

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	23-Jul-21	USD bn	24.875
FE-25 Import Financing	June, 2021	USD mn	483
SBP Forward/Swap Position	30-Apr-21	USD bn	(4.560)
Net International Reserves-NIR (EST)	23-Jul-21	USD bn	(3.573)
Kerb USD/PKR	3-Aug-21	Bid/Ask	163.50/164.50
Real Effective Exchange Rate-REER	June, 2021	Rs	99.85
Consumer Price Index-CPI			
Sensitive Price Index-SPI-WoW	29-Jul-21	bps	150.70
CPI (YoY)	July, 2021	%	8.40
CPI- (MoM)	July, 2021	%	1.30
CPI-Urban-YoY	July, 2021	%	8.70
CPI-Rural-YoY	July, 2021	%	8.00
PAK CPI-YoY minus US CPI-YoY	8.40%-5.40%	%	3.00
M2 Growth			
M2 Growth-YoY	1 July 20 - 25-June 21	%	13.68
Net Govt. Sector Borrowing	1 July 20 - 25-June 21	Rs bn	1,785.93
GOVT. Borrowing for budgetary support from SBP	1 July 20 - 25-June 21	Rs bn	1,687.01
Credit to Private Sector-YoY	1 July 20 - 25-June 21	Rs bn	594.61
Govt. Foreign Commercial Banks Borrowing	11MFY-20/21	USD bn	3.61
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	7.53%-0.24%	%	7.29
FX-Economic Data			
Foreign Direct Investment-FDI	FY-20/21	USD bn	1.85
Home Remittance	FY-20/21	USD bn	29.37
Trade Balance-S/D)	FY-20/21	USD bn	(30.030)
CAB-S/(D)	FY-20/21	USD mn	(1.85)
CAB-S/(D) % of GDP	FY-20/21	%	(0.60)
Government, Circular Debt & External Liabilities			
Government Domestic Debt & Liabilities	As at 31-5-2021	Rs trn	15.73
External Debt	As at 31-3-2021	USD bn	90.284
Central Debt	11MFY-20/21	Rs trn	26.065

3rd AUGUST 2021
DAILY MARKET REVIEW
ECONOMIC-NEWS:

- ✓ **Alarm bells ringing as trade deficit hits \$3.05bn in July:** Yesterday, Ministry of Commerce shared the data of trade deficit. The Govt. battle against bloated trade deficit is reversing as it widened 81.4% in the July 2021, driven largely by almost double increase in imports compared to exports from the country.
- ✓ Merchandise trade deficit reached \$3.05bn in July this year against \$1.68bn over the corresponding month last year.
- ✓ Trade deficit reached an all-time high of \$37.7bn in FY18. However, the Govt. measures led to a drop in trade deficit to \$31.8bn in FY19 and \$23.183bn in FY20. The trend reversed and trade deficit was recorded at \$30.79bn in FY21.

ECONOMIC-DATA:

- ✓ **Inflation eases to 8.4pc from 9.7pc in June:** Yesterday, PBS released the data of CPI. According to PBS, inflation eased to 8.4% in July, from 9.7% in June, on the back of a slight drop in prices of food products.
- ✓ The ease had started in April when it reached 11.10%. The decline is mainly led by a drop in agriculture products.
- ✓ In the outgoing financial year, the annual inflation was recorded at 8.90% against 10.74% in the previous year.

CPI-FY-21/22 Base Year FY-15/16		
Month	CPI (%)	Average CPI (%)
July	8.40	8.40

PAKISTAN ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS					
Date	Event	Impact	Actual	Forecast	Previous
2/8/2021	CPI for July 21-YoY	HIGH	8.40%	8.70%	9.70%
2/8/2021	CPI for July 21-MoM	HIGH	1.30%	1.60%	-0.24%

COMMODITIES-MARKET:

- ✓ **GOLD-SPOT:** During the last 4-hours, Gold traded and closed at low note indicating that yellow metal will trade in between \$1808 to \$1811, unless break one of these two levels and trade accordingly. Yellow metal moves higher and succeed to break \$1811 and resumes its upside movement than the next resistance it would find at \$1818. On the other hand, yellow metal goes down and breaches the support at \$1808 and continues its lower run than the next support it would find at \$1805. Yellow metal is currently trading at \$1810.32 per ounce.
- ✓ **CRUDE-OIL:** During the last 4-hours, Crude-oil traded higher and successfully broke the resistance at \$71.77 and closed above it indicating that black gold will move around from \$71.70 to 72.20 unless breaks one of these two levels and trade accordingly. Black gold moves lower and breach the support at \$71.70 and continue march lower than it may again visit the previous low at \$71.55. Black gold is currently trading at \$71.64 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS				
Date	Events	Actual	Forecast	Previous
2/8/2021	EUR German Final Manufacturing	65.9	65.6	65.6
2/8/2021	USD ISM Manufacturing PMI	59.5	60.8	60.6
3/8/2021	AUD RBA Rate Statement	-	-	-
3/8/2021	AUD Cash Rate	0.10%	0.10%	0.10%

Source: www.forexfactory.com

Daily READY Rates-Rs				3-Aug-21	
Open	163.70	Last Day Close-LDC		163.65	
High	164.40				
Low	163.70				
Close	163.89				
DAILY USD/PKR SWAP YIELDS-%				3-Aug-21	
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield		
1-Week	0.2104	0.0116	6.78%		
2-Week	0.4083	0.0083	6.59%		
1-Month	0.8124	0.0074	5.57%		
2-Month	1.5695	(0.0055)	5.84%		
3-Month	2.3072	0.0322	5.72%		
4-Month	3.0879	0.0629	5.69%		
5-Month	3.8414	0.0664	5.74%		
6-Month	4.6456	0.1206	5.78%		
9-Month	7.4547	0.0547	6.39%		
1-Year	10.4218	(0.0782)	6.60%		
Daily MONEY Market Rates-				3-Aug-21	
Open	7.50	Last Day Close-LDC		7.50	
High	7.75				
Low	7.10				
Close	7.50				
KIBOR AND PKRV RATE (%)				3-Aug-21	
Tenor	KIBOR-%	PKRV Rates-%			
1-M	7.02	7.15			
3-M	7.15	7.20			
6-M	7.35	7.48			
12-M	7.53	7.70			
Pakistan Investment Bonds-PIB				3-Aug-21	
Period	7-Jul-21 Cut Off Yields-%	3-Aug-21 Bid-%	Ask-%		
2-Yrs	-	8.47	8.45		
3-Yrs	8.6900	8.80	8.78		
5-Yrs	9.1980	9.20	9.18		
10-Yrs-Fixed	9.8390	10.00	9.95		
Floating	8.0943	102	101.75		
15-yrs*	10.4000	10.30			
20-yrs*	10.5600	10.45			
Market Treasury Bills-MTB				3-Aug-21	
Tenor	28-Jul-21 Cut Off Yields-%	3-Aug-21 Bid-%	Ask-%		
3-M	7.2401	7.23	7.20		
6-M	7.5185	7.47	7.46		
12-M	7.6700	7.69	7.65		

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