Morning News 20-May-2022

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Savings and Investments Limited

- **US assures Pakistan of support in rebuilding economy | BR:** The United States has announced that it will continue to help Pakistan rebuild its economy. A State Department spokesperson on Thursday assured Pakistan of strong US support for their efforts to rebuild the Pakistani economy. The United States "Will continue to work bilaterally on ways to grow investment and trade opportunities to build a prosperous and stable Pakistan," the spokesperson said in Washington. The United States also "Welcomes the ongoing International Monetary Fund (IMF) deliberations with Pakistan," the spokesperson added.

- **April CA deficit dips 39% to USD623mn MoM | BR:** The country's current account deficit sharply declined by 39% during the month of April 2022, supported by lower goods import bill and record workers' remittances. The Stats Bank of Pakistan (SBP) late Thursday night issued the statistics of CA deficit, which was on increase for the last many months due to rising imports and became a matter of concern for the new government. The SBP reported that current account deficit amounted to USD623mn in April 2022 compared to USD1.02bn in March 2022, depicting a decline of USD392mn.

- **THE RUPEE: PKR declines to 200 mark | BR:** The rupee's slide continued for the eleventh consecutive session on Thursday, as the local currency plumetted to PKR200 for the first time in the country's history against the US dollar in the inter-bank market. Investors have said that the government's inability to implement IMF conditions have raised concerns about the revival of the stalled USD6 billion Extended Fund Facility (EFF) programme. Meanwhile, ongoing domestic political uncertainty further deteriorated sentiments in the market.

- **Forex reserves decrease by USD145mn | BR:** The total liquid foreign reserves held by the State Bank of Pakistan (SBP) decreased by USD145mn to USD10.16bn during the week ended on May 13, 2022. According to data released by SBP on Thursday, the total liquid foreign reserves held by the country stood at USD16.16bn as of 13-May-2022. Net foreign reserves held by the commercial banks stood at USD5.997bn.

- **External debt, liabilities rise to USD128.92bn by end-March | The News:** Pakistan's foreign debt and liabilities (outstanding) increased by 5.41% to USD128.92bn in the first nine months of the current fiscal year, the central bank data showed on Thursday. The external debt and liabilities (EDL) came at USD122.29bn at the end of June 2021. The EDL stood at USD130.64bn in the period ended on December 31, 2021. These debt and liabilities were USD116.31bn at the end of March 2021. The EDL continued to go up as the government obtained loans from international financial institutions, multilateral agencies and the Paris Club, and the commercial sources to meet budget deficit, finance the current account gap and accumulate foreign exchange reserves.

- **Pakistan Steel Mills: Meeting held with pre-qualified bidders, PC | BR:** A meeting with pre-qualified bidders of Pakistan Steel Mills (PSM) and Privatisation Commission (PC) was held here at the Privatisation Division on Thursday. Federal Minister for Privatisation Mir Abid Hussain Bhayo chaired meeting. Chairman Privatisation Saleem Ahmad, federal secretary, senior officials and financial advisors were present. The pre-qualified bidders who attended the meeting were: Bao Steel Group Xinjiang Bayi Iron & Steel Co Ltd, Tangshan Donghua Iron and Steel Enterprise Group Co Ltd, and Maanshan Iron and Steel Co Ltd.

- **Four additional cargoes of LNG, five cargoes of furnace oil arranged | BR:** The federal government has arranged four additional cargoes of LNG and five cargoes of furnace oil to solve the shortage of fuel for power generation, which will help, end the loadshedding in the country. Minister for Power Khurram Dastgir Khan stated this in a joint conference with Minister of State for Petroleum Dr Musadik Malik on Thursday. Khurram said that the government was compelled to undertake a two-hour load shedding due to a hike of 300 percent in coal prices.

- **Subsidy to zero-rated sectors: MoC seeks PKR32bn grant for Power Div | BR:** Ministry of Commerce (MoC) has sought supplementary grant of PKR32bn to Power Division for supply of electricity at 9 Cents per unit to five export-oriented sectors during the current fiscal year, sources close to Secretary Commerce told Business Recorder. Commerce Ministry has prepared this emergent proposal after Power Division threatened to withdraw subsidy beyond May 31, 2022. Sharing the background, the sources said, Economic Coordination Committee (ECC) of the Cabinet on August 16, 2021 considered a summary titled "continuation of concessional rates of electricity and RLNG to export oriented sectors" submitted by Ministry of Commerce and approved the availability of energy at regionally competitive prices required specially in COVID-19 scenario to sustain the exports.

- **Urea fertiliser being sold at higher rates | BR:** Despite the government's repeated claims and directions to the relevant quarters to ensure the availability of the urea fertilizer at the control rate of PKR1,768 per bag the commodity in the market is being sold in the range of PKR2,500 to PKR3,000 per bag, Business Recorder has learnt. According to the farming community and the relevant officials, the government is providing cheap gas to the fertilizer plants in a bid to ensure the availability of urea fertilizer to farmers at the control rates but the millers and the dealers are heavily fleecing the farmers by selling the commodity on much higher prices. The federal government is anticipating a 200,000 tons shortfall of urea fertilizer for the ongoing crop season for which the import orders are already placed.

- **Fuel shortage, technical faults: NPCC confirms 5,000MW power out of system | BR:** National Power Control Centre (NPCC) - the System Operator (SO) and an arm of National Transmission and Despatch Company (NTDC) - has confirmed officially that about 5,000 MW power is out from the system due to fuel shortage and technical faults, which implies 10-hour loadshedding across the country. However, the government has unleashed 10-15 hours in rural and 6-8 hours in urban areas as officially confirmed shortfall of 5,000 MW is over and above system constraints of NTDC, Discos and local faults.

- **Gauss Auto to establish EV plant in Karachi | BR:** Gauss Auto has announced to establish an Electric Vehicle (EV) plant in Pakistan's Special Economic Zone. The plan is to enter into a joint venture (JV) with AKD Group Holdings (Pvt) Limited and set up the plant near Port Qasim, Karachi on around 1,000 acres of land. Gauss Auto is an enterprise focusing on the innovation and development of automobiles and the integration of resources. It is registered in Silicon Valley, California, and operates in Shanghai, China.

- **Emergency economic plan unveiled: Import of non-essential, luxury items banned | BR:** Minister for Information and Broadcasting, Marriyum Aurangzeb Thursday announced the government decision to impose ban on the import of 38 non-essential luxury items, which would yield USD6bn annual saving of foreign exchange reserves. Unveiling the move at a press conference here, the minister said that the government is working on an emergency plan to deal with the economic challenges and these steps are part of it. While briefing the media, she said the government had imposed a ban on luxury items which will have a positive impact on foreign exchange reserves within two months, saving USD6 billion annually.

Market Indices	19-May-22	18-May-22	30-Jun-21
KSE 100	42,983	43,027	47,356
KSE 30	16,350	16,360	18,962
KMI 30	69,461	69,512	76,622
KSE All Shares	29,250	29,280	32,480

Volume (mn Shares)	19-May-22	FYTD (Average)
KSE 100	82.2	117.3
KSE 30	54.0	55.2
KMI 30	48.9	51.2
KSE All Shares	187.1	307.1

Commodity Rates	19-May-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	112.0	2.7%	49.1%
Crude Oil-Arab Light (USD/BBL)	113.7	1.9%	57.3%
Coal (USD/Tonne)	329.5	-0.2%	186.9%
Copper (USD/Lbs)	4.3	2.5%	0.4%
Cotton (¢/Lbs)	142.7	2.3%	75.3%
Gold (USD/Ounce)	1,841.7	1.4%	4.1%

Currency (Interbank)	19-May-22	Daily Change	FYTD Change
US Dollar	199.7	1.1%	26.8%
UK Pound	248.8	2.1%	14.2%
Euro	211.4	2.3%	13.2%
UAE Dirham	54.6	1.1%	26.8%
Chinese Yuan	29.7	1.7%	21.9%

Fund Flows (USD mn)	19-May-22	FYTD
FOREIGN INDIVIDUAL	0.00	4.26
FOREIGN CORPORATES	-0.54	-354.51
OVERSEAS PAKISTANI	0.16	65.47
FIPI NET	**-0.38**	**-284.78**

Economic Data (USD mn)	FY22E	FY21	FY20
GDP Growth	4.6%	5.4%	-0.5%
	Apr-22	**Mar-22**	
Exports	2,897	2,777	
Imports	6,679	6,407	
Remittances	3,125	2,810	
Foreign Exchange Reserves	10,499	11,425	

Money Market Data	19-May-22	18-May-22	30-Jun-21
SBP Policy Rate	12.25	12.25	7.00
CPI Inflation	13.37	13.37	9.70
3 Month T-Bill	14.49	15.14	7.28
6 Month T-Bill	14.76	15.18	7.53
12 Month T-Bill	14.65	14.91	7.81
3 Year Government Bond	13.53	13.59	8.99
5 Year Government Bond	12.86	12.90	9.49
10 Year Government Bond	12.88	12.91	9.94
3 Month KIBOR	14.65	15.15	7.45
6 Month KIBOR	14.84	15.18	7.69

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