Morning News 08-Dec-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **Pakistan's macroeconomic indicators stable, says PM | BR:** Prime Minister Imran Khan said on Tuesday that Pakistan's macroeconomic indicators are stable with reserves in a stable condition, reported Aaj News. The PM said the government has tackled both the economic disaster left by the previous government and coronavirus very well, adding that now the economy is growing at a sustainable pace.
- **Essential commodities: Prices declining, cabinet told | BR:** The federal cabinet was informed that prices of essential commodities have been on the decline for the second consecutive week. It envisaged that a 30 percent subsidy through ration cards from January 2022 would provide further relief on essential items to the low-income group.
- **New property valuation rates held in abeyance | BR:** The Federal Board of Revenue (FBR) on Tuesday held in abeyance the new property valuation rates till January 16, 2022, according to an announcement of the FBR. Taking cognisance of a number of complaints from across the country, the FBR has issued detailed instructions this evening through an office memorandum (OM) on the procedure to be adopted to review the anomalies in the property rates and rationalise the same.
- **Purchase of up to 74pc shares of PSM | BR:** Privatisation Commission (PC) is yet to receive Statement of Qualifications (SoQ) from the investors/parties that are interested in purchase of upto 74 percent shares of Pakistan Steel Mills (PSM), well informed sources told Business Recorder. PC has also commenced roadshows for marketing of the transaction, both locally and internationally, from September 13, 2021.
- **Govt decides to import urea from China | BR:** The Federal Government has reportedly decided to import 0.1 million metric tons of urea from China on government-to-business (G2B) basis to meet shortfall in the country, well informed sources told Business Recorder. Separately, the Punjab government has taken action against over 150 dealers for hoarding, who the government wants blacklisted as per an agreement with the fertilizer industry, the sources added.
- **Reduced rate of GST on petrol abolished | BR:** The Federal Board of Revenue (FBR) has abolished the reduced rate of 1.43 percent sales tax on petrol from December 7, 2021. According to a notification issued by the FBR Tuesday, the sales tax rate on petrol was 1.43 percent in November 2021. It has been reduced to zero percent from December 7. However, the sales tax rate on high-speed diesel oil (HSD) has been increased from 6.75 percent to 7.20 percent.
- **Pakistan's rupee drops to lowest level | BR:** Pakistan's rupee was back at the receiving end against the US dollar, depreciating 0.18% to yet another historic low in the inter-bank market on Tuesday. As per the State Bank of Pakistan (SBP), the PKR closed at 176.79 against the USD after a day-on-day depreciation of 31 paisas or 0.18%.
- **FBR to start disbursing refunds by end of 2nd quarter | BR:** The Federal Board of Revenue (FBR) will start disbursing income tax refunds of Rs100 million and below for Tax Year 2020 by the end of second quarter, said sources. They said the Board has registered historic growth in revenue collection of 36.5% from Jul-Nov of the FY2021-22 by collecting net revenue of Rs2,314 billion during the first five months of the current fiscal year against a set target of Rs2,016 billion, exceeding by Rs298 billion.
- **Punjab textile industry decries gas tariff hike | Dawn:** Punjab's textile industry on Tuesday expressed concern over increase in gas tariff from $6.5 to $9 per million British thermal units (mmBtu) for export-oriented units in the province and urged the federal government to withdraw the revised rates at the earliest.
- **Cellphone imports plunge 73pc | Dawn:** The import of manufactured or completely built units (CBU) declined by 73 per cent year-on-year to $179 million in the first five months of the current fiscal year from $661m a year ago. The drop helped save $410m in foreign exchange for the country owing to the implementation of the mobile manufacturing policy, Adviser on Commerce Razak Dawood said on Tuesday.
- **Karachiites to pay Rs7.22bn more for power used in September | Dawn:** The National Electric Power Regulatory Authority (Nepra) on Tuesday allowed K-Electric to charge Rs3.76 per unit additional cost to its consumers in December bills under monthly fuel cost adjustment (FCA) for electricity consumed in September to generate about Rs7.22bn.
- **Oil rises 3%, extending rally as Omicron fears retreat | Reuters:** Oil prices climbed by more than 3% on Tuesday, extending the previous day's rebound of almost 5% as concerns eased further about the impact on global fuel demand of the Omicron coronavirus variant. Brent crude futures settled up $2.36, or 3.2%, at $75.44 a barrel, after Monday's rise of 4.6%. U.S. West Texas Intermediate crude rose $2.56, or 3.7%, to $72.05, building on a 4.9% gain the previous session.

Market Indices			
	7-Dec-21	**6-Dec-21**	**30-Jun-21**
KSE 100	43,853	43,281	47,356
KSE 30	17,006	16,777	18,962
KMI 30	70,731	69,610	76,622
KSE All Shares	30,010	29,621	32,480
Volume (mn Shares)			
	7-Dec-21	**FYTD (Average)**	
KSE 100	89.3	131.4	
KSE 30	55.5	51.8	
KMI 30	46.3	49.6	
KSE All Shares	229.3	364.0	
Commodity Rates			
	7-Dec-21	**Daily Change**	**FYTD Change**
Crude Oil-Brent (USD/BBL)	75.4	3.2%	0.4%
Crude Oil-Arab Light (USD/BBL)	72.8	2.0%	1.4%
Coal (USD/Tonne)	128.3	2.6%	24.2%
Copper(USD/Lbs)	4.3	0.3%	1.1%
Cotton (USD/Lbs)	103.8	-0.6%	27.5%
CRC Steel (USD/Tonne)	925.0	0.0%	-21.9%
Currency (Interbank)			
	7-Dec-21	**Daily Change**	**FYTD Change**
US Dollar	176.5	0.0%	12.0%
UK Pound	233.7	-0.2%	7.3%
Euro	198.8	-0.2%	6.5%
UAE Dirham	48.3	0.0%	12.1%
Chinese Yuan	27.7	0.1%	13.6%
Fund Flows (USD mn)			
	7-Dec-21	**FYTD**	
FOREIGN INDIVIDUAL	0.00	4.10	
FOREIGN CORPORATES	-0.17	-309.75	
OVERSEAS PAKISTANI	-0.33	47.96	
FIPI NET	**-0.50**	**-257.69**	
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			
	7-Dec-21	**6-Dec-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	10.79	10.60	7.28
6 Month T-Bill	11.32	11.30	7.53
12 Month T-Bill	11.51	11.51	7.81
3 Year Government Bond	11.85	11.86	8.99
5 Year Government Bond	11.86	11.86	9.49
10 Year Government Bond	11.96	11.96	9.94
3 Month KIBOR	10.81	10.75	7.45
6 Month KIBOR	11.51	11.50	7.69

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