Morning News 04-May-2023

MCB-ARIF HABIB
Savings and Investments Limited

- **IMF says inflation to slow growth across Middle East, Pakistan this year | The News:** Economies across the Middle East and Central Asia will likely slow this year as persistently high inflation and rising interest rates bite into their post-pandemic gains, the International Monetary Fund (IMF) said Wednesday.
- **Power companies allowed to extract another Rs8.4bn. | Dawn:** The National Electric Power Regulatory Authority (Nepra) on Wednesday concluded that ex-Wapda distribution companies (Discos) and K-Electric would charge between 34 paise and Rs3.70 additional fuel cost, respectively, from their consumers for power consumed in March, under monthly fuel cost adjustment (FCA) mechanism.
- **Petroleum sales halve in April as inflation bites | Dawn:** Pakistan's overall oil sales plunged 47 per cent year-over-year to 1.171 million tonnes in April, while the total sales shrank by 24pc to 13.970m tonnes in the July-April period of FY23.
- **Local cement sales fall 16pc in April, exports up | The News:** Ongoing economic turmoil and political instability have adversely impacted domestic cement consumption as construction activities have almost come to a halt, resulting in a continuous downwards slide for the cement industry.
- **T-bill yields hold steady as April inflation comes in lower than expected | The News:** The cut-off yields on market treasury bills remained relatively stable on Wednesday after the rate of inflation in April was lower than initially anticipated, suggesting that there may not be any forthcoming interest rate hikes in the next month.
- **Oil sector seeks Rs12/litre margin on diesel, petrol | The News:** Pakistan's oil industry has sought Rs12/litre margin on high speed diesel (HSD) and Mogas (petrol) for oil marketing companies (OMCs) in view of the high cost.
- **Cash-surplus banks park Rs705bn in govt papers | Dawn:** The government raised Rs705 billion through an auction of market treasury bills despite Rs1.195 trillion bids offered mostly by banks on Wednesday.
- **No subsidy without prior approval, IMF tells Pakistan | The News:** The International Monetary Fund (IMF) has incorporated into the draft Memorandum of Economic and Financial Policies (MEFP) that Pakistan will not provide any kind of additional subsidy without prior approval of the Fund.
- **No consensus on early elections: PTI asks SC to take action for polls in Punjab | The News:** Pakistan Tehreek-e-Insaf (PTI) on Wednesday requested the Supreme Court to implement its order of holdings elections in the province of Punjab on May 14 so that the Constitution is upheld and does not stand violated.
- **Outrage over seeking of parliamentary proceedings record by apex court: Ex-PM wants NA to summon CJP | The News:** Former prime minister and Pakistan Muslim League-Nawaz (PMLN) Senior Vice President Shahid Khaqan Abbasi on Wednesday said that the Chief Justice of Pakistan (CJP) Umar Ata Bandial should be summoned to parliament and asked why the National Assembly session record was sought.
- **IHC orders Imran to appear in court today or face bail cancellation | BR:** The Islamabad High Court (IHC) on Wednesday asked Pakistan Tehreek-e-Insaf (PTI) Chairman Imran Khan to appear before it after the former premier failed to turn up at a hearing.

Market Indices

	3-May-23	2-May-23	30-Jun-22
KSE 100	42,088	41,928	41,541
KSE 30	15,369	15,331	15,805
KMI 30	73,134	72,703	68,766
KSE All Shares	27,770	27,646	28,582

Volume (mn Shares)

	3-May-23	FYTD (Average)
KSE 100	135.5	93.3
KSE 30	97.0	58.3
KMI 30	90.1	57.0
KSE All Shares	287.8	197.2

Commodity Rates

	3-May-23	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	72.3	-4.0%	-37.0%
Crude Oil-Arab Light (USD/BBL)	74.0	-3.7%	-31.4%
Coal (USD/Tonne)	126.0	-2.2%	-63.1%
Copper (USD/Lbs)	3.9	-0.4%	3.8%
Cotton (¢/Lbs)	75.6	-2.1%	-31.5%
Gold (USD/Ounce)	2,039.0	1.1%	12.9%

Currency (Interbank)

	3-May-23	Daily Change	FYTD Change
US Dollar	283.3	0.1%	38.5%
UK Pound	355.9	0.9%	43.0%
Euro	313.3	0.6%	46.2%
UAE Dirham	77.5	0.0%	38.8%
Chinese Yuan	41.0	0.1%	34.3%

Fund Flows (USD mn)

	3-May-23	FYTD
FOREIGN INDIVIDUAL	0.00	23.78
FOREIGN CORPORATES	3.21	-64.23
OVERSEAS PAKISTANI	0.21	42.66
FIPI NET	**3.43**	**2.20**

Economic Data (USD mn)

	FY23E	FY22	FY21
GDP Growth	0.2%	6.0%	5.7%
	Mar-23	**Feb-23**	
Exports	2,372	2,191	
Imports	3,816	4,034	
Remittances	2,533	1,988	
Foreign Exchange Reserves	4,208	3,864	

Money Market Data

	3-May-23	2-May-23	30-Jun-22
SBP Policy Rate	21.00	20.00	13.75
CPI Inflation	36.40	35.40	21.32
3 Month T-Bill	21.90	21.90	14.98
6 Month T-Bill	21.80	21.80	15.15
12 Month T-Bill	21.75	21.75	15.30
3 Year Government Bond	18.28	18.28	13.45
5 Year Government Bond	15.05	15.04	12.93
10 Year Government Bond	15.10	15.10	12.92
3 Month KIBOR	22.06	22.05	15.16
6 Month KIBOR	22.07	22.06	15.35

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