

KEY PAKISTAN STATS & ECONOMIC INDICATORS				
Items	Period	Unit	Figure	
Gross Domestic Product-GDP				
GDP	FY-20/21	USD bn	298.021	
Foreign Exchange-FX-Reserves				
FX-Reserves-WoW	3-Sep-21	USD bn	27.102	
FE-25 Import Financing	July, 2021	USD mn	557	
SBP Forward/Swap Position	31-Jul-21	USD bn	(4.870)	
Net International Reserves-NIR (EST)	3-Sep-21	USD bn	(4.068)	
Kerb USD/PKR	14-Sep-21	Bid/Ask	169.00/170.00	
Real Effective Exchange Rate-REER	July, 2021	Rs	99.42	
Consumer Price Index-CPI				
Sensitive Price Index-SPI-WoW	16-Sep-21	bps	157.30	
CPI (YoY)	August, 2021	%	8.35	
CPI- (MoM)	August, 2021	%	0.60	
CPI-Urban-YoY	August, 2021	%	8.30	
CPI-Rural-YoY	August, 2021	%	8.40	
PAK CPI-YoY minus US CPI-YoY	8.35%-5.40%	%	2.95	
M2 Growth				
M2 Growth-YoY	1 July 21 - 3-September 21	%	-1.31%	
Net Govt. Sector Borrowing	1 July 21 - 3-September 21	Rs mn	992.00	
GOVT. Borrowing for budgetary support from SBP	1 July 21 - 3-September 21	Rs bn	1.31	
Credit to Private Sector-YoY	1 July 21 - 3-September 21	Rs bn	(145.70)	
Govt. Foreign Commercial Banks Borrowing	1MFY-21/22	USD mn	148.26	
Policy Rate				
SBP Policy Rate	FY-20/21 YTD	%	7.25	
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	6.25-8.25	
SBP Policy Rate minus USD FED Fund Rate	7.00%-0.25%	%	6.75	
1-Year KIBOR minus 1-Year LIBOR	7.66%-0.22%	%	7.44	
FX-Economic Data				
Foreign Direct Investment-FDI	2MFY-21/22	USD mn	203.10	
Home Remittance	2MFY-21/22	USD bn	5.364	
Trade Bal-S/(D)	2MFY-21/22	USD bn	(7.424)	
CAB-S/(D)	2MFY-21/22	USD bn	(2.29)	
CAB-S/(D) % of GDP	2MFY-21/22	%	(4.10)	
Government, Circular Debt & External Liabilities				
Government Domestic Debt & Liabilities	As at 30-6-2021	Rs trn	15.90	
External Debt	As at 30-6-2021	USD bn	95.177	
Central Debt	As at 31-5-2021	Rs trn	26.065	

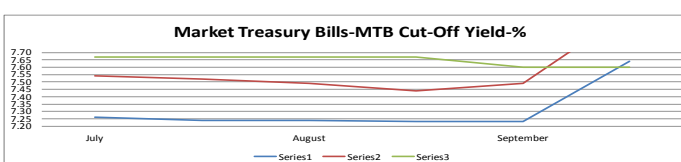
23rd SEPTEMBER 2021
DAILY MARKET REVIEW
ECONOMIC-NEWS:

- ✓ **Govt. moves to 'cool down' an 'over heating' economy:** Finance Minister said in its press conference that it has been decided to introduce a 100% cash margin requirement for imports and impose regulatory duties to curb imports of non-essential items,
- ✓ **SBP mandates banks to share 5-days schedule of import payments:** The SBP has also directed banks to seek permission for imports that are valued at \$500k per transaction, cutting in half the original payment ceiling of \$1mn, which banks could make without needing central bank authorization.
- ✓ **July-August 2021-22: Pakistan incurs foreign debt of \$2.37bn from multiple financing sources:** Yesterday, Ministry of Economic Affairs released the data that the data incurred foreign debt of \$2.37bn from multiple financing sources of 2MFY-21/22 including \$363.26mn from foreign commercial banks (15%) against the total budgeted external loans of \$14.08bn for the entire fiscal year.
- ✓ Govt. has budgeted estimates of foreign assistance of \$14.08bn for the current financial year including \$13.87bn loans and \$217.44mn grants from multilateral and bilateral sources.
- ✓ The external inflows during the corresponding period of 2MFY-20/21 were \$2.24bn including \$149mn from foreign commercial banks against the budgeted amount of \$12.23bn.
- ✓ **ADB sees high inflation in Pakistan:** Yesterday, ADB projected that inflation in Pakistan would remain the highest in the region at 7.5% and the economy would grow by 4%-the 5th lowest rate among 7-South Asian nations, puncturing the Govt. claim of lowest prices in the country.
- ✓ **US-Dollars are Being Smuggled to Afghanistan from Pakistan:** Governor SBP explained that the Pakistani Rupee depreciated due to the widening of the CAD.
- ✓ The CAD was around \$700mn/month before increasing in November 2016. It took more than 14 months to bring down the exchange rate and another 15 months after that to change the policy rate.
- ✓ He added that when the CAD exceeds \$700mn per month, it starts influencing the exchange rate adversely.

ECONOMIC-DATA:

- ✓ **Market Treasury Bills-MTB Auction Report & Result:**

Market Treasury Bills-MTB Auction Report & Result				
Tenor	PKR-Rs in bn			Cut-off Yield-%
Months	Bid Amount	Accepted Amount	Face Value	
3-Month	842.347	689.840	7.6388	
6-Month	231.150	41.150	7.9798	
12-Month	97.500	Bids Rejected		
Total	1,170.997	730.990		



ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS						
Date	Event	Impact	Actual	Forecast	Previous	
22/9/2021	3-Month MTB Cut-off Yield	MEDIUM	7.64%	7.37%	7.23%	
22/9/2021	6-Month MTB Cut-off Yield	MEDIUM	7.98%	7.85%	7.49%	
22/9/2021	12-Month MTB Cut-off Yield	MEDIUM	7.60%	8.17%	7.60%	

Daily READY Rates-Rs				23-Sep-21	
Open	168.70			Last Day Close-LDC	168.63
High	169.10				
Low	168.70				
Close	168.95				
DAILY USD/PKR SWAP YIELDS-%					
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield		
1-Week	0.2100	-	6.55%		
2-Week	0.4000	(0.0100)	6.25%		
1-Month	0.8800	0.0500	5.84%		
2-Month	1.6750	0.0100	6.03%		
3-Month	2.5350	(0.0100)	6.08%		
4-Month	3.4500	-	6.14%		
5-Month	4.3500	-	6.29%		
6-Month	5.3000	0.0500	6.38%		
9-Month	8.2500	0.5000	6.84%		
1-Year	11.3750	0.3750	6.96%		
Daily MONEY Market Rates-%				23-Sep-21	
Open	7.10			Last Day Close-LDC	6.75
High	7.15				
Low	6.75				
Close	7.00				
KIBOR AND PKRV RATE (%)			23-Sep-21		
Tenor	KIBOR-%	PKRV Rates-%			
1-M	7.30	7.44			
3-M	7.44	7.51			
6-M	7.72	7.87			
12-M	8.09	8.57			
Pakistan Investment Bonds-PIB					
Period	15-Sep-21		23-Sep-21		Ask -%
	Cut Off Yields-%	Bid-%	Bid-%	Ask -%	
2-Yrs	-	9.20	9.15		
3-Yrs	8.8800	9.60	9.50		
5-Yrs	9.1800	9.85	9.75		
10-Yrs-Fixed	9.8300	10.20	10.10		
Floating	8.0438	102	101.75		
15-yrs*	10.4000		10.49		
20-yrs*	10.5600		10.65		
Market Treasury Bills-MTB					
Tenor	22-Sep-21		23-Sep-21		Ask-%
	Cut Off Yields-%	Bid-%	Bid-%	Ask-%	
3-M	7.6388	7.65	7.60		
6-M	7.9798	7.95	7.90		
12-M	7.6000	8.20	8.10		
Note: * The secondary yields for 15 & 20 years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.					