Morning News 23-Nov-2022

MCB-ARIF HABIB Savings and Investments Limited

- **Pakistan faces currency crisis danger: Nomura | BR:** Nomura has warned that seven countries - Egypt, Romania, Sri Lanka, Turkey, Czech Republic, Pakistan and Hungary - are now at a high risk of currency crises. The Japanese bank said that 22 of the 32 countries covered by its in-house "Damocles" warning system have seen their risk rise since its last update since May, with the largest increases in the Czech Republic and Brazil.
- **IFC launches USD225mn platform to back startups | Dawn:** The International Finance Corporation (IFC) of the World Bank Group has launched a new USD225mn platform to help build the digital economy in Pakistan and countries of Africa, the Middle East and Central Asia. The platform will build on IFC's investments and efforts to build tech ecosystems in Africa, the Middle East, Central Asia, and Pakistan through initiatives such as the IFC Startup Catalyst Programme, IFC announced.
- **Monetary policy to be announced on Friday | BR:** The meeting of the Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) will be held on Friday, November 25, 2022 at SBP Karachi to take a decision on the key policy rate.
- **Rupee's gain surprises market | Dawn:** The rupee regained 24 paise against the US dollar on Tuesday but the currency experts were unable to explain this reasonless appreciation. The State Bank of Pakistan (SBP) reported the dollar closing price at PKR223.42 compared to PKR223.66 on Monday.
- **22% reduction in POL products' consumption: IMF sees PKR350bn levy shortfall | The News:** The International Monetary Fund (IMF) has assessed the government would have to face a shortfall of PKR300-350bn on account of Petroleum Development Levy (PDL) in the wake of a 22% reduction in consumption of POL products and its inability to slap a maximum levy on all POL products.
- **Cost-plus reflection of transportation: PC asks Nepra to make Thar coal economically viable | BR:** Planning Commission (PC) has urged National Electric Power Regulatory Authority (Nepra) to allow cost-plus reflection of transportation cost of Thar coal in the tariff, to make utilization of indigenous coal viable. Planning Commission's Member Energy suggested this during a meeting held on Thar coal convened on the directions of Prime Minister Shehbaz Sharif, who has constituted a committee to ascertain the availability and demand of Thar coal and commercial viability of Thar rail connectivity project.
- **'Reko Diq reference': Country to pay USD9bn if deal not inked by Dec 15, SC told | BR:** The counsel for Barrick Gold informed the apex court that if by December 15, 2022, the agreement is not signed between Balochistan and Barrick Gold then Pakistan would have to pay over USD9bn. In 2019, the World Bank's arbitration tribunal imposed a penalty on Pakistan for unlawful denial of mining.
- **KOHC to add production capacity of 11 MMT during FY23 | MettisGlobal:** Kohat Cement Company (PSX: KOHC) will likely add a cement capacity of 11 million metric tons (MMT) during FY23 while 16 MTs shall be added in the next three years, the management of the company informed while holding a corporate briefing session on Monday.
- **SNGPL begins disconnecting gasconnections of captive power plants | The News:** Sui Northern Gas Pipelines Ltd (SNGPL) has begun disconnecting natural gas connections of captive power plants as per policy announced last year, it was learnt on Tuesday.
- **KE says transmission, distribution losses reduced to 15% in FY22 | The News:** K.Electric (KE) has reduced its transmission and distribution (T&D) losses from around 34% at the time of privatisation to 15% by the end of FY22, KE's chief financial officer Muhammad Aamir Ghaziani said on Tuesday.
- **Karachi, Hyderabad: ECP decides to hold LG polls on Jan 15 | BR:** The Election Commission of Pakistan (ECP) has rejected requests of Sindh and federal government to postpone the local government elections in Karachi and Hyderabad divisions, announcing to hold the polls in all the 16 districts of these two divisions on the coming January 15.
- **PM to leave for Turkey on 25th | BR:** Prime Minister Shehbaz Sharif is likely to visit Turkey on November 25 on a two-day visit. Diplomatic sources said that the prime minister is expected to hold the visit at the invitation of Turkish President Recep Tayyip Erdogan along with a delegation of his cabinet members including Defence Minister Khawaja Asif.
- **GHQ sends summary to MoD on top military appointments | BR:** GHQ has forwarded the summary for Selection of CJCSC and COAS, containing names of six senior most Lt Gens, to MoD. According to ISPR, the GHQ has sent the summary to PM house. However, Defence Minister Khawaja Asif, on Tuesday while responding to the speculations regarding appointments of COAS and CJCSC said the summary has not yet been received by the Prime Minister's House.
- **WB to take up dispute on two dams in held Kashmir | Dawn:** The World Bank is prepared to take up the dispute between Pakistan and India over the Kishenganga and Ratle hydroelectric power plants. The process has been put in place under the auspices of the World Bank as the two countries disagree over whether the technical design features of the two plants contravene the Indus Water Treaty.

Market Indices			
	22-Nov-22	21-Nov-22	30-Jun-22
KSE 100	42,929	42,761	41,541
KSE 30	15,792	15,727	15,805
KMI 30	72,819	72,349	68,766
KSE All Shares	28,983	28,927	28,582
Volume (mn Shares)			
	22-Nov-22	FYTD (Average)	
KSE 100	82.4	102.3	
KSE 30	68.0	65.1	
KMI 30	51.7	59.5	
KSE All Shares	194.5	230.6	
Commodity Rates			
	22-Nov-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	88.4	1.0%	-23.0%
Crude Oil-Arab Light (USD/BBL)	82.5	1.3%	-23.6%
Coal (USD/Tonne)	200.0	-5.9%	-41.5%
Copper (USD/Lbs)	3.6	0.9%	-3.5%
Cotton (¢/Lbs)	81.4	3.4%	-26.2%
Gold (USD/Ounce)	1,740.2	0.1%	-3.7%
Currency (Interbank)			
	22-Nov-22	Daily Change	FYTD Change
US Dollar	223.8	-0.1%	9.4%
UK Pound	265.9	0.4%	6.8%
Euro	230.5	0.5%	7.5%
UAE Dirham	61.3	0.0%	9.8%
Chinese Yuan	31.3	0.2%	2.7%
Fund Flows (USD mn)			
	22-Nov-22	FYTD	
FOREIGN INDIVIDUAL	-0.01	23.39	
FOREIGN CORPORATES	-0.37	-8.77	
OVERSEAS PAKISTANI	0.73	12.96	
FIPI NET	**0.34**	**27.58**	
Economic Data (USD mn)			
	FY22P	FY21	FY20
GDP Growth	6.0%	5.7%	-0.9%
	Oct-22	Sep-22	
Exports	2,384	2,446	
Imports	4,711	5,347	
Remittances	2,216	2,437	
Foreign Exchange Reserves	8,913	7,879	
Money Market Data			
	22-Nov-22	21-Nov-22	30-Jun-22
SBP Policy Rate	15.00	15.00	13.75
CPI Inflation	26.60	26.60	21.32
3 Month T-Bill	15.71	15.70	14.98
6 Month T-Bill	15.72	15.71	15.15
12 Month T-Bill	15.72	15.72	15.30
3 Year Government Bond	14.09	14.09	13.45
5 Year Government Bond	13.21	13.19	12.93
10 Year Government Bond	12.90	12.90	12.92
3 Month KIBOR	15.83	15.81	15.16
6 Month KIBOR	15.87	15.85	15.35

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