

16<sup>th</sup> January 2024

**DAILY MARKET REVIEW**

KEY PAKISTAN STATS & ECONOMIC INDICATORS			
Items	Period	Unit	Figure
<b>Foreign Exchange-FX-Reserves</b>			
FX-Reserves-WoW	5-Jan-24	USD bn	13.256
FE-25 Import Financing	Nov, 2023	USD bn	1.44
SBP Forward/Swap Position	Nov, 2023	USD bn	(3.25)
Net International Reserves-NIR (EST)	5-Jan-24	USD bn	(25.30)
Verb USD/PKR-Buying/Selling Avg. Rate	16-Jan-24	Rs	281.00
Real Effective Exchange Rate-REER	Nov, 2023	Rs	98.18
Net Reshan Digital Account-RDA	Sep 20 to 1HFY24	USD bn	1.22
<b>Consumer Price Index-CPI</b>			
Sensitive Price Index-SPI-WoW	11-Jan-24	bps	317.92
CPI (YoY)	Dec, 2023	%	29.70
CPI- (MoM)	Dec, 2023	%	0.80
CPI-Urban-YoY	Dec, 2023	%	30.90
CPI-Rural-YoY	Dec, 2023	%	27.90
PAK CPI-YoY minus US CPI-YoY	29.70-3.10	%	26.60
<b>Broad Money Supply-M2 Growth:</b>			
M2 Growth-YoY	1 Jul 23 To 29 Dec 23	%	4.40
Net Govt. Sector Borrowing	1 Jul 23 To 29 Dec 23	Rs trn	2.30
GOVT. Borrowing for budgetary support from SBP	1 Jul 23 To 29 Dec 23	Rs trn	2.53
Private Sector Credit-PSC	1 Jul 23 To 29 Dec 23	Rs bn	373.51
Govt. Foreign Commercial Banks Borrowing	SMFY24	USD bn	0.00
<b>Policy Rate-PR</b>			
SBP Policy Rate	FY-24 YTD	%	22.00
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	21.00-23.00
SBP PR minus USD FED Fund Rate	22.00-5.50	%	16.50
1-Year KIBOR minus 1-Year LIBOR	21.16-5.73	%	15.43
<b>FX-Economic Data</b>			
Foreign Direct Investment-FDI	SMFY-24	USD mn	656.10
Home Remittance	1HFY-24	USD bn	13.434
Trade Bal-S/(D)	SMFY-24	USD bn	(9.89)
CAB-S/(D)	SMFY-24	USD bn	(1.16)
<b>Special Convertible Rupee Account-SCRA</b>			
SCRA-Cumulative inflow/(outflow)	July 23 till date	USD bn	54.58
SCRA-MTB+PIB Inflow/(outflow)	July 23 till date	USD bn	(1.47)
<b>Govt., Circular Debt &amp; External Liabilities</b>			
Govt. Domestic Debt & Liabilities	As at 31-11-2023	Rs trn	41.54
External Debt	As at 30-9-2023	USD bn	128.091
Central Govt. Debt (Domestic + External)	As at 31-11-2023	Rs trn	63.389

**ECONOMIC NEWS**

- ✓ **Big industry output grows 1.6pc** PBS released the data of LSMI showed that LSM staged a partial recovery in November after a contraction in the preceding month.
- ✓ The LSM posted a paltry growth of 1.59% in November on YoY basis. The main contributors to positive growth are food, beverages, textiles, leather products, petroleum products and chemicals.
- ✓ **Circular debt reaches Rs5.73trn** Despite constant increases in electricity and gas prices, Pakistan's energy sector circular debt has spiralled alarmingly to a record Rs5.73trn—an amount Rs1.5trn more than what the IMF had been informed of 2-months ago.
- ✓ Official documents reveal that as of the end of November, the power sector had crossed over Rs2.7trn. Additionally, the gas sector circular debt also surged over Rs3trn, bringing the total unfinanced debt to Rs5.73trn.
- ✓ The total energy sector circular debt now equals 5.4% of the size of Pakistan's economy, as the wrong policies of ending the circular debt through price increases have failed to yield the desired results.
- ✓ The figure is nearly Rs1.5trn or 1.4% of the GDP higher than what the IMF had been informed of just 2-months ago.

Interbank READY Rates- PKR-Rs			16-Jan-24	
Open	280.20	Last Day Close		280.24
Close	280.35			
DAILY USD/PKR SWAP YIELDS-%				
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield	
1-Week	0.7750	(0.0843)	21.14%	
2-Week	1.3950	(0.1554)	19.68%	
1-Month	2.5000	(0.1666)	16.66%	
2-Month	4.6000	(0.1009)	15.56%	
3-Month	6.4000	(0.1101)	14.91%	
4-Month	8.0000	(0.1867)	14.26%	
5-Month	9.8750	0.0975	13.91%	
6-Month	11.5000	(0.3040)	14.09%	
9-Month	15.2500	0.2623	12.81%	
1-Year	20.5000	(0.1071)	13.02%	
MONEY Market- M M Over-Night- O / N Rates-%				
Open	21.25	Last Day Close-L D C		21.30
High	21.50			
Low	21.10			
Close	21.40			
KIBOR AND PKRV RATES (%)				
Tenor	KIBOR-%	PKRV Rates-%		
1-M	21.14	20.71		
3-M	20.56	20.36		
6-M	20.58	20.53		
12-M	20.51	20.45		
Pakistan Investment Bonds-PIB's				
Period	21-Dec-23		16-Jan-24	
	Cut Off Yields-%	Bid-%	Ask-%	
3-Yrs	17.1999	16.60	16.50	
5-Yrs	15.8800	16.00	15.80	
10-Yrs	15.0000	14.95	14.80	
15-yrs*	-	14.60		
20-yrs*	-	14.58		
Market Treasury Bills-MTB				
Tenor	11-Jan-24		16-Jan-24	
	Cut Off Yields-%	Bid-%	Ask-%	
3-M	20.9996	20.50	20.25	
6-M	20.9601	20.60	20.40	
12-M	20.8449	20.50	20.25	
Note: * The secondary yields for 15 & 20-yrs Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.				