

- Inflation likely to pick up: FY22 growth rate projected to slow to 4% YoY | BR:** Pakistan's GDP growth rate is projected to slow to four percent in fiscal year 2022 from 5.6% in fiscal year 2021 and inflation is expected to pick up, averaging 11% in fiscal year 2022, says the Asian Development Bank (ADB). The bank in its latest report, Asian Development Outlook (ADO) 2022 stated that the slower growth in the current fiscal year reflects the government reactivating its stabilization programme under the International Monetary Fund (IMF) Extended Fund Facility (EFF) to narrow the current account deficit, raise international reserves, and cut inflation.
- Caretaker setup empowered to procure new loans | BR:** A caretaker setup is empowered to procure new external loans but not to impose new taxes when the national assembly stands dissolved; however, it is authorised to release funds to meet the budgeted expenditure though not for any additional funds for any purpose. This was stated by high-level sources in the Economic Affairs Division (EAD) and Finance Division.
- Auction for MTBs: Cut-off yield rises by up to 80bps | BR:** The cut-off yield of short-term government papers further rose by up to 80 basis points (bps) in the auction held Wednesday. The State Bank of Pakistan (SBP) conducted an auction for the sale of 3-month, 6-month and 12-month Government of Pakistan Market Treasury Bills (MTBs) on April 6, 2022 and received bids amounting to PKR911.0bn with a realized value of PKR859.41bn. Most of the bids were received for 3-month treasury bills.
- Dollar crosses PKR186 barrier | BR:** The rupee remained under pressure amid a deepening political crisis as it lost another 90 paise against the US dollar in the interbank market on Wednesday. The dollar climbed to a record PKR186.13 against PKR185.23 the previous day. Currency dealers said the importers had been facing problems in arranging dollars to make payments.
- SBP eases credit rules for banks to facilitate oil imports | The News:** State Bank of Pakistan (SBP) has eased rules allowing banks to raise the credit limits of some liquidity-challenged oil marketing companies (OMCs) to ensure smooth import and availability of petroleum products in the country, The News has learnt. The local lenders have remained accommodative to the oil sector's credit needs and are willing to support the OMCs' requirements subject to positive credit due diligence, according to a letter written by SBP written Oil & Gas Regulatory Authority (OGRA).
- Partial clearance of dues: Govt approves PKR182bn for GPPs | BR:** The government has approved payment of over PKR182bn to clear a part of payment to Government Power Plants (GPPs) of PAEC, Wapda and National Power Parks Management Company Pvt. Limited (NPPMCL) as per payment mechanism already approved for IPPs, well-informed sources in Power Division told Business Recorder. Sharing the details, the sources said the government had, on July 16, 2021, constituted an inter-ministerial Committee to formulate recommendations for cash and non-cash settlement for payment to the IPPs and the Gencos at par with IPPs.
- MoU signed in compliance with IMF's conditions | BR:** The Board of Public Procurement Regulatory Authority (PPRA) has approved signing of Memorandum of Understanding (MoU) between PPRA, FBR, SECP, NADRA and PEC in compliance with IMF's conditions aimed at developing linkages between e-procurement system with respect to beneficial ownership, companies' registration, tax and national ID's verification, well informed sources told Business Recorder. This issue came under discussion at recent meeting of PPRA Board, wherein different proposals were accorded approval.
- Cement Manufacturers, revenue collection, FX reserves affected badly by decline | BR:** Steep decline in cement exports is hurting not only the cement manufacturers but also the government's revenue collection and foreign exchange. There is an immense need to formulate industry-friendly policies to catch-up our cement sales in international markets and increase indigenous consumption of the commodity. This demand was raised by the All Pakistan Cement Manufacturers Association (APCMA) while sharing the monthly data of cement despatch production and sale for the month of March 2022 on Wednesday.
- FTO's judgement: LTO Karachi, carmaker agree on refund mechanism | BR:** The Large Taxpayer Office (LTO) Karachi and a leading car manufacturer have agreed on a mechanism for implementation of the Federal Tax Ombudsman (FTO)'s judgment to refund the amount of sales tax collected in excess of 12.5% from the consumers/ middle-income buyers of motor vehicles.
- Steel products' values fixed for sales tax assessment | Dawn:** The Federal Board of Revenue (FBR) has fixed minimum value of steel products for assessment of sales tax. The new values of the steel products were issued through a sales tax notification SRO489 released on Wednesday. The FBR introduced the fixed value for steel products in August 2021, which is now reversed with a minimum value owing to massive increase in prices. The sales tax will be applicable on ad valorem basis at the rate as applicable.
- Govt asks refineries to raise FO production for power generation | The News:** Government has asked local refineries to increase furnace oil (FO) production for generation of power from it in view of challenges posed to LNG supplies in the country. "All refineries would endeavour to increase FO production keeping in view the challenges prevailing in LNG supplies and increase in demand by the power sector of the country," according to official minutes of the meeting held with local refineries a few days back for production enhancement.
- Digital bank licences: SBP gets 'overwhelming' response | BR:** The State Bank of Pakistan (SBP) has received overwhelming response for digital bank licences as some 20 applications were received from domestic commercial banks, microfinance banks, electronic money institutions and FinTech players. The State Bank has concluded the process of receiving applications for digital banks licenses as per its announced deadline of March 31, 2022.
- In favour of PIOGCL: Eni Pakistan asked to provide undertaking of HPHL | BR:** The Petroleum Division has asked Eni Pakistan Limited to provide an undertaking of Hub Power Holdings Limited (HPHL) in favour of M/s Prime International Oil and Gas Company Limited (PIOGCL) for sale of Eni Pakistan Ltd to the PIOGCL. The Petroleum Division wants undertaking before tabling a case before the government to approve ENI acquisition deal.
- PPIB advocates gas allocation to EPQL from Kandhkot field | BR:** Private Power & Infrastructure Board (PPIB) has expedited its efforts to get up to 55 mmcf/d gas from Kandhkot gas-field for 226 MW Engro Powergen Qadirpur Limited (EPQL), sources close to Secretary Petroleum told Business Recorder. Managing Director, PPIB, Shah Jahan Mirza has written a letter to Secretary Power, a copy of which has also been sent to Secretary Petroleum, in which he has advocated allocation of gas from Kandhkot field to EPQL established near Qadirpur gas field.
- Punjab rapidly descending into deeper malaise | BR:** The confrontation between Punjab Assembly speaker and deputy speaker took another turn when Speaker Punjab Assembly Pervaiz Elahi issued a notification Wednesday depriving Deputy Speaker Dost Muhammad Mazari of all his powers. They came face to face over the assembly session to elect a new chief minister. According to the notification, all powers of the deputy speaker have been taken away effective immediately under the rule of 25.

## Market Indices

	6-Apr-22	5-Apr-22	30-Jun-21
KSE 100	44,111	43,928	47,356
KSE 30	16,841	16,753	18,962
KMI 30	71,278	70,731	76,622
KSE All Shares	30,148	30,142	32,480

## Volume (mn Shares)

	6-Apr-22	FYTD (Average)
KSE 100	47.0	116.1
KSE 30	33.2	51.1
KMI 30	29.2	47.5
KSE All Shares	108.4	309.6

## Commodity Rates

	6-Apr-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	101.1	-5.2%	34.5%
Crude Oil-Arab Light (USD/BBL)	97.0	-5.0%	34.3%
Coal (USD/Tonne)	280.1	5.9%	143.8%
Copper (USD/Lbs)	4.7	-1.1%	11.2%
Cotton (c/Lbs)	132.1	-2.0%	62.3%
Gold (USD/Ounce)	1,925.5	0.1%	8.8%

## Currency (Interbank)

	6-Apr-22	Daily Change	FYTD Change
US Dollar	186.1	0.5%	18.1%
UK Pound	243.1	0.5%	11.6%
Euro	202.7	0.4%	8.5%
UAE Dirham	51.0	0.5%	18.4%
Chinese Yuan	29.2	0.6%	19.9%

## Fund Flows (USD mn)

	6-Apr-22	FYTD
FOREIGN INDIVIDUAL	-0.02	4.24
FOREIGN CORPORATES	-1.51	-336.85
OVERSEAS PAKISTANI	1.01	55.95
FIPI NET	-0.52	-276.66

## Economic Data (USD mn)

	FY22E	FY21	FY20
GDP Growth	4.6%	5.4%	-0.5%
	Feb-22	Jan-22	
Exports	2,820	2,614	
Imports	5,907	6,036	
Remittances	2,190	2,144	
Foreign Exchange Reserves	22,875	22,836	

## Money Market Data

	6-Apr-22	5-Apr-22	30-Jun-21
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	12.70	12.70	9.70
3 Month T-Bill	11.93	11.87	7.28
6 Month T-Bill	12.72	12.46	7.53
12 Month T-Bill	12.88	12.57	7.81
3 Year Government Bond	12.65	12.45	8.99
5 Year Government Bond	12.53	12.31	9.49
10 Year Government Bond	12.22	12.09	9.94
3 Month KIBOR	12.02	12.01	7.45
6 Month KIBOR	12.64	12.54	7.69

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