Morning News 09-Nov-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **Revival of USD6bn IMF programme: Stamped clearance of two IMF departments required | The News:** The revival of USD six billion stalled IMF program for Pakistan hinges upon stamped clearance of IMF's two departments known as Strategy, Policy and Review Department and Legal Department before forwarding it in front of the Fund's Executive Board.
- **No compromise on govt's right to levy taxes: Tarin | BR:** Finance Minister Shaukat Tarin said on Monday that the traders have been conveyed that the government would not compromise on its right to levy taxes. In response to a question asked by media whether the prime minister needed to talk to the managing director International Monetary Fund (IMF) about the pending review, the adviser on finance's response was very concise: "no, he does not".
- **Income tax, GST will have to be paid: Tarin | The News:** Adviser on Finance Shaukat Tarin said on Monday that income tax and GST would have to be paid while the remaining other taxes would be removed. "We will finalise work on a system to stop harassment and FBR is the main cause of delaying it," he said this while addressing the Kamyab Jawan Convention in here.
- **CDWP gives go-ahead to four projects worth PKR140bn | The News:** The Central Development Working Party (CDWP) on Monday cleared three development projects worth PKR9.17bn and referred PKR130bn projects to the Executive Committee of the National Economic Council (ECNEC) for further consideration. The CDWP meeting was presided over by deputy chairman Planning Commission Mohammad Jehanzeb Khan.
- **Consumer Confidence Index declines to 70.8 points in Q3 | BR:** Pakistan Consumer Confidence Index (CCI) has declined sharply 19.6% to 70.8 points in July-Sep of 2021 (Q3 CY21), compared to 88.0 points in April-June of 2021 (Q2 CY21). According to report issued by Dun & Bradstreet Pakistan and Gallup Pakistan on 'Pakistan Consumer Confidence Index (CCI)' for Q3 2021, this deterioration in sentiment is driven by weakening macroeconomic indicators, primarily increase in inflation and PKR depreciation.
- **Unbridled inflation: Public backlash compels govt to stop releasing weekly SPI? | BR:** Fed up with criticism across all sections of society on uncontrolled inflation massively hitting the common person, Federal Government has decided to stop release of weekly Sensitive Price Index (SPI) data and instead release monthly Consumer Price Index (CPI); well-informed sources in Finance Division told Business Recorder.
- **RLNG power plants' sell-off: JP Morgan team briefed on investment opportunities | BR:** The Privatisation Division has held a meeting with JP Morgan officials in the backdrop of the privatisation of two RLNG power plants of Haveli Bahadar Shah and Balloki. The JP Morgan is one the world's largest investment banks and advising the consortium of Qatar Investment Authority (QIA), which showed keen interest for the privatisation of the NPPMCL.
- **Lucky Motor increases prices of different Kia models | Dawn:** Lucky Motor Corporation Limited (LMCL) jacked up prices of various models of Kia by PKR228,000 to PKR500,000 from Monday. The new prices of Sportage AWD, Sportage FWD and Alpha are PKR5.65mn, PKR5.15m and PKR4.65mn, while those of Picanto AT and MT models are PKR2.15mn and PKR2.05mn, respectively. The new prices of Carnival GLS and GLS Plus are PKR9.20mn and PKR10.00mn as compared to PKR9.70mn and PKR9.50mn previously.
- **Afghanistan, CARs: FBR to allow duty drawback facility to exporters | BR:** The Federal Board of Revenue (FBR) has decided to allow duty drawback facility to exporters to Afghanistan and through Afghanistan to the Central Asian Republics. The FBR has issued SRO1434(I)/2021 to amend the Customs Rules 2001, here on Monday.
- **Crypto market value tops $3 trillion for first time | BR:** he world cryptocurrency market is worth more than $3 trillion for the first time, according to calculations Monday, as mainstream investors increasingly jump on board. The value has reached $3.007 trillion (2.6 trillion euros), said CoinGecko, which tracks prices of more than 10,000 cryptocurrencies.
- **Back to old ways: Pakistan's rupee falls against US dollar | BR:** After an over 3% gain against the US dollar, Pakistan's rupee weakened on the opening day of the week, depreciating by 50 paisas in the inter-bank market on Monday. As per the SBP, the PKR settled at 170.51 against the USD after a day-on-day depreciation of Rs0.50 or 0.29%. On Friday, the PKR had remained unchanged at 170.01 against the USD.
- **PSX considers reducing minimum brokerage commission for ETFs | BR:** The Pakistan Stock Exchange (PSX) is considering reducing the minimum brokerage commission to 1 paisa per share or 0.01% of the transaction value for fixed income Exchange Traded Funds (ETF). ETFs are investment products combining the returns offered by the stock market with the diversity offered by a mutual fund.
- **Opposition agrees to pursue 'joint' strategy against govt | BR:** The joint parliamentary opposition on Monday decided to join forces within the parliament to raise its voice over inflation, the government's electoral reforms, and "political victimisation" through the amended National Accountability Ordinance.

Market Indices

	8-Nov-21	5-Nov-21	30-Jun-21
KSE 100	47,115	47,296	47,356
KSE 30	18,258	18,356	18,962
KMI 30	76,236	76,577	76,622
KSE All Shares	32,132	32,257	32,480

Volume (mn Shares)

	8-Nov-21	FYTD (Average)
KSE 100	102.3	134.8
KSE 30	49.4	49.3
KMI 30	43.8	50.1
KSE All Shares	364.9	382.1

Commodity Rates

	8-Nov-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	83.4	0.8%	11.0%
Crude Oil-Arab Light (USD/BBL)	80.3	2.8%	11.9%
Coal (USD/Tonne)	149.0	3.8%	38.5%
Copper(USD/Lbs)	4.4	1.3%	2.0%
Cotton (USD/Lbs)	112.8	-0.4%	38.5%
CRC Steel (USD/Tonne)	975.0	0.0%	-17.7%

Currency (Interbank)

	8-Nov-21	Daily Change	FYTD Change
US Dollar	169.8	0.1%	7.8%
UK Pound	230.2	0.6%	5.7%
Euro	196.7	0.3%	5.4%
UAE Dirham	46.5	0.5%	7.9%
Chinese Yuan	26.6	0.2%	8.8%

Fund Flows (USD mn)

	8-Nov-21	FYTD
FOREIGN INDIVIDUAL	-0.01	2.94
FOREIGN CORPORATES	-1.02	-165.00
OVERSEAS PAKISTANI	0.65	36.24
FIPI NET	**-0.38**	**-125.82**

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

	8-Nov-21	5-Nov-21	30-Jun-21
SBP Policy Rate	7.25	7.25	7.00
CPI Inflation	9.2%	9.0%	9.7%
3 Month T-Bill	8.46	8.38	7.28
6 Month T-Bill	8.84	8.77	7.53
12 Month T-Bill	9.40	9.33	7.81
3 Year Government Bond	10.10	9.89	8.99
5 Year Government Bond	10.19	10.06	9.49
10 Year Government Bond	10.98	10.98	9.94
3 Month KIBOR	8.58	8.53	7.45
6 Month KIBOR	8.87	8.85	7.69

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