

# Pakistan requests IMF for financial assistance

International Monetary Fund (IMF) chief Christine Lagarde on Thursday said Pakistan has formally requested for financial assistance.

In a statement, Lagarde said she met with Finance Minister Asad Umar, State Bank Governor Tariq Bajwa and members of their economic team. "During the meeting, they requested financial assistance from the IMF to help address Pakistan's economic challenges," Lagarde said in the statement.



"An IMF team will visit Islamabad in the coming weeks to initiate discussions for a possible IMF-supported economic programme," Lagarde added.

The formal request follows an apparent 7 per cent central bank devaluation of Pakistan's rupee currency on Tuesday.

Earlier today, Lagarde had said she would meet with Pakistani

officials today with expectations that Islamabad will request a bailout of its shaky economy. "I'm assuming that there might be a programme request on their part, but that has not been discussed and we will explore that this afternoon," she had told a press briefing.

Umar announced earlier this week that the government would seek talks with the IMF on a "stabilisation recovery programme".

Prime Minister Imran Khan on Wednesday vowed to steer the country out of a looming balance-of-payments crisis, saying it needs \$10-12 billion.

"We will get out of this. I will take (the country) out of this," he said.

PM Imran's new administration took office in August vowing to weigh up whether to seek an IMF bailout as it sought other avenues of financing.

He has sought loans from friendly countries, promised to recover funds stolen by corrupt officials, and embarked on a series of populist austerity measures. But help has been in short supply and economists' warnings have grown increasingly urgent.

If a package is agreed, it would be Pakistan's 13th IMF bailout since 1988. The Fund lent Islamabad \$6.7 billion in 2013.