



MONTHLY BULLETIN

November 2023

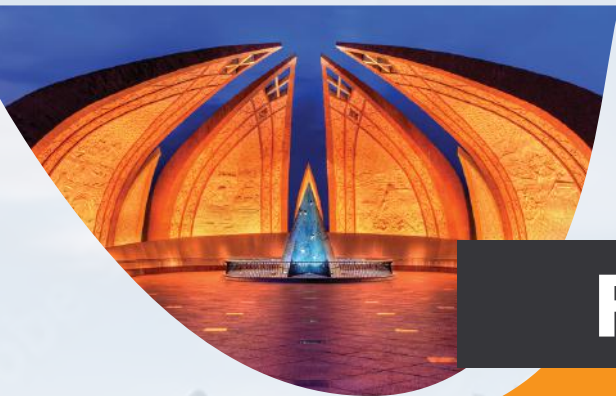
INTRODUCTION

This newsletter's efforts are meant to update the reader with a concise summary of the developments that influence the economic landscape of Pakistan.

ECONOMIC EVENTS

- The Saudi Fund for Development (SFD) has extended the term of \$3 billion deposit for one more year with SBP, maturing on 05 Dec 2023.
- During Jul-Sept of FY'23, the exports to China surged by up to 26%. The statistics revealed that the exports to China were recorded at \$ 633 million, whereas during Jul-Sept of FY'22, the exports were recorded at \$ 501 million.
- By reaching the Staff Level Agreement, Pakistan is expected to receive the \$700 million, after the successful 1st review of the Stand-By-Arrangement. The key pointers that support achieving the target were;
 - Market-Determined Exchange Rate
 - Governance Reforms to Attract Investment
 - Continued Fiscal Consolidation to Reduce Public Debt
 - Deepening Cooperation with International Partners
- The disbursement is subject to the approval of the IMF's Executive Board, after the approval, a total of \$1.9 billion will be received from the \$3 billion program.
- Krave Mart raised the \$6.25 million fund round for the year, as said by CEO. Also, these funds will help the startup reach profitability in 2024.

- The PSX surged to the record in Nov-2023, with an inflow of \$34.5 million from foreigners, the highest since Jan-2018.
- The price of electricity is increased on account of Fuel Charge Adjustment up to Rs 3.53. This adjustment would also impact the protected consumer (using 200 units per month), overall Rs 40 billion additional burden transfer to consumers.
- The foreign exchange reserves with SBP increased by \$77 million and stood at \$7.26 billion as of 24 Nov 2023. Also, the foreign exchange held by commercial banks were \$5.13 billion, and total foreign reserves were \$ 12.39 billion.
- The Price for petroleum products decreased in the month of Nov-23, whereas the price of HSD was reduced twice. The price of petrol was reduced to 281.34 down by Rs 2.04 and the price of diesel was reduced to 289.71 down by Rs 13.47.
- The Prices of petroleum products remain the same for the next 15 days of December 2023.



POLITICAL FRONT

- In the Annual Technical Conference (ATC), Minister for Energy Muhammad Ali disclosed that nearly 60-70 percent area is unexplored and needs to be evaluated for the exploration of oil and gas to reduce the import of fuel.
- He also appreciated the efforts of the SPE Pakistan Section and the Pakistan Association of Petroleum Geoscientists and also highlighted the Government's priority in attracting the FDI for the same.
- Pakistan's first show to mobilize foreign investment was conducted from 05 – 07 Nov in Dubai. SIFC in collaboration with USAID, did the roadshow to project the latent potential of Pakistan and to attract investment for key sectors.

- PM Anwaar ul Haq and First Deputy PM Kuwait Sheikh Talal Al-Khaled witnessed the signing of Seven Agreements and three MOUs. The signing of these agreements will attract billions of dollars as an investment in Pakistan.
- Interim Chief Minister of Khyber Pakhtunkhwa Azam Khan has passed away on Saturday, 11 Nov 2023 due to a heart attack.
- One of the world's biggest gold and copper mines in Reko Diq, to sign an agreement for foreign investment, the Govt. will now negotiate for a fair price including the appointed independent consultant. The share will be dividend in Barrick Gold Corporation (50%), Pakistan's federal government (25%), and Govt. of Balochistan (25%).



WORLD UPDATES

- The Court of Justice of the EU ruled an order on Nov,28 that government offices can ban employees from wearing religious symbols such as Islamic headscarves. The rule can also be imposed on those who are not directly involved in public dealing.
- Turkish President Tayyip Erdogan told UN Secretary-General Antonio Guterres that Israel blatantly violates international law & humanitarian law and must be held accountable for its crimes.
- The Biden administration is strongly urging Israel to exercise caution in a military assault in South Gaza. The proposed strategy aims to protect civilian sites, including humanitarian facilities, hospitals, electricity and water stations and UN-supported shelters.
- COP28, a conference on Climate control organized by the UN and will be hosted in Dubai for 02 weeks where King Charles III, partnering nations, NGOs, Activists and more than 70,000 participants are expected to attend the conference. It might be the largest gathering on climate discussion.

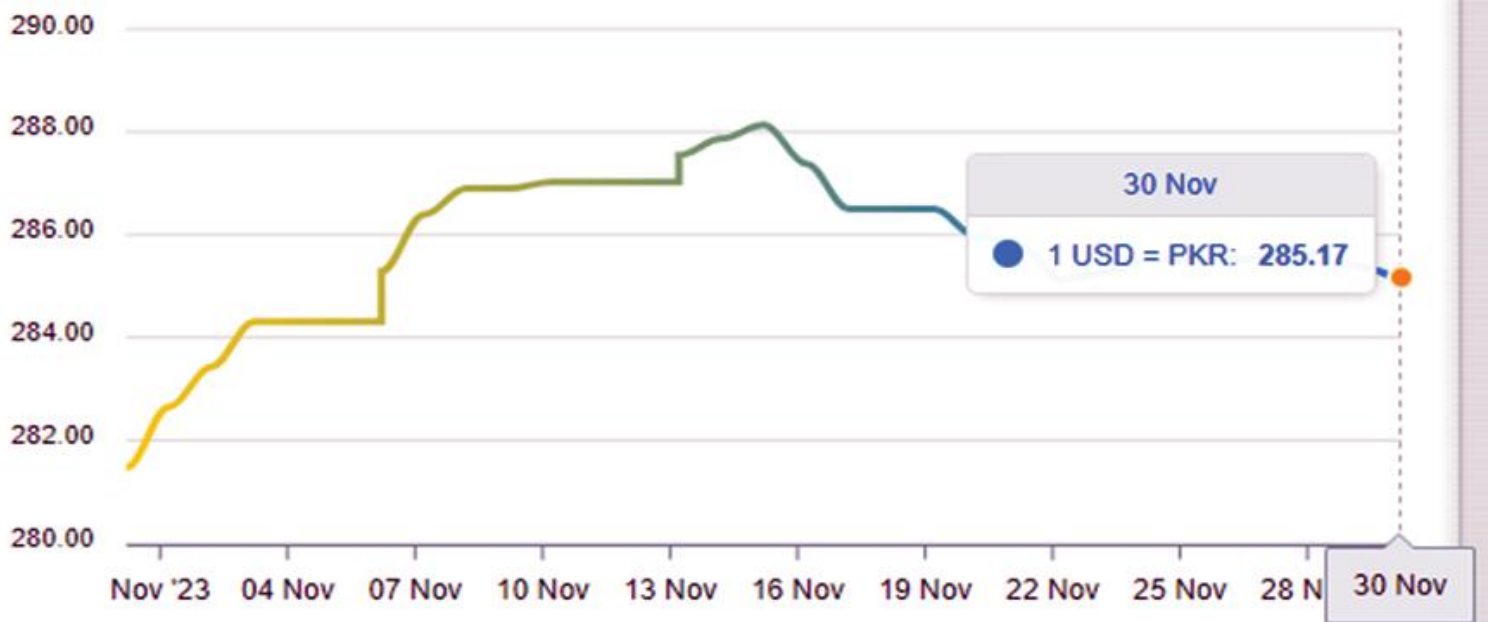
- The Care-taker Prime Minister also reached Dubai along with the Finance Minister, Foreign Minister, Minister for Climate Change, Minister of Energy and other officials.
- "Save the Children" released a new analysis that more than 27 million children worldwide were driven into hunger and malnutrition due to extreme weather in countries severely impacted by the climate crisis in 2022.
- Data also revealed that last year Pakistan was one of the 12 countries where extreme weather was the primary driver of hunger after the devastating flooding in one-third of the country. Around 2 million children in flood-affected are intensely malnourished and nearly 0.6 million children suffer in deadliest form of malnutrition.
- Australia, the first to crack down on nicotine-filled devices (Vape) from January 24, when vape getting high popularity among young people. The country will ban the import of disposable vapes except medical purpose vapes which need permission from the Office of Drug Control.



FINANCIAL WORLD

Forex Update

- The Inter Bank rate of PKR depreciated by Rs 3.7 in Nov-23 and it's closed at 285.17.
- On 15th-Nov-2023, the PKR rate against the Dollar touched the 288.14 highest in the month of Nov-2023.



- The closing rate of major currencies on 30th Nov 2023 were;

INTER **BANK** RATES

Currency	Symbol	Bank Buying TT Clean	Bank Selling TT & OD
Australian Dollar	AUD	188.82	189.32
Canadian Dollar	CAD	209.51	210.01
China Yuan	CNY	39.95	40.05
Danish Krone	DKK	41.95	42.05
Euro	EUR	311.77	312.37
Hong Kong Dollar	HKD	36.49	36.59
Japanese Yen	JPY	1.91	1.94
Saudi Riyal	SAR	75.94	76.09
Singapore Dollar	SGD	213.38	213.88
Swedish Korona	SEK	27.48	27.58
Swiss Franc	CHF	326.28	326.78
Thai Bhat	THB	8.18	8.22
UK Pound Sterling	GBP	361.53	362.18
US Dollar	USD	284.67	285.17



CAPITAL MARKET

- The KSE-100 index crossed the level of 60,000 points for the first time in the history of Pakistan on 28 Nov 2023. The index surged to the 60,981 points in intra-day on 30th Nov 2023.
- The month-on-month increase in the KSE-100 index is above 8000 points.
- The KSE-100 index closed at 60,531.27 points after an increase of 8,311 points, the index was closed at 51,920 points last month.

KSE-100 INDEX



Important Economic Indicators as of Oct-23

Currency (PKR To USD) Rs. 285.17

Stock Market (KSE-100 Index) 60,531.27

Unemployment Rate 6.9% (E)

Inflation Rate 29.2 %

Interest Rate 22%

Corporate Tax Rate 29%

Personal Income Tax Rate 35%

GDP annual growth 2.13% (1QFY24)

Consumer Confidence 32.2

Brent Crude oil \$ 83.10/Bbl

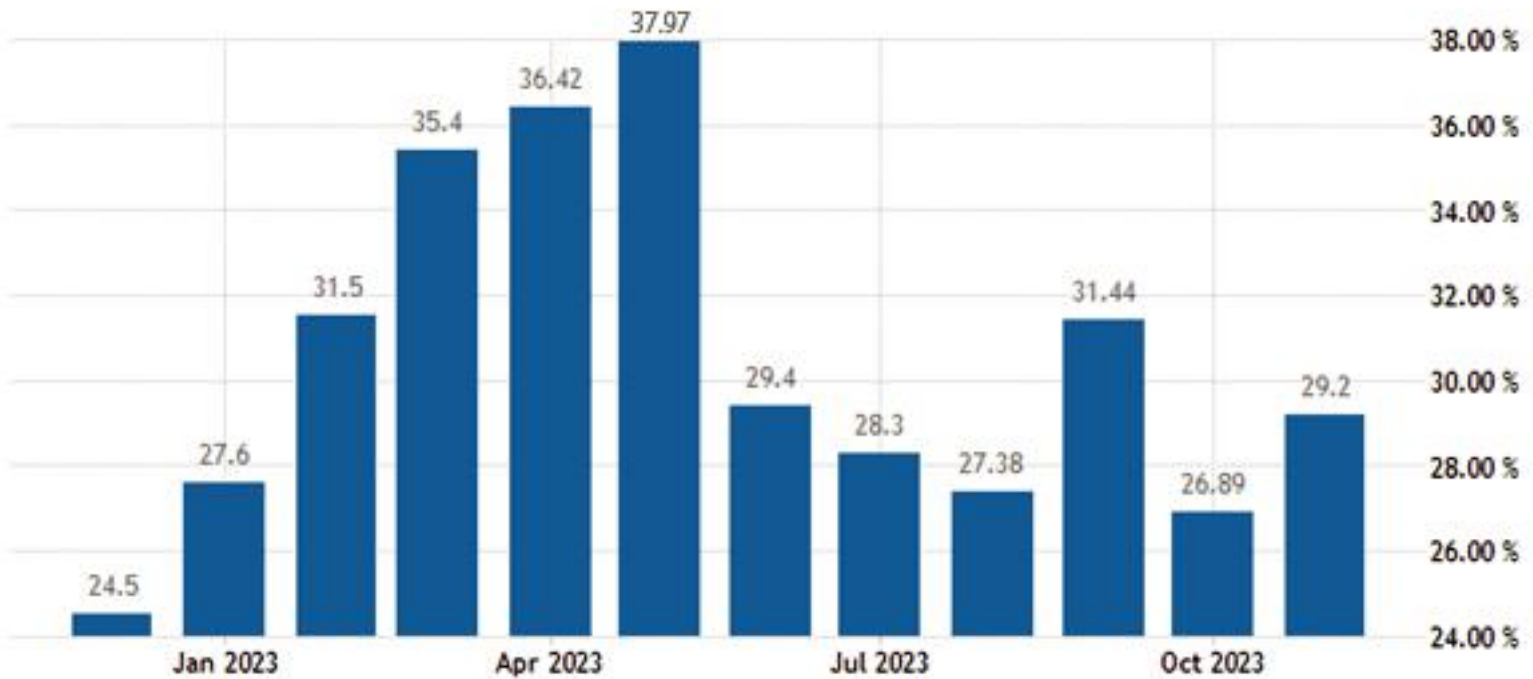
WTI Crude Oil \$ 75.96/Bbl

Gold Per Tola Rs. 218,578



PAKISTAN INFLATION RATE

The annual inflation rate increased again to 29.2% in Nov-2023, following 4.55% decrease in Oct-23 from Sept23. It is primarily fueled by rise in housing & utilities costs to 33% from 20.5% in Oct-23, Food inflation also quickened to 28% from 26.8% in Oct-23.



TAX WORLD

- The Decision to freeze the PIA's bank account is reverted by FBR for time being. However, previously FBR asked banks to frozen all of PIA's bank accounts due to non-payment of federal excise duty, where the liabilities exceeded 55 billion till Sept-2023. However, the 1.5 billion have already recovered and banks were given instruction to immediately transfer any funds received in PIA's accounts.

- Even after the implementation of the track-and-trace system, illicit cigarettes will grow by approximately 63%, as compared to 2021. This causes the FBR, a potential loss of Rs 310 billion during the current fiscal year.

- PM Anwaar-ul-Haq in the cabinet meeting, decided to impose the 40% tax levy on windfall profit earned by banks. FBR has been notified to collect additional tax from the banking sector on windfall income from foreign currency transactions in 2021 and 2022.
- The deadline for payment of the above tax was November 30, 2023, or within 15 days of the extension granted by the commissioner. However, Islamabad High Court issued a temporary stay on the imposition of the new tax until 08 Dec 2023. This new tax will generate an additional Rs 40 billion in revenue for the government.
- FBR will take the data of non-filers from NADRA and send notice of 30 days for compliance, said by FBR chairman in front of the Senate Committee.
- Prior above, FBR already warned the Non-Filers to submit their Tax Returns to avoid the consequences mentioned in Section 114(B) of Income Tax Ordinance 2001.
- The non-filer will face the following consequences in case of ignoring the income tax general order,
 - (a) disabling mobile phones or mobile phone SIMS
 - (b) discontinuance of electricity connection
 - (c) discontinuance of gas connection.

QUOTE

- Do not go where the path may lead, go instead where there is no path and leave a trail.
- Only a life lived for others is a life worthwhile



Stress Management

- Self Limitation
- Healthy Diet
- Exercise
- Meditation
- Time Management
- Physical & Friendly Networking



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