

**8<sup>th</sup> DECEMBER 2021**
**DAILY MARKET REVIEW**

KEY PAKISTAN STATS & ECONOMIC INDICATORS			
Items	Period	Unit	Figure
<b>Gross Domestic Product-GDP</b>			
GDP	1QFY-20/21	USD bn	81.995
<b>Foreign Exchange-FX-Reserves</b>			
FX-Reserves-WoW	26-Nov-21	USD bn	22.498
FE-25 Import Financing	October, 2021	USD mn	775
SBP Forward/Swap Position	30-Sep-21	USD bn	(4.870)
Net International Reserves-NIR (EST)	19-Nov-21	USD bn	(6.937)
Kerb USD/PKR	6-Dec-21	Bid/Ask	177.00/178.50
Real Effective Exchange Rate-REER	September, 2021	Rs	95.86
<b>Consumer Price Index-CPI</b>			
Sensitive Price Index-SPI-WoW	2-Dec-21	bps	167.36
CPI (YoY)	Nov, 2021	%	11.53
CPI- (MoM)	Nov, 2021	%	3.00
CPI-Urban-YoY	Nov, 2021	%	12.00
CPI-Rural-YoY	Nov, 2021	%	10.90
PAK CPI-YoY minus US CPI-YoY	11.53%-6.20%	%	5.33
<b>M2 Growth</b>			
M2 Growth-YoY	1 July 21 To 19-Nov 21	%	-0.86%
Net Govt. Sector Borrowing	1 July 21 To 19-Nov 21	Rs mn	110.42
GOVT. Borrowing for budgetary support from SBP	1 July 21 To 19-Nov 21	Rs bn	118.22
Credit to Private Sector-YoY	1 July 21 To 19-Nov 21	Rs bn	412.41
Govt. Foreign Commercial Banks Borrowing	1QFY-21/22	USD mn	457.54
<b>Policy Rate</b>			
SBP Policy Rate	FY-21/22 YTD	%	8.75
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	7.75-9.75
SBP PR minus USD FED Fund Rate	8.75%-0.25%	%	8.50
1-Year KIBOR minus 1-Year LIBOR	10.31%-0.39%	%	9.92
<b>FX-Economic Data</b>			
Foreign Direct Investment-FDI	4MFY-21/22	USD mn	662.10
Home Remittance	4MFY-21/22	USD bn	10.562
Trade Bal-(S/D)	4MFY-21/22	USD bn	(14.845)
CAB-S/(D)	4MFY-21/22	USD bn	(5.08)
CAB-S/(D) % of GDP	4MFY-21/22	%	(4.70)
<b>Government, Circular Debt &amp; External Liabilities</b>			
Government Domestic Debt & Liabilities	As at 30-6-2021	Rs trn	15.90
External Debt	As at 30-6-2021	USD bn	95.177
Central Debt	As at 31-5-2021	Rs trn	26.065

**ECONOMIC-NEWS:**

- ✓ **Country saves \$410mn in phone imports:** Ministry of Commerce-MOC revealed in a statement that Pakistan has saved around \$410mn in FX-Reserves through import substitution of cell-phones.
- ✓ During 5MFY-22, import of CBUs decreased by 73% to \$179mn as compared to \$661mn during the same period of previous year. "This has saved \$410mn in FX-Reserves figure."
- ✓ In contrast, import of mobile phone components for local assembly increased by 407% to \$674mn from \$133mn in the previous year.
- ✓ **Call to keep sales tax on used clothes at 5.0%:** On Tuesday, used clothes merchants urged the Govt. to refrain from increasing sales tax on imported 2<sup>nd</sup> hand clothes from 5% to 17% as it would result in huge price hike for consumers and badly hit the masses.
- ✓ **ADB approves \$603mn for Social Protection Program-SPP:** Today, APP reported that the ADB approved an amount of \$603mn result-based lending program to strengthen and expend SPP in Pakistan.
- ✓ **FITCH affirm Pakistan at B- outlook stable:** Yesterday, APAC released FITCH rating 2022 outlook that FITCH has affirmed Pakistan long term foreign currency issuer default rating-IDR to B- with a stable outlook.

**ECONOMIC-DATA:**

- ✓ **Open Market Operation-OMO Result:**

Open Market Operation-OMO Result				
Tenor	Type	PKR-Rs in bn		Rate-%
Days		Bid Amount	Accepted Amount	
2	Injection	259.45	259.45	9.15

**COMMODITIES-MARKET:**

- ✓ **GOLD-SPOT:** During the last 4-hours, Gold started to trade lower and found support at \$1784. It held that level and bounced back upside direction strongly and closed at high note indicating that yellow metal will move higher and moving further higher it will find target at \$1795. Yellow metal is currently trading at \$1788.98 per ounce.
- ✓ **CRUDE-OIL:** During the last 4-hours, Crude-Oil started to trade higher but later came down lower strongly and closed just inched lower from its opening price indicating that black gold will resume its lower run and moving further lower the next target it would find at \$70.70. Black gold is currently trading at \$71.10 per barrel.

WORLD ECONOMIC DATA RELEASED DURING THE LAST 24-HOURS				
Date	Events	Actual	Forecast	Previous
7/12/2021	EUR ZEW Economic Sentiment	26.8	22.4	25.9
7/12/2021	EUR German ZEW Economic Sentiment	29.9	25.3	31.7
7/12/2021	CAD Ivey PMI	61.2	60.2	59.3

Source: www.forexfactory.com

READY Rates-PKR-Rs				8-Dec-21	
Open	176.80	Last Day Close-LDC		176.79	
High	177.45				
Low	176.75				
Close	177.43				
DAILY USD/PKR SWAP YIELDS-%					
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield		
1-Week	0.0961	0.0511	2.90%		
2-Week	0.2120	0.1226	3.19%		
1-Month	0.6758	0.2122	4.30%		
2-Month	1.9976	0.2715	6.84%		
3-Month	3.3903	0.3147	7.71%		
4-Month	4.6809	0.2009	7.91%		
5-Month	6.1422	0.2387	8.42%		
6-Month	7.5352	0.3589	8.60%		
9-Month	11.4173	0.3146	9.020%		
1-Year	15.2174	0.3783	8.909%		
MONEY Market-MM Rates-%				8-Dec-21	
Open	9.50	Last Day Close-LDC		9.70	
High	9.50				
Low	8.50				
Close	8.50				
KIBOR AND PKRV RATE (%)			8-Dec-21		
Tenor	KIBOR-%	PKRV Rates-%			
1-M	8.98	9.66			
3-M	9.49	10.55			
6-M	9.78	11.30			
12-M	10.31	11.52			
Pakistan Investment Bonds-PIB					
Period	29-Nov-21 Cut Off Yields-%	8-Dec-21 Bid-% Ask-%			
2-Yrs	-	11.90	11.80		
3-Yrs	11.3400	12.00	11.95		
5-Yrs	11.5900	12.00	11.90		
10-Yrs-Fixed	11.7900	12.00	11.90		
Floating	12.1001	102	101.75		
15-yrs*	-	12.47			
20-yrs*	-	12.68			
Market Treasury Bills-MTB					
Tenor	1-Dec-21 Cut Off Yields-%	8-Dec-21 Bid-% Ask-%			
3-M	10.7890	10.78	10.73		
6-M	11.5001	11.30	11.20		
12-M	11.5143	11.60	11.50		
Note: * The secondary yields for 15 & 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.					