PRESS RELEASE (Also emailed*/faxed separately)

Opinion Poll

Special Press Release

Access to Finance

(Part 20 of a 30 part series)

Majority Pakistanis (58%) admit to not feeling in control of their financial affairs. (Access to Finance Survey 2015 – State Bank of Pakistan/ Gallup Pakistan)

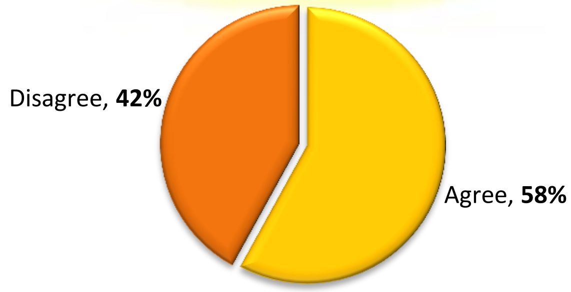
Islamabad, August 02, 2016

According to a survey conducted by Gallup Pakistan, 58% Pakistanis agreed with the following statement: ‘You often don’t feel in control of your finances/money matters’. On the other hand, 42% 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 banks, other formal financial institutions as well as individual and household decisions on financial matters. This particular press release aims to determine the proportion of Pakistanis who feel that they are often not in control of their financial/monetary matters. These days, in order to bring more Pakistanis into the formal financial net, banks these days allow their potential clients to opt for different types of bank accounts, depending on their needs and their financial situations, such as current accounts and saving accounts. Furthermore, banks also offer a variety of financial services to customers that, if utilized, can enable the customers/clients of banks to feel more financially secure and in control. However, the proportion of Pakistanis in the formal financial net is still fairly low, primarily because of the negative associations that people have attached to banks. What people then fail to realize is that even though it is not a necessity, a bank account still has numerous benefits that only aid in bringing a modicum of financial stability to the people who own it.

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? [You often don’t feel in control of your finances/money matters]” In response to this question, 58% Pakistanis agreed with this statement whereas 42% respondents disagreed. The empirical results show that majority in the Country don’t feel in control of their financial situation. Thus, financial stakeholders in Pakistan can make use of this public perception by perhaps marketing their financial products in a way that makes people feel that owning a bank account would be able to make them feel in greater control of their own finances.

Question: “Please tell me if you rather agree or rather disagree with these statements? [You often don’t feel in control of your finances/money matters]”

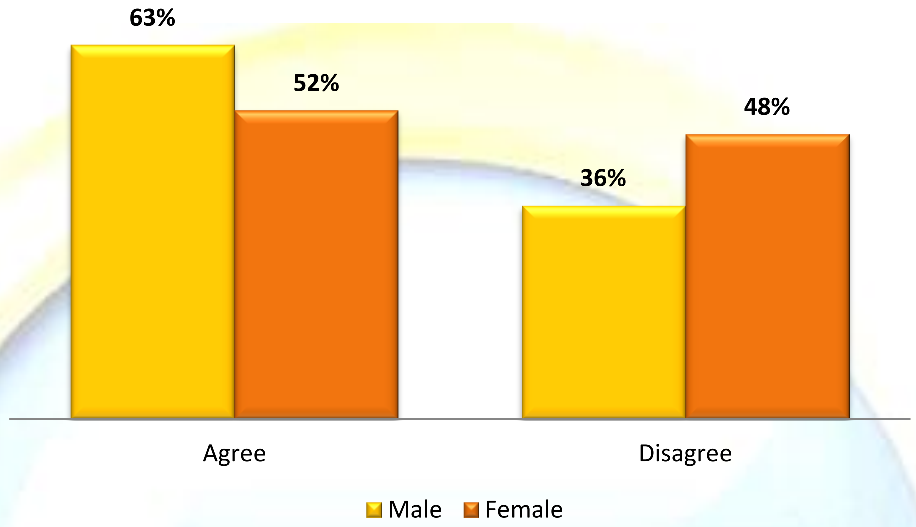


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Gender Breakdown: More men than women in Pakistan feel less in control of their financial matters

A gender breakdown of this result reveals that the majority in both genders tends to feel less in control of its financial and monetary situation. 63% males agreed that they often don't feel in control of their financial matters while the same response was given by 52% of the females. Meanwhile, 36% males disagreed with this statement while the same response was given by 48% of the females.

Gender Breakdown

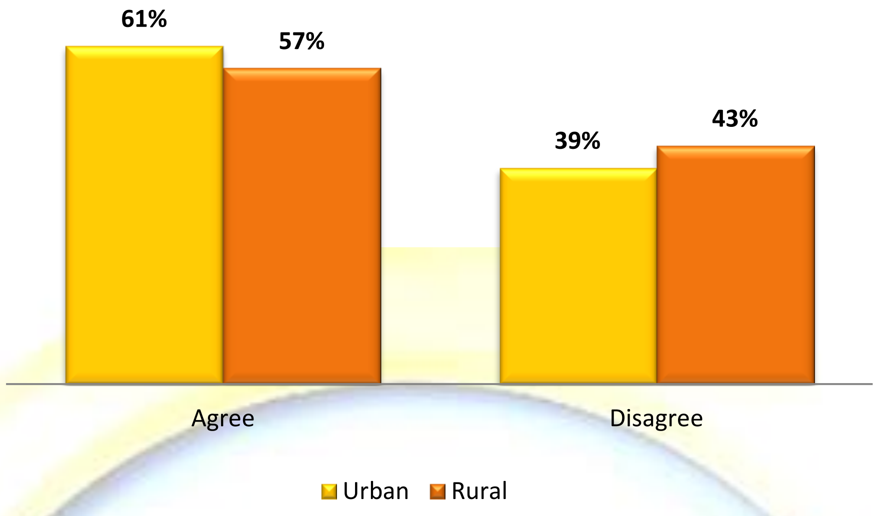


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Urban-Rural Differences: Majority urban (61%) and rural (57%) respondents agreed that they often do not feel in control of their financial matters

A rural/urban breakdown reveals that 61% of the respondents in urban areas and 57% in rural areas tended to not feel in control of their finances. This negligible difference between the proportion of urban and rural respondents agreeing with this statement highlights an important aspect of the Pakistani society with regards to the general handling of finances. Despite there being a considerable disparity in the socio-economic development between the urban and rural areas of Pakistan, the proportion of urban respondents agreeing to this statement is still remarkably high. This seems to show that Pakistanis, regardless of their education or income level, are still skeptical about utilizing banks and benefiting from their services in order to attain greater financial autonomy and stability. Finally, 39% in the urban areas disagreed with this statement while the same answer was given by 43% of the respondents in rural areas.

Urban-Rural Breakdown

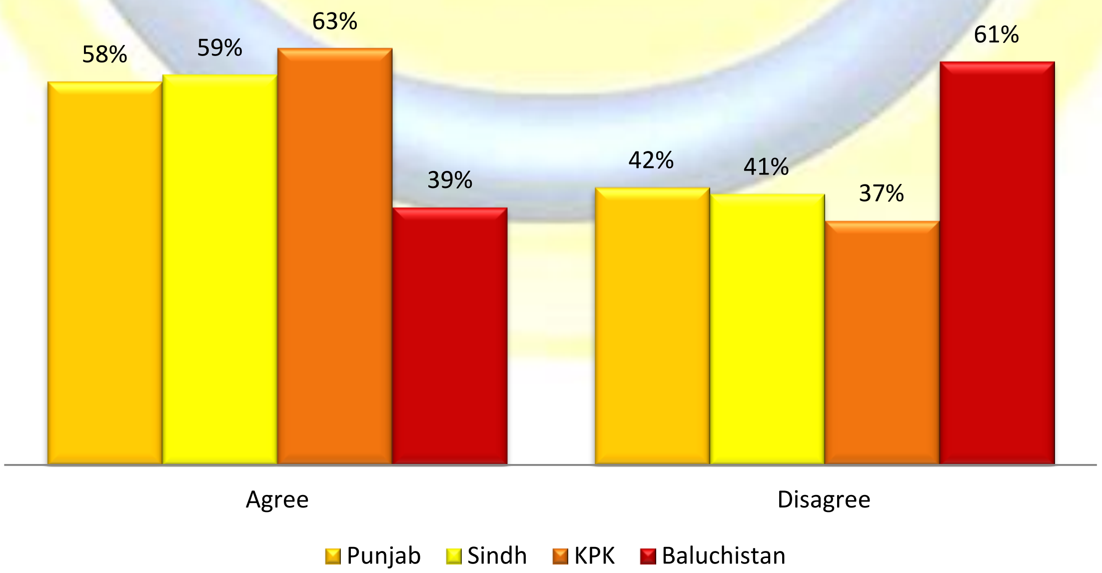


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Provincial Results: Majority respondents in all provinces except Baluchistan tend to not feel in control of their financial matters.

According to the provincial breakdown, 58% of the respondents in Punjab, 59% in Sindh, 63% in KPK and 39% in Baluchistan believed that they can live their lives without having a bank account. On the other hand, 42% of the respondents in Punjab, 41% in Sindh, 37% in KPK and 61% in Baluchistan disagreed with the statement. The fact that Baluchistan has the highest proportion of respondents that disagree with this statement requires a deeper analysis. Despite not being on the same level of socio-economic development as some of Pakistan's other provinces, notably Punjab and KPK, one would think that the people of Baluchistan would perhaps tend to feel more financially insecure. However, as the empirical results show, the case is different and needs to be explored further in order to develop a meaningful hypothesis.

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.

For more survey data on social and other issues see website *www.gallup.com.pk*