Morning News 11-Nov-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **Over USD2.41bn deposits obtained through RDA raised for forex reserves | The News:** A major chunk of over USD2.41bn deposits obtained through the Roshan Digital Accounts (RDA) was raised at the cost of around 20 percent for building up the foreign exchange reserves, it is learnt. Pakistan's exchange rate had witnessed a sharp decline in recent weeks and months and the rupee nosedived against the US dollar. It had just got some kind of breathing space when the Kingdom of Saudi Arabia announced to provide USD4.2bn for helping Pakistan's struggling economy through the deposits of USD3bn and USD1.2bn for oil facility.
- **Registered taxpayers: FBR tax demands yield PKR80.1bn in FY21 | BR:** The Federal Board of Revenue (FBR) has collected PKR80.1bn during 2020-21 from income tax demands raised against the taxpayers against PKR60.8bn collected in the previous fiscal year, showing an increase of 31%. The FBR has released a bi-annual report (2020-21) Wednesday on the collection from income tax demands from the registered taxpayers. The FBR report stated that the CoD covered taxes levied for various defaults/taxes evaded and collection out of such tax demand.
- **THE RUPEE: Rupee declines further | BR:** The deterioration of Pakistan's rupee continued against the US dollar for the third consecutive day as the currency closed near 173 in the inter-bank market on Wednesday. As per the State Bank of Pakistan (SBP), the PKR settled at 172.93 against the USD after a day-on-day depreciation of PKR1.3 or 0.75%. On Tuesday, the PKR had dropped to 171.63 against the USD.
- **ITFC gives USD761mn to Pakistan for energy imports | Dawn:** The International Islamic Trade Finance Corporation (ITFC), a subsidiary of the Islamic Development Bank, and Pakistan on Wednesday signed an agreement under which the former would make available USD761.5mn of syndicated loan for commodity financing, particularly oil and gas. The financing would be used for import of crude oil, refined petroleum products and LNG etc, an announcement said.
- **1st professional clearing member entity launched | Dawn:** Small stockbrokers will soon shift their clearing, settlement and custody functions to EClear Services Ltd, which is the country's first professional clearing member (PCM) entity set up by the Central Depository Company (CDC). Speaking to Dawn on Wednesday, EClear Services Ltd CEO Shariq Naseem said more than two dozen trading-only brokers have signed up for the company's services.
- **Carmakers hike prices on higher freight, weak rupee | Dawn:** The decrease in auto prices announced with much fanfare in the second week of July following a cut in duties and taxes in the federal budget barely lasted four months, with assemblers hiking up prices sharply in recent days. Back in July, auto assemblers had slashed prices by PKR62,000-400,000 on various locally-assembled cars and SUVs. However, since the beginning of November, auto prices have seen a sharp increase as assemblers blame rising freight rates, container shortages, expensive raw materials and falling rupee against the dollar for the latest increase.
- **Power transmission system to get PKR111bn investment in 3 years: energy minister | BR:** Minister for Energy Hammad Azhar said that an investment of PKR111bn will be made in the power transmission system to enhance it during the next three years. The minister informed the parliament that the transmission line projects would be executed in various areas of the country. He said that because of the power contracts signed by the previous PML-N government, the capacity payments have reached PKR800bn.
- **Ogra works out average RLNG rates for SNGPL, SSGCL | BR:** The Oil and Gas Regulatory Authority (OGRA) has worked out RLNG average price USD15.6791 per MMBtu for the consumers of the Sui Northern Gas Pipeline Limited (SNGPL) and USD15.4259 per MMBtu for the consumers of the Sui Southern Gas Company (SSGCL) for the month of November. Pakistan LNG Ltd (PLL) has purchased average spot purchase is all-time high USD24.0925, whereas, Pakistan State Oil (PSO) long-term agreement average rate is USD9.676 per MMBtu.
- **LPG gets dearer by PKR155.8 per cylinder for November | The News:** Oil and Gas Regulatory Authority (OGRA) on Wednesday jacked up the liquefied petroleum gas (LPG) prices by 6.48% to PKR2,559/cylinder, while kept average sale price of re-gasified liquefied natural gas (RLNG) almost unchanged for November 2021. Similarly, the government has been substantially increasing the petroleum products prices for the last two months and lately it increased petrol prices by PKR8.14/liter.
- **Tarin urges provinces to lift imported sugar stock | BR:** Shaukat Tarin, adviser to the prime minister on finance asked the provinces to lift the imported sugar and supply it into the market, so as to bring down the price of sugar. The adviser was chairing the weekly meeting of the National Price Monitoring Committee (NPMC) on Wednesday that was informed by the Secretary Finance that prices of sugar are easing out in Punjab subsequent to proactive measures of the government.
- **Govt jolted again in 24 hours: Parliament's joint session postponed on short notice | BR:** The government abruptly announced postponing of joint sitting of the Parliament, which was scheduled to take up 30 bills, including legislation regarding electoral reforms today (Thursday). Information Minister Fawad Chaudhry said Wednesday that the decision to postpone the joint sitting was taken to create bipartisan support for electoral reforms. "The electoral reform is a matter of the future of the country and the government is trying in good faith to reach a consensus on these issues," the information minister on his official Twitter said.

Market Indices			
	10-Nov-21	9-Nov-21	30-Jun-21
KSE 100	46,630	46,400	47,356
KSE 30	18,089	17,983	18,962
KMI 30	75,471	74,871	76,622
KSE All Shares	31,791	31,673	32,480
Volume (mn Shares)			
	10-Nov-21	FYTD (Average)	
KSE 100	84.0	134.3	
KSE 30	39.6	49.3	
KMI 30	36.5	50.0	
KSE All Shares	320.3	382.0	
Commodity Rates			
	10-Nov-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	82.6	-2.5%	10.0%
Crude Oil-Arab Light (USD/BBL)	82.0	1.2%	14.2%
Coal (USD/Tonne)	139.4	-4.6%	29.5%
Copper(USD/Lbs)	4.3	-1.0%	0.6%
Cotton (USD/Lbs)	114.8	-0.7%	41.0%
CRC Steel (USD/Tonne)	975.0	0.0%	-17.7%
Currency (Interbank)			
	10-Nov-21	Daily Change	FYTD Change
US Dollar	172.3	0.8%	9.3%
UK Pound	230.8	-0.4%	6.0%
Euro	197.7	-0.2%	5.9%
UAE Dirham	46.9	0.5%	8.9%
Chinese Yuan	27.0	0.8%	10.5%
Fund Flows (USD mn)			
	10-Nov-21	FYTD	
FOREIGN INDIVIDUAL	-0.06	2.91	
FOREIGN CORPORATES	-2.91	-170.52	
OVERSEAS PAKISTANI	0.33	38.44	
FIPI NET	**-2.64**	**-129.17**	
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			
	10-Nov-21	9-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	8.50	8.50	7.28
6 Month T-Bill	8.86	8.86	7.53
12 Month T-Bill	9.46	9.45	7.81
3 Year Government Bond	10.21	10.18	8.99
5 Year Government Bond	10.27	10.26	9.49
10 Year Government Bond	11.00	10.99	9.94
3 Month KIBOR	8.63	8.62	7.45
6 Month KIBOR	8.90	8.90	7.69

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