

**FOREIGN-EXCHANGE-FX-MARKET:
 ECONOMIC & FINANCIAL NEWS:**

- ✓ Moody's Rating agency in its latest report said the credit profile of Pakistan (issuer rating B3) reflects
- ✓ the country's "Baa2" economic strength, which is underpinned by the robust long-term GDP growth potential and large scale of the economy, balanced against low per capita incomes and global competitiveness.
- ✓ Today, Federal Minister for Planning, Development, Reforms and Special Initiatives said that Pakistan's circular debt build-up during July-April this fiscal year was recorded at Rs260.0bn against Rs449.0bn reported in the same period last year, witnessing a significant decline of Rs189.0bn or 42.0%.
- ✓ Yesterday, WAPDA listed the Indus Bond—a green Eurobond (GEB)—on the LSE to raise \$500mn to finance mega hydropower projects.
- ✓ WAPDA Chairman retired Lt General said: "Since we need about \$2.2bn (\$1.5bn in first 2-years and the rest subsequently), we have initially a listed \$500mn Eurobond. The number of bonds will be gradually increased depending upon the financial needs for the projects."
- ✓ In order to further streamline the business of Exchange Companies keeping in view the emerging AML/CFT standards, it has been decided that Exchange Companies may export foreign currencies other than US\$ on consignment basis only through cargo/security companies registered in Pakistan. Further, the earlier mechanism for individual based export/import of foreign currencies by Exchange Companies stands discontinued.
- ✓ On Sunday, Finance minister said the 3.94% GDP growth during the current year was calculated in a "transparent manner" and if things continued apace, the economy would grow by a rosy 5.0% next year, as he parried attacks from the opposition who accused the government of "fudging the figures".
- ✓ The minister said the increase in exports and reduction in imports would also help in producing "import substitutes" that would reduce the pressure on domestic FX-Reserves while reducing reliance on foreign debt and assistance.

Ready Rates-PKR		25/5/2021	
Open	153.90	Last Day Close-LDC: 153.70	
High	154.45		
Low	153.90		
Close	154.37		
USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.1697	(0.0513)	5.80%
2-Week	0.3485	(0.0519)	5.96%
1-Month	0.8097	(0.0496)	5.90%
2-Month	1.6057	(0.0717)	6.35%
3-Month	2.4268	(0.0441)	6.39%
4-Month	3.2759	(0.0445)	6.41%
5-Month	4.0674	(0.0510)	6.46%
6-Month	4.9283	(0.0456)	6.52%
9-Month	7.8155	(0.0328)	7.12%
1-Year	10.4832	(0.0206)	7.06%
FORIEGN EXCHANGE-FX ECONOMIC INDICATORS			
Items	Period	Unit	Figure
Gross Domestic Product-GDP			
GDP	10MFY-20/21	USD bn	246.728
Foreign Exchange-FX-Reserves			
FX-Reserves-WoW	7-May-21	USD bn	22.91
FE-25 Import Financing	April, 2021	USD mn	485
SBP Forward/Swap Position	31-Mar-21	USD bn	(4.285)
Net International Reserves-NIR (EST)	7-May-21	USD bn	(4.562)
Kerb USD/PKR	25-May-21	Bid/Ask	154.25/155.50
Real Effective Exchange Rate-REER	March, 2021	Rs	100.50
FX-Economic Data			
Foreign Direct Investment-FDI	10MFY-20/21	USD bn	1.55
Home Remittance	10MFY-20/21	USD bn	24.246
CAB-S/(D)	10MFY-20/21	USD mn	773.000
CAB-S/(D) % of GDP	10MFY-20/21	%	0.30
Trade Balance-S/(D)	10MFY-20/21	USD bn	(22.736)
GOVT. Circular Debt & External Liabilities			
Government Domestic Debt & Liabilities	As at 31-3-2021	Rs trn	15.88
External Debt	As at 31-3-2021	USD bn	90.284
Central Debt	9MFY-20/21	Rs trn	25.55

KIBOR AND PKRV RATE (%) 25-May-21			
Tenor	KIBOR-%	PKRV Rates-%	
1-Month	7.01	7.21	
3-Month	7.21	7.31	
6-Month	7.40	7.52	
12-Month	7.54	7.67	
Pakistan Investment Bonds-PIB's			
Period	14-Apr-21 Cut Off Yields-%	25-May-21 Bid-% Ask-%	
2-Yrs	-	8.05 8.02	
3-Yrs	9.2700	8.70 8.65	
5-Yrs	9.8500	9.25 9.23	
10-Yrs-Fix	10.2540	10.00 9.90	
Floating	8.0501	102 101.75	
15-years*	10.0000	10.30	
20-years*	10.5800	10.50	
Market Treasury Bills-MTB			
Tenor	20-May-21 Cut Off Yields-%	25-May-21 Bid-% Ask-%	
3-M	7.3492	7.34 7.32	
6-M	7.6000	7.60 7.58	
12-M	7.6898	7.68 7.64	
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
Large Scale Manufacturing Industries-LSMI			
LSMI	7MFY-20/21	bpts	149.88
Consumer Price Index-CPI			
Sensitive Price Index-SP-WoW	20-May-21	bpts	150.23
CPI (YoY)	April, 2021	%	11.10
CPI (MoM)	April, 2021	%	1.00
CPI-Urban-YoY	April, 2021	%	11.00
CPI-Rural-YoY	April, 2021	%	11.30
PAK CPI-YoY minus US CPI-YoY	11.10%-2.60%	%	8.50
M2 Growth			
M2 Growth-YoY	1 July 20 - 30-Apr 21	%	7.96
Net Govt. Sector Borrowing	1 July 20 - 30-Apr 21	Rs bn	652.97
GOVT. Borrowing for budgetary support from SBP	1 July 20 - 30-Apr 21	Rs bn	675.86
Credit to Private Sector-YoY	1 July 20 - 30-Apr 21	Rs bn	454.49
Govt. Foreign Commercial Banks Borrowing	10FY-20/21	USD mn	136.70
Policy Rate			
SBP Policy Rate	FY-20/21 YTD	%	7.00
SBP O/N REPO & Reserve 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	7.74%-0.28%	%	7.46
Rating & Outlook			
Standard & Poor's-SBP	Rating & Outlook	Rank	B-
Moody's	Rating & Outlook	Rank	B3-Stable
Stock Exchange & Market Index			
MSCI-Emerging Market Index-EMI	25-May-21	Pts	1,324.37
Pakistan Stock Exchange-PSX-100 Index	25-May-21	Pts	46,308.58
Foreign Investor Portfolio Investment-FPI	24-May-21	USD '000	(4,313.652)
Special Convertible Rupee Account-SCRA			
SCRA-Cumulative	1 July 20 To-Date	USD mn	(474.15)
SCRA-T-Bills & PIB's	1 July 20 To-Date	USD mn	(97.42)
SCRA-T-Bills & PIB's	May-21	USD mn	(55.91)
US-LIBOR Rate 24/5/2021			
Tenor	Units	LIBOR Rate	
3-Month	%	0.14700	
6-Month	%	0.17875	
12-Month	%	0.25963	

MONEY MARKET-MM:

- ✓ Today, MM initiated at 6.75% and traded whole day within the range at 6.25%-7.00% and closed at 6.25%.

COMMODITIES-MARKET:

- ✓ **GOLD-SPOT:** During the last 4-hours, Gold started to trade lower but later bounced back upside direction strongly and successfully broke the resistance at \$1878 and closed at high note indicating that yellow metal will resume its higher run and moving further higher the next target, it would find at \$1890. Yellow metal is currently trading at \$1882.65 per ounce.
- ✓ **CRUDE-OIL:** During the last 4-hours, Crude-oil took correction and moved towards lower side and closed at low note indicating that black gold may continue its corrective mode. While moving lower it may visit the previous tested level at \$65.0. On the other hand, black gold resumes its positive trend and moving higher the next target it would find at \$65.80. Black gold is currently trading at \$65.54 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS				
Date	Events	Actual	Forecast	Previous
24-5-21	JPY BOJ Gov Kuroda Speaks	-	-	=
24-5-21	GBP Monetary Policy Report Hearings	-	-	-

Source: www.forexfactory.com