

12th July 2023 **DAILY MARKET REVIEW**

| KEY PAKISTAN STATS & ECONOMIC INDICATORS | | | |
|--|-----------------------|---------|---------------|
| Items | Period | Unit | Figure |
| Foreign Exchange-FX-Reserves | | | |
| FX-Reserves-WoW | 30-Jun-23 | USD bn | 9.745 |
| FE-25 Import Financing | May, 2023 | USD bn | 1.30 |
| SBP Forward/Swap Position | May, 2023 | USD bn | (4.47) |
| Net International Reserves-NIR (EST) | 16-Jun-23 | USD bn | (27.02) |
| Kerb USD/PKR | 12-Jul-23 | Bid/Ask | 279.00/283.00 |
| Real Effective Exchange Rate-REER | May, 2023 | Rs | 87.15 |
| Roshan Digital Account-RDA | 11MFY23 | USD bn | 6.22 |
| Consumer Price Index-CPI | | | |
| Sensitive Price Index-SPI-WoW | 6-Jul-23 | bps | 257.79 |
| CPI (YoY) | June, 2023 | % | 29.40 |
| CPI- (MoM) | June, 2023 | % | (0.30) |
| CPI-Urban-YoY | June, 2023 | % | 27.30 |
| CPI-Rural-YoY | June, 2023 | % | 32.40 |
| PAK CPI-YoY minus US CPI-YoY | 29.40%-4.0% | % | 25.40 |
| Broad Money Supply-M2 Growth: | | | |
| M2 Growth-YoY | 1 Jul 22 To 2 June 23 | % | 8.94 |
| Net Govt. Sector Borrowing | 1 Jul 22 To 2 June 23 | Rs trn | 3.38 |
| GOVT. Borrowing for budgetary support from SBP | 1 Jul 22 To 2 June 23 | Rs trn | 2.98 |
| Private Sector Credit-PSC | 1 Jul 22 To 2 June 23 | Rs bn | 25.38 |
| Govt. Foreign Commercial Banks Borrowing | 10MFY-23 | USD mn | 900.00 |
| Policy Rate | | | |
| 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%-5.25% | % | 16.75 |
| 1-Year KIBOR minus 1-Year LIBOR | 21.89-5.79% | % | 16.10 |
| FX-Economic Data | | | |
| Foreign Direct Investment-FDI | 11MFY-23 | USD bn | 1.32 |
| Home Remittance | FY-23 | USD bn | 27.024 |
| Trade Bal-S/(D) | 11MFY-23 | USD bn | (23.77) |
| CAB-S/(D) | 11MFY-23 | USD bn | (2.94) |
| Special Convertible Rupee Account-SCRA | | | |
| SCRA-Cumulative inflow/(outflow) | July 22 till date | USD bn | (143.45) |
| SCRA-MTB+PIB inflow/(outflow) | July 22 till date | USD bn | (42.01) |
| Govt., Circular Debt & External Liabilities | | | |
| Govt. Domestic Debt & Liabilities | As at 31-5-2023 | Rs trn | 37.89 |
| External Debt | As at 31-3-2023 | USD bn | 12.726 |
| Central Govt. Debt (Domestic + External) | As at 31-5-2023 | Rs trn | 58.962 |

ECONOMIC NEWS:

- ✓ **FITCH upgrades Pakistan to `CCC` after IMF pact** FITCH Ratings upgraded Pakistan's long-term foreign currency IDR to `CCC` from `CCC-` reflecting reduced external financing risks with improved external liquidity and funding conditions following recent SLA with the IMF on a 9-months SBA in June.
- ✓ `We expect the SLA to be approved by the IMF board in July, catalyzing other funding and anchoring policies around parliamentary elections due by October`, also noted risks to program implementation and external funding due to a volatile political climate and large external financing requirement.
- ✓ In a statement, FITCH said the Govt. had now taken all those steps that had held up 3-quarterly reviews of the previous \$6.5bn EFF, which expired on June 30. These included measures to address shortfalls in Govt. revenue collection, energy subsidies and policies inconsistent with a market determined exchange rate, including import financing restrictions.

| Interbank READY Rates- PKR-Rs | | | |
|--|------------------|--------------------|------------------------|
| | | 12-Jul-23 | |
| Open | 278.00 | Last Day Close-LDC | |
| High | 278.00 | | |
| Low | 277.48 | 278.57 | |
| Close | 277.48 | | |
| DAILY USD/PKR SWAP YIELDS-% | | | |
| PERIOD | SWAP | Change in Premiums | Swap Implied PKR Yield |
| 1-Week | 0.9884 | (0.0216) | 23.69% |
| 2-Week | 1.8678 | (0.1214) | 22.72% |
| 1-Month | 4.3787 | 0.1815 | 23.86% |
| 2-Month | 7.3117 | (0.0560) | 21.26% |
| 3-Month | 9.8256 | (0.0764) | 19.75% |
| 4-Month | 12.2471 | (0.1900) | 18.73% |
| 5-Month | 14.2289 | (0.2518) | 17.95% |
| 6-Month | 17.6109 | (0.2343) | 18.61% |
| 9-Month | 20.3997 | 0.0367 | 15.68% |
| 1-Year | 23.5609 | 0.0631 | 14.46% |
| MONEY Market-MM Over-Night-O/N Rates-% | | | |
| | | 12-Jul-23 | |
| Open | 21.90 | Last Day Close-LDC | |
| High | 22.00 | | |
| Low | 21.40 | 22.10 | |
| Close | 21.60 | | |
| KIBOR AND PKRV RATES (%) | | | |
| Tenor | KIBOR-% | PKRV Rates-% | |
| 1-M | 22.01 | 22.19 | |
| 3-M | 22.64 | 22.67 | |
| 6-M | 22.74 | 22.90 | |
| 12-M | 22.80 | 22.95 | |
| Period | | | |
| Period | 16-June-23 | 12-Jul-23 | |
| | Cut Off Yields-% | Bid-% | Ask-% |
| 3-Yrs | 19.3500 | 19.10 | 18.80 |
| 5-Yrs | 13.8000 | 15.85 | 15.55 |
| 10-Yrs-Fixed | 12.9500 | 15.00 | 14.20 |
| Floating | 17.8255 | 102 | 101.75 |
| 15-yrs* | - | 15.25 | |
| 20-yrs* | - | 15.25 | |
| Market Treasury Bills-MTB | | | |
| | | 12-Jul-23 | |
| Tenor | 15-Jun-23 | Cut Off Yields-% | |
| | Cut Off Yields-% | Bid-% | Ask-% |
| 3-M | 21.9999 | 22.80 | 22.65 |
| 6-M | 21.9890 | 21.80 | 21.60 |
| 12-M | 21.9997 | 17.15 | 16.80 |
| Note: * The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates. | | | |