

- Half-year remittances rise to USD15.8bn | Tribune:** Remittances sent home by overseas Pakistanis grew 11.3% to USD15.8bn during the first half (July-December) of fiscal year 2021-22 owing to the measures taken by the government and State Bank to encourage the use of formal channels for money transfer. According to the State Bank of Pakistan (SBP), the country received USD14.2bn in remittances in the same period of previous year.
- President approves 'mini-budget' | BR:** President Dr Arif Alvi on Saturday approved the Finance (Supplementary) Bill, 2021, or 'mini-budget', which was passed by the National Assembly on January 13. The Finance (Supplementary) Bill is necessary to revive the USD6bn Extended Fund Facility (EFF) of the International Monetary Fund (IMF). The bill was sent to the presidency for approval after National Assembly passed it on Thursday last. The government along with its coalition partners succeeded in getting the mini-budget passed from the National Assembly as it comfortably defeated the combined opposition's attempt to block it.
- Finance (Supplementary) Act, 2022 enforced | BR:** The government has enforced the Finance (Supplementary) Act, 2022 to withdraw sales tax exemptions to the tune of PKR343bn from January 16, 2022. Chairman FBR Dr Muhammad Ashfaq Ahmed told media on the conclusion of the first computerised draw on POS Prize held at the FBR (HQs) that the president has given assent to the Finance (Supplementary) Act, 2022 to bring fundamental changes in the sales tax law and withdraw sales tax exemptions given to the elite class and powerful lobbies and cartels, he added.
- UN projects 3.9% growth | BR:** Pakistan's GDP growth is projected at 3.9% in 2022, driven by private consumption, record high remittances and fiscal support, says the United Nations (UN) in its report, "the World Economic Situation and Prospects 2022". The United Nations Department of Economic and Social Affairs (UN DESA) produce the report, in partnership with the United Nations Conference on Trade and Development (UNCTAD) and the five United Nations regional commissions. "The economy of Pakistan remains on a relatively robust recovery path. After an economic expansion of 4.5% in 2021, GDP growth is projected at 3.9% in 2022, driven by private consumption, record-high remittances and fiscal support," the report noted.
- SBP injects PKR479.5bn into money market | Dawn:** The State Bank of Pakistan (SBP) injected PKR479.5bn liquidity into the money market on Friday for a seven-day period at 9.95% against the offered amount of PKR558.5bn. The latest open market operation (OMO) is different from the four recent OMOs in which the central bank injected a total of PKR1.8 trillion for the unusually long tenors of 63 days. In its Dec 17 OMO, the SBP introduced the 63-day tenor to bring down the yields on treasury bills that surged despite the central bank's forward guidance suggesting no change in the benchmark interest rate in the immediate term.
- Nine listings on PSX generate PKR31bn in 2021 | Dawn:** As many as nine listings on the Pakistan Stock Exchange (PSX) generated a total of PKR30.92bn in 2021, data obtained from the Securities and Exchange Commission of Pakistan showed. Eight companies raised equity amounting to PKR19.9bn while Bank Alfalah Ltd listed its PKR11bn debt instrument on the PSX in the last calendar year. Two of the nine listings were on the PSX's newly established Growth Enterprise Market (GEM) counter, which is reserved for companies that are smaller and riskier than the ones listed on the main board.
- Foreign exchange dealers, companies: All transactions to be monitored by FBR | BR:** The Federal Board of Revenue (FBR) has decided to document transactions of the foreign exchange dealers/exchange companies, and directed them to online integrate with the FBR's computerised system. The FBR has notified SRO50(I)/2022 to draft amendments in the Income Tax Rules, 2002, here on Friday. In this connection, the FBR has issued instructions to the foreign exchange dealers/exchange companies. According to the FBR, the board has included foreign exchange dealers/exchange companies in the list of the businesses who are required to online integrate their businesses.
- SPI up 19.82% YoY showing zero relief to masses | The News:** Weekly inflation continued on its upwards trajectory for the year at 19.82% showing no relief for the lower and middle income groups, while it eased down 0.43% week-on-week as lull in prices of a few perishables and LPG gave some respite. Data released by the Pakistan Bureau of Statistics (PBS) on Friday showed a decrease in prices of chicken (3.40%), eggs (2.99%), potatoes (1.65%), tomatoes (1.26%), wheat flour (0.61%), garlic (0.47%), sugar (0.17%), curd (0.16%), and LPG (1.15%). The decreases had a joint impact of (-0.38%) in overall sensitive price indicator (SPI) for the combined group.
- Cotton spot rate hits all-time high of PKR19,000/maund | The News:** Local cotton prices remained firm during the outgoing week; however, the silver-fibre's spot rate raced to an all-time high of PKR19,000/maund (37kgs), as demand outpaced production. Traders said textile and spinning mills were cautious over the quality of lint, whereas ginners refused to sell cotton at lower rates, which stabilised around the highest level of PKR20,000/maund as a result. Sources said one international trader was also involved in selling lint in the local market.
- Iran may convert power receivable into loan to support Pakistan | The News:** Pakistan and Iran are in talks for converting latter's power receivable into loan for expanding/improving former's electricity import arrangements in the coastal areas of Balochistan province, The News has learnt. During the negotiations held in Tehran in the first week of January, both parties expressed resolve to implement the project and had detailed deliberations to revive the respective Contract Agreement and allied Financing Agreement.
- Petrol price hits record high at PKR147.83 per litre | Tribune:** The government on Saturday increased the prices of petroleum products by up to PKR3 per litre effective from January 16. The finance division in a statement said that the petroleum products were showing a fourth straight weekly gain and witnessed an increase of 6.2% just in the last week in the international market. "The existing sales tax rate and petroleum levy on various petroleum products are much below the budgeted targets," it added.
- Probe into misuse of petroleum imports from China begins | Dawn:** Amid reports of the misuse of China-Pakistan Free Trade Agreement (CPFTA), the government on Friday ordered all oil marketing companies (OMCs) to provide evidence-based data on the import of petrol from China. Under the CPFTA renegotiated in 2019, the government had issued statutory regulatory orders on Dec 31, 2019 that abolished tariff on import of petrol.
- Govt seeking USD85mn additional financing for housing project | Dawn:** The government is seeking additional financing of USD85mn for its 'Pakistan Housing Finance Project', which sought to improve access to housing finance of low- and middle-income, households. The World Bank has started appraising the project and it is expected that the additional financing will be approved by the end of next month, it was learnt here.

Market Indices			
	14-Jan-22	13-Jan-22	30-Jun-21
KSE 100	45,763	45,763	47,356
KSE 30	17,999	18,001	18,962
KMI 30	73,842	74,012	76,622
KSE All Shares	31,329	31,271	32,480
Volume (mn Shares)			
	14-Jan-22	FYTD (Average)	
KSE 100	90.2	126.4	
KSE 30	43.2	52.4	
KMI 30	54.5	49.6	
KSE All Shares	238.6	346.2	
Commodity Rates			
	14-Jan-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	86.1	1.9%	14.5%
Crude Oil-Arab Light (USD/BBL)	84.3	2.3%	16.6%
Coal (USD/Tonne)	166.4	2.1%	61.1%
Copper(USD/Lbs)	4.4	-2.6%	3.4%
Cotton (USD/Lbs)	116.4	2.5%	43.0%
CRC Steel (USD/Tonne)	897.5	-0.3%	-24.3%
Currency (Interbank)			
	14-Jan-22	Daily Change	FYTD Change
US Dollar	175.8	-0.1%	11.6%
UK Pound	240.3	-0.4%	10.3%
Euro	200.6	-0.5%	7.4%
UAE Dirham	48.1	0.0%	11.5%
Chinese Yuan	27.7	0.0%	13.4%
Fund Flows (USD mn)			
	14-Jan-22	FYTD	
FOREIGN INDIVIDUAL	0.01	4.25	
FOREIGN CORPORATES	0.08	-278.45	
OVERSEAS PAKISTANI	0.12	48.56	
FIPI NET	0.21	-225.63	
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			
	14-Jan-22	13-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	10.30	10.24	7.28
6 Month T-Bill	11.28	11.18	7.53
12 Month T-Bill	11.41	11.38	7.81
3 Year Government Bond	11.30	11.35	8.99
5 Year Government Bond	11.40	11.43	9.49
10 Year Government Bond	11.59	11.60	9.94
3 Month KIBOR	10.48	10.41	7.45
6 Month KIBOR	11.46	11.40	7.69

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