

Daily Economic Update – 4th February, 2021

KSE-100

47,291.35 +357.72 +0.76%

OPEN	PREV CLOSE	1 YEAR RETURN
46,933.63	46,933.63	15.66%
YTD RETURN	DAY RANGE	52 WEEK RANGE
8.08%	46,933.63 - 47,339.21	27,046.71 - 47,339.21



Commodities

Brent (\$/bbl.)

58.69 +0.23 +0.39%

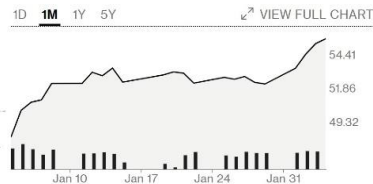
OPEN	PREV CLOSE	VOLUME
58.59	58.46	8,157
DAY RANGE	52 WEEK RANGE	
58.45 - 58.99	32.00 - 58.99	



US WTI

55.99 +0.30 +0.54%

OPEN	PREV CLOSE	VOLUME
55.96	55.69	22,585
DAY RANGE	52 WEEK RANGE	
55.77 - 56.23	27.06 - 56.33	



Cotton #2 (ICE)

81.74 +0.75 +0.93%

OPEN	PREV CLOSE	VOLUME
81.00	80.99	2,040
DAY RANGE	52 WEEK RANGE	
80.84 - 81.74	51.64 - 83.06	



TOP MOST

Exports under pressure

THE trumpets of triumph have not died down and already the tide looks like it might be preparing to recede. For a number of weeks now, we have been hearing triumphant talk coming from the government on how exports in the month of December registered an 18 per cent increase that government fans said was the largest increase in many years. Complete Story:

<https://www.dawn.com/news/1605404>

The case of exports

This refers to the news report 'January exports cross \$2bln mark fourth time in a row' (Feb 2). Within the government, there is much celebration of the fact that Pakistan's exports are rising. However, the picture of the country's exports is not rosy. Complete Story: <https://www.thenews.com.pk/print/784586-the-case-of-exports>

CCoE to consider electricity policy today

The Cabinet Committee on Energy (CCoE) which is scheduled to meet on Thursday (Feb 4) with Minister for Planning, Development and Special Initiatives, Asad Umar in the chair will consider the long-awaited National Electricity Policy 2021. Complete Story: <https://www.brecorder.com/news/40059891/ccoe-to-consider-electricity-policy-today>

Pakistan's 'flawed' monetary policy

The State Bank of Pakistan's monetary policy has been used as part of the so-called macro stabilization measures over decades, particularly during periods of higher inflation and when Pakistan was under an International Monetary Fund (IMF) programme.

Complete Story: <https://www.brecorder.com/news/40059823/pakistans-flawed-monetary-policy>

Cotton production drops 34% in FY21

The cotton production in Pakistan has plunged 34% to 5.57 million bales (of 155 kg per bale) in the current fiscal year 2020-21 compared to the same period of last year. This output was in line with the full-year production estimated at a four-decade low in the ongoing year. The governments' continuous negligence towards the major cash crop for several years and climate change has heavily affected the domestic economy. Complete Story: <https://tribune.com.pk/story/2282549/cotton-production-drops-34-in-fy21>

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Currency Parity

PKR-USD	Selling	Buying
	161	160.2



PKR-GBP	Selling	Buying
	222.1	219.1



PKR-EURO	Selling	Buying
	194.1	192.1



PKR-YEN	Selling	Buying
	1.58	1.55



New York Cotton	Open	Last	Volume
Mar '21	81.00	81.74	2,113
May '21	82.33	82.97	1,255
Jul '21	83.04	83.77	729

GENERAL NEWS

The new leap of China's economy benefits China-Pakistan cooperation

At the beginning of 2021, there comes encouraging news from China. According to the preliminary calculation of the National Bureau of Statistics of China, China's GDP in 2020 reached 101.6 trillion yuan (around 14.7 trillion USD), increasing by 2.3 percent from 2019. For the first time, China's GDP exceeded the 100-trillion-yuan threshold, achieving a historic leap.

Complete Story: <https://nation.com.pk/04-Feb-2021/the-new-leap-of-china-s-economy-benefits-china-pakistan-cooperation>

ECC removes Mari's dividend cap

The federal government on Wednesday allowed Mari Petroleum Company Limited to fully distribute its dividend among shareholders - three years ahead of schedule - aimed at selling its remaining 18.4% stake to either existing shareholders or through the stock exchange.

Complete Story: <https://tribune.com.pk/story/2282548/ecc-removes-maris-dividend-cap>

Ministries seek time to remove hurdles in CPEC

Foreign Minister Shah Mehmood Qureshi has termed the slow progress on China-Pakistan Economic Corridor (CPEC) against "national interest", as the federal and provincial bureaucracy again fails to meet expectations of the political leadership.

Complete Story: <https://tribune.com.pk/story/2282545/ministries-seek-time-to-remove-hurdles-in-cpec>

Private firms setting up LNG terminals seek waivers

As the private sector is engaged in setting up liquefied natural gas (LNG) terminals, it has sought guarantees and waivers from some obligations and regulatory approvals.

Complete Story: <https://tribune.com.pk/story/2282546/private-firms-setting-up-lng-terminals-seek-waivers>

Rupee weakens against dollar

The rupee weakened against the US dollar at Rs160.19 in the inter-bank market on Wednesday compared with Tuesday's close of Rs160.15, according to the State Bank of Pakistan (SBP). Earlier, the SBP let the rupee depreciate massively in the inter-bank market after finalisation of an agreement with the IMF for a loan programme on May 12, 2019. Complete Story: <https://tribune.com.pk/story/2282550/rupee-weakens-against-dollar-24>