Morning News 28-Sep-2021

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- Govt fully committed to programme, IMF official told | BR: Finance Minister Shaukat Tarin said he assured the new resident representative of the International Monetary Fund (IMF) that the government is committed to the Fund programme, and hopes to successfully complete the upcoming review as well as Article IV consultations. On Monday, Esther Perez Ruiz, the nominated resident representative of the IMF paid a courtesy call on Tarin.
- Three major roads: Govt to raise PKR100bn thru sukuk auction | BR: The federal government will raise PKR100bn through auction of Ijarah Sukuk against three identified assets including Islamabad-Peshawar highway, Pindi Bhattian-Faisalabad motorway and Hassanabdal-Mansehra highway. The State Bank of Pakistan (SBP) will conduct two auctions on September 30, 2021 for the sale of 5-year Ijara Sukuk worth PKR100bn to all Islamic Banks & Commercial banks with Islamic Banking Branches against these three assets.
- US official to visit Pakistan, India | BR: US Deputy Secretary of State Wendy Sherman will travel next month to Pakistan and India that have clashed on the way forward in Afghanistan, the State Department announced Monday. Sherman, after CIA chief Bill Burns, will be one of the first high-level officials under President Joe Biden to visit Pakistan, which has long irritated the United States over its relationship with the Taliban.
- Pakistan's rupee ends at historic low against US dollar | BR: Pakistan's rupee ended at a historic low against the US dollar in the inter-bank market, closing at 169.6 on Monday to surpass the level it registered just earlier this month. Earlier, the rupee had closed at 169.12 on September 15, 2021, the then-lowest level, before a minor recovery began.
- Govt likely to approve payment to IPPs today | BR: The Federal Cabinet which is scheduled to meet on Tuesday (today) with Prime Minister Imran Khan in the chair, is likely to approve payment of PKR131bn, 40% of the total amount payable to 11 Independent Power Producers (IPPs of 2002 policy), import of 50,000 tons of sugar and Kamyab Pakistan Programme (KPP). The KPP has been streamlined in consultation with stakeholders to disburse micro-credit for uplifting marginalized segments of society.
- Govt may increase petroleum levy to boost revenue | Dawn: The government is expected to gradually increase petroleum levy on petrol and other petroleum products to improve revenue collection as targeted under the 2021-22 federal budget and IMF programme. The move would help widen a gap between compressed natural gas (CNG) and petrol prices and may contain import bill.
- Financing under e-pass book system | BR: The government has proposed amendments to the Loans for Agriculture, Commercial and Industrial Purposes Act 1973 to safeguard the financing of the banks/development finance institutions (DFI) provided under digitalised/e-pass book system.
- 'Pakistan's record IPO run expected to gather pace' | Tribune: Pakistan's record run of initial public offerings is expected to gather pace in coming months as more companies rush to raise funds amid the economic recovery, Bloomberg, quoting the chief executive officer of the Pakistan Stock Exchange (PSX) as saying.
- TOMCL gets USD1mn contract for supply of frozen meat to Saudi Arabia | BR: The Organic Meat Company Ltd. (TOMCL) said that it has been awarded a USD1mn contract for the supply of frozen meat to Saudi Arabia. In a notice sent to the Pakistan Stock Exchange (PSX) on Monday, TOMCL said that it has been contracted to supply frozen boneless deglanded meat to Global Developing Food Industries Company, Saudi Arabia.
- FF Steel to be listed on PSX | BR: Frontier Foundry Steel (FF Steel), one of Pakistan's leading and fastest growing steel manufacturers and Financial Advisory Consortium held a signing ceremony for the award of mandate for the upcoming listing of FF Steel on Pakistan Stock Exchange (PSX).
- Raising money for entering into M&A deals: PKR10mn minimum paid-up capital fixed for PLCs to work as SPAC | BR: The Federal Board of Revenue (FBR) has fixed a minimum paid-up capital of PKR10 million for public limited companies (PLCs) to work as a Special Purpose Acquisition Company (SPAC) to raise money through public offering for entering into merger or acquisition transactions.
- PM asks Sindh to review stance on plans for Bundal Island | Dawn: Striking a tone of reconciliation, Prime Minister Imran Khan on Monday called for shedding "all political differences" between the Pakistan Tehreek-i-Insaf-led federal government and the Pakistan Peoples Party-led Sindh government and moving forward together for Karachi's development.
- Senate passes four bills | BR: Senate on Monday passed four-private member bills; two bills each moved by treasury and opposition senators - while 12 new bills; 10 private-member and two government bills — were introduced in the upper house of the Parliament—all referred to relevant standing committees. In its sitting, the Senate passed The Legal Practitioners and Bar Councils (Amendment) Bill 2021 and The National Commission on the Status of Women (Amendment) Bill 2020.
- Steps taken to facilitate businessmen, industrial sector: Alvi | BR: President Dr Arif Alvi on Monday said steps were being taken to facilitate the businessmen and the industrial sector by providing them an enabling environment to expand economic and commercial activities in the country.

Market Indices

	27-Sep-21	24-Sep-21	30-Jun-21
KSE 100	44,818	45,074	47,356
KSE 30	17,642	17,742	18,962
KMI 30	71,820	71,904	76,622
KSE All Shares	30,544	30,778	32,480

Volume (mn Shares)

	27-Sep-21	FYTD (Average)
KSE 100	162.7	134.8
KSE 30	86.5	43.7
KMI 30	70.8	48.8
KSE All Shares	301.0	407.9

Commodity Rates

	27-Sep-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	79.5	1.8%	5.9%
Crude Oil-Arab Light (USD/BBL)	76.4	0.7%	6.4%
Coal (USD/Tonne)	136.1	2.8%	52.9%
Copper(USD/Lbs)	4.3	0.1%	0.1%
Cotton (USD/Lbs)	94.9	2.2%	16.6%
CRC Steel (USD/Tonne)	960.0	0.0%	-19.0%

Currency (Interbank)

	27-Sep-21	Daily Change	FYTD Change
US Dollar	169.4	0.3%	7.5%
UK Pound	232.0	0.5%	6.5%
Euro	198.1	0.1%	6.1%
UAE Dirham	46.3	0.0%	7.4%
Chinese Yuan	26.2	0.4%	7.5%

Fund Flows (USD mn)

	27-Sep-21	FYTD
FOREIGN INDIVIDUAL	0.03	2.91
FOREIGN CORPORATES	-3.06	-80.37
OVERSEAS PAKISTANI	0.38	9.46
FIPI NET	**-2.65**	**-68.00**

Economic Data (USD mn)

	FY22E	FY21	FY20
GDP Growth	4.8%	3.9%	-0.5%
	Aug-21	**Jul-21**	
Exports	2,234	2,340	
Imports	6,463	5,601	
Remittances	2,658	2,707	
Foreign Exchange Reserves	27,228	24,777	

Money Market Data

	27-Sep-21	24-Sep-21	30-Jun-21
SBP Policy Rate	7.25	7.00	7.00
CPI Inflation	8.4%	8.4%	9.7%
3 Month T-Bill	7.60	7.60	7.28
6 Month T-Bill	8.00	8.00	7.53
12 Month T-Bill	8.69	8.60	7.81
3 Year Government Bond	9.72	9.61	8.99
5 Year Government Bond	9.95	9.85	9.49
10 Year Government Bond	10.23	10.15	9.94
3 Month KIBOR	7.78	7.76	7.45
6 Month KIBOR	8.14	8.13	7.69

Data Sources : Reuters, PSX, NCCPL, PBS, SBP