

- IMF hails 250bps hike in policy rate | BR:** The International Monetary Fund (IMF) has welcomed the Monetary Policy Committee (MPC) of the State Bank of Pakistan's decision of raising the policy rate by 250 basis points (bps) to 12.25%. The MPC on Thursday raised the policy rate by 250 basis points to 12.25%. Responding to Business Recorder's query over the raise in policy rate by the MPC, Esther Perez Ruiz, IMF resident representative stated, "We welcome the State Bank of Pakistan Monetary Policy Committee's strong policy rate action, given the elevated inflation and heightened uncertainty that Pakistan is facing".
- Debt servicing: Payment of USD2.5bn to hurt forex reserves | The News:** Amid the dwindling foreign exchange reserves, Pakistan will have to pay back foreign debt of USD2.5bn on account of principal and mark-up obligations during the ongoing quarter (April-June) period of the current fiscal year 2021-22. Out of budgeted external debt servicing of USD12.4bn estimated by the Ministry of Economic Affairs Division (EAD), Islamabad, so far, has paid out approximately USD10 billion during the first nine months (July-March) period of the current fiscal year.
- Rupee seen stable next week on SBP rate hike | The News:** The rupee is expected to stay stable at around 184 levels against the dollar next week after the central bank increased the interest rates, and took measures to cut imports and reduce inflationary pressures, analysts said. The Supreme Court's decision to dismiss the Speaker's ruling on the no confidence motion against PM Imran Khan also gave some support to the domestic currency that had sunk to record lows of 17 consecutive sessions since March, they added.
- SBP injects massive PKR3.09tn into money market | The News:** The State Bank of Pakistan (SBP) has injected PKR3.09 trillion worth of liquidity into the money market via open market operation (OMO) for a seven-day period at 12.28%, it reported on Saturday, primarily on account of higher government borrowing needs to fund the budget deficit. "The increasing size of OMO indicates more need of financing for the government because this liquidity eventually goes into buying government securities".
- Tax relief under industrial package: Maximum production capacity mandatory for sick units | BR:** The Federal Board of Revenue (FBR) has imposed a major condition on the sick industrial units to attain maximum production capacity to avail conditional tax concessions under the industrial package. According to an explanatory circular (13 of 2022) issued by the FBR on the industrial package, the revival of sick industrial units requires attaining maximum production capacity that was obtained before such company went sick.
- Weekly inflation sees biggest rise since November | Dawn:** Inflation measured through the Sensitive Price Indicator (SPI) increased 1.53% during the week ended on April 7, owing to a rise in the prices of essential food items, Pakistan Bureau of Statistics (PBS) data showed on Friday. This was the biggest increase in weekly prices since Nov 11, when the SPI jumped 1.81%. One reason behind rising prices is the advent of Ramadan, when the consumption of vegetables, especially potatoes, onions and tomatoes, and fruits sharply increases.
- MoF not ready to release funds: Ministry unable to pay off over PKR50bn PPOD liabilities | BR:** The Ministry of Communication is reportedly in a very awkward position with respect to the payment of over PKR50bn liabilities of various companies, collected by Pakistan Post Office Department (PPOD) as the Finance Ministry is not ready to release the amount, well-informed sources told Business Recorder.
- Govt owes OMCs PKR55bn in April fuel subsidy | The News:** The government has to pay PKR55bn worth of price differential claims (PDC) to oil marketing companies (OMCs) and refineries in April, which the cash-strapped sector is not sure about, The News learnt on Friday. Under the Prime Minister's relief package, announced on February 28, 2022 the consumer prices of Motor Spirit (petrol) and diesel were reduced by PKR10/liter and the OMCs were told to keep the prices stable till the end of the fiscal year.
- New energy conservation policy to be approved on 12th | BR:** The Board of National Energy Efficiency and Conservation Authority (NEECA) is to approve the National Energy Efficiency and Conservation (NEEC) Policy 2022, on April 12, 2022 for onward submission to the Cabinet Committee on Energy (CCoE). Official sources told Business Recorder, first draft of the NEEC Policy 2022 was presented to the secretary, Power Division/Chairman of the NEECA Board on December 3, 2021.
- WB resumes processes for Kishenganga and Ratle hydro plants | Dawn:** The World Bank has announced its decision to resume the two separate processes requested by Pakistan and India in relation to the Kishenganga and Ratle hydroelectric power plants, in line with its responsibilities under the Indus Waters Treaty. The decision has been formally communicated in letters to India and Pakistan, a World Bank press release said. The two countries disagree over whether the technical design features of the two hydroelectric plants contravene the Indus Waters Treaty.
- Mekran Div: Iran, Pakistan set to settle power issues | BR:** Pakistan and Iran are all set to discuss issues related to disruption in supply of electricity to Mekran Division and discrepancy in payment against 104-MW electricity being supplied by the Iranian side. Pakistani team comprising chief secretary Balochistan, officials of the Power Division and the Ministry of Energy, Balochistan will attend a meeting scheduled on April 12, 2022 at Taftan with the Iranian authorities.
- Import of used cars gaining momentum once again | BR:** The import of used cars has been gaining momentum once again despite the government's resolve to curb this menace that hurts the local auto industry and the national economy. According to the import data, over 21,000 units were imported in the FY 2021. However, the import of used vehicles has increased by 46% as over 20,000 units have only been imported during July-February, 2022.
- Non-payment of dues: Power Div warns KE of stern action | BR:** The Power Division has warned Karachi Electric (KE) to clear payment against additional supply from the national grid or face severe action such as reduction in quota or complete disconnection. This warning was issued by the Power Division on April 8, 2022, in a letter to the chief executive officer (CEO) Karachi Electric.
- KE reluctant to accept price of PLL-supplied RLNG | BR:** K-Electric (KE) is reportedly reluctant to accept RLNG price being supplied to it by Pakistan LNG Limited (PLL), well informed sources told Business Recorder. On March 9, 2022, KE wrote a letter to the Federal Government on this issue and conveyed its viewpoint on the pricing mechanism of RLNG. On the basis of KE letter Oil and Gas Regulatory Authority (OGRA) has been asked by the Government of Pakistan to determine the price of RLNG supplied by PLL to KE.
- Extension in PPA: Senate panel seeks details of payments made to KAPCO | BR:** The Senate Standing Committee on Power has sought details of payments made to Kot Addu Power Company (KAPCO) after extension in its Power Purchase Agreement (PPA). These directions were issued at a recent meeting of the Standing Committee presided over by Senator Saifullah Abro. According to the minutes of the meeting of the committee, Rafique Ahmed Shaikh, vice chairman, Nepra briefed the committee in detail on the status of petition pending before the NEpra for revision of tariff of GENCO-I.

Market Indices			
	8-Apr-22	7-Apr-22	30-Jun-21
KSE 100	44,445	43,787	47,356
KSE 30	17,014	16,708	18,962
KMI 30	71,718	70,615	76,622
KSE All Shares	30,369	29,989	32,480
Volume (mn Shares)			
	8-Apr-22	FYTD (Average)	
KSE 100	94.0	115.8	
KSE 30	69.0	51.1	
KMI 30	60.5	47.6	
KSE All Shares	227.7	308.4	
Commodity Rates			
	8-Apr-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	102.8	2.2%	36.8%
Crude Oil-Arab Light (USD/BBL)	99.3	2.4%	37.4%
Coal (USD/Tonne)	282.3	4.1%	145.8%
Copper (USD/Lbs)	4.7	0.6%	11.1%
Cotton (¢/Lbs)	128.8	-0.6%	58.3%
Gold (USD/Ounce)	1,945.9	0.7%	10.0%
Currency (Interbank)			
	8-Apr-22	Daily Change	FYTD Change
US Dollar	184.0	-2.1%	16.8%
UK Pound	239.8	-2.4%	10.1%
Euro	200.1	-2.1%	7.2%
UAE Dirham	50.3	-2.5%	16.6%
Chinese Yuan	28.9	-2.2%	18.4%
Fund Flows (USD mn)			
	8-Apr-22	FYTD	
FOREIGN INDIVIDUAL	0.02	4.26	
FOREIGN CORPORATES	-2.26	-339.58	
OVERSEAS PAKISTANI	-0.67	55.63	
<b>FIPI NET</b>	<b>-2.92</b>	<b>-279.70</b>	
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			
	8-Apr-22	7-Apr-22	30-Jun-21
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	12.72	12.72	9.70
3 Month T-Bill	12.44	12.49	7.28
6 Month T-Bill	12.90	13.10	7.53
12 Month T-Bill	13.05	13.19	7.81
3 Year Government Bond	12.34	12.70	8.99
5 Year Government Bond	12.17	12.50	9.49
10 Year Government Bond	12.20	12.31	9.94
3 Month KIBOR	12.64	12.69	7.45
6 Month KIBOR	13.18	13.19	7.69

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