

Top News

October 11, 2021

Technical-level talks with IMF conclude: Pakistan and the International Monetary Fund (IMF) on Saturday concluded technical-level discussions on a 'positive note' and agreed to continue talks at a higher level in Washington from next week to put \$6 billion Extended Fund Facility (EFF) back on track.

Source: <https://www.dawn.com/news/1651165/technical-level-talks-with-imf-conclude?preview>

IMF asks Pakistan to take steps to slash current account deficit: The International Monetary Fund (IMF) has asked Pakistan to take a combination of measures, including allowing adjustments in the exchange rate, further tightening of monetary and fiscal policies in order to curtail the rising current account deficit. The IMF has pitched the current account deficit on the higher side that might climb to over USD12 to USD13bn for the current fiscal year against the State Bank of Pakistan's projection of USD6.5bn to USD9bn.

Source: <https://www.thenews.com.pk/print/898821-imf-asks-pakistan-to-take-steps-to-slash-current-account-deficit>

ADB okays technical assistance for Pakistan: The Asian Development Bank (ADB) has approved technical assistance to Pakistan for reforming state-owned enterprises and supporting the government in high priority areas included in the draft SOE (Governance and Operations) Bill, 2021, and the new SOE Ownership and Management Policy currently being developed.

Source: <https://www.dawn.com/news/1651292/adb-okays-technical-assistance-for-pakistan>

Anti-terror talks with Pakistan to continue, says US: With terrorism topping American concerns about Afghanistan under the Taliban regime, a senior United States official on Friday said Washington would continue its engagement with Islamabad on counterterrorism efforts. Continuation of discussions on counterterrorism was apparently the only concrete commitment offered by the top diplomat with regard to the future of bilateral ties although several other elements of cooperation were also touched upon during her meetings.

Source: <https://www.dawn.com/news/1650912>

Sherman hails 'longstanding ties' with Pakistan: US Deputy Secretary of State Wendy Sherman on Friday said Washington had "longstanding relationship" with Pakistan, covering a wide range of issues in an attempt to downplay her remarks in India that she was visiting Islamabad for "specific and narrow" purpose and the US did not seek a "broad relationship" with the country.

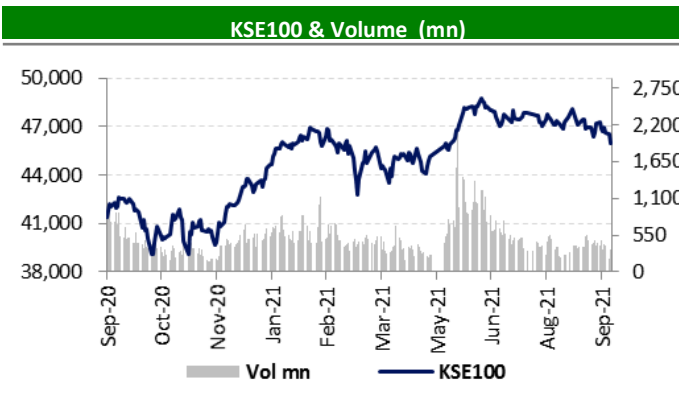
Source: <https://tribune.com.pk/story/2323957/sherman-hails-longstanding-ties-with-pakistan>

PSX: Market Stats

| | 8-Oct-21 | 7-Oct-21 | Ch. Point | Change |
|---------------------|----------|----------|-----------|--------|
| KSE100 Index | 44,477 | 44,586 | (108.8) | -0.24% |
| KSE30 Index | 17,525 | 17,544 | (19.0) | -0.11% |
| KMI30 Index | 71,477 | 71,650 | (172.3) | -0.24% |
| KSE100 (Vol mn) | 66.2 | 111.9 | (45.7) | -40.9% |
| KSE30 (Vol mn) | 33.3 | 59.8 | (26.5) | -44.4% |
| KMI30 (Vol mn) | 23.7 | 46.8 | (23.0) | -49.2% |
| Market Cap (PKR'bn) | 7,786 | 7,782 | 4.2 | 0.1% |
| Market Cap (USD'bn) | 45.80 | 45.78 | 0.0 | 0.1% |

| 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

Textile exports jump 26pc in September: Textile exports grew 26 per cent to \$1.503 billion in September, according to the All Pakistan Textile Mills Association. The textile exports earlier registered year-on-year growth of 29pc in the first two months (July and August) of 2021-22 as compared with the corresponding period of the preceding year. In August, exports jumped by 45pc to \$1.5bn against \$1bn in August 2020.

Source: <https://www.dawn.com/news/1651149/Textile-exports-jump-26pc-in-September>

Spurred by latest investment, Pakistan's textile sector eyes USD21bn exports in FY22: Pakistan's textile sector expects to hit exports of USD21bn by the end of this fiscal year, said All Pakistan Textile Mills Association (APTMA) newly-elected Chairman Abdul Rahim Nasir, a target that is an ambitious 40% higher than last year. Nasir's remark comes on the heels of Adviser to the Prime Minister on Commerce and Investment Abdul Razak Dawood's recent statement regarding new investment of USD5bn in the textile sector.

Source: <https://www.brecorder.com/news/40125594/spurred-by-latest-investment-pakistans-textile-sector-eyes-21bn-exports-in-fy22>

FBR proposing amendments to Benami laws: The Federal Board of Revenue (FBR) is proposing amendments in the Benami Transactions (Prohibition) Act, 2017 and Benami Transactions (Prohibition) Rules, 2019 to seek powers to dispose of immovable and movable Benami properties for expediting disposal process.

Source: <https://www.brecorder.com/news/40125715/FBR-proposing-amendments-to-Benami-laws>

Remittances hit new peak in July-September: The remittances sent home by overseas Pakistanis soared to an all-time high of USD8.04bn year-on-year in the July-September quarter of current fiscal year, aided by efforts of the government and State Bank of Pakistan (SBP) to encourage expatriates to use formal money transfer channels. According to data released by the SBP on Friday, the inflow of remittances accelerated 12.5% in the first quarter of fiscal year 2021-22 over the same period of last year.

Source: <https://tribune.com.pk/story/2323923/remittances-hit-new-peak-in-jul-sept>

Expatriates invest USD2.4bn in RDA: Slowly but steadily the Roshan Digital Accounts (RDA) have started attracting overseas Pakistanis as they have invested USD2.4bn at the end of the last month. According to the SBP data, the non-residents Pakistanis invested USD2.4bn through 248,723 accounts.

Source: <https://www.dawn.com/news/1650921/expatriates-invest-24bn-in-rda>

Inflation will continue unabated till April: PM aide: Special Assistant to the Prime Minister (SAPM) on National Food Security Jamshed Iqbal Cheema on Saturday cautioned consumers that prices of food items will continue following their upward trajectory until April next year and one must not expect any cut in the prices during this period.

Source: <https://www.dawn.com/news/1651169/inflation-will-continue-unabated-till-april-pm-aide>

Weekly inflation surges 1.2%: Inflation measured through Sensitive Price Index (SPI) posted a hefty increase of 1.21% for the week ended on Oct 7 driven by a sharp rise in the prices of essential food items, data released by the Pakistan Bureau of Statistics (PBS) showed on Friday. The preceding two weeks witnessed a decline after maintaining rising trend in the past 12 weeks. In September, the highest jump of 1.3% in weekly inflation was recorded.

Source: <https://www.dawn.com/news/1650947/weekly-inflation-surges-12pc>

Disciplinary proceedings against corrupt taxmen: Inquiry officers who fail to submit reports will face action: FBR: The Federal Board of Revenue (FBR) has decided to take strict action against the inquiry officers who failed to submit inquiry reports on disciplinary proceedings against the corrupt tax officials within the specified timeframe of 60 days. In this connection, the FBR has issued instructions to all officers here on Saturday, on the inordinate delay in finalising of disciplinary proceedings against the tax officials.

Source: <https://www.brecorder.com/news/40125714/disciplinary-proceedings-against-corrupt-taxmen-inquiry-officers-who-fail-to-submit-reports-will-face-action-fbr>

Pandora Papers: Only 70 to 80 Pakistanis identified by FBR so far: The Federal Board of Revenue (FBR) has so far identified only 70-80 Pakistanis named in the Pandora Papers having offshore companies in tax havens abroad. Sources told Business Recorder Friday that the data of the 700 Pakistanis having offshore companies has not been updated on the ICIJ website. Once the data is available on the ICIJ website, it would be easy to identify these persons, their CNICs, and declared addresses.

Source: <https://www.brecorder.com/news/40125577>

No more extension: FBR urges taxpayers to file income tax returns without delay: The Federal Board of Revenue (FBR) on Friday once again urged all the taxpayers, both old and new, to make the most of a one-time extension of 15 days granted for filing of Income Tax Returns till October 15. The board in a statement issued here, advised that returns should be filed without delay as the deadline was already fast approaching. The board reiterated that the timely filing of Income Tax Returns would also save the filers from the hassles of system issues which may occur due to extraordinary traffic at the portal on the last day.

Source: <https://dailytimes.com.pk/827134/no-more-extension-fbr-urges-taxpayers-to-file-income-tax-returns-without-delay/>

CCOE allots capacity to LNG terminals: The Cabinet Committee on Energy (CCOE) on Friday allocated pipeline capacity up to 600mmcf to two new LNG terminals to lock \$800 million worth investment and open market for the private sector. At present, state companies have monopoly in the gas market. After the decision CCOE's, the gas market will be open for multiple buyers and customers effective from January 2023. Sources told The Express Tribune that 250-300mmcf pipeline capacity to each terminal developer will be on a three months rolling basis with effect from January 1, 2023.

Source: <https://tribune.com.pk/story/2323914/ccoe-allots-capacity-to-lng-terminals>

Discos' tariff increased by PKR1.95 per unit: National Electric Power Regulatory Authority (Nepra) has increased tariffs of Distribution Companies (Discos) by PKR1.95 per unit for August 2021 under monthly Fuel Component Adjustment (FCA) mechanism, amid dissenting note from Vice Chairman Nepra on purpose of power plants whose PPAs were altered without Authority's approval.

Source: <https://epaper.brecorder.com/2021/10/09/1-page/903362-news.html>

Rice exports to Russia restored after two-year ban: The exports of rice to Russia have been restored with officials of the Department of Plant Protection (DPP), an attached department of Ministry of Food Security & Research (MFS&R), claiming that the development was a result of the government's efforts to increase the country's exports.

Source: <https://profit.pakistantoday.com.pk/2021/10/10/rice-exports-to-russia-restored-after-two-year-ban/>

Petrol, diesel prices may go up by PKR7-10 per litre: Another possible blow to the masses is on the cards as the price of motor gasoline (petrol) is likely to be increased by PKR7 per litre and high speed diesel (HSD) by PKR10 per litre from October 16. "We have worked out the huge increase in the price of both the products keeping in view the first 10 days data showing that the refined products prices have gone up from USD79 to USD91 per barrel from October 1," sources in the industrial sector told The News.

Source: <https://www.thenews.com.pk/print/899412-petrol-diesel-prices-may-go-up-by-rs7-10-per-litre>

FBR asked to resolve 4% WHT issue of IPPs: The Economic Coordination Committee (ECC) of the Cabinet has directed Federal Board of Revenue (FBR) to resolve 4% withholding tax (WHT) regarding the 1994 policy of Independent Power Producers (IPPs) within one month, well-informed sources told Business Recorder.

Source: <https://epaper.brecorder.com/2021/10/11/1-page/903606-news.html>

New vehicles import hits all-time high in FY21: Pakistan has witnessed record foreign exchange spending on highest-ever arrival of new automobiles in 2020-21 on strong demand followed by revival of used vehicles imports. The country imported record 10,513 units of new cars, jeeps, vans, pickups, two-wheelers and buses in FY21 compared to 1,680 units in FY20, 3,716 units in FY19 and 7,424 units in FY18.

Source: <https://www.dawn.com/news/1651167/new-vehicles-import-hits-all-time-high-in-fy21>

Pakistan rejects WB's GDP assessment as unrealistic: The government on Friday termed World Bank's (WB) assessment regarding easing the GDP growth rate forecast for Pakistan's economy down to 3.5 percent as 'unrealistic'. The Ministry of Finance stated this in a detailed response to the WB's latest "The latest South Asia Economic Focus" titled "Shifting Gears: Digitization and Services-Led Development", whereby it assessed that GDP is estimated to have grown by 3.5 percent in the fiscal year 2021, an upward revision of 2.2 percent age points compared to the last forecast.

Source: <https://www.thenews.com.pk/print/898697-pakistan-rejects-wb-s-gdp-assessment-as-unrealistic>

Pakistan receives \$2.411bln through RDA in 12 months: The foreign exchange inflows through the Roshan Digital Account (RDA) reached \$2.411 billion in last 12 months, the central bank data showed on Friday. Non-resident Pakistanis (NRPs) opened 248,723 accounts from 175 countries till the end of September. The country received \$297 million from the non-resident Pakistanis in RDA in September, which was higher than the \$245 million fetched in the previous month.

Source: <https://www.thenews.com.pk/print/898699-pakistan-receives-2-411bln-through-rda-in-12-months>

Utilities cut gas supply to industry, transport as shortages hit: Yet another manmade gas crisis is going to hit industry and transport hard as poor supply side management caused disruption in import of Liquefied Natural Gas (LNG), sources said on Friday. The delay in arrival of LNG ship is being blamed on mismanagement and poor governance of energy affairs. Successive failures in setting up of new terminals and augmentation of existing ones have made demand supply situation precarious to the extent that even a delay of a few days in LNG import virtually shut major industrial and transport activities for several days in the whole country.

Source: <https://www.thenews.com.pk/print/898694-utilities-cut-gas-supply-to-industry-transport-as-shortages-hit>

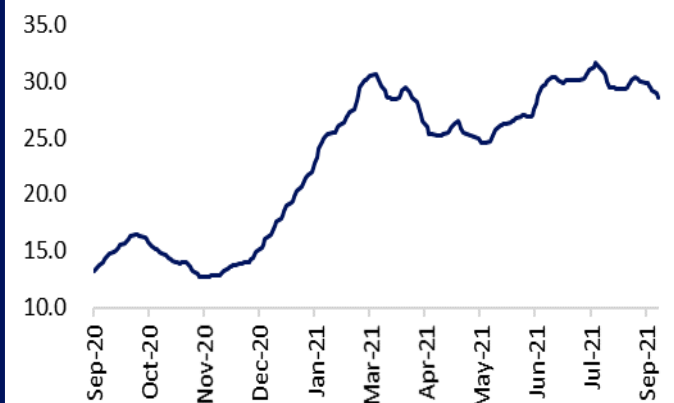
| Top 05 Gainer KSE100 index | | | | | Top 05 Loser KSE100 index | | | | |
|----------------------------|---------|----------|------|------|---------------------------|---------|----------|-------|-------|
| | Current | Previous | Diff | Ch % | | Current | Previous | Diff | Ch % |
| COLG | 2,448.0 | 2,350.1 | 97.9 | 4.2% | YOUW | 7.22 | 7.76 | -0.5 | -7.0% |
| ILP | 72.3 | 70.3 | 1.9 | 2.8% | PIOC | 76.0 | 79.7 | -3.7 | -4.7% |
| IBFL | 160.0 | 156.1 | 3.9 | 2.5% | FFBL | 20.4 | 21.4 | -1.0 | -4.8% |
| HGFA | 8.2 | 8.0 | 0.2 | 2.4% | HINOON | 589.2 | 617.0 | -27.8 | -4.5% |
| FATIMA | 29.7 | 29.1 | 0.6 | 1.9% | CHCC | 127.6 | 133.1 | -5.5 | -4.1% |

| Asian Markets | | | | | Int'l Markets | | | | |
|------------------|---------|----------|-------|------|-----------------|---------|----------|--------|-------|
| | Current | Previous | Diff | Ch % | | Current | Previous | Diff | Ch % |
| India (BSE 30) | 60,059 | 59,678 | 381.2 | 0.6% | US (DJI) | 34,746 | 34,755 | (8.7) | 0.0% |
| HK (Hang Seng) | 24,838 | 24,702 | 136.1 | 0.6% | UK (FTSE) | 7,096 | 7,078 | 17.5 | 0.2% |
| Japan (Nikkei) | 28,049 | 27,678 | 370.7 | 1.3% | NASDAQ (IXIC) | 14,580 | 14,654 | (74.5) | -0.5% |
| Singapore STI | 3,113 | 3,101 | 11.7 | 0.4% | S&P 500 GSPC | 4,391 | 4,400 | (8.4) | -0.2% |
| Indonesia (JKSE) | 6,482 | 6,416 | 65.4 | 1.0% | AMEX COMP (XAX) | 3,340 | 3,324 | 16.1 | 0.5% |
| Shanghai Comp. | 3,592 | 3,568 | 24.0 | 0.7% | FCHI-CAC 40 | 6,560 | 6,600 | (40.2) | -0.6% |

| NDM - Off Market Transaction | | | | | | | |
|------------------------------|-----------|-------|----------|------------------|-----------|-------|----------|
| Mem to Mem | | | | Client to Client | | | |
| | Vol (000) | Price | Val (mn) | | Vol (000) | Price | Val (mn) |
| PICT | 9,532.3 | 154.0 | 1,468.0 | TPLP | 400 | 52.0 | 20.8 |
| OCTOPUS | 10.0 | 65.0 | 0.7 | KOHC | 100.0 | 168.0 | 16.8 |
| OCTOPUS | 5.0 | 65.0 | 0.33 | TPLP | 216.5 | 53.9 | 11.7 |
| OCTOPUS | 2.5 | 64.8 | 0.2 | TPLP | 183.5 | 52.5 | 9.6 |
| OCTOPUS | 2.0 | 65.0 | 0.1 | MEBL | 37.5 | 139.9 | 5.2 |

| Commodities | | | | | | | | |
|-------------------|---------|----------|------|-------|--------------|--------|--------|--|
| | Current | Previous | Diff | Ch % | Currency | Buy | Sell | |
| Richards Bay Coal | 220.75 | 216.50 | 4.25 | 1.96% | USD Dollar | 170.80 | 171.95 | |
| Brent Crude | 83.59 | 82.88 | 0.71 | 0.9% | UK Pound | 231.50 | 234.00 | |
| Int'l Gold | 1,759 | 1,755 | 4.0 | 0.2% | Euro | 195.50 | 197.50 | |
| | | | | | Japanese Yen | 1.41 | 1.44 | |

Futures (PKR'bn) (30 day SMA)



Source: PSX

MTS Value (PKR'bn)



Source: PSX