Morning News 25-Nov-2021

MCB-ARIF HABIB Savings and Investments Limited

- **Qatar gets clearance to buy stake in LNG terminal in Pakistan | Dawn:** The Competition Commission of Pakistan (CCP) on Tuesday cleared state-run Qatar Energy's bid to acquire 49 per cent stakes in an upcoming private sector LNG terminal, paving the way for Qatar's first direct investment in Pakistan's energy market.
- **Long queues at petrol stations in major cities as citizens rush to refuel ahead of strike | Dawn:** Traffic jams were reported in major cities across the country and long queues were seen at petrol stations on Wednesday as citizens rushed to refuel their vehicles ahead of the nationwide strike by the petroleum dealers association, which said fuel stations will remain closed in the country starting today (Thursday).
- **Tarin tells ministry to build up strategic reserves of sugar | BR:** Adviser to the Prime Minister on Finance and Revenue, Shaukat Tarin Wednesday asked the Ministry of Industries and Production to take appropriate measures for creating strategic reserves of sugar for smooth supply in the coming months. He said this, while presiding over the National Price Monitoring Committee (NPMC) meeting to review the prices of daily use commodities and essential food items in the country.
- **Govt finalizes new PPAA, ICA with KE | BR:** The Power Division has reportedly finalized new Power Purchase Agency Agreement (PPAA) and Inter-Connection Agreement (ICA) with Karachi Electric (KE) for supply of 1,400 MW electricity to the latter, but disagreement still exists on base load verses firm capacity and Late Payment Surcharge for regulatory delays between the two parties, well informed sources told Business Recorder.
- **Sustained reforms could create positive rating momentum: Fitch | BR:** Continued adherence to the International Monetary Fund (IMF) Extended Fund Facility (EFF) reform agenda would increase the likelihood of achieving outcomes that would lead Pakistan to positive rating momentum; however, political pressures could test the government's commitment to reform, particularly, if inflation accelerates from its already high levels, says Fitch Ratings.
- **4-5pc growth projected | BR:** The State Bank of Pakistan (SBP) Wednesday projected that economic recovery is likely to gain further momentum and GDP growth will be in the range of 4-5 percent during this fiscal year (FY22). However, it said, deep-rooted structural impediments are need to be addressed for sustainable growth momentum.
- **Oil majors 'pocketing the difference' |BR:** Oil majors have raised gasoline prices for the sake of their own profits, US President Joe Biden said Tuesday as his administration looked for ways to lower prices at pumps nationwide at the beginning of the holiday travel season. The White House has upped the pressure on oil markets amid a spike in energy prices that has driven overall US inflation to record levels.
- **7-9pc inflation projection with multiple upside risks | BR:** Some 7 to 9 percent inflation projection for this fiscal year has multiple upside risks like higher global commodity prices and upward revision in utility tariffs on the domestic front, the State Bank of Pakistan (SBP) said in its annual report issued on Wednesday. the national CPI inflation is expected to remain within a range of 7.0 to 9.0 percent during this fiscal year.
- **NPMC wants action against fertilizer hoarders | Dawn:** The National Price Monitoring Committee (NPMC) directed provincial governments on Wednesday to take punitive measures against fertilizer hoarders and ensure the commodity's availability at controlled rates. On the stock position of fertilizers, the committee was informed that Punjab and Sindh governments have taken actions against hoarders.
- **Stocks sink for third day; index loses 585 points | Dawn:** Bears dominated the Pakistan Stock Exchange for the third straight day on Wednesday amid the upcoming announcement of a mini-budget ahead of the resumption of the International Monetary Fund (IMF) loan Programme. As a result, the KSE-100 index lost 584.82 points (or 1.3 per cent) to close at 44,363.7 points.
- **Ecnec okays Rs190bn road infrastructure projects | Dawn:** The Executive Committee of the National Economic Council (Ecnec) on Wednesday approved Rs190.215 billion worth of projects related to road infrastructure and acquisition of self-reliance in satellite technologies in Pakistan.
- **US says it will resume talks with Taliban next week | BR:** The United States will resume talks with the Taliban next week in Qatar, addressing among other issues the fight against terrorism and the humanitarian crisis in Afghanistan. The American delegation will be led by the US special representative for Afghanistan, Tom West, for the planned two weeks of discussions.

Market Indices			
	24-Nov-21	23-Nov-21	30-Jun-21
KSE 100	44,364	44,949	47,356
KSE 30	17,124	17,380	18,962
KMI 30	71,357	72,424	76,622
KSE All Shares	30,463	30,812	32,480
Volume (mn Shares)			
	24-Nov-21	FYTD (Average)	
KSE 100	140.1	131.4	
KSE 30	85.6	49.6	
KMI 30	50.6	49.1	
KSE All Shares	310.3	370.8	
Commodity Rates			
	24-Nov-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	82.3	-0.1%	9.5%
Crude Oil-Arab Light (USD/BBL)	79.9	3.4%	11.3%
Coal (USD/Tonne)	141.3	0.2%	31.3%
Copper(USD/Lbs)	4.5	1.1%	4.3%
Cotton (USD/Lbs)	113.1	0.1%	39.0%
CRC Steel (USD/Tonne)	955.0	0.0%	-19.4%
Currency (Interbank)			
	24-Nov-21	Daily Change	FYTD Change
US Dollar	175.3	0.4%	11.3%
UK Pound	233.6	0.1%	7.2%
Euro	196.3	0.0%	5.1%
UAE Dirham	47.8	0.0%	11.0%
Chinese Yuan	27.4	0.4%	12.4%
Fund Flows (USD mn)			
	24-Nov-21	FYTD	
FOREIGN INDIVIDUAL	-0.01	2.92	
FOREIGN CORPORATES	-12.85	-226.95	
OVERSEAS PAKISTANI	0.60	42.20	
FIPI NET	**-12.26**	**-181.83**	
Economic Data (USD mn)			
	FY22E	FY21	FY20
GDP Growth	4.8%	3.9%	-0.5%
	Oct-21	Sep-21	
Exports	2,466	2,409	
Imports	6,386	6,563	
Remittances	2,518	2,670	
Foreign Exchange Reserves	23,926	25,983	
Money Market Data			
	24-Nov-21	23-Nov-21	30-Jun-21
SBP Policy Rate	8.75	8.75	7.00
CPI Inflation	9.2%	9.2%	9.7%
3 Month T-Bill	9.75	9.75	7.28
6 Month T-Bill	10.19	10.15	7.53
12 Month T-Bill	10.92	10.79	7.81
3 Year Government Bond	11.70	11.60	8.99
5 Year Government Bond	11.74	11.70	9.49
10 Year Government Bond	12.06	12.05	9.94
3 Month KIBOR	9.94	9.90	7.45
6 Month KIBOR	10.28	10.22	7.69

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