

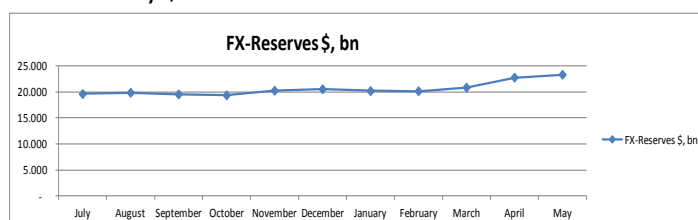
ECONOMIC INDICATORS			
Items	Period	Unit	Figure
Gross Domestic Product-GDP			
GDP	10MFY-20/21	USD bn	246.72
Foreign Exchange-FX-Reserves			
FX-Reserves-WoW	28-May-21	USD bn	23.294
FE-25 Import Financing	April, 2021	USD mn	485
SBP Forward/Swap Position	31-Mar-21	USD bn	(4.285)
Net International Reserves-NIR (EST)	28-May-21	USD bn	(4.521)
Kerb USD/PKR	2-Jun-21	Bid/Ask	154.50/155.50
Real Effective Exchange Rate-REER	April, 2021	Rs	103.30
Consumer Price Index-CPI			
Sensitive Price Index-SPI-WoW	27-May-21	bps	149.29
CPI (YoY)	May, 2021	%	10.87
CPI- (MoM)	May, 2021	%	0.10
CPI-Urban-YoY	May, 2021	%	10.80
CPI-Rural-YoY	May, 2021	%	10.90
PAK CPI-YoY minus US CPI-YoY	10.87%-4.20%	%	6.67
M2 Growth			
M2 Growth-YoY	1 July 20 - 21-May 21	%	7.94
Net Govt. Sector Borrowing	1 July 20 - 21-May 21	Rs bn	557.75
GOVT. Borrowing for budgetary support from SBP	1 July 20 - 21-May 21	Rs bn	576.95
Credit to Private Sector-YoY	1 July 20 - 21-May 21	Rs bn	420.72
Govt. Foreign Commercial Banks Borrowing	10MFY-20/21	USD bn	3.25
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	7.20%-0.34%	%	6.86
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)
Government, 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

4TH JUNE 2021
DAILY MARKET REVIEW
ECONOMIC NEWS:

- ✓ **Economic recovery more visible:** Yesterday, SBP issued the 2nd Quarterly report in which it is stated that the economic recovery is becoming more visible exceeding the previous forecast to reach 3.0% GDP growth rate with 7.0%-9.0% inflation and better prospects for wheat output.
- ✓ “During 1HFY21, nearly 23.0% of the interest payment was financed via the accumulated primary surplus; rest was financed via additional debt accumulation,”
- ✓ “As a result, the primary balance remained in surplus in both quarters of FY21, while the overall fiscal deficit was almost unchanged at last year’s level in terms of percent of GDP,”
- ✓ The SBP provided cash as stimulus for the recovery of economy as the Covid-19 pandemic spread. The estimated cash flow impact of these schemes for businesses and households was equivalent to nearly 5.0% of the GDP. “The overall size of SBP support is Rs2.10trn,
- ✓ In the fiscal sector, the SBP’s projection for the budget deficit is unchanged, reflecting balanced risks. On the downside, the receipt of GIDC payments after the apex court’s decision would improve the overall fiscal balance,
- ✓ Meanwhile, the upside risk stems from some un-budgeted expenses; the Govt. could likely incur in the remaining part of FY21. The largest of these is the Govt. recent MoUs with multiple IPPs, which may entail a sizable upfront payment.
- ✓ The SBP’s full-year CPI projection is unchanged, in the range of 7.0%-9.0%.
- ✓ The CAD is now projected to be in the range of 0.0%-1.0% of the GDP, against the earlier projected range of 0.5%-1.50% shared in the 1QFY21.
- ✓ **Overseas Pakistanis deposit \$1.25bn funds via Roshan Digital Account-RDA:** One hundred and sixty thousand Pakistanis from over 170 countries have so far invested \$1.25bn in RDA.

ECONOMIC-DATA:

- ✓ **Pakistan FX-Reserves increase by \$278.20mn:** Pakistan FX-Reserves increased by \$278.20mn and the total liquid FX-Reserves held by the country stood at \$23.29bn on May 28, 2021.
- ✓ According to the data published by SBP, its RX-Reserves increased by \$271.60mn due to official GOP inflows.



FX-RESERVES MoM Change				
Amount in \$, mn				
FX-RESERVES Held by	April	May	Change in \$	Change in %
State Bank of Pakistan-SBP	15,597.90	16,133.60	535.70	3.32
Commercial Banks	7,144.70	7,160.50	15.80	0.22
Total	22,742.60	23,294.10	551.50	2.37

ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS					
Date	Event	Impact	Actual	Forecast	Previous
4/6/2021	FX-Reserves for 21 May 21	MEDIUM	\$23.294bn	\$22.778bn	\$23.015bn

- ✓ **OMO Result:** Today, SBP conducted an OMO in which it injected Rs2.33trn at 7.05% into the market for 7-days.

Daily READY Rates-Rs 4-Jun-21				
Open	154.77	Last Day Close-LDC 154.78		
High	154.85			
Low	154.60			
Close	154.63			
DAILY USD/PKR SWAP YIELDS-%				
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield	
1-Week	0.1564	(0.0063)	5.33%	
2-Week	0.3126	(0.0105)	5.32%	
1-Month	0.7109	(0.0618)	5.17%	
2-Month	1.4756	(0.0478)	5.82%	
3-Month	2.3776	0.0243	6.23%	
4-Month	3.1350	(0.0445)	6.11%	
5-Month	3.9598	(0.0337)	6.26%	
6-Month	4.7736	(0.0010)	6.29%	
9-Month	7.8143	0.0001	7.09%	
1-Year	10.4718	-	7.02%	
Daily MONEY Market Rates-% 4-Jun-21				
Open	7.00	Last Day Close-LDC 6.90		
High	7.25			
Low	7.00			
Close	7.10			
KIBOR AND PKRV RATE (%) 4-Jun-21				
Tenor	KIBOR-%	PKRV Rates-%		
1-M	7.01	7.23		
3-M	7.24	7.34		
6-M	7.45	7.56		
12-M	7.58	7.70		
Pakistan Investment Bonds-PIB				
Period	7-May-21		4-Jun-21	
	Cut Off Yields-%	Bid-%	Ask-%	
2-Yrs	-	7.95	7.90	
3-Yrs	8.7000	8.62	8.60	
5-Yrs	9.2000	9.22	9.20	
10-Yrs-Fixed	9.8390	9.95	9.90	
Floating	8.0501	102	101.75	
15-yrs*	10.4000	10.29		
20-yrs*	10.5600	10.45		
Market Treasury Bills-MTB				
Tenor	2-Jun-21		4-Jun-21	
	Cut Off Yields-%	Bid-%	Ask-%	
3-M	7.3492	7.33	7.31	
6-M	7.5943	7.57	7.54	
12-M	7.6700	7.68	7.65	
Note: * The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.				