

**ANNUAL ANALYTICAL REPORT ON
EXTERNAL TRADE STATISTICS OF
PAKISTAN**

FY 2020-21

International Trade



GOVERNMENT OF PAKISTAN
MINISTRY OF PLANNING, DEVELOPMENT & SPECIAL INITIATIVES
PAKISTAN BUREAU OF STATISTICS
External Trade Section - Karachi
DECEMBER, 2021

FOREWORD

Pakistan Bureau of Statistics (PBS) is the prime official agency of Pakistan, responsible for collection, compilation and dissemination of reliable and timely statistical information to the policy makers, planners and researchers. It publishes a variety of reports, based on primary and secondary data, especially on economics and social aspects of the country. PBS has made commendable efforts to improve and update statistical methodology in general and trade statistics in particular.

COVID-19 has pushed the global economies towards recession. The synchronized nature of the downturn has amplified domestic disruptions which continued around the globe in 2021. Though Pakistan has also been affected by the unprecedented health and economic shocks caused by the outbreak of Coronavirus with smart lockdown. During year 2020-21, Pakistan's economy has been recorded at 3.94 percent. The proper public policies helpful in lowering the adverse effects of pandemic. Government is constantly monitoring the international and domestic conditions to ensure stabilization to steer growth in this challenging environment. The Country's trade deficit during July-June (2020-21) stood at \$31.076 billion against the deficit of \$23.159 billion during July-June (2019-20). During the fiscal year 2021 country's exports registered about \$25.304 billion whereas the imports \$56.380 billion.

Efforts have been made to make this report comprehensive, informative and a useful document for researchers, planners, economists and other beneficiaries at large. Further questions, clarifications, comments, feedback and suggestions on this report are welcomed.

I would like to congratulate the PBS Trade Statistics team who worked with full dedication for the successful completion of this task.

Islamabad, December, 2021

(Dr. Naeem-uz-Zafar)
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ANNUAL REPORT ON EXTERNAL TRADE OF PAKISTAN 2020-21**

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1. Executive Summary

Exports during July – June, 2020 – 2021 totaled Rs. 4,041,927 million as against Rs. 3,369,782 million during the corresponding period of last year showing an increase of 19.95%. In terms of US dollars, the exports during July – June, 2020 - 2021 totaled \$ 25,304 million (provisional) against \$ 21,394 million during the corresponding period of last year showing an increase of 18.28%.

Imports during July – June, 2020 - 2021 totaled Rs. 8,982,441 million (provisional) as against Rs. 7,029,819 million during the corresponding period of last year showing an increase of 27.78%. In terms of US dollar, the imports during July – June, 2020 - 2021 totaled \$ 56,380 million (provisional) as against \$ 44,553 million during the corresponding period of last year showing an increase of 26.55%.

The balance of trade figures from July - June, 2020-2021 were (-)4,940,514 million in terms of Rupees and (-)31,076 million in US dollars.

1.1 Global trends at a glance.

In 2021 after ease of pandemic restrictions, an increasing trend observed in International merchandise trade. Exports of many countries increased which already surpassed the pre-pandemic levels of 2019. In the beginning of summer of 2020 global merchandise trade began to recover. The data observed an increase in the value of merchandise trade of about 30% compared to 2020 and 15% compared to 2019. Global merchandise trade continued to grow in the first half of 2021, as global value chains recovered and way to increase in advanced economies.

However, there is an uneven recovery in international goods trade across countries and sectors. In the first half of 2021 many economies saw their exports surpassed pre-pandemic levels, which others, exports remained substantially below as pre-pandemic levels. It is observed that small economies tend to be more fragile and less diversified than larger economies. The impact of the pandemic on their fragile economies was even worse, leaving them lagging behind in recovery. Another reason could be that, since trade recovery has been largely fueled by global value chains linked to advanced and emerging economies, the trade recovery levels of smaller economies remained below the global averages.¹

In the first quarter of 2021 the growth in trade services has been moderate. The expansion in trade in digitally deliverable services, such as telecommunications, computer and business services observed in Q1 2021, particularly in East Asia. Widespread increases in savings and higher volumes of transactions in financial products contributed robust trade in financial and insurance services, especially in Europe and North America.² There has been an encouraging global trade trend in the third Quarter of 2021. The value of world imports and exports of goods hit \$5.6 trillion in the third quarter of 2021. The increasing trend in the international trade is mainly due to strong recovery in demand³.

¹ <https://unctad.org/news/international-trade-back-not-all>

² <https://www.oecd.org/newsroom/international-trade-statistics-trends-in-first-quarter-2021.htm>

³ <https://unctad.org/news/global-trade-goods-hits-all-time-quarterly-high-56-trillion>

2. Exports of Pakistan

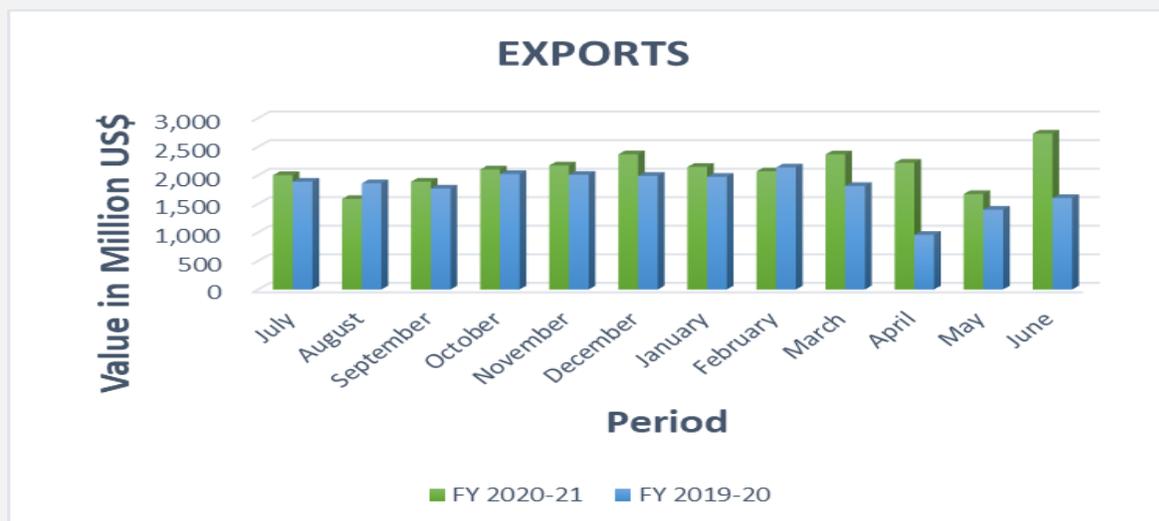
Exports were targeted at US\$ 22.7 billion for the fiscal year 2021. In line with world trade, Pakistan's exports spring up, after a sharp triumph during the strict lockdown in the last fiscal year on account of export-oriented policies and strong economic repossessions in the main export markets. Exports during FY2021 amounted to US\$ 25.3 billion as compared to US\$ 21.4 billion in FY 2020 thus registered impressive growth of 18.3% as compared to the negative growth of -6.81% during FY2020.

MONTHLY EXPORTS			
PERIOD	FY 2020-21	FY 2019-20	%CHANGE 2020-21 over 2019-20
	VALUE (MILLION US\$)		
July	2,001	1,886	6.07
August	1,584	1,858	-14.77
September	1,887	1,765	6.90
October	2,101	2,019	4.05
November	2,171	2,007	8.18
December	2,366	1,988	19.00
January	2,145	1,972	8.77
February	2,068	2,137	-3.22
March	2,364	1,810	30.61
April	2,218	955	132.18
May	1,671	1,396	19.65
June	2,728	1,599	70.64

2.1

Group-wise analysis of exports

Pakistan's exports bounced back owing to proactive measures taken by the state authorities and it was among those countries whose exports recovered more rapidly.



2.1.1 Food Group

Food group constituting 17.36% of overall exports showing slight recovery during FY2021 and posted a progress of 0.7% as compared to negative growth 5.30% in FY2020.

Within the food group, export of rice comprises 46.49% of total food group declined of 6.15% in value and 5.33% in quantity mainly due to 27.29% decline in basmati rice exports in value and 26.75% in quantity. The contraction in export of rice was mainly driven by higher prices due to unavailability of shipment containers which raised the average cost of shipping. Taking advantage of the situation, India took over the market by offering lower prices to increase its share further. Pakistan has started reaping benefits from long awaited GI tag for basmati rice against India received in January 2021. Resultantly exports of basmati rice showed a remarkable turnaround and witnessed 61% growth in March FY2021 (on M-o-M basis) over February FY2021. However, exports of rice other than basmati reaches at almost billion 1.5 US\$ showing an increase of 5.75% in value and 6.73% in quantity, compared to the corresponding period last year.

During FY2021, export incomes from fruits showed an increase of 11.19% in value and 3.39% in quantity. Vegetables also witnessed an incline of 7.02% in value and 8.66% in quantity.

Fish & fish preparation subgroup slightly improved by 1.96% in value while its quantity increased by 3% in comparison with negative growth of 7.2% in value and 12.1% in quantity during FY2020.

Exports of oil seeds, nuts & kernels witnessed a remarkable growth of 216.33% in quantity and 212.59% in value during FY2021 and touched at million 94.1 US\$ as compare with million 30.1 US\$ during FY2020.

The export of spices also increased by 5.32% in value and 6.65% in quantity during the period under review while the export of spices also declined by 0.5% in value and 9.1% in quantity during FY2020.

Meat and meat preparations increased both in value and quantity by 9.03% and 14.21%, respectively signalling a recovery in production of livestock.

2.1.2 Textile Group

Exports of textile manufacturers, which accounts for 60.86% in total exports witnessed a remarkable increase of 22.93% during FY2021 in comparison with a negative growth of 6.01% of last year and amounted to US\$ 15.399 billion in FY2021 as compared to US\$ 12.527 billion during FY2020. Rebound in exports of textile is the outcome of a series of incentives to support exporters to meet the challenges in the wake of COVID-19 and disruption in supplies. Moreover, the government's decision to keep businesses open during lockdown provided an opportunity to secure orders diverted from economies under strict lockdown.

Within the group, all the commodities witnessed positive trends except raw cotton. This indicates countries preferences shifting from raw and intermediate goods to value added exports.

To buttress the exports of high-value added textile, additional customs duty on import of raw cotton has been exempted by the government. In result, cotton yarn and cotton cloth exhibited 3.26% and

4.98% growth respectively during FY2021 in comparison of negative growth of 16.6% and 12.5% during FY 2020. Exports of knitwear, bedwear, towel and readymade garment increased by 36.52%, 28.87%, 31.81% and 18.83% respectively during FY 2021 while they all had negative growth of 3.6%, 4.9%, 9.5% and 3.8% during FY2020.

2.1.3 Petroleum Group

Petroleum group having a negligible share of 0.7% in total exports registered a negative growth of 33.28% on account of 42.56% and 29.21% decline in export of petroleum crude, and petroleum top naphtha respectively despite of increase in export of petroleum products (excluding top naphtha) by 4.60% during FY 2021.

2.1.4 Other Manufacturers Group

Other manufacturers accounting 13.70% of total exports registered a positive growth of 14.18% during the period FY2021.

Within the group chemical and pharmaceutical products having the largest share of 33.15% in the group, posted a positive growth of 11.2% during FY 2021.

Surgical goods and medical instruments 12.35% share of this group showed an increase of 20.39%. In the case of sports goods, football – the major export item – witnessed a decline both in quantity and value by 17.07% and 8.73% respectively, during FY 2021. Despite of decline trend in exports of football, sports goods showed a positive growth of 6.14% due to increase of gloves and other sports goods by 2.76% and 56.72%, respectively.

During FY 2021, leather manufacturers registered a growth of 18.66% in value but 12.04% decline in value was witnessed in leather tanned and its quantity decreased by 29.12%.

Exports of carpets, rugs and mats registered a growth of 36.90% during FY 2021 and export of cement posted a positive growth of 3.26% in value and 5.17% in quantity during FY2021. Guar and guar products registered a decline in value by 4.36% but increase in quantity by 4.72%.

GROUPWISE EXPORT							
COMMODITIES	UNIT	JULY - JUNE, 2020-21		JULY - JUNE, 2019-20		% Change JULY-JUNE 2020-21 OVER JULY-JUNE 2019-20	
		QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE
		GRAND TOTAL			25,304,143		21,393,689
A. FOOD GROUP			4,392,117		4,361,180		0.71
01 Rice	MT	3,684,907	2,041,729	4,149,185	2,175,512	-11.19	-6.15
A) Basmati	MT	619,428	569,494	865,949	783,277	-28.47	-27.29
B) Others	MT	3,065,479	1,472,235	3,283,236	1,392,235	-6.63	5.75
02 Fish & Fish Preparations	MT	184,543	414,606	177,884	406,654	3.74	1.96
03 Fruits	MT	975,165	480,032	798,279	431,727	22.16	11.19
04 Vegetables	MT	950,367	319,506	825,457	298,554	15.13	7.02
05 Leguminous Vegetables	MT	11	11	-	-		
06 Tobacco	MT	12,756	35,959	12,801	35,786	-0.35	0.48
07 Wheat	MT	-	-	48,083	11,443	-100.00	-100.00
08 Spices	MT	23,503	92,985	20,238	88,285	16.13	5.32
09 Oil Seeds, Nuts and Kernals	MT	87,176	94,133	21,596	30,114	303.67	212.59
10 Sugar	MT	-	-	181,447	70,657	-100.00	-100.00
11 Meat and Meat Preparations	MT	95,648	331,640	83,749	304,174	14.21	9.03
12 All Other Food Items	--		581,516		508,274		14.41
B. TEXTILE GROUP			15,399,072		12,526,537		22.93
13 Raw Cotton	MT	594	807	12,776	17,002	-95.35	-95.25
14 Cotton Yarn	MT	390,565	1,016,969	412,559	984,901	-5.33	3.26
15 Cotton Cloth	TH.SQM	993,597	1,921,001	2,365,874	1,829,901	-58.00	4.98
16 Cotton Carded or Combed	MT	50	65	66	63	-24.24	3.17
17 Yarn Other than Cotton Yarn	MT	14,358	33,369	10,365	25,743	38.52	29.62
18 Knitwear	TH.DOZ	177,288	3,814,999	106,027	2,794,363	67.21	36.52
19 Bed Wear	MT	464,917	2,771,787	405,184	2,150,833	14.74	28.87
20 Towels	MT	213,150	937,532	172,903	711,265	23.28	31.81
21 Tents,Canvas & Tarpulin	MT	40,263	110,389	37,748	98,472	6.66	12.10
22 Readymade Garments	TH.DOZ	37,247	3,032,801	48,588	2,552,246	-23.34	18.83
23 Art,Silk & Synthetic Textile	TH.SQM	147,056	370,417	455,986	314,772	-67.75	17.68
24 Madeup Articles(excl.Towel,Bed	--		756,445		590,507		28.10
25 Other Textile Materials	--		632,491		456,469		38.56

GROUPWISE EXPORT							
COMMODITIES	UNIT	JULY - JUNE, 2020-21		JULY - JUNE, 2019-20		% Change JULY-JUNE 2020-21 OVER JULY-JUNE 2019-20	
		QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE
C. PETROLEUM GROUP			182,302		273,225		-33.28
26 Petroleum Crude	MT	280,221	106,773	473,739	185,886	-40.85	-42.56
27 Petroleum Products(excl.Naptha	MT	72,500	42,616	80,962	40,740	-10.45	4.60
28 Petroleum Top Naptha	MT	97,121	32,901	100,111	46,475	-2.99	-29.21
29 Solid Fuels (Coal)	MT	150	12	484	124	-69.01	-90.32
D. OTHER MANUFACTURES GROUP			3,466,619		3,036,009		14.18
30 Carpets,Rugs & Mats	TH.SQM	1,536	74,204	1,417	54,204	8.40	36.90
31 Sports Goods	--		278,473		262,368		6.14
A) Footballs	TH.DOZ	2,545	131,645	3,069	144,234	-17.07	-8.73
B) Gloves	TH.DOZ	1,812	72,963	1,337	71,003	35.53	2.76
C) Other Sports Goods	--		73,865		47,131		56.72
32 Leather Tanned	TH.SQM	11,994	161,939	16,921	184,107	-29.12	-12.04
33 Leather Manufactures	--		562,419		473,975		18.66
A) Leather Garments	TH.DOZ	1,321	286,143	1,003	250,920	31.70	14.04
B) Leather Gloves	TH.DOZ	7,250	259,711	5,064	212,767	43.17	22.06
C) Other Leather Manufactures	MT		16,565		10,288		61.01
34 Footwear	--		131,889		125,939		4.72
A) Leather Footwear	TH.PAIR	7,274	108,448	6,588	107,173	10.41	1.19
B) Canvas Footwear	TH.PAIR	189	508	50	386	278.00	31.61
C) Other Footwear	TH.PAIR	9,072	22,933	6,973	18,380	30.10	24.77
35 Surgical Goods & Medical Instr	u.--		428,119		355,617		20.39
36 Cutlery	--		119,268		82,637		44.33
37 Onyx Manufactured	MT	2,270	6,367	1,598	4,074	42.05	56.28
38 Chemicals and Pharm. Products	--		1,149,083		1,008,407		13.95
A) Fertilizer Manufactured	MT	-	-	-	-		
B) Plastic Materials	MT	299,106	322,708	288,460	295,970	3.69	9.03
C) Pharmaceutical Products	MT	25,008	270,264	15,571	210,299	60.61	28.51
D) Other Chemicals	--		556,111		502,138		10.75
39 Engineering Goods	--		225,912		172,651		30.85
A) Electric Fans	TH.NO	2,070	32,447	1,383	23,579	49.67	37.61
B) Transport Equipment	--		14,174		12,096		17.18
C) Other Electrical Machinery	--		41,748		32,419		28.78
D) Machinery Specialized	--		66,229		44,539		48.70
E) Auto Parts	--		20,035		15,405		30.06
F) Other Machinery	--		51,279		44,613		14.94
40 Gems	MT	5	6,684	4	3,594	25.00	85.98
41 Jewellery	--		13,735		3,243		323.53
42 Furniture	TH.NO	393	5,208	143	3,524	174.83	47.79
43 Molasses	MT	929	85	36,532	5,292	-97.46	-98.39
44 Handicrafts	--		5		-		
45 Cement	MT	7,815,153	267,910	7,119,834	259,441	9.77	3.26
46 Guar and Guar Products	MT	29,421	35,324	28,096	36,934	4.72	-4.36
47 All Others			1,864,033		1,196,738		55.76

2.2 Direction of exports

During July-June, 2021 the share of European Union in total exports increased to 35.09% from 34.59% during the same period of last year. The share of other Asia in total exports increased to 23.91% from 23.73% during the same period of last year. The share of North America increased to 21.64% from 18.65% during the same period of last year. The share of Middle East decreased to 10.14% from 12.79% during the same period of last year. The share of other African countries decreased to 4.53% from 5.80% during the same period of last year.

Exports by Territories/Regions					
<i>(Million US\$.)</i>					
Territories/Regions	Jul-Jun, 2021		Jul-Jun, 2020		
	Value	% Share	Value	% Share	
TOTAL	25,304.14	100.00	21,393.69	100.00	
1 European Union	8,879.33	35.09	7,399.60	34.59	
2 Other Asia	6,049.14	23.91	5,076.04	23.73	
3 North America	5,476.56	21.64	3,989.99	18.65	
4 Middle East	2,564.61	10.14	2,735.20	12.79	
Asian Countries	2,337.09	9.24	2,495.89	11.67	
African Countries	227.52	0.90	239.31	1.12	
5 Other Africa	1,146.35	4.53	1,241.60	5.80	
6 Oceania	352.79	1.39	249.77	1.17	
7 Eastern Europe	314.16	1.24	239.16	1.12	
8 South America	283.32	1.12	222.99	1.04	
9 Latin & Central America	139.48	0.55	142.02	0.66	
10 E.F.T.A	71.92	0.28	70.33	0.33	
11 Other Europe	26.48	0.10	26.98	0.13	

Country-wise, U.S.A. was at the top of the exports list for July-June, 2021 followed by China, United Kingdom, Germany, Netherlands and Afghanistan. The share of these six countries in total exports for Jul-Jun, 2021 was 52.96% as against 47.25% in the same period of last year.

Exports To Major Countries

(Million US\$.)

Countries		Jul-Jun, 2021		Jul-Jun, 2020	
		Value	% Share	Value	% Share
	TOTAL	25,304.14	100.00	21,393.69	100.00
1	U.S.America	5,155.96	20.38	3,716.52	17.37
2	China	2,428.76	9.60	1,735.47	8.11
3	United Kingdom	2,032.49	8.03	1,521.36	7.11
4	Germany	1,509.95	5.97	1,263.39	5.91
5	Netherlands	1,247.89	4.93	1,018.74	4.76
6	Afghanistan	1,025.49	4.05	852.31	3.98
7	United Arab Emirates	1,007.26	3.98	1,135.88	5.31
8	Spain	878.26	3.47	827.19	3.87
9	Italy	788.16	3.11	730.22	3.41
10	Bangladesh	651.84	2.58	651.32	3.04
11	Belgium	637.20	2.52	553.06	2.59
12	Saudi Arabia	416.56	1.65	442.44	2.07
13	France	413.20	1.63	366.54	1.71
14	Canada	320.52	1.27	273.41	1.28
15	Poland	309.07	1.22	242.59	1.13
16	Australia	281.68	1.11	207.62	0.97
17	Sri Lanka	276.07	1.09	299.51	1.40
18	Turkey	274.41	1.08	262.68	1.23
19	Denmark	249.19	0.98	184.77	0.86
20	Kenya	240.94	0.95	289.56	1.35
	* OTHERS	5,159.35	20.39	4,819.10	22.53

2.3 EXPORT BY ECONOMIC CATEGORY

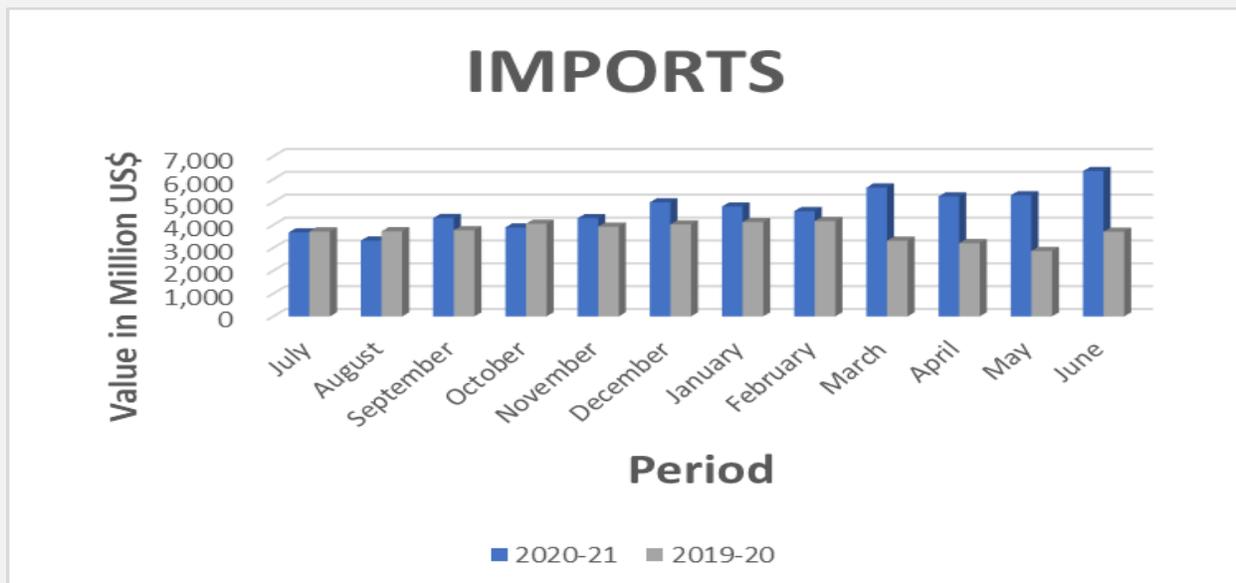
Exports of Primary Commodities during Jul-Jun, 2021 decreased by 1.26%, Semi- Manufactures decreased by 0.91% and Manufactured Goods increased by 25.49%. Whereas, their respective share in total exports for the period of Jul-Jun, 2021 stood at 15.59%, 7.04% and 77.37%.

Exports by Economic Categories		
		<i>(Million US\$)</i>
Economic Category	Jul-Jun, 2021	Jul-Jun, 2020
TOTAL	25,304.14	21,393.69
1. PRIMARY COMMODITIES.	3,943.88	3,994.04
% SHARE IN TOTAL EXPORTS.	15.59	18.67
2. SEMI-MANUFACTURES.	1,781.75	1,798.03
% SHARE IN TOTAL EXPORTS.	7.04	8.40
3. MANUFACTURED GOODS.	19,578.51	15,601.63
% SHARE IN TOTAL EXPORTS.	77.37	72.93

3. Imports

During FY 2021, imports stood at US\$ 56.38 billion as compared to US\$ 44.55 billion during FY2020 showing an increase of 26.55%. Non-energy imports remained the main contributor in raising the import bill. The surge in imports may be attributed to the rising demand for intermediate goods due to the resumption of economic activities; supply shocks in agricultural products especially wheat, sugar and cotton; government's accommodative measures to underpin the production of industrial sector in the form of removal of customs duty on import of raw-materials; and concessionary loans.

MONTHLY IMPORTS			
PERIOD	FY 2020-21	FY 2019-20	%CHANGE 2020-21 over 2019-20
	VALUE (MILLION US\$)		
July	3,674	3713	-1.05
August	3,316	3720	-10.87
September	4,297	3766	14.09
October	3,890	4052	-4.01
November	4,292	3924	9.38
December	4,986	4020	24.05
January	4,803	4121	16.55
February	4,601	4168	10.40
March	5,631	3308	70.25
April	5,242	3202	63.74
May	5,297	2857	85.37
June	6,352	3703	71.51



3.1 Group-wise analysis of imports

3.1.1 Food Group

The highest share to the growth in total imports is that of food group. During FY2021, food group having 14.81% share of the total imports, witnessed a growth of 53.91% and its import reached at US\$ 8,347.8 million as against US\$ 5,423.9 million during FY2020. Within food group, surge was observed in the import of wheat, sugar, palm oil and dry fruits.

Due to supply disruptions, 3613 MT of wheat was imported amounted to US\$ 983.33 million. Likewise, by the reason of deficiency of production, sugar import bill clocked at US\$ 128.65 million.

Milk, dry fruits, tea, spices and pulses all showed increasing trend and increased by 17.54%, 128.93%, 8.97%, 29.31% and 15.48%.

3.1.2 Machinery Group

Machinery group with 18% share in overall imports increased by 15.47% and reached to US\$ 10,147 million during FY 2021 as compared to US\$ 8,782 million in FY2020.

Imports of machinery related to telecom sector that has highest share of 25.36% to the imports of machinery group posted an increase of 39.34% due to the hyper increase in imports of mobile amounted to US\$ 2,065 million during FY 2021 and showed an increase of 50.75% over previous financial year. Rising demand for mobile phones may be attributed to multiple factors, including reduction in taxes, changing work and educational environment like work from home and online schools in the wake of pandemic.

The second noticeable item within this group is power generating machinery that has share of 18.86%. Import bill of power generating machinery has increased by 39.38% and reached US\$

1,913.6 million in FY 2021 as compared to US\$ 1,372.9 million last year, mainly due to the ongoing work on CPEC-related power projects.

Electrical machinery & apparatus imports dropped by 26.13% to US\$ 1,663.1 million during FY2021 compared with US\$2,251.3 million in last year.

Office and textile machinery exhibit an increase of 22.24% and 35.33% respectively during FY2021 while it has declined trend by 12.9% and 18.7% in FY2020.

Construction and mining machinery import still have same trend as previous year and plummeted by 26.53% during FY 2021 mainly because of the dormancy in construction activities in the given period.

Agriculture machinery imports showed a slightly positive trend and increased by 0.94% during FY 2021 contrary to the negative growth of 30.7% in FY2021.

3.1.3 Transport Group

The import of transport group having a share of 5.30% increased by 93.24% and clocked at US\$ 2,987.4 million during FY2021 as compared to US\$ 1,545.9 million last year.

The import of road motor vehicle increased by 92.19% of which CBU increased by 77.57% and CKD/SKD increased by 117.55% during the period under review.

Within road motor vehicle, buses, truck and other heavy vehicle (CKD/SKD) showed an increase of 108.36% during FY 2021.

Imports bill of motor car in CKD/SKD posted an increase of 134.20% and reached US\$ 1,119.8 million in FY 2021 as compared to US\$ 478.1 million in FY2020.

Aircrafts, ships and boats imports increased by 104.66% during FY 2021 and escalated to US\$ 513.6 million in comparison with US\$ 250.97 million in FY 2020.

3.1.4 Petroleum Group

Petroleum group imports bill, having a share of 20.15% of total imports, plummeted and showed negative growth of 8.26% during the period of July - April 2020-21 as compared with the same period of last year and dropped to US\$ 8,697.8 million from US\$ 9,481.0 million due to sharp rise of demand and international price of petroleum .Imports during May ,2021 and June, 2021, an increase of 185.84% was observed in imports as compared to the same period of last financial year. Subsequently, the imports bill for the whole FY 2021 clocked at US\$ 11,357.9 million as compared to US\$ 10,411.5 in FY 2020 and exhibit a surge of 9.09%.

Within the petroleum group, petroleum product, petroleum crude and LPG showed an increase of 9.03%, 14.15% and 60.70% respectively. Only LNG displayed a slight decrease of 1.69% during FY 2021.

3.1.5 Textile Group

Textile group that has 5.7% share in overall import showed a noticeable increase of 52.84% during FY 2021 and clocked at US\$ 3,866.1 million as compared to US\$ 2,529.4 million in FY 2020.

Within this group, raw cotton which has highest share of 38.25%, displayed an increase of 68.13% in value and 59.75% in quantity during FY 2021 as compared to FY2020 and reached US\$ 1,479.7 million while it was stood at US\$ 880.1 million in FY 2020. Plunge in cotton production and rising demand for high value-added textile products of Pakistan in international markets (European and American), diverted from its competitors, compelled the producers to import significant amount of cotton thereby increasing the import bill.

Other items in this group i.e. synthetic fibre, synthetic & artificial silk yarn and worn clothing posted an increase of 47.19%, 30.22% and 83.43% respectively during FY 2021 compared with FY 2020.

3.1.6 Agriculture & Other Chemicals Group

The import bill agriculture & other chemicals group having share of 16.49% of total imports showed an increase of 26.46% and reached US\$ 9,299.6 million during FY2021 as compared to US\$ 7,353.7 million last year because of positive growth of 27.84%, 1.82%, 31.01% and 40.07% in fertilizers manufactures, insecticides, plastic materials and medicinal products respectively.

3.1.7 Metals Group

Metal group import increased by 20.69% and reached US\$ 4897.1 million. Increased activity in the construction and automobile sectors led to a surge in import of iron and steel scrap by 22.06% percent in value and 23.97% in quantity. Imports of iron and steel also increased by 27.44% in value and 28.45% in quantity during the period under review.

GROUPWISE IMPORT							
COMMODITIES	UNIT	JULY - JUNE, 2020-21		JULY - JUNE, 2019-20		% Change JULY-JUNE 2020-21 OVER JULY-JUNE 2019-20	
		QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE
		GRAND TOTAL			56,379,889		44,552,896
FOOD GROUP			8347894		5,423,939		53.91
1.MILK AND CREAM INCL FOR INFANT MT		58371	191507	59,354	162,932	-1.66	17.54
2.WHEAT UNMILLED	MT	3612638	983326	-	-		
3.DRY FRUITS & NUTS	MT	77581	78403	22,226	34,247	249.06	128.93
4.TEA	MT	258491	580546	221,337	532,778	16.79	8.97
5.SPICES	MT	185028	224747	139,883	173,802	32.27	29.31
6.SOYABEAN OIL	MT	116637	95518	84,316	57,550	38.33	65.97
7.PALM OIL	MT	3197747	2668608	2,970,775	1,841,526	7.64	44.91
8.SUGAR	MT	281328	128653	7,609	3,822	3,597.31	3,266.12
9.PULSES	MT	1266287	709731	1,211,437	614,579	4.53	15.48
10.ALL OTHERS FOOD ITEMS			2686855		2,002,703		34.16
MACHINERY GROUP			10,146,568.00		8,787,153		15.47
11.POWER GENERATING MACHINERY --			1913630		1,372,928		39.38
12.OFFICE MACH.INCL.DATA PROS. E --			460163		376,436		22.24
13.TEXTILE MACHINERY --			591979		437,426		35.33
14.CONSTRUCTION & MINING MACHII--			141260		192,280		-26.53
15.ELECTRICAL MACHINERY & APPAR --			1663098		2,251,260		-26.13
16.TELECOM --			2593357		1,861,106		39.34
A.MOBILE PHONE --			2065168		1,369,943		50.75
B.OTHER APPARATUS --			528189		491,163		7.54
17.AGRICULTURAL MACH. & IMPLME--			94680		93,796		0.94
18.OTHER MACHINERY --			2688402		2,201,921		22.09
TRANSPORT GROUP	--		2987381		1,545,938		93.24
19.ROAD MOTR VEH(BUILT UNIT,CKD/--			2458217		1,279,050		92.19
19.1.CBU			386950		217,915		77.57
A.BUS,TRUCKS & OTH. HEAVY VEHIC --			127250		117,745		8.07
B.MOTOR CARS --			256196		98,985		158.82
C.MOTOR CYCLES --			3504		1,185		195.70
19.2.CKD/SKD			1582733		727,522		117.55
A.BUSES,TRUCKS & OTH HEAVY VEHIC--			387888		186,162		108.36
B.MOTOR CARS --			1119821		478,141		134.20
C.MOTOR CYCLES --			75024		63,219		18.67
19.3.PARTS --			405925		263,308		54.16
19.4.OTHERS --			82609		70,305		17.50
20.AIRCRAFTS,SHIPS AND BOATS --			513624		250,967		104.66
21.OTHERS TRANSPORT EQUIPMENTS--			15539		15,921		-2.40

GROUPWISE IMPORT

COMMODITIES	UNIT	JULY - JUNE, 2020-21		JULY - JUNE, 2019-20		% Change JULY-JUNE 2020-21 OVER JULY-JUNE 2019-20	
		QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE IN THOUSAND US\$	QUANTITY	VALUE
PETROLEUM/GAS GROUP			11357858		10,411,547		9.09
22.PETROLEUM PRODUCTS	MT	14082254	5160139	10,938,344	4,732,799	28.74	9.03
23.PETROLEUM CRUDE	MT	8815377	3107315	6,677,363	2,722,025	32.02	14.15
24.NATURAL GAS, LIQUIFIED			2617128		2,662,206		-1.69
25.LIGHT PETROLEUM GAS (LPG)			472933		294,287		60.70
26.OTHERS			343		230		49.13
TEXTILE GROUP			3866092		2,529,442		52.84
27.RAW COTTON	MT	857373	1479685	536,707	880,110	59.75	68.13
28.SYNTHETIC FIBRE	MT	447374	629097	292,972	427,399	52.70	47.19
29.SYNTH & ARTIFICIAL SILK YARN	MT	392151	655729	248,834	503,573	57.60	30.22
30.WORN CLOTHING	MT	732792	309569	386,320	168,764	89.69	83.43
31.OTHER TEXTILE ITEMS	--		792012		549,596		44.11
AGRICUL & OTHER CHEMICALS GROUP	--		9299619		7,353,685		26.46
32.FERTILIZER MANUFACTURED	MT	1779679	718756	1,684,223	568,869	5.67	26.35
33.INSECTICIDES	MT	37606	188988	32,115	185,603	17.10	1.82
34.PLASTIC MATERIALS	MT	1868883	2472797	1,559,176	1,907,336	19.86	29.65
35.MEDICINAL PRODUCTS	MT	21347	1390126	21,413	997,427	-0.31	39.37
36.OTHERS	--		4528952		3,694,450		22.59
METALS GROUP	--		4897096		4,057,556		20.69
37.GOLD	KG	148	8974	275	11,627	-46.18	-22.82
38.IRON AND STEEL SCRAP	MT	4720052	1857672	3,914,623	1,521,958	20.57	22.06
39.IRON AND STEEL	MT	3035834	1959982	2,436,594	1,537,973	24.59	27.44
40.ALUMINIUM WROUGHT & WORKED	--		175220		143,124		22.43
41.ALL OTHER MATALS & ARTIFICIAL	--		895248		842,874		6.21
MISCELLANEOUS GROUP	--		1218091		809,298		50.51
42.RUBER CRUD INCL.SYNTH/RECLAIM	MT	258032	230500	98,081	159,200	163.08	44.79
43.RUBBER TYRES & TUBES	NO	7133168	374799	2,503,270	107,963	184.95	247.16
44.WOOD & CORK	--		117195		118,734		-1.30
45.JUTE	MT	62614	53273	49,638	30,791	26.14	73.01
46.PAPER&PAPER BOARD & MANF.	MT	479978	442324	435,016	392,610	10.34	12.66
ALL OTHER ITEMS	--		4259290		3,634,338		17.20

3.2 DIRECTION OF IMPORTS

During Jul-Jun, 2021 the share of Other Asia in total imports increased to 48.04% from 46.60% during the same period of last year. The share of Middle East decreased to 24.47% from 25.88% during the same period of last year. The share of European Union decreased to 9.32% from 10.40% during the same period of last year.

Imports by Territories/Regions					
<i>(Value in Million US\$)</i>					
Countries	Jul-Jun, 2021		Jul-Jun, 2020		
	Value	% Share	Value	% Share	
TOTAL	56,379.90	100.00	44,552.90		100.00
1 Other Asia	27,085.41	48.04	20,760.79		46.60
2 Middle East	13,793.48	24.47	11,529.65		25.88
Asian Countries	13,402.51	23.77	11,210.63		25.16
African Countries	390.97	0.69	319.02		0.72
3 European Union	5,257.24	9.32	4,633.74		10.40
4 North America	3,512.77	6.23	3,040.98		6.83
5 Other Africa	2,785.22	4.94	2,461.90		5.53
6 South America	1,497.65	2.66	890.86		2.00
7 Eastern Europe	1,318.83	2.34	432.18		0.97
8 Oceania	544.28	0.97	318.70		0.72
9 E.F.T.A	368.64	0.65	292.79		0.66
10 Latin & Central America	139.28	0.25	165.73		0.37
11 Other Europe	77.09	0.14	25.57		0.06

Country-wise China was on the top of the imports list followed by United Arab Emirates, Indonesia, U.S.A., Saudi Arabia and Qatar during Jul-Jun, 2021. The combined share of these six countries in total imports during this period was 56.31% as against their combined share of 56.87% during the corresponding period of last year.

Imports From Major Countries					
<i>(Value in Million US\$)</i>					
Countries	Jul-Jun, 2021		Jul-Jun, 2020		
	Value	% Share	Value	% Share	
TOTAL	56,379.90	100.00	44,552.90	100.00	
1 China	15,527.34	27.54	12,099.90	27.16	
2 United Arab Emirates	5,514.75	9.78	5,150.65	11.56	
3 Indonesia	3,181.69	5.64	2,152.53	4.83	
4 U.S.America	2,883.25	5.11	2,514.37	5.64	
5 Saudi Arabia	2,674.01	4.74	1,734.25	3.89	
6 Qatar	1,969.07	3.49	1,683.57	3.78	
7 Japan	1,563.13	2.77	1,107.23	2.49	
8 Kuwait	1,552.67	2.75	1,132.34	2.54	
9 Korea, Republic of	1,415.14	2.51	790.91	1.78	
10 Brazil	1,270.64	2.25	764.06	1.71	
11 Thailand	1,237.81	2.20	846.78	1.90	
12 South Africa	1,196.74	2.12	994.79	2.23	
13 Malaysia	1,103.71	1.96	943.26	2.12	
14 Germany	1,018.00	1.81	787.27	1.77	
15 Russian Federation	778.26	1.38	292.80	0.66	
16 United Kingdom	667.57	1.18	613.06	1.38	
17 Canada	629.53	1.12	503.20	1.13	
18 Afghanistan	612.38	1.09	468.26	1.05	
19 European Union	612.06	1.09	492.08	1.10	
20 Singapore	559.05	0.99	630.77	1.42	
* OTHERS	10,413.11	18.47	8,850.82	19.87	

3.3 IMPORT BY ECONOMIC CATEGORY

Imports of Consumer Goods during Jul-Jun, 2021 increased by 28.62%, Raw Material for Consumer Goods by 27.84%, Capital Goods by 22.67% and Raw Material for Capital Goods increased by 28.26% over Jul-Jun, 2020. Their respective share in total imports were 18.47%, 42.80%, 27.81% and 10.92% respectively for Jul-Jun, 2021.

Imports by Economic Categories		
Economic Category	Jul-Jun, 2021	Jul-Jun, 2020
TOTAL	56,379.90	44,552.90
1. CONSUMER GOODS	10,413.11	8,095.86
% SHARE IN TOTAL IMPORTS.	18.47	18.17
2. RAW MATERIAL FOR CONSUMER GOODS	24,131.28	18,875.91
% SHARE IN TOTAL EXPORTS.	42.80	42.37
3. RAW MATERIAL FOR CAPITAL GOODS	6,156.41	4,799.89
% SHARE IN TOTAL IMPORTS.	10.92	10.77
4. CAPITAL GOODS	15,679.11	12,781.24
% SHARE IN TOTAL IMPORTS.	27.81	28.69

4. Trade deficit – composition & historical trends

Trade balance is one of the crucial instruments in macro-economic policies to provide information about the economic behaviour and policy decisions. It also measures a country's net income received on the worldwide assets. In three (3) years from the date of independence, Pakistan started foreign trade in the year 1950 after a brief initial formation phase. However, we started having trade deficits from FY 1955 till this date. We joined World Trade Organization in 1995, but our terms of trade remained favourable. Pakistan maintains a trade deficit due to high imports of energy products including fuel, machinery equipment and chemicals. Main import partners are the United Arab Emirates and China. Textiles account for most of Pakistan's export earnings.

PAKISTAN'S TRADE STATISTICS

YEARS	EXPORT	IMPORT	BALANCE OF TRADE	YEARS	EXPORT	IMPORT	BALANCE OF TRADE
	(Billion US\$)	(Billion US\$)	(Billion US\$)		(Billion US\$)	(Billion US\$)	(Billion US\$)
1950-51	0.406	0.353	0.053	1986-87	3.688	5.380	-1.692
1951-52	0.279	0.445	-0.167	1987-88	4.457	6.395	-1.938
1952-53	0.262	0.307	-0.045	1988-89	4.693	7.069	-2.376
1953-54	0.254	0.249	0.005	1989-90	4.965	6.941	-1.976
1954-55	0.149	0.237	-0.088	1990-91	6.167	7.631	-1.464
1955-56	0.160	0.208	-0.048	1991-92	6.912	9.253	-2.341
1956-57	0.146	0.318	-0.171	1992-93	6.819	9.963	-3.144
1957-58	0.091	0.276	-0.185	1993-94	6.813	8.562	-1.749
1958-59	0.093	0.215	-0.122	1994-95	8.141	10.401	-2.260
1959-60	0.160	0.379	-0.219	1995-96	8.780	11.844	-3.063
1960-61	0.113	0.456	-0.342	1996-97	8.343	16.541	-8.198
1961-62	0.114	0.469	-0.355	1997-98	8.639	10.101	-1.463
1962-63	0.209	0.587	-0.378	1998-99	7.798	9.309	-1.511
1963-64	0.225	0.625	-0.400	1999-00	8.570	10.311	-1.741
1964-65	0.239	0.770	-0.531	2000-01	9.225	10.729	-1.505
1965-66	0.252	0.604	-0.352	2001-02	9.132	10.332	-1.200
1966-67	0.272	0.760	-0.488	2002-03	11.150	16.835	-5.685
1967-68	0.345	0.698	-0.353	2003-04	12.315	15.594	-3.279
1968-69	0.356	0.639	-0.282	2004-05	14.389	20.605	-6.216
1969-70	0.337	0.689	-0.351	2005-06	16.453	28.588	-12.134
1970-71	0.419	0.755	-0.336	2006-07	16.976	30.541	-13.565
1971-72	0.580	0.602	-0.021	2007-08	19.132	40.163	-21.031
1972-73	0.811	0.796	0.014	2008-09	17.627	34.696	-17.069
1973-74	1.026	1.360	-0.335	2009-10	19.301	34.736	-15.435
1974-75	1.038	2.112	-1.074	2010-11	24.805	40.412	-15.607
1975-76	1.136	2.066	-0.930	2011-12	23.652	44.927	-21.275
1976-77	1.140	2.323	-1.183	2012-13	24.465	44.971	-20.505
1977-78	1.310	2.807	-1.497	2013-14	25.117	45.018	-19.902
1978-79	1.708	3.673	-1.964	2014-15	23.669	45.848	-22.179
1979-80	2.363	4.737	-2.374	2015-16	20.788	44.695	-23.907
1980-81	2.955	5.404	-2.449	2016-17	20.423	52.912	-32.489
1981-82	2.487	5.630	-3.144	2017-18	23.212	60.794	-37.581
1982-83	2.714	5.370	-2.656	2018-19	22.958	54.763	-31.805
1983-84	2.768	5.687	-2.919	2019-20	21.394	44.553	-23.159
1984-85	2.503	5.917	-3.414	2020-21	25.304	56.380	-31.076
1985-86	3.072	5.633	-2.561				

5. Quarterly analysis

QUARTER	EXPORT	IMPORT	BALANCE OF TRADE	% CHANGE WITH PREVIOUS QUARTER		% CHANGE WITH CORRESPONDING QUARTER	
	(Billion US\$)	(Billion US\$)	(Billion US\$)	EXPORT	IMPORT	EXPORT	IMPORT
Jul-Sep, 2020 (Q1)	5,472	11,286	(5,814)	38.51	15.61	(0.69)	0.78
Oct-Dec, 2020 (Q2)	6,638	13,168	(6,530)	21.32	16.68	10.37	9.78
Jan-Mar, 2021 (Q3)	6,577	15,035	(8,458)	(0.92)	14.18	11.12	29.66
Apr-Jun, 2021 (Q3)	6,617	16,891	(10,274)	0.60	12.34	67.50	73.02

6. Dissemination of data

Upon receipt of monthly data from Pakistan Revenue Automation Limited (PRAL) during first week of each month, PBS immediately compile and release summary figures (Annex-I). After verification of PRAL's figures by Directorate of Research & Statistics, FBR, PBS compiles and issue Advance Release on Trade Statistics by 15th of every month (Annex-II).

7. REMEDIAL MEASURES BY GOVERNMENT TO ENHANCE THE EXPORT

Pakistan's exports bounced back owing to proactive measures taken by the state authorities and it was among those countries whose exports recovered more rapidly. Initiatives taken to uplift the export-oriented industries amidst the COVID-19 outbreak include:

- Gas and power subsidies through the industrial support package
- Extensions in the validity of subsidized power and gas utilities under erstwhile zero-rating certificates
- A cumulative Rs 190 billion enhancement in the limits of refinancing for banks under the Export Finance Scheme (EFS) and the LongTerm Financing Facility (LTFF)
- □ Payroll support under the Rozgar Scheme
- Temporary Economic Refinance Facility (TERF) and
- Tax refunds to improve liquidity conditions of exporters.

In order to meet the objectives of the National Tariff Policy, 2019-2024 and to remove distortions in the tariff structure, tariffs were rationalized as per details given below during the budget exercise 2020-21:

- Additional Customs Duty (ACD) of 2 percent on 1623 tariff lines, consisting of basic raw materials, was removed.
- Customs Duty on 90 tariff lines, consisting of intermediate goods/inputs not manufactured locally, was reduced from 11 to 3 percent and 0 percent.
- In order to implement Government's "Make in Pakistan Initiative", tariffs were rationalized on 112 tariff lines.
- Regulatory Duty (RD) on 36 tariff lines of iron & steel sector was reduced to ensure cheap raw materials for manufacturing sector.