

Morning Brief

Economy & Politics

'The Review' of SBP: Timely realization of IMF lending to help revive inflows (Neutral)

The State Bank of Pakistan (SBP) Wednesday said the recent upgradation in sovereign credit rating is a positive development for the country

<https://www.brecorder.com/news/40322977/the-review-of-sbp-timely-realization-of-imf-lending-to-help-revive-inflows>

Foreign-funded projects: EAD seeks Rs196bn more to cover rupee deficit (Neutral)

The Economic Affairs Division has demanded additional Rs196 billion (\$664 million) to address rupee cover for efficient utilisation of foreign funded projects.

<https://www.brecorder.com/news/40322981/foreign-funded-projects-ead-seeks-rs196bn-more-to-cover-rupee-deficit>

Pakistan, Russia to set up new steel mill in Karachi (Neutral)

The government is considering a proposal for establishing a new steel mill in Karachi with the cooperation of Russia

<https://tribune.com.pk/story/2497049/pakistan-russia-to-set-up-new-steel-mill-in-karachi>

Pakistan swings back to \$75m current account surplus in August (Positive)

Pakistan's current account returned to a surplus in August after three straight months of deficits, thanks to robust remittances and a slightly reduced trade gap.

<https://www.thenews.com.pk/print/1231586-pakistan-swings-back-to-75m-current-account-surplus-in-august>

Auction for MTBs: SBP rejects all bids (Neutral)

Following the federal government's directives, the State Bank of Pakistan (SBP) has rejected all bids of Pakistan Market Treasury Bills (MTBs)

<https://epaper.brecorder.com/2024/09/19/18-page/1007852-news.html>

Jul-Aug FDI up 55.5pc to \$350.3m YoY (Positive)

The Foreign Direct Investment (FDI) in the country rose by 55.5 percent during the first two months of this fiscal year (FY25).

<https://epaper.brecorder.com/2024/09/19/1-page/1007741-news.html>

PKR's REER index decreases to 100.16 in August (Neutral)

Pak Rupee's Real Effective Exchange Rate Index (REER) decreased by 1.32% in August 2024 to a provisional value of 100.16

<https://mettisglobal.news/pkr-reer-index-decreases-to-100-16-in-august/>

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Thursday, 19 September 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	79,491.1	80,461.3	970.20	1.22%
Volume (mn)	152.3	148.6	-3.70	-2.4%
Value (Rs mn)	4,709.8	11,146.5	6,436.71	136.7%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	17,573.30	-0.31%
FTSE 100	UK	8,253.68	-0.68%
NIKKEI 225	Japan	36,380.17	0.49%
Hang Seng	Hong Kong	17,660.02	1.37%
SENSEX	India	82,948.23	-0.16%

Source: Investing.com

Macro Economic Data

Discount Rate	17.50%
CPI (Aug - 24)	9.6%
M2 (06 - Sep - FY25)	-2.57%
C/A Surplus/(Deficit) (2MFY25)	\$(0.171) billion
Trade Deficit (2MFY25)	\$(3.578) billion
Remittances (2MFY25)	\$5.937 billion
Borrowing from SBP (06 - Sep - FY25))(Rs 395.30) billion
SBP Reserves (06-Sep-24)	\$9.47 billion
Total Reserves (06-Sep-24)	\$14.80 billion

Source: PBS, SBP

Total Leverage of Market

MTS Rate (%)	19.47%
MTS Amount (Rs bn)	7.35
MFS Amount (Rs bn)	6.78
Future Amount (Rs bn)	23.33
Sep	23.20
Oct	0.13
Nov	0.00
Total Leverage	37.45

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FY23	FY24	Aug-24	Latest
FIPI	1.53	140.77	9.27	(4.31)
Individual	83.96	(59.63)	20.31	2.33
Companies	99.68	35.65	(2.72)	1.05
Banks/DFI	73.68	(141.29)	(7.27)	0.93
NBFC	(0.10)	(0.96)	(0.11)	0.01
Mutual Fund	(144.49)	(46.92)	(8.42)	0.40
Other Organization	24.79	(33.15)	(6.73)	(0.29)
Broker Prop. Trading	(14.76)	(20.81)	3.01	0.47
Insurance companies	(124.31)	126.34	(7.33)	(0.58)

Source: NCCPL

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Morning Brief



SBP expects banking sector's exposure to govt to remain high in H2CY24 (Positive)

The central bank expects the banking sector to maintain high exposure to the government in the second half of 2024, <https://www.thenews.com.pk/print/1231590-sbp-expects-banking-sector-s-exposure-to-govt-to-remain-high-in-h2cy24>

Construction set to begin on white oil pipeline with SIFC backing (Neutral)

The project, spanning 477 kilometres, will link key locations in Pakistan, including Machike, Thalian, and Taru Jabba, and is set to enhance the country's oil distribution system. <https://tribune.com.pk/story/2496925/construction-set-to-begin-on-white-oil-pipeline-with-sifc-backing>

Auto financing in Pakistan drops for 26th consecutive month (Negative)

Automobile financing in Pakistan has dropped for the 26th consecutive month to Rs227.3bn in August 2024, <https://mettisglobal.news/auto-financing-in-pakistan-drops-for-26th-consecutive-month/>

August FCA: CPPA-G seeks Re0.57 per unit negative adjustment (Neutral)

The Central Power Purchasing Agency–Guaranteed (CPPA-G) has sought negative adjustment of Re 0.57 per unit in FCA for August 2024 <https://epaper.brecorder.com/2024/09/19/1-page/1007737-news.html>

IT exports rise 27pc YoY (Positive)

IT exports surged to \$298 million in August, marking a 27 per cent increase from the previous year, <https://www.thenews.com.pk/print/1231589-it-exports-rise-27pc-yoy>

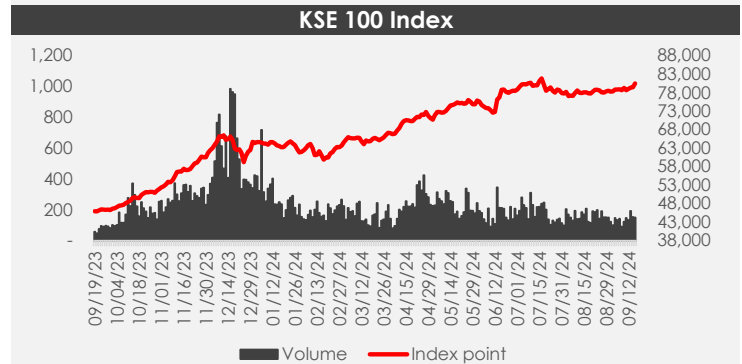
International

Oil Drops as Signs of Weak US Demand Offset Fed's Deep Rate Cut (Neutral)

Oil declined as signs of weak US demand added to bearish headwinds, offsetting a steep interest-rate cut <https://www.bloomberg.com/news/articles/2024-09-18/latest-oil-market-news-and-analysis-for-september-19>

US Fed slashes rates by 50 basis points in first easing since pandemic hit (Neutral)

The Federal Reserve cut interest rates by half of a percentage point on Wednesday, kicking off what is expected to be a steady easing of monetary policy <https://www.thenews.com.pk/latest/1231581-us-fed-slashes-rates-by-50-basis-points-in-first-easing-since-pandemic-hit>



Commodities			
	Previous	Current	% Δ
Gold (USD/oz)	2575.81	2564.53	-0.4%
Copper (USD/pound)	4.25	4.29	1.0%
Arab Light (USD/bbl)	73.40	73.35	-0.1%
WTI (USD/bbl)	69.64	69.85	0.3%
Brent (USD/bbl)	73.36	73.61	0.3%
Coal (USD/ton)	106.1	106.50	0.4%
Urea (USD/ton)	330.5	332.50	0.6%

Source: Bloomberg

Forex Rate (Open Market)			
	Previous	Current	% Δ
US Dollar	280.75	280.7	-0.02%
UK Pound Sterling	311.76	370.24	18.76%
Euro	369.55	311.71	-15.65%
Japanese Yen	1.99	1.98	-0.50%
Saudi Riyal	76.35	74.56	-2.34%
U.A.E Dirham	74.61	76.3	2.27%

Source: Forex.com.pk

Total Leverage vs Market Capitalization	
Total Market Capitalization (Rs bn)	10,610
Total leverage as % of Market Capitalization	0.35%

Source: PSX, NCCPL

Board Meetings		
Symbol	Date	Account Period
NICL	19-Sep-24	Annual
TOWL	19-Sep-24	Other Matters
BGL	19-Sep-24	Annual
JVDC	19-Sep-24	Annual

Source: PSX

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