Morning News 13-Oct-2021

MCB-ARIF HABIB
Savings and Investments Limited

- Pakistan: IMF projects 4% GDP growth for 2022 | BR: The International Monetary Fund (IMF) has projected GDP growth rate for Pakistan at four percent for 2022 against 3.9% in 2021. The IMF World Economic Outlook (WEO) report, "Recovery during a pandemic health concerns, supply disruptions, and price pressures", projected unemployment ratio for Pakistan at 4.8% for 2021 compared to five percent in 2021. The Fund has projected inflation rate at 8.5% for 2022 against 8.9% in 2021.
- Pakistan gets lowest climate funding from ADB in 2011-20 | The News: Pakistan received the lowest funding from the Asian Development Bank (ADB) for climate finance from 2011 to 2020 among 10 countries, an ADB evaluation report said on Tuesday. The report, ADB Support for Action on Climate Change from 2011 to 2020, showed that overall climate finance in the case studies of the 10 countries represented 15.2% of total lending by the bank.
- Dollar roars past PKR171 in interbank market | Dawn: The US dollar kept going high against the rupee hitting a fresh peak despite a number of measures taken by the State Bank of Pakistan (SBP) to cool down the demand for the greenback. Currency dealers in the interbank market said the dollar was traded as high as PKR171.13 during the session on Tuesday.
- Auto sales surge 84% to first-quarter record | The News: Automakers on Tuesday reported a surged of record 84% to 69,000 units in first-quarter sales as tax breaks and lending incentives helped industry turn the corner on a coronavirus-induced weak same quarter last year. Pakistan Automotive Manufacturers Association (PAMA) data showed Pak Suzuki sales increased 120% in the first quarter compared to the same period last year.
- Dec, Jan: Global traders show no interest in LNG supply | BR: Global RLNG traders have shown no interest in supply of liquefied natural gas (LNG) for December and January 2022 due to delay in inviting tenders, Ghiyas Abdullah Paracha, CEO of Universal Gas Distribution Company (UGDC) and Central leader of All Pakistan Compressed Natural Gas Association (APCNGA) told Business Recorder.
- Govt told not to sell imported gas to residential consumers | Dawn: With liquefied natural gas (LNG) based circular debt reaching PKR200bn and global prices touching new peaks, a parliamentary panel on Tuesday asked the government to avoid selling expensive imported gas to residential consumers when they do not have the capacity to pay and instead dedicate imports to productive sectors.
- Govt agrees to pass withheld power tariff raise on to consumers | BR: The government has reportedly agreed to pass the withheld determined power tariff increase of PKR1.39 per unit to consumers in phases, well informed sources told Business Recorder. This understanding has reportedly been reached between Pakistani authorities, International Monetary Fund (IMF), World Bank and Asian Development Bank (ADB).
- Pakistan's Sugarcane Yield This Year Will Result in a Big Decrease in Sugar Prices | Pro Pakistan: Special Assistant to the Prime Minister on Food Security, Jamshed Iqbal Cheema, revealed on Tuesday that the government expects sugarcane yield to exceed 100 million tonnes this year. The government estimates to produce 9 million tonnes of sugar with the bumper sugarcane crop, and sugar prices are expected to start declining from 1st November onwards.
- SNGPL, SSGC consumers: Increase in prices notified | BR: The Oil and Gas Regulatory Authority (Ogra) Tuesday notified an increase in the prices of USD0.4294 per mmbtu for the consumers of the Sui Northern Gas Pipelines Limited (SNGPL) and USD0.4362 per mmbtu for system gas users of the Sui Southern Gas Company (SSGC) for October. The average DES price for spot purchase by Pakistan LNG Ltd (PLL) rose to USD15.5885 per mmbtu in October, which is USD2.4837 per mmbtu higher than September prices of USD13.1048 per mmbtu.
- FBR to revise rates upward for valuation of properties | The News: The Federal Board of Revenue (FBR) has decided to revise rates for valuation of immovable properties in all major urban centers and adjacent areas to bring it on a par with the market price.
- FIA to investigate 100 people for 'smuggling, hoarding' of $63m | Dawn: In a bid to check the rising value of US dollar, the Federal Investigation Agency (FIA) has decided to investigate about 100 individuals for allegedly buying over $63 million from different exchange companies in Lahore that are believed to have been either smuggled to Afghanistan or hoarded during the last 45 days.
- Pakistan has done 'everything' to get off FATF's grey list | BR: Law Minister Dr Farogh Naseem has said that Pakistan has done "everything" to get off the Financial Action Task Force (FATF) grey list, adding that the country's case is now "actually a test of the FATF's fairness." In June, Pakistan was kept on the FATF's increased monitoring list -- also called the grey list -- after having met 26 of the 27 items on the action plan.
- DG ISI's appointment: Notification most likely to be issued today | The News: The country was in the grip of speculations about issuance of a notification of appointment of director general Inter-Services Intelligence (ISI) till late Tuesday night. According to knowledgeable sources, the notification is most likely to be issued today that will be in accordance with a press release of the Inter Services Public Relations (ISPR) issued on October 6.

Market Indices			
	12-Oct-21	11-Oct-21	30-Jun-21
KSE 100	43,883	43,829	47,356
KSE 30	17,217	17,230	18,962
KMI 30	70,402	70,515	76,622
KSE All Shares	30,226	30,190	32,480
Volume (mn Shares)			
	12-Oct-21	FYTD (Average)	
KSE 100	188.7	135.2	
KSE 30	101.8	46.3	
KMI 30	65.6	49.0	
KSE All Shares	404.9	395.6	
Commodity Rates			
	12-Oct-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	83.4	-0.3%	11.0%
Crude Oil-Arab Light (USD/BBL)	81.9	1.5%	14.0%
Coal (USD/Tonne)	243.6	1.7%	126.3%
Copper(USD/Lbs)	4.3	-1.0%	0.1%
Cotton (USD/Lbs)	103.2	-3.9%	26.7%
CRC Steel (USD/Tonne)	920.0	0.0%	-22.4%
Currency (Interbank)			
	12-Oct-21	Daily Change	FYTD Change
US Dollar	171.0	0.2%	8.6%
UK Pound	232.3	0.1%	6.7%
Euro	197.1	0.0%	5.5%
UAE Dirham	46.7	0.0%	8.4%
Chinese Yuan	26.5	0.2%	8.7%
Fund Flows (USD mn)			
	12-Oct-21	FYTD	
FOREIGN INDIVIDUAL	-0.08	2.87	
FOREIGN CORPORATES	-13.23	-127.03	
OVERSEAS PAKISTANI	17.20	33.13	
FIPI NET	**3.90**	**-91.03**	
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			
	12-Oct-21	11-Oct-21	30-Jun-21
SBP Policy Rate	7.25	7.25	7.00
CPI Inflation	9.0%	8.4%	9.7%
3 Month T-Bill	7.77	7.77	7.28
6 Month T-Bill	8.15	8.14	7.53
12 Month T-Bill	8.90	8.89	7.81
3 Year Government Bond	9.90	9.90	8.99
5 Year Government Bond	10.27	10.25	9.49
10 Year Government Bond	10.75	10.73	9.94
3 Month KIBOR	7.96	7.96	7.45
6 Month KIBOR	8.32	8.31	7.69

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