



- NA passes 'mini-budget', SBP bill amid awful din | BR:** In a bid to achieve PKR6.1 trillion tax target – as per the requirement of the International Monetary Fund (IMF) – the National Assembly, on Thursday, passed the Finance (Supplementary) Bill, 2021 and the State Bank of Pakistan (Amendment) Bill, 2021 amid strong protest by the opposition. The Finance (Supplementary) Bill, 2021 also known as 'mini-budget' was passed by the house with some amendments presented by the finance minister, himself, while all the amendments put forth by the opposition were rejected.
- Red chillies, iodized salt, bread, infant milk: 17% sales tax on import, supply abolished | BR:** The Federal Board of Revenue (FBR) has defined "digital means" in the Income Tax Ordinance, 2001 for the corporate sector for switching over to digital mode of payment and abolished 17% sales tax on import and supply of red chillies, iodized salt, breads, imported bicycles, and locally-manufactured preparations (milk/cereals) for infant (up to PKR500 per 200 grams). Through amendments in the Finance (Supplementary) Bill, 2021, the government has reduced the Federal Excise Duty (FED) slabs on locally-manufactured or assembled motor cars and abolished 17% sales tax on breads, vermicelli's, naans, chapattis, sheer mal, bun and rusk excluding those sold in bakeries, restaurants, food chains and sweet shops falling in the category of Tier-I retailers.
- Forex reserves decrease by USD88mn | BR:** The total liquid foreign reserves held by the State Bank of Pakistan (SBP) decreased by USD88mn to USD17.60bn during the week ended on January 07, 2022. The total liquid foreign reserves held by the country stood at USD23.90bn on January 07, 2022. Net foreign reserves held by commercial banks stood at USD6.30bn on the end of this week.
- Privatization of three PSEs to be completed within 2022, Senate body told | The Nation:** Privatization Commission on Thursday informed a parliamentary committee that privatization of three public sector entities, Heavy Electrical Complex, House Building Finance Corporation and First Women Bank Limited, would be completed within this calendar year (2022). The Privatization Commission (PC) has said that it is working simultaneously on privatization of around 20 public sector entities. Meanwhile, it has completed privatization of Services International Hotel, Lahore and generated PKR1.95bn.
- POL products' prices may soar further | BR:** The prices of petroleum products are likely to reach an all-time high of PKR150 per litre with effect from January 16, oil-marketing companies hinted at this possibility on Thursday, amid a hike in the rates of crude oil in the international market. The government is expected to move up the price of petroleum products by PKR6 per litre or 3.4%. The rate of petrol is expected to rise by PKR5.25 per litre and high-speed diesel (HSD) by PKR5.75 per litre. Likewise, the price of kerosene oil (SKO) will likely to go up by PKR5.50 per litre and light diesel oil (LDO) by PKR6 per litre.
- Govt may revise gas priority list to ensure smart use | The News:** Federal government is contemplating to revise Merit Order for allocation of natural gas on the basis of financial sustainability, The News learnt on Thursday. "The Ministry of Energy is seriously considering to amend Merit Order for gas allocation on ability to pay, while assigning priority on the basis of various variables like best tariff, best customer, best use of resource, and financial sustainability," a senior official told The News. "Such an arrangement will ensure smart use of natural gas, which is a scarce commodity," he added.
- Monthly FCA: Discos' tariff up PKR4.30 for Nov 2021 | BR:** National Electric Power Regulatory Authority (Nepra) has increased electricity tariff of power Distribution Companies (Discos) by PKR4.30 per unit for November 2021 under monthly Fuel Component Adjustment (FCA). The increase shall be applicable to all the consumer categories except lifeline consumers. The consumers of KE will have to face the impact to the tune of over 1000MW electricity being purchased from national grid. Central Power Purchasing Agency Guaranteed (CPPA-G), in its request, had sought positive adjustment of PKR4.33 per unit in FCA for November 2021.
- Cnergycio to buy 57.37% of Puma Energy Pakistan | The News:** Cnergycio Pk Limited is set to buy controlling stake in Puma Energy Pakistan Private Limited, which will double its retail business and make it the second-largest fuel retailer in the country. "Cnergycio Pk Limited's board of directors have approved the acquisition of 57.37% shares of Puma Energy," the company said in a statement on Thursday. Bloomberg News reported the deal valuing the company at more than PKR4bn. Singapore-based Puma Energy Holdings Pte had sold its stake in the Pakistan unit to joint venture partner Chishti Group last month.
- MoU signed for upscaling of telecom services | Dawn:** The Pakistan Telecommunication Company Ltd (PTCL) and the Special Communication Organisation (SCO) on Thursday signed a memorandum of understanding (MoU) to explore opportunities for the growth of telecom services across the country with a special focus on Azad Jammu and Kashmir and Gilgit Baltistan. The MoU will facilitate multi-level cooperation between the leading telecom players to foster resource efficiency and growth of telecom services nationwide, especially in the remote mountainous regions of AJK and GB.
- 14 more bills passed | BR:** National Assembly passed fourteen more bills Thursday soon after the government had a sigh of relief after it passed the controversial mini-budget and State Bank of Pakistan (SBP) bills. The longest-ever session which started at 4:30pm and ended at 12am midnight amid strong protests and anti-government sloganeering by opposition parties, 14 government-sponsored bills also sailed through the lower house of parliament.
- Chinese manufacturers mull relocating units to Pakistan | Dawn:** China-Pakistan Economic Corridor (CPEC) tsar Khalid Mansoor said on Thursday Chinese businesses have shown willingness to relocate their production facilities to Pakistan if the ongoing trade war between China and the United States escalates further. Speaking at a conference of business leaders, the special assistant to the prime minister on CPEC affairs said two to three investors have approached him for the possible relocation of their manufacturing units to Pakistan.

Market Indices

	13-Jan-22	12-Jan-22	30-Jun-21
KSE 100	45,763	45,916	47,356
KSE 30	18,001	18,070	18,962
KMI 30	74,012	74,212	76,622
KSE All Shares	31,271	31,389	32,480

Volume (mn Shares)

	13-Jan-22	FYTD (Average)
KSE 100	130.5	126.6
KSE 30	31.8	52.5
KMI 30	96.1	49.6
KSE All Shares	327.3	346.9

Commodity Rates

	13-Jan-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	84.5	-0.2%	12.4%
Crude Oil-Arab Light (USD/BBL)	82.4	-0.9%	14.0%
Coal (USD/Tonne)	163.0	2.8%	57.8%
Copper(USD/Lbs)	4.5	-0.6%	6.1%
Cotton (USD/Lbs)	113.5	-0.7%	39.5%
CRC Steel (USD/Tonne)	900.0	0.0%	-24.1%

Currency (Interbank)

	13-Jan-22	Daily Change	FYTD Change
US Dollar	176.0	0.1%	11.7%
UK Pound	241.2	0.1%	10.7%
Euro	201.6	0.2%	7.9%
UAE Dirham	48.1	0.0%	11.5%
Chinese Yuan	27.7	0.0%	13.4%

Fund Flows (USD mn)

	13-Jan-22	FYTD
FOREIGN INDIVIDUAL	0.00	4.23
FOREIGN CORPORATES	-0.12	-278.53
OVERSEAS PAKISTANI	0.23	48.45
FIPI NET	0.11	-225.85

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

	13-Jan-22	12-Jan-22	30-Jun-21
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	12.28	12.28	9.70
3 Month T-Bill	10.24	10.30	7.28
6 Month T-Bill	11.18	11.30	7.53
12 Month T-Bill	11.38	11.41	7.81
3 Year Government Bond	11.35	11.40	8.99
5 Year Government Bond	11.43	11.44	9.49
10 Year Government Bond	11.60	11.60	9.94
3 Month KIBOR	10.41	10.46	7.45
6 Month KIBOR	11.40	11.46	7.69

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