***Name: Anwar Ullah***

***ID: 15823***

***Subject: macroeconomics***

***Assignment Topic: Impact of COVID-19 on pakistan’s economy***

***&***

***Functions of central Bank***

***Instructor: Ms. Wajeeha Amin***

**Impact of COVID-19 on pakistan’s economy**

Pakistan has been one of the countries worst effected by COVID-19, with the economic disruption caused by the pandemic exacerbating an already existing crisis.

The Asian Development Bank (ADB), on Friday, has projected that pakistan’s economic growth would slowdown to 2.6% during current fiscal year due to ongoing stabilization efforts, slower growth in agriculture and the impact of the COVID-19 outbreak.

“GDP growth is forecast to decelerate to 2.6% in FY2020 as ongoing stabilization efforts further curtail economic activity”

According to the ADBs latest annual flagship economic publication, Asian Development Outlook (ADO) 2020. The current account and fiscal deficits will narrow further, but inflation is expected leap briefly into double digits.

**Functions of Central Bank**

**The** main function of a central bank is to act as governor of the machinery of credit in order to secure stability of prices.

It regulates the volume of credit and currency, pumping in more money when market is dry of cash, and pumping out money when there is excess of credit.

Some main functions of central bank are:

1. Issue of currency
2. Banker to Government
3. Banker’s bank and supervisor
4. Controller of credit and money supply
5. Exchange control
6. Lender of last resort
7. Custodian of foreign exchange or balances
8. Clearing house function
9. Collection and publication of

***Thank you***