

Daily Economic Update – 25th May 2021

KSE-100

46,077.51 ▼ -19.60 (-0.04%)

As of May 25, 2021 11:00 AM

OPEN	PREVIOUS CLOSE	VOLUME
46,151.10	46,097.11	66,073,012

1-YEAR CHANGE	YTD CHANGE
▲+36.18%	▲+5.31%

DAY RANGE	52-WEEK RANGE
46,068.65 - 46,285.77	33,071.36 - 47,339.21



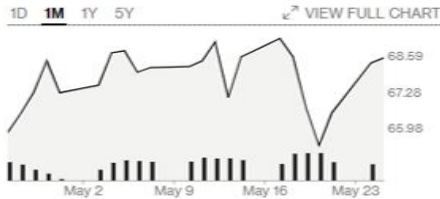
Commodities

Brent (\$/bbl.)

CO1:COM
Generic 1st 'CO' Future

68.55 USD/bbl. +0.09 +0.13%

OPEN	PREV CLOSE	VOLUME
68.47	68.46	20,031
DAY RANGE		52 WEEK RANGE
68.33 - 68.90		38.55 - 70.24



US WTI

CL1:COM
Generic 1st 'CL' Future

66.01 USD/bbl. -0.04 -0.06%

OPEN	PREV CLOSE	VOLUME
66.02	66.05	31,345
DAY RANGE		52 WEEK RANGE
65.86 - 66.34		36.68 - 67.02

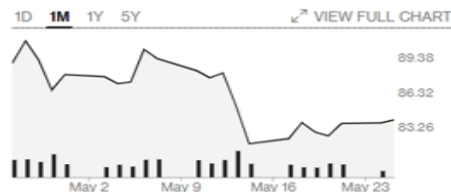


Cotton #2 (ICE)

CT1:COM
Generic 1st 'CT' Future

83.70 USD/bbl. +0.41 +0.49%

OPEN	PREV CLOSE	VOLUME
83.29	83.29	480
DAY RANGE		52 WEEK RANGE
83.04 - 83.75		57.40 - 89.28



TOP NEWS

SBP fully backs 3.94pc growth rate estimate.

The State Bank of Pakistan (SBP) on Monday expressed complete satisfaction over the new estimate of 3.94 per cent GDP growth for FY21, noting that the rebound was fuelled by a well-calibrated policy response. In a Twitter thread, the SBP said, "FY21 growth is expected to rise to 3.94pc, as post-Covid recovery underway since last summer has strengthened. The 9-mth current account is also in surplus for the 1st time in 17 yrs and FX reserves at a 4 yr high. Complete Story:

<https://www.dawn.com/news/1625495/sbp-fully-backs-394pc-growth-rate-estimate>

Govt to finance high-yielding crop research.

The federal government will allocate funds in the upcoming budget 2021-22 to develop high-yielding crops to meet growing domestic demand and reduce dependence on import of basic food items. Complete Story:

<https://www.dawn.com/news/1625480/govt-to-finance-high-yielding-crop-research>

Koto hydropower project to be completed by December.

About 90 per cent work on the under-construction Koto hydropower project (Koto-HPP) has been done and it will be completed by December this year, said assistant project director while briefing a team of the district administration. According to a local media report, he powerhouse would generate 40.8MW of electricity that would be added to the national grid.

Complete Story: <https://profit.pakistantoday.com.pk/2021/05/24/koto-hydropower-project-to-be-completed-by-dec/>

Cotton Prices on International and Domestic Markets.

Cotton prices are expected to rise everywhere, in line with a rebound in post-Covid demand, whereas production will not follow the same trend in the coming season. Our weekly cotton report covers the futures market in New York and China and the physical indicator "A Index". Domestic cotton prices in China, India, Pakistan, and Brazil are reviewed through tables and charts. Organic and BCI cotton prices in India and Pakistan are also released. All data are available for download. (www.emergingtextiles.com)

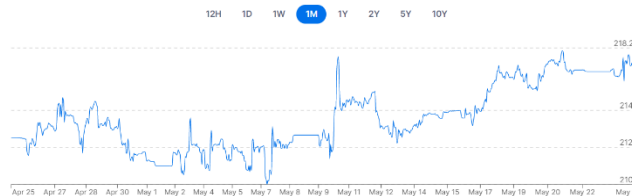
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Currency Parity

PKR-USD	Selling	Buying
	154.2	153.7



PKR-GBP	Selling	Buying
	218.6	217.9



PKR-EURO	Selling	Buying
	188.5	187.9



PKR-YEN	Selling	Buying
	1.42	1.41



Cotton#2 (ICE)	Open	Last	Volume
July'21	82.60	82.56	937
October'21	83.83	83.83	2
Dcember'21	83.29	83.70	480

GENERAL NEWS

Govt pitches Rs5.8tr tax target.

Pakistan on Monday informed the International Monetary Fund (IMF) that it plans to give 10% raise in salaries over and above a disparity allowance and pitched a Rs5.8-trillion tax target for the next fiscal year.

The government also proposed to levy Rs350 billion worth of additional taxes in the budget including Rs81 billion measures that have already been implemented through a mini-budget. The Rs350 billion worth of additional revenue measures are nearly half of what former finance minister Dr Abdul Hafeez Shaikh had agreed with the IMF in March this year. Complete Story: <https://tribune.com.pk/story/2301364/govt-pitches-rs58tr-tax-target>

Pakistan has high growth potential.

Pakistan carries a high economic growth potential of more than 4%. The country is all set to undertake structural reforms to increase the investment rate and achieve a sustainable growth in export earnings for higher economic growth in the coming years. Complete Story:

<https://tribune.com.pk/story/2301367/pakistan-has-high-growth-potential>

US power generation from natgas down

US natural gas-fired power generation in the Lower 48 states fell during the first four months of the year for the first time since 2017 due to higher prices and rising competition from renewables and coal, according to federal data. Complete Story:

<https://www.brecorder.com/news/40094844/us-power-generation-from-natgas-down>

Belarus Is Isolated as Other Countries Move to Ban Flights.

The extraordinary forced landing of a commercial flight with a Belarusian dissident aboard escalated into one of the biggest flare-ups in East-West tensions in recent years.. Complete Story:

<https://www.nytimes.com/2021/05/24/world/europe/belarus-flight-ban.html?action=click&module=Spotlight&pgtype=Homepage>