

- Growing financing needs: Pakistan may have to seek new IMF loan | The News:** Pakistan's gross financing requirements are estimated to go up to USD30bn in the next budget for 2022-23, leaving no other options for the government but to seek a fresh IMF loan after the expiry of the existing programme in September 2022. Top official sources confirmed to The News that if everything goes well and Islamabad manages successfully to revive the existing stalled programme of USD6bn Extended Fund Facility (EFF) of the IMF after completion of the sixth review, then two more reviews seventh and eighth would be required to be accomplished till September 2022 for qualifying to complete the 39-month EFF programme.
- Islamic banking: ADB willing to finance multi-billion dollar loans to Pakistan The News:** The Asian Development Bank (ADB) showed its willingness to finance multi-billion dollars loans to Pakistan under different instruments of Islamic banking. However, Islamabad did not make any formal request to any multilateral institutions. "The Islamic Banking has become an emerging market as the international financial institutions such as the IMF and Asian Development Bank (ADB) are taking keen interest to do business in Islamic banking sector in Pakistan and other countries," said Director General of Cambridge Institute of Islamic Banking Dr Humayon Dar during a literary discussion held here on Monday.
- Oil, food import bill jumps 73% to USD15bn in July-Dec | Dawn:** Pakistan's oil and food import bill surged 73% to USD14.97bn in the July-December period compared to USD8.67bn a year ago owing to higher international prices and massive depreciation of the rupee. The share of these products in the total import bill also rose to 37% during the six-month period, data released by the Pakistan Bureau of Statistics (PBS) showed on Monday. A steady increase in the import bill of these two sectors has widened the trade deficit and raised fears about the country's food security.
- Rupee hits 45-day high against dollar | Dawn:** For the first time in over 45 days, the rupee on Monday closed below 176 against the US dollar in the interbank market amid falling demand for the greenbacks. The State Bank of Pakistan (SBP) reported the closing price of US dollar at PKR175.92. The local currency had recovered 1.3% against the dollar since Dec 29 when it hit an all-time low at 178.24, said currency dealers on Monday. They said the measures taken by the government and the SBP to curtail imports have started yielding results.
- Dec textile group exports down 6.47% to USD1.623bn MoM | BR:** The country's textile group exports declined by 6.47% on month-on-month basis and remained at USD1.62bn in December 2021 compared to USD1.7bn in November 2021, says the Pakistan Bureau of Statistics (PBS). The exports and imports data released by the PBS revealed that the country's overall exports in December 2021 were USD2.77bn (provisional) as compared to USD2.90bn in November 2021 showing a decrease of 4.69% on month-on-month basis.
- Pakistan keen to work on gas project, PM Imran assures Putin | Dawn:** Prime Minister Imran Khan on Monday reassured Russian President Vladimir Putin of Pakistan's commitment to collaborate with Russia on the Pakistan Stream Gas Pipeline Project as the two leaders discussed the expansion of bilateral economic and energy cooperation. PM Khan and President Putin spoke by phone about the progress in relations between the two countries, regional situation, Islamophobia and justification of blasphemy by some of the western countries as freedom of expression.
- Ministries, divisions: Finance issues 'Budget Call Circular' | BR:** Finance Division on Monday issued a "Budget Call Circular" to the federal ministries and divisions in order to initiate the process of preparation and presentation of the budget for the next fiscal year 2022-23 in the first week of June 2022. As a first step, the Finance Division issued the "Budget Call Circular" to the principal accounting officers (PAOs) of ministries and divisions and sought submission of detailed budget, actual and revised estimates for the fiscal year 2020-21, and budget estimates for fiscal year 2022-23 relating to receipts, current and development expenditure.
- Electricity rates set to increase by up to 95 paisa from Feb 1 | Dawn:** The government has decided to increase base electricity rates by up to 95 paisa per unit and one-slab benefit to 'unprotected consumers' with effect from February 1 to meet commitments made with the international lending agencies. The decision would reduce power sector subsidy by PKR20bn and envisages increasing average base tariff to PKR18.75 per unit for all distribution companies including K-Electric, showing an average increase of about 53 paisa per unit.
- Evaluation of power projects approved ahead of sell-off | BR:** The Federal Cabinet has approved financial evaluation of 425MW Nandipur Power Plant (NPP), with a potential of 525 MW, and 747MW Guddu Power Plant (GPP) for subsequent privatisation, well informed sources in Privatisation Commission told Business Recorder. On December 31, 2021, Privatisation Division briefed the Cabinet Committee on Privatisation about its plans with respect to both the combined cycle power plants and sought to issue necessary direction to Ministry of Energy for obtaining decision of Cabinet Committee on Energy (CCoE) as already decided by CCoP.
- NA told: PTI Govt gave KE PKR91bn subsidy in 3 years | BR:** Despite record power outages, load-shedding, frequent power failures, erratic voltage and – most alarming – the deaths of scores of people, including children, in Karachi owing to K-Electric's faulty system, the ruling Pakistan Tehreek-e-Insaf (PTI) has provided PKR91bn subsidy to the utility within a short span of three years. In a written reply to a question, the Minister for Energy (Power Division), Hammad Azhar, said that PKR25bn subsidy was given in 2019-2020, PKR10bn in 2020-2021, and PKR56bn in 2021-2022, by the federal government to K-Electric consumers.

Market Indices

	17-Jan-22	14-Jan-22	30-Jun-21
KSE 100	45,612	45,763	47,356
KSE 30	17,942	17,999	18,962
KMI 30	73,818	73,842	76,622
KSE All Shares	31,234	31,329	32,480

Volume (mn Shares)

	17-Jan-22	FYTD (Average)
KSE 100	71.6	126.0
KSE 30	43.0	52.4
KMI 30	34.3	49.5
KSE All Shares	166.3	345.1

Commodity Rates

	17-Jan-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	86.5	0.5%	15.1%
Crude Oil-Arab Light (USD/BBL)	84.3	0.0%	16.6%
Coal (USD/Tonne)	167.0	0.4%	61.7%
Copper(USD/Lbs)	4.4	0.0%	3.4%
Cotton (USD/Lbs)	116.4	0.0%	43.0%
CRC Steel (USD/Tonne)	897.5	0.0%	-24.3%

Currency (Interbank)

	17-Jan-22	Daily Change	FYTD Change
US Dollar	175.9	0.1%	11.7%
UK Pound	240.0	-0.1%	10.2%
Euro	200.6	0.0%	7.4%
UAE Dirham	47.8	-0.5%	11.0%
Chinese Yuan	27.7	0.1%	13.6%

Fund Flows (USD mn)

	17-Jan-22	FYTD
FOREIGN INDIVIDUAL	0.00	4.25
FOREIGN CORPORATES	-0.42	-278.86
OVERSEAS PAKISTANI	0.16	48.72
FIPI NET	-0.26	-225.89

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

	17-Jan-22	14-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	11.24	11.28	7.53
12 Month T-Bill	11.38	11.41	7.81
3 Year Government Bond	11.35	11.30	8.99
5 Year Government Bond	11.41	11.40	9.49
10 Year Government Bond	11.59	11.59	9.94
3 Month KIBOR	10.46	10.48	7.45
6 Month KIBOR	11.45	11.46	7.69

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