PRESS RELEASE (Also emailed*/faxed separately)

Opinion Poll
Special Press Release
Access to Finance
(Part 14 of a 15 part series)

Majority Pakistanis (69%) believe that the best way to protect one's savings is to invest them in real estate. (Access to Finance Survey 2015 – State Bank of Pakistan/ Gallup Pakistan)

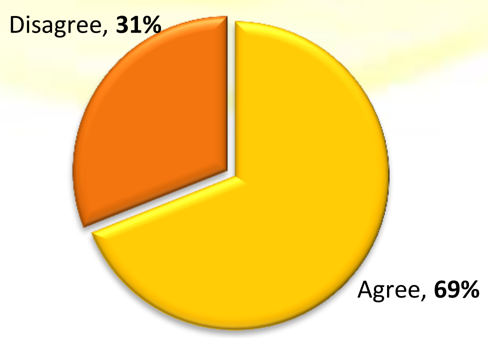
Islamabad, June 30, 2016

According to a survey conducted by Gallup Pakistan, 69% Pakistanis agreed with the following statement: 'Savings are best protected when invested in property or land'. On the other hand, 31% disagreed with this statement. These results are a part of the nationwide Access to Finance Study conducted by the State Bank of Pakistan in 2015 with the intent of determining the degree of financial inclusiveness of the Pakistani public (please refer to page # 4 for more details).

This press release is part of a special series that aim to foster an empirical understanding of financial inclusion in Pakistan and that hope to create a collaborative network of individuals working on the topic. Before starting any conversation on developing a methodology of increasing financial inclusivity in Pakistan, it is vital to be aware of the perceptions that the general public has with regards to financial matters. This particular press release aims to find out whether people in Pakistan feel that investing in real estate is the best way to protect and manage one's savings. Having an empirical figure for this question is important for formulating policy on increasing financial inclusivity in Pakistan. It is also important for banks to be aware of the mindset of Pakistanis on this matter, since it could play an important role in determining the popularity of banks as institutions of saving money, as opposed to other means such as investing in land.

A nationally representative sample of men and women from across the four provinces was asked, "Please tell me if you rather agree or rather disagree with these statements? [Savings are best protected when invested in property or land]" In response to this question, 69% Pakistanis agreed with this statement whereas 31% respondents disagreed. The empirical results show that for an outright majority of Pakistanis, investing in property or land is seen as the best way of protecting one's savings. This has important implications for financial stakeholders in Pakistan since the measures undertaken to enhance financial inclusivity in the Country need to be tailored accordingly.

Question: "Please tell me if you rather agree or rather disagree with these statements? [Savings are best protected when invested in property or land]"

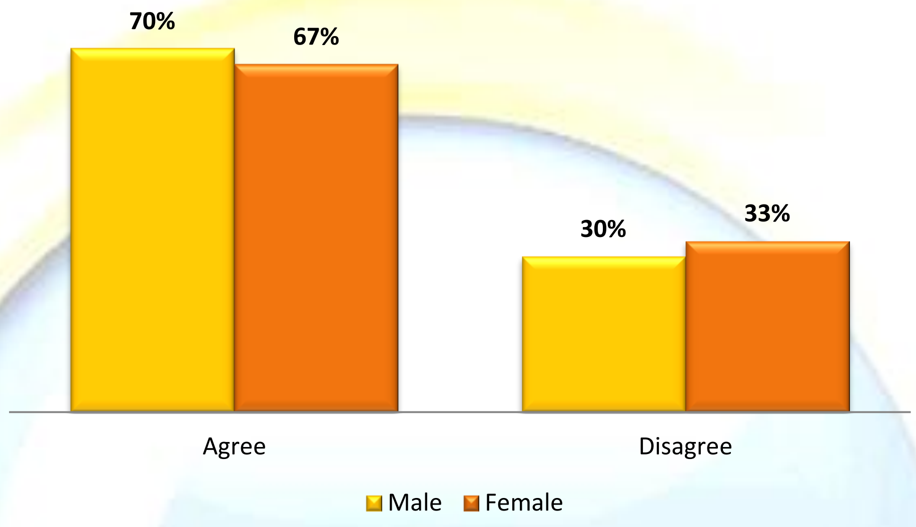


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Gender Breakdown: Slightly more men than women agree that savings are best protected when invested in real estate

A gender breakdown of this result also reveals a picture with not a significant gap between the two genders. 70% males felt that the best way to protect one's savings was to invest them in property or land while the same response was given by 67% of the females. Meanwhile, 30% males disagreed with this statement while the same response was given by 33% of the females.

Gender Breakdown

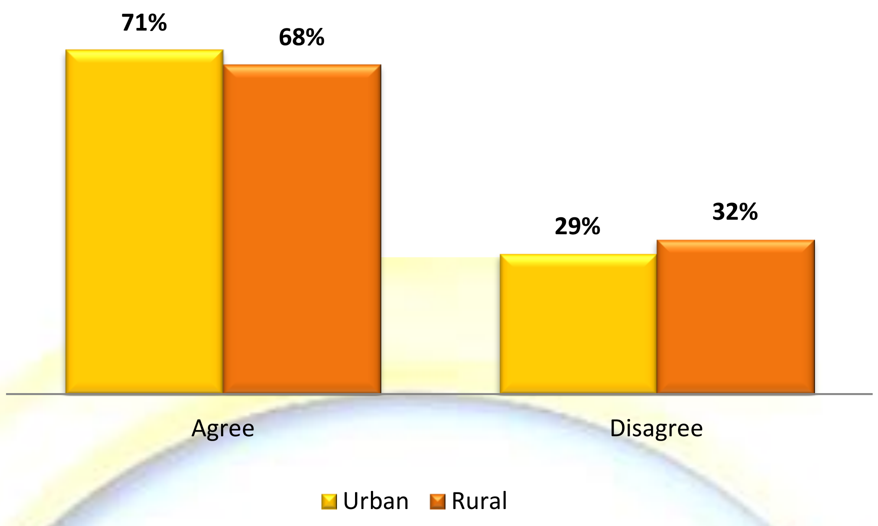


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Urban-Rural Differences: Majority urban (71%) and rural (68%) respondents agreed with the statement that the best way to protect savings is to invest them in property or land

A rural/urban breakdown reveals that 71% of the respondents in urban areas and 68% in rural areas agreed that the best way to protect one's savings was to invest them in real estate. This negligible difference between the proportion of urban and rural respondents agreeing with this statement serves to highlight that people in Pakistan, irrespective of socio-economic differences between rural and urban respondents, still don't see banks as an effective source of managing and/or protecting one's savings. Furthermore, in light of the recent boom in Pakistan's real estate market, people have increasingly started to feel that the best way to make a profit out of one's savings is to buy land and property in a developing housing society or commercial center and then sell it once the property prices pick up. Thus, the exponential growth in Pakistan's property industry has shifted people's focus from seeing banks and other formal financial institutions as effective sources of saving money. Finally, 29% in the urban areas disagreed with this statement while the same answer was given by 32% of the respondents in rural areas.

Urban-Rural Breakdown

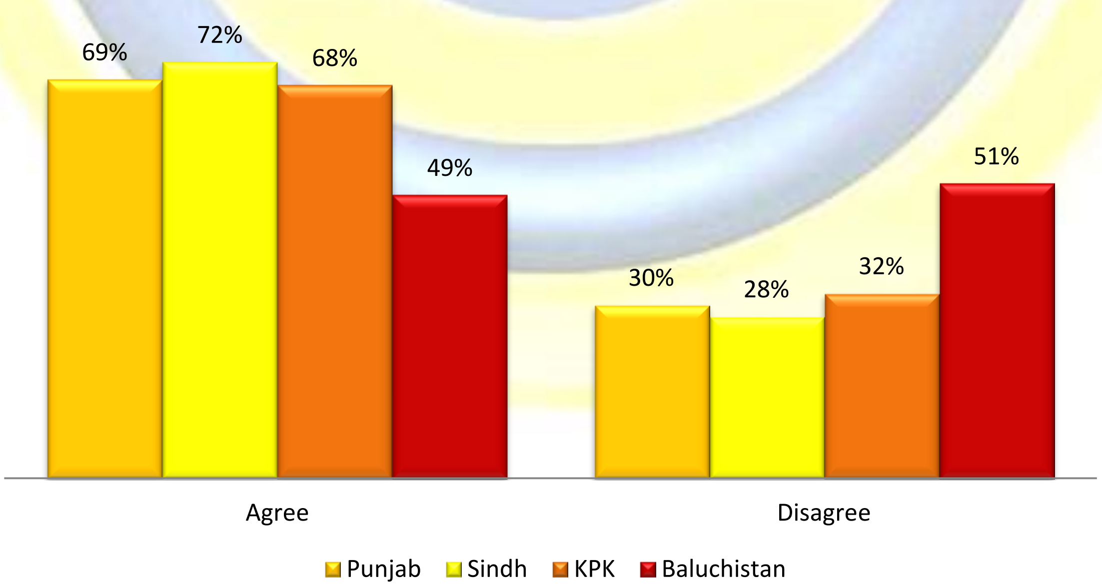


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Provincial Results: Majority respondents in all provinces except Baluchistan agree that savings are best protected when invested in real estate.

According to the provincial breakdown, 69% of the respondents in Punjab, 72% in Sindh, 68% in KPK and 49% in Baluchistan agreed that the best way to protect one's savings is to invest them in real estate. On the other hand, 30% of the respondents in Punjab, 28% in Sindh, 32% in KPK and 51% in Baluchistan disagreed with the statement. The fact that Baluchistan has the highest proportion of respondents that disagree with this statement needs some explanation. Comparing Baluchistan's socio-economic and, more importantly, security situation with the other provinces can be a starting point for examining why people in Baluchistan feel that savings may not be protected so well if they are invested in real estate. The penetration of Pakistan's real estate market in Baluchistan can also be looked at in order to reach some understanding regarding these empirical statistics.

Provincial Breakdown



Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

of Gallup Pakistan
(1980-2016)

Introduction to Access to Finance:

The Access to Finance Survey 2015 (A2F 2015) aims to create a platform for the State Bank, the Government and the private sector of Pakistan to adopt and implement a comprehensive set of reforms needed to influence financial inclusion among Pakistanis in a more holistic manner. A2F 2015 will help state and non-state actors in streamlining their policies and reforms to ensure that they are able to effectively target the financial inclusivity of the Pakistani public.

Gallup Pakistan, in collaboration with HORUS Development Finance, conducted an extensive survey in over 10,000 households across Pakistan. The primary aim of the study was to determine the extent of financial services being used by Pakistanis as well as to provide insights into the barriers faced by the Pakistani public in accessing formal financial services.

The data was released as part of Access to Finance Study 2015. Fieldwork carried out by Gallup Pakistan, the Pakistani affiliate of Gallup International, among a sample of 10,000 households across rural and urban areas of all four provinces of Pakistan, during March 27 – June 12, 2015. Error margin is estimated to be approximately ± 2-3 per cent at 95% confidence level.