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MCB-ARIF HABIB
Savings and Investments Limited

- **Pakistan, EU launch MIP with initial grant of 265m euros | BR:** The government of Pakistan and the European Union on Thursday launched Multi-Annual Indicative Programme (MIP), covering the period 2021-2027 with an initial grant of 265 million Euros earmarked for the period from 2021 to 2024. Dr Riina Kionka, the Ambassador of the European Union to Pakistan called on the Federal Minister for Economic Affairs, Sardar Ayaz Sadiq, here on Thursday. The matters of mutual interest were discussed in the meeting.
- **China has lent Pakistan USD21.9bn since 2018: report | The News:** China has made nearly USD26bn in short and medium-term loans to Pakistan and Sri Lanka over the past five years as its overseas lending shifts from funding infrastructure toward providing emergency relief, Bloomberg reported. AidData, a research lab at William and Mary, a university in the US, compiled data showing the shift in China's USD900bn Belt and Road Initiative to loans aimed at easing foreign currency shortages since 2018.
- **Forex reserves fall by USD206mn | BR:** The country's total liquid foreign exchange reserves declined by USD206mn during last week due to external debt servicing. According to weekly forex report issued by State Bank of Pakistan (SBP) Thursday, total liquid foreign exchange reserves held by the country stood atUSD 14.21bn as on Jul 29, 2022 compared to USD14.14bn on July 22, 2022.
- **THE RUPEE: PKR strengthens further | BR:** The rupee continued on its merry recovery path against the US dollar, appreciating to close near the 226 level in the inter-bank market on Thursday. As per the State Bank of Pakistan (SBP), the rupee closed at 226.15, an appreciation of PKR2.65 or 1.17% against the greenback.
- **PKR30bn additional taxes to be finalised soon: FBR | BR:** The Federal Board of Revenue (FBR) Chairman Thursday said additional taxes to the tune of PKR30bn would be finalised and unveiled soon as the Board was working on it as per the decision of the Economic Coordination Committee (ECC) of the Cabinet in this regard.
- **Fixed tax regime: Decision deferred for a year: Miftah | BR:** The government has decided to reverse the decision of the fixed tax regime on electricity bills for a period of one year, said Finance Minister Miftah Ismail on Thursday. Subsequent to talks for the third consecutive day with the traders, Ismail and Federal Minister for Power Khurram Dastgir Khan announced that on the demand of the traders, the government has decided to withdraw the fixed tax regime on electricity bills for one year.
- **Shariah-compliant investment: SECP unveils list of 7 'prohibited' products, practices | BR:** The Securities and Exchange Commission of Pakistan (SECP) has issued a list of seven products and practices that investors adhering to Shariah principles must not procure or utilise, including conventional derivative products. The SECP Thursday issued guidelines under section 40B of the Securities and Exchange Commission of Pakistan Act, 1997 to facilitate the investors in undertaking Shariah-compliant investments through the Pakistan Stock Exchange.
- **Weak PKR exacts a toll on Wapda's Eurobond as well | BR:** The National Electric Power Regulatory Authority (Nepra) Thursday said that the value of Wapda's USD500mn raised through Eurobond and deposited into the National Bank of Pakistan, has reduced to USD312mn due to rupee depreciation versus the US dollar. Nepra Chairman Tauseef H Farooqi offered these comments during a public hearing on Wapda's petition for upward revision of its hydroelectric power tariff by PKR0.47 per unit to PKR41.5 per unit for 2022-23 from Nepra-determined tariff of PKR3.68 per unit.
- **Petrol price to be fixed weekly under IMF conditions: sources | The News:** As part of its efforts in getting stalled USD6 billion IMF bailout package revived, the Pakistan government is all set to revise the prices of petroleum products on a weekly basis, which was one of the preconditions for the release of the amount to Islamabad, said sources in Finance Ministry. Earlier, the government on a fortnight basis revised the prices of petroleum products.
- **Govt rejects speculations about gas tariff hike | BR:** Minister of State for Petroleum Dr Musadik Malik on Thursday while assuring no increase in gas rate said that the government had not increased the rate of gas for any sector, being provided to the consumers on networks of the SNGPL and the SSGC. He categorically said this while turning down speculative reports circulating in a section of media about the price hike.
- **Limited options for car buyers | Dawn:** If a consumer is afraid of further price increases and chooses to buy locally assembled vehicles, he/she has the option of Korean and Chinese-assembled vehicles. Among the Japanese brands, Honda is the only choice in view of the booking closure of Toyota and Suzuki vehicles from May 18 and July 1, respectively. Booking is now open for Honda City, Civic, and BR-V models, but getting the keys to the Honda Civic by May 2023 will undoubtedly be a test of the buyer's patience.
- **GoP directors on KE board: PD asked to seek legal opinion | BR:** Prime Minister Shehbaz Sharif has directed Power Division to seek opinion of Ministry of Law as to whether Federal Cabinet approval is required for nomination of GoP directors on the KE's Board of Directors, official sources told Business Recorder. Prime Minister has issued these directions on a summary of Power Division sent on July 25, 2022 with respect to proposed names of three Directors to represent GoP on KE Board. K-Electric is a corporate entity registered with Securities and Exchange Commission of Pakistan (SECP).
- **Agreement signed: MEBL, AHG to build, sell apartment towers | BR:** Arif Habib Group (AHG) and Meezan Bank Limited (MEBL) have entered into a strategic partnership to jointly develop and sell apartment towers at Naya Nazimabad under Musharakah mode. This collaboration will allow customers to opt for the Shariah-Compliant home financing services offered by MBL.
- **Cabinet meeting: Declaration against PTI to be filed with SC | The News:** The federal cabinet Thursday decided to send a declaration against Pakistan Tehreek-e-Insaf (PTI) and its leadership to the Supreme Court, and directed the Federal Investigation Agency (FIA) to launch an inquiry against the party leaders for start of criminal proceedings against them on the charges of money laundering and misuse of charity funds for political purposes.
- **BoE unveils biggest rate hike since 1995 | Dawn:** Britain will sink into a lengthy recession later this year as inflation rockets even higher, the Bank of England forecast on Thursday as it unveiled the biggest interest rate hike since 1995. The move comes as Britons endure a cost-of-living crisis that has dominated the race to succeed Boris Johnson following his resignation as prime minister.

Market Indices

	4-Aug-22	3-Aug-22	30-Jun-22
KSE 100	41,425	41,069	41,541
KSE 30	15,660	15,570	15,805
KMI 30	67,700	67,261	68,766
KSE All Shares	28,603	28,429	28,582

Volume (mn Shares)

	4-Aug-22	FYTD (Average)
KSE 100	114.5	77.7
KSE 30	64.0	46.9
KMI 30	68.6	49.0
KSE All Shares	275.4	161.2

Commodity Rates

	4-Aug-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	94.1	-2.7%	-18.0%
Crude Oil-Arab Light (USD/BBL)	94.9	-2.4%	-12.1%
Coal (USD/Tonne)	292.0	-6.1%	-14.5%
Copper (USD/Lbs)	3.5	0.4%	-6.2%
Cotton (¢/Lbs)	104.8	-0.2%	-5.0%
Gold (USD/Ounce)	1,791.1	1.5%	-0.9%

Currency (Interbank)

	4-Aug-22	Daily Change	FYTD Change
US Dollar	225.4	-1.2%	10.2%
UK Pound	274.1	-1.1%	10.1%
Euro	230.9	-0.4%	7.7%
UAE Dirham	61.3	-1.8%	9.8%
Chinese Yuan	33.4	-1.1%	9.4%

Fund Flows (USD mn)

	4-Aug-22	FYTD
FOREIGN INDIVIDUAL	0.02	0.06
FOREIGN CORPORATES	0.12	3.72
OVERSEAS PAKISTANI	-0.31	2.56
FIPI NET	**-0.17**	**6.34**

Economic Data (USD mn)

	FY22P	FY21	FY20
GDP Growth	6.0%	5.7%	-0.9%
	Jun-22	**May-22**	
Exports	2,918	2,626	
Imports	7,880	6,777	
Remittances	2,714	2,333	
Foreign Exchange Reserves	9,816	9,397	

Money Market Data

	4-Aug-22	3-Aug-22	30-Jun-22
SBP Policy Rate	15.00	15.00	13.75
CPI Inflation	24.93	24.93	21.32
3 Month T-Bill	15.66	15.64	14.98
6 Month T-Bill	15.72	15.71	15.15
12 Month T-Bill	15.81	15.81	15.30
3 Year Government Bond	13.76	13.27	13.45
5 Year Government Bond	13.17	13.27	12.93
10 Year Government Bond	12.88	12.92	12.92
3 Month KIBOR	15.81	15.79	15.16
6 Month KIBOR	15.90	15.89	15.35

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