



Q2 2023-24 NATIONAL ACCOUNTS

BASE YEAR 2015-16



Government of Pakistan
Ministry of Planning, Development and Special Initiatives
PAKISTAN BUREAU OF STATISTICS

FOREWORD

As a historical step, the 107th National Accounts Committee (NAC) which met in November, 2023 approved the **introduction of QNA in the statistical system of the country**. Compilation of QNA is a landmark achievement as this enables the policy makers to take evidence based decisions and take corrective measures during financial year. In the same meeting it was decided that PBS will compile the QNA with a lag of 90 days after the end of reference period. This lag is in line with the Special Data Dissemination Standards (SDDS) set by IMF. Following these timelines PBS has compiled **Q2 estimates of 2023-24** which have been approved in the **108th NAC meeting held on 28th March, 2024**. These accounts present the economic performance of the country during Q2 (October – December) 2023-24 along with revisions occurring in Q1 (July-September) 2023-24 on the basis of the updated data received from the sources.

The Quarterly National Accounts of Pakistan (QNA) consists of the Gross Domestic Product (GDP) compiled at the production side. The GDP production and its components are released every quarter and are presented by major industries. These are valued at constant prices of 2015-16.

The PBS would like to acknowledge its data source agencies both from the public and private sectors for the continuous provision of the required data used in the estimation of the QNA. It is hoped that the estimates will be useful to policymakers and program implementers in the formulation of appropriate policies and programs, and improvement of targeting strategies aimed for sustainable economic growth.

We welcome comments and suggestions from our data users, clients, and stakeholders for the improvement of this report.



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Government of Pakistan
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QUARTERLY NATIONAL ACCOUNTS (QNA)
Second Quarter (October-December) 2023-24 [Base 2015-16=100]

Economy shows upward revision of GVA by posting growth of 2.50% in Q1 of financial year 2023-24 and 1.00% growth in Q2 of financial year 2023-24

Pakistan Bureau of Statistics has compiled the **revised Q1 estimates (July-September)** for financial year 2023-24. The results reflect a growth of **2.50%** as compared to **2.13%** in Q1 of 2023-24 estimated in November 2023.

Quarterly National Accounts – Summary Table (seasonally un- adjusted)										
Sector/ Industry	Growth Rates (%)									
	2021-22				2022-23				2023-24	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Agriculture	4.53	3.81	4.30	4.48	0.18	3.46	3.90	1.50	8.58	5.02
Industry	6.61	2.25	7.83	11.20	-1.88	0.79	-3.58	-9.69	-0.24	-0.84
Services	6.45	5.43	7.39	7.35	2.29	2.16	-1.00	-2.98	0.92	0.01
Total	6.02	4.46	6.78	7.42	0.99	2.20	-0.42	-3.29	2.50	1.00

Revised estimates of Q1 2023-24:

Q1 estimate of financial year 2023-24, which were approved by the 107th NAC meeting in November 2023 have under gone revision with the arrival of data for the Q2 from the sources. Industry wise revision in Q1 of 2023-24 is given below

Quarterly National Accounts – Agriculture						
Sector/ Industry	Growth Rates (%)					
	2022-23 R1				2023-24	
	Q1	Q2	Q3	Q4	Q1P	Q1 P1
Agriculture	0.18	3.46	3.90	1.50	5.06	8.58
Crops	-7.68	4.46	3.20	-5.21	6.13	17.66
Important Crops	-11.50	9.34	9.08	-8.52	11.16	31.47
Other Crops	-1.15	-0.36	-1.02	-1.19	0.11	0.35
Cotton Ginning & Misc. component	-22.41	-30.21	-26.85	-10.65	5.08	25.82
Livestock	3.96	2.31	3.92	4.37	4.55	4.45
Forestry	13.33	15.79	15.42	12.44	7.07	7.23
Fishing	0.59	-0.61	0.58	0.60	0.48	0.67

On the basis of the revised quarterly information it has been observed that that crops are posting healthy revised double digit growth of 17.66% as compared to 6.13% thanks to high double digit growth in important crops. Growth of 11.6% reported in the 107th NAC meeting was on the basis of area however with the arrival of final estimates of production for cotton, rice and sugarcane the Q1 has witnessed a phenomenal growth of 31.47%. Cotton has shown a growth of 108.2% by posting production of 10.22 Million bales this year against 4.91 Million bales last year. Rice has posted a growth of 34.8% with 9.87 million tons production as compared to 7.32 Million tons last year. Similarly, maize crop has witnessed growth of 5.6% with production of 11.6 Million tons as compared to 10.98 million tons last year. Sugarcane has witnessed a decline in production of -10.7% in revised estimates with a production of 78.58 Million tons as compared to 87.98 Million tons last year. However, this negativity has been offset by three major crops. Nominal revised growth of 0.35% has been reported by the sources as compared to 0.11% in other crops reported in 107th NAC meeting. Main driver of this slight increase is green fodder. Livestock which has been estimated on the basis of number of live animals, dry fodder coming from important crops and green fodder reported by sources is showing a revised growth of 4.45% as compared to 4.55% reported in 107th NAC. Decline has been because of increase in green

fodder which is taken as intermediate consumption in livestock. Forestry and fishing are reflecting a normal revised growth on the basis of information received from the sources.

Industry has witnessed a downward revision in Q1 2023-24 of -0.24% as compared to 2.48% estimated in 107th NAC meeting, detail is reflected in the table given below

Quarterly National Accounts – Industry						
Sector/ Industry	Growth Rates (%)					
	2022-23 R1				2023-24	
	Q1	Q2	Q3	Q4	Q1P	Q1 P1
Industry	-1.88	0.79	-3.58	-9.69	2.48	-0.24
Mining & Quarrying	-17.73	-1.30	6.66	1.04	2.15	7.78
Manufacturing	1.12	0.67	-9.20	-12.37	3.36	2.04
LSM	-1.33	-1.88	-14.50	-19.56	0.93	-0.92
SSM	8.59	8.86	9.26	9.79	10.44	10.44
Slaughtering	6.12	6.19	6.45	6.87	7.46	7.46
Electricity, Gas and water supply	-2.08	13.19	35.80	7.63	0.08	-12.70
Construction	-3.63	-4.95	-5.79	-22.25	1.73	0.74

Industry has changed its direction in revised Q1 of 2023-24. The inner analysis reflects that Mining and quarrying industry has been revised upward by registering growth of 7.78% as compared to 2.15% on the basis of quarterly production of mining products provided by the sources. Significant increase was witnessed in production of coal from Thar, limestone (+6.7%), marble (+11.3%) etc. LSM growth is on the basis of QIM which showed a negative growth of -0.87% as compared to 0.68% reported in 107th NAC. Decline was observed in production of automotive (Trucks, buses, LCVs'). Negative growth of -12.70% has been observed in the revised estimates of Q1 as compared to 0.08% reported in Electricity, gas and water supply on the basis of quarterly data reported by the sources. Since Q1 were prepared on the basis of 60 days lag so a significant revision has been observed in this industry which is in fact compiled on the basis of quarterly data provided by the sources. Major decline has been observed in the output of WAPDA and Companies and IPPs'. Construction industry has been estimated on the basis of output of construction indicators. Production of input indicators has witnessed slight decline which resulted in downward revision of growth at 0.74% against 1.73% reported in 107th NAC.

Services industry for revised Q1 is closing at 0.83% as compared to 0.92% estimated in 107th NAC. Variation in growth rates with in services is reflected in table given below

Quarterly National Accounts – Services						
Sector/ Industry	Growth Rates (%)					
	2022-23 R1				2023-24	
	Q1	Q2	Q3	Q4	Q1P	Q1P1
Services	2.29	2.16	-1.00	-2.98	0.82	0.92
Wholesale & Retail Trade	0.33	0.79	-6.46	-10.12	3.05	2.73
Transport & Storage	3.66	3.31	4.20	1.94	1.70	1.23
Accommodation and Food Services Activities (Hotels & Restaurants)	3.98	4.02	4.16	4.39	4.70	4.70
Information and Communication	-1.59	2.47	-3.55	-7.47	2.40	2.40
Finance & Insurance Activities	0.99	-1.61	-12.42	-18.52	-12.79	-2.88
Real Estate Activities (Ownership of Dwellings)	3.55	3.56	3.67	3.86	4.16	4.16
Public Administration and Social Security (General Government)	-5.53	-8.66	-10.44	-10.93	-16.65	-16.72
Education	10.45	9.98	9.78	9.58	-0.14	-0.88
Human Health and Social Work Activities	10.83	11.25	10.80	9.51	-1.12	-1.13
Other Private Services	5.29	5.19	5.05	4.54	4.02	4.02

WRT which is based on output of agriculture, manufacturing and imports has been estimated at 2.73% in the revised estimates as compared to 3.84% estimated in 107th NAC. Slight decline has been because of decline in LSM which even offset the increase in output of agriculture. Transport is showing a growth of 1.23% against 1.7% reported in the last meeting because of decline in registration of vehicle (Buses, trucks, wagons etc) which is based on the quarterly data reported by the sources. Finance and Insurance industry has improved from growth of -12.79% to -2.88% because of increase in output of insurance companies, exchange brokers, mercantile brokers. Education and human health & social work activities is also mostly driven by the decline in government budget.

Review of Estimates of Q2 2023-24

Q2 estimates of financial year 2023-24 have been estimated on the basis of data/indicators received from the sources. Overall GVA in Q2 2023-24 when compared with Q2 2022-23 has shown an increase of 1.00%. The detail analysis by industry is given below.

Quarterly National Accounts – Agriculture						
Sector/ Industry	Growth Rates (%)					
	2022-23 R1				2023-24	
	Q1	Q2	Q3	Q4	Q1	Q2
Agriculture	0.18	3.46	3.90	1.50	8.58	5.02
Crops	-7.68	4.46	3.20	-5.21	17.66	6.15
Important Crops	-11.50	9.34	9.08	-8.52	31.47	8.12
Other Crops	-1.15	-0.36	-1.02	-1.19	0.35	-0.31
Cotton Ginning & Misc. component	-22.41	-30.21	-26.85	-10.65	25.82	53.60
Livestock	3.96	2.31	3.92	4.37	4.45	4.34
Forestry	13.33	15.79	15.42	12.44	7.23	3.61
Fishing	0.59	0.61	0.58	0.60	0.67	0.78

Agriculture industry has shown a growth of 5.02% in Q2 as compared to same period of last year thanks to a healthy growth in crops particularly important crops. Important crops have shown a growth of 8.12% in Q2 because of significant growth in the final production of cotton, rice and maize. Wheat which had no impact in Q1 has shown an increase of 6.7% in area as compared to last year has a positive impact on the estimates of Q2. Sugarcane has posted negative growth of -10.7% during 2023-24 whose impact has been offset by the growth in remaining four crops. Another important factor to observe is that Q1 growth was from a very low base of Q1 in 2022-23 but the Q2 has shown significant growth in important crops in spite of high base in Q2 2022-23. Important crops have shown a slightly negative growth of -0.31% because of decline in production of green fodder (-0.72%). Cotton ginning & miscellaneous component had a very high negative growth because of low cotton production in 2022-23 has now witnessed double digit growth because of healthy production of cotton crop in 2023-24. Livestock is at the same level while forestry and fishing have also retained their normal growth.

Quarterly National Accounts – Industry						
Sector/ Industry	Growth Rates (%)					
	2022-23 R1				2023-24	
	Q1	Q2	Q3	Q4	Q1	Q2
Industry	-1.88	0.79	-3.59	-9.77	-0.24	-0.84
Mining & Quarrying	-17.73	-1.30	6.66	1.04	7.78	-4.17
Manufacturing	1.12	0.67	-9.20	-12.37	2.04	2.89
LSM	-1.33	-1.88	-14.50	-19.56	-0.92	0.48
SSM	8.59	8.86	9.26	9.79	10.44	10.12
Slaughtering	6.12	6.19	6.45	6.87	7.46	7.32
Electricity, Gas and water supply	-2.08	13.20	35.67	7.04	-12.70	1.54
Construction	-3.63	-4.95	-5.79	-22.25	0.74	-17.59

Industry in Q2, like Q1, has shown a negative growth as compared to Q2 last year. Negative growth of (-4.17%) has been witnessed in mining & quarrying industry because of decrease in production of gas (-5.04%), marble (-40.13%), limestone (-20%) etc and decline in exploration cost. Large scale manufacturing which is

based on Quantum Index of Manufacturing (QIM) for the quarter (October-December) has witnessed a positive growth of 0.35%. Figures report in QIM for January (reported in March) will be used in the compilation of Q3. Increase is attributed to growth in Cooking oil, Garments, Fertilizers etc. Small scale and slaughtering have witnessed a fixed growth. Electricity, gas and water supply industry has shown a positive growth of 1.54% because of increase in output of IPP Hydro and Nuclear plants. These industry is estimated directly from the data provided by the sources which has variations when compiled on quarterly basis. Construction industry declined to -17.59% in Q2 due to decline in production of cement (-8.7%) and iron & steel (-2.5%) as well as decline in general government.

Services industry has shown a nominal growth of 0.01% in Q2 of 2023-24. Inner analysis of the industry reflects a mixed trend. Wholesale and retail trade has witnessed a growth of 2.11% because of positive growth in agriculture output and LSM. Although there was decline in imports but the negative impact was offset by increase in output of agriculture and industry.

Quarterly National Accounts – Services						
Sector/ Industry	Growth Rates (%)					
	2022-23 R1				2023-24	
	Q1	Q2	Q3	Q4	Q1	Q2
Services	2.29	2.16	-1.00	-2.98	0.92	0.01
Wholesale & Retail Trade	0.33	0.79	-6.46	-10.12	2.73	2.11
Transport & Storage	3.66	3.31	4.20	1.94	1.23	1.13
Accommodation and Food Services Activities (Hotels & Restaurants)	3.98	4.02	4.16	4.39	4.70	4.60
Information and Communication	-1.59	2.47	-3.55	-7.47	2.40	-5.43
Finance & Insurance Activities	0.99	-1.61	-12.42	-18.52	-2.88	-11.08
Real Estate Activities (Ownership of Dwellings)	3.55	3.56	3.67	3.86	4.16	4.07
Public Administration and Social Security (General Government)	-5.53	-8.66	-10.44	-10.93	-16.72	-16.18
Education	10.45	9.98	9.78	9.58	-0.88	-0.85
Human Health and Social Work Activities	10.83	11.25	10.80	9.51	-1.13	-2.53
Other Private Services	5.29	5.19	5.05	4.54	4.02	3.63

Transport and storage industry has increased by 1.13% because of increase in output of railways and road transport. High inflation has been real cause of decline in growth for sectors compiled on current prices and then deflated to constant prices. Information and communication is one of those industries which has been affected by the high inflation. Deflator increased by 9.3% as compared to Q2 2022-23 for communication industry. Similarly, Finance & Insurance industry has shown growth at current prices however at constant prices it has declined by -11.1%. Public administration and social security which is commonly termed as General Government has declined by -16.18% because of high deflator (CPI General increased by 29%) as compared to same period last year. The wholesale price index has also witnessed an increase of Education has been estimated at -0.85% in Q2 2023-24 as compared to same period last year. The decline has been observed in increase in deflator (CPI Education increased by 12%). Similarly, Human health and Social Work industry has declined by -2.53% because of increase in deflator (CPI Health services increased by 21%). Other private services have been estimated at 3.63% on the basis of indicators received from the sources.

Next Release: Q3 estimates of Financial Year 2023-24 will be published with annual national accounts to be approved by the NAC scheduled to be held in May 2024

Figure 1. **Gross Value Added, Q1 2021-22 to Q2 2023-24 Growth Rate at constant 2015-16 prices**

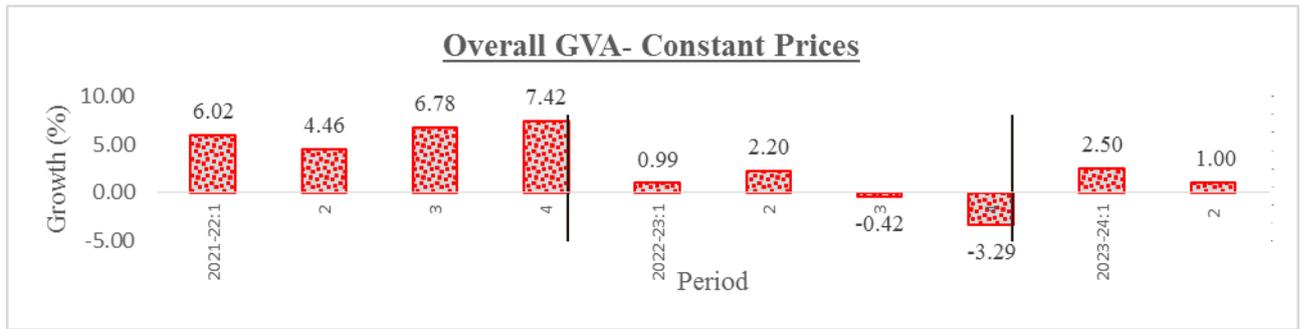


Figure 2. **Agriculture, Q1 2021-22 to Q2 2023-24 Growth Rate at constant 2015-16 prices**

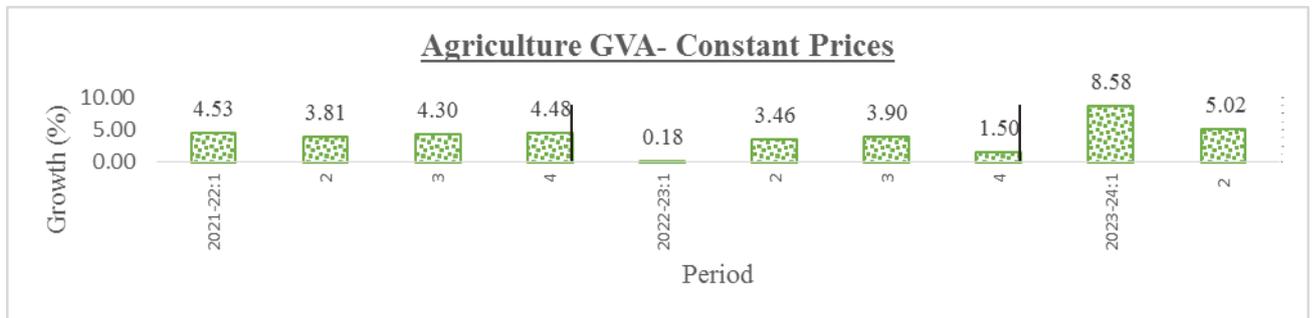


Figure 3. **Industry, Q1 2021-22 to Q2 2023-24 Growth Rate at constant 2015-16 prices**

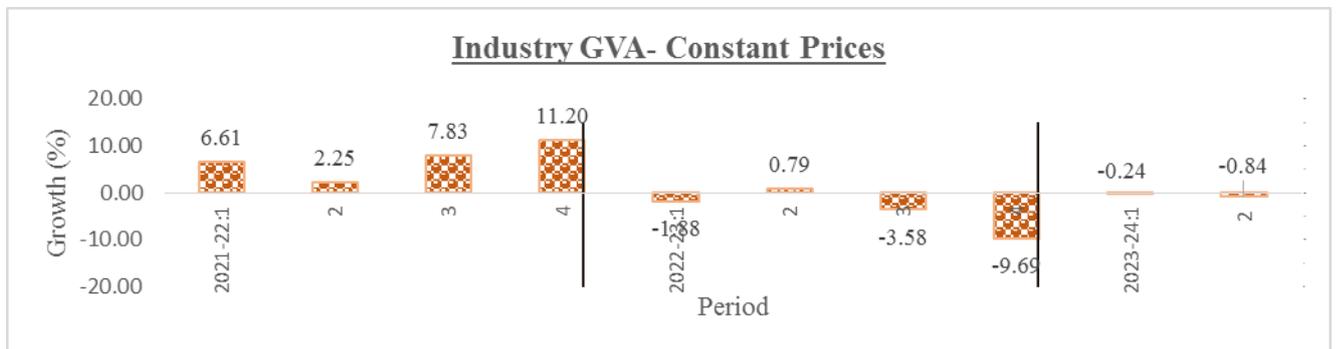


Figure 4. **Services, Q1 2021-22 to Q2 2023-24 Growth Rate at constant 2015-16 prices**

