

- China commits USD10-USD15bn investments | The News:** Pakistan has received commitments from China for getting investments of USD10-USD15bn for various sectors, including for establishing industrial units at 2,200 acres of Gwadar Free Zone, exploring the possibility to establish oil refinery at Pasni and relocation of industries into seven important sectors, including textile, footwear and pharmaceuticals into upcoming the Special Economic Zones. Adviser to Prime Minister on CPEC, Khalid Mansoor, on Monday said that Pakistan took steps to address the outstanding concerns of Chinese investors such as payment of dues to independent power producers, making revolving funds functional and changing Special Economic Zones (SEZ) Act.
- Pakistan services USD1.35bn foreign loans in July-September | The News:** Pakistan has paid back USD1.35bn on account of debt servicing of foreign loans during the first quarter (July-Sept) of the current fiscal year 2021-22., official date showed on Monday. According to a report prepared by the Ministry of Economic Affairs (EAD), Islamabad paid back USD1.04bn as principal, while USD317mn was paid as interest on foreign loans. The government paid back USD427mn to commercial banks, USD292mn to the World Bank, USD273mn to Asian Development Bank (ADB), USD259mn to the International Monetary Fund, USD32mn to bonds investors, USD14mn to China, USD4mn to Kuwait and USD53mn to others.
- SBP's Baqir confident inflation, CAD to come under control soon | The News:** Governor State Bank of Pakistan (SBP), Dr Reza Baqir, trusts that towering inflation and ballooning current account deficit (CAD) will be tamed down the line, owing to a number of countermeasures executed by the country's economic and financial institutions lately. Baqir said this while speaking at an interactive session titled 'Roshan Digital Account – An Initiative of State Bank of Pakistan' organised by the Embassy of Pakistan in Riyadh on Sunday.
- MSCI to announce consultation outcome on Pakistan's inclusion to FM | Mettis Global:** Morgan Stanley Capital International Inc (MSCI), a leading provider of research-based indexes and analytics, will announce the results on the potential inclusion of the MSCI Pakistan Index to the MSCI Frontier Markets 100 Index and the MSCI Frontier Markets 15% Country Capped Index in the upcoming Quarterly Index Review (QIR) scheduled to be held on Feb 09, 2022. While the same results will be applicable from May 2022 Semi-Annual Index Review (SAIR).
- Services exports up 20% | Dawn:** Export of services posted a growth of over 20.24% in the first half of the current fiscal year from a year ago, showed data released by the Pakistan Bureau of Statistics on Monday. In absolute terms, the value of export of services reached USD3.41bn between July-December 2021 from USD2.84bn over the corresponding months of last year. On a monthly basis, exports of services grew by 7.51% to USD674.05mn in December against USD626.99mn over the corresponding month last year. On a month-on-month basis, exports of services increased by 7.55%.
- Govt seeks a way to reduce WHT for Chinese IPPs | BR:** The Government is reportedly finding an innovative mode to reduce Withholding Tax (WHT) for Chinese IPPs to avert International Monetary Fund (IMF) reaction, well-informed sources told Business Recorder. The Federal Board of Revenue (FBR), sources said, has floated this proposal, after refusing to reverse Withholding Tax (WHT) on CEPC IPPs to 7.5% from raised threshold of 25%. Power Division, which had been raising this issue for the last several months, indicated its agreement with FBR's "innovative idea."
- Payment to power plants: Power Div seeks PKR182.47bn supplementary grant | BR:** Power Division has sought a supplementary grant of PKR182.475bn to clear part of payment to power plants of PAEC, Wapda and National Power Parks Management Company (Pvt) Limited (NPPMCL) as per payment mechanism already approved for IPPs, well-informed sources in Finance Division told Business Recorder. On a summary submitted by the Power Division, the ECC of the Cabinet decided on July 16, 2021 to constitute a Committee under the chairmanship of SAPM on Finance and Revenue having representation of the Power Division, Economic Affairs Division (EAD) and Finance Division tasked to formulate recommendations for cash and non-cash settlement for payment to the IPPs and the Gencos at par with IPPs.
- ECC likely to reinstate tax on dividend to 7.5% for IPPs' investors | Mettis Global:** The Economic Coordination Committee (ECC) is likely reinstating a tax on dividend to 7.5% as full and final tax liability for investors or shareholders of Independent Power Producers (IPPs). The meeting of the ECC is scheduled to be held on Wednesday i.e., February 9, 2022, under the chair of Finance Minister Shaukat Tarin. According to the meeting's 10-point agenda, a copy of which is available with MG News, the meeting will discuss the settlement of payables to government-owned power plants at Par with IPPs.
- Pakistan puts anti-dumping duties on flat steel from Taiwan, EU, S Korea, and Vietnam | The News:** National Tariff Commission (NTC) has imposed an anti-dumping duty on imports of some flat steel products from Taiwan, the European Union, South Korea, and Vietnam. The NTC imposed anti-dumping duties in the range of 6.18% to 17.25% on flat-steel products for a period of 5-years, which includes iron or non-alloy steel, rolled coils/sheets being imported and dumped from Taipei, the EU, South Korea, and Vietnam.
- Textile, Apparel Policy: MoC prepares revised draft | BR:** Ministry of Commerce has prepared a revised draft of Textile and Apparel Policy 2020-25 that would be considered by the Economic Coordination Committee (ECC) on Wednesday (tomorrow), well informed sources told Business Recorder. "There was a dispute between Commerce Ministry and Energy Ministry on the wording of a decision, which will be altered by the ECC," the sources added. On January 12, 2022, Secretary Commerce Sualah Ahmed Faruqi testified before a National Assembly panel that the issue of gas prices for the textile and apparel sectors, assumed in the policy including Captive Power Plants (CPPs), is yet to be resolved.
- Delegation of KE meets Tarin | BR:** A high-level delegation of Karachi Electric (KE) on Monday called on Finance Minister Shaukat Tarin and Secretary Power Syed Asif Hyder Shah to apprise them about critical issues being faced by the power utility. Sources told Business Recorder that KE's foreign investors, including Chairman of KE's Board of Directors Shan Ashary, Mark Skelton and Khaqan Abdullah who represent the Saudi and Middle East based large investor groups that hold majority stake in K-Electric's shares were part of the delegation.
- ECC likely to approve extension of lease agreement of Saindak Copper Gold Project | Pro Pakistani:** The Cabinet's Economic Coordination Committee (ECC) is ready to approve the extension in the lease agreement between Saindak Metals Limited for the Saindak Copper-Gold Project. It is scheduled to meet on Wednesday to discuss the summary being prepared by the Petroleum Division to extend the existing lease agreement between the SML and MCC for another 15 years.

Market Indices			
	7-Feb-22	4-Feb-22	30-Jun-21
KSE 100	45,841	45,910	47,356
KSE 30	17,926	17,969	18,962
KMI 30	74,589	74,560	76,622
KSE All Shares	31,388	31,433	32,480
Volume (mn Shares)			
	7-Feb-22	FYTD (Average)	
KSE 100	77.2	123.3	
KSE 30	37.6	52.2	
KMI 30	47.4	49.3	
KSE All Shares	150.0	334.3	
Commodity Rates			
	7-Feb-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	92.7	-0.6%	23.4%
Crude Oil-Arab Light (USD/BBL)	90.3	-1.3%	24.9%
Coal (USD/Tonne)	189.1	3.4%	64.6%
Copper(USD/Lbs)	4.5	-0.4%	4.4%
Cotton (USD/Lbs)	121.6	-1.7%	49.4%
CRC Steel (USD/Tonne)	920.0	0.0%	-22.4%
Currency (Interbank)			
	7-Feb-22	Daily Change	FYTD Change
US Dollar	174.3	0.1%	10.6%
UK Pound	235.9	0.1%	8.3%
Euro	199.4	0.1%	6.8%
UAE Dirham	47.6	0.0%	10.5%
Chinese Yuan	27.4	0.0%	12.2%
Fund Flows (USD mn)			
	7-Feb-22	FYTD	
FOREIGN INDIVIDUAL	0.00	4.40	
FOREIGN CORPORATES	0.40	-285.61	
OVERSEAS PAKISTANI	0.52	45.99	
FIPI NET	0.92	-235.22	
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			
	7-Feb-22	4-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	10.57	10.55	7.53
12 Month T-Bill	10.66	10.67	7.81
3 Year Government Bond	10.72	10.72	8.99
5 Year Government Bond	10.79	10.79	9.49
10 Year Government Bond	11.04	11.07	9.94
3 Month KIBOR	10.38	10.38	7.45
6 Month KIBOR	10.74	10.73	7.69

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