

PAKISTAN ECONOMIC UPDATE

DUBAI, 26.09.2021

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www.gtai.com



Agenda

- Who we are and what we do
- Covid-19 Update
- Economic Growth Outlook
- Foreign Trade
- Machinery Market (VDMA)



1. WHO WE ARE & WHAT WE DO

Who we are

Foreign Trade and Inward Investment Agency
of the Federal Republic of Germany

GTAI GERMANY
TRADE & INVEST

Shareholder



Federal Ministry
for Economic Affairs
and Energy



GTAI Offices Worldwide



What we do



International marketing of Germany as a business and technology location



Economic promotion of the new federal states and Berlin



Business location consultancy services for international investors



Export market information for the German economy

Where to Get Export Market Information

Publications in German available on our website www.gtai.de

The screenshot shows the GTAI website interface. At the top, there is a navigation menu with links: Über uns, Presse, Events, Kontakt, Anmelden, Social Media, and a globe icon. A blue arrow points to the globe icon with the text "Choose „DE“". Below the navigation is the GTAI logo (GERMANY TRADE & INVEST) and two dropdown menus for "TRADE" and "INVEST". A search bar with the placeholder "Suchbegriff" and a magnifying glass icon is also present. The main content area features a large blue overlay with the text "TRADE" at the top, followed by "Export & Auslandsmärkte" in large white font. Below this, there is a sub-section titled "GTAI auf der ConhIT" with a paragraph of text: "Die Messe Connecting Healthcare IT findet vom 17. bis 19. April in Berlin statt. Die GTAI bietet auf ihrem Stand ein internationales Netzwerkprogramm. Alle reden von E-Health – Germany Trade & Invest informiert über die Fakten und aktuelle internationale Entwicklungen." At the bottom of the overlay is a white button with the text "Mehr erfahren".

Choose „DE“

To go to the main page of the required information about the German economy

Where to Get Export Market Information

Publications in German available on our website www.gtai.de



Länderwissen auf einen Blick

Wählen Sie hier ein Land aus und erhalten Sie unser gesamtes Informationsangebot zu diesem Zielmarkt auf einer Seite.



Bitte auswählen ▾

Marktinformationen

- 12** SEP 2018 TAIWAN
[Taiwans Chip-Industrie schwimmt auf Nachfragewelle](#)
- 12** SEP 2018 TÜRKEI
[Deutsche Firmen stellen sich auf schlechteres Türkei-Geschäft ein](#)
- 11** SEP 2018 TAIWAN
[Taiwans Papierindustrie will Kapazitäten optimieren](#)
- 11** SEP 2018 SÜDAFRIKA
[Südafrika legt neuen Energieplan vor](#)
- 11** SEP 2018 JAPAN
[Japans Logistikzentren rüsten weiter auf](#)

[Mehr aus 7.031 Beiträgen →](#)

Suchbegriff



Rechts- & Zollinformationen

- 11** SEP 2018 EU BELGIEN BULGARIEN ...
[EU - Arbeitnehmerentsendung und Sozialversicherungspflicht/EUGH](#)

Projekte & Ausschreibungen

- 12** SEP 2018 NIGERIA
[States Fiscal Transparency, Accountability and Sustainability Project](#)

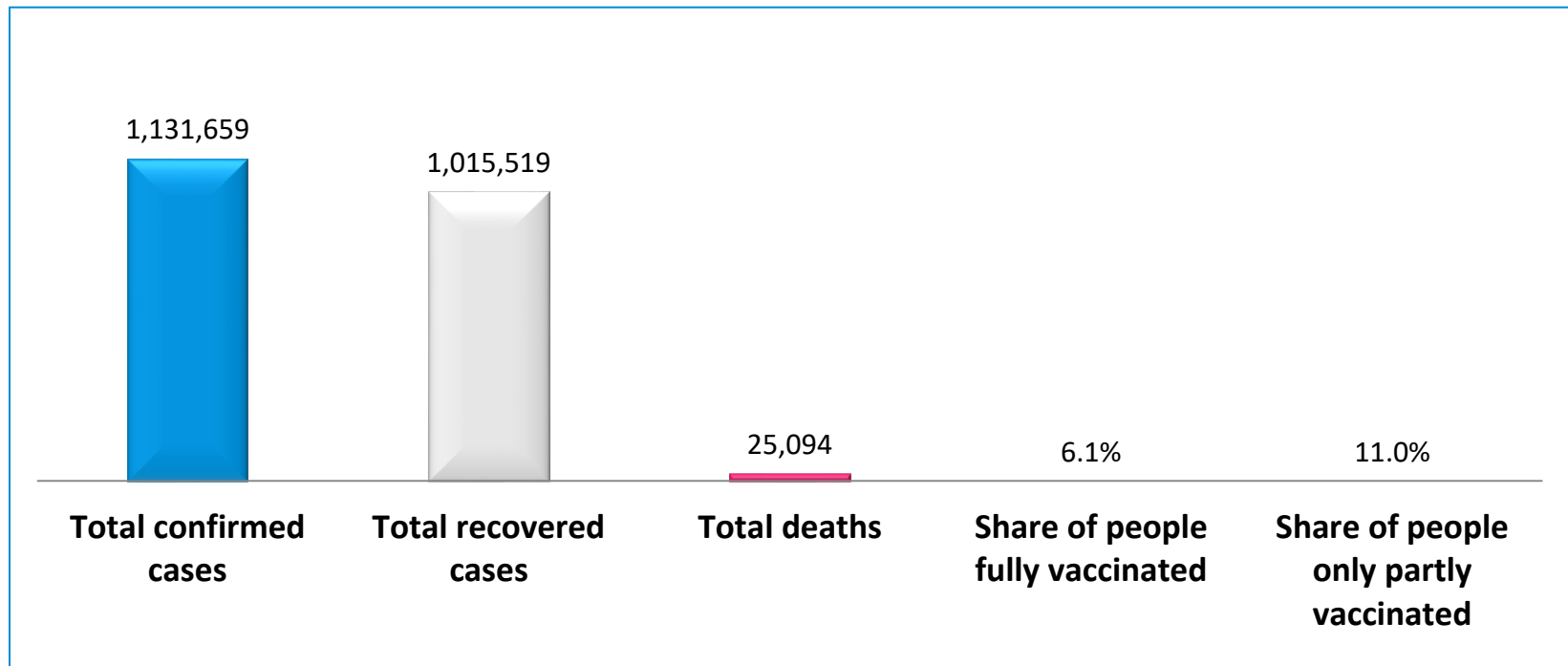


2. COVID-19 UPDATE

Coronavirus in Pakistan

More than 46 million doses have been administered, 21 per 100 people *)

Pakistan: Latest Covid-19 Statistics

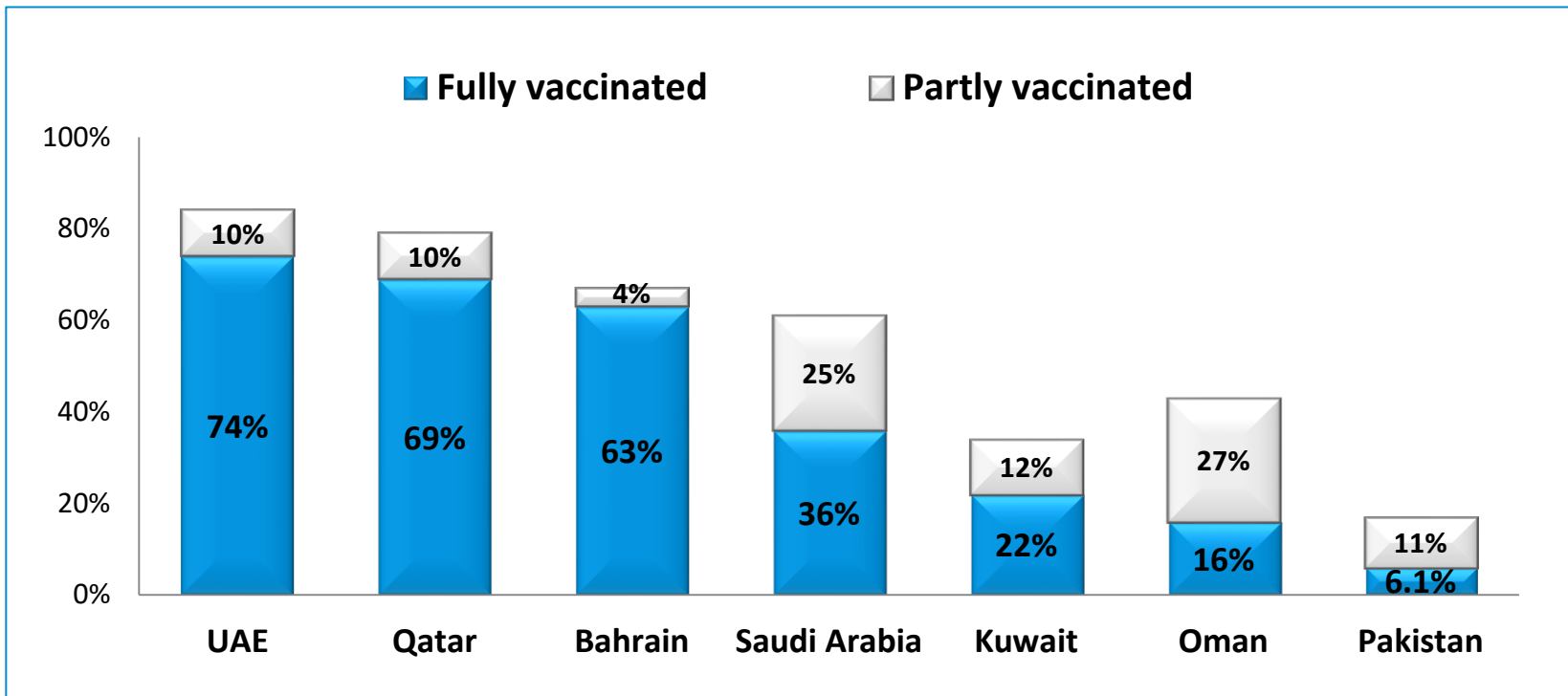


Sources: GTAI, Our world in data, Official authorities. Last update was on August 24, 2021, *) Estimate

Share of people vaccinated against COVID-19

Pakistan aims to vaccinate 70 million by year end

Pakistan vs GCC: Latest Covid-19 Statistics



Sources: GTAI, Our world in data, Official authorities. Last update was on August 24, 2021

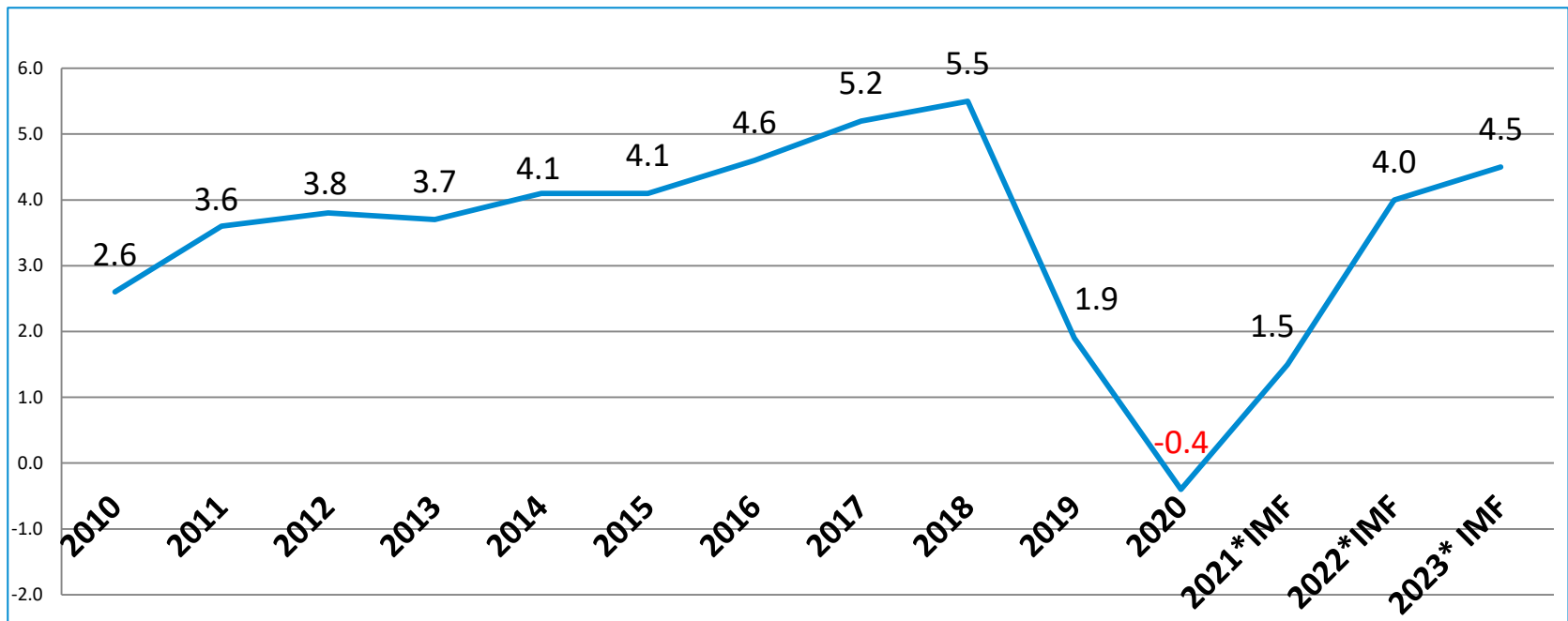


2. ECONOMIC GROWTH OUTLOOK

Pakistan Growth Outlook

IMF projects economic growth rate recovering to 4% of GDP in FY2022. Disbursements from the IMF programme will help Pakistan meet its external account obligations in 2021-22

Real Growth of GDP, Pakistan 2010-2022 (in %)

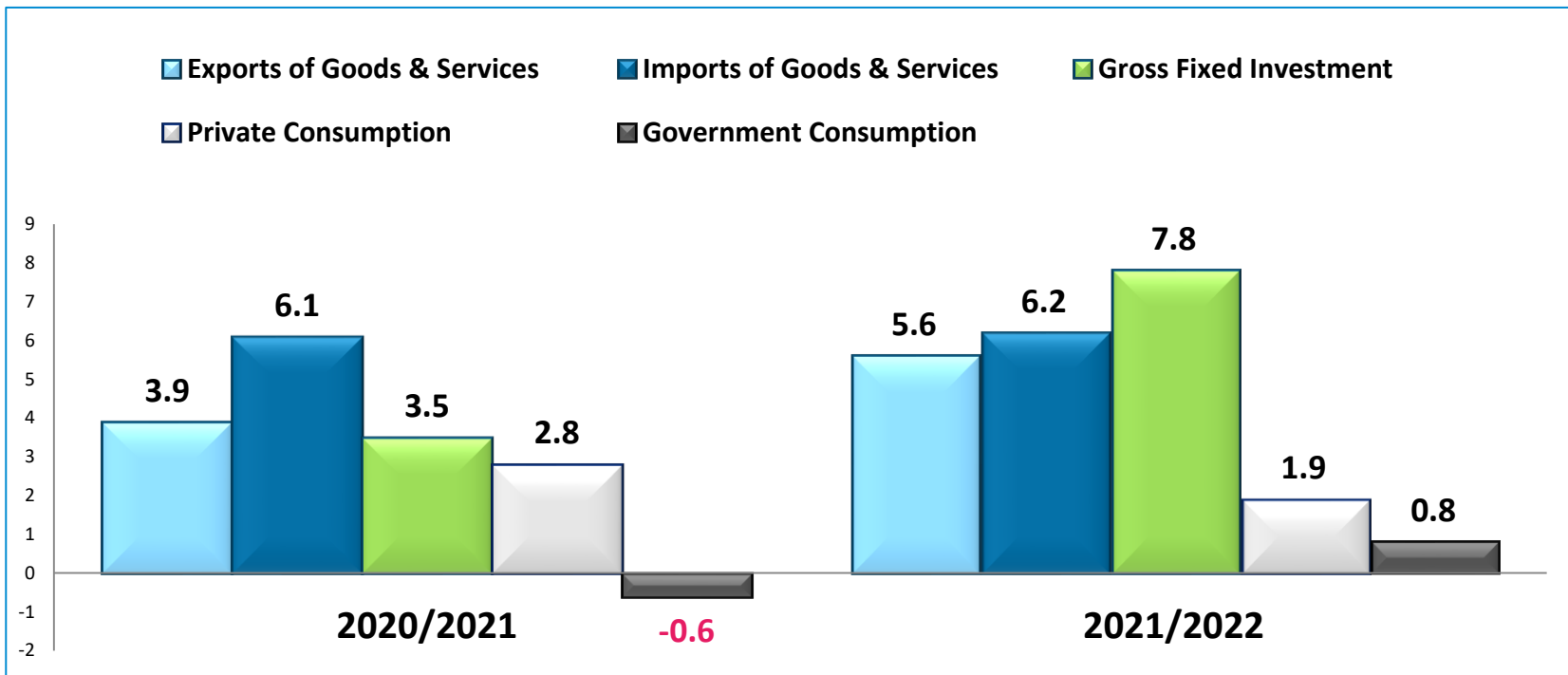


Sources: GTAI, Statistics Bureau, IMF, *) Fiscal Year July/June

Pakistan Growth Outlook

EIU: Real GDP to grow by 3.2% in FY2022 as economic growth is constrained by recurrent waves of Covid-19 infections and fiscal consolidation efforts

Pakistan: Economic growth (%; fiscal year ending June 30th)

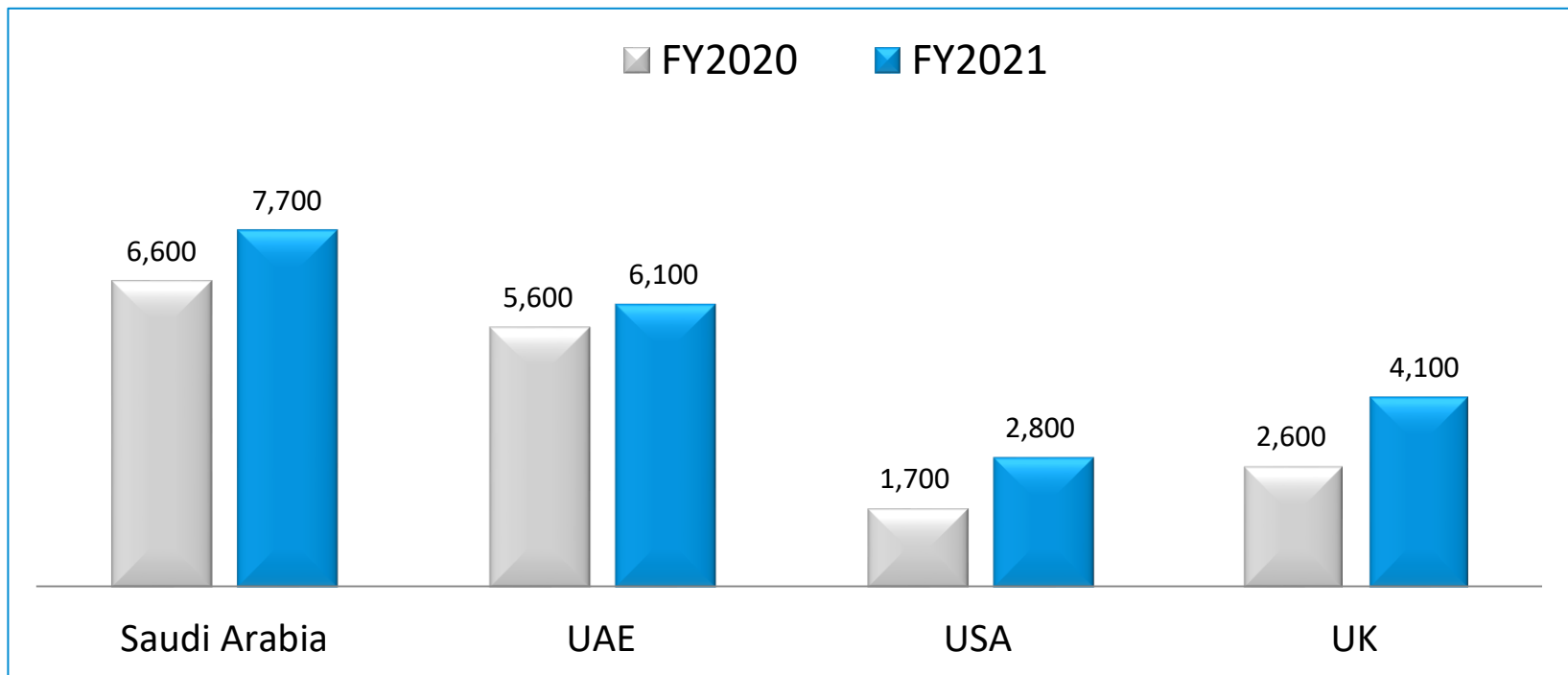


Sources: GTAI, EIU

Pakistan Workers remittances

Workers' remittances to Pakistan grew by 27% and reached a historic high of \$29.4bn in FY2021

Pakistan: Remittances to Pakistan by top country - (in \$m)

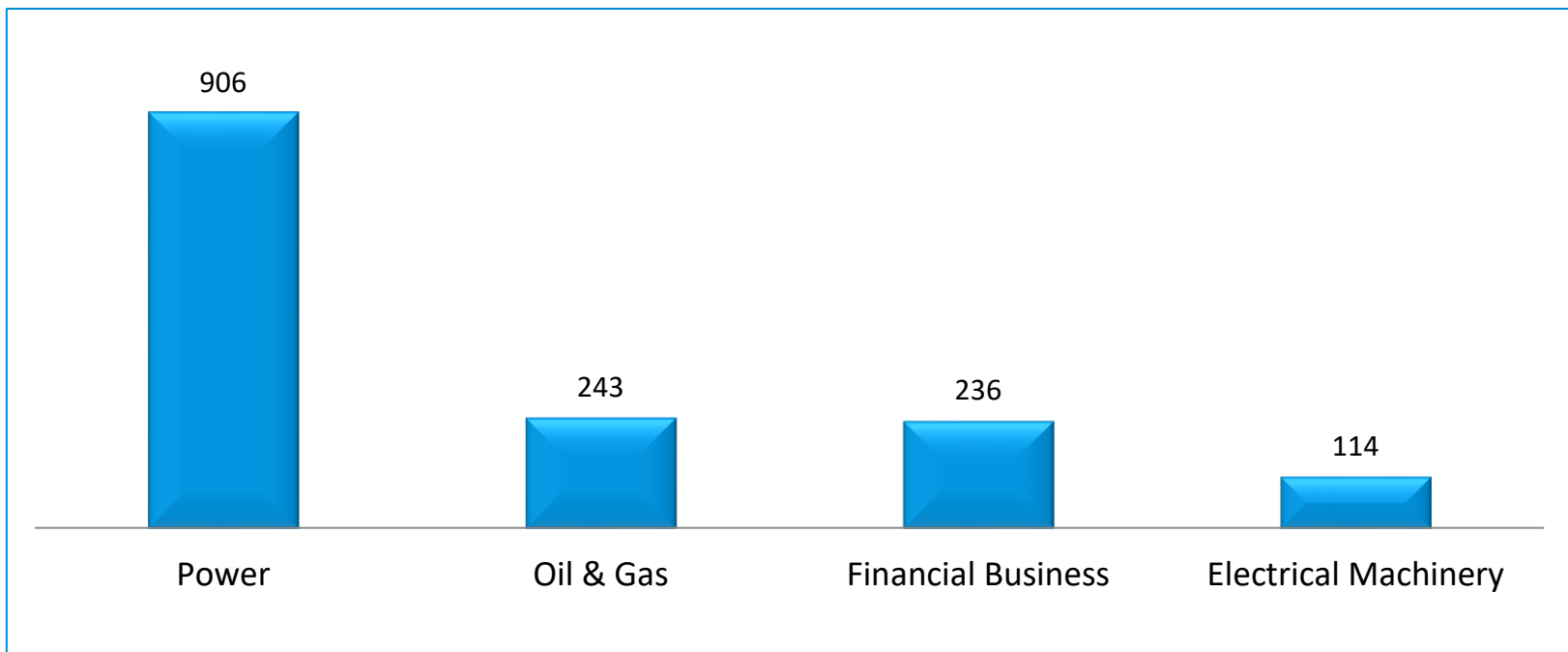


Sources: GTAI, Ministry of Finance

Pakistan FDI

Net FDI to Pakistan dropped by 29.% to \$1.8 bn US in FY2021. Power sector continued to dominate the FDI inflows; (share 49%)

Pakistan: Foreign Direct Investment by top sector in FY2021 (in \$m)

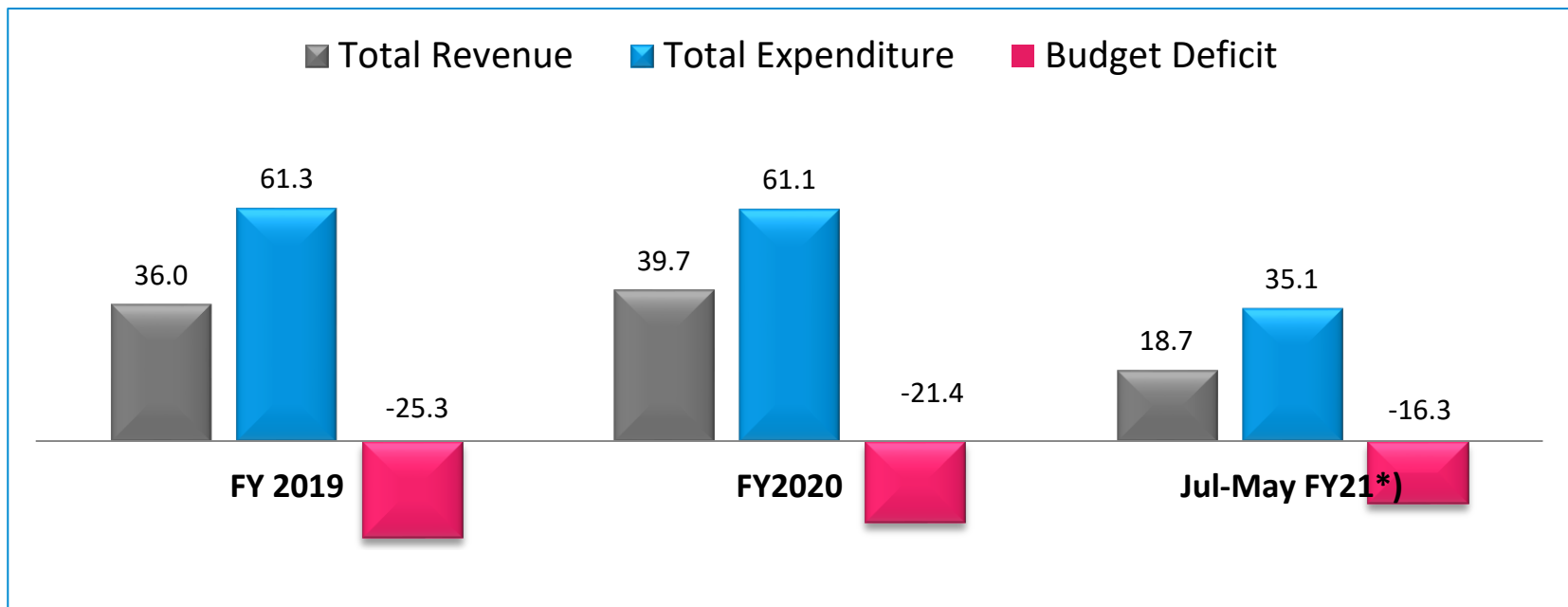


Sources: GTAI, Ministry of Finance

Pakistan Public Finances

Pakistan's budget will support economic activity in 2021/22, but growth will be lower than the government's forecast

Pakistan State Budget FY2019 – Jul-May FY2021 (in \$bn)

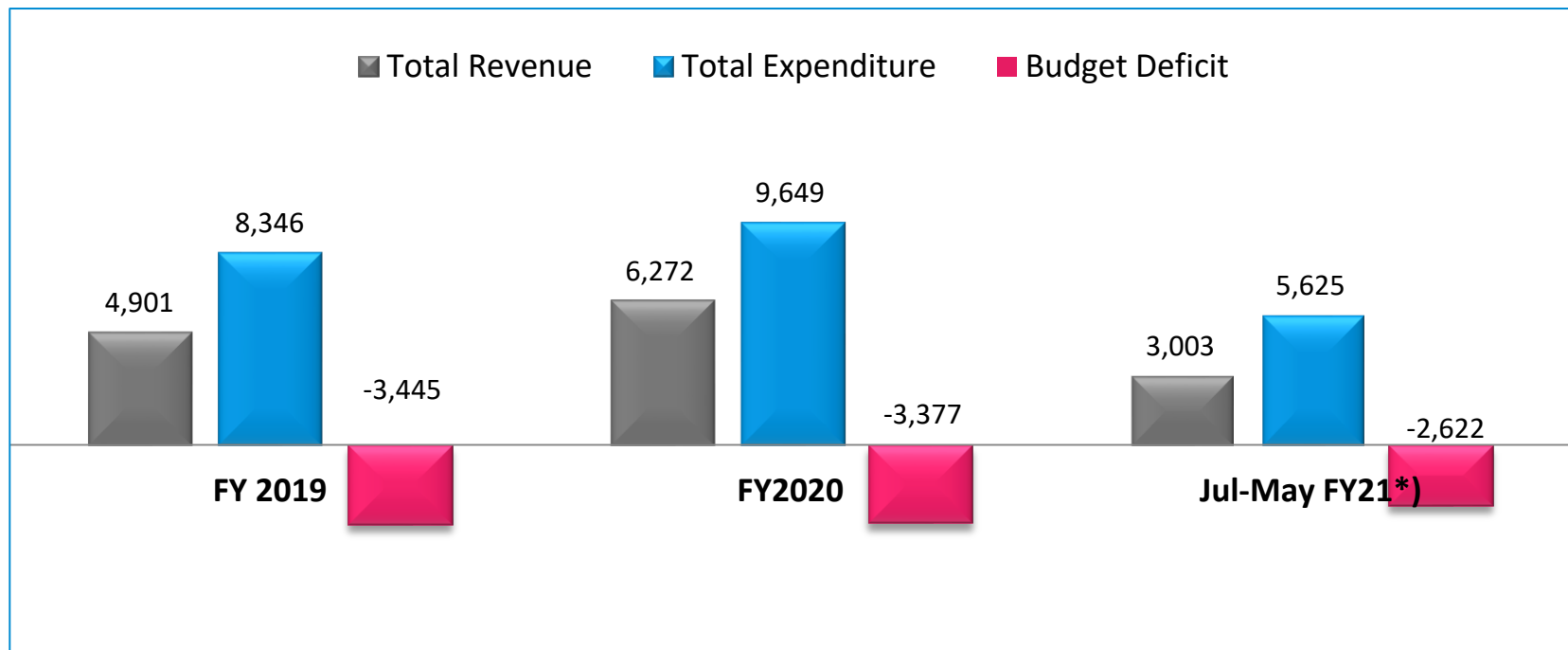


Sources: GTAI, Central Bank, Ministry of Finance, *) Preliminary

Pakistan Public Finances

Pakistan's budget will support economic activity in 2021/22, but growth will be lower than the government's forecast

Pakistan State Budget FY2019 – Jul-May FY2021 (in bn Rupees)



Sources: GTAI, Central Bank, Ministry of Finance, *) Preliminary

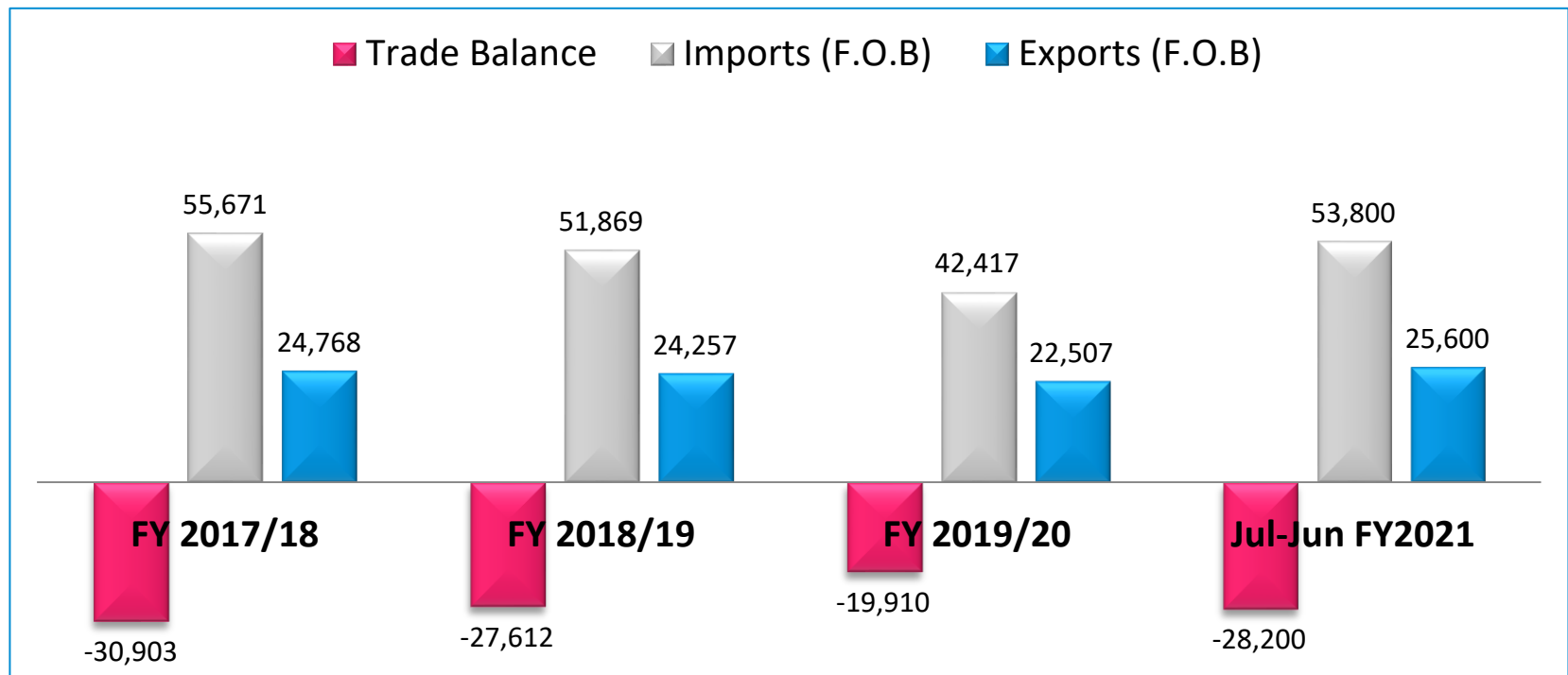


2. FOREIGN TRADE

Pakistan Balance of Payments

Pakistan's trade deficit widened in FY2021 starting from Sept. 2020 onwards, amid a strong pick-up in non-energy import payments after the lifting of lockdowns

Pakistan: Trade balance FY2018 – FY2021 (in \$m)



Sources: GTAI, Ministry of Finance

Pakistan Foreign Trade

China remained Pakistan's biggest trading partner with a share of 27% in Jul-Mar FY2021. Total imports from Germany were \$754m; share 2%

Pakistan: Total imports by top country in Jul-Mar FY2021 – (in \$m)

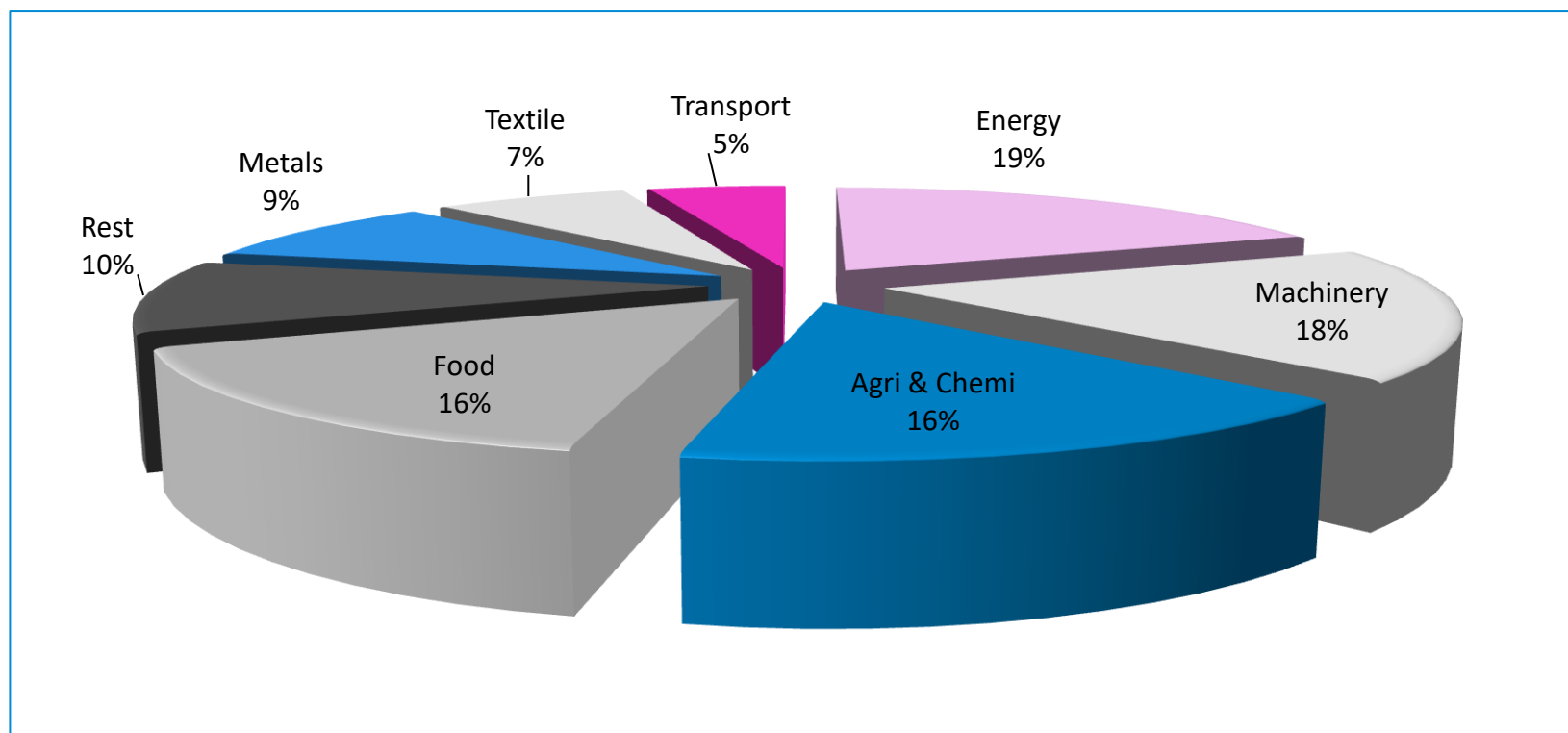


Sources: GTAI, Bureau of Statistics, CIF

Pakistan Foreign Trade

Total imports in Jul-Mar FY2021 were \$39 million

Pakistan: Total imports in Jul-Mar FY2021 - (Share in %)

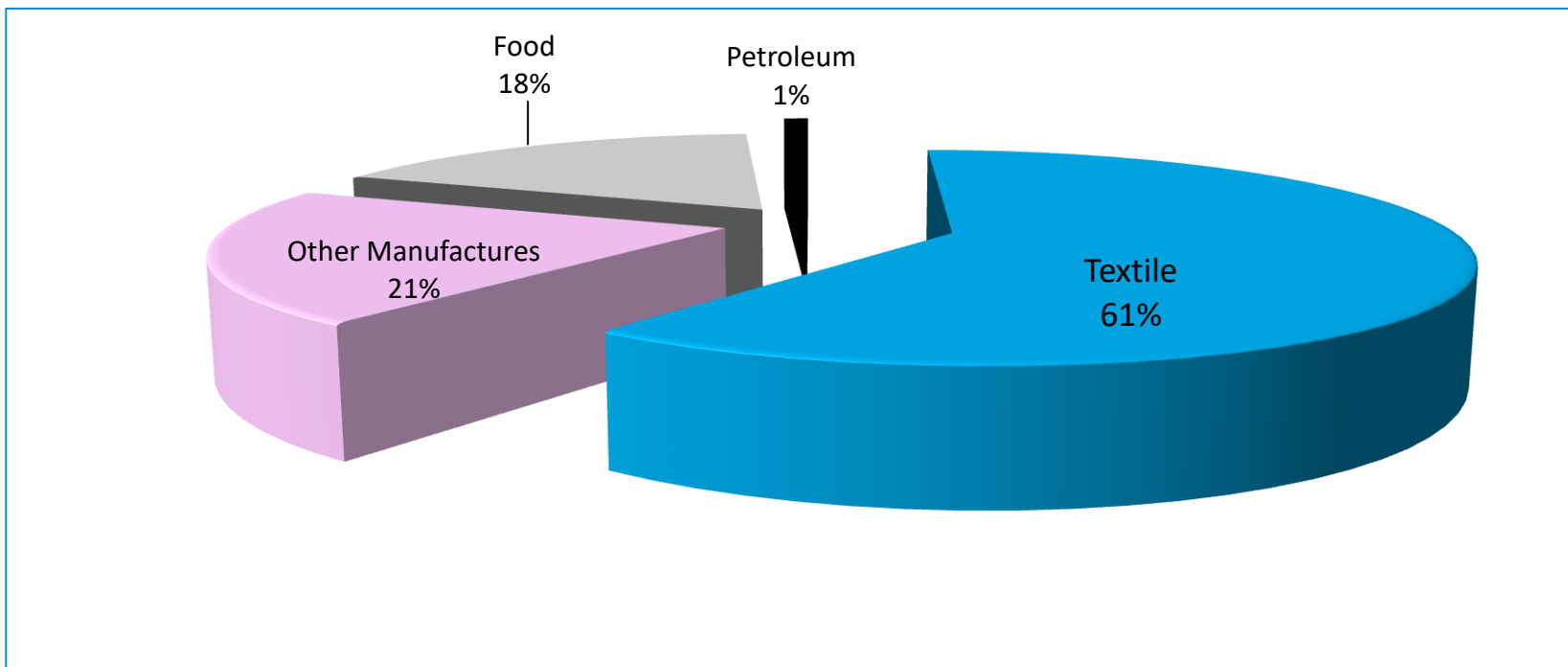


Sources: GTAI, Bureau of Statistics, CIF

Pakistan Foreign Trade

Textile had around three-fourth of the overall growth in exports in FY2021(9M). Home textiles registered an increase of 14.2% with a total value of \$7.8 bn

Pakistan: Total exports in Jul-Mar FY2021 - (Share in %)



Sources: GTAI, Bureau of Statistics, *) CIF



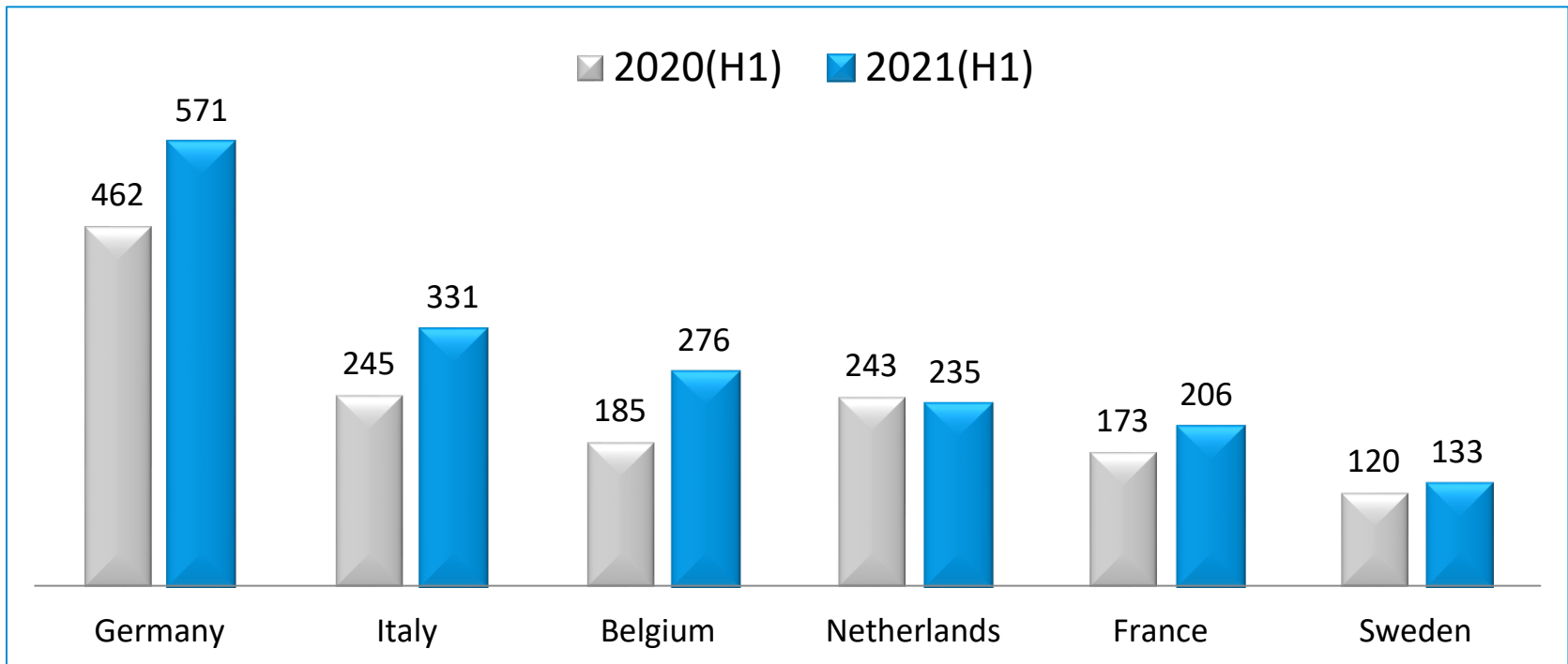
3. GERMANY-PAKISTAN TRADE

Eurostat

EU27 Group: Exports to Pakistan

Germany remained the most important trade partner for Pakistan in 2021(H1)

EU27 Group: Total exports to Pakistan - (in €m)

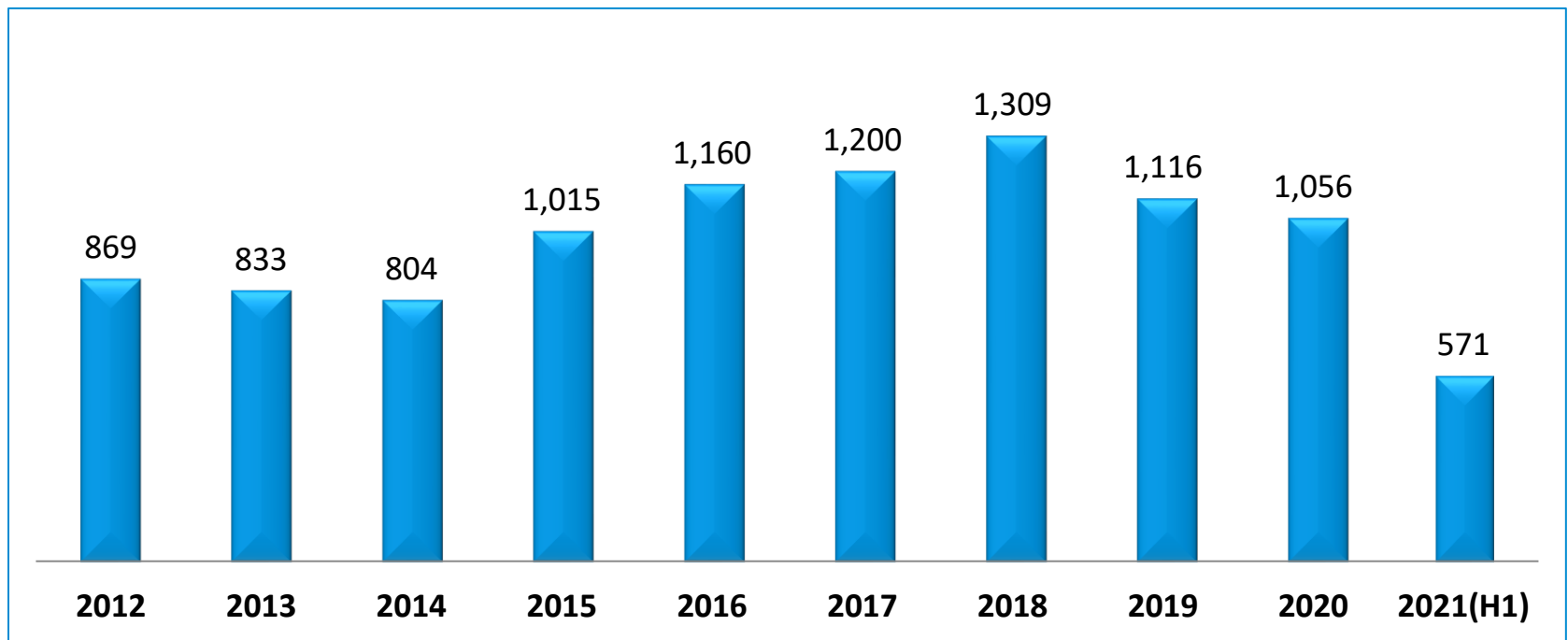


Sources: GTAI, Eurostat

Germany: Exports to Pakistan

German exports to Pakistan recorded an increase of 23.6% in 2021(H1)

Germany: Total exports to Pakistan (in €m) 2012 – 2021(H1)



Sources: GTAI, Eurostat

Germany: Exports to Pakistan

Different types of machinery and medical equipment were the top German exports to Pakistan in 2021(H1)

Germany: Top Exports to Pakistan - (in €m)

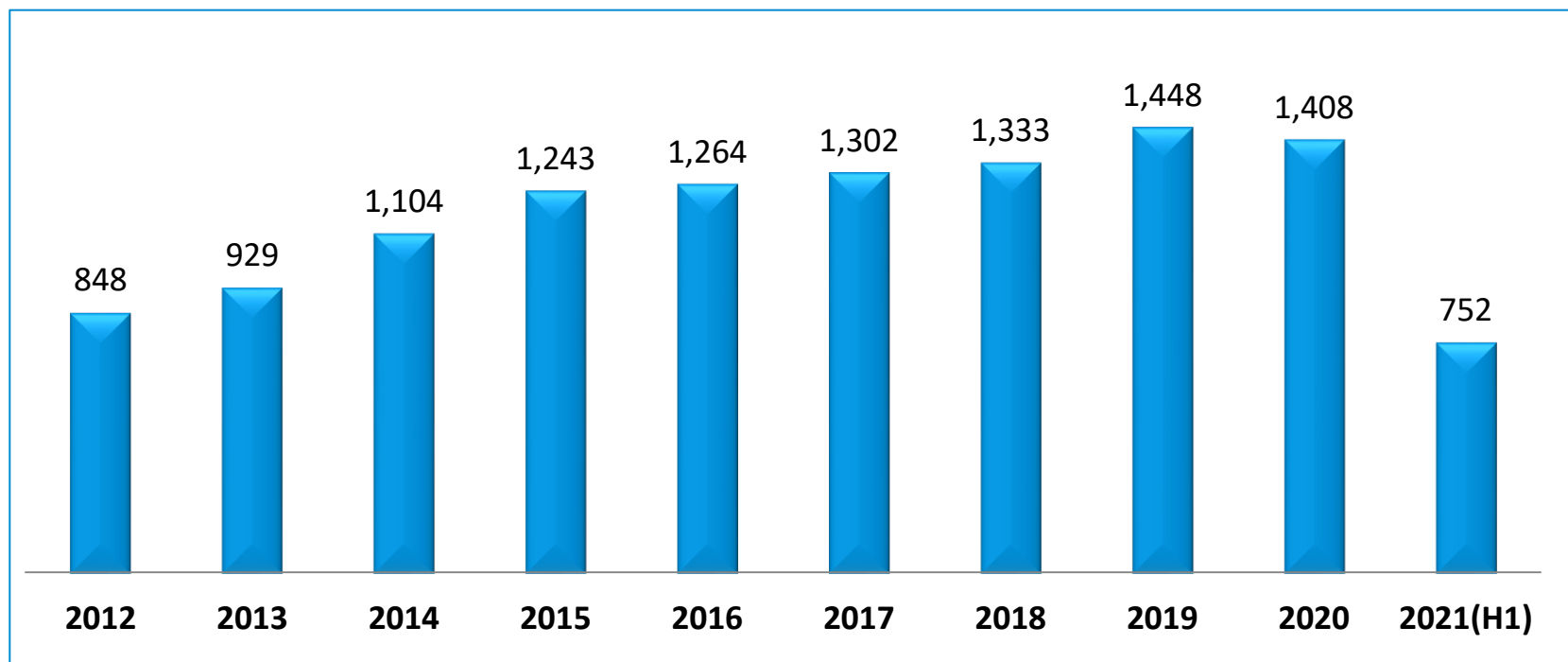
SITC	2020(H1)	2021(H1)	YTD change
GRAND TOTAL	462	571	23.6
72 - MACHINERY SPECIALIZED FOR PARTICULAR INDUSTRIES	58	69	20.8
71 - POWER-GENERATING MACHINERY AND EQUIPMENT	42	50	20.7
74 - GENERAL INDUSTRIAL MACHINERY AND EQUIPMENT	41	42	4.6
54 - MEDICINAL AND PHARMACEUTICAL PRODUCTS	37	42	13.1
28 - METALLIFEROUS ORES AND METAL SCRAP	18	37	110.1
77 - ELECTRICAL MACHINERY	24	29	21.2
59 - CHEMICAL MATERIALS AND PRODUCTS	26	29	9.7
87 - PROFESSIONAL, SCIENTIFIC AND CONTROLLING INSTRUMENTS	36	28	-22.3
89 - MISCELLANEOUS MANUFACTURED ARTICLES	9	26	176.6
78 - ROAD VEHICLES	21	19	-10.7

Sources: GTAI, Eurostat

Germany: Imports from Pakistan

Total German imports from Pakistan in 2021(H1) were €752 million

Germany: Total imports from Pakistan (in €m) 2012 – 2021(H1)



Sources: GTAI, Eurostat

Germany: Imports from Pakistan

Clothing accessories and textile were the top German imports in 2021(H1)

Germany: Top imports from Pakistan - (in €m)

SITC	2020(H1)	2021(H1)	YTD change
GRAND TOTAL	678	752	10.9
84 - ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	373	406	8.9
65 - TEXTILE YARN, FABRICS, MADE-UP ARTICLES	197	217	10.2
87 - PROFESSIONAL, SCIENTIFIC AND CONTROLLING INSTRUMENTS	18	23	23.3
28 - METALLIFEROUS ORES AND METAL SCRAP	8	22	168.1
89 - MISCELLANEOUS MANUFACTURED ARTICLES	16	17	3.5
85 - FOOTWEAR	14	13	-8.3
69 - MANUFACTURES OF METALS	7	10	55.1
83 - TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS	8	7	-7.1
04 - CEREALS	8	6	-30.9
05 - VEGETABLES AND FRUIT	5	5	8.8

Sources: GTAI, Eurostat

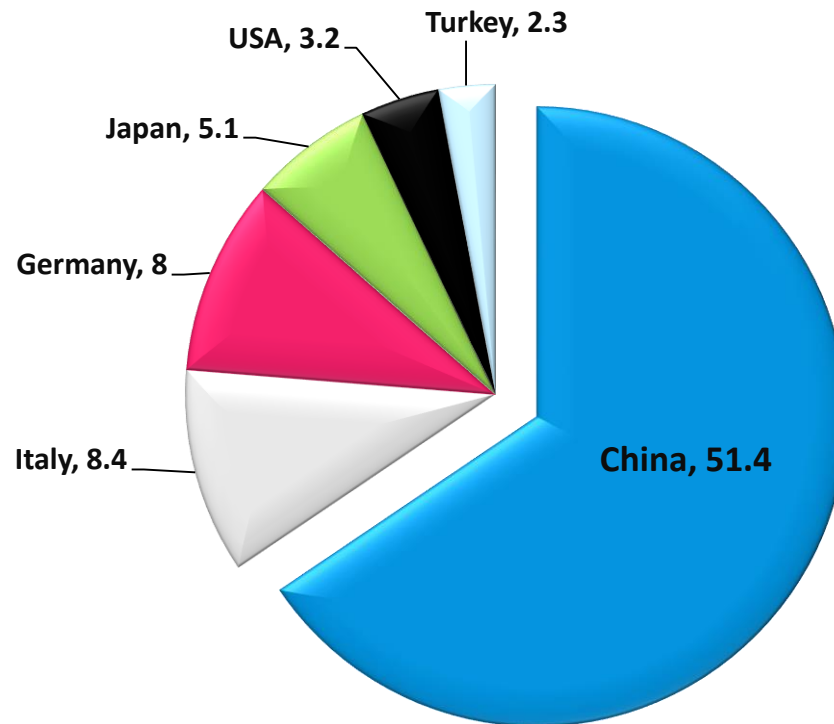


4. MACHINERY MARKET (VDMA)

Machinery Export to Pakistan

China had the lion share in exporting machinery to Pakistan in 2019

World: Machinery export to Pakistan in 2019 - (Share in %)

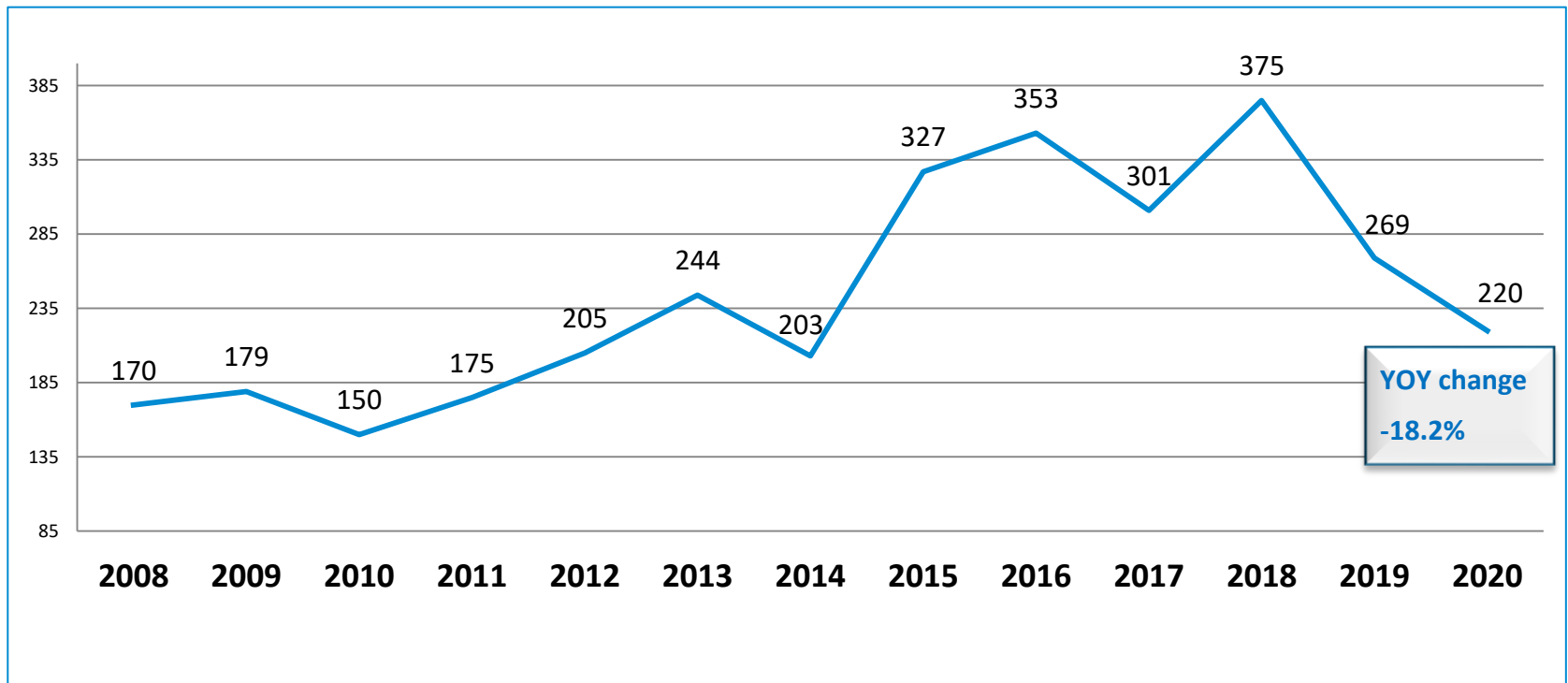


Sources: GTAI, VDMA

Germany: Machinery Export to Pakistan

Double-digit drop in machinery exports from Germany to Pakistan in the Corona crisis year 2020

Germany: Machinery exports to Pakistan 2008 – 2020 (in €m)

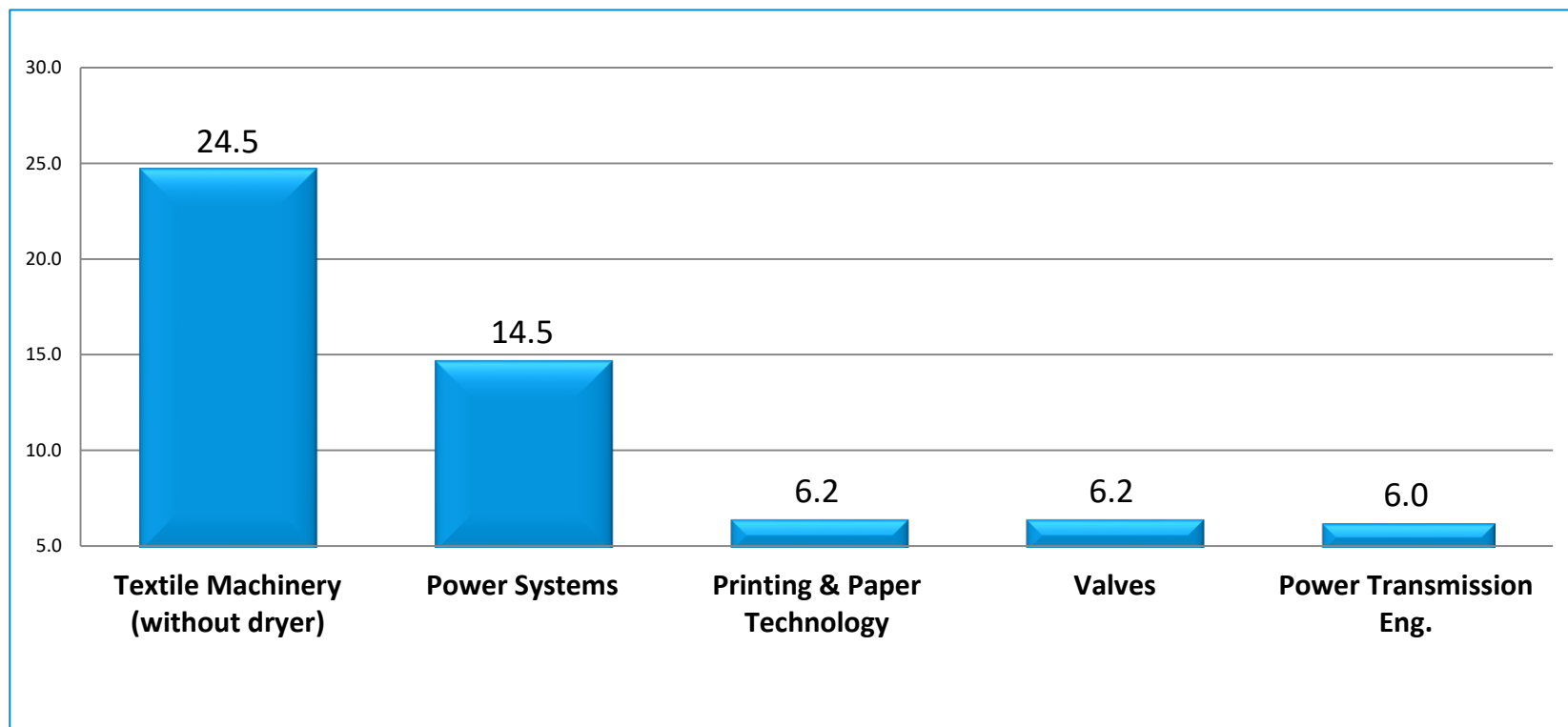


Sources: GTAI, VDMA

Germany: Machinery Export to Pakistan

Textile machinery remained the top product in 2020

Germany: Top machinery exports to Pakistan in 2020 - (share in %)



Sources: GTAI, VDMA

Contact Us

Germany Trade & Invest is the Economic Development Agency of the Federal Republic of Germany. The company helps create and secure extra employment opportunities, strengthening Germany as a business location. With more than 50 offices in Germany and abroad and its network of partners throughout the world, Germany Trade & Invest supports German companies setting up in foreign markets, promotes Germany as a business location and assists foreign companies setting up in Germany.

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