

**FOREIGN EXCHANGE-FX-MARKET:**

- ✓ Today, in interbank session, PKR appreciated by 20paise against the yesterday's close at Rs158.05 to Rs157.85.
- ✓ During the day, USD/PKR traded within the range of 20paise from low at Rs157.85 to high at Rs158.05.



Ready Rates-PKR		2/3/2021
Open	158.03	Last Day Close LDC: 158.05
High	158.05	
Low	157.85	
Close	157.85	

USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.2149	(0.0101)	7.19%
1-Month	0.9751	(0.0099)	7.39%
2-Month	1.9415	(0.0535)	7.76%
3-Month	2.8870	(0.0280)	7.61%
4-Month	3.8232	(0.0418)	7.44%
5-Month	4.7765	(0.0485)	7.41%
6-Month	5.7679	(0.0321)	7.45%
1-Year	11.0054	(0.2446)	7.25%

FOREIGN EXCHANGE-FX ECONOMIC INDICATORS			
Items	Period	Unit	Figure
<b>Gross Domestic Product-GDP</b>			
GDP	7MFY-20/21	USD bn	152
<b>Foreign Exchange-FX-Reserves</b>			
FX-Reserves-WoW	19-Feb-21	USD bn	20.041
FE-25 Import Financing	January, 2021	USD mn	408
SBP Forward/Swap Position	31-Jan-21	USD bn	(4.640)
Net International Reserves-NIR (EST)	19-Feb-21	USD bn	(8.728)
Kerb USD/PKR	2-Mar-21	Bid/Ask	158.30/159.00
Real Effective Exchange Rate-REER	October, 2020	Rs	97.11
<b>FX-Economic Data</b>			
Foreign Direct Investment-FDI	7MFY-20/21	USD bn	1.15
Home Remittance	7MFY-20/21	USD bn	16.476
CAB/(CAD)	7MFY-20/21	USD mn	912.000
CAB % of GDP	7MFY-20/21	%	0.60
Trade Balance/(Trade -Deficit)	7MFY-20/21	USD bn	(14.857)
<b>GOVT. Circular Debt &amp; External Liabilities</b>			
Government Domestic Debt & Liabilities	As at 31-12-2020	Rs tm	15.59
External Debt	As at 31-12-2020	USD bn	115.76
Central Debt	1HFY-20/21	Rs tm	24.31

KIBOR AND PKRV RATE (%)			2-Mar-21
Tenor	KIBOR-%	PKRV Rates-%	
1-Month	6.97	7.12	
3-Month	7.10	7.19	
6-Month	7.31	7.40	
12-Month	7.51	7.80	

Pakistan Investment Bonds-PIB's				
Period	3-Feb-21		2-Mar-21	
	Cut Off Yields-%	Bid-%	Ask-%	
2-Yrs	-	8.67	8.63	
3-Yrs	8.4999	8.64	8.61	
5-Yrs	9.5298	9.80	9.75	
10-Yrs-Fix	9.9900	10.20	10.15	
Floating	7.5498	102	101.75	
15-years *	10.0000		10.31	
20-years *	10.5800		10.52	

Market Treasury Bills-MTB				
Tenor	24-Feb-21		2-Mar-21	
	Cut Off Yields-%	Bid-%	Ask-%	
3-M	7.2486	7.20	7.18	
6-M	7.5498	7.51	7.49	
12-M	7.7989	7.78	7.72	

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

MONEY MARKET-MM ECONOMIC INDICATORS			
Items	Period	Unit	Figure
<b>Large Scale Manufacturing Industries-LSMI</b>			
LSMI	1HFY-20/21	bps	143.30
<b>Consumer Price Index-CPI</b>			
Sensitive Price Index-SPI-WoW	25-Feb-21	bps	147.09
CPI (YoY)	February, 2021	%	8.70
CPI- (MoM)	February, 2021	%	1.80
CPI-Urban-YoY	February, 2021	%	8.60
CPI-Rural-YoY	February, 2021	%	8.80
PAK CPI-YoY minus US CPI-YoY	8.70%-1.40%	%	7.30
<b>M2-Growth</b>			
M2 Growth-YoY	1 July 20 - 19-Feb 21	%	3.30
Net Govt. Sector Borrowing	1 July 20 - 19-Feb 21	Rs bn	75.69
GOVT. Borrowing for budgetary support from SBP	1 July 20 - 19-Feb 21	Rs bn	198.78
Credit to Private Sector-YoY	1 July 20 - 19-Feb 21	Rs bn	351.88
Govt. Foreign Commercial Banks Borrowing	1QFY-20/21	USD mn	136.70
<b>Policy Rate</b>			
SBP Policy Rate	FY-20/21 YTD	%	7.00
SBP O/N REPO & Resene REPO Rate	Floor & Ceiling	%	6.00-8.00
SBP Policy Rate minus USD FED Fund Rate	7.00%-0.25%	%	6.75
1-Year KIBOR minus 1-Year LIBOR	7.50%-0.31%	%	7.19
<b>Outlook &amp; Outlook</b>			
Standard & Poor's S&P	Rating & Outlook	Bank	B-
Moodys	Rating & Outlook	Bank	B3-Stable
<b>Stock Exchange &amp; Market Index</b>			
MSCI-Emerging Market Index-EMI	2-Mar-21	Pts	1,362.74
Pakistan Stock Exchange-PSX-100 Index	2-Mar-21	Pts	46,019.95
Foreign Investor Portfolio Investment-FPI	1-Mar-21	USD '000	(75.615)
<b>Special Convertible Rupee Account-SCRA</b>			
SCRA-Cumulative	1 July 20 To-Date	USD mn	(409.62)
SCRA-T-Bills & PIB's	1 July 20 To-Date	USD mn	(99.56)
SCRA-T-Bills & PIB's	Feb-21	USD mn	49.49

US-LIBOR Rate			26/2/2021
Tenor	Units	LIBOR Rate	
3-Month	%	0.18838	
6-Month	%	0.20300	
12-Month	%	0.28375	

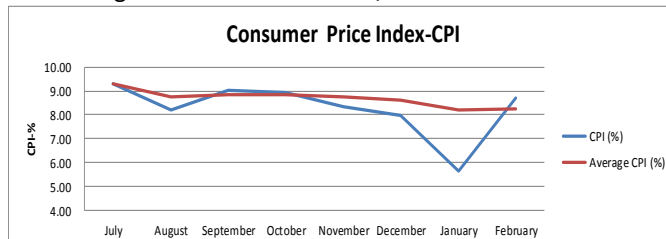
**MONEY MARKET-MM:**

- ✓ Today MM initiated at 6.50% and traded whole day within the range at 6.00%-6.70% and closed at 6.00%.

**ECONOMIC-DATA:**

**CONSUMER PRICE INDEX-CPI:**

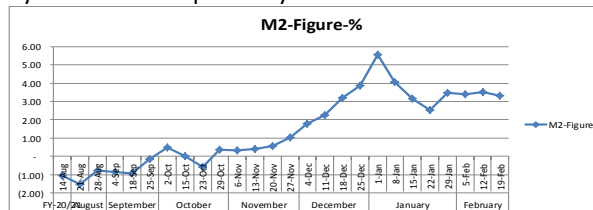
- ✓ CPI increased by 8.70% on YoY basis for the month of February 2021 recorded higher as compared to the previous month 5.65% and also our expectation 7.75%.
- ✓ On MoM basis, CPI rose by 1.80% as compared to the last month decrease of 0.20%.
- ✓ CPI figure calculated with the average of Urban and Rural Inflation.
- ✓ CPI Urban increased by 8.60% while CPI Rural increased by 8.80% on YoY basis.
- ✓ The average inflation for 8MFY-20/21 is recorded at 8.27%.



CPI-FY-20/21 Base Year FY-15/16		
Month	CPI (%)	Average CPI (%)
July	9.30	9.30
August	8.20	8.75
September	9.04	8.85
October	8.91	8.86
November	8.35	8.76
December	7.97	8.63
January	5.65	8.20
February	8.70	8.27

**M2-GROWTH:**

- ✓ SBP issued the numbers of Broad Money Supply for the week ended 19<sup>th</sup> February 2021. According to the SBP, M2 posted the positive growth of 3.30% lower as compared to last year positive growth of 3.55%.
- ✓ On WoW basis, M2 fell by 0.20% as broad money declined by Rs42.72bn from Rs732.12bn to Rs689.44bn.
- ✓ M2-Growth measured with the sum of Net Foreign Assets-NFA & Net Domestic Assets NDA:
- ✓ NFA includes FX-Reserves while NDA includes Credit to Govt. & Non-Govt. Sectors borrowing and other net items (liability) respectively.
- ✓ NFA advanced by Rs8.25bn from Rs583.22bn to Rs591.46bn mainly due to increase in FX-Reserves figure, While NDA decreased by Rs50.97bn from Rs148.95bn to Rs97.98bn mainly due to decrease in Net-Govt. Sector Borrowing by Rs96.91bn while this negative impact washed by surged in Non-Govt. Sector Borrowing by Rs55.11bn respectively.



M2-Growth For the WoW Change					
S.No	M2-Growth figure made with 2 Components	Amount in RKR-Rs, bn			% Change
		Current 19-Feb-21	Previous 12-Feb-21	PKR-Rs Change	
1	Net Foreign Assets of the Banking System	591.46	583.22	8.25	1.41
2	Net Domestic Assets of the Banking System	97.98	148.95	(50.97)	(34.22)
<b>Total</b>		<b>689.44</b>	<b>732.16</b>	<b>(42.72)</b>	<b>(5.84)</b>

**ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS**

Date	Event	Impact	Actual	Forecast	Previous
1/3/2021	CPI for Feb 21-YoY	HIGH	8.70%	7.65%	5.65%
1/3/2021	CPI for Feb 21-MoM	HIGH	1.80%	1.40%	-0.20%
2/3/2021	M2-Growth for 19 Feb 21	LOW	3.30%	3.68%	3.50%