

- USD6bn rescue package: IMF says having 'constructive' talks with Pakistan | BR:** The International Monetary Fund on Thursday said it was having constructive, ongoing discussions with Pakistan as part of a seventh program review of a USD6bn rescue package. Pakistani officials have said they are confident they can address any concerns the IMF may have about a USD1.5bn electricity subsidy adopted by authorities there. IMF spokesman Gerry Rice did not comment directly on the fund's view of the subsidy plans, but said the ongoing discussions had been "constructive" in terms of ensuring that Pakistan met its key objectives of "fiscal prudence, external sector viability (and), due protection of vulnerable groups from high international energy and food prices.
- Jul-Feb FDI rises 6% to USD1.257bn YoY | BR:** Foreign Direct Investment (FDI) posted 6% growth during the first eight months of ongoing fiscal year (FY22). The State Bank of Pakistan (SBP) on Thursday reported that Pakistan fetched FDI amounting to USD1.2bn during July-Feb of FY22 compared to USD1.19bn in the same period of last fiscal year (FY21), showing an increase of USD72.4mn. During the period under review, FDI inflows were USD1.79bn as against outflow of USD532mn. Although, overall Chinese investment has declined sharply 23%; however, Chins still remained the largest investing county with net FDI of USD385mn during the first eight months of this fiscal year compared with USD523 during same period last year.
- SBP argues why higher growth imperative | BR:** Pakistan's economy maintained the growth momentum in the first quarter of current fiscal year (FY22) as higher economic activity contributed to improved tax revenues and a lower fiscal deficit. However, the substantial increase in global commodity prices contributed to in a build-up in inflationary pressures and a widening current account deficit. This was stated in State Bank of Pakistan's (SBP's) First Quarterly Report for FY22 on the State of Pakistan's Economy released here on Thursday. The analysis and economic outlook of the report are based on data for the July-September 2021 period, and were finalized in November 2021, using data available as of then.
- SBP reserves fall USD381mn to USD15.83bn | Tribune:** The foreign exchange reserves held by the central bank decreased 2.35% on a weekly basis, according to data released by the State Bank of Pakistan (SBP) on Thursday. On March 11, the foreign currency reserves held by the SBP were recorded at USD15,831.6mn, down USD381mn compared with USD16,212.2mn on March 4. The central bank gave no reason for the fall in reserves. Overall liquid foreign currency reserves held by the country, including net reserves held by banks other than the SBP, stood at USD22,283.4mn. Net reserves held by banks amounted to USD6,451.8mn.
- Wheat support price raised, fertilizer subsidy approved | BR:** The Economic Coordination Committee (ECC) of the Cabinet has approved the proposal to increase minimum wheat support price (MSP) of wheat 2021-22 to PKR2,200/40-kg from PKR1,950 besides subsidy on fertiliser, DAP, and seeds for farmers. The ECC meeting presided over by Finance Minister Shaukat Tarin met on Thursday has approved Ministry of National Food Security and Research's summary, subject to approval of cabinet. Revision of minimum support price (MSP) of wheat crop 2021-22 from PKR1,950/40kg to PKR2,200 per 40-kg and supplementary grant of PKR50bn for the Power Division, and PKR4.5bn for the Commerce Ministry's Export Development Fund (EDF).
- Rupee hits record low of 180.07 in interbank trade | The News:** The rupee dropped to a record low on Thursday as investors evaluate economic risks amid political unrest and uncertainty about next loan tranche by International Monetary Fund (IMF), traders and analysts said. For a first, the local unit ended at 180.07 against the dollar in the interbank market, compared with Wednesday's close of 179.44. It weakened by 0.35% against the greenback. According to dealers, investors were seen calculating risks in case the IMF and Pakistani authorities didn't reach an agreement regarding the next loan tranche.
- PAEC moves PD to press NTDC to sign PPA with K-2 | BR:** Pakistan Atomic Energy Commission (PAEC) has approached Power Division to press National Transmission and Despatch Company (NTDC) for signing of bilateral Power Purchase Agreement (PPA) with K-2 based on existing practice of Chashma series Nuclear Power Plants (NPPs). PAEC, Member (Power), Saeed-ur-Rehman, in a letter to Secretary Power Division, has apprised that draft Power Purchase Agreement of Karachi Nuclear Power Plant Unit-2 was submitted to CPPA-G on November 14, 2019. CPPA-G informed PAEC that as per decision of Board of Directors, all future PPAs shall be tripartite (PAEC, NTDC and CPPA-G being three parties).
- Capital goods' imports: IFC boosts trade finance for BAHL | BR:** International Finance Corporation (IFC) is partnering with Bank AL Habib Limited, a long-term client, to support the import of essential goods and equipment into Pakistan and foster a sustainable recovery from the Covid-19 pandemic. IFC is enhancing its trade facility to Bank AL Habib Limited to enable it to support the longer-term imports of capital goods—including vital equipment, machinery, and tools—under its Global Equipment Finance Facility (GEFF). Under the GEFF, IFC extends guarantees up to five years to selected partners for capital goods imports with the focus on climate change.
- 'Sindh House' puts PTI gov't in an ugly quandary | BR:** Around 24 disgruntled Pakistan Tehreek-e-Insaf (PTI) Members of the National Assembly (MNAs) came out in the open on Thursday as they were found staying at the Sindh House in Islamabad, with Raja Riaz and Nawab Sher saying they would vote on the no-confidence resolution against the prime minister in "accordance with their conscience". The PTI disgruntled members moved to Sindh House, Islamabad after an operation was carried out by police personnel against the presence of Ansarul Islam of Jamiat Ulema-e-Islam (JUI-F) in Parliament Lodges.
- Fawad hints at imposition of governor's rule on Sindh | BR:** After some 24 PTI Members National Assembly were found staying at Sindh House – a lodging facility only for MPs belonging to Sindh – Information Minister Fawad Chaudhary on Thursday hinted at imposing Governor's Rule in Sindh for alleged horse trading by the PPP in a bid to pass the no-trust move against Prime Minister Imran Khan. Speaking at a presser along with PTI secretary general Asad Umar and Minister for Industries Hammad Azhar shortly after 24 PTI MPs were found at Sindh House, he said that the proposal has been given by the Interior Minister Sheikh Rasheed Ahmed, and "we are certainly going to discuss this".
- BoE hikes rates again | BR:** The Bank of England raised interest rates on Thursday in a bid to stop fast-rising inflation becoming embedded, but with households facing a huge hit from soaring energy bills, it softened its language on the need for more increases. Eight of the nine Monetary Policy Committee (MPC) members voted to raise Bank Rate to 0.75% from 0.5%, their third hike in as many meetings and taking rates back to their pre-pandemic level. On Wednesday, the U.S. Federal Reserve also raised borrowing costs, the first time it had done so since the COVID-19 pandemic.

Market Indices			
	17-Mar-22	16-Mar-22	30-Jun-21
KSE 100	43,807	43,976	47,356
KSE 30	16,825	17,019	18,962
KMI 30	70,837	71,294	76,622
KSE All Shares	29,930	29,997	32,480
Volume (mn Shares)			
	17-Mar-22	FYTD (Average)	
KSE 100	46.6	118.3	
KSE 30	25.7	50.9	
KMI 30	21.9	48.1	
KSE All Shares	148.5	316.3	
Commodity Rates			
	17-Mar-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	106.6	8.8%	41.9%
Crude Oil-Arab Light (USD/BBL)	102.6	8.5%	41.9%
Coal (USD/Tonne)	315.0	-2.1%	174.3%
Copper(USD/Lbs)	4.7	2.0%	9.7%
Cotton (USD/Lbs)	119.7	1.8%	47.1%
Gold (USD/Tonne)	1,942.6	0.8%	9.8%
Currency (Interbank)			
	17-Mar-22	Daily Change	FYTD Change
US Dollar	179.6	0.1%	14.0%
UK Pound	236.0	0.2%	8.4%
Euro	199.1	0.7%	6.6%
UAE Dirham	49.0	0.0%	13.7%
Chinese Yuan	28.3	0.2%	15.9%
Fund Flows (USD mn)			
	17-Mar-22	FYTD	
FOREIGN INDIVIDUAL	0.00	4.28	
FOREIGN CORPORATES	-0.92	-310.98	
OVERSEAS PAKISTANI	0.63	53.06	
FIPI NET	-0.29	-253.64	
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			
	17-Mar-22	16-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	11.25	11.25	7.28
6 Month T-Bill	11.75	11.72	7.53
12 Month T-Bill	11.95	11.95	7.81
3 Year Government Bond	11.71	11.60	8.99
5 Year Government Bond	11.67	11.64	9.49
10 Year Government Bond	11.67	11.66	9.94
3 Month KIBOR	11.39	11.38	7.45
6 Month KIBOR	11.89	11.91	7.69

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