

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	30-Apr-21	USD bn	(4.560)
Net International Reserves-NIR (EST)	28-May-21	USD bn	(4.521)
Kerb USD/PKR	8-Jun-21	Bid/Ask	155.50/156.50
Real Effective Exchange Rate-REER	April, 2021	Rs	103.30
Consumer Price Index-CPI			
Sensitive Price Index-SPI-WoW	3-Jun-21	bps	148.38
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 - 28-May 21	%	8.41
Net Govt. Sector Borrowing	1 July 20 - 28-May 21	Rs bn	656.37
GOVT. Borrowing for budgetary support from SBP	1 July 20 - 28-May 21	Rs bn	563.51
Credit to Private Sector-YoY	1 July 20 - 28-May 21	Rs bn	489.55
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

8th JUNE 2021
DAILY MARKET REVIEW
ECONOMIC NEWS:

- ✓ **Infrastructure projects get 63% of PSDP:** Yesterday, The NEC approved Rs2.1trn for the national development outlay, as the Federal Govt. allocates nearly 2/3 of its budget for infrastructure projects that is higher by Rs535bn or 1/3 over this year's original budget to satisfy unhappy parliamentarians and meet national needs.
- ✓ The 4-provinces will spend Rs1.23trn from their own resources while the Federal Govt. has allocated Rs900bn for the federal PSDP. The proposed federal PSDP is higher by Rs250bn or 38% over this year's original budget of Rs650bn.
- ✓ **Talks with IMF enter key phase:** Talks b/w Pakistan and the IMF for \$1.0bn loan tranche and an agreement over next year's budget have entered into a crucial phase, as the Fund has asked Islamabad to immediately get the Nepra Ordinance passed from the Parliament
- ✓ **Govt. proposes sharp cuts on 600 raw material tariff lines:** The Govt. has approved hefty cuts including exemptions on raw materials under 600 tariff lines to boost import substitutions of consumer industries and promote exports from traditional and non-traditional sectors.
- ✓ **Central Govt. debt rises by 8% YoY in April:** The Central Govt. total debt inflated by Rs2.75trn or 8.0% YoY to Rs37.08trn by end-April 21 as opposed to Rs34.32trn recorded in April 20.
- ✓ On a monthly basis, the central Govt. debt inched-up by 1.0%.
- ✓ The latest data released by the SBP shows that the larger portion of the debt was domestic, whereas the remaining was external. The Central Govt. Domestic Debt amounted to Rs25.34trn during the month, signifying a growth of around 10% YoY and a decline of 1.0% MoM, comprising of Rs19.17trn long-term debt and Rs6.15trn short-term debt.
- ✓ By the end of April 21, the Govt. long-term debt increased by 12% YoY when compared to Rs17.12trn in April 20, while on monthly basis, it depicted a decline of 2%. It was largely because of the Govt. decision to convert its short-term borrowing from the central bank to long-term debt to increase the maturity period of debt.
- ✓ On the other hand, the short-term domestic debt increased by only 3% on both monthly and yearly basis, mainly due to the shift of borrowing to long-term instruments.
- ✓ Within the long-term domestic debt, the PIBs accounted for Rs14.02trn, and Saving Schemes accounted for Rs3.64trn.
- ✓ The Federal Govt. short-term domestic debt, acquired through the sale of MTBs to commercial banks, increased to Rs6.147trn, an addition of 8% YoY and 3% MoM.
- ✓ The SBP's debt bulletin further showed that the external debt of the Federal Govt. increased from Rs11.2trn to Rs11.73trn by the end of Apr'21, an addition of Rs512bn or 5% in 1-year.
- ✓ A break-up of the Central Govt. External Debt shows that nearly Rs.11.16trn came from long-term loans, depicting a growth of 6% YoY while Rs.126.7bn came from short-term loans, which was 58% lower compared to the same month last year.

Daily READY Rates-Rs 8-Jun-21			
Open	155.40	Last Day Close-LDC 155.30	
High	155.80		
Low	155.40		
Close	155.78		
DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.0678	(0.0322)	2.33%
2-Week	0.1057	(0.1193)	1.83%
1-Month	0.3843	(0.1157)	2.82%
2-Month	1.0061	(0.2939)	3.98%
3-Month	1.8525	(0.0975)	4.85%
4-Month	2.5163	(0.1837)	4.90%
5-Month	3.2914	(0.2086)	5.20%
6-Month	4.0713	(0.1787)	5.36%
9-Month	7.1242	0.3242	6.44%
1-Year	9.7981	(0.2019)	6.54%
Daily MONEY Market Rates-% 8-Jun-21			
Open	6.75	Last Day Close-LDC 6.60	
High	6.80		
Low	6.00		
Close	6.00		
KIBOR AND PKRV RATE (%)			7-Jun-21
Tenor	KIBOR-%	PKRV Rates-%	
1-M	7.03	7.22	
3-M	7.23	7.32	
6-M	7.45	7.55	
12-M	7.57	7.66	
Pakistan Investment Bonds-PIB			
Period	7-May-21		7-Jun-21
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	7.90	7.88
3-Yrs	8.7000	8.64	8.62
5-Yrs	9.2000	9.25	9.21
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	7.29
6-M	7.5943	7.55	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.			