# Morning News 27-Oct-2021

MCB-ARIF HABIB
Savings and Investments Limited

- Saudi govt revives USD3bn support to Pakistan | Dawn: Saudi Arabia has agreed to revive its financial support to Pakistan, including about USD3bn in safe deposits and USD1.2bn to USD1.5bn worth of oil supplies on deferred payments. An agreement to this effect was reached during the visit of Prime Minister Imran Khan to the kingdom this week, a senior government official told *Dawn*.
- Budgetary support: IMF to allow Pakistan to utilise USD2.78bn Covid support fund | The News: The International Monetary Fund (IMF) has agreed to allow Pakistan to utilise USD2.78bn, equivalent to PKR500bn, for meeting budgetary side requirements, which were provided by the Fund for combating the COVID-19 pandemic. The IMF usually provides Balance of Payment (BoP) support to recipient countries but in special cases it allows countries to utilize its resources for financing budgetary requirements as well.
- Rupee dives to another historic low of PKR175 | The News: Rupee on Tuesday descended to yet another historic low of PKR175/ dollar that dealers partly pinned on the uncertainty prevailing over the release USD1bn tranche under IMF's Extended Fund Facility (EFF). Dollar closed at PKR175.27 at the end of trading in inter-bank against PKR174.43 on the previous trading day, appreciating by 84 paisas in a day.
- Profits outflow down by 17% in 1QFY22 | Dawn: The outflow of profits and dividends from the country declined by over 17% during the first quarter of FY22, reflecting low investment made by foreign companies. Data released by the State Bank of Pakistan on Tuesday showed that foreign investment could not yield the profits as much as the previous year.
- Stockbrokers decry glitch-ridden DTS platform | Dawn: Stockbrokers are up in arms following the implementation of the Designated Time Schedule (DTS), a trading and surveillance platform that the Pakistan Stock Exchange (PSX) introduced at the beginning of the current week. The new trading platform "lacks basic features" and its frequent glitches resulted in a reduced volume of traded shares on the country's only stock exchange in Monday and Tuesday sessions.
- Finance for low-income segments: PBA announces strategic partnership with consortium | Dawn: The Pakistan Banks' Association (PBA) has announced a strategic partnership with a consortium of leading financial services and technology businesses to improve access to finance for low-income segments of the population.
- KE allowed paisa 69 raise in July tariff | BR: NEPRA has allowed Karachi Electric (KE) to increase its tariff by paisa 69 per unit for July, 2021 under monthly Fuel Component Adjustment (FCA). KE had sought an increase of paisa 55.5 per unit to recover PKR1.09bn from consumers; however, the regulator allowed adjustment of Paisa 68.9 per unit to recover PKR1.3bn in bills of November 2021.
- Duty drawback rates on chemicals notified | Dawn: The Federal Board of Revenue (FBR) has notified new duty drawback rates on the export of various chemicals. Customs notification SRO1385 was issued hereby amending the SRO212 of 2009. The rate of duty drawback will be 2.34% of the freight on board (fob) value on export of stearic acid, distilled fatty acids and glycerin; PKR4.68 per kg on alkyd resin solution; 1.66% of the fob value on unsaturated polyester resign (all grades).
- Railways tries to get back on the rails | BR: Pakistan Railways has decided to outsource the commercial management operations of passenger trains by inviting expressions of interest (EoIs) via a publication. This was stated by the senior officials of the Pakistan railways, while briefing a meeting of the subcommittee of the National Assembly Standing Committee on Railways.
- French firms eye building ski resorts in Gilgit Baltistan | The News: French investors on Tuesday voiced a deep interest in building ski resorts in Gilgit Baltistan, finding the region ideal for developing ski tourism, which has a multi-billion-dollar international market. The Board of Investment (BoI) in coordination with the Gilgit Baltistan government organised the visit of a French delegation to five districts including Ghizar, Phandar, Astore, Nagar, and Skardu.
- Cane crushing delay lifts sugar prices to record high | The News: The provincial governments' failure to notify sugarcane support price has pushed sugar rates to record high as supply chain has started witnessing shortages following crushing season's no-commencement, The News learnt on Tuesday. Depressing market sentiments including punitive actions against sugar mills' managements and low stocks shot ex-mill price to over PKR113/kg.
- Appointment of Lt-Gen Anjum as DG ISI notified | BR: Prime Minister Imran Khan, after his return from a three-day visit to Saudi Arabia, notified appointment of Lt General Nadeem Ahmed Anjum as the new DG Inter-Services Intelligence (ISI) following a meeting between him and the Chief of Army Staff General Qamar Javed Bajwa.
- PM Imran, Xi seek world help to rebuild Afghanistan | Dawn: In a joint appeal, Pakistan and China on Tuesday urged the international community to help the Afghan people as well as the new Kabul administration to rebuild the war-torn country. The world attention was drawn by the two countries towards the humanitarian crisis in Afghanistan after Prime Minister Imran Khan spoke to Chinese President Xi Jinping on telephone to wish him on the centenary of the Communist Party of China.

| Market Indices | | | |
|---|---|---|---|
| | **26-Oct-21** | **25-Oct-21** | **30-Jun-21** |
| KSE 100 | 45,256 | 45,429 | 47,356 |
| KSE 30 | 17,698 | 17,781 | 18,962 |
| KMI 30 | 72,930 | 73,064 | 76,622 |
| KSE All Shares | 31,001 | 31,108 | 32,480 |
| **Volume (mn Shares)** | | | |
| | **26-Oct-21** | **FYTD (Average)** | |
| KSE 100 | 69.3 | 134.4 | |
| KSE 30 | 29.6 | 48.0 | |
| KMI 30 | 25.6 | 49.5 | |
| KSE All Shares | 163.1 | 385.5 | |
| **Commodity Rates** | | | |
| | **26-Oct-21** | **Daily Change** | **FYTD Change** |
| Crude Oil-Brent (USD/BBL) | 86.4 | 0.5% | 15.0% |
| Crude Oil-Arab Light (USD/BBL) | 84.3 | 0.6% | 17.4% |
| Coal (USD/Tonne) | 179.6 | -2.5% | 66.9% |
| Copper(USD/Lbs) | 4.4 | -0.5% | 4.0% |
| Cotton (USD/Lbs) | 105.5 | 0.2% | 29.6% |
| CRC Steel (USD/Tonne) | 955.0 | 0.0% | -19.4% |
| **Currency (Interbank)** | | | |
| | **26-Oct-21** | **Daily Change** | **FYTD Change** |
| US Dollar | 174.6 | 0.2% | 10.8% |
| UK Pound | 240.4 | 0.2% | 10.4% |
| Euro | 202.4 | 0.1% | 8.4% |
| UAE Dirham | 47.8 | 0.5% | 11.0% |
| Chinese Yuan | 27.3 | 0.2% | 12.1% |
| **Fund Flows (USD mn)** | | | |
| | **26-Oct-21** | **FYTD** | |
| FOREIGN INDIVIDUAL | 0.00 | 2.94 | |
| FOREIGN CORPORATES | -0.98 | -150.91 | |
| OVERSEAS PAKISTANI | 0.20 | 37.62 | |
| **FIPI NET** | **-0.78** | **-110.35** | |
| **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** | | | |
| | **26-Oct-21** | **25-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 | 8.19 | 8.18 | 7.28 |
| 6 Month T-Bill | 8.80 | 8.80 | 7.53 |
| 12 Month T-Bill | 9.30 | 9.27 | 7.81 |
| 3 Year Government Bond | 10.34 | 10.38 | 8.99 |
| 5 Year Government Bond | 10.60 | 10.60 | 9.49 |
| 10 Year Government Bond | 11.13 | 11.14 | 9.94 |
| 3 Month KIBOR | 8.36 | 8.34 | 7.45 |
| 6 Month KIBOR | 8.85 | 8.78 | 7.69 |

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