Morning News 09-Dec-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **ADB approves USD603mn results-based lending programme | BR:** The Asian Development Bank (ADB) has approved a USD603mn results-based lending programme to strengthen and expand social protection programmes in Pakistan. Using conditional cash transfers, the programme will support the implementation of Ehsaas, Pakistan's national social protection and poverty reduction strategy.
- **Fast-track basis: China, Pakistan agree to promote investment, industrial cooperation | BR:** Pakistan and China on Wednesday agreed to promote investment, industrial cooperation on a fast-track basis. Talking to Business Recorder, a senior official of the Economic Affairs Division (EAD) said that the 15th session of Pakistan-China Joint Economic Committee on Economic, Trade, Scientific and Technical Cooperation (JEC) was held after a gap of 11 years.
- **Fitch foresees further hike in interest rate | BR:** The Fitch Ratings agency has anticipated further interest-rate hike for Pakistan. The ratings agency in its latest report, "Fitch Ratings 2022 Outlook: Asia-Pacific Sovereigns", stated that monetary policies will also remain supportive. "Though, we anticipate interest-rate hikes to continue in South Korea and New Zealand as their recoveries solidify, and in "frontier markets" facing external pressures such as Sri Lanka and Pakistan.
- **Dollar hits new record at PKR177.44 | Dawn:** The US dollar further appreciated to set a new record against the local currency on Wednesday, reflecting that nothing could stop the bullish dollar from moving ahead despite fresh USD3bn inflow from Saudi Arabia. Currency dealers in the inter-bank market traded the dollar under high demand at a price never witnessed before.
- **RLNG price reduced | BR:** The Oil and Gas Regulatory Authority (OGRA), on Wednesday, reduced the price of RLNG for December by around USD3 per mmbtu as compared with November 2021. According to an OGRA notification, the new price of RLNG for December is determined at USD12.3769 per mmbtu for the consumers of the Sui Northern Gas Pipeline Limited (SNGPL), which served Punjab, Islamabad, KP, and some parts of Kashmir and Gilgit-Baltistan.
- **NADRA may compute income, tax liability of non-filers | BR:** The National Database and Registration Authority (NADRA) is expected to compute income and tax liability of non-filers during the current month based on 14 million records of financial transactions provided by the Federal Board of Revenue (FBR). Sources told Business Recorder here on Wednesday that the NADRA is using artificial intelligence for finalising the profiles of the potential taxpayers.
- **Rising import bills: Senate body seeks ban on imported cars, cosmetics, luxury items | The News:** The Senate Standing Committee on Finance and Revenues has recommended to the government for imposing a ban on the import of cars, cosmetics, and other luxury items for a limited timeframe in order to curb rising import bills. The Senate panel also summoned Chairman National Accountability Bureau (NAB) in its next meeting.
- **UAE firm to invest USD15mn in APG plant | Mettis Global:** A United Arab Emirates firm Brothers Gas has announced investment to the tune of USD15mn to setup Aerosol Propellant Gas (APG) plant in Pakistan, a government press release showed on Wednesday. Brothers Gas UAE Managing Director Mr. Kashif Masood announced his plans to invest USD15mn in three phases while meeting with the Board of Investment (BoI) Chairman Farheena Mazhar on the sidelines of investment seminar at the Pakistan Pavilion, Dubai Expo.
- **Steel bar prices rise to PKR197,500 per tonne | Dawn:** Steel bar makers have further increased the prices by PKR2,000 per tonne citing persistent rupee devaluation, rising costs of energy and inputs and supply chain disruptions. As per letters issued by various steel bar makers to the construction sector, Amreli Steels Ltd said effective Dec 7 the new ex-factory booking rates of (9.5/10mm and 12mm) are PKR197,500 per tonne and 16mm and above sizes at PKR195,000 per tonne (deform and extreme rebars).
- **Power Div authorised to recover 'excess profit' from NCPL | BR:** The Cabinet Committee on Energy (CCoE) has authorized Power Division to secure alleged excess profits of PKR8.36bn from Nishat Chunian Power Ltd (NCPL), established under Power Policy 2002, well informed sources told Business Recorder. The Power Division will also hire the services of Muhammad Ali, as a Consultant/ Expert to the Federal Government/ MoE in the matter of Arbitration with IPPs under 2002 Policy, the sources added.
- **Cinergyco taps buyers to export overstored furnace oil | The News:** Cinergyco PK Ltd, formerly Byco Petroleum Pakistan Limited, has engaged potential buyers including oil giant Exxon to export furnace oil (FO), which is currently overflowing from its storage facilities as local demand has dried up, The News has learnt. The company earlier failed to broker a deal for the export after it received a bidding at a huge discount, sources in the oil sector confided to The News.
- **Supernet bags PKR100mn cyber security contract from SBP | BR:** Telecard Limited's 100 percent owned subsidiary Supernet Limited (Supernet) has announced that it has been awarded contract by the State Bank of Pakistan (SBP) in IT and Cyber Security domain worth close to PKR100mn. This contract involves supply, installation, maintenance and technical support of Next Generation Intrusion Detection and Protection Systems (IDPS) to secure SBP Infrastructure from Advance Persistent Treats (APT).
- **EU hails Pakistan's progress on FATF action plans | Dawn:** The European Union (EU) has welcomed progress made by Pakistan to implement action plans of the Financial Action Task Force (FATF) and lauded adoption of the Protection of Journalists and Media Professionals Bill by parliament that later became an Act with the presidential approval.

Market Indices

	8-Dec-21	7-Dec-21	30-Jun-21
KSE 100	43,847	43,853	47,356
KSE 30	17,049	17,006	18,962
KMI 30	70,596	70,731	76,622
KSE All Shares	29,964	30,010	32,480

Volume (mn Shares)

	8-Dec-21	FYTD (Average)
KSE 100	73.5	131.0
KSE 30	45.3	51.8
KMI 30	35.6	49.5
KSE All Shares	233.1	363.0

Commodity Rates

	8-Dec-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	75.8	0.5%	0.9%
Crude Oil-Arab Light (USD/BBL)	75.1	3.2%	4.6%
Coal (USD/Tonne)	131.0	2.1%	26.8%
Copper(USD/Lbs)	4.4	1.1%	2.2%
Cotton (USD/Lbs)	104.2	0.3%	27.9%
CRC Steel (USD/Tonne)	925.0	0.0%	-21.9%

Currency (Interbank)

	8-Dec-21	Daily Change	FYTD Change
US Dollar	177.2	0.4%	12.5%
UK Pound	234.0	0.1%	7.4%
Euro	200.9	1.0%	7.6%
UAE Dirham	48.5	0.5%	12.6%
Chinese Yuan	27.9	0.7%	14.5%

Fund Flows (USD mn)

	8-Dec-21	FYTD
FOREIGN INDIVIDUAL	0.00	4.10
FOREIGN CORPORATES	0.27	-309.49
OVERSEAS PAKISTANI	0.43	48.40
FIPI NET	**0.70**	**-256.99**

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

	8-Dec-21	7-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	10.76	10.79	7.28
6 Month T-Bill	11.32	11.32	7.53
12 Month T-Bill	11.54	11.51	7.81
3 Year Government Bond	11.95	11.85	8.99
5 Year Government Bond	11.94	11.86	9.49
10 Year Government Bond	11.96	11.96	9.94
3 Month KIBOR	10.87	10.81	7.45
6 Month KIBOR	11.55	11.51	7.69

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