

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

## KSE-100

KSE 100 Index

**43,676.56** +240.08 (+0.55%)

## Commodities

OIL (BRENT) Commodity

**98.75** 4.2 (4.44%)

Official Close 11/4/2022 MI Indication

OIL (WTI) Commodity

**92.65** 4.7 (5.34%)

Official Close 11/4/2022 NYMEX

COTTON Commodity

**0.87** +0.04 (+4.82%)

Official Close 11/4/2022 MI Indication

## TOP NEWS

### **EU parliament to review Pakistan's GSP+ status**

The Ambassador of Belgium, Charles Delogne, on Friday said that the European Union (EU) parliament will be determining new regulations under the 10-year Generalised System of Preferences (GSP+) scheme which is likely to affect the duty-free access for textiles, clothing and leather items currently being exported from Pakistan. Complete Story: <https://tribune.com.pk/story/2384691/eu-parliament-to-review-pakistans-gsp-status>

### **Trade figures**

A worsening balance of trade, a perennial problem for the country that accounts for Pakistan being on the twenty-third International Monetary Fund (IMF) programme in its history, has been arrested and reversed with the trade deficit for the first four months of the current fiscal year declining to 11.469 billion dollars against 15.624 billion dollars in the comparable period of 2021. Complete Story: <https://www.brecorder.com/news/40206962/trade-figures>

### **CPEC moves to second phase of high-level development, with focus on capacity, tech cooperation: Experts**

As President Xi Jinping met with visiting Pakistani Prime Minister Muhammad Shehbaz Sharif to further consolidate the bilateral ironclad friendship, the two countries will set in motion a flurry of projects of the China-Pakistan Economic Corridor (CPEC) under the framework of the Belt and Road Initiative (BRI), including the construction of auxiliary infrastructure for Gwadar Port and a high-speed rail project connecting Pakistan's largest city of Karachi to Peshawar. Complete Story: <https://www.app.com.pk/global/cpec-moves-to-second-phase-of-high-level-development-with-focus-on-capacity-tech-cooperation-experts/>

### **Export-oriented sectors to get power at an all-inclusive rate of Rs19.99 per unit**

The country's influential five zero-rated sectors, referred to as export-oriented sectors will be charged Rs 19.99 per unit electricity all-inclusive whereas domestic consumers are being charged over Rs 40 per unit. Interaction with power sector experts and officials revealed that the government had budgeted Rs 20 billion subsidy to provide concessional electricity to five zero-rated sectors including textile, carpets, sports, surgical and leather during FY 2022-23. Complete Story: <https://www.brecorder.com/news/40207003/export-oriented-sectors-to-get-power-at-an-all-inclusive-rate-of-rs1999-per-unit>

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Pakistani Rupee		Inverse	
	US Dollar	221.50 PKR	-0.28%
	Euro	220.62 PKR	+1.5%
	British Pound	251.98 PKR	+1.2%
	Japanese Yen	1.5108 PKR	+0.6%

Cotton #2 Futures	Open	Last	Volume
Dec '22	83.45	86.93s	36,848
Mar '23	82.20	85.67s	28,418
May '23	82.14	84.63	11,682

## GENERAL NEWS

### **Pak-Afghanistan bilateral trade surges to \$741m**

According to details, trade between Pakistan and Afghanistan is growing rapidly as trade volume surged to \$741 million from July to October 2022. The bilateral trade between both countries was \$451 million during Jul-October in 2021, depicting an increase of 64% in the July-Oct 2022 comparable to the same months of 2021. Pakistan's exports to Afghanistan remained \$333 million in July-Oct 2022, whereas Pakistan's imports from Afghanistan were \$408 million in July-Oct 2022. Complete Story: <https://www.pakistantoday.com.pk/2022/11/04/pak-afghanistan-bilateral-trade-surge-to-741m/>

### **Stocks slump after attempt on PTI chief's life**

Share prices on the Pakistan Stock Exchange dropped on Friday owing to the ongoing political tension arising out of the assassination attempt on former premier Imran Khan. Arif Habib Ltd said the index tanked as soon as the opening bell rang and then kept losing ground throughout the day. The growing political conflict made investors shy away from the equity market and dried up volumes across the board. Complete Story: <https://www.dawn.com/news/1719055/stocks-slump-after-attempt-on-pti-chiefs-life>

### **Pakistan Exports Worth \$161m Via Torkham In Three Months: Sarhadi**

The export volume of Pakistani products to Afghanistan through the Torkham border was continuously increasing as during the months of July, August, and September the trade volume increased up to \$161 million thus contributing \$2.3 million to the national kitty. Complete Story: <https://www.urdupoint.com/en/pakistan/pakistan-exports-worth-161m-via-torkham-in-1589280.html>

### **PSO to recover Rs594b in circular debt**

The supply of expensive liquefied natural gas (LNG), during the past four seasons, to domestic consumers has resulted in a steep hike in circular debt, trapping gas-utilities and Pakistan State Oil (PSO). Complete Story: <https://tribune.com.pk/story/2384711/pso-to-recover-rs594b-in-circular-debt>

### **Trade gap shrinks to \$11.5b in Jul-Oct**

Pakistan has managed to cut its trade deficit by \$4.2 billion, or nearly 27%, by blocking imports during the first four months of current fiscal year, which will compensate for the delay in channeling foreign loans. Complete Story: <https://tribune.com.pk/story/2384362/trade-gap-shrinks-to-115b-in-jul-oct>