

Pakistani equity market is likely to remain range-bound today

Pakistani equity market is likely to remain range-bound today and volumes are expected to be on the lower side. Investors are anticipated to be on the side lines ahead of the announcement of federal budget for FY24 later today. In a statement yesterday, IMF country representative Esther Perez said, Pakistan has yet to satisfy the fund on three key areas i.e., proper functioning of the FX market, FY24 Budget in line with programme objectives, and financing commitments to close the USD 6bn gap ahead of the last board meeting before the program concludes at the end of Jun'23. According to the economic survey released yesterday, Pakistan GDP has fallen to USD 341bn in FY23 from USD 375bn in FY22. As per the calendar released yesterday, government plans to borrow USD 10.36bn through T-bills and PIBs between Jun'23-Aug'23. Lastly, as per SBP, foreign exchange reserves held by the central bank have declined by USD 179bn to stand at USD 3.9bn.

Top Stories

Govt unveils Rs14.7tr budget today | The government will unveil the next budget 2023-24 on Friday (today) with a higher consolidated budget deficit of over 6 per cent of GDP. <http://bitly.ws/HMkr>

Stalled bailout: IMF says govt has to satisfy it on 3 counts, starting with budget | Pakistan has to satisfy the IMF on three counts, starting with a budget due on Friday, before its board reviews whether to release at least some of the \$2.5 billion still pending under a lending programme expiring this month, an IMF official said. <http://bitly.ws/HMnK>

Govt fails to achieve key economic targets | The Economic Survey 2022-23 conceded that the government failed to achieve all macroeconomic targets, including GDP growth rate, inflation, per capita income, fiscal slippages, public debt, exports, investment and savings. <http://bitly.ws/HMkk>

Dip in exports, remittances offset gains of low imports | Exports fell by 9.8 per cent during Jul-Mar FY2023 to \$21 billion. The total imports during Jul-Mar, FY2023 stood at \$43.7bn compared to \$58.9 billion in the same period last year, a dip of 25.7pc. <http://bitly.ws/HMrb>

Govt piles up Rs14.88tr public debt in one year | The PMLN-led coalition government has piled up over a third or Rs14.881 trillion debt on the nation, ballooning it to a staggering Rs59.247 trillion by the end-March 2023. <http://bitly.ws/HMkH>

External public debt recorded at \$85.2bn by March-end | External public debt was recorded at \$85.2 billion at the end of March 2023, revealing a decrease of around \$3.7 billion during the first nine months of the current fiscal year. <http://bitly.ws/HMqC>

Banks disburse Rs1.222trn agri credit | With 27.5 percent growth, the agriculture lending financial institutions have disbursed Rs 1.222 trillion on account of agricultural financing during the first nine months (July-March) of this fiscal year. <http://bitly.ws/HMp4>

Tax exemptions cost exchequer Rs2.24 trillion in 2022-23 | Tax exemptions to various sectors, lobbies and influential segments of society cost the exchequer Rs2.24 trillion in the outgoing fiscal year, up 27.4 percent from the previous year. <http://bitly.ws/HMkY>

Automobile sector contracts 42.48%, reveals Economic Survey 2022-23 | Pakistan's automobile sector contracted by 42.48% during the first nine months of the outgoing fiscal year 2023 against 53.77% growth in the same period last year. <http://bitly.ws/HMpl>

Overall flood losses stand at \$31.5bn | As per the Economic Survey of Pakistan for 2022-23, the damage has been worked out at \$14.9 billion, whereas the loss to the GDP at \$15.2 billion, and the total needs of rehabilitation at \$16.3 billion. <http://bitly.ws/HMqa>

Govt plans to borrow record Rs10.36 trillion via T-bills, bonds in June-Aug | The government will raise Rs8.70 trillion via the short-term paper auctions while the sale of Pakistan Investment Bonds (PIBs) with fixed and floating rates will allow the government to borrow Rs1.66 trillion. <http://bitly.ws/HMmk>

Gas consumption deflates 8.61 percent in 9MFY23 | Average natural gas consumption reduced by 8.61 percent to 3,258 million cubic feet per day (mmcf) year-on-year in July-March 2023 (9MFY23) period against 3,565 mmcf use recorded in the corresponding period last year. <http://bitly.ws/HMn9>

Govt slashes RLNG prices up to 5.2pc for June 2023 | RLNG weighted average sale provisional price has been set at \$12.7181 per MMBtu for the consumers of SNGPL and \$12.9429 per MMBtu for SSGC consumers. <http://bitly.ws/HMmY>

Pakistan, Turkmenistan ink JIP to accelerate work on TAPI | In a major development, Turkmenistan and Pakistan have signed a Joint Implementation Plan (JIP) to accelerate work on the TAPI Gas Pipeline project in Islamabad on Thursday. <http://bitly.ws/HMo2>