# Morning News 15-Sep-2022

MCB-ARIF HABIB
Savings and Investments Limited

- **FATF team visit smooth, successful: FO | The News:** Pakistan Wednesday termed the recent onsite visit of a FATF technical team 'smooth and successful' and said it looked forward to a logical conclusion to the ongoing evaluation process. "The report of the FATF onsite team will be discussed in the ICRG (International Cooperation Review Group) and Plenary meetings, scheduled for the third week of October 2022 in Paris. Pakistan is looking forward to a logical conclusion to the ongoing evaluation process," said the Foreign Office in a statement.
- **ADB provided USD1.31bn to Pakistan in 2021 for social sector development | Mettis Global:** The Asian Development Bank (ADB) provided USD1.31bn to Pakistan in terms of loan and grant during last year (2021), which was comprised USD0.3bn in program lending, USD1.01bn from project lending and USD3mn from grants. The financing was aimed at to reduce poverty and improve the country's prosperity and resilience by supporting infrastructure, urban services, private sector, energy and food security, transport networks and social services, said a document of the bank.
- **Economists list factors behind pressure on PKR | BR:** Smuggling of the dollar, increase in trade deficit, non-materialization of funds from friendly countries as well as absence of investment have contributed to the ongoing pressure on the rupee. Former Finance Minister Dr Hafeez Pasha while talking to Business Recorder on telephone stated this.
- **PKR241.528bn mopped up in auction for PIBs | BR:** The federal government on Wednesday raised PKR241.53bn through sale of long-term investment bonds. The State Bank of Pakistan (SBP), on behalf of the federal government, conducted the auction for sale of 3-year, 5-year, 10-year, 12-year, 15-year, 20-year and 30-year Pakistan Investment Bonds (PIBs). Overall, bids worth PKR549.66bn received for the sale of 3-year, 5-year and 10-year PIBs.
- **Inflation in the country is at its peak, admits PM Shehbaz | Nation:** Prime Minister Shehbaz Sharif on Wednesday admitted that without any shadow of a doubt, inflation in the country is at its peak. Addressing the Lawyers Convention in Islamabad, he said that the first phase of the housing scheme has been completed today and the long-standing demand of the lawyers has been fulfilled, while the allotment letters have been distributed among the legal fraternity.
- **THE RUPEE: PKR sustains more losses | BR:** Pakistan's rupee continued to sustain losses against the US dollar for the ninth successive session, settling with a depreciation of 1.02% in the inter-bank on Tuesday, as the dollar strengthened globally while investors remained wary of a rising import bill. As per the State Bank of Pakistan (SBP), the rupee closed at 234.32 after declining by PKR2.4.
- **Tax reforms give capital market a level-playing field | BR:** Securities and Exchange Commission of Pakistan (SECP) Chairman Aamir Khan Wednesday informed the stock market brokers that the tax reforms have provided a level playing field to capital market, which had resulted in the withdrawal of the advance tax and Capital Value Tax (CVT) and reformed Capital Gains Tax (CGT).
- **Petrol price to drop by PKR9.62, diesel to go up PKR3.04 from 16th | The News:** The price of Mogas may decrease by PKR9.62 per litre to PKR226.36 per litre from PKR235.98 and diesel may go up by PKR3.04 per litre to PKR250.30 from PKR247.26 per litre for the next fortnight from September 16 (tomorrow). According to industrial sources, the average Platts price for motor spirit also went down during September 1-15 by PKR9.55 to PKR92.28 from PKR101.83.
- **600MW projects offered: Govt unveils solar PV projects policy | BR:** The government Wednesday unveiled its policy on fast-track development of solar PV projects at an investors' conference to offer projects of 600 MW. The salient features of the policy are: (i) single stage, two-envelope bidding; (ii) straight line tariff; (iii) 70% indexation of tariff; (iv) benchmark tariff by Nepra; (v) guaranteed purchase of power; (vi) land and interconnection to be provided by GoP; (vii) exemption on all import related duties and taxes; (viii) existing EPA & IA will be used; (ix) Commercial Operation Date (COD) within 12 months of Energy Purchase Agreement (EPA); (x) term-25 years on BOOT basis; (xi) 11.15% income tax; and (xii) payment guaranteed on 60th day after invoice through bank default.
- **36 LNG spot cargoes: PLL seeks exemption from PPRA rules | BR:** Fearing extreme volatility in the international market during the upcoming years, Pakistan LNG Limited (PLL) has sought exemption from PPRA rules for procurement of approximately 36 LNG spot cargoes for the period from January to December 2023, well-informed sources told Business Recorder.
- **Lucky to install 25.3MW captive solar power project in Karachi at estimated cost of PKR3bn | BR:** Lucky Cement Limited, one of Pakistan's biggest cement manufacturers, announced entering into an arrangement with Orient Energy Systems (Private) Ltd, an engineering company, for the supply and installation of 25.3MW captive solar power project at its Karachi plant.
- **Karachi LG elections on Oct 23: By-elections to 12 seats to be held on Oct 16 | BR:** Two days after announcing by-elections on four constituencies—comprising a National Assembly and three Punjab Assembly seats on October 9, the electoral body, Wednesday, once again revised the by-polls schedule, for the second time in less than a week, on these four seats as well as eight other NA seats as by-polls on all these 12 seats would now be held on October 16.

| Market Indices | | | |
|---|---|---|---|
| | **14-Sep-22** | **13-Sep-22** | **30-Jun-22** |
| KSE 100 | 42,012 | 42,001 | 41,541 |
| KSE 30 | 15,758 | 15,723 | 15,805 |
| KMI 30 | 69,469 | 69,345 | 68,766 |
| KSE All Shares | 28,765 | 28,806 | 28,582 |
| **Volume (mn Shares)** | | | |
| | **14-Sep-22** | **FYTD (Average)** | |
| KSE 100 | 94.1 | 108.8 | |
| KSE 30 | 66.7 | 61.7 | |
| KMI 30 | 49.0 | 63.3 | |
| KSE All Shares | 156.3 | 223.7 | |
| **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)** | | | |
| | **14-Sep-22** | **FYTD** | |
| FOREIGN INDIVIDUAL | 1.27 | 1.60 | |
| FOREIGN CORPORATES | 0.14 | -8.61 | |
| OVERSEAS PAKISTANI | 0.39 | 9.03 | |
| **FIPI NET** | **1.80** | **2.02** | |
| **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** | | | |
| | **14-Sep-22** | **13-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 | 15.98 | 15.97 | 14.98 |
| 6 Month T-Bill | 15.91 | 15.90 | 15.15 |
| 12 Month T-Bill | 15.95 | 15.96 | 15.30 |
| 3 Year Government Bond | 13.90 | 13.84 | 13.45 |
| 5 Year Government Bond | 13.25 | 13.25 | 12.93 |
| 10 Year Government Bond | 12.81 | 12.77 | 12.92 |
| 3 Month KIBOR | 16.06 | 16.05 | 15.16 |
| 6 Month KIBOR | 16.10 | 16.08 | 15.35 |

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