

ISLAMABAD ♦ The FPCCI has urged the govt to cut interest rates in the upcoming SBP review to spur economic growth in the country. {loadposition content_adsense300}♦Economy is showing positive signs while inflation has hit lowest level in five and a half years which supports the demand for cut in rate to boost economy♦, said Director Pak-UK Business Council Tariq Mehmood.

He said that holding policy rate in upcoming review by the SBP may not help recent recovery in some critical industrial and agricultural sectors. Inflation has dropped due to multiple factors including improved food supply and trade liberalisation with India. which should be a wakeup call for critics, Tariq Mehmood added.

The economy will recover at fast pace if the SBP eases its monetary policy to ensure effective lending rates which will boost private sector demand for bank credit, he quoted former President of FPCCI as well as Saarc CCI Tariq Sayeed as saying.

He said a decline in the government borrowing will push the banks to lend more to the private sector ensuring revival said Sayeed adding that some banks have already started lending more to private sector and that this trend can only be sustained.

Tariq Mehmood lauded the role of Sayeed in bringing Saarc countries closer and focusing on China for enhanced trade.

A pro-growth policy would help government reduce borrowing, cut domestic debt servicing cost and boost developmental spending, he said.

Tariq Mehmood said that liberalised trade with India, as envisioned by our leaders, will not only reduce inflation and create stability but also♦ benefit majority of the world♦s population living in the region.</p><p>♦</p> <p>Courtesy: The Nation</p> <p>♦</p>