Pakistan Economy

Country reported USD 328mn deficit in Jul'26

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REP-300

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Jul:26 Current Account deficit of USD 328mn recorded

Balance of Payment at a glance

In Jul'26, **total exports** reached USD 3.9bn, reflecting a 13.1% YoY increase. **Goods exports** increased by 9.4% YoY, while **services exports** posted a robust 27.3% YoY increase during the month.

In Jul'26, **total imports** amounted to USD 7.3bn, reflecting a 13.1% YoY increase. **Goods imports** jumped by 13.4% YoY, while **services imports** recorded a 11.9% YoY increase during the month.

The **trade deficit** in Jul'26 widened to USD 3.4bn, reflecting a 13.1% YoY increase.

In Jul'26, **the Net Primary Income** deficit stood at USD 848mn, reflecting a 3.2% YoY decrease.

Secondary Income in Jul'26 totaled USD 3.9bn, with remittances contributing approximately USD 3.6bn. **Remittance** inflows registered an 13.0% YoY increase in Jul'26.

Real Effective Exchange Rate (REER) clocked in at 107.92 as of Jul'26 as compared to 106.44 in Jun'26.

Source: AHL Research

Balance of Payment

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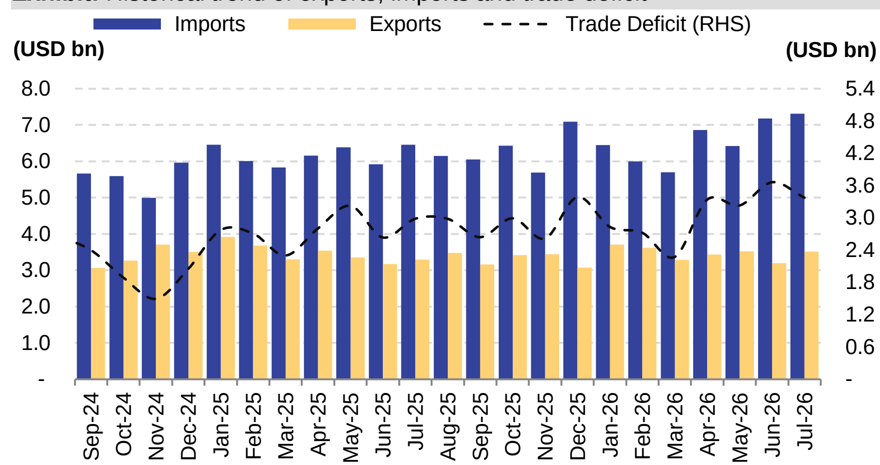
- Pakistan's **current account deficit** narrowed to USD 328mn in Jul'26 from USD 529mn in Jul'25, reflecting a 38.0% YoY decline. This was driven by a 13.1% YoY increase in exports, which offset the 13.1% YoY rise in imports. On a MoM basis, the deficit declined sharply from USD 814mn in Jun'26.
- The current account deficit for Jun'26 was revised upward to USD 814mn from the previously reported USD 649mn. As a result, the FY26 current account deficit has also been revised to USD 304mn from USD 139mn previously.
- Jul'26 **total exports** stood at USD 3.9bn, up 13.1% YoY from USD 3.5bn in Jul'25. On a MoM basis, exports increased 11.9% from USD 3.5bn in Jun'26.
- **Total imports** in Jul'26 totaled USD 7.3bn, up 13.1% YoY from USD 6.5bn in Jul'25. On a MoM basis, imports increased by 1.8% from USD 7.2bn in Jun'26.
- The balance on **primary income** (deficit) clocked in at USD 848mn, compared to USD 876mn in Jul'25 and USD 837mn deficit recorded in Jun'26.
- **Secondary income** reached USD 3.9bn in Jul'26, marking a 16.9% increase from the previous year and 5.7 jump from Jun'26.
- **Remittances**, which accounted for USD 3.6bn during Jul'26, also saw a 13.0% YoY increase. on MoM basis remittances increased by 4.5% from USD 3.5bn recorded in Jun'26.
- The **financial account** clocked in at a USD 1,139mn surplus in Jul'26 compare to a deficit of USD 345mn in Jul'25 and a deficit of USD 1,998mn was recorded in Jun'26.

Exhibit: Pakistan's Balance of Payment

(USD mn)	Jul-26	Jul-25	YoY	Jun-26	MoM
Exports (Goods)	3,008	2,750	9%	2,573	17%
Imports (Goods)	6,154	5,429	13%	6,152	0%
Trade Balance (Goods)	(3,146)	(2,679)	nm	(3,579)	nm
Exports (Services)	927	728	27%	942	-2%
Imports (Services)	1,155	1,032	12%	1,025	13%
Trade Balance (Services)	(228)	(304)	nm	(83)	175%
Trade Balance	(3,374)	(2,983)	nm	(3,662)	nm
Balance on Pri. Income	(848)	(876)	nm	(837)	nm
Balance on Sec. Income	3,894	3,330	17%	3,685	6%
Income (Net)	3,046	2,454	24%	2,848	7%
Remittances	3,631	3,214	13%	3,475	4%
CAB	**(328)**	**(529)**	**nm**	**(814)**	**nm**
FDI	179	224	-20%	49	265%
Financial Account	1,139	(345)	-430%	(1,998)	-157%
Capital Account	19	17	12%	3	533%
Overall Balance	1,389	174	698%	(1,287)	nm

Source (s): SBP, AHL Research

Exhibit: Historical trend of exports, imports and trade deficit



Source (s): SBP, AHL Research

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- Market risk
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