

- All FATF technical requirements met | BR:** Foreign Office said Friday that Pakistan has faithfully complied with the Financial Action Task Force's (FATF's) action plan by completing all its technical requirements and that the world body will take decisions in accordance with the technical standards. Speaking at his weekly media briefing, Foreign Office spokesperson Asim Iftikhar said there are issues of politicisation in the FATF by some countries, wherein, technical requirements are set aside and political considerations take the forefront.
- RISE-I, DPF: WB concerned at delay in 'prior actions' | BR:** The World Bank (WB) has expressed concerns over delay in implementation of 'prior actions' including measures to arrest circular debt flow which are mandatory for Second Resilient Institutions for Sustainable Economy (RISE-I), Development Policy Financing (DPF). The Bank's concerns have been conveyed by Najy Benhassine, Country Director, Pakistan to Finance Minister, Shaukat Tarin.
- Privatisation of HEC: CCoP is all set to approve reserve price | BR:** The Cabinet Committee on Privatisation (CCoP) headed by Finance Minister Shaukat Tarin is all set to approve Reserve Price of Heavy Electrical Complex (HEC) on Monday (today), sources close to Privatisation Minister told Business Recorder. The PC Board has two options of Reference Price for bidding of HEC: (i) Reference Price of PKR.82.35 per share, as per DCF method with terminal growth rate of 2.9%, equivalent to PKR1.20bn; and (ii) Reference Price of PKR98.23 per share, as per DCF method with 4.5% terminal growth rate, equivalent to PKR1.43bn.
- Govt eyes people's gold to increase forex reserves | Tribune:** The government is considering a proposal to borrow gold biscuits and bars from the people to increase foreign exchange reserves that remain on a sliding path despite taking over USD5bn loans in the past three months from bilateral and multilateral creditors. The proposal has been discussed in the Economic Executive Council (EEC) – the body comprising all economic ministers and the State Bank of Pakistan (SBP) governor, according to the sources in the Ministry of Finance.
- Energy regulators to be merged for better regulation | BR:** The government has decided to merge Nepra, Ogra and Neeca to form a unified regulator to ensure integrated oversight of the country's energy sector. This is part of the draft National Electricity Plan 2022-26 of Ministry of Energy (Power Division). As a first step, a joint working group shall be formulated under the convenership of Power Division and comprising of Nepra, Ogra, Neeca, MoPD&SI, Petroleum Division and Power Planning & Monitoring Company (PPMC).
- Bank advances to private sector jump by 19% | Dawn:** Bank lending to the private sector jumped by 19.2% year-on-year to PKR7.46 trillion in January suggesting booming economic activities. However, the biggest growth was noted in the housing and construction sector advances, which surged by 72.3% in 12 months. The government has been striving to boost economic growth by promoting the housing and construction sector as it has the ability to activate the allied 40 industries.
- PKR6.10 power tariff hike on the cards | Tribune:** Power tariff is likely to increase by PKR6.10 per unit on account of fuel cost adjustment (FCA) for the month of January this year as the National Electric Power Regulatory Authority (Nepra) will hear an application filed by the Central Power Purchasing Agency (CPPA-G) on February 28. In its application, the CCPA-G has stated that in the month of January, 33.15% of the total electricity was generated from coal and 5.83% through hydropower stations.
- Gas sector circular debt doubles to PKR650bn in three years | The News:** Circular debt for the cash bleeding gas sector has almost doubled in last three years (period ended on June 30, 2021) of PTI-led government to PKR650bn against PKR350bn in the FY2018. When authorities shared this figure with the International Monetary Fund (IMF) it placed a structural benchmark for amending the OGRA Ordinance 2002 for automatic adjustment of gas tariff with the approval of Parliament if the government did not notify the determined tariff through the sector regulator.
- CCOE considers discounting tariffs of IPPs | Tribune:** The Independent Power Producers (IPPs), that have installed energy plants under the China-Pakistan Economic Corridor (CPEC), have opposed the terms of revised agreements to reduce the rate of return. The stalemate between the government and wind IPPs continues as well due to hurdles arising from involvement of from multilateral donors. The government has already struck a deal with other IPPs and made payments to them by reducing the rate of return.
- US's DFC blocks progress on PPAs with wind IPPs? | BR:** The US government's Development Finance Corporation (DFC) has reportedly "blocked" progress on Master Agreements and Power Purchase Agreement (PPAs) with Wind IPPs, well-informed sources in AEDB told Business Recorder. On February 10, 2022, Power Division briefed the Cabinet Committee on Energy (CCoE) that consequent upon approval of the payment mechanism and agreements with the IPPs, 14 Wind IPPs initialled agreements on the condition that these agreements would be signed and executed subject to their lenders' approval.
- Pakistan to tap spot cargoes after long-term LNG suppliers bail | Dawn:** Pakistan is seeking to buy liquefied natural gas (LNG) cargoes from the spot market after two long-term suppliers failed to fulfil commitments to deliver shipments in March, [Bloomberg reported](#) on Friday while citing "people with knowledge of the matter". Pakistan LNG Ltd has issued a tender for two cargoes to be delivered next month, the international news agency said.
- Govt to resume supply of natural gas to CNG sector | Tribune:** The government is aware of the importance of the compressed natural gas (CNG) industry and it will try to immediately resume the supply of natural gas to it, said Federal Minister for Petroleum Hammad Azhar. While talking to a delegation of All Pakistan CNG Association (APCNGA) on Friday, he said that the government was aware of the problems being faced by the CNG sector and efforts were underway to solve the issues as soon as possible.
- Toyota sales to grow rapidly as Sindh police is buying cars worth PKR1.80bn | Pro Pakistani:** Sindh Police Department has prepared a financial overview, in which, the Inspector General (IG) Sindh has recommended a fund of PKR1.80bn for the purchase of new police vehicles. According to the summary, the government has earmarked PKR170mn for the purchase of Police vehicles in the Financial Year 2021 (FY2021).
- Cabinet approves RLNG sale pricing mechanism for KE | BR:** The federal cabinet has approved RLNG sale pricing mechanism for Karachi Electric (KE) in accordance with the proposal of Petroleum Division, well-informed sources told Business Recorder. The Economic Coordination Committee (ECC) of the cabinet, in its meeting held on February 9, 2022 accorded approval of the summary.
- Bill on penalties for bankers clears Senate panel | Dawn:** A Senate panel on Friday unanimously approved a bill that envisages punishments for executives of banks and financial institutions for discriminating against anybody, including politically exposed persons (PEPs), in the provision of banking services. A meeting of the Senate Standing Committee on Finance, chaired by Senator Talha Mahmood, also directed the State Bank of Pakistan (SBP) to submit a written statement within three days on the status and details of USD250mn repatriated to Pakistan by the National Crime Agency (NCA) of the United Kingdom.

Market Indices			
	18-Feb-22	17-Feb-22	30-Jun-21
KSE 100	45,676	45,441	47,356
KSE 30	17,804	17,699	18,962
KMI 30	73,955	73,509	76,622
KSE All Shares	31,256	31,143	32,480
Volume (mn Shares)			
	18-Feb-22	FYTD (Average)	
KSE 100	113.6	121.8	
KSE 30	19.1	51.5	
KMI 30	18.7	48.6	
KSE All Shares	193.8	327.7	
Commodity Rates			
	18-Feb-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	93.5	0.6%	24.5%
Crude Oil-Arab Light (USD/BBL)	92.1	-0.3%	27.4%
Coal (USD/Tonne)	196.0	0.0%	70.7%
Copper(USD/Lbs)	4.5	-0.1%	5.7%
Cotton (USD/Lbs)	119.0	0.3%	46.1%
CRC Steel (USD/Tonne)	995.0	1.0%	-16.0%
Currency (Interbank)			
	18-Feb-22	Daily Change	FYTD Change
US Dollar	175.6	0.2%	11.5%
UK Pound	238.6	0.1%	9.6%
Euro	198.8	-0.1%	6.4%
UAE Dirham	48.3	0.0%	12.1%
Chinese Yuan	27.8	0.4%	13.8%
Fund Flows (USD mn)			
	18-Feb-22	FYTD	
FOREIGN INDIVIDUAL	0.01	4.37	
FOREIGN CORPORATES	-0.29	-296.20	
OVERSEAS PAKISTANI	-0.94	47.82	
<b>FIPI NET</b>	<b>-1.22</b>	<b>-244.01</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			
	18-Feb-22	17-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	10.29	10.29	7.28
6 Month T-Bill	10.68	10.67	7.53
12 Month T-Bill	10.71	10.71	7.81
3 Year Government Bond	10.75	10.75	8.99
5 Year Government Bond	10.79	10.79	9.49
10 Year Government Bond	10.95	10.98	9.94
3 Month KIBOR	10.44	10.44	7.45
6 Month KIBOR	10.83	10.82	7.69

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