Morning News 14-Sep-2022

MCB-ARIF HABIB
Savings and Investments Limited

- **IMF eyes expanded access to emergency aid for food shocks | BR:** The International Monetary Fund's executive board, under pressure to provide emergency funding to countries facing war-induced food price shocks, reviewed a plan on Monday that would help Ukraine and other countries hit hard by Russia's war, sources familiar with the matter told Reuters.
- **August remittances post 8% growth MoM | BR:** Inflows of workers' remittances posted 8% growth during August 2022, the State Bank of Pakistan (SBP) reported on Tuesday. According to the SBP statistics, the country received home remittances amounting to USD2.7bn during August 2022 compared to USD2.52bn in July 2022, showing an increase of USD200mn.
- **PC input sought on managing DISCOs on PPP basis | The News:** The Cabinet Committee on Privatisation (CCoP) on Tuesday tasked the Privatisation Commission (PC) to come up with its thorough input on the prospects of public private partnership in the management of power distribution companies (DISCOs). Federal Minister for Finance and Revenue, Miftah Ismail presided over the committee meeting, an official statement said.
- **THE RUPEE: PKR free fall continues unabated | BR:** Pakistan's rupee continued to sustain losses against the US dollar for the eighth successive session, settling with a depreciation of 0.91% in the inter-bank on Tuesday, as investors remained concerned over the trade gap in coming months.
- **Schemes covering duty, tax remission: FBR unveils list of 854 active manufacturers | BR:** The Federal Board of Revenue (FBR) has issued a list of 854 active manufacturers under various export facilitation schemes to extend duties/taxes exemption to only registered manufacturers-cum-exporters.
- **Car sales drop to lowest in more than two years | The News:** Car sales dropped to the lowest in more than two years as rising prices suppressed demand and import curbs hurt production even before the full impact of the devastating floods are factored in. Sales fell 50% to 8,980 units in August from a year ago, according to data released by Pakistan Automotive Manufacturers Association on Tuesday.
- **Cotton crop: Aptma estimates USD1.5bn production losses | BR:** All Pakistan Textile Mills Association (Aptma) has estimated USD1.5bn production losses of cotton crop due to rains and floods in the country. Accordingly, in order to avoid cotton shortage in the country, Aptma has decided to explore the international market to ensure procurement of quality cotton at reasonable rates.
- **No restrictions on raw material imports | The News:** State Bank of Pakistan (SBP) on Tuesday clarified that there were no restrictions on import of raw materials. According to a statement issued by the SBP, some media reports and representatives of trade organisations have claimed that banks were not opening letters of credit (LCs) for essential raw materials, including pharmaceuticals.
- **Govt likely to revise RLNG tariff of USD6.5/MMBTU | BR:** The government is likely to revise RLNG tariff of USD6.5/MMBTU to discourage rent seeking nature of Captive Power Plants (CPPs) besides limiting gas/RLNG supply. This was the crux of a discussion at a meeting of committee constituted by PM under the chairmanship of finance minister.
- **Hike in prices of 10 medicines: Cabinet rejects health ministry's summary | BR:** The federal cabinet Tuesday rejected the summary of the Ministry of National Health Services, Regulations, and Coordination to increase retail prices of 10 different medicines. The cabinet meeting was held under the chairmanship of Prime Minister Shehbaz Sharif.
- **PRL to close today if diesel off-take remains slumped | The News:** Pakistan Refinery Limited (PRL) on Tuesday warned of shutting down their operations today (Wednesday) if their high speed diesel (HSD) deadstock remains unpurchased by the local oil marketing companies (OMCs).
- **IPU chief urges developed states to help Pakistan | BR:** President of the Inter-Parliamentary Union (IPU) Duarte Pacheo urged the international community, especially the developed countries, to help Pakistan recover from the catastrophe of floods.
- **Italy to back Pakistan's GSP Plus renewal bid | Dawn:** Italy, on Tuesday, said it would support Pakistan for renewal of the EU's Generalised Scheme of Preferences Plus or GSP+ concession. Addressing the business community during his visit to Islamabad Chamber of Commerce and Industry (ICCI), Deputy Head of Mission at the Italian Embassy Dr Roberto Neccia also suggested Pakistan to send sector-specific trade missions to Italy to explore untapped areas of mutual cooperation.

Market Indices			
	13-Sep-22	12-Sep-22	30-Jun-22
KSE 100	42,001	41,862	41,541
KSE 30	15,723	15,663	15,805
KMI 30	69,345	69,100	68,766
KSE All Shares	28,806	28,747	28,582
Volume (mn Shares)			
	13-Sep-22	FYTD (Average)	
KSE 100	62.5	109.1	
KSE 30	28.9	61.6	
KMI 30	24.8	63.6	
KSE All Shares	118.5	225.1	
Commodity Rates			
	13-Sep-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	93.2	-0.9%	-18.8%
Crude Oil-Arab Light (USD/BBL)	92.5	-0.6%	-14.3%
Coal (USD/Tonne)	304.3	1.8%	-10.9%
Copper (USD/Lbs)	3.6	-1.2%	-3.5%
Cotton (¢/Lbs)	107.2	-3.5%	-2.8%
Gold (USD/Ounce)	1,701.6	-1.3%	-5.8%
Currency (Interbank)			
	13-Sep-22	Daily Change	FYTD Change
US Dollar	233.6	1.1%	14.2%
UK Pound	268.4	-0.5%	7.8%
Euro	232.9	-0.4%	8.6%
UAE Dirham	64.1	1.3%	14.7%
Chinese Yuan	33.7	1.2%	10.5%
Fund Flows (USD mn)			
	13-Sep-22	FYTD	
FOREIGN INDIVIDUAL	0.00	0.33	
FOREIGN CORPORATES	0.87	-8.75	
OVERSEAS PAKISTANI	0.34	8.64	
FIPI NET	**1.21**	**0.22**	
Economic Data (USD mn)			
	FY22P	FY21	FY20
GDP Growth	6.0%	5.7%	-0.9%
	Jul-22	Jun-22	
Exports	2,254	2,918	
Imports	4,993	7,880	
Remittances	2,524	2,761	
Foreign Exchange Reserves	8,385	9,816	
Money Market Data			
	13-Sep-22	12-Sep-22	30-Jun-22
SBP Policy Rate	15.00	15.00	13.75
CPI Inflation	27.30	27.30	21.32
3 Month T-Bill	15.97	15.95	14.98
6 Month T-Bill	15.90	15.90	15.15
12 Month T-Bill	15.96	15.96	15.30
3 Year Government Bond	13.84	13.82	13.45
5 Year Government Bond	13.25	13.21	12.93
10 Year Government Bond	12.77	12.76	12.92
3 Month KIBOR	16.05	16.03	15.16
6 Month KIBOR	16.08	16.07	15.35

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

Disclaimer: The information contained herein is compiled from sources MCB-AH believes to be reliable, but we do not accept responsibility for its accuracy or completeness. It is not intended to be an offer or a solicitation to buy or sell any mutual funds units.