

# Pakistan Economy

## FY24: GDP grew by 2.52% YoY

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**Sana Tawfik | Menka Kirpalani**

D: +92 21 32462589

UAN: +92 21 111 245 111, Ext: 248

F: +92 21 32420742

E: [sana.tawfik@arifhabibltd.com](mailto:sana.tawfik@arifhabibltd.com)

[menka.kumari@arifhabibtd.com](mailto:menka.kumari@arifhabibtd.com)

**EUROMONEY**

Best for Research: '24  
Best for Diversity & Inclusion: '24  
Best Investment Bank: '23

**ASIAMONEY**

Best Securities House: '23  
Best Investment Bank: '23

 **CFA Society  
Pakistan**

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Best Corporate Finance House: '23, '22 '21  
Best Economic Research House: '23, '22 '21  
Best Research Analyst: '22

**FinanceAsia**

Best Investment Bank: '22

 **INTERNATIONAL  
FINANCE**

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ASSET ASIAN AWARDS  
TRIPLE A

Best Gender Equality Bond: '24  
Best Equity Advisor: '21

  
CENTRAL  
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Excellence Award Leading  
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# Gross Domestic Product (GDP)

## FY24: GDP grew by 2.52% YoY

- The National Accounts Committee (NAC) has sanctioned revised and updated quarterly GDP growth rates for FY24 and FY23.
- Q4 FY24 achieved a growth rate of 3.07%.
- The provisional growth rate for FY24 has been updated to 2.52%, revised from 2.38%.
- For FY23, the growth rate is adjusted to -0.22%, up from -0.21%, with quarterly growth rates for Q1, Q2, and Q3 of FY24 now at 2.69%, 1.97%, and 2.36%, respectively.

In **FY24**, the provisional growth rate is to be around 2.52%. Sector-wise breakdown of the growth is:

**Agriculture** sector during FY24 experienced its highest growth since FY05, with an increase of 6.36%.

- Important crops like wheat contributed 17.02%.
- Forestry grew by 3.05%.
- Other crops however declined by 1.20%.

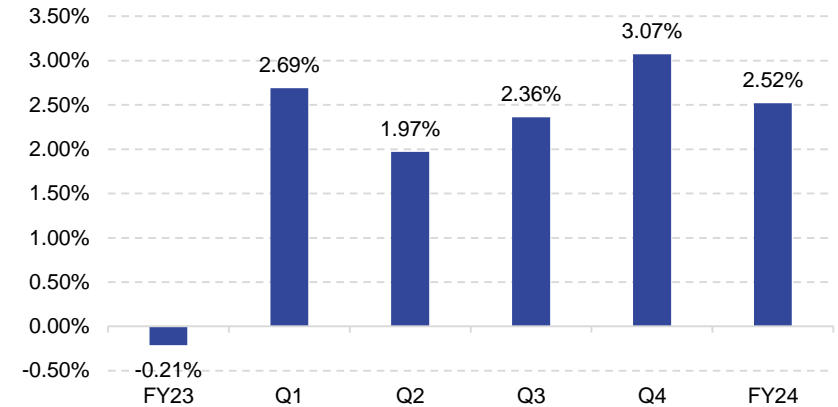
**Industry** sector growth declined by 1.15%, The decline came from:

- Construction, which declined by 1.47%.
- However, Large-scale manufacturing (LSM) contributed 1.08% growth.

**Services** sector grew by 2.15%, with some areas doing better than others:

- Wholesale and retail trade grew by 3.39%.
- Transport and storage increased by 1.91%.
- Information and communication improved by 0.30%.
- Finance and insurance activities fell by 10.67%.
- Public administration and social security decreased by 7.26%.
- Education and human health and social activities however, grew significantly by 8.55% and 5.55% respectively.

Exhibit: GDP growth



Source (s): PBS, AHL Research

Gross Domestic Product of Pakistan (Growth rates %)

Items	FY23	FY24
<b>Agriculture Sector</b>	<b>2.22%</b>	<b>6.36%</b>
Important Crops	0.45%	17.02%
Other Crops	-1.39%	-1.20%
Forestry	16.63%	3.05%
<b>Industrial Sector</b>	<b>-3.70%</b>	<b>-1.15%</b>
Large Scale	-9.84%	1.08%
Construction	-9.20%	-1.47%
<b>Service Sector</b>	<b>-0.02%</b>	<b>2.15%</b>
Wholesale & Retail trade	-3.99%	3.39%
Transportation & Storage	3.80%	1.91%
Information and Communication	-0.74%	0.30%
Financial and Insurance Activities	-9.95%	-10.67%
Public Administration and Social Security	-7.02%	-7.26%
Education	5.10%	8.55%
Human Health and Social Work Activities	8.82%	5.55%
<b>GDP Growth</b>	<b>-0.22%</b>	<b>2.52%</b>

Source (s): PBS, AHL Research

# Gross Domestic Product (GDP)

## 4QFY24: GDP grew by 3.07% YoY

In **4QFY24**, the provisional growth rate is to be around 3.07%.

Sector-wise breakdown of the growth is:

**Agriculture:** This sector grew by 6.76%.

- Important crops contributed 26.98%, primarily due to wheat and a low base effect.
- Other crops however declined by 1.53%.

**Industry:** The industrial sector growth declined by 3.59%, The decline came from:

- Construction, which declined by 0.47%.
- However, Large-scale manufacturing grew by 4.19%, contrasting with significant declines in mining and quarrying (-5.32%), electricity and water supply (-35.57%), and construction (-0.47%).

**Services:** The services sector grew by 3.69%:

- Wholesale and retail trade grew by 4.79%.
- Transport and storage increased by 2.11%.
- Information and communication improved by 7.95%.
- Finance and insurance activities fell by 2.55%.
- Public administration and social security decreased by 0.18%.
- Education however, grew significantly by 9.04%.

### Gross Domestic Product of Pakistan in FY24

Items	Q1	Q2	Q3	Q4
<b>Agriculture Sector</b>	<b>8.64%</b>	<b>6.12%</b>	<b>3.92%</b>	<b>6.76%</b>
Important Crops	31.47%	12.92%	2.89%	26.98%
Other Crops	0.35%	0.65%	1.14%	-1.53%
<b>Industrial Sector</b>	<b>2.66%</b>	<b>-1.15%</b>	<b>2.83%</b>	<b>-3.59%</b>
Large Scale	-0.92%	0.48%	1.47%	4.19%
Construction	0.74%	-17.59%	-15.75%	-0.47%
<b>Service Sector</b>	<b>2.03%</b>	<b>1.33%</b>	<b>1.60%</b>	<b>3.69%</b>
Wholesale & Retail trade	2.73%	2.11%	0.38%	4.79%
Transportation & Storage	1.23%	1.13%	0.91%	2.11%
Information and Communication	2.40%	-5.43%	-5.92%	7.95%
Financial and Insurance Activities	-2.88%	-11.08%	-7.11%	-2.55%
Public Administration and Social Security	-16.72%	-16.18%	-6.83%	-0.18%
Education	-0.88%	-0.85%	10.38%	9.04%
<b>GDP Growth</b>	<b>2.69%</b>	<b>1.97%</b>	<b>2.36%</b>	<b>3.07%</b>

Source (s): PBS, AHL Research

# Gross Domestic Product (GDP)

## Rev. estimates growth for Q1, Q2 & Q3

The committee approved revised estimates for Q1, Q2, and Q3 of FY 2023-24.

### Revised GDP Growth:

- Q1: Increased to 2.69% from 2.71%.
- Q2: Increased to 1.97% from 1.79%.
- Q3: Increased to 2.36% from 2.09%.

### Agriculture Growth:

- Q1: Revised upward to 8.64% from 8.59%.
- Q2: Revised upward to 6.12% from 5.83%.
- Q3: Slight decline to 3.92% from 3.94%.

### Industrial Growth:

- Q1: Declined to -2.66% from -2.44%.
- Q2: Declined to -1.15% from 0.09%.
- Q3: Declined to 2.83% from 3.84%.
- The decline was mainly due to revisions in electricity, gas, water supply, and construction sectors.

### Services Growth:

- Q1: Stable at 2.03% (vs. previous 2.02%).
- Q2: Revised upward to 1.33% from 0.75%.
- Q3: Revised upward to 1.60% from 0.83%.
- Improvements driven by better performance in wholesale & retail trade, transportation & storage, and information & communication industries.

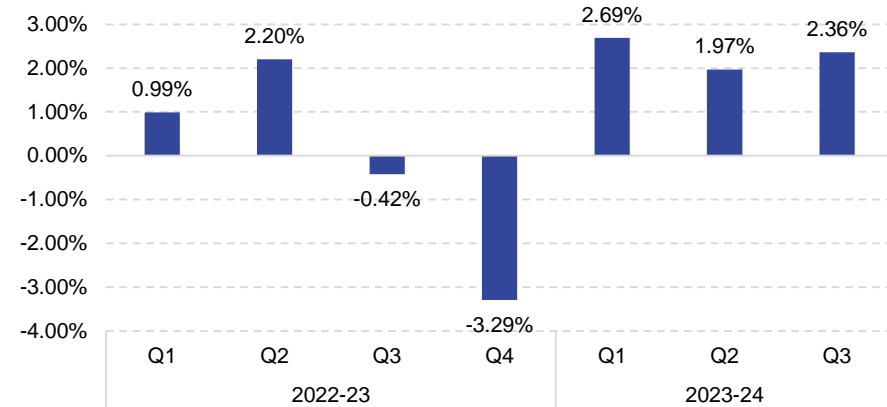
### Gross Domestic Product of Pakistan in FY24

Items	Q1	Q2	Q3	Q4
<b>Agriculture Sector</b>	<b>8.64%</b>	<b>6.12%</b>	<b>3.92%</b>	<b>6.76%</b>
Important Crops	31.47%	12.92%	2.89%	26.98%
Other Crops	0.35%	0.65%	1.14%	-1.53%
<b>Industrial Sector</b>	<b>2.66%</b>	<b>-1.15%</b>	<b>2.83%</b>	<b>-3.59%</b>
Large Scale	-0.92%	0.48%	1.47%	4.19%
Construction	0.74%	-17.59%	-15.75%	-0.47%
<b>Service Sector</b>	<b>2.03%</b>	<b>1.33%</b>	<b>1.60%</b>	<b>3.69%</b>
Wholesale & Retail trade	2.73%	2.11%	0.38%	4.79%
Transportation & Storage	1.23%	1.13%	0.91%	2.11%
Information and Communication	2.40%	-5.43%	-5.92%	7.95%
Financial and Insurance Activities	-2.88%	-11.08%	-7.11%	-2.55%
Public Administration and Social Security	-16.72%	-16.18%	-6.83%	-0.18%
Education	-0.88%	-0.85%	10.38%	9.04%
<b>GDP Growth</b>	<b>2.69%</b>	<b>1.97%</b>	<b>2.36%</b>	<b>3.07%</b>
Source (s): PBS, AHL Research				

# Gross Domestic Product (GDP)

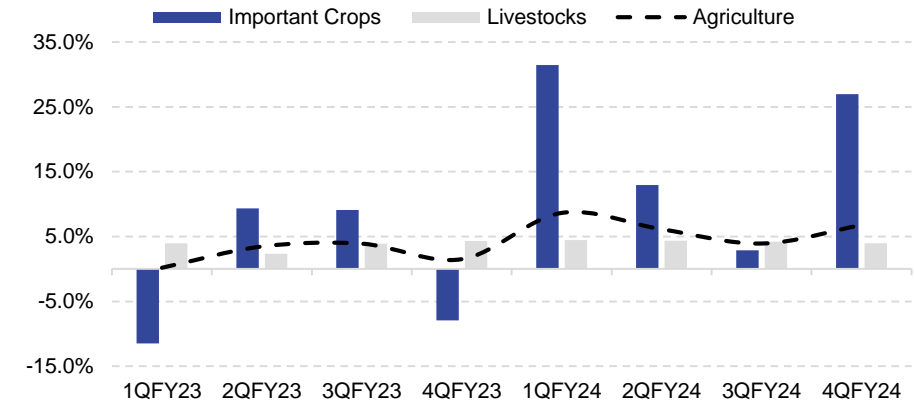
## Main sectoral drivers

**Exhibit: Quarterly GDP growth rates (Growth rates %)**



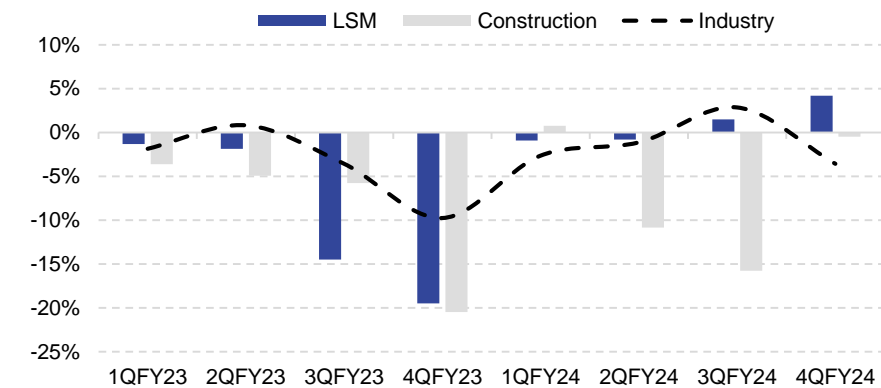
Source (s): PBS, AHL Research

**Exhibit: Agriculture sector (Growth rates %)**



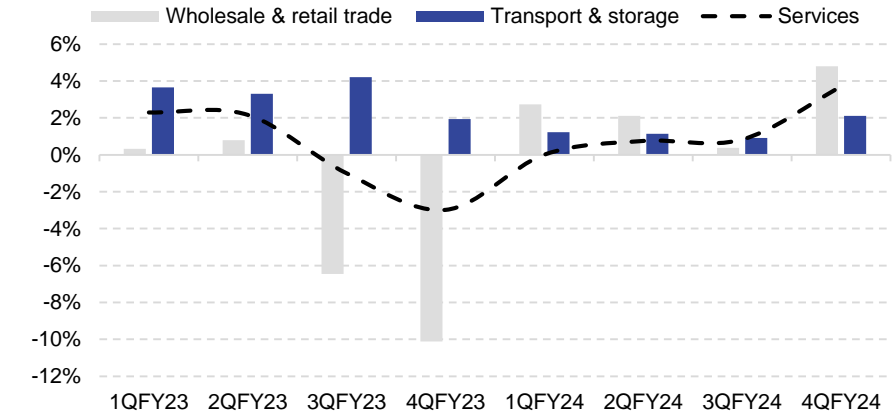
Source (s): PBS, AHL Research

**Exhibit: Industrial sector (Growth rates %)**



Source (s): PBS, AHL Research

**Exhibit: Services sector (Growth rates %)**



Source (s): PBS, AHL Research

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- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

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