

KEY PAKISTAN STATS & ECONOMIC INDICATORS				
Items	Period	Unit	Figure	
<b>Gross Domestic Product-GDP</b>				
GDP	7MFY-21/22	USD bn	159.259	
<b>Foreign Exchange-FX-Reserves</b>				
FX-Reserves-WoW	25-Feb-22	USD bn	22.875	
FE-25 Import Financing	January, 2022	USD bn	1.009	
SBP Forward/Swap Position	31-Jan-21	USD bn	(4.42)	
Net International Reserves-NIR (EST)	25-Feb-22	USD bn	(10.35)	
Kerb USD/PKR	9-Mar-22	Bid/Ask	178.50/179.90	
Real Effective Exchange Rate-REER	December, 2021	Rs	96.74	
Roshan Digital Account-RDA	7MFY-22	USD bn	3.38	
<b>Consumer Price Index-CPI</b>				
Sensitive Price Index-SPI-WoW	24-Feb-22	bps	170.47	
CPI (YoY)	Feb, 2022	%	12.24	
CPI- (MoM)	Feb, 2022	%	1.15	
CPI-Urban-YoY	Feb, 2022	%	11.50	
CPI-Rural-YoY	Feb, 2022	%	13.30	
PAK CPI-YoY minus US CPI-YoY	12.24%-7.50%	%	4.74	
<b>M2 Growth</b>				
M2 Growth-YoY	1 July 21 To 25-Feb 22	%	0.51	
Net Govt. Sector Borrowing	1 July 21 To 25-Feb 22	Rs bn	(117.90)	
GOVT. Borrowing for budgetary support from SBP	1 July 21 To 25-Feb 22	Rs bn	(53.47)	
Credit to Private Sector	1 July 21 To 25-Feb 22	Rs bn	874.34	
Govt. Foreign Commercial Banks Borrowing	7MFY-21/22	USD bn	2.62	
<b>Policy Rate</b>				
SBP Policy Rate	FY-21/22 YTD	%	9.75	
SBP O/N REPO & Reserve REPO Rate	Floor & Ceiling	%	8.75-10.75	
SBP PR minus USD FED Fund Rate	9.75%-0.25%	%	9.50	
1-Year KIBOR minus 1-Year LIBOR	10.74%-1.34%	%	9.40	
<b>FX-Economic Data</b>				
Foreign Direct Investment-FDI	7MFY-21/22	USD bn	1.17	
Home Remittance	7MFY-21/22	USD bn	17.951	
Trade Bal-S/(D)	7MFY-21/22	USD bn	(27.35)	
CAB-S/(D)	7MFY-21/22	USD bn	(11.58)	
CAB-S/(D) % of GDP	7MFY-21/22	%	(5.70)	
<b>Special Convertible Rupee Account-SCRA</b>				
SCRA-Cumulative inflow/(outflow)	July 21 till date	USD bn	(547.62)	
SCRA-MTB+PIB inflow/(outflow)	July 21 till date	USD bn	(159.57)	
<b>Government, Circular Debt &amp; External Liabilities</b>				
Government Domestic Debt & Liabilities	As at 31-12-2021	Rs trn	27.35	
External Debt	As at 31-12-2021	USD bn	130.632	
Central Debt	As at 31-12-2021	Rs trn	41.556	

**9<sup>th</sup> MARCH 2022**
**DAILY MARKET REVIEW**
**ECONOMIC-NEWS:**

- ✓ **Summary of Monetary Policy Statement:** The MPC decided to maintain the PR at 9.75%.
- ✓ The MPC's view that the outlook for inflation has improved following the cuts in fuel prices and electricity tariffs announced last week as part of the Govt. relief package.
- ✓ Since the last MPC meeting on 24<sup>th</sup> January 2022, headline inflation moderated in February to 12.24% YoY. The February trade deficit witnessed a further 10% contraction MoM on top of the 29% decline recorded in January, confirming the slowdown in domestic demand.
- ✓ The MPC noted that while RIR on a forward-looking basis are appropriate to guide inflation to the medium-term range of 5% to 7%.
- ✓ **Real Sector:** Growth continues to moderate on the back of high prices and demand-easing measures. Since the last meeting, automobile sales and electricity generation have declined MoM.
- ✓ In the 2QFY-22, growth in FMCG sales dipped and GST collections from services were lower than last year.
- ✓ LSM growth has been revised upward following the rebasing, settling at around 5% to 6% YoY, since October. Growth in FY22 is still expected around the middle of the previously forecast range of 4% to 5%.
- ✓ **External sector:** In January, there was a sharp and broad-based decline in imports, including energy imports, to \$6.1bn from \$7.6bn in December based on PBS data.
- ✓ Imports declined further in February while exports rose, resulting in a 38% contraction in the trade deficit compared to its peak last November. CAD rose to \$2.6bn.
- ✓ **Fiscal sector:** At around 2% of GDP, the fiscal deficit during the 1HFY-22 was almost the same as last year. FBR tax collections grew strongly by 30% YoY.
- ✓ While the primary balance posted a surplus of 0.1% of GDP in the 1HFY-22, it was lower than the surplus of 0.6% of GDP in the same period last year
- ✓ **Monetary and inflation outlook:** Monetary conditions remain tighter in real terms, with PSC growth in negative territory. Headline inflation fell from 13% YoY in January to 12.2% in February, driven by a slowdown in energy price inflation. The contribution to inflation from food prices rose
- ✓ The MPC continues to expect inflation to average b/w 9% to 11%. This fiscal year before declining toward the medium-term target range of 5% to 7% in FY-23 as global commodity prices normalize.

**ECONOMIC-DATA:**

- ✓ **Broad Money Supply-M2-Growth:** Today SBP released the data of M2-Growth for the week ended 25<sup>th</sup> Feb 2022. According to the SBP, M2 posted the positive growth 0.51% as compared to the last year 4.59%.

READY Rates-PKR-Rs		9-Mar-22	
Open	178.65	Last Day Close-LDC	
High	178.65	178.60	
Low	178.60	178.60	
Close	178.63		
DAILY USD/PKR SWAP YIELDS-%			
PERIOD	SWAP	Change in Premiums	Swap Implied PKR Yield
1-Week	0.3634	0.0006	10.72%
2-Week	0.7712	0.0502	11.37%
1-Month	1.6612	0.1180	10.47%
2-Month	3.0052	0.0282	10.24%
3-Month	4.4544	0.1268	10.39%
4-Month	5.6231	0.1334	9.87%
5-Month	6.8324	0.0526	9.84%
6-Month	8.3232	0.1892	10.07%
9-Month	12.3295	0.0295	10.48%
1-Year	15.7991	0.0492	10.18%
MONEY Market-MM Rates-%		9-Mar-22	
Open	9.90	Last Day Close-LDC	
High	10.00	9.75	
Low	9.60	9.75	
Close	9.75		
KIBOR AND PKRV RATES (%)		9-Mar-22	
Tenor	KIBOR-%	PKRV Rates-%	
1-M	9.88	10.13	
3-M	10.45	10.60	
6-M	10.83	10.99	
12-M	10.91	11.07	
Pakistan Investment Bonds-PIB			
Period	28-Jan-21	9-Mar-22	
	Cut Off Yields-%	Bid-%	Ask-%
2-Yrs	-	11.45	11.40
3-Yrs	10.6998	11.65	11.50
5-Yrs	10.7500	11.65	11.50
10-Yrs-Fixed	10.8600	11.45	11.35
Floating	11.2640	102	101.75
15-yrs*	-	11.53	
20-yrs*	-	11.77	
Market Treasury Bills-MTB			
Tenor	23-Feb-22	9-Mar-22	
	Cut Off Yields-%	Bid-%	Ask-%
3-M	10.4899	10.70	10.60
6-M	10.8900	11.10	11.00
12-M	10.9999	11.30	11.15
<b>Note: * The secondary yields for 15 &amp; 20-years Bonds are not available, so instead of leaving it blank, we inputted PKRV Rates.</b>			