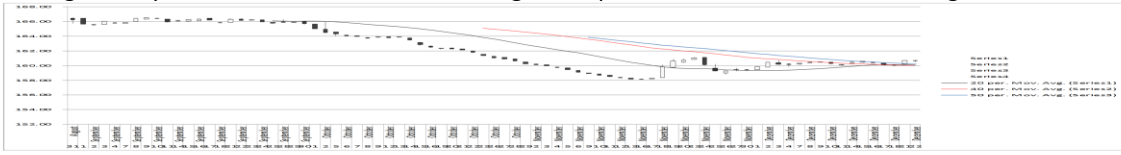


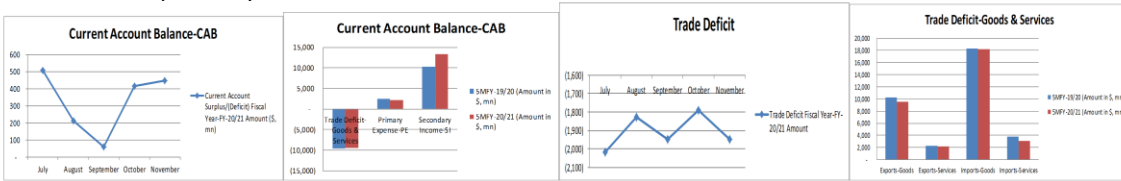
DAILY C&M MARKET REVIEW

FOREIGN EXCHANGE-FX-MARKET:

- Today in interbank session, PKR hold its ground and just dropped by 3paise against the Yesterday's close at Rs160.71 to Rs160.68.
- During the day, USD/PKR traded within the range of 23paise from low at Rs160.50 to high at Rs160.73



- SBP released the data of CAB for the month of November 2020. According to the SBP, CAB increased by \$34.0mn as compared to the last month surplus \$413mn to \$447mn.
- For FY-20/21, CAB advanced by \$3.38bn or 194.0% as CAB posted the surplus of \$1.64bn as compared to the same period of last fiscal year deficit of \$1.74.
- CAB figure measures from Primary Expense, Secondary Income and Trade deficit figure respectively.
- Primary Expense fell by \$252mn from \$2.46bn to \$2.21bn, Secondary Income increased by \$3.11mn from \$10.27bn to \$13.39bn and Trade deficit declined by \$15mn from \$9.55bn to \$9.53bn.
- Along with CAB, SBP also released the data of Trade Deficit for the month of November 2020, According to the SBP, Trade deficit increased by \$157mn from last month \$1.79bn to \$1.94bn.
- For 5MFY-20/21, Trade deficit declined by \$15mn as compared to the same period of last fiscal year \$9.55bn to \$9.53bn.
- Trade deficit figure drives where imports are greater than exports.
- Imports decreased by \$183mn from \$18.34bn to \$18.16bn while exports fell by \$735mn from \$10.28bn to \$9.55bn respectively.



ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS

Date	Event	Impact	Actual	Forecast	Previous
22/12/2020	PE for November 2020	LOW	\$278.0mn	\$485.0mn	\$413.0mn
22/12/2020	PE for 5MFY-20/21	LOW	\$2.217bn	\$2.424bn	\$2.469bn
22/12/2020	SI for November 2020	LOW	\$2.674bn	\$2.730bn	\$2.620bn
22/12/2020	SI for 5MFY-20/21	LOW	\$13.395bn	\$13.451bn	\$10.277bn
22/12/2020	Export for November 2020	HIGH	\$2.227bn	\$1.971bn	\$1.960bn
22/12/2020	Export for 5MFY-20/21	HIGH	\$9.550bn	\$9.294bn	\$10.285bn
22/12/2020	Import for November 2020	HIGH	\$4.077bn	\$3.731bn	\$3.472bn
22/12/2020	Import for 5MFY-20/21	HIGH	\$18.163bn	17.817bn	\$18.345bn
22/12/2020	Trade Deficit for November 2020	HIGH	\$(1.949)bn	\$(1.940)bn	\$(1.792)bn
22/12/2020	Trade Deficit for 5MFY-20/21	HIGH	\$(9.538)bn	\$(9.529)bn	\$(9.553)bn
22/12/2020	CAB/(CAD) for November 2020	HIGH	\$447.0mn	\$306.0mn	\$415.0mn
22/12/2020	CAB/(CAD) for 5MFY-20/21	HIGH	\$1.640bn	\$1.499bn	\$(1.745)bn

Ready Rates-PKR		22/12/2020	
Open	160.70	Last Day Close	LDC: 160.71
High	160.73		
Low	160.50		
Close	160.68		

USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.2521	(0.0037)	8.28%
1-Month	1.0886	(0.0029)	8.13%
2-Month	1.9927	(0.0404)	7.87%
3-Month	2.8492	(0.0686)	7.43%
4-Month	3.7947	(0.0317)	7.31%
5-Month	4.6523	0.0523	7.16%
6-Month	5.4362	(0.0189)	6.97%
1-Year	9.3735	0.0668	6.17%

FOREIGN EXCHANGE/ECONOMIC INDICATORS			
Items	Period	Unit	Figure
<b>Govt Domestic Product-GDP</b>			
GDP	10FY-20/21	USDbn	6821
<b>Foreign Exchange Reserves</b>			
FX Reserves-WoW	11-Dec-20	USDbn	2039
FX Spot Financing	November, 2020	USDmn	35
SEPF Forward Swap Position	31-Oct-20	USDbn	(488)
Net International Reserves-NIR(EST)	11-Dec-20	USDbn	(1058)
Reb USD/PKR	22-Dec-20	Bq/ask	160.68
Real Effective Exchange Rate-REER	September, 2020	Rb	94.12
<b>PKR Govt Debt</b>			
Foreign Direct Investment-FDI	9MFY-20/21	USDmn	7020
Home Remittance	9MFY-20/21	USDbn	1178
GDP/GC	9MFY-20/21	USDmn	160
GDP/GC/GDP	9MFY-20/21	%	140
Trade Deficit	9MFY-20/21	USDbn	958
<b>C&amp;M Govt Debt &amp; External Liabilities</b>			
Government Domestic Debt & Liabilities	As at 31-8-2020	Rbmn	1462
External Debt	As at 30-6-2020	USDbn	11288
Circular Debt	FY-19/20	Rbmn	223

KIBOR AND PKRV RATE (% - 22-Dec-20)			
Tenor	KIBOR-%	PKRV Rates-%	
1-Month	6.92	7.08	
3-Month	7.04	7.12	
6-Month	7.10	7.18	
12-Month	7.19	7.30	
<b>Pakistan Investment Bonds-PIB's</b>			
Period	10-Dec-20	22-Dec-20	
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	8.16	8.13
3-Yrs	8.2400	8.28	8.25
5-Yrs	8.4500	9.10	9.08
10-Yrs-Fix	8.9900	9.95	9.90
Floating	7.5498	1.02	1.01.75
15-years*	10.0000	10.25	
20-years*	10.5800	10.50	
<b>Market Treasury Bills-MTB</b>			
Tenor	17-Dec-20	22-Dec-20	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	7.1202	7.11	7.10
6-M	7.1701	7.17	7.15
12-M	7.2400	7.30	7.25

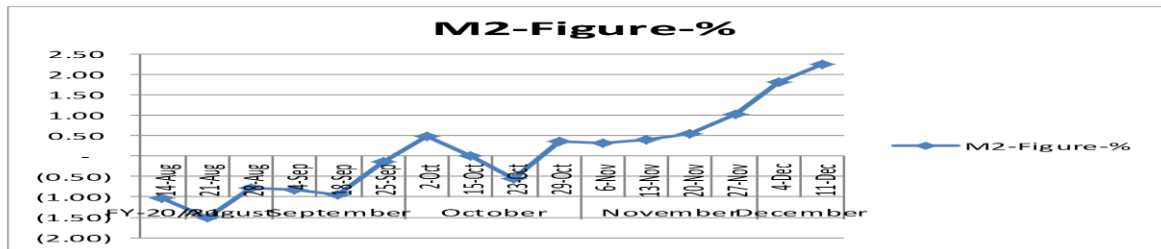
Note: \* The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.

MONEY MARKET/ECONOMIC INDICATORS			
Items	Period	Unit	Figure
<b>Large Scale Monetary Liabilities-LSM</b>			
LSM	4MFY-20/21	bps	13608
<b>Consumer Price Index-CPI</b>			
Sensitive Price Index-SP-WoW	17-Dec-20	bps	14073
CR (YoY)	November, 2020	%	8.35
CR (MoM)	November, 2020	%	0.82
CR-Urban-YoY	November, 2020	%	7.30
CR-Rural-YoY	November, 2020	%	10.50
PKR-GR-YoY minus US-GR-YoY	8.38% 1.20%	%	7.15
<b>M2 Growth</b>			
M2 Growth-YoY	1July20-11-Dec-20	%	2.24
Net Govt. Sector Borrowing	1July20-11-Dec-20	Rbmn	17738
GOVT. Borrowing for budgetary support from SBP	1July20-11-Dec-20	Rbmn	2547
Credit to Private Sector-YoY	1July20-11-Dec-20	Rbmn	1034
Govt. Foreign Commercial Banks Borrowing	1QFY-20/21	USDmn	13570
<b>Policy Rate</b>			
SBP Policy Rate	FY-20/21 YTD	%	7.00
SBP QN/REPO/Reserve Repo Rate	Roor & Billing	%	600/600
SBP Policy Rate minus USD FED Fund Rate	7:00% 0.25%	%	6.75
1-Year REBOR minus 1-Year LIBOR	7:20% 0.38%	%	6.82
<b>Rating &amp; Outlook</b>			
Standard & Poor's-SBP	Rating & Outlook	Rank	B
Mccab's	Rating & Outlook	Rank	BB-Stable
<b>Stock Exchange &amp; Market Index</b>			
MSCI Emerging Market Index-EM	22-Dec-20	Rb	1,25434
Pakistan Stock Exchange-PSX-30 Index	22-Dec-20	Rb	42,0094
Foreign Investor Portfolio Investment-FPI	22-Dec-20	USD USD	(4382054)
<b>Special Government Paper Accounts-SGPA</b>			
SGPA Cumulative	1July20 To Date	USDmn	(50377)
SGPA-TBills & RBs	1July20 To Date	USDmn	(2928)
SGPA-TBills & RBs	Dec-20	USDmn	3513

US-LIBOR Rate 21/12/2020		
Tenor	Units	LIBOR Rate
3-Month	%	0.24488
6-Month	%	0.26050
12-Month	%	0.33250

MONEY MARKET-MM:

- SBP issued the numbers of Broad Money Supply for the week ended 11<sup>th</sup> December 2020. According to the SBP, M2 posted the growth of 2.24% recorded lower as compared to last year growth of 2.42%.
- On WoW basis, M2 rose by 0.44% as broad money advanced by Rs91.25bn from Rs377.28bn to Rs468.52bn.
- 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 Rs3.89bn from Rs519.24bn to Rs523.13bn mainly due to increase in FX-Reserves figure, While NDA increased by Rs87.36bn from negative Rs141.97bn to negative Rs54.61bn mainly due to decrease in Other Items-Net (liability) by Rs57.64bn and increase in Non-Govt. Sector Borrowing by Rs23.46bn respectively.



- Today MM initiated the market at 7.25% and traded whole day within the range at 7.20%-7.50% and closed at 7.40%.

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS					
Date	Event	Impact	Actual	Forecast	Previous
22/12/2020	M2-Growth for 11 December 2020	LOW	2.24%	1.90%	1.80%

COMMODITIES MARKET:

- GOLD-SPOT:** During the last 4-hours, Gold traded and closed lower indicating that yellow metal will resume its lower run than the next target it would find at \$1,860. Yellow metal is currently trading at \$1,873.00 per ounce.
- CRUDE-OIL:** During the last 4-hours, Crude-oil started to trade lower and found support at \$46.50. It held that level and bounced back upside direction strongly and closed just inched higher from its opening quote formed the candle named "DOJI" indicating that black gold will move higher and moving further higher the next target it would find at \$47.55. Black gold is currently trading at \$47.48 per barrel.