

MONTHLY  
**BULLETIN**

September 2024



# Introduction

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

## Rabi' al-Awwal

- Rabi' al-Awwal is the third month of the Islamic calendar and has historical and spiritual significance for Muslims worldwide.
- This is the month when the last Prophet, mercy to all-mankind (Rahmatul-lil-Alameen) came to this temporary World.
- All Muslims must follow the exemplary character and values of the Prophet, which include Justice and Fairness, Honesty and Integrity, Forgiveness, Patience and Gratitude (Sabr & Shukr), Tolerance Etc.

# Economic Events

- As of 20-Sept-2024, the foreign exchange reserves with SBP increased by \$698.9 million from last month Aug'24. The reserves held with SBP are \$9.534 billion and reserves with commercial banks stood at \$5.339 billion.

## LIQUID FOREIGN EXCHANGE RESERVES (MILLION US\$)

END PERIOD	NET RESERVES WITH SBP	NET RESERVES WITH BANKS	TOTAL LIQUID FX RESERVES
06-Sep-24	9,466.6	5,329.5	14,796.1
13-Sep-24	9,509.6	5,316.9	14,826.5
20-Sep-24	9,533.6	5,339.5	14,873.1

- SBP received the first tranche of SDR 760 million (equivalent to USD 1026.9 million) from the IMF on 27-Sept-2024, which will be reflected in SBP liquid reserves on 03-Oct-2024.
- Key priorities stated in IMF's statement are ;

Rebuilding policy-making credibility and entrenching macroeconomic sustainability:

Raising productivity and competitiveness:

Reforming SOEs and improving public service provision

Building climate resilience

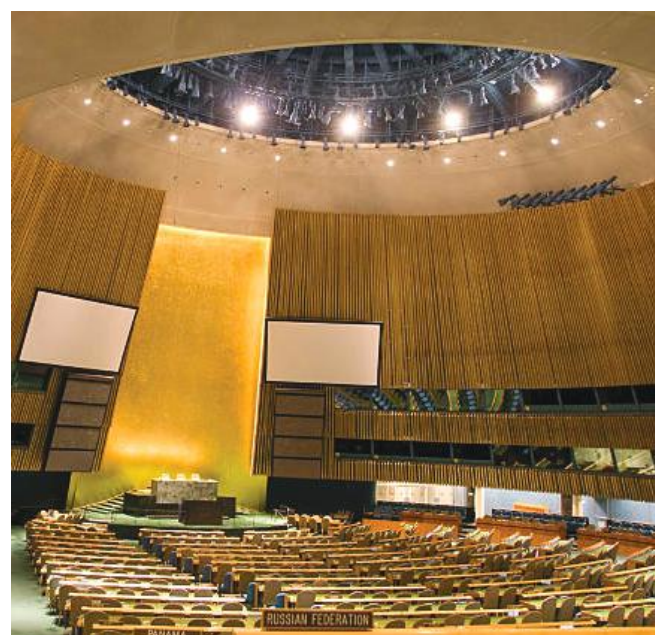
- Attock Petroleum has installed 03, 180KW Fast Electric Vehicle (EV) charging systems at key locations with plans to expand nationwide to facilitate the adoption of Evs.
- Deposit Protection Corporation (DPC) has increased the guarantee amount for all eligible depositors of its member banks from Rs. 500,000 to Rs. 1,000,000, effective October 01, 2024.

- The State Bank of Pakistan (SBP) posted a record profit of Rs3.4 trillion in FY24 which is 3 times more than last year's Rs1.1 trillion profit. The State Bank will transfer 80% i.e. Rs2.72 trillion of profit to the federal government.
- In 2MFY25, the exports increased to \$5.1 billion, a growth of 14% as compared to the same period of last year. Similarly, the imports also grew by 5.7%, or \$463 million, during the same period and stood at \$8.6 billion.
- This additional \$157 million contributed significantly to reduce the trade deficit by 4.2% to \$3.6 billion in 2MFY25.
- Sui Northern Gas Pipeline Limited (SNGPL) has asked PSO to cut back on LNG imports by deferring three cargoes each month, whereas PSO importing nine cargoes from Qatar every month. The power sector being the largest consumer of LNG, facing a dip in electricity demand.

Product	Prices as of 1st Sep (A)	Prices as of 15th Sep (B)	Prices as of 1st Oct (C)	Monthly Increase / Decrease (C-A)
MS (Petrol)	259.1	249.1	247.03	-12.07
High-Speed Diesel (HSD)	262.75	249.69	246.29	-16.46

## Political Front

- PM Shehbaz went to New York to attend the 79th session of the United Nations General Assembly. During the visit, he met with British Counterpart Keir Starmer, founder and co-chair of the Bill & Melinda Gates Foundation (BMGF) Bill Gates, UN Secretary-General Antonio Guterres, Bangladesh Chief Adviser Dr Muhammad Yunus, and Crown Prince of the State of Kuwait, Sheikh Sabah Al-Khaled Al-Hamad Al-Mubarak Al-Sabah.



- PM Shehbaz attended a reception hosted by US President Joe Biden in honour of the heads of state and government participating in the United Nations General Assembly session.
- PM Shehbaz's Speech in UNGA included Israel's military actions in Gaza, the unresolved Kashmir dispute, the global climate crisis, and the international community's failure to uphold justice and human rights.
- This address of PM Shehbaz became the most-watched speech on the UN's official YouTube channel.
- Lieutenant General Muhammad Asim Malik has officially become the new Inter-Services Intelligence Director-General (ISI). His expertise in operational intelligence, having commanded the Infantry Division in Balochistan and being the Chief Instructor at the National Defence University, makes him one of the most capable operational commanders.
- The privatisation of Pakistan International Airlines Corporation Limited (PIACL) is facing delays as the bidding process, originally scheduled for 01st-Oct, has been postponed to 31st-Oct.
- Six parties have been pre-qualified for the bidding, which included Fly Jinnah, Airblue Ltd, Pak Ethanol (Pvt) Ltd, a consortium led by YB Holdings (Pvt) Ltd, Arif Habib Corporation Ltd and Blue World City.
- PM Shehbaz met with the Russian Deputy PM in Islamabad, where he said that strengthening relations with Russia is an important priority of the country's foreign policy.
- Both Leaders agreed to further strengthen cooperation in trade, investment, energy, IT, agriculture, science and technology, and education
- Russian Deputy PM said, "Moscow would support Pakistan's inclusion in BRICS".

## World Updates

### PALESTINE UNDER ATTACK

Latest casualty figures as of September 30

PALESTINE	KILLED	INJURED	PRISONERS FREED
	42,334	102,059	240
ISRAEL	KILLED	INJURED	HOSTAGES RELEASED
	1,139	8,730	110



# World Updates

- Hezbollah leader Sayyed Hassan Nasrallah has been killed in an airstrike by the Israeli military in Beirut.
- Vietnam suffered \$3.3 billion in economic losses as a result of deadly Typhoon Yagi with 299 people killed and 34 reported missing in Vietnam. More than 390,000 houses were damaged or flooded, more than 345,000 hectares of crops were damaged and 5.6 million head of poultry were killed due to Yagi.
- US State spokesperson Matthew Millerrom emphasized that Washington will continue to enforce sanctions against Iran and advised Pakistan to consider the consequences of any such agreements.
- The IP gas project after a decade-long delay, was set to be completed in Sept-2024, after Iran extended the period. Iran may take the matter to the arbitration court, potentially leading to a penalty of \$18 billion against Pakistan.
- Ethiopia becoming the first nation to ban the import of gasoline and diesel vehicles, made history after this move. PM Abiy Ahmed aims to reduce the country's dependency on fuel imports of \$6 billion, save foreign currency and foster environmental sustainability.
- Sri Lankan Prime Minister Dinesh Gunawardena resigned on 23-sept-2024, who took over as prime minister in July 2022 after former President Gotabaya Rajapaksa fled the country. He resigned after Anura Kumara Dissanayake won the presidential election.
- Saudi Crown Prince Mohammed bin Salman said "The kingdom will not stop its tireless work towards the establishment of an independent Palestinian state with East Jerusalem as its capital, and we affirm that the kingdom will not establish diplomatic relations with Israel without that".
- As per the report in Financial Times, Russia through a secret trade channel with India imported critical electronics that will be used for its war efforts in Ukraine.
- In the Mid of Sept-2024, India lifted the "Minimum Exports Price (MEP) to boost the export of Basmati Rice and regain its market share. India exports 4 million to 5 million metric tons of basmati to countries such as Iran, Iraq, Yemen, Saudi Arabia, the United Arab Emirates and the United States.

# Financial World

## Forex Update

- The Inter Bank rate of PKR appreciated by Rs 0.55 in Sept'24 and closed at 278.05.
- The closing rate of major currencies on 30th Sept 2024 were;

### INTER BANK RATES

Currency	Symbol	Bank Buying TT Clean	Bank Selling TT & OD
 Australian Dollar	<u>AUD</u>	192.65	193
 Canadian Dollar	<u>CAD</u>	205.64	206.01
 China Yuan	<u>CNY</u>	40.13	40.2
 Danish Krone	<u>DKK</u>	41.58	41.66
 Euro	<u>EUR</u>	310.06	310.62
 Hong Kong Dollar	<u>HKD</u>	35.7	35.76
 Japanese Yen	<u>JPY</u>	1.95	1.96
 Saudi Riyal	<u>SAR</u>	74.06	74.19
 Singapore Dollar	<u>SGD</u>	216.97	217.36
 Swedish Korona	<u>SEK</u>	27.69	27.74
 Swiss Franc	<u>CHF</u>	330.06	330.66
 Thai Bhat	<u>THB</u>	8.61	8.62
 U.A.E Dirham	<u>AED</u>	76.15	76.29
 UK Pound Sterling	<u>GBP</u>	371.91	372.58
 US Dollar	<u>USD</u>	277.55	278.05

# Capital Market

- The Monetary Policy Committee (MPC) cut the policy rate by 200 bps to 17.5%, effective September 13, 2024. From Jun-24, SBP has reduced the 4.5% in the last 3 months.
- The KSE-100 index closed at 81,114.20 points after an increase of 2625.99 points, the index closed at 78,488.21 points last month.



## Important Economic Indicators as of 30th September 2024

Currency (PKR to USD) Rs. 278.05

Stock Market (KSE-100 Index) 78,488.21

Unemployment Rate 10.3% (E)

Inflation Rate 6.9%

Interest Rate 17.5%

Corporate Tax Rate 29%

Personal Income Tax Rate 35%

GDP Annual Growth 2.3% (E)

Consumer Confidence 31

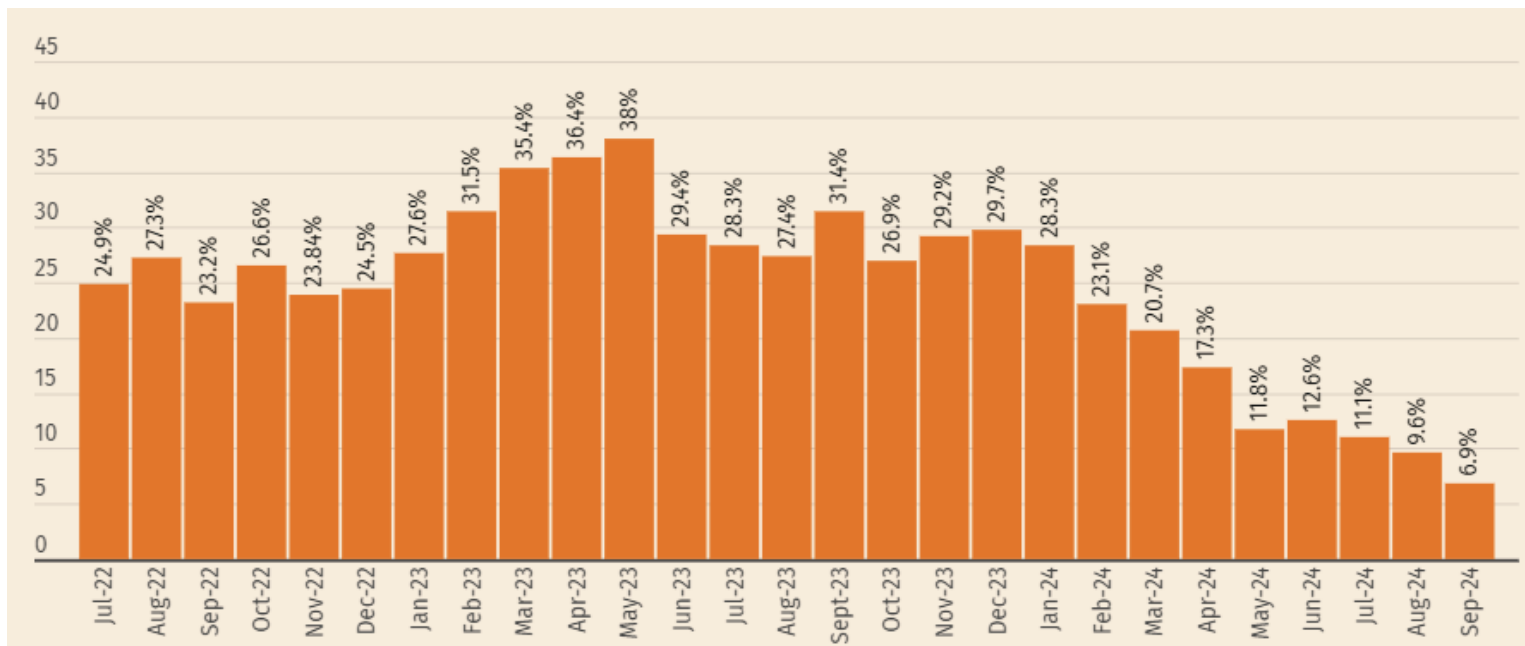
Brent Crude Oil \$ 71.76/Bbl

WTI Crude Oil \$ 68.22/Bbl

Gold per Tola Rs. 276,316



# Inflation Movement



## Consumer Confidence Index

Month	Sep-23	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep 24
CCI	26.2	31.7	33.6	32.8	37.7	40.7	31.8	31.0	31.0

## Tax World

- FBR extended the last date for filing income tax returns up to October 14, 2024, through late-night circular issues.
- The FBR has achieved the monthly target of Rs 985 billion set for September 2024 by collecting net revenue of Rs 996 billion.
- However, FBR has collected Rs 2,452 billion against the assigned target of Rs 2,539 billion set for the 1QFY25, a shortfall of Rs 87 billion.
- The FBR has received 3.6 million income tax returns for the TY-2024 against 1.9 million during the same period of TY-2023.

## Fact Info.

- Canada is the second-largest country in the world by total area, covering 9.98 million square kilometres.
- Canada has the longest coastline of any country in the world, stretching over 202,080 kilometres (125,570 miles).
- Canada has the highest number of lakes in the World, which account for 60% of all the lakes globally.



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