Morning News 25-Oct-2021

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- IMF seeks closure of public entities' accounts in banks | Tribune: The International Monetary Fund (IMF) has placed a condition on Pakistan to close all the bank accounts maintained by public sector entities and the defence ministry in commercial banks. The money should be transferred to the central bank's account.
- Govt mulls taxing farm income on IMF demand | Tribune: In a major development, the government is considering imposing a federal tax on agricultural income to meet a demand by the International Monetary Fund (IMF) and legal experts say it is possible without amending the Constitution. The proposal has been discussed between Pakistan and the IMF and a draft of the legal amendment has also been prepared.
- Pakistan succumbs to IMF pressure, accepts new conditions: report | Pakistan Today: Pakistan's talks with the International Monetary Fund (IMF) have not failed as the country has accepted most of the Fund's new conditions. According to the report, Islamabad will have to comply with the IMF's new conditions, including increase in tax revenue, and ensure the implementation of a privatisation programme to secure the IMF loan programme.
- Japan agrees on USD200mn debt deferral | Tribune: Japan and Pakistan agreed on Friday on deferring payment of debt amounting to around USD200mn, which would widen the fiscal space for Pakistan to restore its economy from the effects of Covid-19 pandemic. Earlier, the two sides had agreed on the first phase of debt deferral amounting to approximately USD370mn on April 27 this year.
- PSX adopts new trading system | Tribune: The Pakistan Stock Exchange (PSX) has announced the formal launch of the much-awaited trading and surveillance platform, called Designated Time Schedule (DTS), and increased the duration of daily share trading by 30 minutes with effect from upcoming Monday. The technologically advanced trading platform has a built-in surveillance system.
- Withdrawal of PKR330bn GST exemptions: FBR awaiting MoF's nod to send draft Ord to Law Division | BR: The Federal Board of Revenue (FBR) is waiting for the Finance Ministry's nod to send the draft of the presidential Ordinance to the Law Division for vetting to withdraw sales tax exemptions of PKR330bn. So far, the Ministry of Finance has not given go ahead to the FBR for starting process of vetting of the proposed ordinance.
- Four-day talks on PSGP: Pakistan will seek loan from Russia to finance project | The News: Pakistan and the Russian Federation are scheduled to hold four-day crucial talks here from today (Monday) that will last till October 29 with an aim to finalize the shareholdings agreement for most strategic project of Pakistan Stream Gas Pipeline valued at USD2.5-3bn, shows the official document pertaining to the agenda of the talks on pipeline project.
- Govt to receive PKR60bn GDS from private plants | BR: Petroleum Division has testified before a panel of Public Account Committee (PAC) that an amount of PKR60bn is recoverable from power plants on account of Gas Development Surcharge (GDS). According to the minutes of PAC panel headed by Shahida Akhtar Ali MNA, the Audit apprised the Committee that Director General (Gas) did not recover Gas Development Surcharge (GDS) of PKR6.38bn from M/s Mari Gas Company Limited for the year 2008-09.
- Private sector likely to be allowed LNG imports | Dawn: The private sector is likely to be allowed to import Liquefied Natural Gas (LNG) from next month, the All Pakistan CNG Association (APCNGA) said on Saturday. "During a recent meeting, Energy Minister Hammad Azhar was persuaded to allow the private parties including the CNG sector to import LNG on their own in a bid to meet the demand and overcome the shortage that mostly emerges in winter," APCNGA chairman Ghyas Paracha told Dawn.
- Green hydrogen plant to be built in Sindh | Dawn: Pakistan's first green hydrogen plant will be built in Sindh with a capacity to produce approximately 150,000kg fuel per day, it emerged on Saturday. The Chief Executive Officer of UK-listed Oracle Power Public Ltd, Naheed Memon, signed a memorandum of understanding (MoU) and Chief Representative in Pakistan of Power China International for development of the first green hydrogen project in the country.
- Power Div. seeks PKR134.8bn TSG to clear IPPs' dues | BR: Power Division has sought a Technical Supplementary Grant (TSG) of PKR134.78bn to clear remaining agreed amount of 20 Independent Power Producers (IPPs) by December 3, 2021, official sources told Business Recorder.
- Chinese power firms offered part payments | Dawn: The government is convincing Chinese companies — engaged in various power projects — to receive capacity payments in installments instead of full amounts, as it would be convenient for it to clear pending dues.
- Murad Ali Shah approves PKR15.8bn third expansion project of Thar coal | Dawn: Chief Minister Syed Murad Ali Shah on Friday approved Phase-III Coal Mine Expansion Project in Thar at an estimated cost of PKR15.8bn to excavate 12.2mn tonnes of coal annually for generation of 1,980 megawatts, which will save USD420mn foreign exchange being spent on coal imports.
- Pakistan's earns USD419mn from IT services' export in 2MFY22 | Pakistan Today: Pakistan earned USD419.99mn by providing different information technology (IT) services in various countries during the first two months of financial year 2021-22 (2MFY22).

Market Indices	22-Oct-21	21-Oct-21	30-Jun-21
KSE 100	45,578	45,821	47,356
KSE 30	17,872	18,006	18,962
KMI 30	73,398	74,126	76,622
KSE All Shares	31,144	31,279	32,480

Volume (mn Shares)	22-Oct-21	FYTD (Average)
KSE 100	142.0	136.0
KSE 30	92.6	48.5
KMI 30	77.5	50.1
KSE All Shares	300.6	390.3

Commodity Rates	22-Oct-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	85.5	1.1%	13.8%
Crude Oil-Arab Light (USD/BBL)	82.9	-1.4%	15.5%
Coal (USD/Tonne)	181.5	-2.4%	68.7%
Copper(USD/Lbs)	4.4	-0.7%	3.3%
Cotton (USD/Lbs)	105.1	-2.3%	29.1%
CRC Steel (USD/Tonne)	955.0	3.2%	-19.4%

Currency (Interbank)	22-Oct-21	Daily Change	FYTD Change
US Dollar	174.0	0.4%	10.4%
UK Pound	239.2	14.0%	9.8%
Euro	202.6	0.7%	8.5%
UAE Dirham	47.6	0.5%	10.5%
Chinese Yuan	27.2	0.6%	11.7%

Fund Flows (USD mn)	22-Oct-21	FYTD
FOREIGN INDIVIDUAL	0.00	2.94
FOREIGN CORPORATES	-2.01	-151.77
OVERSEAS PAKISTANI	0.39	37.25
FIPI NET	**-1.62**	**-111.58**

Economic Data (USD mn)	FY22E	FY21	FY20
GDP Growth	4.8%	3.9%	-0.5%
	Sep-21	**Aug-21**	
Exports	2,380	2,247	
Imports	6,479	6,577	
Remittances	2,670	2,658	
Foreign Exchange Reserves	26,151	27,068	

Money Market Data	22-Oct-21	21-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	8.18	8.18	7.28
6 Month T-Bill	8.80	8.74	7.53
12 Month T-Bill	9.25	9.24	7.81
3 Year Government Bond	10.35	10.35	8.99
5 Year Government Bond	10.60	10.60	9.49
10 Year Government Bond	11.13	11.13	9.94
3 Month KIBOR	8.33	8.33	7.45
6 Month KIBOR	8.74	8.69	7.69

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