



# ECONOMIC RELEASE





## **EFP Economic Council Lauds Recent Stimulus Measures for Exporters by State Bank: Ismail Suttar**

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Ismail Suttar, Chairman of Economic Council of the Apex Body of Manufacturers of Pakistan, The Employers' Federation of Pakistan (EFP), on Friday welcomed the economic stimulus package announcements by the State Bank of Pakistan (SBP). He was optimistic that these measures are sustainable and should serve to provide the much-needed relief to Corona-hit business community by ensuring their continued liquidity and worry-free credit borrowing from otherwise cash strapped commercial banks.

Ismail specially highlighted the twin offering of Rs. 100 billion in sales tax refund by Hon'ble Prime Minister Imran Khan and 7 percent interest rate over a 10 years lease period temporary refinancing to industrialists by central bank. This united response, he says clearly show the strong level of commitment and seriousness of top administration in resuscitating the industries to help lower national poverty.

The Chairman of EFP Economic Council (EFP-EC), while reflecting on the sudden global collapse of demand and the ensuing dip in country's export level by 15.5 percent, opined that this should not worry Pakistan in the long-run given its vast mineral resources and strategically important geographical location. He explained that if the manufacturers continue to receive attention in such harsh times, then very soon the pandemic will be history and economy will be back on its path to economic recovery.

The recent corrective measures of SBP to rescue stock market have already beginning to show fruits, the EFP-EC Chief claimed, and the relaxations under Export Finance Scheme (EFS) and Long Term Financing Facility (LTFF) seem well aligned with US\$ 5.5 billion extra reserves which had shored up from global oil price downfall and pre-Corona boost in remittances.

While praising the State Bank of Pakistan in its recent good leveraging practicing and in light of a still relatively volatile future trajectory of market and economic conditions, the EFP Economic Council has called for further reduction of nominal interest rate by at least 250 basis points. - PR

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