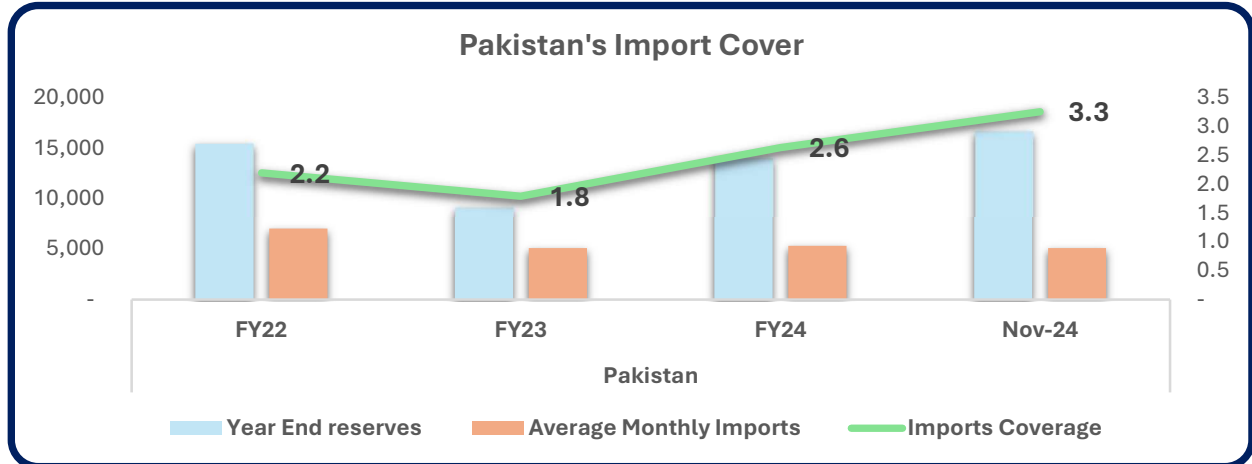


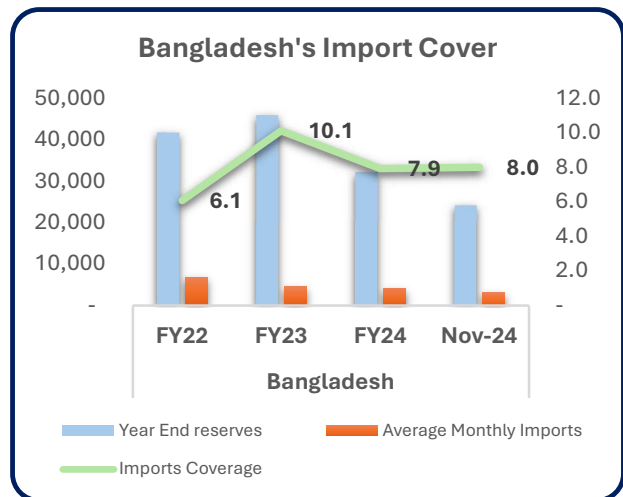
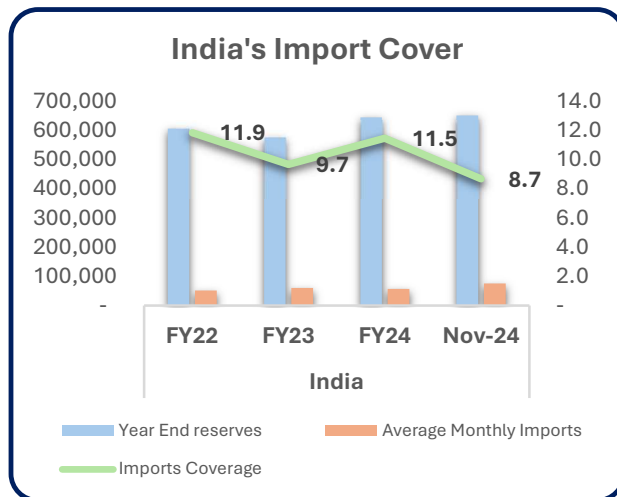
Pakistan's Improving Imports Coverage: A Positive Trend:

Pakistan's imports coverage, a key indicator of the economy's ability to sustain essential imports, has shown a marked improvement over recent year. This metric, which reflects the number of months a country's foreign exchange reserves can cover its average monthly imports, has risen steadily, indicating enhanced economic stability. However, this remarkable position can largely be attributed to a significant reduction in



Pakistan's import bill and robust inflows of remittances from overseas Pakistanis. These factors have played a critical role in improving the current account balance ("CAD"), which now stands in a favorable position with a surplus of USD 944 million (*State Bank of Pakistan*). The contraction in imports has eased pressure on foreign reserves, while strong remittances have bolstered the external account, providing a much-needed cushion against economic uncertainties.

The charts *infra* represent the cross-country comparison of some of Pakistan's regional countries,



Imports Coverage (No. of Months)				
	FY22	FY23	FY24	Nov-24
Pakistan	2.2	1.8	2.6	3.3
India	11.9	9.7	11.5	8.7
Bangladesh	6.1	10.1	7.9	8.0