

- Sukuk, IMF package to help shore up economy | BR:** The issuance of Sukuk by Pakistan, together with the USD1bn disbursement from the International Monetary Fund's Extended Fund Facility (EFF), will help shore up the economy's reserves amid a sharp widening of the current account deficit, says Moody's Investors Services (Moody's). Moody's in its latest report stated that Pakistan (B3 stable) returned to the Sukuk market with a seven-year issuance in January 2022, its first Sukuk since 2017. This issuance, together with the recently approved USD1bn disbursement from the IMF's Extended Fund Facility, will help shore up the economy's international reserves amid a sharp widening of the current account deficit.
- Energy and agriculture sectors: ITFC signs USD1.2bn Annual Plan in favor of Pakistan | BR:** The International Islamic Trade Finance Corporation (ITFC) signed the USD1.2bn Annual Plan for 2022 in favor of the government of Pakistan, to provide integrated trade solutions to support the energy and agriculture sectors. The USD1.2bn agreement includes financing the import of essential commodities such as crude oil, refined petroleum products, LNG, food and agricultural products; in addition to implementing trade related technical assistance intervention to ensure trade development impact. Sources in the Ministry of Economic Affairs told Business Recorder that this is an umbrella facility.
- Privatisation board gives green signal to HEC sale | The News:** Privatisation Commission (PC) Board on Tuesday endorsed bidding process of Heavy Electrical Complex (HEC), paving way for the transaction to be placed before the Cabinet Committee on Privatisation (CCoP) and then to the federal cabinet for final approval. The PC Board approved the bidding price of PKR99.999/share or PKR1.41bn and the winning bidder IMS Engineering (Pvt) Limited (IMS) that the other day won the government's all share in the entity along with management control. "The Board members welcomed the price offered by the successful bidder as it is higher than the reference price and hence unanimously endorsed the bidder and bidding price for the entity, it also recommended that the same may be placed before CCoP and the federal cabinet for timely completion of the transaction," said the statement.
- Pharma sector gets tax incentives | Tribune:** The government has approved a tax incentive package for the active pharmaceutical ingredient (API) industry to give a boost to its growth and ensure it is on a par with the industries in India, China and Bangladesh. Earlier, the Prime Minister's Office told the ministries and divisions concerned that PM Imran Khan desired to increase self-reliance in the API industry through concrete steps and special incentives to lessen the dependency on neighboring countries. In response, the Ministry of Commerce secretary requested the Ministry of Health Services secretary to make joint efforts for resolving the issues faced by the pharmaceutical industry.
- Tech startup fund established | BR:** Prime Minister Imran Khan has announced establishment of Pakistan Technology Startup Fund to provide PKR1bn seed funding to around 50 Startups annually. While chairing a meeting on Tuesday, the prime minister said that the information technology sector and technology savvy youth are the biggest asset of the country that can be exploited to bridge the huge current account deficit. He said that the government is announcing tax holiday and 100 percent forex retention for IT/ITeS companies and freelancers registered with the Pakistan Software Export Bureau (PSEB) to incentivise investment in the IT sector for economic turnaround.
- FCA: KE seeks PKR3.40/unit increase for Jan | BR:** Karachi Electric (KE) has sought an increase of PKR3.40 per unit in its tariff for the month of January 2022 under monthly Fuel Charges Adjustment (FCA) mechanism. The power utility intends to recover PKR3.73bn from consumers on account of expensive electricity from its own power plants and purchased from IPPs and Central Power Purchasing Agency Guaranteed (CCP-A). KE has also filed its quarterly adjustment request for the quarter October-December 2021, and according to the power utility has sought a negative adjustment of Paisa 30 per unit for the quarter.
- Oil nears USD100 on Russia-Ukraine escalation | The News:** Oil rose to its highest since 2014 on Tuesday after Moscow ordered troops into two breakaway regions in eastern Ukraine, adding to supply concerns that are pushing prices towards USD100 a barrel. Brent crude oil, the global benchmark, reached USD99.50 per barrel, the highest level since September 2014. It pulled back to just below USD98, still a gain of around 2.4% compared with late Monday.
- Russia faces new sanctions; war fears rise | BR:** NATO Secretary-General Jens Stoltenberg said on Tuesday that the alliance believed that Russia was still planning a big assault on Ukraine following Moscow's recognition of two separatist regions in the former Soviet republic's east. He spoke as the West took more measures to try to discourage Russian from going on the offensive in Ukraine, with Germany putting the brakes on a new gas pipeline and Britain hitting Russian banks with sanctions. "Every indication is that Russia is continuing to plan for a full-scale attack of Ukraine," Stoltenberg told a news conference in Brussels. "We continue to call on Russia to step back ... it's never too late not to attack. Russia's parliament approved treaties with the two regions a day after Russian President Vladimir Putin said he was recognizing the independence of the two enclaves in eastern Ukraine, which adjoin Russia and have been controlled by Russian-backed fighters since 2014."

Market Indices			
	22-Feb-22	21-Feb-22	30-Jun-21
KSE 100	45,012	45,363	47,356
KSE 30	17,513	17,681	18,962
KMI 30	72,730	73,311	76,622
KSE All Shares	30,845	31,048	32,480
Volume (mn Shares)			
	22-Feb-22	FYTD (Average)	
KSE 100	112.2	121.4	
KSE 30	46.7	51.2	
KMI 30	44.0	48.4	
KSE All Shares	226.8	326.1	
Commodity Rates			
	22-Feb-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	96.8	1.5%	28.9%
Crude Oil-Arab Light (USD/BBL)	92.9	0.9%	28.5%
Coal (USD/Tonne)	199.4	1.2%	73.6%
Copper(USD/Lbs)	4.5	-0.2%	5.5%
Cotton (USD/Lbs)	118.2	-0.4%	45.1%
CRC Steel (USD/Tonne)	995.0	0.0%	-16.0%
Currency (Interbank)			
	22-Feb-22	Daily Change	FYTD Change
US Dollar	176.0	0.2%	11.7%
UK Pound	239.0	0.1%	9.8%
Euro	199.3	0.4%	6.7%
UAE Dirham	48.3	0.0%	12.1%
Chinese Yuan	27.8	0.4%	14.0%
Fund Flows (USD mn)			
	22-Feb-22	FYTD	
FOREIGN INDIVIDUAL	0.00	4.38	
FOREIGN CORPORATES	-0.77	-297.14	
OVERSEAS PAKISTANI	0.04	48.15	
<b>FIPI NET</b>	<b>-0.73</b>	<b>-244.61</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			
	22-Feb-22	21-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	10.31	10.31	7.28
6 Month T-Bill	10.70	10.68	7.53
12 Month T-Bill	10.75	10.73	7.81
3 Year Government Bond	10.79	10.76	8.99
5 Year Government Bond	10.84	10.81	9.49
10 Year Government Bond	10.99	10.98	9.94
3 Month KIBOR	10.47	10.46	7.45
6 Month KIBOR	10.83	10.83	7.69

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