



- 7th review under IMF's EFF | BR:** Sections of the media have been speculating recently about the on-going 7th review under IMF's Extended Fund Facility (EFF). It is clarified that negotiations under the 7th review are continuing as planned and the two sides remain engaged on a regular basis at a technical level through virtual meetings and data sharing. The focus of negotiations under the 7th review has been on the agreed targets between the two sides, as well as the recently announced relief and industrial promotion packages. There is a consensus that all the end-December agreed targets have been achieved, while progress on other actions mentioned in the Memorandum on Economic and Financial Policies (MEFP) for the 6th review has also been found to be satisfactory.
- Forex reserves plunge by USD844mn on external debt payments | BR:** The country's total liquid foreign exchange reserves fell sharply by USD844mn in a week, mainly due to external debt payments. According to State Bank of Pakistan's (SBP) weekly report issued on Thursday, the total liquid foreign exchange reserves held by the country stood at USD21.44bn as of March 18, 2022 compared to USD22.28bn on March 11, 2022. During the period under review, the SBP's foreign exchange reserves moved downward and reached below the USD15bn mark, while the reserves held by the commercial banks rose slightly.
- Pakistan Rupee Pressured by Rising Trade Balance | Bloomberg:** Pakistan's currency could be weakened as the surge in energy and commodities prices deepens the nation's current account deficit, according to Deutsche Bank AG's country head, referring to the broadest measure of trade. "That's a key concern for the economy and for the business community," the bank's chief country officer, Syed Kamran Zaidi, said in an interview. "That is obviously something which the banks are also cautious about." The South Asian nation, which imports most of its fuel needs, saw its energy bill rise to USD13bn in the first eight months of the year that started in July, more than double the same period of the last fiscal, according to government data.
- REER stands at 97.91 in Feb | The News:** Pakistan's real effective exchange rate (REER) recorded at 97.91 in February, depicting a change of 0.89% from the previous month's level of 97.04, the central bank reported on Thursday. REER is the value of the country's currency against a basket of currencies of global trading partners. "The value of REER in month of February means that exports are competitive as REER below 100 is considered good value," Yousaf Saeed, head of research at Darson Securities said. A REER reading below 100 keeps exports competitive and imports expensive, whereas above 100 value signifies that imports have become cheaper and exports have turned expensive.
- Pakistan in talks with Russia for LNG imports | Tribune:** As Russia develops the Yamal LNG project facility -- Islamabad and Moscow are in talks to a multi-billion dollar government-to-government import deal. The Yamal LNG Project includes the development of the giant South Tambeiy (Tambeykoye) gas field that is located near Sabetta in the Yamal peninsula in Russia. The Russian government has declared the project to be of national interest at a cost of around USD27bn. This is a new addition to the energy cooperation between Pakistan and Russia as two countries are already working on different projects including the Pakistan Gas Stream, a gas pipeline from Kazakhstan and an offshore gas pipeline.
- Pakistan Refinery likely to get Saudi investment for expansion | The News:** Saudi Arabia is likely to invest in the expansion of Pakistan Refinery, as the Kingdom's investment minister on Thursday agreed that his government would take a decision on the refinery plan after evaluating viability of the project. The decision was taken at a meeting between the minister of state and chairman Board of Investment (BOI), Muhammad Azfar Ahsan and Saudi Arabia's Minister for Investment, Khalid Al-Falih in Tashkent. "It was agreed that shovel-ready projects, including the expansion project of Pakistan Refinery, will be evaluated by Saudi government," a BOI statement said.
- Refineries yet to receive PKR23bn unadjusted sales tax | The News:** Oil Companies Advisory Council (OCAC) on Thursday pleaded with the government to clear refineries' receivables worth PKR23.25bn, accumulated on account of unadjusted sales tax. The oil sector drew the government's attention towards this issue in a letter written to Secretary Petroleum Division, Ministry of Energy, arguing this issue was causing serious cash flow problems for the refiners. Sales tax on finished products such as high-speed diesel (HSD) and petrol had seen significant reductions from time to time and it was even brought to zero to keep petroleum prices low to provide inflation-burdened masses some relief.
- Nepra Allows CPPA-G to Charge Market Operator Fee of PKR2.71/kW per Month for FY2021-22 | Nation:** The National Electric Power Regulatory Authority has allowed Central Power Purchasing Agency Guarantee (CPPA-G) to charge the market operator fee of PKR2.71/kW per month for the FY2021-22. Central Power Purchasing Agency Guarantee (CPPA-G), for provision of market operator and allied services, is allowed revenue requirement of PKR.63.67mn and to recover its assessed fees of PKR2.71/kW/month for the FY2020-21, based on average monthly MDI of 26,535 MW for the FY 2021-22.
- Pakistan Housing Finance Project: WB lists risks to USD85mn additional financing | BR:** The World Bank has listed several risks to the USD85mn "additional financing for the Pakistan Housing Finance Project" including political and governance and macroeconomic. The World Bank's Board of Executive Directors has recently approved the USD85mn additional financing for the Pakistan Housing Finance Project that will help expand access to affordable mortgages to increase homeownership among low-income households, including women and informal workers.
- No-trust motion: Votes to be cast, counted, says Supreme Court | The News:** The Chief Justice of Pakistan (CJP), Justice Ata Bandial, in the case of presidential reference remarked that courts cannot fill in the blanks; the Parliament, rather than references, should settle the matter. Justice Mandokhel observed if a member casts his vote, then it must be counted as well. A five-member larger bench of the apex court, headed by Chief Justice Umer Ata Bandial and comprising Justice Ijazul Ahsen, Justice Mazhar Alam Khan Miankhel, Justice Muneeb Akhtar and Justice Jamal Khan Mandokhel, heard the presidential reference ahead of the no-confidence motion against Prime Minister Imran Khan.
- Fireworks expected today as no-trust motion on NA agenda | Tribune:** Fireworks are expected as the National Assembly meets on Friday (today) for an extraordinary session on the request of the joint opposition to begin the process for the [no-confidence motion](#) filed against Prime Minister Imran Khan. The house will meet at 11am, with Speaker Asad Qaiser in the chair, according to the National Assembly Secretariat. The secretariat on Thursday night issued a 15-point agenda of the Friday's session, which also included the no-confidence motion.

Market Indices

	24-Mar-22	22-Mar-22	30-Jun-21
KSE 100	43,523	43,204	47,356
KSE 30	16,622	16,472	18,962
KMI 30	70,063	69,444	76,622
KSE All Shares	29,814	29,629	32,480

Volume (mn Shares)

	24-Mar-22	FYTD (Average)
KSE 100	64.5	117.3
KSE 30	45.3	50.8
KMI 30	23.9	47.7
KSE All Shares	149.7	312.9

Commodity Rates

	24-Mar-22	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	119.0	-2.1%	58.4%
Crude Oil-Arab Light (USD/BBL)	111.2	-1.6%	53.8%
Coal (USD/Tonne)	333.4	-1.4%	190.2%
Copper (USD/Lbs)	4.7	-0.6%	11.0%
Cotton (¢/Lbs)	128.5	0.7%	57.9%
Gold (USD/Ounce)	1,957.5	0.7%	10.6%

Currency (Interbank)

	24-Mar-22	Daily Change	FYTD Change
US Dollar	181.6	-0.1%	15.3%
UK Pound	239.4	-0.2%	9.9%
Euro	199.7	-0.1%	6.9%
UAE Dirham	49.8	0.0%	15.4%
Chinese Yuan	28.5	0.0%	16.9%

Fund Flows (USD mn)

	24-Mar-22	FYTD
FOREIGN INDIVIDUAL	0.00	4.33
FOREIGN CORPORATES	-3.47	-318.97
OVERSEAS PAKISTANI	-0.10	53.63
FIPI NET	-3.57	-261.02

Economic Data (USD mn)

	FY22E	FY21	FY20
GDP Growth	4.6%	5.4%	-0.5%
	Feb-22	Jan-22	
Exports	2,820	2,614	
Imports	5,907	6,036	
Remittances	2,190	2,144	
Foreign Exchange Reserves	22,875	22,836	

Money Market Data

	24-Mar-22	22-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	11.78	11.53	7.28
6 Month T-Bill	12.28	11.91	7.53
12 Month T-Bill	12.40	12.08	7.81
3 Year Government Bond	12.07	11.86	8.99
5 Year Government Bond	11.98	11.79	9.49
10 Year Government Bond	11.88	11.74	9.94
3 Month KIBOR	11.96	11.60	7.45
6 Month KIBOR	12.47	12.10	7.69

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