Morning News 16-Aug-2022

MCB-ARIF HABIB
Savings and Investments Limited

- **Investment, energy and trade: MBS urged to expedite cooperation | BR:** Prime Minister Shehbaz Sharif and Saudi Arabia's Crown Prince, Deputy Prime Minister and Defence Minister Prince Mohammed bin Salman bin Abdulaziz Al-Saud on Monday expressed the resolve to further strengthening the strong, longstanding Pakistan-Saudi Arabia fraternal ties.
- **Govt to send LoI to IMF today | The News:** The government is all set to dispatch its signed Letter of Intent (LoI) to the International Monetary Fund (IMF) on Tuesday (today) as Islamabad has made a fresh request to the Fund staff for making some slight changes in it. Now the mini budget will be unveiled through the promulgation of the Presidential Ordinance to fetch additional taxes.
- **IMF-dictated law to enable G2G deals for sale of SOEs | The News:** The Inter-Governmental Commercial Transaction Bill 2022, which recently passed the lower house of the parliament, will pave the way for the smooth selloff of state-owned enterprises (SOEs) and the government's shares in publicly-owned entities, helping raise USD2 to USD3bn, officials said on Monday.
- **Report called in 10 days: PM orders removal of impediments to inward FDI flows | BR:** Prime Minister Shehbaz Sharif has directed for removal of all the hindrances in foreign investment immediately and sought a report in this regard with recommendations in 10 days.
- **10th successive gain: Rupee closes near 214 against US dollar | BR:** The rupee continued its winning momentum against the US dollar on Monday, appreciating for the 10th successive session to close at 213.98 in the inter-bank market. As per the State Bank of Pakistan (SBP), the currency settled at 213.98, an appreciation of 0.71% or PKR1.51 against the greenback.
- **Debt and liabilities hit historic high of PKR59.6tr | BR:** Pakistan's total debt and liabilities (domestic and external) continued to grow and reached the historic level of PKR59.6 trillion by the end of last fiscal year (FY22), mainly due to fresh borrowing from domestic and external resources.
- **Petrol price raised, HSD, kerosene rates cut | Dawn:** The government raised the price of petrol and reduced those of high-speed diesel (HSD) and kerosene on Monday for the next fortnight. According to an announcement by the ministry of finance, the rate of petrol and light diesel oil (LDO) was increased by PKR6.72 and 43 paisa per litre, respectively.
- **PM likely to cut new LNG deal with Qatar | BR:** Prime Minister Shehbaz Sharif is likely to undertake a two-day (August 23-24) official visit to Qatar aimed at cementing existing bilateral relations and seal some agreements including deliberations on new LNG deal, well informed sources told Business Recorder.
- **Ogra notifies 3% cut in RLNG price for August | Dawn:** The Oil and Gas Regulatory Authority (Ogra) has notified an almost three per cent reduction in the price of re-gasified liquefied natural gas (RLNG) for August as the international spot market remained a 'no-go area' for Pakistani importers and the average cost of cargos under long-term contract slightly came down with oil price cut.
- **Overdue receivables' payment: Hubco accuses CPPA-G of being 'unfair' | BR:** M/s Hub Power Company (Hubco) has reportedly accused Central Power Purchasing Agency Guaranteed (CPPA-G), the market operator and an arm of the Power Division, of being unfair with respect to payment of overdue receivables.
- **Tracking rupee's movement, Indus Motor Company reduces car prices | BR:** In a little over two weeks after increasing car prices by up to, PKR3.16mn, Indus Motor Company (IMC) has announced a downward revision in rates following the Pakistan rupee's impressive recovery against the US dollar.
- **Shanghai Electric's team, minister discuss matters | BR:** A delegation from Shanghai Electric Company on Monday called on the Sindh Minister for Energy Imtiaz Shaikh at his office and discussed matters of mutual interests. Imtiaz Shaikh said the Sindh government was working expeditiously on projects in Thar Coal Field to meet the country's energy needs from the Thar Coal Power Project and trying to provide all possible facilities to the companies working on the projects.
- **Nawaz Sharif to return to Pakistan next month, claims PML-N | The News:** PML-N leader and Federal Minister Javed Latif on Thursday claimed that his party's supremo Nawaz Sharif will return to Pakistan in September in line with the call of the people. Addressing a press conference flanked by PML-N Punjab spokesperson Azma Bukhari, Latif said that the "doctors" have announced their decision and Nawaz will be among the people in the country next month. "The doctors change their opinion with time.
- **US, Pakistan discuss options for Bajwa's visit to DC | Dawn:** The United States and Pakistani officials are considering various options for Chief of Army Staff (COAS) Gen Qamar Bajwa to visit the United States in late August or early September, diplomatic sources told Dawn. "A date will soon be finalized," a source said. Since the visit has not yet been officially confirmed, neither side has announced the agenda of the talks Gen Bajwa is likely to hold in Washington.

Market Indices	15-Aug-22	12-Aug-22	30-Jun-22
KSE 100	43,622	42,858	41,541
KSE 30	16,468	16,216	15,805
KMI 30	71,422	70,255	68,766
KSE All Shares	29,945	29,476	28,582

Volume (mn Shares)	15-Aug-22	FYTD (Average)
KSE 100	261.9	99.1
KSE 30	147.8	60.5
KMI 30	168.5	64.4
KSE All Shares	540.3	204.5

Commodity Rates	15-Aug-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	95.1	-3.1%	-17.2%
Crude Oil-Arab Light (USD/BBL)	95.9	-2.7%	-11.1%
Coal (USD/Tonne)	320.5	2.4%	-6.2%
Copper (USD/Lbs)	3.6	-1.4%	-2.5%
Cotton (¢/Lbs)	123.8	4.2%	12.3%
Gold (USD/Ounce)	1,778.9	-1.3%	-1.6%

Currency (Interbank)	15-Aug-22	Daily Change	FYTD Change
US Dollar	213.6	-2.6%	4.4%
UK Pound	257.5	-3.2%	3.4%
Euro	217.0	-3.5%	1.2%
UAE Dirham	58.5	-2.3%	4.7%
Chinese Yuan	31.5	-3.1%	3.3%

Fund Flows (USD mn)	15-Aug-22	FYTD
FOREIGN INDIVIDUAL	0.07	0.20
FOREIGN CORPORATES	-2.43	-0.44
OVERSEAS PAKISTANI	0.15	3.95
FIPI NET	**-2.21**	**3.71**

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	15-Aug-22	12-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	15.74	15.70	14.98
6 Month T-Bill	15.80	15.78	15.15
12 Month T-Bill	15.88	15.87	15.30
3 Year Government Bond	13.65	13.65	13.45
5 Year Government Bond	12.89	12.85	12.93
10 Year Government Bond	12.85	12.85	12.92
3 Month KIBOR	15.88	15.87	15.16
6 Month KIBOR	15.97	15.95	15.35

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