



- H1 trade deficit widens 106.4% to USD25.48bn YoY | BR:** Trade deficit widened by 106.4% during the first half (July-December) of the current fiscal year 2021-22 and reached USD25.48bn compared to USD12.34bn during the same period of 2020-21, revealed the Pakistan Bureau of Statistics (PBS) data. The Ministry of Commerce and the PBS are not on the same page as a significant difference was evident in the trade figures for (July-December 2021) released by the two with two days gap.
- FY23 budget: Remaining GST exemptions to be withdrawn: FBR chief | BR:** Chairman FBR/Secretary Revenue Division, Dr Muhammad Ashfaq Ahmed said Wednesday that the government will withdraw the remaining sales tax exemptions in the coming budget. Briefing Senate Standing Committee on Finance on the Finance Supplementary Bill, 2021, the FBR chairman said that the zero sales tax would come from the pharmaceutical sector.
- Govt debt hits historic high of PKR40.9tr | BR:** The federal government's total debt stocks rose to a historic level of PKR40.9 trillion by the end of November 2021. The State Bank of Pakistan (SBP) Wednesday reported that the country's domestic and external debt went up by 6 percent during July-Nov of this fiscal year (FY22). The central government's total domestic and external debt stocks touched a new peak of PKR40.97 trillion in November 2021 up from PKR38.70 trillion in June 2021, depicting an increase of PKR2.27tr.
- RDA: Inflows reach USD3.16bn by December'21 | Mettis Global:** Foreign exchange inflows through Roshan Digital Account (RDA) reached USD3.16bn by December 2021 since its launch in September 2020, indicating the increasing confidence of non-residents Pakistanis (NRPs), the latest data released by State Bank of Pakistan showed. Of USD3.16bn, around 68% or USD2.15bn was invested in high-return Naya Pakistan Certificates (NPCs) during sixteen months with USD1.19bn invested in the conventional NPCs and USD957mn in Islamic certificates of this instrument. Meanwhile, a small part of the USD32mn investment has been observed in the equity market.
- Outflows from equities, T-bills, PIBs cross USD1bn in 6MFY22 | Dawn:** The outflow of dollars from equities, treasury bills (T-bills) and Pakistan Investment Bonds (PIBs) crossed the one-billion mark in the first six months of the current fiscal year (6MFY22), data issue by the State Bank of Pakistan (SBP) on Wednesday showed. Despite half a billion dollars inflows in equities and other securities, net outflow was USD492mn during July-Dec FY22, the SBP data revealed.
- ECC approves import of 50,000MT of urea from China | BR:** A meeting of the Economic Coordination Committee (ECC) of the Cabinet has allowed import of 50,000 metric ton urea on government-to-government basis from China on an urgent basis, subject to clearance from the Pakistan Standards and Quality Control Authority (PSQCA). The meeting presided over by Federal Minister for Finance and Revenue Shaukat Tarin was presented a summary by the Ministry of Industries and Production for the import of urea from China by the Trading Corporation of Pakistan (TCP).
- High urea, DAP prices: Country seen missing Rabi crops' targets | BR:** The high urea and DAP prices coupled with shortage is likely to have serious negative impact on agricultural growth as the country could miss the Rabi crops production targets especially, wheat production target set at 28.9mn tons. This was the crux of a background discussion with various relevant officials and agriculturalist. The federal government has fixed wheat production target for the Rabi crop season at 28.9mn tons against 27.3mn tons in 2020-21 season.
- SBP cuts realization period for exporters by 60 days | BR:** In order to ensure the timely arrival of foreign exchange, the State Bank of Pakistan (SBP) Wednesday announced to reduce the period of exports proceed realization by 60 days and now the exporters will be required to bring export proceeds within a maximum period of 120 days from date of shipment. SBP expects that the new measure will have a positive impact on foreign exchange inflows in the market. SBP is of the view that flexible exchange rate has appropriately played its role as a shock absorber and it is important that its role be complemented by strong exports-proceeds realization.
- Hybrid Car Prices to go up PKR 900,000 to PKR 1,300,000 after ECC Approved Increased in Regulatory Duty | Augaf:** Ministry of Commerce submitted a summary for rationalization of tariff on import of vehicles and other items requested by MOIP & other sectors. The meeting discussed the summary in details and approved recommendations of the Tariff Policy Board with some modifications. The forum also decided to review some recommendations relating to automotive sector after six months. Regulatory duty on hybrid vehicles 1,501 cc to 1,800 cc has increased to 50 percent from 15 percent earlier.
- Refineries lament IPPs still not lifting furnace oil | Dawn:** Operational constraints continue to affect the oil refining sector even though the local crude processors first raised the issue more than a month ago. Independent power producers (IPPs) are still not lifting locally processed furnace oil that they're required to store on their premises for emergency use, said Mohammad Wasi Khan, chairman of Cnergyco PK Ltd (formerly Byco Petroleum), while speaking to Dawn on Wednesday.
- PTCL Group, TPL Trakker renew partnership for ICT services development | BR:** Pakistan Telecommunication Company Limited (PTCL) Group has signed a Memorandum of Understanding (MoU) for continuation of its strategic partnership with TPL Trakker, a leading GPS tracking and IoT services provider in Pakistan. Under the partnership, PTCL Group will provide wireless connectivity and a host of bundled services to TPL Trakker.
- Passage of money bill: Senate panel concerned at 'after-effects' | BR:** The Senate Standing Committee on Finance Wednesday expressed serious concerns over reports that the proposed money bill would stoke massive inflation in the country and even chairman Federal Board of Revenue (FBR) was not ready to commit that prices of drugs would not increase following measures suggested in the bill.

Market Indices

	5-Jan-22	4-Jan-22	30-Jun-21
KSE 100	45,408	45,391	47,356
KSE 30	17,870	17,859	18,962
KMI 30	73,553	73,497	76,622
KSE All Shares	31,116	31,113	32,480

Volume (mn Shares)

	5-Jan-22	FYTD (Average)
KSE 100	96.8	127.0
KSE 30	64.7	52.0
KMI 30	55.4	49.3
KSE All Shares	431.9	346.6

Commodity Rates

	5-Jan-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	80.8	1.0%	7.5%
Crude Oil-Arab Light (USD/BBL)	78.5	2.5%	8.7%
Coal (USD/Tonne)	138.8	5.9%	34.4%
Copper(USD/Lbs)	4.4	-1.2%	3.0%
Cotton (USD/Lbs)	113.0	-0.1%	38.8%
CRC Steel (USD/Tonne)	900.0	0.0%	-24.1%

Currency (Interbank)

	5-Jan-22	Daily Change	FYTD Change
US Dollar	176.3	0.0%	11.9%
UK Pound	239.0	0.2%	9.7%
Euro	199.4	0.3%	6.8%
UAE Dirham	48.1	-0.5%	11.5%
Chinese Yuan	27.7	0.2%	13.6%

Fund Flows (USD mn)

	5-Jan-22	FYTD
FOREIGN INDIVIDUAL	0.00	4.23
FOREIGN CORPORATES	5.29	-291.44
OVERSEAS PAKISTANI	0.45	49.19
FIPI NET	5.74	-238.03

Economic Data (USD mn)

	FY22E	FY21	FY20
GDP Growth	4.8%	3.9%	-0.5%
	Nov-21	Oct-21	
Exports	2,884	2,464	
Imports	7,847	6,372	
Remittances	2,352	2,518	
Foreign Exchange Reserves	22,499	23,829	

Money Market Data

	5-Jan-22	4-Jan-22	30-Jun-21
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	12.3%	11.5%	9.7%
3 Month T-Bill	10.40	10.36	7.28
6 Month T-Bill	11.37	11.32	7.53
12 Month T-Bill	11.41	11.40	7.81
3 Year Government Bond	11.44	11.44	8.99
5 Year Government Bond	11.49	11.47	9.49
10 Year Government Bond	11.62	11.62	9.94
3 Month KIBOR	10.55	10.52	7.45
6 Month KIBOR	11.48	11.47	7.69

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