

8th NOVEMBER 2022
DAILY MARKET REVIEW

KEY PAKISTAN STATS & ECONOMIC INDICATORS			
Items	Period	Unit	Figure
Foreign Exchange-FX-Reserves			
FX-Reserves-WoW	28-Oct-22	USD bn	14.678
FE-25 Import Financing	Sep, 2022	USD bn	1.042
SBP Forward/Swap Position	August, 2022	USD bn	(4.46)
Net International Reserves-NIR (EST)	28-Oct-22	USD bn	(22.56)
Kerb USD/PKR	8-Nov-22	Bid/Ask	225.50/227.75
Real Effective Exchange Rate-REER	Sep, 2022	Rs	90.94
Roshan Digital Account-RDA	4MFY23	USD bn	5.29
Consumer Price Index-CPI			
Sensitive Price Index-SPI-WoW	3-Nov-22	bps	214.88
CPI (YoY)	Oct, 2022	%	26.60
CPI- (MoM)	Oct, 2022	%	4.70
CPI-Urban-YoY	Oct, 2022	%	24.60
CPI-Rural-YoY	Oct, 2022	%	29.50
PAK CPI-YoY minus US CPI-YoY	26.60%-8.20%	%	18.40
M2 Growth			
M2 Growth-YoY	1 July 22 To 21 October 22	%	(1.24)
Net Govt. Sector Borrowing	1 July 22 To 21 October 22	Rs bn	403.27
GOVT. Borrowing for budgetary support from SBP	1 July 22 To 21 October 22	Rs bn	401.05
Private Sector Credit-PSC	1 July 22 To 21 October 22	Rs mn	(86.13)
Govt. Foreign Commercial Banks Borrowing	2MFY-23	USD bn	NIL
Policy Rate			
SBP Policy Rate	FY-23 YTD	%	15.00
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	14.00-16.00
SBP PR minus USD FED Fund Rate	15.00%-4.00%	%	11.00
1-Year KIBOR minus 1-Year LIBOR	15.64-5.67%	%	9.97
FX-Economic Data			
Foreign Direct Investment-FDI	1QFY-23	USD mn	253.40
Home Remittance	1QFY-23	USD bn	7.684
Trade Bal-S/(D)	1QFY-23	USD bn	(9.07)
CAB-S/(D)	1QFY-23	USD bn	(2.21)
Special Convertible Rupee Account-SCRA			
SCRA-Cumulative inflow/(outflow)	July 22 till date	USD mn	(48.92)
SCRA-MTB+PIB inflow/(outflow)	July 22 till date	USD bn	(28.95)
Govt., Circular Debt & External Liabilities			
Govt. Domestic Debt & Liabilities	As at 31-7-2022	Rs trn	31.89
External Debt	As at 30-6-2022	USD bn	130.192
Central Debt	As at 31-7-2022	Rs trn	50.503

ECONOMIC NEWS

- ✓ **Energy sector uplift: WB to extend \$3bn funding** WB is to extend \$3bn for infrastructure development in energy sector in addition to funding for DASU Hydropower Project.
- ✓ **RDA inflows dive to \$146mn, hit 23months low** Foreign currency inflows sent home by overseas Pakistanis through their RDA have continued to dive for the 4th consecutive month, hitting a 23months low at \$146mn in October 2022.
- ✓ Gross inflows through RDA have amounted to \$5.3bn in the past 28months.
- ✓ Of the gross \$5.3bn receipts, a large chunk of the amount, around \$3.4bn was invested in Naya Pakistan saving certificates which were specially designed for non-resident Pakistanis with the added incentive of lucrative returns.
- ✓ **Obstacle to \$900mn loan removed** On Monday, The centre and 4-provinces, reached a consensus on the implementation of the 2nd phase of harmonization of sales tax on services, removing a major obstacle in the way of the approval of a \$900mn loan from 2-international creditors.
- ✓ Federal deficit widens to Rs1trn the federal budget deficit widened by 43%, to over Rs1trn in the 1QFY23, as the rise in expenditure more than doubled the pace of gross revenues due to uncontrolled spending on debt servicing.
- ✓ On Friday, MOF released the fiscal operations summary disclosed poor budgetary management. "Statistical discrepancy" of over Rs101bn surfaced in the Federal Govt. accounts again, becoming the 2nd major discrepancy to emerge in the last 4-months.
- ✓ The federal budget deficit, the gap b/w expenses and revenues, was equal to 1.3% of the GDP or Rs1.02trn during 1QFY23. The details showed that this gap was Rs311bn or 43% more than the comparative period of FY22.

Interbank Rates-Rs			8-Nov-22
Open	221.75	Last Day	
High	221.90	Close-LDC	
Low	221.60	221.70	
Close	221.63		

DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.3750	0.1000	12.65%
2-Week	0.5750	0.2000	10.60%
1-Month	0.7000	0.2000	7.58%
2-Month	1.1000	0.2000	8.34%
3-Month	1.7000	0.2500	7.63%
4-Month	2.2000	0.1500	7.65%
5-Month	2.8000	0.2500	7.87%
6-Month	3.3000	0.2500	8.01%
9-Month	7.2500	0.5000	9.71%
1-Year	10.0000	0.5000	10.14%

MONEY Market-MM Rates-%			8-Nov-22
Open	14.25	Last Day	
High	14.75	Close-LDC	
Low	14.10	14.50	
Close	14.50		

KIBOR AND PKRV RATES (%)			7-Nov-22
Tenor	KIBOR-%	PKRV Rates-%	
1-M	15.06	15.21	
3-M	15.49	15.56	
6-M	15.59	15.70	
12-M	15.65	15.70	

Pakistan Investment Bonds-PIB			
Period	13-Oct-22	8-Nov-22	
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	13.60	13.50
3-Yrs	13.8360	14.05	14.03
5-Yrs	13.0900	13.18	13.15
10-Yrs-Fixed	12.9500	13.00	12.90
Floating	16.4000	102	101.75
15-yrs*	-	13.29	
20-yrs*	-	13.50	

Market Treasury Bills-MTB			
Tenor	2-Nov-22	8-Nov-22	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	15.7100	15.55	15.53
6-M	15.7433	15.70	15.66
12-M	15.7399	15.73	15.68

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