

# Day Break

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Securities

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## Analyst

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## Economy

### C/a Reports Surplus of US\$ 2.1bn in FY25; Surplus of US\$ 0.33bn in Jun-25

- For the month of Jun-25, C/a balance registered a surplus of US\$ 328mn compared to a deficit of US\$ 84mn recorded during the month of May-25. C/a recorded a surplus of US\$ 328mn in May-25 compared to a deficit of US\$ 500mn in Jun-24. This brings total C/a surplus for FY25 to US\$ 2.13bn, compared to deficit of US\$ 2.07bn in the same period last year. Pakistan reports its first annual surplus after 14 years.
- Pakistan's export receipts were recorded at US\$ 2.60bn compared to last month's US\$ 2.44bn, increasing by +7%m/m and on a yearly basis up by +7%y/y. Country's import bill was recorded at US\$ 4.99bn, down by 9%m/m and up by +8%y/y.
- C/a ended the year with a surplus primarily led by higher remittances despite widened trade deficit. Although exports witnessed slight uptick imports grew sharply leading to higher trade deficit. Going forward, C/a is likely to report a moderate deficit in FY26 on the back of rise in imports and subdued exports.

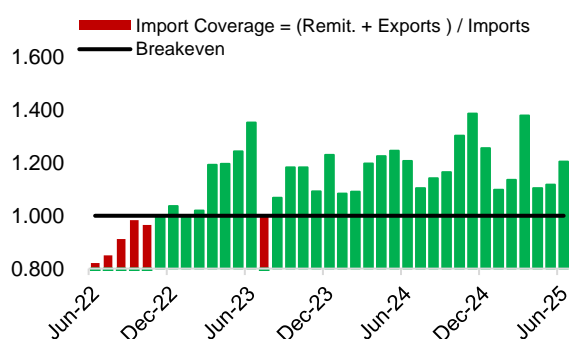
We review current account balance numbers published for the month of Jun-25 by the State Bank of Pakistan (SBP).

#### Monthly current account printed US\$ 328mn Surplus

For the month of Jun-25, C/a balance registered a surplus of US\$ 328mn compared to a deficit of US\$ 84mn recorded during the month of May-25. C/a recorded a surplus of US\$ 328mn in May-25 compared to a deficit of US\$ 500mn in Jun-24. On a monthly basis, C/a turned in to surplus in May-25 mainly due to lower trade deficit. This brings total C/a surplus for FY25 to US\$ 2.13bn, compared to deficit of US\$ 2.07bn in the same period last year. Pakistan reports its first annual surplus after 14 years.

#### Exhibit: Export and Remittances coverage

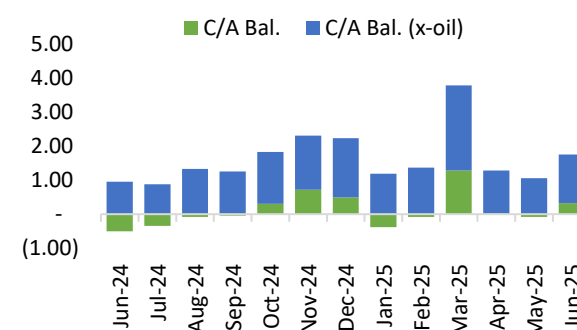
Export and Remittance coverage of total import comes positively as imports dropped



Source: SBP, IGI Research

#### Exhibit: C/a trend (in US\$ bn)

Current account trend with and without oil imports since Jun-24



#### Exhibit: Monthly Current Account Balance

US\$ mn	Jun-25	May-25	m/m	Jun-24	y/y	FY25	FY24	y/y
Exports (G)	2,602	2,438	7%	2,443	7%	32,295	30,980	4%
Imports (G)	4,986	5,476	-9%	4,638	8%	59,076	53,157	11%
Trade Bal.	(2,384)	(3,038)	-22%	(2,195)	9%	(26,781)	(22,177)	21%
Services Bal.	(126)	(139)	-9%	(477)	-74%	(2,620)	(3,110)	-16%
Remittances	3,406	3,686	-8%	3,158	8%	38,300	30,251	27%
Income Bal.	2,838	3,093	-8%	2,172	31%	31,530	23,215	36%
<b>C/a Bal.</b>	<b>328</b>	<b>(84)</b>	<b>n/m</b>	<b>(500)</b>	<b>n/m</b>	<b>2,129</b>	<b>(2,072)</b>	<b>n/m</b>
<b>C/a Bal. (x-oil)</b>	<b>1,424</b>	<b>1,062</b>	<b>34%</b>	<b>959</b>	<b>48%</b>	<b>17,133</b>	<b>12,590</b>	<b>36%</b>

Source: SBP, IGI Research

#### Exports inclined by +7%m/m during Jun-25

For the month, the country's export receipts were recorded at US\$ 2.60bn compared to last month's US\$ 2.44bn, increasing by +7%m/m and on a yearly basis up by +7%y/y. Jun-25 monthly export number was in line with its FY24 monthly average export number of US\$ 2.59bn. During the month higher numbers were largely due to substantially higher other exports while Food, Textile, Petroleum and other manufacturing exports witnessed a decline during the month. Petroleum exports were lower due to absence of crude oil exports and lower POL exports.

#### Exhibit: Monthly Trade Break-up Commodity wise

US\$ mn	Jun-25	May-25	m/m	Jun-24	y/y	FY25	FY24	y/y
<b>Exports (G)</b>	<b>2,602</b>	<b>2,438</b>	<b>7%</b>	<b>2,444</b>	<b>6%</b>	<b>32,317</b>	<b>31,125</b>	<b>4%</b>
Food Exports	375	420	-11%	523	-28%	6,307	7,082	-11%
Textile Exports	1,373	1,409	-3%	1,272	8%	17,260	16,301	6%
Other Exports	854	608	40%	649	32%	8,750	7,742	13%
<b>Imports (G)</b>	<b>4,986</b>	<b>5,476</b>	<b>-9%</b>	<b>4,638</b>	<b>8%</b>	<b>59,076</b>	<b>53,157</b>	<b>11%</b>
Food Imports	692	681	2%	422	64%	7,660	7,111	8%
Machinery Imports	734	930	-21%	621	18%	8,586	7,406	16%
Transport Imports	247	316	-22%	190	30%	2,159	1,621	33%
Petroleum Imports	1,096	1,146	-4%	1,459	-25%	15,004	14,662	2%
Other Imports	2,217	2,403	-8%	1,946	14%	25,668	22,357	15%

Source: SBP, IGI Research

#### Imports declined by 9%m/m during Jun-25

During the month of Jun-25, the country's import bill was recorded at US\$ 4.99bn, down by 9%m/m and up by +8%y/y. During the month,

Machinery, Transport, Petroleum, Textile, Metal and Agriculture imports declined while other imports increased.

#### Remittances down by 8%m/m

During the month of Jun-25, remittances were recorded at US\$ 3.41bn compared to the previous month of US\$ 3.69bn; down by 8%m/m and up by +8%y/y. Major decline in inflows came from Saudi Arabia, Other GCC, UK, UAE and USA while inflows from EU increased by +5%y/y.

Exhibit: Monthly Remittances Break-up Country wise								
US\$ mn	Jun-25	May-25	m/m	Jun-24	y/y	FY25	FY24	y/y
USA	281	314	-11%	322	-13%	3,720	3,531	5%
U.K.	538	588	-9%	487	10%	5,905	4,522	31%
Saudi Arabia	823	914	-10%	809	2%	9,345	7,424	26%
UAE	717	754	-5%	654	10%	7,829	5,535	41%
Other GCC	303	362	-16%	301	1%	3,712	3,180	17%
EU	442	422	5%	330	34%	4,543	3,531	29%
Other	301	331	-9%	254	18%	3,244	2,528	28%
<b>Total</b>	<b>3,406</b>	<b>3,686</b>	<b>-8%</b>	<b>3,158</b>	<b>8%</b>	<b>38,299</b>	<b>30,251</b>	<b>27%</b>

Source: SBP, IGI Research

#### Outlook

C/a ended the year with a surplus primarily led by higher remittances despite widened trade deficit. Although exports witnessed slight uptick imports grew sharply leading to higher trade deficit. Going forward, C/a is likely to report a moderate deficit in FY26 on the back of rise in imports and subdued exports.

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