

- SBP receives USD1bn IMF loan tranche | Tribune:** The State Bank of Pakistan (SBP) has received a loan installment of USD1.05bn from the International Monetary Fund (IMF) under the USD6 billion Extended Fund Facility (EFF). "Following the successful completion of sixth review of the IMF programme, SBP has received the next tranche of USD1.05bn," the State Bank of Pakistan (SBP) stated on its official Twitter handle.
- Pakistan's gross financing needs may peak to USD41.8bn by FY24 | The News:** The International Monetary Fund (IMF) has estimated that Pakistan's external gross financing needs will peak to USD41.8bn at the end of this government's five-year term, which concludes in the fiscal year 2023-24. In the same breath, the lender of the last resort strongly suggested enforcing a rigorous fiscal discipline regime, boosting cash flow management via a treasury single account, constituting a central debt management office.
- IMF disbursement credit positive: Moody's | Tribune:** Moody's Investors Service, a leading international credit rating agency, has said that successful completion of the International Monetary Fund's (IMF) review of Pakistan reflects prospective improvement in the country's institutions and governance strength. In a statement on Friday, the rating agency pointed out that the IMF acknowledged greater credibility of Pakistan's macroeconomic and fiscal management.
- New taxes worth PKR430bn mooted in next budget | Dawn:** The upcoming federal budget would entail an increase in federal tax revenue by about PKR1.16 trillion, including PKR430 billion worth of additional tax measures, according to the International Monetary Fund (IMF). On the other hand, the government would target a much lower recovery on account of petroleum levy than the budgeted PKR610bn for the current fiscal year (FY2021-22) because of significant slippages in government's efforts to partially contain the rising prices of petroleum products.
- Roshan Digital Account inflows reach USD3.38bn by January | The News:** Inflows through Roshan Digital Account (RDA) from overseas Pakistanis reached USD3.38bn by January 2022, in a period of 17 months, since its launch in September 2020, the State Bank of Pakistan (SBP) data showed on Saturday. RDA is a joint effort by the SBP and commercial banks to integrate the overseas diaspora with the country's banking system.
- EFF programme commitments: IMF urges all key bilateral creditors to maintain exposure to Pakistan | BR:** The International Monetary Fund (IMF) has urged all key bilateral creditors to maintain their exposure to Pakistan in line with Extended Fund Facility (EFF) Programme commitments, as the country's gross external financing needs have been projected at USD35.07bn for 2022-23 i.e. 10.1% of the GDP.
- IMF foresees Pakistan's real GDP growth at 4% | BR:** The International Monetary Fund (IMF) has projected real GDP growth of Pakistan at 4% for fiscal year 2022, adding that inflation is expected to pick up this year before gradually slowing down. The Fund in its Staff Report prepared for the Executive Board's consideration on February 2, 2022 projected that the real GDP growth is projected at 4% in fiscal year 2022.
- IMF Urges Pakistan to 'Do More' For Fiscal Stability and FATF Compliance | Pro Pakistani:** The International Monetary Fund (IMF) has urged Pakistan to do more by timely addressing structural reforms for fiscal stability, and maintaining a prudent monetary policy in compliance with the Financial Action Task Force (FATF). Highlighting key indicators on the matter in its Country Report, the global lender implored the Government of Pakistan to adopt prudent policy mix to help increase revenue, reduce current account deficit (CAD), strengthen the market-based exchange rate, reform the energy sector, and bolster state institutions.
- IMF says Pakistan's external debt to reach USD138.57bn in 2022-23 | BR:** The International Monetary Fund (IMF) has projected Pakistan's external debt to reach USD138.57bn in 2022-23 up from USD129.57bn in 2021-22. The IMF in its report "2021 article IV consultation, sixth review under the extended arrangement under the extended fund facility, and requests for waivers of applicability and non-observance of performance criteria and re-phasing of access" has projected Pakistan's public debt at 86.7% of GDP for 2021-22 compared to 88.2% for 2020-21.
- MSCI's quarterly index review due next week | Dawn:** The stock market "could generate additional flows" as a result of the upcoming quarterly index review by MSCI, which is a global provider of indices for passive investors. According to a research note issued by Topline Securities on Friday, the Feb 9 review may result in Oil and Gas Development Company Ltd becoming a part of the main index.
- Refiners heave a sigh of relief as FO demand picks up | The News:** Local refineries' furnace oil (FO) stocks, which, owing to a crash in demand led to an acute storage crunch, are not building up anymore as power plants have started lifting it after months-long hiatus, The News has learnt. According to industry officials, refineries are producing furnace oil as usual, but their storage facilities are not overflowing with it and situation seems to be coming under control.
- Agreement with IMF: More hike in electricity base tariff on the cards | BR:** The Government is all set to increase electricity base tariff under the agreement with International Monetary Fund (IMF) in the name of Annual Rebasing (AR) and power sector subsidies reforms, as the Fund has warned that existing increases in power tariff are insufficient to stem the accumulation of quasi-fiscal losses.
- Higher prices can weaken energy sector's financial position | BR:** The International Monetary Fund (IMF) has cautioned that higher energy prices could weaken energy sector's financial position, especially if not permitted to pass along price increases, leading to more buildups or more arrears. Placing the issue of energy sector as medium/high risk, the IMF has asked Pakistani government to allow energy prices increases to be passed through to end-users.
- Weekly Cotton Review: Spot rate soars to highest recorded level of PKR19,700 per maund | BR:** The rate of cotton remained stable. The spot rate after increasing by PKR300 per maund reached at the highest level of PKR19700 per maund. Increase of eighteen and a half Lac bales in the production of cotton was registered. Production of cotton is expected to be reached at 75 lac bales. It is expected that more than eighty lac bales will have to be imported. Up till now agreements for the import of fifty lac bales have already been signed.
- Govt borrowing from banks falls 66% in seven months | Dawn:** Government's borrowing from scheduled banks shrank 66% year-on-year to PKR292.7bn during the first seven months (July to January) of the current fiscal year, according to the latest data released by the State Bank of Pakistan. However, the overall borrowing for budgetary support amounted to PKR105.9bn by the end of January.
- Profits on all savings schemes slashed | Dawn:** Amid higher policy and reduced secondary market coupon rates, the Central Directorate of National Savings (CDNS) on Friday slashed profit rates on all national savings schemes, but increased these on savings bank accounts and short-term savings certificates. The new rates would be applicable to deposits and investments made with effect from February 4.
- GST break for farmers, wheat support price hike on cards | The News:** The government is weighing withdrawing GST (General Sales Tax) on farm inputs and is also likely to raise wheat support price to PKR2,200/40kg for 2022-23 season, to implement one-price system across the country. Sindh had already fixed the wheat support price at PKR2,200/40kg in November 2021.

Market Indices			
	4-Feb-22	3-Feb-22	30-Jun-21
KSE 100	45,910	45,863	47,356
KSE 30	17,969	17,955	18,962
KMI 30	74,560	74,534	76,622
KSE All Shares	31,433	31,387	32,480
Volume (mn Shares)			
	4-Feb-22	FYTD (Average)	
KSE 100	82.1	123.6	
KSE 30	51.1	52.3	
KMI 30	44.6	49.3	
KSE All Shares	191.2	335.4	
Commodity Rates			
	4-Feb-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	93.3	2.4%	24.1%
Crude Oil-Arab Light (USD/BBL)	91.5	2.0%	26.6%
Coal (USD/Tonne)	182.9	3.9%	59.2%
Copper(USD/Lbs)	4.5	0.4%	4.9%
Cotton (USD/Lbs)	122.8	-0.7%	50.9%
CRC Steel (USD/Tonne)	920.0	2.5%	-22.4%
Currency (Interbank)			
	4-Feb-22	Daily Change	FYTD Change
US Dollar	174.1	-0.8%	10.5%
UK Pound	235.6	-1.3%	8.2%
Euro	199.3	-0.8%	6.7%
UAE Dirham	47.6	-1.0%	10.5%
Chinese Yuan	27.4	-0.8%	12.2%
Fund Flows (USD mn)			
	4-Feb-22	FYTD	
FOREIGN INDIVIDUAL	0.01	4.40	
FOREIGN CORPORATES	-0.36	-286.01	
OVERSEAS PAKISTANI	-0.17	45.47	
<b>FIPI NET</b>	<b>-0.52</b>	<b>-236.14</b>	
Economic Data (USD mn)			
	FY22E	FY21	FY20
GDP Growth	4.6%	5.4%	-0.5%
	Dec-21	Nov-21	
Exports	2,765	2,901	
Imports	7,666	7,899	
Remittances	2,520	2,459	
Foreign Exchange Reserves	24,018	22,329	
Money Market Data			
	4-Feb-22	3-Feb-22	30-Jun-21
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	13.00	13.00	9.70
3 Month T-Bill	10.20	10.20	7.28
6 Month T-Bill	10.55	10.55	7.53
12 Month T-Bill	10.67	10.65	7.81
3 Year Government Bond	10.72	10.71	8.99
5 Year Government Bond	10.79	10.80	9.49
10 Year Government Bond	11.07	11.05	9.94
3 Month KIBOR	10.38	10.40	7.45
6 Month KIBOR	10.73	10.76	7.69

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