PAK-QATAR ASSET MANAGEMENT

Market Summary

	15-Jul-22	7day	30day	90day	FYTD	CYTD
KSE100	42,075	1.8%	1.5%	-9.7%	1.3%	-5.7%
KMI30	69,675	2.5%	2.3%	-8.4%	1.3%	-2.8%
KMIAll	21,169	1.9%	2.7%	-7.7%	1.3%	-3.9%

Global Markets

	15-Jul-22	7day	30day	90day	FYTD	CYTD
UK	7,159	0.5%	1.6%	6.4%	0.1%	3.2%
USA	11,452	1.6%	-3.1%	16.6%	-3.7%	36.6%
China	3,228	4.0%	2.4%	-0.5%	5.3%	5.3%
Japan	26,788	-1.0%	-1.7%	1.1%	-1.5%	7.5%
India	53,761	1.3%	-2.3%	8.5%	-1.4%	8.4%

KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Week Market Cap (PKR'Bn)	Change (%) in Market Cap.
COMMERCIAL BANKS	21	358	350	2.20
FERTILIZER	14	232	233	(0.33)
OIL & GAS EXPLORATION COMPANIES	12	195	195	0.23
CEMENT	7	115	120	(4.36)
TECHNOLOGY & COMMUNICATION	6	103	102	0.60
POWER GENERATION & DISTRIBUTION	5	86	87	(0.97)
AUTOMOBILE ASSEMBLER	4	72	73	(0.67)
CHEMICAL	4	64	65	(1.55)
OIL & GAS MARKETING COMPANIES	4	62	60	2.02
PHARMACEUTICALS	3	52	53	(1.69)

Portfolio Investments (USD mn)

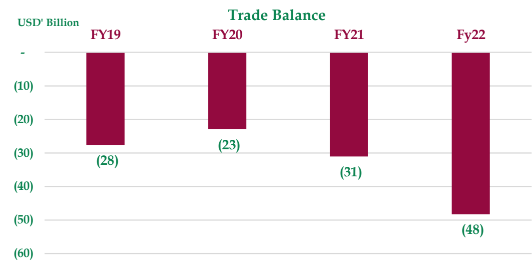
	15-Jul-22	30day	90day	365days	FYTD	CYTD
FIPI (net)	0.80	0 -	16	(292)	3	(44)
LIPI (net)	(0.80) -	0	16	292	(3)	44
Ind.	1.8	16	45	161	6	91
Banks/DFIs	(0.7)	6	33	111	(4)	83
Companies	0.2	2	28	109	2	53
M.Funds	(0.0)	(7) -	46	(137)	(3)	(121)
Brokers	(2.2)	4 -	1	(12)	(1)	(10)
Others	0.1	4	12	59	1	19
Ins.	0.0	(26) -	54	(3)	(4)	(71)
NBFC	0.0	(1) -	2	3	0	(1)

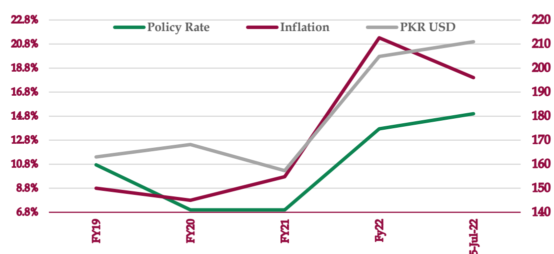
PKRV Rates (change in bps)

	Rate %	7day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	15.59	41	-9	254	421	787
PKRV 3Y	13.33	-51	-40	103	1233	444
PKRV 5Y	12.80	-40	-24	72	1180	340
PKRV 10Y	12.58	-47	-36	67	110	263
PKRV 20Y	13.41	-19	-9	91	147	296

Commentary

Pakistan adhered to IMF deal which the govt. had been trying to catch to escape from looming default. The deal paved ways for flow of USD 1.17 billion subject to approval of IMF's executive board. Gov. had to agree to IMF demands to i.e., targeting primary budget surplus, power sector reforms which includes passing on the impact of fuel prices, proactive monetary policy and prompt action on corruption cases. These measures read with monetary policy statement issued by central bank indicates a tight rope for economic managers. Central Bank also enhanced policy rate to 15% along with linking EFS and LTFF to discount rate while offering a discount of 500bps to boost exports. These efforts are targeted to control demand pressures which have inflationary tendencies. Gov. has also taken measures to control flow of foreign reserves with restrictions on imports of luxury good. Pakistan can have some respite from declining international commodity prices i.e., oil and staple food. Gov. also has jumped to decrease local fuel prices to ease pressure on consumers by decreasing petrol and diesel price. These actions contravene the overall stance which depicted a strong will to achieve fiscal stability. Going forward, volatility in international prices will dictate movement in local prices.





Key Economic Figures

		FY19	FY20	FY21	Fy22	15-Jul-22
Policy Rate	June end	10.8%	7.0%	7.0%	13.8%	15.0%
1yr KIBOR	June end	13.6%	7.4%	8.1%	15.7%	16.2%
Inflation	June end	8.8%	7.8%	9.8%	21.3%	18.0%
PKR USD	June end	163.1	168.2	157.3	204.8	211.0

Key Economic Figures

		FY19	FY20	FY21	Fy22	FY23E
Imports	USD'mn	51,869	46,417	56,380	80,019	64,000
Exports	USD'mn	24,257	23,462	25,304	31,760	32,000
Trade Deficit	USD'mn	(27,612)	(22,955)	(31,076)	(48,259)	(32,000)
Remittances	USD'mn	21,740	23,131	29,370	31,515	32,000
FX Reserves	USD'mn	14,482	18,886	24,398	15,742	18,000

15-Jul-22