

Daily Economic Update – 18th & 19th September, 2022

KSE-100

KSE 100 Index

43,676.56 +240.08 (+0.55%)

Commodities

OIL (BRENT) Commodity

91.92 +0.35 (+0.38%)

01:08:00 AM MI Indication

OIL (WTI) Commodity

85.42 -0.15 (-0.18%)

01:09:00 AM NYMEX

COTTON Commodity

1.02 -0.04 (-3.77%)

Official Close 9/16/2022 MI Indication

TOP NEWS

Over 2.1m cotton bales reach ginneries across Pakistan

Seed cotton (Phutti) equivalent to over 2.1 million or exactly 21,86,593 bales have reached ginning factories across the country till September 15, 2022 registering decrease of 18.61 percent as compared to corresponding period of last year. According to a fortnightly report of Pakistan Cotton Ginners Association (PCGA) released on Sunday, over 1.9 million or 19,27,454 bales have undergone the ginning process i.e converted into bales. Complete Story: <https://dailytimes.com.pk/999505/over-2-1m-cotton-bales-reach-ginneries-across-pakistan/>

FIA tasked to look into PKR devaluation

In order to stop the continuous devaluation of Pakistani rupee, the government has given a task to the Federal Investigation Agency to look into the matter of US dollar flight which is almost unstoppable despite the fact that the country has received the much-needed financial boost in the shape of IMF tranche last month. Complete Story: <https://www.brecorder.com/news/40198287>

Pakistan floods put pressure on faltering economy

The calls are growing louder. Pakistan desperately needs help after its worst floods in years, and it needs it fast. "This climate calamity couldn't have come at a worse time, when Pakistan's economy was already struggling with a balance of payments crisis, rising debt, and soaring inflation," Maleeha Lodhi, former Pakistan ambassador to the UN and the UK, told the BBC. Complete Story: <https://www.bbc.com/news/world-asia-62830771>

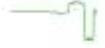
Experts warn of food security crisis, export supplies disruption

The country would face serious impacts on its agricultural produce causing a food security crisis and disruption in its agri exports as the devastating monsoon floods have a big toll on the agriculture sector in Pakistan, said the Climate Smart Agriculture Experts on Sunday. Complete Story: <https://www.pakistantoday.com.pk/2022/09/18/experts-warn-of-food-security-crisis-export-supplies-disruption-amid-devastating-floods/>

Overreliance on export schemes

The 10-year GSP (Generalised System of Preferences) Plus scheme of the European Union, under which Pakistani exporters get duty-free access for textiles, clothing and leather items, is expiring on December 31, 2023. Thereafter, a new slightly modified 10-year scheme will apply. Complete Story: <https://tribune.com.pk/story/2377307/overreliance-on-export-schemes>

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Pakistani Rupee		Inverse	
 US Dollar	237.75 PKR	+0.38%	
 Euro	237.55 PKR	+0.1%	
 British Pound	271.00 PKR	+0.16%	
 Japanese Yen	1.6593 PKR	+0.16%	

Cotton #2 Futures	Open	Last	Volume
Oct '22	102.45	101.24s	9
Dec '22	99.10	98.41	2,023
Mar '23	95.93	95.27	838

GENERAL NEWS

Fudging the numbers

Lives have been lost, crops have been destroyed, and there is doom and gloom across the country. However, rice has escaped the worst and is headed towards record numbers. "What we have been hearing from the private sector and people on the ground is that in the worst case scenario, rice suffered 20-30 per cent losses," says a former chairman of the Rice Exporters Association of Pakistan (Reap), requesting anonymity. Complete Story: <https://www.dawn.com/news/1710884/fudging-the-numbers>

Stocks remain under pressure

Pakistan Stock Exchange remained under pressure during the outgoing week ended on September 16, 2022 due to profit taking on investor concerns over assessment of flood damages, political noise and recent round of rupee devaluation, market participants said. The benchmark KSE-100 declined by 268.67 points on week-on-week basis and closed at 41,679.49 points. Complete Story: <https://www.brecorder.com/news/40198317>

Weekly currency update: Dollar may surpass all time-high of Rs240 next week

In view of a strong demand for dollars and drying reserves of the greenback in the country, analysts predict that the local unit is expected to continue its downward spiral unabated during the next week. The dollar, which is trending upwards globally, settled at Rs236.84 at the end of trading on Friday compared to Rs228.18, the closing price of the last week, The News reported. Complete Story: <https://www.geo.tv/latest/440929-weekly-currency-update-dollar-may-surpass-all-time-high-of-rs240-next-week>

Sustainable energy isn't the future, it is the present

Rapid population growth and a minimally progressing economy have been widening the gap between demand and production of electricity day-by-day in Pakistan. Pakistan is ranked 34th in electricity consumption in the CIA World Factbook. While demand for energy has been increasing steadily, energy production is not growing at the same pace. As a result, Pakistan has been experiencing a persistent energy crisis. Complete Story: <https://tribune.com.pk/story/2377309/sustainable-energy-isnt-the-future-it-is-the-present>