

24th 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	17-Dec-21	USD bn	24.633
FE-25 Import Financing	November, 2021	USD mn	959
SBP Forward/Swap Position	30-Nov-21	USD bn	(4.585)
Net International Reserves-NIR (EST)	17-Dec-21	USD bn	(8.060)
Kerb USD/PKR	24-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%-0.55%	%	10.69
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

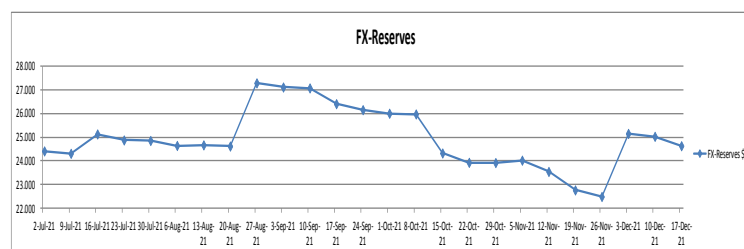
ECONOMIC NEWS:

- ✓ **World Bank-WB to lend \$195mn to boost DISCOs efficiency:** Yesterday, an agreement was signed between Pakistan Economic Affairs Division-EAD & WB, The WB will lend \$195mn to Pakistan to help it enhance electricity distribution efficiency.
- ✓ **Bond yields on downward trajectory:** The yields on Govt. debt securities are on a decline in both the primary and the secondary markets for the past 1week as they have cumulatively dropped by 22bps to 65bps on 3month to 10yrs bonds after authorities took measures to fix "unwarranted" surge in the returns.
- ✓ **Foreign loans surge to \$4.6bn in 5MFY-22:** Yesterday, Ministry of Affairs stated that foreign loan disbursements surged to \$4.6bn in the past 5months—3/4 of them were taken for budget deficit financing and FX-Reserves building—amid the Govt. admission that it was taking new loans to pay back previous debt.

ECONOMIC-DATA:

- ✓ **SBP Foreign Exchange-FX-Reserves fall \$415mn to \$18.15bn:** Yesterday, SBP released the data of FX-Reserves. According to the SBP, FX-Reserves held by the central bank fell 2.23% on a WoW basis.
- ✓ On December 17, the FX-Reserves held by the SBP were recorded at \$18.15bn, down \$415mn compared with \$18.56bn on December 10.
- ✓ Over-all liquid FX-Reserves held by the country, including net FX-Reserves held by banks other than the SBP, stood at \$24.63bn. Net FX-Reserves held by banks amounted to \$6.47bn.
- ✓ According to the central bank, the decrease in FX-Reserves figure came mainly due to external debt re-payment.

FX-RESERVES WoW Change				
Amount in \$, mn				
FX-RESERVES Held by	Current	Previous	Change	Change
	17-Dec-21	10-Dec-21	\$	%
State Bank of Pakistan-SBP	18,153.70	18,568.30	(414.60)	(2.23)
Commercial Banks	6,479.30	6,459.50	19.80	0.31
Total	24,633.00	25,027.80	(394.80)	(1.58)


ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Event	Impact	Actual	Forecast	Previous
24/12/2021	FX-Reserves for 17 Dec 21	MEDIUM	\$24.633bn	\$25.399bn	\$25.027bn

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

DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.2454	0.0388	7.26%
2-Week	0.4108	0.0467	6.09%
1-Month	0.8979	0.1562	5.68%
2-Month	2.0989	0.2125	7.21%
3-Month	3.2867	0.2389	7.53%
4-Month	4.5158	0.3103	7.71%
5-Month	5.8175	0.3769	8.08%
6-Month	7.1095	0.2271	8.24%
9-Month	10.9396	0.0563	8.80%
1-Year	14.5429	0.1164	8.72%

MONEY Market-MM Rates-%		
24-Dec-21		
Open	9.95	Last Day Close-LDC
High	10.00	
Low	9.75	9.75
Close	9.75	

KIBOR AND PKRV RATE (%)		
24-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	24-Dec-21	
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	11.35	11.25
3-Yrs	11.5000	11.30	11.20
5-Yrs	11.5740	11.30	11.20
10-Yrs-Fixed	11.7640	11.45	11.35
Floating	12.1001	102	101.75
15-yrs*	-	12.25	
20-yrs*	-	12.46	

Market Treasury Bills-MTB			
Tenor	15-Dec-21	24-Dec-21	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	10.7890	10.30	10.20
6-M	11.5001	10.80	10.75
12-M	11.5143	11.30	11.25

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