

**FX – INTERBANK RATE:**

28-Sep	OPEN	HIGH	LOW	CLOSE	Last Day Close-LDC
Ready Rates	165.95	166.30	165.85	165.88	165.78

**FX-MARKET:**

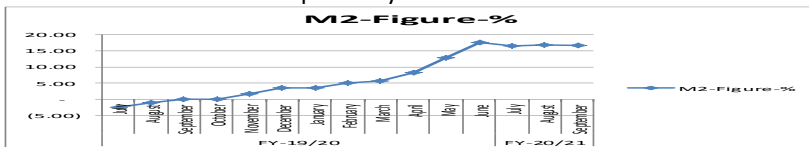
- ✓ Today PKR closed lower against USD by 10pasia as compared to the Friday's closed Rs165.78 to Rs165.88.
- ✓ During the day, USD/PKR traded within the range of 45pasia low at Rs165.85 to the high at Rs166.30.
- ✓ We expect that Tomorrow USD/PKR will trade within the range of Rs165.70 to Rs166.45.

**FINANCIAL NEWS:**

- ✓ Today ADB approved \$300.0mn policy based loan to help strengthen Pakistan's Finance sector by supporting measures to develop competitive capital markets and encourage private sector investment in the country.

**MONEY MARKET:**

- ✓ SBP issued the numbers of Broad Money Supply for the week ended 18<sup>th</sup> September 2020. According to the SBP, M2 posted the negative growth of 0.94% as compared to last year negative growth of 0.31%.
- ✓ On WoW basis, M2 fell by 0.11% as broad money declined by Rs24.28bn from Rs172.81bn to Rs197.09bn.
- ✓ 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 declined by Rs21.26bn from Rs344.87bn to Rs323.61bn mainly due to decrease in FX-Reserves figure, While NDA also decreased by Rs3.02bn from negative Rs517.67bn to negative Rs520.70bn mainly due to decline in Net-Govt. Sector Borrowing by Rs42.68bn but that negative impact was highly nullified by positive impact of Non-Govt. Sector Borrowing & Other Item-Net (Liability) by Rs28.64bn & Rs11.02bn respectively.



- ✓ PBS released the data of weekly inflation for the week ended 2020. According to the PBS, SPI rose by 0.32% as compared to the previous week 137.59bps to 138.03bps.
- ✓ Commodities that prices surged are as under;
- ✓ Onion 10.63%, Tomatoes 9.29% and Sugar 1.66% respectively.
- ✓ Commodities that prices recorded decrease are as follows;
- ✓ Chicken 5.33%, Banana 4.45% and Potatoes 3.11% respectively.



- ✓ Today MM initiated at 7.25% and traded whole day within the range at 7.25%-7.75% and closed at 7.70%.

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS					
Date	Event	Impact	Actual	Forecast	Previous
25/9/2020	SPI for 24 September 2020	LOW	138.03bps	138.01bps	\$137.59bps
28/9/2020	M2-Growth for 18 September 2020	LOW	-0.94%	-0.58%	-0.81%

USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-WEEK	0.2325	0.0050	7.41%
2-WEEK	0.3920	0.0050	7.40%
1-MONTH	0.9800	(0.0100)	7.10%
2-MONTH	1.9850	0.0400	7.59%
3-MONTH	2.8250	(0.0400)	7.14%
4-MONTH	3.6250	(0.0300)	6.89%
5-MONTH	4.1750	(0.0250)	6.26%
6-MONTH	4.8250	-	6.04%
12-MONTH	9.0000	0.2000	5.80%

ECONOMIC INDICATORS				
Items	Yr	Period	Unit	Figure
<b>Gross Domestic Product-GDP</b>				
GDP		2MFY-20/21	USD bn	44.722
Large Scale Manufacturing Industries-LSMI		FY-19/20	bps	128.93
<b>Foreign Exchange-FX-Reserves</b>				
FX-Reserves-WoW		18-Sep-20	USD bn	19.903
FE-25 Import Financing		August, 2020	USD mn	369
SBP Forward/Swap Position		31-Aug-20	USD bn	(5.774)
Net International Reserves-NIR (EST)		18-Sep-20	USD bn	(12.069)
Kerb USD/PKR		28-Sep-20	Bid/Ask	165.75/166.50
Real Effective Exchange Rate-REER		June, 2020	Rs	93.02
<b>Consumer Price Index-CPI</b>				
Sensitive Price Index-SPI-WoW		24-Sep-20	bps	138.03
CPI (YoY)		Augst, 2020	%	8.20
CPI- (MoM)		Augst, 2020	%	0.60
CPI-Urban-YoY		Augst, 2020	%	7.70
CPI-Rural-YoY		Augst, 2020	%	9.90
PAK CPI-YoY minus US CPI-YoY		8.20%-1.30%	%	6.90
<b>M2 Growth</b>				
M2 Growth-YoY		1 July 20 - 18-Sep 20	%	(0.94)
Net Govt. Sector Borrowing		1 July 20 - 18-Sep 20	Rs bn	(163.04)
GOVT. Borrowing for budgetary support from SBP		1 July 20 - 18-Sep 20	Rs bn	(106.40)
Credit to Private Sector-YoY		1 July 20 - 18-Sep 20	Rs bn	(133.74)
Govt. Foreign Commercial Banks Borrowing		FY-19/20	USD bn	4.855
<b>Policy Rate</b>				
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		7.08%-0.37%	%	6.71
<b>FX-Economic Data</b>				
Foreign Direct Investment-FDI		2MFY-20/21	USD mn	112.30
Home Remittance		2MFY-20/21	USD bn	4.863
Current Account (Deficit)/Surplus		2MFY-20/21	USD mn	805.00
CAS % of GDP		2MFY-20/21	%	1.80
Trade Deficit		2MFY-20/21	USD bn	3.769
<b>GOVT. Circular Debt &amp; External Liabilities</b>				
Government Domestic Debt & Liabilities		As at 31-7-2020	Rs tm	14.38
External Debt		As at 30-6-2020	USD bn	112.858
Circular Debt		FY-19/20	Rs tm	2.15
<b>Ratings &amp; Outlook</b>				
Standard & Poor's-S&P		Rating & Outlook	Rank	B-
Moody's		Rating & Outlook	Rank	B3-Stable
<b>Stock Exchange &amp; Market Index</b>				
MSCI-Emerging Market Index-EMI		28-Sep-20	Pts	1,069.53
Pakistan Stock Exchange-PSX-100 Index		28-Sep-20	Pts	40,801.60
Foreign Investor Portfolio Investment-FIPI		25-Sep-20	USD '000	(3,010.407)
<b>Special Convertible Rupee Account-A/C-SCRA</b>				
SCRA-Cumulative		1 July 20 To-Date	USD mn	(150.93)
SCRA-T-Bills & PIB's		1 July 20 To-Date	USD mn	(35.58)

Date	Data	Unit	3-Month	6-Month	12-Month
25-Sep-20	US-LIBOR Rate	%	0.21788	0.27125	0.36925

KIBOR AND PKRV RATE (%)			28-Sep-20	
Tenor	KIBOR-%	PKRV Rates-%		
1-Month	6.87	7.08		
3-Month	7.00	7.11		
6-Month	7.04	7.16		
12-Month	7.07	7.28		

Pakistan Investment Bonds-PIB's				
Period	16-Sep-20		28-Sep-20	
	Cut Off	Yields-%	Bid-%	Ask -%
2-Years	-	8.12	8.08	
3-Years	8.2000	8.30	8.28	
5-Years	8.4500	9.12	9.10	
10-Years-Fixed	8.9900	9.75	9.70	
10-Years-Floating	7.6800	102	101.75	
15-years *	9.9800		10.05	
20-years *	10.5500		10.30	

Market Treasury Bills-MTB				
Tenor	24-Sep-20		28-Sep-20	
	Cut Off	Yields-%	Bid-%	Ask-%
3-Months	7.1292	7.11	7.10	
6-Months	7.1800	7.18	7.16	
12-Months	7.3000	7.29	7.27	

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





