

KEY PAKISTAN STATS & 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

7th JUNE 2021
DAILY MARKET REVIEW
ECONOMIC NEWS:

- ✓ **Govt. pays 1st installment worth Rs89.2bn to 20 IPPs:** In compliance with the directives of the Honorable Prime Minister and under guidance of the Finance Minister, the Govt. has completed the 1st payment transaction of 40% to 20 IPPs amounting to Rs89.2bn equally divided in cash 5years' SUKUK and 10years' PIBs.
- ✓ **Export promotion scheme: FBR for allowing 30% local sales**
- ✓ The FBR has proposed to allow local sales of 30% of the finished products required to be exported after procuring duties and taxes free inputs under the unified export promotion scheme. Small and medium exporters Business Recorder that the FBR's move to allow sales of such goods in the local market is a serious distortion in the whole scheme of the duties free imports of raw materials/inputs solely with the purpose of finished products export
- ✓ **Pakistan's public debt to GDP remained broadly unchanged: IMF**
- ✓ According to the Forbes, Pakistan has succeeded in reviving its economic growth which is expected to grow by nearly 4% in 2021, exceeding previous year's projections.
- ✓ The SBP initially predicted a 3% growth in GDP, while the IMF predicted 1.5% and 1.3% increases, respectively. The country's per capita income will rise 14.6% from \$1,405 in 2020 to \$1,610 in 2021.
- ✓ The services sector, which is forecasted to grow by 4.43% in 2021, is responsible for the majority of the growth. This is certainly remarkable for a country like Pakistan which is becoming successful in expanding its services sector. The agricultural sector's predicted growth is 2.77%, while that of the industrial sector is 3.57%.
- ✓ **NEC likely to approve development outlay of Rs2.1trn:** Today, the NEC meets to approve about Rs2.13trn worth of next year's consolidated development budget (FY21-22) of the federal and provincial Govt. — which is 61% higher than the current year's development allocation of Rs1.32trn.
- ✓ The country's highest constitutional forum on economic decision-making will also set next fiscal year's GDP growth rate target at 4.80% against the current year's revised rate of 3.94%. The next year's growth target is premised to be achieved through 3.4% growth in agriculture, 6% in industry, including 6.2% manufacturing, and 4.7% in services sector.
- ✓ **Cotton price hits 11-year high as farmers switch to other crops**
- ✓ Once again the cotton cultivation area has dropped sharply in both cotton-producing provinces, creating fear of a major decline in production which has pushed up the initial cotton trading price to an 11-year high.
- ✓ **Cement sales up 41% despite increase in price:** As per data released by APCMA, cement sector showed excellent growth of 49.86% in May 2021. Cement dispatches during May were 3.94mn tones as compared to 2.67mn tones during the same month in the previous fiscal year.

Daily READY Rates-Rs 7-Jun-21			
Open	154.85	Last Day Close-LDC 154.63	
High	155.30		
Low	154.85		
Close	155.30		
DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.1000	(0.0564)	3.42%
2-Week	0.2250	(0.0876)	3.83%
1-Month	0.5000	(0.2109)	3.65%
2-Month	1.3000	(0.1756)	5.13%
3-Month	1.9500	(0.4276)	5.12%
4-Month	2.7000	(0.4350)	5.26%
5-Month	3.5000	(0.4598)	5.54%
6-Month	4.2500	(0.5236)	5.60%
9-Month	6.8000	(1.0143)	6.18%
1-Year	10.0000	(0.4718)	6.69%
Daily MONEY Market Rates-% 7-Jun-21			
Open	7.00	Last Day Close-LDC 7.10	
High	7.10		
Low	6.50		
Close	6.60		
KIBOR AND PKRV RATE (%)			7-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		7-Jun-21
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	7.95	7.90
3-Yrs	8.7000	8.61	8.60
5-Yrs	9.2000	9.21	9.19
10-Yrs-Fixed	9.8390	9.95	9.85
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		7-Jun-21
	Cut Off Yields-%	Bid-%	Ask-%
3-M	7.3492	7.32	7.31
6-M	7.5943	7.57	7.54
12-M	7.6700	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.			