

23rd DECEMBER 2021
DAILY MARKET REVIEW

KEY PAKISTAN STATS & ECONOMIC INDICATORS			
Items	Period	Unit	Figure
Gross Domestic Product-GDP			
GDP	5MFY-20/21	USD bn	133.972
Foreign Exchange-FX-Reserves			
FX-Reserves-WoW	10-Dec-21	USD bn	25.027
FE-25 Import Financing	November, 2021	USD mn	959
SBP Forward/Swap Position	31-Oct-21	USD bn	(4.870)
Net International Reserves-NIR (EST)	10-Dec-21	USD bn	(7.645)
Kerb USD/PKR	21-Dec-21	Bid/Ask	179.70/181.30
Real Effective Exchange Rate-REER	October, 2021	Rs	95.58
Consumer Price Index-CPI			
Sensitive Price Index-SPI-WoW	16-Dec-21	bps	168.16
CPI (YoY)	Nov, 2021	%	11.53
CPI- (MoM)	Nov, 2021	%	3.00
CPI-Urban-YoY	Nov, 2021	%	12.00
CPI-Rural-YoY	Nov, 2021	%	10.90
PAK CPI-YoY minus US CPI-YoY	11.53%-6.80%	%	4.73
M2 Growth			
M2 Growth-YoY	1 July 21 To 10-Dec 21	%	0.23%
Net Govt. Sector Borrowing	1 July 21 To 10-Dec 21	Rs mn	(136.46)
GOVT. Borrowing for budgetary support from SBP	1 July 21 To 10-Dec 21	Rs bn	(123.30)
Credit to Private Sector-YoY	1 July 21 To 10-Dec 21	Rs bn	512.75
Govt. Foreign Commercial Banks Borrowing	1QFY-21/22	USD mn	457.54
Policy Rate			
SBP Policy Rate	FY-21/22 YTD	%	9.75
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	8.75-10.75
SBP PR minus USD FED Fund Rate	9.75%-0.25%	%	9.50
1-Year KIBOR minus 1-Year LIBOR	11.24%-0.53%	%	10.71
FX-Economic Data			
Foreign Direct Investment-FDI	5MFY-21/22	USD mn	797.70
Home Remittance	5MFY-21/22	USD bn	12.903
Trade Bal-S/D	5MFY-21/22	USD bn	(18.894)
CAB-S/(D)	5MFY-21/22	USD bn	(7.09)
CAB-S/(D) % of GDP	5MFY-21/22	%	(5.30)
Government, Circular Debt & External Liabilities			
Government Domestic Debt & Liabilities	As at 31-10-2021	Rs trn	26.47
External Debt	As at 30-9-2021	USD bn	127.023
Central Debt	As at 31-10-2021	Rs trn	27.14

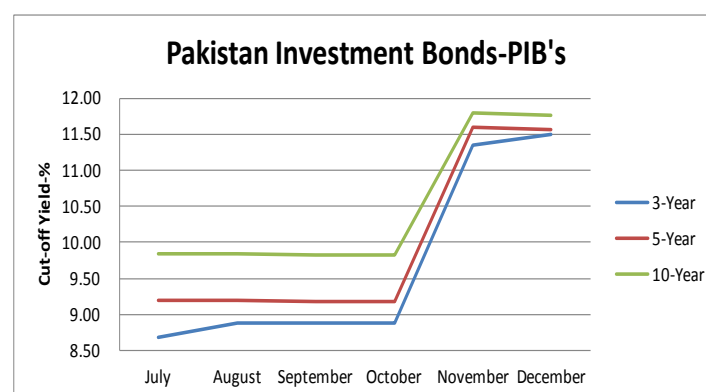
ECONOMIC NEWS:

- ✓ **Pakistan secures \$1.5bn Asian Development Bank-ADB loan:** Pakistan took another \$1.5bn in loan from the ADB for the development of energy and infrastructure sectors, including \$300mn in 2nd budgetary support package that the Manila-based lender approved despite the 1st tranche of a similar amount going down the drain.
- ✓ **Private sector borrowing rises despite rate hike:** SBP released the data of broad money supply M2-Growth. According to the SBP, The over-all loans taken by the private sector rose 3% (or Rs178bn) to Rs6.05trn in November compared to Rs5.87trn in the prior month.
- ✓ Many businesses from the private sector made hefty borrowing during November 2021, suggesting that economic activities are growing despite a notable surge in the benchmark interest rate.

ECONOMIC-DATA:

- ✓ **SBP raises \$158bn through Pakistan Investment Bonds-PIB's:** Yesterday, SBP raised Rs158bn against the target of Rs100bn by selling fixed-rate PIB's.
- ✓ The auction received heavy participation as investors placed bids for Rs508bn while the cut-off Yields remained mostly flat from the preceding auction held on Nov 29, 2021.

Pakistan Investment Bonds-PIB Auction Report & Result				
Period	PKR-Rs in bn		PKR-Rs	Percentage-%
	Bid Amount	Accepted Amount	Cut-off Price	Cut-off Yields
Years	Face Value	Face Value		
3-Yrs	123.81	32.30	90.05	11.5000
5-Yrs	215.27	107.28	97.70	11.5740
10-Yrs	163.90	18.53	79.48	11.7640
15-Yrs	No BIDS Received			
20-Yrs	5.00	BIDS Rejected		
30-Yrs	No BIDS Received			



ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS					
Date	Event	Impact	Actual	Forecast	Previous
22-12-21	3Yrs PIB Cut-off Yield	HIGH	11.50%	10.65%	11.34%
22-12-21	5Yrs PIB Cut-off Yield	HIGH	11.57%	11.01%	11.59%
22-12-21	10Yrs PIB Cut-off Yield	HIGH	11.76%	11.20%	11.79%

READY Rates-PKR-Rs			22-Dec-21
Open	178.10	Last Day Close-LDC	
High	178.15		
Low	178.05	178.13	
Close	178.12		

DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.2066	0.0616	6.12%
2-Week	0.3641	0.1041	5.41%
1-Month	0.7417	0.2167	4.71%
2-Month	1.8864	0.1864	6.49%
3-Month	3.0478	0.2478	7.00%
4-Month	4.2055	0.2055	7.20%
5-Month	5.4406	0.0906	7.57%
6-Month	6.8824	0.1324	7.98%
9-Month	10.8833	0.0833	8.74%
1-Year	14.4265	(0.0735)	8.63%

MONEY Market-MM Rates-%			22-Dec-21
Open	9.25	Last Day Close-LDC	
High	10.00		
Low	9.25	8.75	
Close	9.75		

KIBOR AND PKRV RATE (%)			23-Dec-21
Tenor	KIBOR-%	PKRV Rates-%	
1-M	9.98	10.05	
3-M	10.32	10.27	
6-M	11.12	11.07	
12-M	11.24	11.35	

Pakistan Investment Bonds-PIB			
Period	22-Dec-21	23-Dec-21	
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	11.30	11.20
3-Yrs	11.5000	11.35	11.28
5-Yrs	11.5740	11.32	11.27
10-Yrs-Fixed	11.7640	11.70	11.60
Floating	12.1001	102	101.75
15-yrs*	-	12.25	
20-yrs*	-	12.46	

Market Treasury Bills-MTB			
Tenor	15-Dec-21	23-Dec-21	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	10.7890	10.25	10.20
6-M	11.5001	10.90	10.85
12-M	11.5143	11.35	11.30

Note: * The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.