



- Govt restricts budget deficit to PKR1.37tr in first half of current fiscal year | Nation:** The government has restricted the budget deficit to PKR1.37 trillion mainly due to the healthy growth in tax collection and surplus provincial budgets in first half (July to December) of the current fiscal year. Pakistan's budget deficit – the gap between federal income and expenditures – was recorded at PKR1.37 trillion (2.1% of the GDP) during July to December period of year 2021-22. Budget deficit was 2.5% of the GDP during the same period of the previous year.
- 54 projects being implemented thru WB funding | BR:** Omar Ayub Khan, Federal Minister for Economic Affairs chaired a high-level meeting to review the progress on different projects funded by the World Bank (WB). The World Bank Team, led by Najy Benhassine, Country Director, and senior officers of Economic Affairs Division (EAD), attended the meeting. Najy Benhassine, Country Director WB, briefed the Minister that currently, 54 projects are being implemented under WB's financing of USD12.4bn across the country.
- Govt raises PKR509bn via MTBs' auction | The News:** Government on Wednesday raised PKR509bn through the auction of Market Treasury Bill (MTB), which was slightly higher against the target of PKR500bn, data showed. The cut-off yield on three-month T-bills remained unchanged at 10.30%. The State Bank of Pakistan (SBP) sold PKR255bn of three-month paper, the central bank's auction result revealed. The yields on six-month paper marginally fell three basis points to 10.66%. The SBP sold PKR173bn of six-month T-bill.
- Govt, stakeholders reach consensus on cash subsidy for textile sector | Dawn:** The government has decided in principle to implement the Textile and Apparel Policy 2020-25 after reaching consensus among stakeholders over cash subsidy for lower utility rates with the aim to boost production and exports of value-added textile products. A formal decision in this regard was taken in the Economic Coordination Committee (ECC) of the Cabinet. The policy is expected to be presented in the next cabinet meeting for approval. An official source privy to the meeting told Dawn that it was decided that concessionary tariff on electricity and gas will be provided to processing industries only.
- Cotton prices hit all-time high | The News:** Cotton prices in the country reached another all-time on supply deficit while traders finalised import orders of 5.0mn bales to fulfill the local demand, traders said. Cotton prices reach to PKR20,700 per maund (37.324 kg), meanwhile, traders finalised import orders for 5.0mn bales to cater to the local demand. "The cotton production this season is expected to reach 7.5mn bales while its consumption will increase to 17.5mn or 18mn bales," said Naseem Usman, chairman of Karachi Cotton Brokers Association.
- 5G spectrum auction in next fiscal | The News:** The government has constituted an 'Advisory Committee' under the chairmanship of Federal Minister for Finance Shaukat Tarin along with 12 other members, including representatives of GHQ and ISI for conducting 5G Spectrum auction during the next fiscal year 2022-23. It will review and approve the 5G strategic plan to enable timely launch of 5G services in Pakistan in consultation with all stakeholders including the telecom operators by finalising telecom reforms and incentives to promote IMT/5G technology.
- ECC defers summary on settlement of payables to govt owned power plants | Mettis Global:** The Economic Coordination Committee (ECC) of the Cabinet on Wednesday has deferred the Power Division's two summaries on Settlement of Payables to government-owned power plants and reinstatement of a tax on dividend for investors/shareholders of IPPs, said a press statement issued by Power Division. In addition, ECC has also approved the Textiles and Apparel Policy, 2020-25 after deliberation as the Ministry of Commerce submitted revised Textiles and Apparel Policy, 2020-25 after incorporating a few changes along with the implementation report.
- ECC allows petroleum levy on sale price of RLNG for KE | The News:** The Economic Coordination Committee (ECC) of the Cabinet on Wednesday allowed to impose petroleum levy on the sale price of RLNG (Re-gasified Liquefied Natural Gas) to be supplied to K-Electric (KE). Petroleum Division had sought amendment to Petroleum Product Ordinance, 1961 from Economic Coordination Committee (ECC) in order to enable Pakistan LNG Limited (PLL) to supply RLNG to KE's 900 megawatt (MW) power plant. For this purpose, the ECC allowed amending Petroleum Levy Ordinance 1961, requiring inclusion of RLNG in the First Schedule of the list of the petroleum products.
- K-Electric to issue up to PKR12bn secured SUKUK | Mettis Global:** The board of directors (BoD) of K-Electric Limited (PSX: KEL) has approved the issue of KE rated, secured and privately placed listed SUKUK of up to PKR12bn, including a greenshoe option of up to PKR4bn, the company's filing on PSX revealed today. However, it is subject to completion of all statutory requirements and after obtaining all regulatory approvals and completing requisite corporate actions. While considering the business update of the company and among other matters, the board gave the approval of the said issuance of SUKUK in its meeting held on 09 February 2022.
- FIs may appoint CRC as agent for recovery of NPAs | BR:** A financial institution may appoint a Corporate Restructuring Company (CRC) as its agent for recovery of its non-performing assets. Explaining the Corporate Restructuring Companies (Amendment) Act, 2021, sources told Business Recorder that the financial institution may appoint a CRC as its agent for recovery of its non-performing assets by entering into an agency agreement with such CRC on such terms and conditions as may be mutually agreed between them. Provided that in case of agency relationship, there shall be no transfer of any non-performing assets to CRC.
- Sindh, Balochistan told to clear PKR1.75bn Hub Dam dues | Dawn:** A parliamentary panel on Wednesday asked the Sindh and Balochistan governments to clear their PKR1.752bn outstanding dues to the Hub Dam management on account of water charges. A meeting of the National Assembly's Standing Committee on Water Resources, presided over by Nawab Mohammad Yousaf Talpur, was informed by the water resources ministry that Hub Dam was built by the Water and Power Development Authority (Wapda) in 1981 and it was decided that 66.67% of the construction cost would be paid by the Sindh government and 33.33% by the Balochistan government.
- Govt move to facilitate trade with Afghanistan | Dawn:** The government has decided to facilitate trade activities for war-torn Afghanistan by granting a temporary waiver of Electronic Import Form (EIF), a mandatory process of banking transactions for trade purpose. The decision was taken on Wednesday during a meeting of the Afghanistan Inter-Ministerial Coordination Cell presided over by National Security Adviser Dr Moeed Yusuf.

Market Indices			
	9-Feb-22	8-Feb-22	30-Jun-21
KSE 100	46,340	45,948	47,356
KSE 30	18,148	17,963	18,962
KMI 30	75,497	74,874	76,622
KSE All Shares	31,679	31,426	32,480
Volume (mn Shares)			
	9-Feb-22	FYTD (Average)	
KSE 100	125.2	123.2	
KSE 30	56.5	52.2	
KMI 30	47.1	49.3	
KSE All Shares	242.9	332.9	
Commodity Rates			
	9-Feb-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	91.6	0.8%	21.9%
Crude Oil-Arab Light (USD/BBL)	88.8	0.5%	22.9%
Coal (USD/Tonne)	194.8	0.6%	69.6%
Copper(USD/Lbs)	4.6	2.8%	7.1%
Cotton (USD/Lbs)	122.5	-0.6%	50.5%
CRC Steel (USD/Tonne)	920.0	0.0%	-22.4%
Currency (Interbank)			
	9-Feb-22	Daily Change	FYTD Change
US Dollar	174.2	0.1%	10.6%
UK Pound	235.7	0.0%	8.2%
Euro	198.9	0.2%	6.5%
UAE Dirham	47.6	0.0%	10.5%
Chinese Yuan	27.4	0.1%	12.2%
Fund Flows (USD mn)			
	9-Feb-22	FYTD	
FOREIGN INDIVIDUAL	-0.02	4.38	
FOREIGN CORPORATES	-1.36	-286.40	
OVERSEAS PAKISTANI	-0.21	46.11	
FIPI NET	-1.58	-235.90	
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			
	9-Feb-22	8-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	10.58	7.53
12 Month T-Bill	10.66	10.65	7.81
3 Year Government Bond	10.69	10.70	8.99
5 Year Government Bond	10.77	10.78	9.49
10 Year Government Bond	11.03	11.03	9.94
3 Month KIBOR	10.38	10.38	7.45
6 Month KIBOR	10.73	10.74	7.69

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