

## Top News

October 08, 2021

**WB lowers GDP forecast, projects higher inflation:** The World Bank has lowered the GDP growth projection for Pakistan by 0.1%, i.e., from estimated 3.5% in fiscal year 2021 (against Pakistan’s claim of 3.94%) to 3.4% for fiscal year 2022, while inflation is projected to edge up with expected domestic energy tariff hikes and higher oil and commodity prices. The World Bank in its latest report, “The latest South Asia Economic Focus titled Shifting Gears: Digitization and Services-Led Development”, stated that in Pakistan, the GDP is estimated to have grown by 3.5% in the fiscal year 2021, an upward revision of 2.2 percentage points compared to the last forecast.

Source: <https://epaper.brecorder.com/2021/10/08/1-page/903232-news.html>

**Extended Fund facility review: IMF demands raise in Income tax, sales tax, RD:** The International Monetary Fund (IMF) has asked Pakistan to take additional taxation measures in the shape of Income Tax, Sales Tax, and Regulatory Duty (RD) for jacking up the annual tax collection target from PKR5.8 trillion to PKR6.3 trillion. At the same time, the World Bank (WB) has lowered Pakistan’s GDP growth prospects to 3.4% for the current fiscal year as the government refocuses on mitigating external pressures and managing long-standing fiscal challenges in its South Asia Economic Focus titled “Shifting Gears: Digitization and Services-Led Development,” projecting the region to grow by 7.1% in 2021 and 2022.

Source: <https://www.thenews.com.pk/print/898409-extended-fund-facility-review-imf-demands-raise-in-income-tax-sales-tax-rd>

**Pakistan’s Forex Reserves decrease by USD150.9mn:** The total liquid foreign reserves held by the country stood at USUSD 25,999.9mn on 01-October-2021. On Sep 24, 2021, it was at USUSD 26,150.8mn, which means that Pakistan's FX reserves decreased by USUSD150.9mn or 1% WoW. The break-up of the foreign reserves position is as under: i) Foreign reserves held by the State Bank of Pakistan: USUSD19,169.1mn ii) Net foreign reserves held by commercial banks: USUSD6,830.8mn iii) Total liquid foreign reserves: USUSD25,999.9mn During the week ended 01-October-2021, SBP reserves decreased by USUSD125mn to USUSD 19,169.1.

Source: <https://mettisglobal.news/pakistans-forex-reserves-decrease-by-150-9mn/>

**ECC restricts cash redemption on remittances:** The Economic Coordination Committee (ECC) of the cabinet on Thursday empowered a committee led by Finance Minister Shaukat Tarin to ban or allow export of onions and tomatoes based on actual data and decided to restrict cash redemption of reward points on remittances to only those overseas Pakistanis who return to the motherland permanently.

Source: <https://www.dawn.com/news/1650752/ecc-restricts-cash-redemption-on-remittances>

### PSX: Market Stats

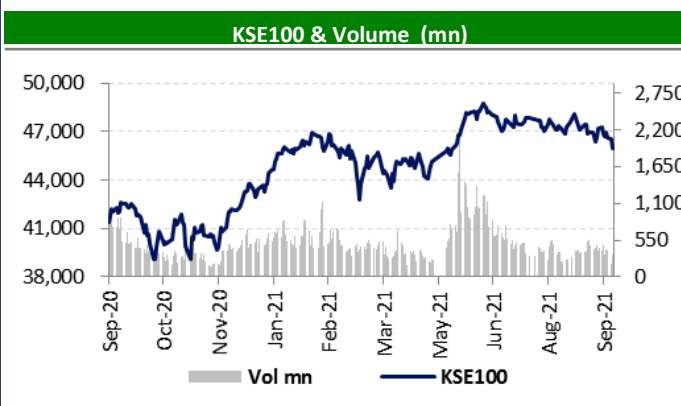
	7-Oct-21	6-Oct-21	Ch. Point	Change
KSE100 Index	44,586	44,373	212.8	0.48%
KSE30 Index	17,544	17,463	80.6	0.46%
KMI30 Index	71,650	71,425	224.6	0.31%
KSE100 (Vol mn)	111.9	123.0	(11.1)	-9.0%
KSE30 (Vol mn)	59.8	71.4	(11.5)	-16.1%
KMI30 (Vol mn)	46.8	59.4	(12.7)	-21.4%
Market Cap (PKR'bn)	7,782	7,752	30.0	0.4%
Market Cap (USD'bn)	45.78	45.60	0.2	0.4%

### Economic Indicators

	BID	Offer
3-month KIBOR	7.56	7.81
6-month KIBOR	7.91	8.16
12-month KIBOR	8.48	8.98

### PIBs

	Yield	T-Bill	Yield
3-year PIB	9.74%	3-mnth	7.57%
5-year PIB	10.00%	6-mnth	8.00%
10-year PIB	10.65%	12-mnth	8.80%



Source: PSX

**Electricity generation witnesses 9,363.44 GWh increase in FY21:** The total electricity generation in the country including the power plants connected with National Transmission and Despatch Company (NTDC) and Karachi-Electric KE Systems was recorded as 143,090.64 GWh in fiscal year 2020-21 as compared to 133,727.20 GWh in FY 2019-20 showing increase of 9,363.44 GWh. The total electricity generation from power plants in Central Power Purchase Agency (CPPA-G) System remained 129,722.05 GWh.

Source: <https://mettisglobal.news/electricity-generation-witnesses-9363-44-gwh-increase-in-fy21/>

**Investment in textile sector:** Adviser to the Prime Minister on Commerce and Investment Abdul Razak Dawood on Thursday appreciated new investment of USD5 billion in the textile sector. “We have been informed that an investment of approximately USD 5bn is in the pipeline under which 100 new textile units are expected to be established,” he said on his official Twitter account. “Our Make-in-Pakistan policy is beginning to show results,” the adviser said. He said that apart from enhancing export capacity, the new investment was likely to create about 500,000 jobs.

Source: <https://www.dawn.com/news/1650767/investment-in-textile-sector>

**Govt raises cotton output forecast by 1mn bales to 9.37mn:** The government on Thursday raised its forecast for cotton output by one million bales to 9.37mn bales during the current crop season on near-perfect growing conditions and price support to farmers and also looks set for bumper harvest of 28.9mn tons from wheat crop. The Federal Committee on Agriculture (FCA) fixed the target of wheat production at 28.9mn tons for Rabi (winter) year 2021/22 and decided to provide all out support to the sector including subsidized fertilizers, pesticides and concessional lending to farmers, a statement said. Last year, the country produced 27.5mn tons of wheat.

Source: <https://www.thenews.com.pk/print/898461-govt-raises-cotton-output-forecast-by-1mln-bales-to-9-374mln>

**Plan to import power from Central-Asia hits snag:** The work on crucial and one of the longest stretches of Central Asia South Asia 1000 (CASA-1000) power transmission line has been suspended following change of guard in Afghanistan after withdrawal of US forces, sources said on Thursday. Both the contractors including Indian staff working on the projects have been demobilized and are reluctant to resume work. It is learnt that these contractors may ultimately backout of setting up transmission line given the fluid situation and peculiar environment of the neighboring country.

Source: <https://www.thenews.com.pk/print/898460-plan-to-import-power-from-central-asia-hits-snag>

**Work on Dasu Hydropower Project to Resume Soon:** The Ministry of Water Resources has held out assurance to the National Assembly Standing Committee on Water Resources that the talks, underway with the Chinese authorities on the safety and security of Chinese workers engaged in Dasu Hydropower Project, will yield results and the work halted in July

2021 in the wake of a terrorist attack will resume soon. The National Assembly panel meeting, chaired by Nawab Yousuf Talpur on Thursday, also discussed the issue of low water supply to Punjab.

Source: <https://propakistani.pk/2021/10/07/work-on-dasu-hydropower-project-to-resume-soon/>

**NCCPL deposits PKR8.8bn CGT in national exchequer:** National Clearing Company of Pakistan Limited (NCCPL) has collected and deposited PKR8.8bn capital gain tax (CGT) in national exchequer and issued annual CGT certificates to around 219,000 investors during the financial year 2020-21. The amount of CGT collected in the current financial year is significantly higher in comparison with PKR1.7bn of the financial year 2019-20. The NCCPL has been mandated by Federal Board of Revenue (FBR) to compute, determine, collect and deposit CGT in the national exchequer and the implementation of CGT system has provided a mechanism to assess CGT without direct interaction of tax officers with the investors.

Source: <https://www.brecorder.com/news/40125310/nccpl-deposits-rs88bn-cgt-in-national-exchequer>

**Toyota Yaris shines in Pakistan after failing to gain traction in India:** While Toyota India has recently announced the move to discontinue Toyota Yaris, the same car in Pakistan has been shining since its launch in May 2020. In Pakistan, the launch of Toyota Yaris initially hit the sales of in-house product Toyota Corolla which was later revived from the start of 2021-22 as changes in design lured buyers back.

Source: <https://www.dawn.com/news/1650771/toyota-yaris-shines-in-pakistan-after-failing-to-gain-traction-in-india>

**Wendy Sherman arrives:** A seven-member delegation led by US Deputy Secretary of State Wendy Sherman arrived in Islamabad late Thursday to hold talks with civil and military leadership, private TV channel reported. The US diplomat and her delegation arrived at the Islamabad International Airport by a chartered flight.

Source: <https://epaper.brecorder.com/2021/10/08/12-page/903318-news.html>

**TI-P wants probe against Pakistanis named in 'leaks':** Transparency International-Pakistan (TI-P) has urged Prime Minister Imran Khan to direct FBR to initiate proceeding against all Pakistani citizens named in Panama Papers and Pandora Papers. In a letter to Secretary to Prime Minister, Azam Khan, TI-P, said that it has noted that over 700 citizens of Pakistan are named in Pandora Papers in 2021 in addition to 450 persons/citizens earlier named in Panama papers in 2016.

Source: <https://epaper.brecorder.com/2021/10/08/1-page/903229-news.html>

Top 05 Gainer KSE100 index					Top 05 Loser KSE100 index				
	Current	Previous	Diff	Ch %		Current	Previous	Diff	Ch %
KOHC	165.4	153.8	11.5	7.5%	SML	48	52	-3.5	-6.7%
CHCC	133.1	123.8	9.3	7.5%	YOUW	7.8	8.2	-0.4	-5.0%
PIOC	79.7	75.1	4.6	6.1%	HGFA	8.0	8.4	-0.4	-4.5%
MLCF	34.4	32.5	1.9	5.7%	COLG	2,350.1	2,450.0	-99.9	-4.1%
FCCL	17.3	16.4	0.9	5.7%	FFBL	21.4	21.9	-0.5	-2.4%

Asian Markets					Int'l Markets				
	Current	Previous	Diff	Ch %		Current	Previous	Diff	Ch %
India (BSE 30)	59,678	59,190	488.1	0.8%	US (DJI)	34,755	34,417	338.0	1.0%
HK (Hang Seng)	24,702	23,966	735.2	3.1%	UK (FTSE)	7,078	6,996	82.2	1.2%
Japan (Nikkei)	27,678	27,529	149.3	0.5%	NASDAQ (IXIC)	14,654	14,502	152.1	1.0%
Singapore STI	3,101	3,084	17.3	0.6%	S&P 500 GSPC	4,400	4,364	36.2	0.8%
Indonesia (JKSE)	6,416	6,417	(0.9)	0.0%	AMEX COMP (XAX)	3,324	3,277	46.6	1.4%
Shanghai Comp.	3,568	3,536	31.9	0.9%	FCHI-CAC 40	6,600	6,493	107.1	1.6%

NDM - Off Market Transaction							
Mem to Mem				Client to Client			
Mem to Mem	Vol (000)	Price	Val (mn)	Client to Client	Vol (000)	Price	Val (mn)
TREET	1,100.0	53.6	58.9	LUCK	50	695.0	34.8
TREET	450.0	54.0	24.3	OCTOPUS	76.4	65	5.0
OCTOPUS	88.5	65.0	5.75	DEL	172	26.5	4.6
OCTOPUS	79.8	64.8	5.2	OCTOPUS	29.5	64.8	1.9
OCTOPUS	27.5	64.8	1.8	OCTOPUS	20.0	56	1.1

Commodities							
	Current	Previous	Diff	Ch %	Currency	Buy	Sell
Richards Bay Coal	216.50	219.60	-3.10	-1.41%	USD Dollar	170.90	172.15
Brent Crude	79.33	80.60	-1.27	-1.6%	UK Pound	232.10	234.60
Int'l Gold	1,760	1,759	1.2	0.1%	Euro	197.10	199.10
					Japanese Yen	1.41	1.44

## Futures (PKR'bn) (30 day SMA)



Source: PSX

## MTS Value (PKR'bn)



Source: PSX