Our Correspondent

Dawood hopes Pakistan's exports will recover this month

ISLAMABAD: Exports will begin to recover in September as economic activity is expected to return to normality, particularly in Karachi, remarked Adviser to Prime Minister on Commerce Abdul Razak Dawood.

In a meeting held to discuss the latest trade figures, Dawood noted that although exports had fallen temporarily, the trade balance continued to improve.

According to data released by the Ministry of Commerce, exports of Pakistan contracted 19.5% to $1.6 billion in August 2020 on a year-on-year basis. The country had exported products worth $1.97 billion in the same month of previous year. On the other hand, imports dropped 20% to $3 billion during the month under review against $3.7 billion in August 2019. The overall trade deficit contracted 20.6% to $1.4 billion in August 2020. The deficit had stood at $1.7 billion in the same month last year.

Despite the decline in August, exports of some of the products such as tractors, iron and steel, chemicals and cement posted growth of 186%, 100%, 90% and 30% respectively compared to August 2019. "Exporters are encouraged to pursue 'Make in Pakistan' strategy and an export-led growth despite the calamity caused by rain and flooding," stated the adviser. "I have confidence in our exporters that they will make up for the losses."

Dawood directed the Ministry of Commerce to immediately resolve the issues faced by the exporters during the current unprecedented times. The adviser was told that due to heavy rains in the country, some delay was faced in obtaining and analysing the data.

It was noted that rains and subsequent urban flooding, particularly in Karachi, caused significant damage to the infrastructure, disrupted the supply chain and affected exports in August.

Power outages, slowdown in business activities, delay in transportation and hampering of port operations were some of the issues faced by the exporters due to the unprecedented monsoon rains in the country, the meeting participants said.