

Daily Economic Update – 17th September, 2022

KSE-100

KSE 100 Index

43,676.56 +240.08 (+0.55%)

Commodities

OIL (BRENT) Commodity

91.57 +0.77 (+0.85%)

Official Close 9/16/2022 MI Indication

OIL (WTI) Commodity

85.57 +0.45 (+0.53%)

Official Close 9/16/2022 NYMEX

COTTON Commodity

1.06 -0.01 (-0.48%)

Official Close 9/14/2022 MI Indication

TOP NEWS

Textile exporters urge govt allow raw cotton & vegetable import from India

Pakistan Textile Exporters Association (PTEA), Patron-in-Chief, Khurram Mukhtar said textile industry has picked up a growing pace witnessing a sharp surge of 4.18% year-on-year to \$ 3.05 billion in the first two months of FY 2023. However, emergence of an economic crisis will be an instant setback, coupled with rising manufacturing expenses and escalating prices and shortage of raw material are among various factors which may hit the growing trend. Complete Story: <https://dailytimes.com.pk/998654/textile-exporters-urge-govt-allow-raw-cottonvegetable-import-from-india/>

Situationer: The climate change 'Catch-22' propping up the dollar

The catastrophic floods that have afflicted more than a third of the country have only exacerbated Pakistan's economic woes. Inflation is breaking all records and setting new ones, increasing the cost of construction and slowing down the growth; the projected rate is expected to fall from 6 per cent in FY22 to 2.3 per cent in FY23.

Complete Story: <https://www.dawn.com/news/1710526>

The Economic Costs of Pakistan's Floods

Over the past month, Pakistan has been hit by the worst flooding in the country's modern history. The floods have put "one-third of the country underwater" and the deaths of close to 1,500 people. Estimates note a further 33 million people have been impacted by the flooding, roughly about 15 percent of Pakistan's population. Figures as of September 16th estimate that 12,718 kilometers of roads, 390 bridges and over 1.8 million homes have been destroyed. Complete Story: <https://southasianvoices.org/the-economic-costs-of-pakistans-floods/>

Pakistan Imported 30% More Petroleum Products And 33% More Food Products This August

Pakistan's bill for oil and food imports experienced a concerning growth in terms of month-on-month growth during August, as the import stats of August are revealed by the Pakistan Bureau of Statistics, forming close to half of the country's total imports of \$6.071 billion. Complete Story: <https://www.techjuice.pk/pakistan-imported-30-more-petroleum-products-and-33-more-food-products-this-august/>

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Cotton #2 Futures	Open	Last	Volume
Oct '22	102.45	101.24s	9
Dec '22	103.07	99.29s	11,894
Mar '23	100.12	96.15	3,294

GENERAL NEWS

Drop in trade deficit at the expense of fall in production

Consumption driven economy of Pakistan is facing a number of challenges including persistent trade deficit. According to Arif Habib Limited, trade deficit dropped by 17 percent on year-on-year basis during August 2022. Complete Story: <https://www.globalvillagespace.com/drop-in-trade-deficit-at-the-expense-of-fall-in-production/>

Poverty to engulf 15m post floods

A preliminary assessment from the World Bank (WB) reveals that up to 15.4 million more Pakistanis will fall into poverty and the primary budget deficit could widen to 2.8% of the nation's economy as a result of the flood. Complete Story: <https://tribune.com.pk/story/2377114/poverty-to-engulf-15m-post-floods>

Sialkot stands out, Alibaba calls on other cities to enhance exports through platform

Majority of sellers, approximately 85%, from Pakistan on e-commerce platform Alibaba are based in Sialkot with around 63% of the country's overall number selling their products in the apparel category, it emerged at an event in Karachi on Thursday. Complete Story: <https://www.brecorder.com/news/40197743/sialkot-stands-out-alibaba-calls-on-other-cities-to-enhance-exports-through-platform>

Pakistan should integrate with \$20 trillion SCO economy: FPCCI

The apex trade body has urged the government to promote trade, investment, and economic ties with the Shanghai Cooperation Organisation (SCO) nations, saying the bloc has a cumulative gross domestic product (GDP) of \$20 trillion. "This will mean broadening of export markets, becoming part of major supply routes of the world, major joint ventures, transfer of technology and foreign direct investment (FDI) by major retail groups and industrial conglomerates from SCO countries," FPCCI president Irfan Iqbal Sheikh said. Complete Story: <https://www.thenews.com.pk/print/991959-pakistan-should-integrate-with-20-trillion-sco-economy-fpcci>

Floods damage non-basmati rice crop

A significant part of the non-basmati rice crop has been damaged owing to the recent floods. In contrast, the basmati rice crop is standing intact. "The rice sowing target for the current Kharif season was set on 1.8 million acres. During the months of April, May and till the mid of June, farmers in Sindh, in particular those in the rice belt, faced acute water shortage," said Sindh Chamber of Agriculture (SCA) President, Miran Mohammed Shah. Complete Story: <https://tribune.com.pk/story/2377120/floods-damage-non-basmati-rice-crop>