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UAE Dirham Falls to PKR 76.95 as Rupee Gains

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– Categories: Finance



The United Arab Emirates Dirham (AED) fell to 76.9541 Pakistani Rupees (PKR) on August 4, 2025, per the State Bank of Pakistan (SBP), signaling a strengthening rupee and affecting remittances from Pakistani expatriates in the UAE. This shift underscores Pakistan's improving economic indicators.

The State Bank of Pakistan (SBP) reported the exchange rate for the United Arab Emirates Dirham (AED) at 76.9541 Pakistani Rupees (PKR) on August 4, 2025, reflecting a slight decline from its peak of 77.525 earlier that day, according to Wise. This marks a -0.755% daily drop, the largest in recent weeks, as the rupee gains traction amid stabilizing economic policies. The AED, pegged to the US Dollar at 3.6725 by the Central Bank of the UAE, has seen fluctuations against the PKR, which operates as a floating

currency under SBP oversight. Pakistan Observer noted that remittances from the UAE reached \$717.2 million in June 2025, making it the second-largest source after Saudi Arabia, but the declining AED value reduces the purchasing power of these funds for Pakistani households.

Economic analyst Faisal Kamran, speaking to ARY News, attributed the rupee's strength to a 26.6% surge in remittances, totaling \$38.3 billion in the 2024-25 fiscal year, driven by SBP's efforts to curb inflation and boost exports. The AED-PKR rate, which hit a high of 77.7964 on July 14, 2025, and a low of 75.9304 on February 15, 2025, reflects global and domestic pressures, per Wise. For Pakistan's 1.2 million expatriates in the UAE, this translates to lower returns on remittances, critical for families in Punjab and Sindh. Kamran noted that Pakistan must sustain export growth to maintain the rupee's edge, as imports from the UAE, including luxury goods, remain costly.

The SBP's data highlights Pakistan's trade challenges, with the AED's peg to the US Dollar increasing debt servicing costs. The Pakistan Business Council (PBC) reported a \$1.2 million trade surplus with Tajikistan in 2020, suggesting potential for diversified trade to offset these pressures. Businesses and expatriates are advised to monitor SBP updates and use platforms like TransferGo for competitive rates. This trend signals cautious optimism for Pakistan's economy but poses challenges for remittance-dependent households.