Morning News 01-Dec-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **Nov CPI up 11.53pc YoY | BR:** The Consumer Price Index (CPI) witnessed an increase of 11.53 percent on year-on-year basis in November 2021 as compared to an increase of 8.3 percent in November 2020, says the Pakistan Bureau of Statistics (PBS). However, the PBS later removed CPI data from the website. The PBS routinely releases CPI data on first date of every month.
- **FBR records Rs298bn increase in Jul-Nov collection | BR:** The Federal Board of Revenue (FBR) has provisionally collected net revenue of Rs2,314 billion during July-November (2021-22) against the assigned target of Rs2,016 billion, reflecting an increase of Rs298 billion. The FBR has also registered historic growth in revenue collection of 36.5 percent during July-November (2021-22) against the same period of last fiscal year (2020-21).
- **POL products' prices remain unchanged | BR:** The federal government on Tuesday decided not to decrease the prices of petroleum products for the next fortnight and increased the rate of petroleum levy (PL) on ex-depot sale of petrol and High Speed Diesel (HSD) by Rs4 per litre. Petroleum levy on petrol has been raised to Rs13.62 per litre, which was Rs9.62 in second half of November.
- **LPG cylinder price reduced | BR:** The Oil and Gas Regulatory Authority (OGRA), on Tuesday, reduced LPG domestic cylinder price by Rs168.91 with effect from today (Wednesday). The revised price of LPG cylinder is reduced from Rs2,559.35 to Rs2,390.44 or seven percent for the month of December. Per ton price of LPG is climbed down to Rs202,579.84 from Rs216,894.16, which was November price or Rs14,314.32.
- **Levy of GST on subsidy given to Discos | BR:** A dispute between Federal Board of Revenue (FBR) and Power Division on levy of GST on the subsidy given to power Distribution Companies (Discos) by the federal and provincial governments will again land in the Economic Coordination Committee (ECC) of the Cabinet for final decision.
- **FCA for Oct 2021 | BR:** The National Electric Power Regulatory Authority (Nepra) Tuesday approved, in principle, an increase of Rs 4.74 per unit in tariffs of power Distribution Companies (Discos) for October 2021 under monthly Fuel Component Adjustment (FCA). Since, the impact of FCA of Rs 2.53 per unit of September 2021 will be over, actual positive impact will be Rs 2.22 per unit for the month of October 2021, to be recovered in bills of November 2021.
- **Govt starts paying Rs134.8bn to IPPs as Discos' equity | BR:** The government has started making payment of Rs134.8 billion to the IPPs of pre-1994 policy, 1994 and 2015 policies as equity of power Distribution Companies (Discos) instead of outstanding subsidy. On November 15, 2021, the Economic Coordination Committee (ECC) of the Cabinet headed by Omar Ayub Khan approved payment of Rs134.783 billion to clear remaining agreed amount of 20 Independent Power Producers (IPPs) by December 3, 2021.
- **Samsung starts producing mobile phones in Pakistan | Dawn:** One of the world's largest manufacturers of mobile phones, Samsung, has finally started production in Pakistan, lifting hopes of the authorities and the industry that this would cut down the import bill of the country in the months to come.
- **Yamaha increases motorcycle prices by Rs7,000 | BR:** Yamaha Motor Pakistan has increased the prices of its 125 models by up to Rs7,000, according to a circular issued to countrywide dealerships. This is the second upward revision on Yamaha bike prices in less than two months and the fifth this year. The latest hike, to be applicable from December 1, will see the price of YB125 Z go up from Rs184,000 to Rs190,000, with a hike of Rs6,000
- **Samba Bank: SNB, advisors allowed to undertake due-diligence | BR:** The State Bank of Pakistan (SBP) has granted approval to Saudi National Bank (SNB) and its advisors, DD team, to undertake due-diligence of Samba Bank Limited (SBL), subject to compliance with applicable laws, rules and regulations. Samba Bank Limited stated this in its material information sent to Pakistan Stock Exchange on Tuesday.
- **Oil falls 3% on jitters over vaccine efficacy | Tribune:** Oil prices tumbled nearly 3% on Tuesday after Moderna's CEO cast doubt on the efficacy of Covid-19 vaccines against the Omicron coronavirus variant, spooking financial markets and adding to worries about oil demand. The head of drugmaker Moderna told the Financial Times that Covid-19 vaccines are unlikely to be as effective against the Omicron variant of the coronavirus as they have been against the Delta variant.
- **Dubai government considering Emirates IPO | BR:** The Dubai government is considering an initial public offering of Emirates airline, the flagship carrier's President Tim Clark said on Monday, as authorities work to boost activity on the local stock market. The emirate's government is planning to list 10 state-backed companies on its stock exchange and set up a 2 billion dirham ($545 million) market maker fund to encourage trading activity.
- **Saleem replaces Soomro as PC board chairman | BR:** The federal government has relieved Minister for Privatisation Mohammedmian Soomro from the position of Chairman Privatisation Commission Board by appointing new chairman Saleem Ahmed, who has worked in JP Morgan. According to PC Ordinance, all the privatisation related powers rest with the chairman of the Board and Minister is just a ceremonious position.

Market Indices

	30-Nov-21	29-Nov-21	30-Jun-21
KSE 100	45,072	45,330	47,356
KSE 30	17,430	17,550	18,962
KMI 30	73,211	73,286	76,622
KSE All Shares	30,832	30,984	32,480

Volume (mn Shares)

	30-Nov-21	FYTD (Average)
KSE 100	266.9	131.9
KSE 30	216.8	51.3
KMI 30	111.3	49.4
KSE All Shares	411.4	368.2

Commodity Rates

	30-Nov-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	70.6	-3.9%	-6.1%
Crude Oil-Arab Light (USD/BBL)	68.9	-6.0%	-4.1%
Coal (USD/Tonne)	95.6	-2.0%	11.5%
Copper(USD/Lbs)	4.3	-1.4%	-0.2%
Cotton (USD/Lbs)	103.8	-4.9%	27.5%
CRC Steel (USD/Tonne)	935.0	0.0%	-21.1%

Currency (Interbank)

	30-Nov-21	Daily Change	FYTD Change
US Dollar	175.7	-0.2%	11.5%
UK Pound	233.6	-0.3%	7.3%
Euro	199.2	0.3%	6.7%
UAE Dirham	48.1	-0.5%	11.5%
Chinese Yuan	27.6	0.2%	13.2%

Fund Flows (USD mn)

	30-Nov-21	FYTD
FOREIGN INDIVIDUAL	0.00	4.21
FOREIGN CORPORATES	-61.03	-306.49
OVERSEAS PAKISTANI	2.64	46.67
FIPI NET	**-58.39**	**-255.61**

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

	30-Nov-21	29-Nov-21	30-Jun-21
SBP Policy Rate	8.75	8.75	7.00
CPI Inflation	11.5%	9.2%	9.7%
3 Month T-Bill	9.74	9.73	7.28
6 Month T-Bill	10.17	10.17	7.53
12 Month T-Bill	10.72	10.81	7.81
3 Year Government Bond	11.37	11.38	8.99
5 Year Government Bond	11.48	11.44	9.49
10 Year Government Bond	11.94	11.99	9.94
3 Month KIBOR	9.95	9.93	7.45
6 Month KIBOR	10.29	10.28	7.69

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