# Morning News 30-Sep-2021

MCB-ARIF HABIB
Savings and Investments Limited

- NPMC sees no letup in food inflation in near-term | The News: National Price Monitoring Committee (NPMC) on Wednesday noted that current hike in prices of world food commodities may continue to remain strong in the months to follow owing to global supply bottlenecks, which is likely to maintain or even add to the inflationary pressures in the country.
- THE RUPEE: PKR touches all-time low | BR: Pakistan's rupee continued to fall against the US dollar, ending at a fresh all-time low of 170.48 in the inter-bank market on Wednesday. As per the State Bank of Pakistan (SBP), the rupee declined another 51 paisas or 0.3% day-on-day, for its first closing over the 170 level. This is the sixth successive time the rupee has fallen against the dollar in the inter-bank market.
- USD38bn export target set thru consultations with stakeholders: Dawood | BR: Prime Minister's Adviser on Commerce Abdul Razak Dawood has said that the government has set export target of USD38bn for the current fiscal year in consultations with the relevant stakeholders. While addressing 1st Pharma Export Summit and Awards (Pesa) 2021 ceremony, he said that the government will try to take the exports of goods and services to USD40bn mark.
- Deferred payments: KSA once again turns oil tap on for Pakistan | BR: Finance Minister Shaukat Tarin on Wednesday informed the National Assembly that an agreement to get oil from the Kingdom of Saudi Arabia (KSA) on deferred payment has been finalised. During assembly's question-hour, he said that when Pakistan Tehreek-e-Insaf (PTI) took over in 2018, Saudi Arabia gave a big package that included a deferred oil payment facility. "And now again Saudi Arabia is thinking about new facility for us as oil prices are increasing.
- Global increase in oil prices: Massive hike in POL products' prices worked out | BR: The Oil and Gas Regulatory Authority (Ogra) Wednesday again worked out a massive increase in the petroleum products' ex-depot prices for the first half of October owing to global hike in oil prices and exchange rate, high-level sources in the authority said. In a fortnightly review, the Ogra recommended the federal government to increase the price of petrol by PKR5.30 per litre and high-speed diesel (HSD) by PKR3.75 per litre following the increasing price of oil in the last 15 days.
- Govt successfully completes six actions to cut circular debt: Omar | BR: Federal Minister for Economic Affairs Omar Ayub Khan said that Pakistan successfully completed six actions to reduce circular debt flow through reducing power generation costs, decarbonising energy mix, improving efficiency, and retargeting electricity subsidies under Program for Affordable and Clean Energy (PACE-I).
- Sep 30, 2021: 7% ACD levied on cars, jeeps and other CKD vehicles | BR: The Federal Board of Revenue (FBR) has imposed seven percent additional customs duty, from September 27, on the import of cars, jeeps, light/heavy commercial vehicles in completely knocked down (CKD) condition and components and sub-assemblies of automotive vehicles. The FBR has issued an SRO1265(I)/2021 here on Wednesday to amend the SRO856(I)2021.
- Cement Prices likely to increase by PKR25 per bag | News Today: Cement prices in the North are likely to increase by PKR25 per bag effective from October 2021. The increase will push the prices in the north up to PkR700-710/bag. During the month of August, the despatches increased by 22.7%. Cement prices are likely to go up by PKR50/bag in Karachi from next week. Cement Despatches were up by 22.77% during August 2021. The cement sector had recorded a growth of 22.77% in August 2021.
- OGDC strikes hydrocarbon at Wali-1 | The News: Oil and Gas Development Company Limited (OGDCL) on Wednesday announced a gas and condensate discovery over Lockhart Formation from its exploratory efforts at Wali-1 well, located in FR Lakki, a subdivision in Khyber Pakhtunkhwa province. OGDC is the operator of Wali Exploration License with 100% working interest.
- Karachiites to pay PKR943mn more for power used in August | Dawn: The National Electric Power Regulatory Authority (Nepra) on Wednesday firmed up about 97 paisa per unit additional monthly fuel cost to be recovered from consumers of K-Electric next month. However, it put on hold the final judgment for a couple of days to cross-examine some additional information they sought from the K-Electric.
- Perishable commodities: MoC told to speed up export ban process | BR: Finance Minister Shaukat Tarin Wednesday directed the Commerce Ministry to speed up the process of banning export of perishable commodities for the next three months to ensure their availability at affordable prices to consumers.
- Alarm over anti-Pakistan bill moved in US Senate | Dawn: The bill moved in the US Senate seeking to assess Pakistan's alleged role in Afghanistan before and after the fall of Kabul to Afghan Taliban set alarm bells ringing in the upper house of parliament on Wednesday.
- It now seems sure Tarin will get Senate seat | BR: Prime Minister Imran Khan has assured Finance Minister Shaukat Tarin that he will be given a Senate seat – a prerequisite to continue as finance minister – as his six months' tenure to elect him a member of parliament is going to expire on October 13, 2021.
- PML-N tenure: PM tasks FIA to probe 'high-cost' road projects | BR: Prime Minister Imran Khan on Wednesday said he had given mandate to the Federal Investigation Agency (FIA) to probe the exorbitant cost incurred on the road construction projects undertaken by the government of Pakistan Muslim League-N.

**Market Indices**

| | 29-Sep-21 | 28-Sep-21 | 30-Jun-21 |
|---|---|---|---|
| KSE 100 | 44,367 | 45,275 | 47,356 |
| KSE 30 | 17,457 | 17,837 | 18,962 |
| KMI 30 | 71,117 | 72,613 | 76,622 |
| KSE All Shares | 30,263 | 30,762 | 32,480 |

**Volume (mn Shares)**

| | 29-Sep-21 | FYTD (Average) |
|---|---|---|
| KSE 100 | 208.7 | 136.3 |
| KSE 30 | 80.0 | 44.6 |
| KMI 30 | 64.7 | 49.1 |
| KSE All Shares | 468.6 | 408.1 |

**Commodity Rates**

| | 29-Sep-21 | Daily Change | FYTD Change |
|---|---|---|---|
| Crude Oil-Brent (USD/BBL) | 78.6 | -0.6% | 4.7% |
| Crude Oil-Arab Light (USD/BBL) | 77.4 | -0.8% | 7.8% |
| Coal (USD/Tonne) | 135.0 | 0.5% | 51.7% |
| Copper(USD/Lbs) | 4.2 | 0.0% | -1.0% |
| Cotton (USD/Lbs) | 98.8 | 2.0% | 21.4% |
| CRC Steel (USD/Tonne) | 960.0 | 0.0% | -19.0% |

**Currency (Interbank)**

| | 29-Sep-21 | Daily Change | FYTD Change |
|---|---|---|---|
| US Dollar | 170.3 | 0.4% | 8.1% |
| UK Pound | 228.5 | -0.5% | 4.9% |
| Euro | 197.4 | -0.4% | 5.7% |
| UAE Dirham | 46.7 | 0.5% | 8.4% |
| Chinese Yuan | 26.3 | 0.2% | 7.8% |

**Fund Flows (USD mn)**

| | 29-Sep-21 | FYTD |
|---|---|---|
| FOREIGN INDIVIDUAL | 0.05 | 2.94 |
| FOREIGN CORPORATES | -1.70 | -88.55 |
| OVERSEAS PAKISTANI | 1.42 | 11.14 |
| **FIPI NET** | **-0.23** | **-74.47** |

**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**

| | 29-Sep-21 | 28-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 | 7.99 | 8.00 | 7.53 |
| 12 Month T-Bill | 8.73 | 8.76 | 7.81 |
| 3 Year Government Bond | 9.71 | 9.74 | 8.99 |
| 5 Year Government Bond | 9.95 | 9.96 | 9.49 |
| 10 Year Government Bond | 10.45 | 10.45 | 9.94 |
| 3 Month KIBOR | 7.78 | 7.77 | 7.45 |
| 6 Month KIBOR | 8.16 | 8.16 | 7.69 |

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