20th August 2024 **DAILY MARKET REVIEW**

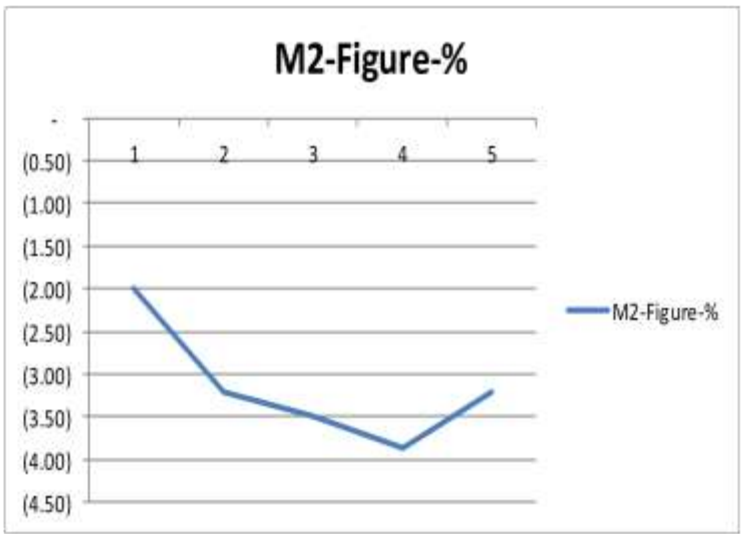
ECONOMIC NEWS

- **Real Exchange Effective Exchange Rate-REER rises in July, signaling overvalued rupee** SBP released the data showed that Pakistan's REER–the value of local currency as compared to a basket of currencies of trading partners–appreciated to 101.47 in July 2024, apparently putting some pressure on exports.
- REER index had been at 100.06 in June 2024, which indicated that the trend reversed in July in relation to the depreciation recorded in June on MoM basis.
- In May, the index stood at 100.69. The uptrend in REER signals that the rupee has grown stronger over the past 1-month and the ongoing speculation about depreciation against the greenback and other currencies may come true ahead of the new $7bn IMF loan program.

ECONOMIC DATA

- **Broad Money Supply-M2-Growth-% on WoW basis**

Broad Money Supply-M2 GROWTH-%				
Data	Unit	2-Aug-24	26-Jul-24	4-Aug-23
M2-Growth	%	(3.21)	(3.87)	(1.99)



KEY PAKISTAN STATS & ECONOMIC INDICATORS

Items	Period	Unit	Figure
Foreign Exchange-FX-Reserves			
FX-Reserves-WoW	9-Aug-24	USD bn	14.645
FE-25 Import Financing	June, 2024	USD bn	1.36
SBP Forward/Swap Position	June, 2024	USD bn	3.45
Net International Reserves-NIR (EST)	9-Aug-24	USD bn	(21.13)
Kerb USD/PKR-Buying/Selling Avg. Rate	20-Aug-24	Rs	279.80
Real Effective Exchange Rate-REER	July, 2024	Rs	101.47
Net Roshan Digital Account-RDA	Sep 20 to FY24	USD bn	1.43
Consumer Price Index-CPI			
Sensitive Price Index-SPI-WoW	15-Aug-24	bps	322.06
General Head Line CPI-YoY	July, 2024	%	11.10
Core CPI-Non Food Non Energy- NFNE-Rural-YoY	July, 2024	%	16.90
Core CPI-Non Food Non Energy- NFNE-Urban-YoY	July, 2024	%	11.70
Core CPI-20% Weighted Trimmed-Rural-YoY	July, 2024	%	11.30
Core CPI-20% Weighted Trimmed-Urban-YoY	July, 2024	%	10.30
General Head Line CPI-Rural-YoY	July, 2024	%	8.10
General Head Line CPI-Urban-YoY	July, 2024	%	13.20
General Head Line CPI-MoM	July, 2024	%	2.10
Average CPI	1MFY25	%	11.10
PAK CPI-YoY munus US CPI-YoY	11.10-3.00	%	8.10
Broad Money Supply-M2 Growth:			
M2 Growth-YoY	1 Jul 23 To 2 Aug 24	%	(3.21)
Net Govt. Sector Borrowing	1 Jul 23 To 2 Aug 24	Rs bn	107.56
GOVT. Borrowing for budgetary support from SBP	1 Jul 23 To 2 Aug 24	Rs bn	302.38
Private Sector Credit-PSC	1 Jul 23 To 2 Aug 24	Rs bn	(342.17)
Govt. Foreign Commercial Banks Borrowing	FY24	USD mn	999.04
Policy Rate-PR			
SBP Policy Rate	FY-25 YTD	%	19.50
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	18.50-20.50
SBP PR minus USD FED Fund Rate	19.50-5.50	%	14.00
1-Year KIBOR minus 1-Year LIBOR	17.58-4.99	%	12.59
FX-Economic Data			
Foreign Direct livestment-FDI	1MFY-25	USD mn	136.30
Home Remittance	1MFY-25	USD bn	2.995
Trade Bal-S/(D)	1MFY-25	USD bn	(2.59)
CAB-S/(D)	1MFY-25	USD mn	(162.00)
Special Convertible Rupee Account-SCRA			
SCRA-Cumulative inflow/(outflow)	July 23 to date	USD mn	187.52
SCRA-MTB+PIB inflow/(outflow)	July 23 to date	USD bn	177.03
Govt., Circular Debt & External Liabilities			
Govt. Domestic Debt & Liabilities	As at 30-6-2024	Rs trn	47.72
External Debt	As at 30-6-2024	USD bn	130.5
Central Govt. Debt (Domestic + External)	As at 30-6-2024	Rs trn	68.91

Interbank READY Rates-PKR-Rs		20-Aug-24
Open	278.35	Last Day Close
Close	278.35	278.45

DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.525	(0.1300)	14.99%
2-Week	1.200	(0.2150)	16.50%
1-Month	2.700	(0.1750)	16.87%
2-Month	5.750	0.3000	17.77%
3-Month	7.300	(0.1500)	15.88%
4-Month	9.225	(0.3250)	15.30%
5-Month	11.300	(0.1500)	15.34%
6-Month	13.300	-	14.74%
9-Month	18.750	-	14.47%
1-Year	23.750	-	13.38%

MONEY Market-MM Over-Night-O/N Rates-%		20-Aug-24
Open	20.00	Last Day Close-LDC
High	20.40	
Low	19.80	20.00
Close	20.25	

KIBOR AND PKRV RATES (%)		19-Aug-24
Tenor	KIBOR-%	PKRV Rates-%
1-M	19.40	19.33
3-M	18.70	18.72
6-M	18.36	18.08
12-M	17.22	17.01

Pakistan Investment Bonds-PIB's			
Period	31-Jul-24	20-Aug-24	
	Cut Off Yields-%	Bid-%	Ask-%
3-Yrs	16.2450	15.45	15.35
5-Yrs	15.2950	14.86	14.78
10-Yrs	14.2499	13.80	13.50
15-yrs*	-	13.80	
20-yrs*	-	13.73	

Market Treasury Bills-MTB			
Tenor	25-Jul-24	20-Aug-24	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	19.4899	18.60	18.40
6-M	19.2891	17.95	17.85
12-M	18.2389	17.00	16.90

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

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