Morning News 29-Dec-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **Ex-post facto approval given: USD4bn foreign commercial loans exempted from tax:** The Federal Cabinet has granted ex-post facto approval to exempt foreign commercial loans of USD4bn from all types of taxes. (Business Recorder)
- **Agreement signed with FAC to sale government properties: PC:** Financial Advisory Services Agreement (FASA) has been signed on 28th December 2021 with Financial Advisor Consortium (FAC) in order to sale the identified government properties, said a press release issued by Privatisation Commission (PC) board today. (Mettis Global)
- **Lack of consultations with allies leads to delay:** The lack of prior consultations with key allied parties in the federal government, compelled the cabinet to postpone the approval of the Finance (Supplementary) Bill, 2021 and the State Bank of Pakistan (Amendment) Bill, 2021, it is learnt. (Business Recorder)
- **Profit repatriation down 3.72% in five months:** The outflow of profits and dividends on foreign investments from Pakistan fell 3.72% to USD776mn in the five months of the current fiscal year, according to the figures issued by the State Bank of Pakistan on Tuesday. The repatriation of profits and dividends stood at USD748.1mn in July-November FY2021. (The News)
- **Gas supply to power sector increased by 71%:** The federal government has altered gas management plan to increase gas supply to power sector by 71% to 325 MMCFD from 190 MMCFD, suspension of gas supply to general industry in Punjab and KP per day on rotational basis and restoration of 75 MMCFD gas to Captive Power Plants (CPPs) for the Punjab-based export-oriented industry from December 29, 2021 (today). (Business Recorder)
- **Govt, refineries to discuss new oil refining policy draft:** The government and top management of refineries will discuss a new policy path on oil refining industry at a meeting scheduled on Wednesday, The News learnt on Tuesday. Federal Minister for Energy Hammad Azhar and Special Assistant to Prime Minister on China-Pakistan Economic Corridor (CPEC) Khalid Mansoor convened the meeting to consider the draft of Pakistan Oil Refining Policy 2021. (The News)
- **PRL to undertake expansion project:** The board of directors of Pakistan Refinery Limited (PRL) has decided to undertake Refinery Expansion and Upgrade Project (REUP). The objectives of the REUP are compliance with requirement to produce EURO V compliant high speed diesel (HSD) and motor spirit (MS/Petrol); expansion of crude processing capacity to 100,000 barrels per day and to achieve self-sustainability by upgrading from hydro-skimming refinery to deep conversion refinery thereby, significantly reducing production of high sulphur furnace oil (HSFO). (Business Recorder)
- **Acquisition of KE shares by Shanghai Electric:** Fresh public announcement of intention to be notified today: K-Electric Limited has received withdrawal of public announcement of intention for acquisition (directly or indirectly) of up to 66.40% of the ordinary share capital of K-Electric Limited by Shanghai Electric Power Company Limited (acquirer). The acquirer will notify the fresh public announcement of intention via Pakistan Stock Exchange Limited on December 29, 2021. (Business Recorder)
- **Attractive financing benefits: Meezan Bank partners with Pak Suzuki Motors:** Meezan Bank and Pak Suzuki Motor Company Limited have signed an MoU, offering attractive financing benefits to facilitate middle-income segment & young customers in availing Car Ijarah facility through Pak Suzuki One Window Solution. (Business Recorder)
- **Pakistan has a total of 75 Omicron cases: NIH:** Pakistan has a total of 75 Omicron cases as of December 27, the National Institute of Health (NIH) said in a statement on Tuesday. (The News)

Market Indices			
	28-Dec-21	**27-Dec-21**	**30-Jun-21**
KSE 100	44,044	43,913	47,356
KSE 30	17,289	17,232	18,962
KMI 30	70,762	70,615	76,622
KSE All Shares	30,166	30,102	32,480
Volume (mn Shares)			
	28-Dec-21	**FYTD (Average)**	
KSE 100	63.1	127.2	
KSE 30	34.4	51.6	
KMI 30	25.6	48.7	
KSE All Shares	143.4	348.4	
Commodity Rates			
	28-Dec-21	**Daily Change**	**FYTD Change**
Crude Oil-Brent (USD/BBL)	78.9	0.4%	5.1%
Crude Oil-Arab Light (USD/BBL)	76.1	0.7%	5.3%
Coal (USD/Tonne)	137.8	0.0%	33.3%
Copper(USD/Lbs)	4.4	-0.7%	3.1%
Cotton (USD/Lbs)	107.1	-2.0%	31.6%
CRC Steel (USD/Tonne)	900.0	0.0%	-24.1%
Currency (Interbank)			
	28-Dec-21	**Daily Change**	**FYTD Change**
US Dollar	178.3	0.1%	13.2%
UK Pound	239.5	0.1%	10.0%
Euro	201.6	0.0%	8.0%
UAE Dirham	48.8	0.0%	13.2%
Chinese Yuan	28.0	0.2%	14.8%
Fund Flows (USD mn)			
	28-Dec-21	**FYTD**	
FOREIGN INDIVIDUAL	0.02	4.23	
FOREIGN CORPORATES	1.01	-311.12	
OVERSEAS PAKISTANI	0.33	51.60	
FIPI NET	**1.36**	**-255.29**	
Economic Data (USD mn)			
	FY22E	**FY21**	**FY20**
GDP Growth	4.8%	3.9%	-0.5%
	Nov-21	**Oct-21**	
Exports	2,884	2,464	
Imports	7,847	6,372	
Remittances	2,352	2,518	
Foreign Exchange Reserves	22,499	23,829	
Money Market Data			
	28-Dec-21	**27-Dec-21**	**30-Jun-21**
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	11.5%	9.2%	9.7%
3 Month T-Bill	10.22	10.22	7.28
6 Month T-Bill	10.92	10.80	7.53
12 Month T-Bill	11.31	11.26	7.81
3 Year Government Bond	11.40	11.36	8.99
5 Year Government Bond	11.44	11.40	9.49
10 Year Government Bond	11.60	11.58	9.94
3 Month KIBOR	10.37	10.35	7.45
6 Month KIBOR	11.05	10.97	7.69

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