2.96	2.77	40.38	6.50	18.28	1.20	0.23	0.54
Changes in Stock + Valuables	1.71	1.71	1.71	19.38	25.83	26.43	0.33	0.44	0.45
Total Investment [I]	**15.56**	**14.13**	**13.14**	**27.81**	**14.24**	**17.61**	**4.04**	**2.22**	**2.49**
Exports (Goods & Services) [X]	10.54	10.49	10.31	39.02	25.23	24.32	3.53	2.66	2.55
Imports (Goods & Services) (M]	22.49	18.14	16.61	49.34	1.48	15.76	8.87	0.33	2.86
Net Exports [X-M]	**-11.95**	**-7.65**	**-6.29**	**59.81**	**-19.47**	**4.02**	**-5.34**	**2.33**	**-0.31**
Aggregate Demand [C+I+X]	**122.49**	**118.14**	**116.61**	**23.95**	**21.36**	**24.79**	**28.25**	**26.16**	**29.29**
Domestic Demand [C+I]	**111.95**	**107.65**	**106.29**	**22.69**	**20.99**	**24.84**	**24.72**	**23.50**	**26.74**
GDP (MP)	**100.00**	**100.00**	**100.00**	**19.38**	**25.83**	**26.43**	**19.38**	**25.83**	**26.43**

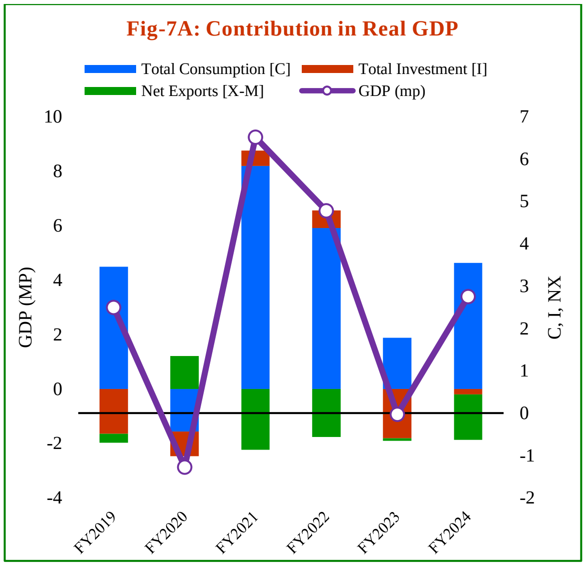
NPISH: Non-profit institutions serving households

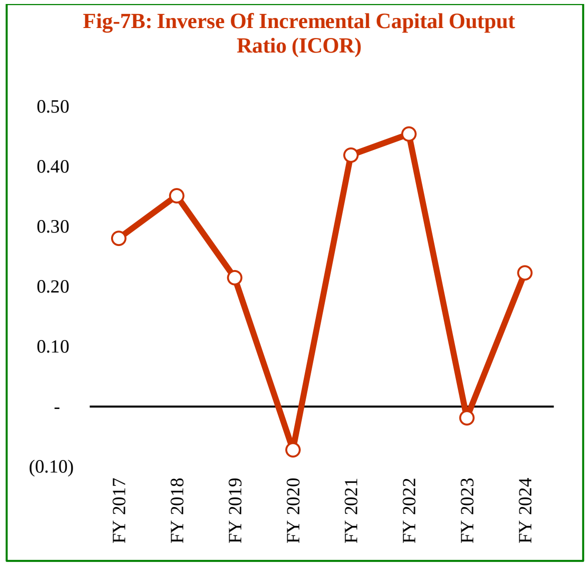
Source: Pakistan Bureau of Statistics

Investment: The national income accounts define net capital outflows that must satisfy the identity in which net exports must equal the difference between its national saving and investment. If the net capital outflow is negative, the economy is experiencing a capital inflow where investment exceeds saving, and the economy borrows from abroad in the form of foreign savings. In Pakistan, the investment-to-GDP ratio is stagnant at around 14 percent, the lowest among the regional countries. The investment contribution to real GDP is shown in (Fig – 7A).

The influence of economic policies on the trade balance can be assessed by analyzing their effects on domestic saving and investment. Policies that boost investment or reduce saving generally lead to a trade deficit, while those that decrease investment or enhance saving typically result in a trade surplus (Fig-7A & Fig-8).

The current tight monetary policy stance, tight credit conditions, and fiscal measures resulted in an increase of 5.6 percent in primary income, the trade balance improved in FY 2024 (Fig-7A). In this scenario, investment and national savings as ratios of GDP slightly declined in FY 2024, and consumption as a percent of GDP also contracted somewhat from 93.5 to 93.2 percent.

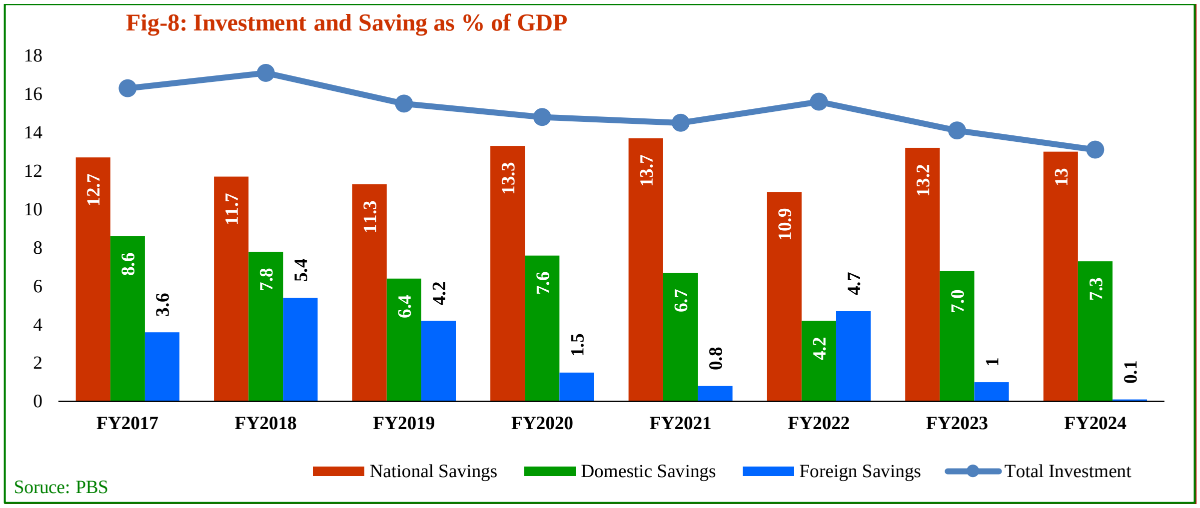




The inverse of incremental capital output ratio (ICOR) represents the production efficiency or addition of investment to produce the additional unit of GDP. The trend of Inverse ICOR suggests that, despite achieving high GDP growth, investment is not showing as the driver of growth. Over the years, the marginal increase in investment has fallen or is at a low level, which is required to produce the additional unit of GDP (Fig-7B).

In Pakistan, like some other countries, for Household Final Consumption Expenditure, PBS applies an assessment of this aggregate as the residual of GDP because of the non-availability of the income approach to measure GDP. Thus, given the data for investment and current account balance, National Savings are worked out as a residual from the identity, which says "savings and investment gap is always equal to the current account balance and which is also termed as Foreign Saving in FY 2024, Foreign Savings reduced to 0.1 percent of GDP. It has been observed historically that, high growth was correlated with high foreign savings (CAD), and therefore with low domestic and national savings. For instance, in FY 2022, Foreign Saving remained at 4.2 percent of GDP while National Savings and Domestic Savings remained at 10.9 and 4.2 percent respectively during the same period. For the last ten years, on average, the National Savings rate in Pakistan hovered around 12.7 percent, while Gross Fixed Capital Formation remained around 13.5 percent of GDP. In contrast, foreign savings were observed to either increase or decrease with an increase or decrease in GDP growth, implying reduced or increased national and domestic savings in Pakistan (Fig-8). It is mentionable that, the current state of savings and investment rate is not adequate to boost sustainable growth. The government realized this fact and thus, approved the establishment of the Special Investment Facilitation Council (SIFC) on 20 June 2023.

The SIFC is supervised by the Prime Minister and is composed of all provincial and federal ministers, secretaries, and high-ranking representatives from the Pakistan Armed Forces. The primary objective of the Council is to facilitate large-scale investments at the government level in the lucrative industries of mining and minerals, energy, agriculture, livestock, information technology, and defence production. These sectors have enormous profit and development potential on a mutually beneficial basis. The Pakistani government welcomes investments from all nations in the region and beyond in these sectors. Such investments will be prioritized, expedited, and facilitated at the Prime Minister's office under the supervision of SIFC.



The total investment contains three components: Gross Fixed Capital Formation (GFCF), changes in inventories, and net acquisition of valuables. The GFCF is a change in fixed assets used in the production process for more than one year. Whereas the changes in inventories are calculated as a change in the value of physical stocks of raw material, work-in-progress, and finished goods held by industries and producers of government services. Finally, Valuables are not used primarily for production or consumption but are held as stores of value over time to keep the production process smooth.

The GFCF for the FY 2024 recorded at Rs 12,122.5 billion, showing an increase of 16.4 percent compared to 12.8 percent growth in FY 2023. During the same period, The GFCF of the private sector is estimated at Rs 9189.3 billion as against Rs 7934.6 billion in FY 2023, witnessing an increase of 15.8 percent. The GFCF of the Public Sector is estimated at Rs 508.8 billion against Rs 545.4 billion during FY 2023, registering a decline of 6.7 percent. Likewise, Estimates of GFCF in the General Government sector are based on federal, provincial, and district government budgetary data. The overall provisional GFCF for this sector has been estimated at Rs 2424.4 billion during FY 2024, with an increase of 25.3 percent compared to Rs 1934.6 billion in FY 2023.

Private Sector GFCF: The estimates of GFCF in agriculture, forestry, and fishing industries stand at Rs 2976.0 billion in FY 2024 as against Rs 2342.9 billion in FY 2023 with an increase of 27.0 percent due to the rise in imported agriculture machinery as well as additions in stock of livestock. The GFCF in the mining and quarrying industry during FY 2024 has been estimated at Rs 85.2 billion as against Rs 77.2 billion in FY 2023, registering an increase of 10.4 percent due to higher expenditure on exploration costs incurred by companies.

The GFCF estimate in LSM comprises in-production, i.e., listed and non-listed companies covered through census and survey, respectively, and under-construction units estimated through financing by financial institutions. The provisional GFCF during FY 2024 in LSM is estimated at Rs 868.4 billion against Rs 891.6 billion during FY 2023, showing a decline of 2.6 percent due to conservative reporting by private companies. The provisional GFCF in small-scale manufacturing (including slaughtering) is estimated at Rs 199.3 billion using manufacturing SME financing as an indicator, showing a modest decline of 0.2 percent over the previous year. Expenditures on GFCF in the Electricity, Gas & Water Supply industry stands at Rs 157.1 billion during FY 2024 against Rs 281.0 billion in FY 2023, registering a decline of 44.1 percent because of lower expenditure reported by IPPs. The construction industry has registered an increase of 13 percent in GFCF during FY 2024.

The private sector enterprises engaged in most service-related industries i.e. wholesale & retail trade (21.7 percent), accommodation and food service activities (32.8 percent),transportation & storage (4.6 percent), finance & insurance (31.2 percent), real estate activities (20.5 percent), education (19.6 percent), human health & social work (32.0 percent) and other private services (22.3 percent)have registered positive growth in the provisional estimates of FY 2024 except for information & communication industry (-8.7 percent).

Public Sector Enterprises GFCF: During FY 2024, except for a few, most industries showed a decrease in GFCF compared to FY 2023. GFCF during FY 2024 in the Public Sector is estimated at Rs 508.8 billion against Rs 545.4 billion during FY 2023, registering a decline of 6.7 percent. The major industries with negative growth in FY 2024 over FY 2023 are mining and quarrying (27.5 percent due to OGDC), electricity, gas & water supply (7.5 percent due to WAPDA), construction (25.2 percent due to development authorities) and information and communication (11.5 percent due to PTCL and Ufone on machinery & equipment). However, public sector enterprises engaged in manufacturing (48.0 percent due to National Radio & Telecommunication Corporation and National Refinery) and transportation & storage (2.2 percent due to PNSC, PARCO, NHA, and CAA) have reported growth in provisional estimates.

General Government GFCF: Estimates of GFCF in the General Government sector are based on federal, provincial, and district government budgetary data. The overall provisional GFCF for this sector during FY 2024 has been estimated at Rs 2424.4 billion, with an increase of 25.3 percent over the revised estimates of Rs 1934.6 billion during FY 2023. While the GFCF-related expenditure by the federal government has registered a modest growth of 0.5 percent, the same has increased by 32.2 percent and 62.7 percent in provincial and district governments, respectively. Further, industry-wise disaggregation of the general government's GFCF suggests an increase of 23.7percent, 35.9 percent, and 52.8 percent in public administration and social security, education, and human health and social work, respectively.

Investment is a primary driver of economic growth in any country. In Pakistan, the investment rate is not only relatively low but also on a declining trend. To enhance investment and stimulate economic growth, it is essential to identify potential areas that can boost investment. The blue economy represents a promising new arena for investment that could efficiently utilize natural resources. Box-II provides some insight into the blue economy in the context of Pakistan.

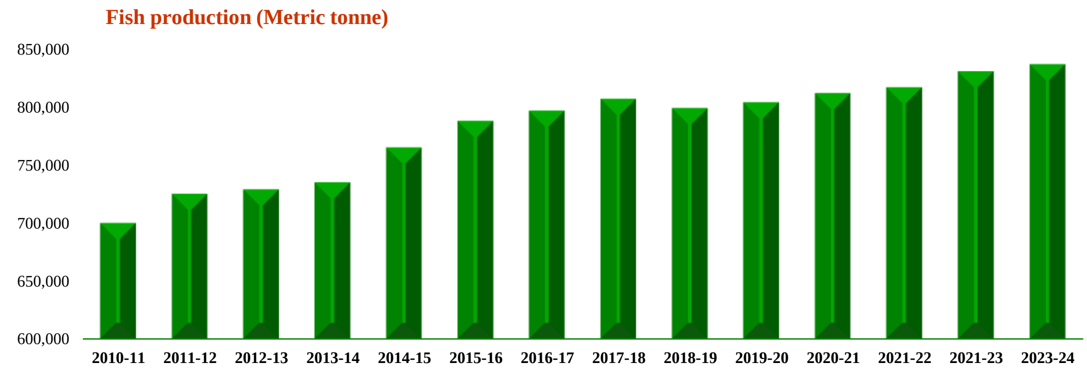
Box-II: Blue Economy-Marine Resources: Potential Avenue of Investment and Growth

In the wake of the pandemic's devastating impact on livelihoods, employment, and supply chains, the Blue Economy has emerged as a critical focus for sustainable economic activity. The Blue Economy encompasses a wide range of areas, such as marine affairs, offshore hydrocarbons, renewable energy, food security, energy security, climate change, ocean conservation, refugees at sea, oil spills and the environment, gender equality, tourism, maritime law, shipping regulations, sustainable development goals, international maritime organizations, shipyards, desalination, coastal wastewater treatment, inland waterways, port and shipping digitization, geopolitics, economic zones, water sports, healthcare, and fishing. The global value of the blue economy currently exceeds $ 1.5 trillion annually and is projected to double to $ 3 trillion by 2030 potentially. In Pakistan, the Ministry of Maritime Affairs (MoMA) is leading the country's blue economy development. MoMA is working with stakeholders, emphasizing the crucial role of each, to create a comprehensive Blue Economy Roadmap to promote and sustain blue sectors in Pakistan.

Blue Economy of Pakistan

Pakistan's extensive coastline of 1,046 kilometers and its 240,000-square-kilometer Exclusive Economic Zone (EEZ) in the Arabian Sea provide abundant marine biodiversity, offering significant opportunities for sustainable development and economic prosperity through the blue economy. The blue economy of Pakistan is a diverse landscape, encompassing sectors such as fishing, aquaculture, shipping, ports, and ship recycling. These sectors have the potential to enhance the livelihoods of coastal communities, improve food security, and create employment opportunities. The China-Pakistan Economic Corridor (CPEC) designed to promote maritime trade and connectivity, further supporting the blue economy. However, addressing challenges such as overfishing, pollution, and maritime security requires collaborative efforts. Strategic planning, infrastructure development, advanced technology, marine tourism, renewable energy, and establishing maritime commerce routes are essential for the growth of Pakistan's blue economy.

- **Fisheries Sector:** Aquaculture has significantly expanded in Pakistan, with freshwater fish cultivation being the predominant practice. The main species cultivated in aquaculture are carp, including silver carp, Rohu, Catlamori, bighead carp, and grass carp, which comprise most aquaculture output. However, aquaculture activities have the potential for further expansion and diversification, including cultivating economically valuable species such as trout, tilapia, and shrimp. Fishing is crucial for the livelihoods of coastal communities, and while inland fishing is also essential, maritime fisheries hold significant value. The fishing sector makes a small contribution to the GDP, but its exports can potentially increase national income. An overview of fisheries production is given as follows:



Soruce: Marine Fisheries Department

The export of fish and fishery products has witnessed a positive trend, with a 4.04 percent increase in value during July-March FY 2024 compared to last year.

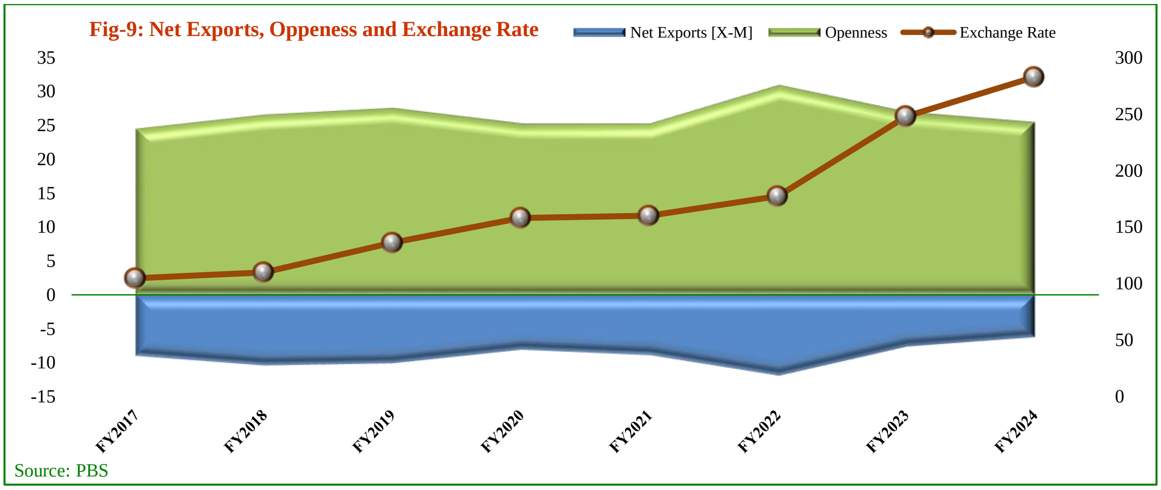
- **Ports Management Sector:** The port management sector of Pakistan plays a crucial role in facilitating trade, maritime transportation, and, thus, economic growth. Pakistan has three major ports: Karachi Port, Port Qasim, and Gwadar. These ports are vital to import-export operations. These ports must improve infrastructure, optimize operations, handle goods well, and follow the best international norms and laws. Security, customs clearance, and logistical coordination are also crucial in port management. Pakistan must invest in port infrastructure, technology, and human resources to compete, attract investment, and become a significant regional and global trade player.

- **Shipping Sector:** The Pakistan National Shipping Corporation (PNSC) is a state-owned maritime organization that plays a crucial role in facilitating the transportation of Pakistan's imports and exports. PNSC operates various vessels, such as bulk carriers, oil tankers, container ships, and gas carriers, to meet different cargo needs and trade routes. The PNSC fleet consists of twelve vessels of various types and sizes. These include five bulk carriers, five Aframax tankers, and two LR-1 Clean Product tankers. The total deadweight capacity, which refers to the cargo carrying capacity, is 938,876 metric tonnes.

- **Ship Recycling:** Pakistan was the first Asian country to separate ship dismantling from shipbuilding, making Gadani one of the world's top shipbreaking facilities. This industry employed 20,000–25,000 people at its peak and benefited another 100,000, including transporters, traders, resellers, and retailers.

In a nutshell, the 'Blue Economy' concept is becoming more popular as it advocates for better management of oceanic resources. For countries like Pakistan, embracing the blue economy has the potential to boost economic growth and create job opportunities. The blue economy involves more than just economic prospects; it also focuses on protecting and enhancing intangible 'blue' resources.

Net Exports: In the aggregate demand, the role of net capital outflow in the form of net exports is crucial due to the consistent gap in investment and saving. The net exports remained negative in FY 2024, mainly due to the massive decline in imports due to the international economic slowdown and domestic demand. According to National Accounts data, Exports of Goods and Services posted a growth of 24.4 percent, while Imports of Goods and Services posted a growth of 15.8 percent in FY 2024.Generally, trade openness is frequently used to measure the importance of international transactions relative to domestic transactions. It is defined as the ratio of exports plus imports over GDP. Pakistan’s openness to trade improved little after 2005, hovering around 25 percent. Trade openness is more closely linked to financing and trade balance.



Over the years, imports have significantly increased, decreasing the share of Net exports in GDP (Fig-9). This indicates a substantial increase in consumption in both government and private households, which has aggravated the recent BOP crises.

1.4 Sectoral Growth Analysis-Production Side

The provisional GDP for FY 2024 has been estimated at 2.38 percent compared to -0.21 percent last year. The growth estimates revealed that the agriculture sector has witnessed a healthy growth of 6.25 percent compared to 2.27 percent last year. The industry has moved from a negative zone to a positive zone by posting a growth of 1.21 percent against -3.74 percent last year. The services sector has also entered a positive growth trajectory with a growth of 1.21 percent against -0.01 percent last year. Sectoral point contribution is given in Table 1.2.

Box-III: Revised GDP for FY 2023

- The provisional GDP estimates for FY 2023 have been updated based on the latest available data.
- The revised GDP growth rate for FY 2023 stands at -0.21 percent, lower than the provisional estimate of -0.17percent.
- The growth of the agriculture sector has improved from 2.25 percent to 2.27 percent. The crops sub-sector has declined from 0.9 percent to -1.03 percent because of a decline in important crops from 0.42 percent to 0.34 percent mainly due to an increase in inputs, i.e., fertilizer offtake and pesticides.
- No significant change has been observed in the industry as the growth remained at the same level, i.e., from -3.76 percent to -3.74 percent.
- The services sector has declined from 0.07 percent to -0.01 percent due to a decline in education from 9.94 percent to 5.15 percent and human health and social work activities from 10.57 percent to 8.87 percent. Both these industries have witnessed downward revisions because of final budget numbers. Other private services have decreased from 5.02 percent to 4.27 percent due to updated revised data from the sources.

Table 1.2: Sectoral Point Contribution at Constant Prices 2015-16

	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024	FY2022	FY2023	FY2024
	As percent of GDP			Growth Rates (%)			Point Contribution		
A. Agriculture	22.60	23.16	24.04	4.21	2.27	6.25	0.97	0.51	1.45
B. Industry	19.11	18.43	18.22	7.01	-3.74	1.21	1.33	-0.71	0.22
Commodity Producing Sector (A+B)	41.71	41.59	42.26	5.47	-0.48	4.02	2.30	-0.20	1.67
C. Services Sector	58.29	58.41	57.74	6.69	-0.01	1.21	3.88	0.00	0.70
GDP (GVA)	100.00	100.00	100.00	6.18	-0.21	2.38	6.18	-0.21	2.38

Source: Pakistan Bureau of Statistics

Agricultural Sector: The agriculture sector grew by 6.25 percent in FY 2024 due to healthy growth of 16.82 percent in important crops i.e. cotton, rice, and wheat. Sub-sectors of agriculture sector with respective shares in agriculture and GDP in Table 1.3.

Table 1.3: Components of Agriculture Sector FY 2024

	Share in Agriculture	Share in GDP	Growth Rate (%)
Agriculture, Forestry and Fishing		24.04	6.25
1. Crops	35.52	8.54	11.03
i) Important Crops	20.67	4.97	16.82
ii) Other Crops	13.51	3.25	0.90
iii) Cotton Ginning	1.34	0.32	47.23
2. Livestock	60.85	14.63	3.89
3. Forestry	2.33	0.56	3.05
4. Fishing	1.30	0.31	0.81

Source: Pakistan Bureau of Statistics

Wheat production recorded 31.44 million tonnes compared to 28.16 million tons last year, posting a growth of 11.6 percent. The cotton crop grew by 108.2 percent and produced 10.22 million bales in FY 2024 compared to 4.91 million bales last year which was severely damaged because of floods and rains. Similarly, rice witnessed a high production of 9.87 million tonnes in FY 2024 compared to 7.32 million tonnes last year, which registered a growth of 34.8 percent this year.

Sugarcane posted negative growth of 0.39 percent during FY 2024, with a production of 87.64 million tonnes against 87.98 million tonnes last year. Maize has also been declined by 10.4 percent this year, with 9.84 million tonnes of production compared to 10.99 million tonnes last year. The impact of the negative growth of sugarcane and maize has been offset by the substantial growth of wheat, cotton, and rice. Other crops have also shown a positive growth of 0.90 percent compared to -0.92 percent last year because of positive growth in fruits (9 percent) and vegetables (7 percent). Cotton ginning & miscellaneous components have registered a growth of 47.23 percent because of high growth in cotton crops. Finally, the livestock, forestry and fishing have retained their normal growth.

Industrial Sector: After experiencing a downturn in FY 2023, the industrial sector has rebounded, recording a growth of 1.21 percent in FY 2024. The sector's performance heavily relies on manufacturing, which constitutes 65.3 percent of the industry.

The mining and quarrying sector, which makes up 9.1 percent of the industry, observed a growth of 4.85 percent, contrasting with its decline in the previous year. A rise in crude oil, coal, marble, limestone, and laterite production during FY 2024 fueled this increase. Furthermore, the GFCF of private sector in mining and quarrying achieved a significant growth of 10.5 percent in FY 2024 over the positive growth in FY 2023, indicating a support to overall positive growth in this sector. Sub-sectors of industrial sector with respective shares in industry and GDP are given in Table 1.4.

Table 1.4: Components of Industry FY 2024

	Share in Industry	Share in GDP	Growth Rate (%)
Industrial Activities		18.22	1.21
1. Mining and Quarrying	9.13	1.66	4.85
2. Manufacturing	65.25	11.89	2.42
i) Large Scale	45.24	8.24	0.07
ii) Small Scale	12.65	2.30	9.08
iii) Slaughtering	7.37	1.34	6.63
3 Electricity, Gas and Water supply	12.61	2.30	-10.55
4. Construction	13.01	2.37	5.86

Source: Pakistan Bureau of Statistics

During FY 2023, the Manufacturing sector, which contains LSM, small-scale manufacturing, and slaughtering, remained negative mainly because of the prolonged growth of LSM, measured through QIM. Based on the nine-month QIM (January to March), the LSM growth has been estimated at 0.07 percent in FY 2024 compared to -9.87 percent last year. This slow growth is attributable to mixed trends within the LSM among various groups such as Food (1.69 percent), Beverages (-3.43 percent), Textile (-8.27 percent), Tobacco (-33.59 percent), Wearing Apparel (5.41 percent), Non-metallic mineral products (-3.89 percent), Wood (12.09 percent), Coke & Petroleum (4.85 percent), and Pharmaceuticals (23.19 percent).

Finally, the Electricity, Gas, and Water supply industry has shown a growth of -10.55 percent during FY 2024 as compared to growth of 9.95 percent in FY 2023, mainly due to a decline in subsidies (in real terms) from Rs 464.8 billion in FY 2023 to Rs 298.5 billion in FY 2024 as well as the high deflator, which increased from 194.8 to 299.5. The construction industry has witnessed positive growth of 5.86 percent as compared to -9.25 percent last year. A shallow base and increased private sector expenditure on construction have resulted in positive growth in the construction industry this year.

Services Sector

The services sector has constituted the largest share of GDP, 58 percent, for the last several years. It has posted modest growth of 1.21 percent during FY 2024, compared to -0.01 percent last year, but with mixed industry trends. Sub-sectors of services with respective shares in services and GDP are given in Table 1.5.

Table 1.5: Components of Services FY 2024

	Share in Services	Share in GDP	Growth Rate (%)
1. Wholesale & Retail Trade	30.8	17.78	0.32
2. Transport & Storage	18.2	10.53	1.19
3. Accommodation and Food Services Activities (Hotels & Restaurants)	2.6	1.48	4.10
4. Information and Communication	4.7	2.73	-3.02
5. Finance and Insurance Activities	2.6	1.51	-9.64
6. Real Estate Activities (OD)	10.1	5.85	3.78
7. Public Administration and Social Security (General Government)	7.1	4.11	-5.25
8. Education	5.4	3.13	10.30
9. Human Health and Social Work Activities	3.0	1.76	6.80
10. Other Private Services	15.4	8.86	3.58

Source: Pakistan Bureau of Statistics

The wholesale & retail trade sector, which was significantly negative last year because of the low output of the agriculture and manufacturing industry, has shifted to a positive trajectory by recording growth of 0.32 percent. The main contributors to the positive growth have been the increase in the output of crops in the agriculture sector. Although there was a decline in imports, the negative impact was offset by the increase in agriculture and industry output. The transport and storage industry has posted a growth of 1.19 percent. The main contributors have been Railways 9.73 percent, and water transport 8.01 percent because of the increase in output of Karachi Port Trust, Karachi International Containers Terminal, and Qasim International Containers Terminal. Road transport showed growth of 1.15 percent, which has been below the normal trend because of the abnormal increase in automobile prices, non-issuance of letters of credit to auto assemblers, and high interest rates, as reported by the sources. The decline in air transport (-6.44 percent) has been observed because of the high deflator.

The information and communication industry demonstrated growth of -3.02 percent because of a decline in telecommunication (Spectrum fee was down by Rs 75 billion in FY 2024 compared to FY 2023). High deflator (increase from 117.24 to 131.61 in CPI communication) also resulted in negative growth in this sector.

Finance and Insurance sector, which was negative last year, is still negative in FY 2024 because of a high deflator (increase in CPI general from 199.4 to 248.4) and a decline in the output of insurance companies. Public administration and social security, which is based on the budget of federal, provincial, district, and local/TMAs (which constitutes general government), has been estimated at -5.25 percent. The education sector is showing a growth of 10.30 percent compared to last year, and human health & social work activities are showing a growth of 6.80 percent in FY 2024. Other private services have posted a growth of 3.58 percent because of increased subsectors such as professional scientific & technical activities, architectural & engineering activities, etc.

Concluding Remarks

The government is focused on maintaining a stable economy by prioritizing exports and investment. Through continued policy and reform implementation, growth is anticipated to reach its medium-term potential of 5.5 percent by FY 2027 gradually. A critical part of this strategy is to increase openness in trade and investment flows to ensure industries have access to the required raw materials. The government has taken steps to control speculation in the foreign exchange market to reduce uncertainty in the external sector. It is notable that by following suitable policy measures, improved agricultural output, and administrative actions, inflation decreased to 11.8 percent in May 2024 from its peak of 38.0 percent in May 2023.

The government is aware of macroeconomic trends and is fully committed to ensuring sustainable economic growth in the medium term. To achieve this, sector-specific measures in agriculture, industries, and services, along with fiscal consolidation, energy sector reforms, state-owned enterprises, and governance reforms, are being implemented to move the economy towards higher and sustainable growth. Both federal and provincial governments are working together to achieve medium-term growth targets with price stability, demonstrating a dedication to sustainable economic growth.

The world economy is bouncing back from the challenges brought on by the pandemic and the Russia-Ukraine conflict. Key trading partners are experiencing economic growth, and global supply chain disruptions are anticipated to diminish by 2024. Consequently, the industrial sector is expected to witness improvements in FY 2025. Thus, improvement in the commodity-producing sector will be translated into the services sector with its backward and forward linkages. In addition, improved business confidence from different government initiatives along with a stable exchange rate will enhance domestic production reducing supply chain distortion and therefore help in maintaining price stability. The inflation rate is projected to normalize due to the high base effect, improvements in the agricultural sector, and favorable global conditions.

TABLE 1.1

GROSS NATIONAL PRODUCT AT CONSTANT BASIC PRICES OF 2015-16

Rs million

Sectors	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	2023-24/ 2022-23
A. AGRICULTURE	7,758,432	7,831,296	8,137,860	8,424,041	8,778,647	8,977,824	9,539,130	2.27	6.25
1. Crops	2,648,128	2,532,070	2,692,121	2,849,148	3,083,439	3,051,587	3,388,088	-1.03	11.03
i). Important Crops	1,565,723	1,431,198	1,506,263	1,593,985	1,681,708	1,687,411	1,971,304	0.34	16.82
ii). Other Crops	943,042	977,166	1,067,179	1,152,009	1,289,069	1,277,242	1,288,795	-0.92	0.90
iii). Cotton Ginning	139,363	123,706	118,679	103,154	112,662	86,934	127,989	-22.84	47.23
2. Livestock	4,830,324	5,006,731	5,146,701	5,269,009	5,387,611	5,587,125	5,804,348	3.70	3.89
3. Forestry	160,541	172,129	177,917	183,877	185,162	215,946	222,532	16.63	3.05
4. Fishing	119,439	120,366	121,121	122,007	122,435	123,166	124,162	0.60	0.81
B. INDUSTRIAL SECTOR	6,783,864	6,800,675	6,409,967	6,935,438	7,421,583	7,144,225	7,231,017	-3.74	1.21
1. Mining & Quarrying	734,818	738,791	685,844	697,669	651,208	629,670	660,187	-3.31	4.85
2. Manufacturing	4,119,706	4,305,977	3,970,246	4,388,024	4,864,350	4,606,868	4,718,573	-5.29	2.42
i). Large Scale	3,162,576	3,274,235	2,906,578	3,240,794	3,626,559	3,268,778	3,271,208	-9.87	0.07
ii). Small Scale	585,867	638,626	647,374	705,485	768,249	838,435	914,568	9.14	9.08
iii). Slaughtering	371,263	393,116	416,293	441,745	469,542	499,655	532,797	6.41	6.63
3. Electricity, Gas and Water Supply	745,548	786,907	814,703	888,101	926,804	1,019,017	911,531	9.95	-10.55
4. Construction	1,183,792	969,000	939,174	961,644	979,221	888,670	940,726	-9.25	5.86
COMMODITY PRODUCING SECTOR (A+B)	14,542,296	14,631,971	14,547,827	15,359,479	16,200,230	16,122,049	16,770,147	-0.48	4.02
C. SERVICES SECTOR	19,317,324	20,284,070	20,038,838	21,223,003	22,643,030	22,641,272	22,914,547	-0.01	1.21
1. Wholesale & Retail Trade	6,114,661	6,331,734	5,998,707	6,647,199	7,325,882	7,033,762	7,056,017	-3.99	0.32
2. Transport & Storage	3,707,938	3,990,773	3,634,152	3,811,190	3,980,936	4,130,519	4,179,877	3.76	1.19
3. Accommodation and Food Services Activities (Hotels & Restaurants)	460,952	479,936	499,522	520,024	541,222	563,604	586,712	4.14	4.10
4. Information and Communication	703,443	763,216	868,338	953,818	1,125,119	1,115,886	1,082,157	-0.82	-3.02
5. Finance and Insurance Activities	624,079	662,149	647,435	682,988	730,220	661,448	597,710	-9.42	-9.64
6. Real Estate Activities (OD)	1,863,846	1,932,853	2,006,873	2,080,095	2,156,942	2,235,936	2,320,396	3.66	3.78
7. Public Administration and Social Security (General Government)	1,717,130	1,776,775	1,830,153	1,820,093	1,853,122	1,722,958	1,632,551	-7.02	-5.25
8. Education	972,853	991,899	1,024,760	1,012,428	1,071,646	1,126,861	1,242,936	5.15	10.30
9. Human Health and Social Work Activities	497,098	535,541	568,638	585,137	600,835	654,153	698,613	8.87	6.80
10. Other Private Services	2,655,324	2,819,194	2,960,260	3,110,031	3,257,106	3,396,145	3,517,578	4.27	3.58
GDP {Total of GVA at bp (A + B + C)}	33,859,620	34,916,041	34,586,665	36,582,482	38,843,260	38,763,321	39,684,694	-0.21	2.38
Indirect Taxes	2,610,793	2,555,422	2,449,628	2,894,190	2,906,476	2,828,010	2,829,209	-2.70	0.04
Subsidies	192,402	287,359	325,947	375,056	779,803	632,838	427,553	-18.85	-32.44
GDP {GVA + T - S}	36,278,011	37,184,104	36,710,346	39,101,616	40,969,933	40,958,493	42,086,350	-0.03	2.75
Net Primary Income (NPI)	1,484,165	1,934,448	2,424,050	3,275,406	2,806,550	3,236,045	3,448,377	15.30	6.56
Gross National Income	37,762,176	39,118,552	39,134,396	42,377,022	43,776,483	44,194,538	45,534,727	0.95	3.03
Population (in million)	209.75	213.95	218.24	222.59	227.00	231.45	235.95	1.96	1.94
Per Capita Income (Rs)	180,034	182,840	179,318	190,382	192,848	190,946	192,985	-0.99	1.07

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.2

SECTORAL SHARE IN GDP

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P
							%
A. AGRICULTURE	22.91	22.43	23.53	23.0	22.6	23.2	24.0
1. Crops	7.82	7.25	7.78	7.8	7.9	7.9	8.5
Important Crops	4.62	4.10	4.36	4.4	4.3	4.4	5.0
Other Crops	2.79	2.80	3.09	3.1	3.3	3.3	3.2
Cotton Ginning	0.41	0.35	0.34	0.3	0.3	0.2	0.3
2. Livestock	14.27	14.34	14.88	14.4	13.9	14.4	14.6
3. Forestry	0.47	0.49	0.51	0.5	0.5	0.6	0.6
4. Fishing	0.35	0.34	0.35	0.3	0.3	0.3	0.3
B. INDUSTRIAL SECTOR	20.04	19.48	18.53	19.0	19.1	18.4	18.2
1. Mining & Quarrying	2.17	2.12	1.98	1.9	1.7	1.6	1.7
2. Manufacturing	12.17	12.33	11.48	12.0	12.5	11.9	11.9
Large Scale	9.34	9.38	8.40	8.9	9.3	8.4	8.2
Small Scale	1.73	1.83	1.87	1.9	2.0	2.2	2.3
Slaughtering	1.10	1.13	1.20	1.2	1.2	1.3	1.3
3. Electricity, Gas & Water Supply	2.20	2.25	2.36	2.4	2.4	2.6	2.3
4. Construction	3.50	2.78	2.72	2.6	2.5	2.3	2.4
COMMODITY PRODUCING SECTOR (A+B)	42.95	41.91	42.06	42.0	41.7	41.6	42.3
C. SERVICES SECTOR	57.05	58.09	57.94	58.0	58.3	58.4	57.7
1. Wholesale & Retail Trade	18.06	18.13	17.34	18.2	18.9	18.1	17.8
2. Transport & Storage	10.95	11.43	10.51	10.4	10.2	10.7	10.5
3. Accommodation and Food Services Activities (Hotels & Restaurants)	1.36	1.37	1.44	1.4	1.4	1.5	1.5
4. Information and Communication	2.08	2.19	2.51	2.6	2.9	2.9	2.7
5. Finance and Insurance Activities	1.84	1.90	1.87	1.9	1.9	1.7	1.5
6. Real Estate Activities (OD)	5.50	5.54	5.80	5.7	5.6	5.8	5.8
7. Public Administration and Social Security (General Government)	5.07	5.09	5.29	5.0	4.8	4.4	4.1
8. Education	2.87	2.84	2.96	2.8	2.8	2.9	3.1
9. Human Health and Social Work Activities	1.47	1.53	1.64	1.6	1.5	1.7	1.8
10. Other Private Services	7.84	8.07	8.56	8.5	8.4	8.8	8.9
GDP {Total of GVA at bp (A + B + C)}	100.00	100.00	100.00	100.0	100.0	100.0	100.0

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.3

GROWTH RATES

%

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P
A. Agriculture	3.88	0.94	3.91	3.52	4.21	2.27	6.25
1. Crops	4.61	-4.38	6.32	5.83	8.22	-1.03	11.03
Important Crops	4.27	-8.59	5.24	5.82	5.50	0.34	16.82
Other Crops	4.65	3.62	9.21	7.95	11.90	-0.92	0.90
Cotton Ginning	8.27	-11.23	-4.06	-13.08	9.22	-22.84	47.23
2. Livestock	3.59	3.65	2.80	2.38	2.25	3.70	3.89
3. Forestry	2.24	7.22	3.36	3.35	0.70	16.63	3.05
4. Fishing	1.57	0.78	0.63	0.73	0.35	0.60	0.81
B. INDUSTRIAL SECTOR	9.18	0.25	-5.75	8.20	7.01	-3.74	1.21
1. Mining & Quarrying	7.26	0.54	-7.17	1.72	-6.66	-3.31	4.85
2. Manufacturing	7.08	4.52	-7.80	10.52	10.86	-5.29	2.42
Large Scale	6.92	3.53	-11.23	11.50	11.90	-9.87	0.07
Small Scale	8.82	9.01	1.37	8.98	8.90	9.14	9.08
Slaughtering	5.76	5.89	5.90	6.11	6.29	6.41	6.63
3. Electricity, Gas & Water Supply	7.95	5.55	3.53	9.01	4.36	9.95	-10.55
4. Construction	19.55	-18.14	-3.08	2.39	1.83	-9.25	5.86
COMMODITY PRODUCING SECTOR (A+B)	6.29	0.62	-0.58	5.58	5.47	-0.48	4.02
C. SERVICES SECTOR	5.95	5.00	-1.21	5.91	6.69	-0.01	1.21
1. Wholesale & Retail Trade	6.76	3.55	-5.26	10.81	10.21	-3.99	0.32
2. Transport & Storage	3.31	7.63	-8.94	4.87	4.45	3.76	1.19
3. Accommodation and Food Services Activities (Hotels & Restaurants)	4.10	4.12	4.08	4.10	4.08	4.14	4.10
4. Information and Communication	4.19	8.50	13.77	9.84	17.96	-0.82	-3.02
5. Finance and Insurance Activities	8.76	6.10	-2.22	5.49	6.92	-9.42	-9.64
6. Real Estate Activities (OD)	3.62	3.70	3.83	3.65	3.69	3.66	3.78
7. Public Administration and Social Security (General Government)	10.93	3.47	3.00	-0.55	1.81	-7.02	-5.25
8. Education	3.54	1.96	3.31	-1.20	5.85	5.15	10.30
9. Human Health and Social Work Activities	5.69	7.73	6.18	2.90	2.68	8.87	6.80
10. Other Private Services	7.63	6.17	5.00	5.06	4.73	4.27	3.58
GDP {Total of GVA at bp (A + B + C)}	6.10	3.12	-0.94	5.77	6.18	-0.21	2.38

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.4

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CONSTANT PRICES OF 2015-16

Rs million

Flows	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 p	% Change 2022-23/ 2021-22	2023-24/ 2022-23
Household Final Consumption Expenditure	29,915,812	31,583,262	30,674,157	33,595,078	35,968,918	36,928,198	38,999,838	2.67	5.61
NPISH Final Consumption Expenditure	352,015	370,679	374,912	384,937	378,011	346,375	334,834	-8.37	-3.33
General Government Final Consumption Expenditure	3,826,636	3,766,290	4,086,774	4,161,026	4,105,674	3,947,187	3,780,552	-3.86	-4.22
Total Investment	6,153,971	5,557,257	5,220,581	5,429,828	5,679,486	4,937,043	4,852,728	-13.07	-1.71
Gross Fixed Capital Formation	5,533,617	4,921,409	4,592,834	4,761,190	4,978,900	4,236,653	4,133,052	-14.91	-2.45
A. Private Sector	3,879,013	3,812,927	3,627,468	3,681,814	3,758,192	3,279,414	3,196,757	-12.74	-2.52
B. Public Sector	418,721	404,028	257,481	272,571	285,204	199,322	149,124	-30.11	-25.18
C. General Govt.	1,235,883	704,454	707,885	806,805	935,504	757,917	787,171	-18.98	3.86
Change in Inventories	580,448	594,946	587,366	625,626	655,519	655,336	673,382	-0.03	2.75
Valuable	39,906	40,903	40,381	43,012	45,067	45,054	46,295	-0.03	2.75
Export of Goods and Non-Factor Services	3,223,918	3,648,583	3,703,874	3,945,411	4,179,734	4,313,189	4,078,326	3.19	-5.45
Less Imports of Goods and Non-Factor Services	7,194,340	7,741,968	7,349,952	8,414,664	9,341,889	9,513,500	9,959,929	1.84	4.69
Expenditure on GDP at Market Prices	36,278,011	37,184,104	36,710,346	39,101,616	40,969,933	40,958,493	42,086,350	-0.03	2.75
Plus Net Primary Income	1,484,165	1,934,448	2,424,050	3,275,406	2,806,550	3,236,045	3,448,377	15.30	6.56
Expenditure on GNP at at Market Prices	37,762,176	39,118,552	39,134,396	42,377,022	43,776,483	44,194,538	45,534,727	0.95	3.03
Less Indirect Taxes	2,610,793	2,555,422	2,449,628	2,894,190	2,906,476	2,828,010	2,829,209	-2.70	0.04
Plus Subsidies	192,402	287,359	325,947	375,056	779,803	632,838	427,553	-18.85	-32.44
GNP at Factor Cost	35,343,785	36,850,489	37,010,715	39,857,888	41,649,810	41,999,366	43,133,071	0.84	2.70

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.5

GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs million

Sectors	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	% Change 2023-24/ 2022-23
A. Agriculture	8,485,078	9,056,577	10,389,544	12,653,889	14,882,612	19,521,207	25,234,412	31.2	29.3
1. Crops	2,997,673	3,026,409	3,704,256	4,720,729	5,791,412	7,728,433	10,915,816	33.4	41.2
Important Crops	1,724,508	1,692,431	2,015,035	2,730,576	3,278,811	4,519,486	6,910,120	37.8	52.9
Other Crops	1,096,907	1,152,141	1,502,853	1,798,827	2,194,185	2,932,041	3,519,165	33.6	20.0
Cotton Ginning	176,258	181,837	186,368	191,326	318,416	276,906	486,531	-13.0	75.7
2. Livestock	5,163,098	5,681,368	6,301,160	7,504,838	8,644,011	11,210,426	13,638,919	29.7	21.7
3. Forestry	165,288	184,508	197,771	236,197	252,747	361,206	423,506	42.9	17.2
4. Fishing	159,019	164,292	186,357	192,125	194,442	221,142	256,171	13.7	15.8
B. INDUSTRIAL SECTOR	7,285,014	8,568,673	8,837,507	10,551,041	13,606,601	17,359,458	21,917,871	27.6	26.3
1. Mining & Quarrying	847,753	1,156,829	1,230,493	1,264,280	1,488,638	1,788,325	2,454,816	20.1	37.3
2. Manufacturing	4,547,093	5,513,025	5,427,248	6,663,895	9,171,212	11,415,333	13,796,102	24.5	20.9
Large Scale	3,499,175	4,266,145	4,026,236	4,933,633	7,040,683	8,535,776	10,060,936	21.2	17.9
Small Scale	633,065	772,543	851,921	1,038,496	1,286,555	1,732,168	2,260,679	34.6	30.5
Slaughtering	414,852	474,337	549,090	691,765	843,974	1,147,389	1,474,487	36.0	28.5
3. Electricity, Gas & Water Supply	601,438	723,614	936,384	1,239,849	1,096,839	1,971,331	2,979,690	79.7	51.2
4. Construction	1,288,730	1,175,205	1,243,382	1,383,017	1,849,912	2,184,469	2,687,263	18.1	23.0
COMMODITY PRODUCING SECTOR (A+B)	15,770,092	17,625,250	19,227,051	23,204,930	28,489,213	36,880,665	47,152,283	29.5	27.9
C. SERVICES SECTOR	20,744,074	23,484,914	25,519,825	29,049,079	34,816,267	42,596,626	53,079,751	22.3	24.6
1. Wholesale & Retail Trade	6,647,619	7,719,369	7,827,884	9,587,513	13,067,848	15,845,040	18,966,349	21.3	19.7
2. Transport & Storage	3,413,093	3,663,539	3,976,118	4,668,572	4,399,679	4,292,278	7,029,522	-2.4	63.8
3. Accommodation and Food Services Activities (Hotels & Restaurants)	537,789	587,976	620,711	726,385	822,966	1,202,169	1,526,571	46.1	27.0
4. Information and Communication	687,372	764,469	929,777	1,019,851	1,229,714	1,319,742	1,480,809	7.3	12.2
5. Finance and Insurance Activities	673,401	904,881	1,088,992	925,285	1,514,327	3,194,092	3,779,711	110.9	18.3
6. Real Estate Activities (OD)	2,133,802	2,356,250	2,572,654	2,806,288	3,083,508	3,365,626	3,705,312	9.1	10.1
7. Public Administration and Social Security (General Government)	1,891,699	2,102,445	2,385,741	2,567,759	2,942,698	3,474,295	4,097,731	18.1	17.9
8. Education	1,228,677	1,373,330	1,494,309	1,488,542	1,646,706	1,876,166	2,253,371	13.9	20.1
9. Human Health and Social Work Activities	608,073	701,212	792,130	882,244	982,782	1,217,425	1,502,649	23.9	23.4
10. Other Private Services	2,922,549	3,311,443	3,831,509	4,376,640	5,126,039	6,809,793	8,737,726	32.8	28.3
GDP {Total of GVA at bp (A + B + C)}	36,514,166	41,110,164	44,746,876	52,254,009	63,305,480	79,477,291	100,232,034	25.5	26.1
Indirest Taxes	2,876,571	3,015,143	3,184,272	4,068,363	4,568,689	5,638,746	7,027,621	23.4	24.6
Subsidies	200,927	326,906	390,739	486,147	1,216,301	1,241,114	1,214,562	2.0	-2.1
GDP {GVA + T - S}	39,189,810	43,798,401	47,540,409	55,836,225	66,657,868	83,874,923	106,045,093	25.8	26.4
Net Primary Income (NPI)	1,539,673	2,135,631	2,730,935	3,907,559	4,503,951	5,174,759	6,097,420	14.9	17.8
Gross National Income	40,729,483	45,934,032	50,271,344	59,743,784	71,161,819	89,049,682	112,142,513	25.1	25.9
Population (in million)	209.75	213.95	218.24	222.59	227.00	231.45	235.95	2.0	1.9
Per Capita Income (Rs)	194,181	214,695	230,349	268,403	313,488	384,747	475,281	22.7	23.5
Per Capita Income (US $)	1,767.9	1,577.6	1,457.6	1,677.3	1,766.6	1,551.2	1,680.3	-12.2	8.3
GDP Deflator Index	107.84	117.74	129.38	142.84	162.98	205.03	252.57	25.8	23.2
GDP Deflator (Growth %)	3.74	9.18	9.88	10.41	14.10	25.80	23.19		

F: Final R: Revised P: Provisional

Source : Pakistan Bureau of Statistics

TABLE 1.6

EXPENDITURE ON GROSS NATIONAL PRODUCT AT CURRENT PRICES

Rs Million

Sectors	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	2023-24/ 2022-23
Household Final Consumption Expenditure	31,906,384	36,301,307	38,265,131	46,061,461	56,663,411	69,094,338	88,081,739	21.94	27.48
NPISH Final Consumption Expenditure	386,231	434,362	487,348	541,106	594,195	690,637	831,728	16.23	20.43
General Government Final Consumption Expenditure	4,308,381	4,708,220	5,604,444	6,102,658	6,993,667	8,655,671	9,868,400	23.76	14.01
Total Investment	6,689,031	6,788,597	7,043,368	8,115,623	10,372,326	11,848,839	13,935,893	14.24	17.61
Gross Fixed Capital Formation	6,018,885	6,039,644	6,230,427	7,160,824	9,232,476	10,414,578	12,122,522	12.80	16.40
A. Private Sector	4,211,187	4,665,930	4,885,372	5,502,024	6,903,875	7,934,648	9,189,324	14.93	15.81
B. Public Sector	448,598	475,183	349,556	417,382	530,539	545,360	508,820	2.79	-6.70
C. General Govt.	1,359,100	898,531	995,499	1,241,418	1,798,062	1,934,570	2,424,378	7.59	25.32
Change in Inventories	627,037	700,774	760,647	893,380	1,066,526	1,341,999	1,696,721	25.83	26.43
Valuables	43,109	48,178	52,294	61,420	73,324	92,262	116,650	25.83	26.43
Export of Goods and Non-Factor Services	3,363,191	4,113,048	4,420,573	5,054,072	7,026,133	8,798,475	10,938,479	25.23	24.32
Less Imports of Goods and Non-Factor Services	7,463,408	8,547,132	8,280,456	10,038,695	14,991,863	15,213,037	17,611,146	1.48	15.76
Expenditure on GDP at Market Prices	39,189,810	43,798,401	47,540,409	55,836,225	66,657,868	83,874,923	106,045,093	25.83	26.43
Plus Net Primary Income	1,539,673	2,135,631	2,730,935	3,907,559	4,503,951	5,174,759	6,097,420	14.89	17.83
Expenditure on GNP at at Market Prices	40,729,483	45,934,032	50,271,344	59,743,784	71,161,819	89,049,682	112,142,513	25.14	25.93
Less Indirect Taxes	2,876,571	3,015,143	3,184,272	4,068,363	4,568,689	5,638,746	7,027,621	23.42	24.63
Plus Subsidies	200,927	326,906	390,739	486,147	1,216,301	1,241,114	1,214,562	2.04	-2.14
GDP at Factor Cost	36,514,166	41,110,164	44,746,876	52,254,009	63,305,480	79,477,291	100,232,034	25.55	26.11

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.7

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE, PUBLIC, AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CURRENT MARKET PRICES

Rs million

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	2023-24/ 2022-23
Total GFCF (A+B+C)	6,018,885	6,039,644	6,230,427	7,160,824	9,232,476	10,414,578	12,122,522	12.80	16.40
A. Private Sector	4,211,187	4,665,930	4,885,372	5,502,024	6,903,875	7,934,648	9,189,324	14.93	15.81
B. Public Sector	448,598	475,183	349,556	417,382	530,539	545,360	508,820	2.79	-6.70
C. General Govt.	1,359,100	898,531	995,499	1,241,418	1,798,062	1,934,570	2,424,378	7.59	25.32
Private & Public (A+B)	4,659,785	5,141,113	5,234,928	5,919,406	7,434,414	8,480,008	9,698,144	14.06	14.36
SECTOR-WISE:									
1. Agriculture, forestry and fishing	1,050,711	1,138,639	1,251,854	1,523,084	1,825,742	2,343,500	2,977,268	28.36	27.04
2. Mining and quarrying	71,969	73,327	90,144	62,148	69,707	100,909	102,387	44.76	1.46
3. Manufacturing	810,934	891,741	870,779	958,082	1,134,483	1,099,453	1,079,661	-3.09	-1.80
i. Large Scale	694,141	749,597	699,962	772,726	913,781	899,691	880,370	-1.54	-2.15
ii. Small Scale (including Slaughtering)	116,793	142,144	170,817	185,356	220,702	199,762	199,291	-9.49	-0.24
4. Electricity, gas, and water supply	387,511	461,987	314,993	336,502	367,600	582,758	436,115	58.53	-25.16
5. Construction	84,984	44,489	50,961	50,710	95,807	76,967	71,502	-19.66	-7.10
6. Wholesale and retail trade	301,783	430,297	408,671	458,047	470,201	402,591	489,775	-14.38	21.66
7. Accommodation and food service activities (Hotels and Restaurants)	85,589	85,772	57,994	57,050	58,629	48,220	64,041	-17.75	32.81
8. Transportation and storage	610,512	558,132	364,876	604,019	829,445	647,832	674,976	-21.90	4.19
9. Information and communication	143,185	155,142	368,840	231,062	412,601	236,984	214,942	-42.56	-9.30
10. Financial and insurance activities	61,650	72,956	78,146	95,648	119,339	140,880	180,141	18.05	27.87
11. Real estate activities (Ownership of Dwellings)	613,462	709,639	803,990	901,130	1,230,687	1,676,199	2,020,296	36.20	20.53
12. Public Administration and Social Security (General Government)	1,229,418	804,220	888,918	1,070,774	1,634,531	1,777,696	2,199,182	8.76	23.71
13. Education	190,376	198,774	217,294	271,247	312,379	397,217	489,027	27.16	23.11
14. Human health and social work activities	128,714	118,991	146,936	181,159	230,726	287,566	394,476	24.64	37.18
15. Other Private Services	248,085	295,537	316,032	360,161	440,599	595,806	728,733	35.23	22.31

F: Final R: Revised P: Provisional

(Contd.)

TABLE 1.7 a

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR BY ECONOMIC ACTIVITYAT CURRENT MARKET PRICES

Rs million

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	% Change 2023-24/ 2022-23
Private Sector	4,211,187	4,665,930	4,885,372	5,502,024	6,903,875	7,934,648	9,189,324	14.93	15.81
1. Agriculture, forestry and fishing	1,050,469	1,138,425	1,251,552	1,522,821	1,825,428	2,342,931	2,975,965	28.35	27.02
Crops	233,258	237,615	240,929	314,441	409,345	513,044	716,261	25.33	39.61
Cotton Ginning	1,150	1,274	1,487	1,748	2,128	3,530	4,574	65.88	29.58
Livestock	776,275	855,920	958,893	1,148,439	1,344,047	1,711,993	2,108,969	27.38	23.19
Forestry	1,542	1,712	2,000	2,355	2,872	4,772	6,194	66.16	29.80
Fishing	38,244	41,904	48,243	55,838	67,036	109,592	139,967	63.48	27.72
2. Mining and quarrying	47,723	55,204	65,017	36,853	45,096	77,177	85,190	71.14	10.38
3. Manufacturing	802,299	889,976	862,159	943,687	1,112,402	1,091,377	1,067,710	-1.89	-2.17
i. Large Scale	685,506	747,832	691,342	758,331	891,700	891,615	868,419	-0.01	-2.60
ii. Small Scale (including Slaughtering)	116,793	142,144	170,817	185,356	220,702	199,762	199,291	-9.49	-0.24
4. Electricity, gas, and water supply	126,854	86,747	78,541	71,544	102,146	281,035	157,061	175.13	-44.11
5. Construction	78,378	43,519	46,805	40,935	59,687	36,644	41,357	-38.61	12.86
6. Wholesale and retail trade	301,783	430,297	408,671	458,047	470,201	402,591	489,775	-14.38	21.66
7. Accommodation and food service activities (Hotels and Restaurants)	85,589	85,772	57,994	57,050	58,629	48,220	64,041	-17.75	32.81
8. Transportation and storage	495,270	515,888	340,198	547,769	772,818	545,796	570,707	-29.38	4.56
9. Information and communication	116,808	126,389	326,496	196,051	311,841	188,331	171,871	-39.61	-8.74
10. Financial and insurance activities	55,057	65,082	70,269	84,213	94,767	120,632	158,311	27.29	31.23
11. Real estate activities (Ownership of Dwellings)	613,462	709,639	803,990	901,130	1,230,687	1,676,199	2,020,296	36.20	20.53
12. Education	121,144	139,770	160,611	169,452	230,595	311,399	372,424	35.04	19.60
13. Human health and social work activities	68,266	83,685	97,037	112,311	148,979	216,510	285,883	45.33	32.04
14. Other Private Services	248,085	295,537	316,032	360,161	440,599	595,806	728,733	35.23	22.31

F: Final R: Revised P: Provisional

(Contd.)

TABLE 1.7 b

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CURRENT MARKET PRI

Rs million

Sector	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	% Change 2023-24/ 2022-23
Public Sector and											
General Govt. (B+C)	1,119,929	1,453,100	1,807,698	1,373,714	1,345,055	1,658,800	2,328,601	2,479,930	2,933,198	6.5	18.3
B. Public Sector (Autonomous & Semi Auto-Bodies)	252,053	363,686	448,598	475,183	349,556	417,382	530,539	545,360	508,820	2.8	-6.7
1. Agriculture, Forestry & Fishing	205	183	242	214	302	263	314	569	1,303	81.2	129.0
2. Mining and Quarrying	28,053	62,529	24,246	18,123	25,127	25,295	24,611	23,732	17,197	-3.6	-27.5
3. Manufacturing (Large Scale)	1,333	28,205	8,635	1,765	8,620	14,395	22,081	8,076	11,951	-63.4	48.0
4. Electricity Generation & Water Supply	155,108	146,619	260,657	375,240	236,452	264,958	265,454	301,723	279,054	13.7	-7.5
5. Construction	5,178	5,812	6,606	970	4,156	9,775	36,120	40,323	30,145	11.6	-25.2
6. Transport & Storage	26,905	69,745	115,242	42,244	24,678	56,250	56,627	102,036	104,269	80.2	2.2
Railways	5,825	39,407	8,627	14,612	6,261	4,239	7,177	18,266	7,111	154.5	-61.1
Post Office & PTCL	0	1	0	997	1,539	2	-1	-1	-1	0.0	0.0
Others	21,080	30,337	106,615	26,635	16,878	52,009	49,451	83,771	97,159	69.4	16.0
7. Information and Communication	28,307	33,644	26,377	28,753	42,344	35,011	100,760	48,653	43,071	-51.7	-11.5
8. Financial and insurance activities	6,964	16,949	6,593	7,874	7,877	11,435	24,572	20,248	21,830	-17.6	7.8
C. General Govt.	867,876	1,089,414	1,359,100	898,531	995,499	1,241,418	1,798,062	1,934,570	2,424,378	7.6	25.3
Federal	235,406	314,376	359,047	354,495	387,225	477,178	542,267	591,344	594,568	9.1	0.5
Provincial	527,461	686,665	909,116	463,854	527,970	653,800	1,086,307	1,164,239	1,538,598	7.2	32.2
District Governments	105,009	88,373	90,937	80,182	80,304	110,440	169,488	178,987	291,212	5.6	62.7
General Government (By industries)	867,876	1,089,414	1,359,098	898,530	995,500	1,241,418	1,798,062	1,934,570	2,424,378	7.6	25.3
i) Public Administration and Social Security (General Government)	750,084	967,642	1,229,418	804,220	888,918	1,070,774	1,634,531	1,777,696	2,199,182	8.8	23.7
ii) Education	80,403	74,026	69,232	59,004	56,683	101,795	81,784	85,818	116,603	4.9	35.9
iii) Human health and social work activities	37,389	47,746	60,448	35,306	49,899	68,848	81,747	71,056	108,593	-13.1	52.8

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.8

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE, PUBLIC, AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2015-16)

Rs million

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	% Change 2023-24/ 2022-23
Total GFCF(A+B+C)	5,533,617	4,921,409	4,592,834	4,761,190	4,978,900	4,236,653	4,133,052	-14.9	-2.4
Private Sector	3,879,013	3,812,927	3,627,468	3,681,814	3,758,192	3,279,414	3,196,757	-12.7	-2.5
Public Sector	418,721	404,028	257,481	272,571	285,204	199,322	149,124	-30.1	-25.2
General Government	1,235,883	704,454	707,885	806,805	935,504	757,917	787,171	-19.0	3.9
Private & Public Sector (A+B)	4,297,734	4,216,955	3,884,949	3,954,385	4,043,396	3,478,736	3,345,881	-14.0	-3.8
(Sector wise total)									
1. Agriculture, forestry and fishing	988,985	996,522	996,479	1,043,770	1,087,897	1,051,754	1,104,766	-3.3	5.0
2. Mining and quarrying	71,341	57,706	55,167	37,088	37,983	44,584	30,130	17.4	-32.4
3. Manufacturing	739,446	706,175	627,453	625,998	599,711	441,553	361,847	-26.4	-18.1
i. Large Scale	631,209	587,689	497,732	502,193	475,433	352,474	285,843	-25.9	-18.9
ii. Small Scale (including Slaughtering)	108,237	118,486	129,721	123,805	124,278	89,079	76,004	-28.3	-14.7
4. Electricity, gas, and water supply	363,600	399,832	239,057	220,800	205,300	214,334	140,265	4.4	-34.6
5. Construction	78,075	36,618	38,333	35,276	50,595	30,937	24,728	-38.9	-20.1
6. Wholesale and retail trade	274,423	337,356	290,600	297,684	244,641	157,724	159,023	-35.5	0.8
7. Accommodation and food service activities (Hotels and Restaurants)	77,829	67,246	41,238	37,077	30,504	18,891	20,793	-38.1	10.1
8. Transportation and storage	555,163	437,579	259,458	392,552	431,553	253,754	219,149	-41.2	-13.6
9. Information and communication	130,204	121,632	262,277	150,167	214,673	92,830	69,787	-56.8	-24.8
10. Financial and insurance activities	56,060	57,198	55,568	62,162	62,091	55,194	58,489	-11.1	6.0
11. Real estate activities (Ownership of Dwellings)	563,585	584,065	604,777	626,873	649,919	673,768	698,678	3.7	3.7
12. Public Administration and Social Security (General Government)	1,117,958	630,514	632,097	695,903	850,422	696,457	714,052	-18.1	2.5
13. Education	174,250	161,297	161,121	184,036	164,327	158,791	166,655	-3.4	5.0
14. Human health and social work activities	117,045	93,289	104,484	117,736	120,045	112,661	128,081	-6.2	13.7
15. Other Private Services	225,651	234,380	224,726	234,068	229,240	233,420	236,609	1.8	1.4

F: Final R: Revised P: Provisional

(Contd.)

TABLE 1.8 a

GROSS FIXED CAPITAL FORMATION (GFCF) IN PRIVATE SECTOR BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2015-16)

Rs million

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	% Change 2023-24/ 2022-23
PRIVATE SECTOR	3,879,013	3,812,927	3,627,468	3,681,814	3,758,192	3,279,414	3,196,757	-12.7	-2.5
1. Agriculture, forestry and fishing	988,757	996,336	996,250	1,043,597	1,087,724	1,051,561	1,104,418	-3.3	5.0
Crops	219,931	206,156	182,757	206,978	225,734	173,972	191,181	-22.9	9.9
Cotton Ginning	1,084	1,106	1,128	1,150	1,173	1,197	1,221	2.0	2.0
Livestock	730,231	751,233	774,253	797,164	822,266	837,611	873,004	1.9	4.2
Forestry	1,453	1,485	1,517	1,550	1,584	1,618	1,653	2.1	2.2
Fishing	36,058	36,356	36,595	36,755	36,967	37,163	37,359	0.5	0.5
2. Mining and Quarrying	47,307	43,443	39,790	21,993	24,573	34,099	25,069	38.8	-26.5
3. Manufacturing (A+B)	731,594	704,791	621,324	616,643	588,222	438,389	357,967	-25.5	-18.3
i. Large Scale	623,357	586,305	491,603	492,838	463,944	349,310	281,963	-24.7	-19.3
ii. Small Scale (including Slaughtering)	108,237	118,486	129,721	123,805	124,278	89,079	76,004	-28.3	-14.7
4. Electricity, gas, and water supply	117,837	74,272	59,696	46,394	58,915	112,020	65,781	90.1	-41.3
5. Construction	72,006	35,819	35,207	28,476	31,520	14,729	14,303	-53.3	-2.9
6. Wholesale and retail trade	274,423	337,356	290,600	297,684	244,641	157,724	159,023	-35.5	0.8
7. Accommodation and food service activities (Hotels and Restaurants)	77,829	67,246	41,238	37,077	30,504	18,891	20,793	-38.1	10.1
8. Transportation and Storage	450,369	404,459	241,910	355,995	402,091	213,786	185,295	-46.8	-13.3
9. Information and communication	106,218	99,089	232,167	127,414	162,248	73,773	55,803	-54.5	-24.4
10. Financial and Insurance activities	50,065	51,025	49,967	54,730	49,306	47,261	51,401	-4.1	8.8
11. Real estate activities (Ownership of Dwellings)	563,585	584,065	604,777	626,873	649,919	673,768	698,678	3.7	3.7
12. Education	111,295	115,037	120,815	117,879	121,776	125,170	128,795	2.8	2.9
13. Human health and social work activities	62,077	65,609	69,002	72,991	77,513	84,823	92,822	9.4	9.4
14. Other Private Services	225,651	234,380	224,726	234,068	229,240	233,420	236,609	1.8	1.4

F: Final R: Revised P: Provisional

(Contd.)

TABLE 1.8 b

GROSS FIXED CAPITAL FORMATION (GFCF) IN PUBLIC AND GENERAL GOVERNMENT SECTORS BY ECONOMIC ACTIVITY AT CONSTANT PRICES (2015-16)

Rs million

Sector	2017-18	2018-19	2019-20	2020-21	2021-22 F	2022-23 R	2023-24 P	% Change 2022-23/ 2021-22	% Change 2023-24/ 2022-23
Public Sector and General Govt. (B+C)	1,654,604	1,108,482	965,366	1,079,376	1,220,708	957,239	936,295	-21.6	-2.2
B. Public Sector (Autonomous & Semi Auto-Bodies)	418,721	404,028	257,481	272,571	285,204	199,322	149,124	-30.1	-25.2
1. Agriculture, Forestry & Fishing	228	186	229	173	173	193	348	11.6	80.3
2. Mining and Quarrying	24,034	14,263	15,377	15,095	13,410	10,485	5,061	-21.8	-51.7
3. Manufacturing (Large Scale)	7,852	1,384	6,129	9,355	11,489	3,164	3,880	-72.5	22.6
4. Electricity Generation & Water Supply	245,763	325,560	179,361	174,406	146,385	102,314	74,484	-30.1	-27.2
5. Construction	6,069	799	3,126	6,800	19,075	16,208	10,425	-15.0	-35.7
6. Transportation and Storage	104,794	33,120	17,548	36,557	29,462	39,968	33,854	35.7	-15.3
Railways	7,845	11,456	4,452	2,755	3,734	7,155	2,309	91.6	-67.7
Post Office & PTCL	0	782	1,094	1	-1	0	0	-100.0	-
Others	96,949	20,882	12,002	33,801	25,729	32,813	31,545	27.5	-3.9
7. Information and Communication	23,986	22,543	30,110	22,753	52,425	19,057	13,984	-63.6	-26.6
8. Financial and Insurance activities	5,995	6,173	5,601	7,432	12,785	7,933	7,088	-38.0	-10.7
C. General Government	1,235,883	704,454	707,885	806,805	935,504	757,917	787,171	-19.0	3.9
Federal	326,495	277,926	275,350	310,121	282,133	231,674	193,050	-17.9	-16.7
Provincial	826,695	363,664	375,432	424,909	565,189	456,120	499,567	-19.3	9.5
District Governments	82,693	62,863	57,103	71,776	88,182	70,123	94,554	-20.5	34.8
C. General Government (By industries)	1,235,881	704,453	707,886	806,805	935,504	757,917	787,171	-19.0	3.9
i) Public Administration and Social Security (General Government)	1,117,958	630,514	632,097	695,903	850,422	696,457	714,052	-18.1	2.5
ii) Education	62,955	46,260	40,306	66,157	42,551	33,621	37,860	-21.0	12.6
iii) Human health and social work activities	54,968	27,680	35,482	44,745	42,532	27,838	35,259	-34.5	26.7

F: Final R: Revised P: Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.9

QUARTER-WISE GDP GROWTH

%

Sector (growth %)	Summary Table (Seasonally un-adjusted)										
	2021-22				2022-23				2023-24 (P)		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
(A) AGRICULTURE	4.49	3.75	4.21	4.38	0.11	3.40	3.97	1.69	8.59	5.83	3.94
1. Crops	9.83	4.04	9.68	10.65	-7.90	4.19	3.22	-4.83	17.40	9.49	3.74
i) Important Crops	9.57	-1.21	7.49	9.90	-11.79	8.97	9.10	-8.02	30.40	12.92	2.89
ii) Other Crops	10.26	12.72	12.06	12.51	-1.31	-0.49	-0.99	-0.90	1.10	0.65	1.14
iii) Cotton Ginning	9.10	15.98	12.66	-0.49	-22.38	-30.19	-26.85	-10.70	25.65	53.35	61.75
2. Livestock	2.08	3.86	1.64	1.70	3.95	2.31	3.92	4.40	4.55	3.26	4.20
3. Forestry	-1.05	-1.40	0.52	4.68	14.16	18.52	18.75	15.12	8.31	3.73	0.93
4. Fishing	0.35	0.36	0.34	0.34	0.58	0.61	0.58	0.61	0.69	0.82	0.83
(B) INDUSTRY	6.47	2.33	7.87	11.34	-0.05	1.71	-6.57	-9.45	-2.44	0.09	3.84
1. Mining & Quarrying	3.71	-11.13	-14.01	-4.87	-17.65	-1.20	6.78	1.14	15.46	4.39	0.63
2. Manufacturing	9.67	6.22	13.84	13.40	1.11	0.67	-9.20	-12.36	2.28	1.97	3.30
i) Large Scale	10.18	5.63	15.84	15.51	-1.33	-1.88	-14.50	-19.56	-0.62	-0.83	1.47
ii) Small Scale	9.60	8.96	8.60	8.48	8.58	8.85	9.26	9.81	10.49	10.18	8.94
iii) Slaughtering	6.31	6.33	6.31	6.23	6.11	6.18	6.45	6.90	7.52	7.40	6.58
3. Electricity, Gas & Water Supply	10.78	-12.97	-0.51	13.67	8.30	22.94	1.50	9.15	-27.64	-0.28	37.30
4. Construction	-9.74	6.42	0.54	10.92	-3.70	-5.04	-5.89	-22.34	1.57	-10.85	-15.75
Commodity Producing Sector (A+B)	5.37	3.11	5.89	7.52	0.04	2.64	-0.95	-3.52	3.65	3.27	3.90
(C) SERVICES	6.59	5.53	7.37	7.24	2.80	2.49	-1.21	-3.89	2.02	0.75	0.83
1. Wholesale & Retail Trade	10.37	6.72	11.84	11.92	0.32	0.82	-6.43	-10.08	2.81	1.54	0.38
2. Transport & Storage	8.45	3.92	2.84	2.84	3.51	4.33	5.16	2.03	2.40	0.88	0.91
3. Accommodation & Food Services	4.11	4.10	4.07	4.03	3.98	4.02	4.16	4.37	4.68	4.56	4.05
4. Information & Communication	16.78	18.92	19.28	16.86	-0.31	4.37	-1.55	-5.72	3.65	-4.82	-5.92
5. Financial & Insurance Activities	7.21	6.73	5.77	7.92	0.94	-2.61	-13.37	-21.68	-11.96	-16.18	-7.11
6. Real Estate Activities	3.71	3.73	3.70	3.64	3.53	3.54	3.67	3.90	4.25	4.19	3.74
7. Public Administration & Social Securities (Gen Government)	-5.32	2.14	5.12	5.31	5.12	-2.95	-11.29	-17.51	-9.06	-9.49	-6.38
8. Education	4.45	5.83	6.55	6.53	5.71	5.23	4.95	4.75	9.77	9.90	10.38
9. Human Health & Social Work Activities	2.07	2.23	2.72	3.66	9.13	9.54	9.07	7.81	3.84	2.42	2.82
10. Other Private Services	4.56	4.47	5.15	4.74	4.64	4.37	4.22	3.86	3.63	3.45	2.91
Total of GVA (A+B+C)	6.06	4.52	6.76	7.36	1.62	2.55	-1.10	-3.74	2.71	1.79	2.09

P : Provisional

Source: Pakistan Bureau of Statistics

TABLE 1.10

SECTOR-WISE GROWTH RATES OF QUARTERLY GDP (AT CONSTANT PRICES)

%

Years / Quarters		Agriculture	Industry	Services	Overall
2016-17:	Q1	1.95	3.20	4.50	3.61
	Q2	0.49	4.73	4.60	3.64
	Q3	2.81	6.03	6.15	5.36
	Q4	3.64	4.41	7.18	5.80
2017-18:	Q1	4.28	9.62	8.27	7.55
	Q2	3.18	8.76	6.49	6.15
	Q3	3.91	7.25	5.64	5.58
	Q4	4.12	11.20	3.58	5.16
2018-19:	Q1	0.88	5.86	2.93	3.03
	Q2	1.16	-1.41	3.90	2.24
	Q3	1.23	-2.73	5.24	2.73
	Q4	0.50	-0.54	7.89	4.47
2019-20:	Q1	3.49	-2.49	3.23	2.13
	Q2	4.48	1.36	1.96	2.42
	Q3	4.45	-0.57	-1.53	-0.05
	Q4	3.27	-20.88	-8.07	-8.02
2020-21:	Q1	3.60	0.37	1.61	1.84
	Q2	3.63	5.34	4.52	4.47
	Q3	4.40	3.76	5.83	5.11
	Q4	2.46	27.01	12.00	12.11
2021-22:	Q1	4.49	6.47	6.59	6.06
	Q2	3.75	2.33	5.53	4.52
	Q3	4.21	7.87	7.37	6.76
	Q4	4.38	11.34	7.24	7.36
2022-23:	Q1	0.11	-0.05	2.80	1.62
	Q2	3.40	1.71	2.49	2.55
	Q3	3.97	-6.57	-1.21	-1.10
	Q4	1.69	-9.45	-3.89	-3.74
2023-24:	Q1	8.59	-2.44	2.02	2.71
	Q2	5.83	0.09	0.75	1.79
	Q3	3.94	3.84	0.83	2.09

Source: Pakistan Bureau of Statistics