

# Daily Economic Update – 5<sup>th</sup> August, 2022

## KSE-100

KSE 100 Index

**41,425.37** +356.50 (+0.87%)

Official Close 8/4/2022

## Commodities

OIL (BRENT) Commodity

**94.37** +0.77 (+0.82%)

12:42:00 AM MI Indication

OIL (WTI) Commodity

**88.92** +1.12 (+1.28%)

12:47:00 AM NYMEX

COTTON Commodity

**1.01** +0.01 (+1.00%)

12:10:00 AM MI Indication

## TOP NEWS

### **Values over volumes: diving into the depths of trade performance**

The global economy is confronting with slower economic growth and high inflationary pressures due to the Russia-Ukraine conflict and subsequent supply chain disruptions. Moreover, political instability has triggered the economic situation of the country and it experienced a rollercoaster of events.

Complete Story: <https://www.globalvillagespace.com/values-over-volumes-diving-into-the-depths-of-trade-performance/>

### **Economic governance framework**

Before proposing solutions to the economic governance challenge, it is useful to briefly review the current position. Loans, deferred payments, lowering currency value etc can give temporary relief but it is not the answer to Pakistan's economic woes. They have not worked in the past and cannot work now. First, the problem needs to be properly identified and then possible solutions found. Complete Story: <https://www.dawn.com/news/1703350>

### **Ahsan says economy in 'recovery mode' after tough decisions taken**

Federal Minister for Planning, Development and Special Initiatives Ahsan Iqbal has said the country's economy is in "recovery mode" after taking tough decisions while stressing on political stability and continuity in policies to achieve long-term economic goals. Complete Story:

<https://www.brecorder.com/news/40190233>

### **Takeaways from Bangladesh's leadership**

Sheikh Hasina shifted focus from her father's socialist agenda toward market-based capitalist growth. She learned from other Asian countries whose economic success was based upon four pillars: political stability, social development, trade liberalization with export-led growth and fiscal restraint.

Complete Story: <https://www.globalvillagespace.com/takeaways-from-bangladeshs-leadership/>

### **Rupee uptrend continues**

Pakistani rupee gained further on Thursday, with dealers expecting the local unit to maintain an upwards trajectory in the coming days on account of lower dollar demand from importers and increased incoming export payments.

Complete Story: <https://www.thenews.com.pk/print/979664-rupee-uptrend-continues>

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Pakistani Rupee		Inverse	
 US Dollar	222.71 PKR	-1.1%	
 British Pound	270.34 PKR	-1.2%	
 Euro	227.90 PKR	-0.4%	
 Japanese Yen	1.6697 PKR	-0.78%	

Cotton #2 Futures	Open	Last	Volume
Oct '22	101.69	100.62	4
Dec '22	94.22	95.38	646
Mar '22	92.04	93.06	95

## GENERAL NEWS

### **Friendly countries ready to plug \$4b financing hole**

Pakistan is set to get assurances of \$4 billion additional financing from friendly countries this week that will pave the way for the revival of the International Monetary Fund (IMF) programme, State Bank of Pakistan (SBP) Acting Governor Dr Murtaza Syed said on Wednesday. Complete Story: <https://tribune.com.pk/story/2369401/friendly-countries-ready-to-plug-4b-financing-hole>

### **NEPRA reserves decision on Rs4.15 per unit hike for hydel power stations**

The National Electric Power Regulatory Authority (NEPRA) on Thursday reserved its decision over the petition of WAPDA Hydroelectric for determination of power tariff for the financial year 2022-23. Complete Story: <https://profit.pakistantoday.com.pk/2022/08/04/nepra-reserves-decision-on-rs4-15-per-unit-hike-for-hydel-power-stations/>

### **Political disruption, panic behind temporary liquidity crisis**

The sharp and abrupt plummeting of rupee against US Dollar, 24 per cent inflation rate, depletion of foreign exchange reserves, an unanticipated large current account deficit, continuous spikes in policy rate with its attendant impact on Bank lending rates, the slowdown in approval of import remittances, the erosion in market capitalization of listed companies have combined and created a situation of panic. Complete Story: <https://www.thenews.com.pk/print/979779-political-disruption-panic-behind-temporary-liquidity-crisis>

### **GIZ, Punjab govt launch fire prevention and safety campaign**

A campaign calling for the need to adhere to fire prevention and safety measures at the workplace on Thursday launched by the German Agency for International Cooperation (GIZ) with the collaboration of the Labour & Human Resource Department (L&HRD), Punjab government. Complete Story: <https://www.brecorder.com/news/40190172>

### **Stocks extend gains on positive triggers**

The shares market continued its positive momentum on Thursday on the back of a strengthening rupee, the rollover of Chinese safe deposits and a decline in international oil prices. According to Topline Securities, investors' interest was witnessed in the banking sector as MCB Bank Ltd, Habib Bank Ltd, Meezan Bank Ltd and United Bank Ltd closed on the higher side. Complete Story: <https://www.dawn.com/news/1703309/stocks-extend-gains-on-positive-triggers>