

Pakistan Economy

Current Account surplus after 14 Years in FY25

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REP-300

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Balance of Payment

Current Account posts USD 2.1bn surplus in FY25

Balance of Payment at a glance

- In Jun'25, a current account surplus of USD 328mn was recorded, compared to a deficit of USD 500mn in Jun'24 and a deficit of USD 84mn in May'25.
- For the FY25, the country posted a current account surplus of USD 2,106mn, an improvement from the deficit of USD 2,072mn during the same period last year.



- In Jun'25, **goods imports** increased by 8% YoY to USD 4,986mn, declining by 9% MoM.
- During FY25, **total goods imports** amounted to USD 59.01bn, reflecting a 11% YoY growth. **Service imports** declined by 2% YoY to USD 11.01bn, and also decreased by 2% on a MoM basis.



- **Goods exports** increased by 7% YoY to USD 2.6bn in Jun'25, but declined by 9% MoM. Cumulatively, they reached USD 32.3bn in FY25, up 4% YoY.
- **Service exports** increased 12% YoY to USD 725mn, with tech exports up 14% YoY to USD 338mn.

- The **trade deficit** narrowed in Jun'25, decreasing to USD 2.5bn compared to USD 2.7bn in SPLY.
- The overall **trade balance** posted a deficit of USD 29.4bn in FY25, up from SPLY USD 25.3bn.



- In Jun'25, the **secondary income balance** increased by 8% YoY to USD 3,632mn, up from USD 3,356mn in Jun'24. Workers' remittances grew by 8% YoY, reaching USD 3.4bn.
- During FY25, **remittances** totaled USD 38.3bn, reflecting a 27% YoY increase.



Outlook:

- Pakistan's **current account deficit** for FY26 is projected at USD 1.6bn, primarily due to a resurgence in import-driven demand.

Balance of Payment

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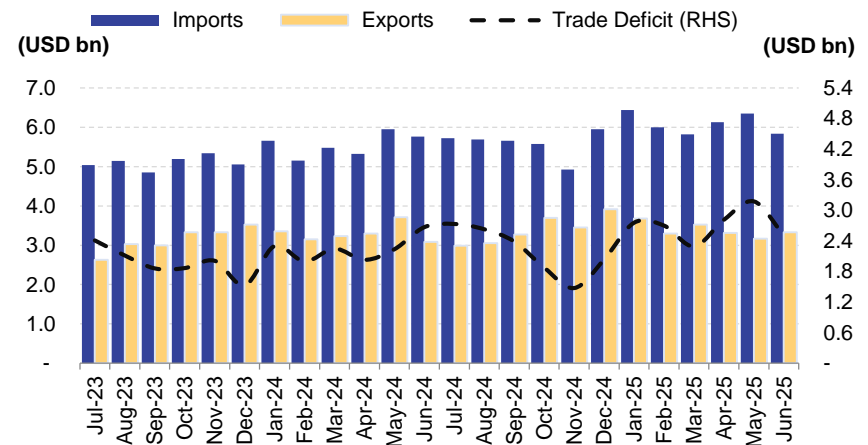
- In Jun'25, the **current account** recorded a surplus of USD 328mn, compared to the deficit of USD 500mn in Jun'24 and USD 84mn in May'25. On a cumulative basis, for FY25, the country posted a current account surplus of USD 2,106mn, reflecting a significant improvement from the deficit of USD 2,072mn recorded during the same period last year.
- In Jun'25, **exports of goods** increased by 7% YoY to USD 2.6bn. On a MoM basis, goods exports also increased by 7% from USD 2.4bn in May'25. Conversely, exports of services experienced a 12% YoY increase, reaching USD 725mn in Jun'25, compared to USD 645mn in May'24. On a MoM basis, services exports saw a modest decline of 1% from USD 731mn in May'25. Technology exports, which grew by 18% YoY to USD 338mn in Jun'25, accounting for 47% of total services exports. On a MoM basis, technology exports also registered a slight increase of 3%. Cumulatively, during FY25, technology exports totaled USD 3,809mn, reflecting a 18% YoY increase.
- In Jun'25, **imports of goods** rose by 8% YoY to USD 4,986mn, compared to USD 4,638mn in Jun'24. On a MoM basis, goods imports also decreased by 9% from USD 5,476mn to USD 4,986mn. Similarly, imports of services declined by 24% YoY to USD 851mn, down from USD 1,122mn in Jun'24, and 2% on a MoM basis from USD 851mn in May'25. Major imports categories during the month included petroleum (USD 1.3bn), machinery (USD 998mn), and agricultural & other chemicals (USD 675mn).
- In Jun'25, the **primary income** deficit decreased by 33% YoY to USD 794mn, compared to USD 1,184mn in Jun'24. On a MoM basis, the deficit contracted by 2%.
- In Jun'25, the balance on **secondary income** increased by 8% YoY, reaching USD 3,632mn, compared to USD 3,356mn in Jun'24. However, on a MoM basis, it decreased by 7% from USD 3,890mn in May'25.

Exhibit: Pakistan's Balance of Payment

(USD mn)	Jun-25	Jun-24	YoY	May-25	MoM	FY25	FY24	YoY
Exports (Goods)	2,602	2,443	7%	2,438	7%	32,295	30,980	4%
Imports (Goods)	4,986	4,638	8%	5,476	-9%	59,076	53,157	11%
Trade Balance (Goods)	(2,384)	(2,195)	nm	(3,038)	nm	(26,781)	(22,177)	nm
Exports (Services)	725	645	12%	731	-1%	8,394	7,691	9%
Imports (Services)	851	1,122	-24%	870	-2%	11,014	10,801	2%
Trade Balance (Services)	(126)	(477)	-74%	(139)	nm	(2,620)	(3,110)	nm
Trade Balance	(2,510)	(2,672)	nm	(3,177)	nm	(29,401)	(25,287)	nm
Balance on Pri. Income	(794)	(1,184)	nm	(797)	nm	(8,902)	(8,986)	nm
Balance on Sec. Income	3,632	3,356	8%	3,890	-7%	40,409	32,201	25%
Income (Net)	2,838	2,172	31%	3,093	-8%	31,507	23,215	36%
Remittances	3,406	3,158	8%	3,686	-8%	38,300	30,251	27%
CAB	328	(500)	nm	(84)	nm	2,106	(2,072)	nm
FDI	(188)	(193)	nm	(203)	nm	(2,398)	(2,126)	nm
Financial Account	(2,785)	(900)	nm	(311)	nm	(1,519)	(5,370)	nm
Capital Account	39	26	50%	3	1200%	170	195	-13%
Overall Balance	(3,147)	(500)	nm	(169)	nm	(3,739)	(2,862)	nm

Source (s): SBP, AHL Research

Exhibit: Historical trend of exports, imports and trade deficit



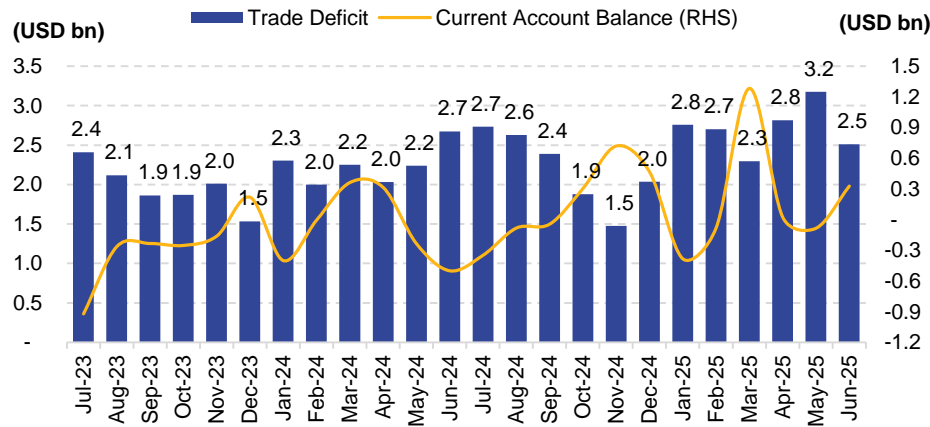
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Balance of Payment

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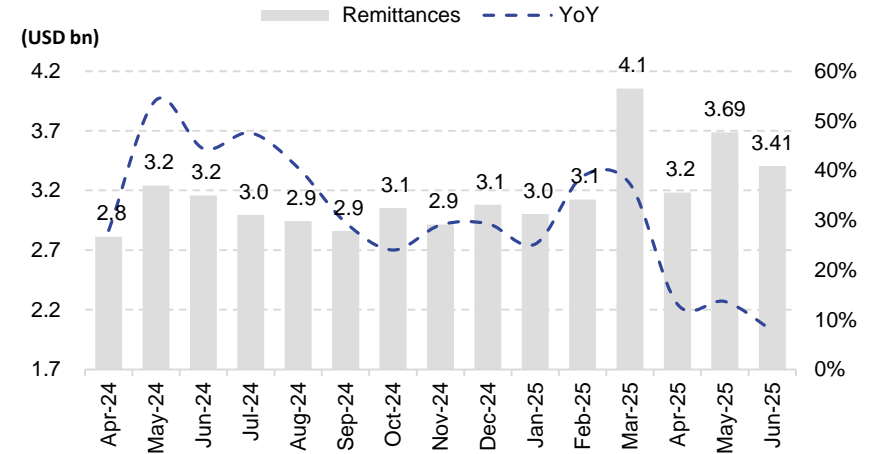
- Workers' remittances** grew by 8% YoY, reaching USD 3.4bn in Jun'25, compared to USD 3.2bn in Jun'24. On a MoM basis, remittances decreased by 8%, down from USD 3.7bn in May'25.
- In FY25, remittances increased by 27% YoY to USD 38.3bn. Key contributors to this growth included Saudi Arabia, with a 26% YoY rise to USD 9,345mn, the UAE, which saw a 41% increase to USD 7,829mn, and the UK, which experienced a 31% YoY growth to USD 5,905mn.
- The country witnessed net foreign direct investment (inflow) of USD 207mn in Jun'25, compared to net inflow of USD 194mn during May'25. During FY25, net FDI inflow was up by 5% YoY to USD 2,475mn compared to an inflow of USD 2,347mn in FY24.
- Outlook:** Pakistan's current account deficit for FY26 is projected at USD 1.6bn, primarily due to a resurgence in import-driven demand.

Exhibit: C/A surplus clocked in at USD 328mn during Jun'25



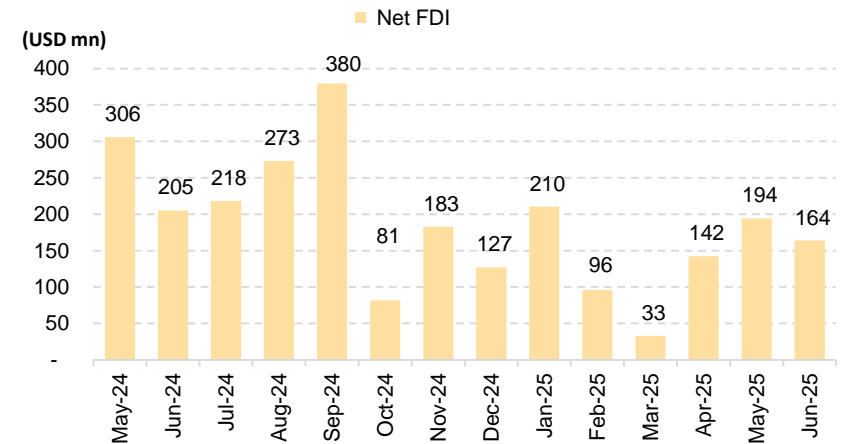
Source (s): SBP, AHL Research

Exhibit: Historical Trend of Monthly Remittances



Source (s): SBP, AHL Research

Exhibit: Historical Trend of Monthly FDI



Source (s): SBP, AHL Research

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