

- Workers' remittances cross USD20bn mark | BR:** Inflows of home remittances crossed USD20bn mark in the first eight months of this fiscal year (FY22). The State Bank of Pakistan (SBP) on Thursday reported that cumulatively workers' remittances posted 7.6% growth during July-Feb of FY22. Overall, the country received home remittances amounted to USD20.1bn in the first eight months of this fiscal year compared to USD18.71bn in the same period of last fiscal year, showing an increase of USD1.39bn. During the period under review, Saudi Arabia was the largest contributor with 25% share in overall remittances.
- Six-month KIBOR reaches 11.93% | The News:** The six-month Karachi interbank offered rate (KIBOR), a benchmark lending rate, on Thursday hit a two-year high of 11.93%. "The 6 month KIBOR at 2 year high reaching 11.93%," brokerage Topline Securities said on its Twitter handle. The short-term KIBOR (six-moth) closed at 11.28% on Wednesday. The surge in the KIBOR rates came following a sharp increase in the yields on market treasury bills as continued rise in global oil prices amid Russia-Ukraine conflict raised expectations of weakness in inflation and current account deficit prospects.
- Forex reserves dip | BR:** The State Bank of Pakistan's (SBP) reserves decreased by USD250mn to USD16.21bn during the last week due to external debt and other payments. According to weekly report issued on Thursday, the total liquid foreign reserves held by the country stood at USD22.67bn as of March 4, 2022 compared to USD22.88bn a week earlier, showing a decline of USD206mn. Net foreign reserves held by commercial banks rose by USD44mn to USD6.4bn end of the last week.
- Private sector borrowing clocks in at PKR7.6tr in 7MFY22 | Mettis Global:** Private Sector borrowing during the Jul-Jan FY22 period reached PKR7.6 trillion against PKR6.48tr in the same period of the corresponding year, up by 17.28% YoY, the Central Bank data showed. Going by the data, the manufacturing sector availed the highest credit share which amounted to PKR4.18tr, against credit worth PKR3.37tr borrowed during 7MFY21, showing a surge of 24% YoY. The expansion in private sector credit especially in the manufacturing sector ensures persistence in economic and business activities, which bodes well to achieve the targeted growth. Within manufacturing, textile sector loans observed an expansion of over PKR300bn to clock in at PKR1.42tr in the review period.
- Car sales up 6% in Feb despite dented demand | The News:** Cars in the country grew 6% to 18,054 units in February 2022, compared to 16,985 sold in January 2022, latest industry numbers showed on Thursday, which analysts credited to a surge in demand for fuel-efficient low-end vehicles given high petroleum prices. According to Pakistan Automotive Manufacturers Association (PAMA) data, Toyota and Honda sales dropped 32% each in the February, but Suzuki, which commands small-sized engine segment, pulled off a 40% increase, pushing the overall sales up 5% month-on-month.
- PD decides to seek opinion of law ministry | BR:** Petroleum Division has decided to seek clarification from Ministry of Law on issue of mismatch of charging interest between the Ordinance, GSA and PPA, which is creating a hurdle in recovery of Gas Development Surcharge (GDS), well informed sources told Business Recorder. The decision was taken at a meeting of the Permanent Reconciliation Committee (PRC) on non-realization of Late Payment Surcharge (LPS)/ interest on delay on non-realization of Late Payment Surcharge (LPS)/ interest on delayed payment of Gas Development Surcharge.
- OMCs may cut high-priced diesel cargoes amid cash crunch | The News:** The country is likely to face diesel shortages in the weeks ahead as most oil marketing companies (OMCs) are reluctant to import big cargoes on government's lack of funds to pay for subsidies after global prices went into chaotic overdrive, industry officials said on Thursday. The OMCs are currently selling various petroleum products at the price frozen by the government until budget but the differential is becoming too high for them to finance, they added. This situation is likely to challenge availability of diesel amid high harvesting season demand, officials feared, as all agriculture machines run on this fuel.
- FCA for Jan 2022: Discos allowed hike of PKR5.95 per unit | BR:** National Electric Power Regulatory Authority (Nepra) has increased electricity tariff of Distribution Companies (Discos) by PKR5.95 per unit for January 2022 under monthly Fuel Charges Adjustment (FCA) mechanism. Discos will recover PKR58bn from their consumers under the garb of FCA. The increase will be applicable to all the consumer categories except lifeline consumers and will be shown separately in the consumers' bills based on units billed to the consumers in the month of January 2022. Discos will reflect the fuel charges in the billing month of March 2022.
- DRAP rules out increase in medicine prices | The News:** Chief Executive Officer of Drug Regulatory Authority of Pakistan (DRAP) Asim Rauf on Thursday ruled out an increase in the prices of medicines after the imposition of 17% GST. He said the federal government, DRAP and the Pakistan Pharmaceutical Manufacturers Association (PPMA) were committed to quality medicines and promoting pharmaceutical exports. Rauf was talking to reporters after visiting stalls at the concluding evening of a two-day 13th Pak Pharma & Healthcare Expo at Expo Centre here on Thursday.
- Flat steel price jumps by PKR5,000/ton | Mettis Global:** Flat steel manufacturers have raised the prices of CRC and HDGC by Rs5,000 per ton to clock in at PKR216,500 per ton and PKR227,800 per ton, respectively, as per reported by Topline Securities on Thursday. The new prices are effective from today, March 10, 2022. The increase in the local flat steel prices is mainly due to the recent spike in international HRC prices. To recall, this is the second hike in local flat steel prices in the month of March, taking a cumulative increase of PKR8,000 per ton.
- Issuance of PKR5bn TFC: NBP, other banks sign with PMRCL | BR:** National Bank of Pakistan (NBP) along with other banks has signed with Pakistan Mortgage Refinance Company Limited (PMRCL) for issuance of PKR5bn Term Finance Certificate (TFC). Pakistan Mortgage Refinance Company Limited (PMRCL), one of the premier and fastest growing DFI in Pakistan, has issued its largest syndicated 5-year TFC of PKR5bn, in line with the objective to develop fixed rate capital market. The proceeds of the TFC will be utilised by PMRCL to finance the housing mortgage portfolios of eligible financial institutions.
- Engro signs PKR4bn financing facility with HBL | BR:** Engro Enfrashare has entered a financing arrangement amounting to PKR4bn with HBL, Pakistan's largest bank, for the development of telecommunication tower sites for various mobile network operators (MNOs). As per terms of the financing arrangement, the tenor of the financing will be seven years, including a grace period of two years. In 2021, Engro had announced to enhance its total equity investment in the Telecom Infrastructure Vertical to PKR21.5bn and formed a dedicated platform for connectivity and telecom infrastructure initiatives by the name of Engro Connect (Pvt.) Limited (EConnect).
- Discos, KE: Nepra approves hike in base tariffs | BR:** National Electric Power Regulatory Authority (Nepra) has approved increase in base tariffs of power Distribution Companies (Discos) and Karachi Electric (KE) up to PKR0.95 per unit for unprotected domestic consumers in the name of subsidy reforms. According to the plan, the government will increase PKR.008 per unit for consumers using 1-100 units monthly, PKR0.18 per unit for 101-200 units, PKR0.48 per unit for 201-300 units, and PKR0.95 per unit for consumers using 301-700 units.
- KE reluctant to buy expensive RLNG for PLL | BR:** Karachi Electric (KE) has expressed reluctance to purchase expensive spot-priced re-gasified liquefied natural gas (RLNG) from Pakistan LNG Limited (PLL), saying that any inequality in the RLNG pricing for PLL's supply to KE as compared to the other power plants in the country should be avoided. The power utility, which intends to inaugurate first unit of 450 MW its RLNG-fired power of 900 MW on March 21 or 22, 2022, has conveyed its concerns to Petroleum Division.

Market Indices			
	10-Mar-22	9-Mar-22	30-Jun-21
KSE 100	43,854	43,043	47,356
KSE 30	17,077	16,748	18,962
KMI 30	71,151	69,396	76,622
KSE All Shares	30,109	29,692	32,480
Volume (mn Shares)			
	10-Mar-22	FYTD (Average)	
KSE 100	83.8	120.0	
KSE 30	45.6	51.3	
KMI 30	49.4	48.5	
KSE All Shares	271.3	320.2	
Commodity Rates			
	10-Mar-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	109.3	-1.6%	45.5%
Crude Oil-Arab Light (USD/BBL)	107.6	-2.3%	48.9%
Coal (USD/Tonne)	373.8	-12.3%	225.4%
Copper(USD/Lbs)	4.6	1.6%	8.5%
Cotton (USD/Lbs)	114.7	-0.5%	40.9%
Gold (USD/Tonne)	1,995.9	0.2%	12.8%
Currency (Interbank)			
	10-Mar-22	Daily Change	FYTD Change
US Dollar	178.5	0.0%	13.3%
UK Pound	233.5	-0.7%	7.2%
Euro	196.0	-0.8%	5.0%
UAE Dirham	49.0	0.0%	13.7%
Chinese Yuan	28.2	-0.1%	15.7%
Fund Flows (USD mn)			
	10-Mar-22	FYTD	
FOREIGN INDIVIDUAL	-0.01	4.29	
FOREIGN CORPORATES	-2.08	-307.35	
OVERSEAS PAKISTANI	-0.10	50.49	
FIPI NET	-2.20	-252.57	
Economic Data (USD mn)			
	FY22E	FY21	FY20
GDP Growth	4.6%	5.4%	-0.5%
	Jan-21	Dec-21	
Exports	2,618	2,764	
Imports	6,053	7,580	
Remittances	2,144	2,520	
Foreign Exchange Reserves	22,084	23,882	
Money Market Data			
	10-Mar-22	9-Mar-22	30-Jun-21
SBP Policy Rate	9.75	9.75	7.00
CPI Inflation	12.20	12.20	9.70
3 Month T-Bill	11.13	10.58	7.28
6 Month T-Bill	11.83	11.19	7.53
12 Month T-Bill	11.97	11.38	7.81
3 Year Government Bond	11.61	11.55	8.99
5 Year Government Bond	11.63	11.57	9.49
10 Year Government Bond	11.62	11.48	9.94
3 Month KIBOR	11.22	10.84	7.45
6 Month KIBOR	11.93	11.28	7.69

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