



- IMF Board to meet on 12th | BR:** The International Monetary Fund's Executive Board is scheduled to meet on January 12 with consideration of Pakistan - 2021 Article IV Consultation, Sixth Review under the Extended Fund Facility (EFF), and Requests for Waivers of Nonobservance of Performance Criteria and Rephrasing of Access". The IMF Executive Board calendar updated on its website shows that its meeting has been scheduled for January 12, 2022, and the agenda includes, Pakistan - 2021 Article IV Consultation, Sixth Review under the Extended Arrangement, under the Extended Fund Facility, and Requests for Waivers of Nonobservance of Performance Criteria and Rephrasing of Access".
- Govt raises PKR167.4bn via Ijara Sukuk| The News:** The government on Thursday raised PKR167.4bn through the auction of five-year fixed rate Government of Pakistan (GIS) Ijara Sukuk to help plug the budget gap. Auction target was PKR25bn. The government also fetched PKR51.1bn through the auction of five-year variable rental rate Ijara Sukuk. Bankers said the government would likely generate PKR300bn in funds from the sale of these Shariah-compliant papers within two-three months. The government took some measures to diversify its debt.
- Forex reserves fall in Dec| BR:** The country's total liquid foreign exchange reserves fell USD255mn to stand at USD24.02bn as on 31st December 2021 compared to USD24.27bn a week earlier. According to a weekly foreign exchange, report issued on Thursday, during the week under review, SBP's reserves decreased by USD169mn to USD17.69bn down from USD17.8bn. Net foreign reserves held by commercial banks stood at USD6.33bn, fell USD85mn in a week.
- 40% of agreed amount: 12 IPPs paid over PKR60bn as first instalment| BR:** Power Division is said to have paid over PKR60bn to 12 IPPs of Power Policy 2002, 40% of total agreed amount as first instalment, well-informed sources told Business Recorder. The following IPPs has been paid 40% of the agreed amount: (i) Atlas Power- RFO; (ii) Attock Gen-RFO;(iii) Engro Energy-gas ;(iv) Saif Power- RLNG ;(v) Halmore Power- RLNG;(vi) Hub Power(Narowal) – RFO ;(vii) Liberty Power- RFO ;(viii) Nishat Power- RFO;(ix) Orient Power- RLNG ;(x) Foundation Power (Dharaki)- gas;(xi) Nishat Chuniyan and (xii) Sapphire Electric –RLNG.
- Fuel oil stocks pile up to 145,000 tonnes; IPPs limit buying| The News:** Furnace oil glut in the domestic market is touching 145,000 tonnes now; with independent power producers (IPPs), continuing to practice restraint in buying stocks held by refineries, latest figures available with The News showed on Thursday. Out of the five refineries with furnace oil stocks piling up, three went for suspension of their operations for some time. IPPs have not been buying furnace oil for power generation for the past several weeks, creating operational and storage constraints for the refineries, with some compromising to sell at lower rates.
- Steel bars: PALSP spells out reasons behind increase in prices| BR:** The Federal Board of Revenue (FBR) will have major chunk of revenue on steel bars, following surge in its prices and mainly due to massive increase in prices of raw materials in the international market, currency devaluation, increase in discount rate, and surge in prices of utilities/petroleum products. According to a communication of the Pakistan Association of Large Steel Producers (PALSP) to the FBR Thursday, the unprecedented increase in the cost of steel scrap globally, steep increase in the freight charges, massive devaluation of the PKR, drastically increasing cost of gas, electricity and fuel are the key factors responsible for increase in the cost of construction bars in Pakistan.
- Financing by banks to construction sector jumps 85% in 2021| Dawn:** Bank lending to the housing and construction sector increased by an unprecedented 85% during the calendar year 2021 while the loan disbursements under the Prime Minister's low-cost housing scheme also rose to PKR38bn. The State Bank of Pakistan (SBP) on Thursday reported very high growth in financing to the housing and construction sector but it was still not up to the mark as the government wants to build 5 million houses during its tenure ending next year.
- Deduction in CPP invoice: Hubco serves dispute notice to CPPA-G| BR:** M/s Hubco has served dispute notice to Central Power Purchasing Agency –Guaranteed (CPPA-G) under Power Purchase Agency (PPA) on deductions made in the company's Capacity Purchase Price (CPP) invoice for the period of July-September 2021, well informed sources told Business Recorder. M/s Hubco's Chief Executive Officer (CEO), Kamran Kamal, in a letter to CEO, CPPA-G has elaborated on the reasons for sending dispute notice to the power purchaser.
- SSGC system: Senate panel informed about massive gas losses| BR:** A parliamentary panel was informed Thursday that 15 percent unaccountable for gas (UFG) volume of the Sui Southern Gas Company (SSGC) was result of 750,000 illegal gas connections given in Karachi and the provincial government was not giving due attention to the problem. Mohammad Abdul Qadir chaired the meeting of the Senate Standing Committee on Petroleum on Thursday. The committee was briefed on the SSGC and the Sui Northern Gas Pipeline Limited (SNGPL) line losses, ie, UFG for the financial year 2015-16, 2018-19, and 2020-21 with province-wise and region-wise breakup.
- 'No lockdown in offing' despite Covid surge| Tribune:** The federal government as well as the Sindh government dispelled on Thursday any impression that they were resorting to Covid-induced lockdown, despite a surge in the single-day tally of new cases, which topped 1,000 for the first time since mid-October. Planning Minister Asad Umar said the government was not planning any lockdown "for now" in the wake of the spread of the Omicron variant of coronavirus. A spokesperson for the Sindh Health Department also denied any plans for closing offices and schools in the province.
- 1085 new cases: Covid-19 positivity rate exceeds 2%| BR:** Pakistan is witnessing a surge in coronavirus cases as the country, on Thursday, reported 1,085 new Covid-19 infections, which is the highest number since October 14, 2021. Official data released by the National Command and Operation Centre (NCOC) revealed Pakistan's Covid-19 positivity ratio also exceeded two percent in a single day for the first time since October 14 last year. Pakistan last time on October 14, 2021 has recorded above two percent positivity ratio when it stood at 2.03%.
- PM's low-cost housing scheme: Considerable increase in borrowing from banks| BR:** A meeting of the National Coordination Committee on Housing, Construction and Development was informed that there was considerable increase in borrowing from banks for the construction of low-cost houses under Prime Minister Scheme and application for more than PKR6bn additional loans were received during the last two weeks. The meeting presided over by Prime Minister Imran Khan on Thursday was informed that on an average, the rate of borrowing from banks is increasing significantly.

Market Indices

	6-Jan-22	5-Jan-22	30-Jun-21
KSE 100	45,082	45,408	47,356
KSE 30	17,760	17,870	18,962
KMI 30	73,146	73,553	76,622
KSE All Shares	30,876	31,116	32,480

Volume (mn Shares)

	6-Jan-22	FYTD (Average)
KSE 100	133.0	127.1
KSE 30	93.3	52.3
KMI 30	41.1	49.2
KSE All Shares	345.1	346.6

Commodity Rates

	6-Jan-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	82.0	1.5%	9.1%
Crude Oil-Arab Light (USD/BBL)	80.0	1.9%	10.8%
Coal (USD/Tonne)	155.9	12.3%	50.9%
Copper(USD/Lbs)	4.3	-1.3%	1.7%
Cotton (USD/Lbs)	111.4	-1.4%	36.9%
CRC Steel (USD/Tonne)	900.0	0.0%	-24.1%

Currency (Interbank)

	6-Jan-22	Daily Change	FYTD Change
US Dollar	176.7	0.2%	12.1%
UK Pound	239.0	0.0%	9.7%
Euro	199.5	0.0%	6.8%
UAE Dirham	48.3	0.5%	12.1%
Chinese Yuan	27.7	-0.1%	13.4%

Fund Flows (USD mn)

	6-Jan-22	FYTD
FOREIGN INDIVIDUAL	0.00	4.23
FOREIGN CORPORATES	13.65	-277.79
OVERSEAS PAKISTANI	-1.76	47.43
FIPI NET	11.89	-226.13

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

	6-Jan-22	5-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	10.42	10.40	7.28
6 Month T-Bill	11.40	11.37	7.53
12 Month T-Bill	11.40	11.41	7.81
3 Year Government Bond	11.45	11.44	8.99
5 Year Government Bond	11.48	11.49	9.49
10 Year Government Bond	11.61	11.62	9.94
3 Month KIBOR	10.57	10.55	7.45
6 Month KIBOR	11.51	11.48	7.69

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