Morning News 27-Oct-2022

MCB-ARIF HABIB Savings and Investments Limited

- **Asian Bank releases USD1.5bn to Pakistan | Dawn:** The Asian Development Bank (ADB) on Wednesday released USD1.5 billion to Pakistan, which is facing a daunting task of arranging about USD32bn for debt servicing during the current financial year. "Asian Development Bank has released funds USD1.5 billion to Pakistan under BRACE programme for the credit of the government of Pakistan's account with State Bank of Pakistan. AlhamdoLilah!" Finance Minister Ishaq Dar tweeted after the release of the loan. The BRACE (Building Resilience Under Active Countercyclical Expenditures) programme aims to support the government's efforts to deal with the adverse impacts of devastating floods, supply chain disruptions, rising energy, fuel prices and inflation on the poor and vulnerable.
- **Discos allowed to recover extra PKR2.5bn for electricity consumption in September | Dawn:** The National Electric Power Regulatory Authority (Nepra) on Wednesday allowed ex-Wapda Distribution Companies (Discos) to charge about nine paise per unit higher rates to their consumers under monthly fuel cost adjustment (FCA) for electricity consumed in September. At a public hearing presided over by Nepra Chairman Tauseef H. Farooqui and members Rafique Shaikh and Maqsood Anwar Khan, the regulator took up a petition from Central Power Purchasing Agency (CPPA) on behalf of 10 Discos for about 20 paise per unit increase in FCA to mop up about PKR2.5 billion additional revenue next month.
- **Gas load management plan for winter: Govt to give top priority to domestic sector | The News:** The government has decided to extend top priority to the domestic sector in the winter season for ensuring gas supply three times for cooking purposes with full pressure under the gas load management plan to be implemented from November 1, 2022 till February end of 2023. Gas will be closed down to the non-export industry i.e. the CNG sector. The current gas supply to the export sector would be halved and, more importantly, the present supply of RLNG to the power sector would be reduced by 40 percent, a senior official of the Energy Ministry told The News. Top officials of the Petroleum Division and gas companies here on Wednesday put their heads to fine-tune the gas load management plan to be tabled before the prime minister for approval.
- **'Pakistan must implement 27 conventions before GSP+ review' | The News:** Ambassador of the European Union Dr Riina Kionka has called for effective implementation of the 27 labour and human rights conventions as Pakistan's current GSP plus status would be reviewed in December 2023. The ambassador said that more labour and human rights conventions would be added for implementation. Dr Kionka visited a number of garments' manufacturing units along with Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) executive committee members and others. She appreciated their performance and called for product diversity and more value-addition to exploit the full potential of market access to the countries under the present regime of the GSP plus.
- **Turkiye wants to increase trade with Pakistan to USD5b in next 2-3 years | Nation:** Turkiye wants to increase bilateral trade with Pakistan to at least USD5 billion in the next 2-3 years as both countries have good potential to further enhance two-way trade volume in many items. This was stated by Dr Mehmet Pacaci, Ambassador of Turkiye, while talking to a delegation of Islamabad Chamber of Commerce & Industry that called on him in his office, led by Ahsan Zafar Bakhtawari, President. Nurettin Demir, Commercial Counsellor of Turkiye Embassy was also present at the occasion.
- **Govt agrees to increase prices of paracetamol tablets, liquid | BR:** The government agreed on Wednesday to increase 25 percent in prices of paracetamol tablets and 12 percent in liquid against higher increase demanded by pharmaceutical industry. During a meeting with Finance Minister Ishaq Dar, the pharmaceutical companies involved in production of paracetamol products had asked to increase the price of plain 500mg tablet from current PKR1.87 to PKR2.67 but the minister agreed to increase the price of tablet to PKR2.35. The pharmaceutical companies had also demanded increase in price of Extra 500mg from current PKR2.19 to PKR3.32, however, the minister agreed to increase the price to PKR2.35. He also allowed the pharmaceutical companies to increase the price of liquid to PKR117.6 from existing PKR104.8.
- **Financial closure of 3 power projects: Govt seeks Sinosure's support | BR:** Pakistan has requested M/s Sinosure, Chinese insurance company, to support pending financial closure of certain energy projects, well informed sources told Business Recorder. Prime Minister, sources said, had directed Ministry of Foreign Affairs (MoFA) to arrange an online session of working group with Sinosure to discuss and resolve bottlenecks with respect to financial closure of Azad Pattan hydropower project, Kohala hydropower project and Thar Block-I power projects. The government had decided that Power Division, Finance Division, Planning Division, Chinese Mission in Pakistan and Pakistan Mission in China along with other relevant stakeholders will participate in the session.

Market Indices

	26-Oct-22	25-Oct-22	30-Jun-22
KSE 100	41,540	42,190	41,541
KSE 30	15,274	15,537	15,805
KMI 30	70,188	71,385	68,766
KSE All Shares	28,376	28,710	28,582

Volume (mn Shares)

	26-Oct-22	FYTD (Average)
KSE 100	107.1	106.8
KSE 30	72.5	67.4
KMI 30	60.3	61.5
KSE All Shares	265.4	235.3

Commodity Rates

	26-Oct-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	95.7	2.3%	-16.7%
Crude Oil-Arab Light (USD/BBL)	91.1	3.8%	-15.6%
Coal (USD/Tonne)	238.0	-1.0%	-30.3%
Copper (USD/Lbs)	3.5	3.8%	-6.7%
Cotton (¢/Lbs)	78.7	-0.8%	-28.7%
Gold (USD/Ounce)	1,664.5	0.7%	-7.9%

Currency (Interbank)

	26-Oct-22	Daily Change	FYTD Change
US Dollar	219.0	-0.7%	7.1%
UK Pound	254.6	0.7%	2.3%
Euro	220.7	0.4%	3.0%
UAE Dirham	59.9	-0.6%	7.2%
Chinese Yuan	30.5	0.6%	0.0%

Fund Flows (USD mn)

	26-Oct-22	FYTD
FOREIGN INDIVIDUAL	0.48	19.94
FOREIGN CORPORATES	-0.12	-0.24
OVERSEAS PAKISTANI	0.14	10.45
FIPI NET	**0.50**	**30.16**

Economic Data (USD mn)

	FY22P	FY21	FY20
GDP Growth	6.0%	5.7%	-0.9%
	Sep-22	**Aug-22**	
Exports	2,446	2,482	
Imports	5,347	6,071	
Remittances	2,437	2,724	
Foreign Exchange Reserves	7,900	8,834	

Money Market Data

	26-Oct-22	25-Oct-22	30-Jun-22
SBP Policy Rate	15.00	15.00	13.75
CPI Inflation	23.18	23.18	21.32
3 Month T-Bill	15.57	15.58	14.98
6 Month T-Bill	15.66	15.65	15.15
12 Month T-Bill	15.67	15.66	15.30
3 Year Government Bond	13.95	13.82	13.45
5 Year Government Bond	13.10	13.04	12.93
10 Year Government Bond	12.83	12.80	12.92
3 Month KIBOR	15.78	15.79	15.16
6 Month KIBOR	15.84	15.84	15.35

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