

### Pakistan secures \$ 1Bn duty-free access into China

Pakistan has managed to secure \$ 1Bn worth of duty-free market access into China which will double the country's exports within 1 year, according to the Advisor to PM on Commerce Abdul Razak Dawood. China has agreed to increase its imports from Pakistan to \$ 2.2Bn by end of FY19 from the existing level of \$ 1.2Bn and to \$ 3.2Bn by end of FY18, said Dawood while addressing a press briefing. Beijing has offered this facility in response to Pakistan's request for duty-free status that ASEAN Asian Nations as well as Bangladesh is entitled to. He also announced further liberalizing Pakistan's trade policy, saying drafts of tariff and trade policies are ready for the PM's approval. He added that now the challenge is to find out what goods could be exported to China and the relevant authorities from both sides will decide how much textile, leather, agricultural, surgical and light engineering goods could be exported to fully utilize the facility. *Tribune/Dawn.*

### Talks with IMF on bailout package get under way

Pakistan and the IMF have formally begun two-weeks of talks on Wednesday (7<sup>th</sup> Nov). The talks will aim to ascertain the size of the 'funding gap' facing Islamabad that must be plugged to avert a balance of payments crisis. The funding gap to be determined at the end of the talks will become 13<sup>th</sup> IMF bailout package for Pakistan since the 1980s. *The News.*

### Poised to get better IMF package: Asad

Federal Minister for Finance Asad Umar has said that Pakistan now is in a position to get better bailout package from IMF. Any IMF condition against the national interest would not be acceptable, he said adding that the govt. intends to get \$ 5Bn or \$6Bn from the Fund. He expressed hope that this would be the last programme of IMF for the country. Asad said a huge amount of the loan, instead of being utilised for the welfare of masses, was going directly to pay the loan's interest, adding PKR 1,900Bn would be paid in shape of loan interest in FY19. *The News.*

### ECC keeps wheat support prices unchanged despite farmers earning low profits

The govt. has kept the wheat support price unchanged at PKR 1,300 per 40kg for the 5<sup>th</sup> consecutive year, despite admitting that farmers were earning a meagre 2% profit. Usually, small farmers receive prices that are even lower than the support price. *Tribune.*

### Pakistan to focus specially on technology transfer in future deals

In a recent meeting of the cabinet the govt. has decided to make transfer of technology a vital part of all future agreements with foreign partners, including China, in an attempt to ensure a technology-based economy and give a boost to dwindling exports. The issue also came up for discussion during the signing of a MoU between Pakistan and China for deepening cooperation in the field of geosciences. *Tribune.*

### China 'willing to assist Pakistan for country's social uplift'

A Chinese Foreign Ministry spokesperson has termed PM Imran Khan's visit to China as successful, saying that both countries have agreed to work together to implement all agreements signed during the visit and further elevate the all-weather strategic cooperative partnership. The spokesperson said Beijing was willing, in accordance with Pakistan's needs and with agreement by both sides, to provide what help it can for Pakistan's economic and social development. *Tribune.*

### Chinese diplomat briefs technocrats on CPEC

The Chinese Embassy has said that CPEC has played an important role in Pakistan's economy, power, infrastructure and employment sectors. During a briefing by a Chinese envoy to technocrats at the Chinese Embassy, technocrats were informed that there was an increase of 2.11% in Pakistan's GDP growth rate following the visit of the Chinese President and more than 75,000 people were employed in CPEC-related projects. 3,240MW supply of electricity had been included in the system under 7 CPEC-related projects in the last 3 years. So far 22 projects worth \$ 19Bn had been started under CPEC and 10 high priority projects had been completed while 12 others will soon be completed. With regard to Gwadar, projects worth \$ 262Mn had been completed that provided employment to 4,860 Pakistanis, and 3 big projects were being constructed under loans on easy terms provided by the Chinese govt. According to international organisations, 1.2Mn Pakistanis would be employed in the country under CPEC. *Tribune.*

### Credit rules being revised to facilitate SMEs

Significant changes are being made in prudential regulations to make it easier to acquire loans, especially by SMEs, as SBP has set a target to increase SME financing from 6% to 17% over the next 5 years. Businessmen were informed by the SBP Development Finance Support Unit that the target time for the disposal of local loan applications has been fixed in the range of 15 to 25 days for SME entrepreneurs. All kinds of financing facilities are available with commercial banks and special emphasis has been laid on disbursing industrial and agricultural loans. Efforts are being made to encourage the business community to increasingly rely on the banking sector as only 6% of SMEs are taking loans from banks. *Tribune.*

### Banks say security systems intact to protect customer data

Banks including HBL, Faysal Bank, Bank Al Habib, Allied Bank, First Women Bank, Silk Bank, and Telenor Microfinance Bank (TMB) Commercial banks have said that they have strengthened their security systems and increased surveillance to protect their data from any potential cyber assault in the wake of a recent hacking attack on a bank. The FIA recently said that a group of international hackers has stolen thousands of customers' data of Pakistani commercial banks and sold it to hackers in Poland, Estonia and some other countries. Meanwhile, the Pakistan Banks' Association (PBA) said that it is important to understand the difference between fraudulent transactions and hacking attempt, in the sense that fraudulent transactions can be successful without hacking a bank. *The News.*

### CCP approves Alipay's 45% stake in Telenor Microfinance Bank

The Competition Commission of Pakistan (CCP) has allowed Alipay – an affiliate of online shopping giant Alibaba – acquisition of 45% stake in Telenor Microfinance Bank Limited, facilitating the company in starting its operations in Pakistan by the end of 2018, and securing the first mover advantage in online commerce and digital banking in Pakistan. The move will pave the way for the entry of world's largest mobile payment platform into Pakistan. Ant Financial, the parent company of Alipay and the financial services affiliate of Alibaba, had acquired the 45% stake with an investment of \$ 184.5Mn in Mar' 18. *Tribune.*

### Domestic cement consumption stagnant in four months

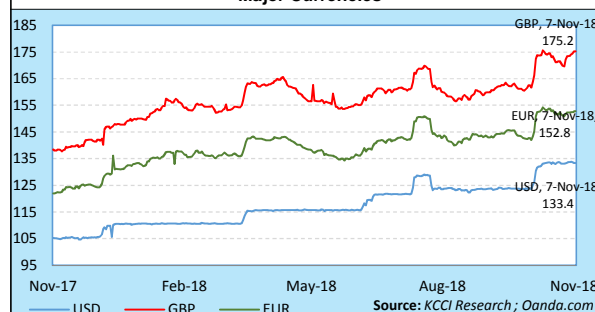
Overall cement dispatches have increased by 5.37% to 15.35Mn tons during 1QFY19 while the domestic uptake has shown almost flat growth, increasing by a paltry 0.82%. Cement dispatches grew by 7.45% in Oct' 18. The industry dispatched 4.54Mn tons of cement last month out of which almost 3.92Mn tons was consumed domestically and rest 0.62Mn tons was exported. Exports grew by impressive 38.87% while the domestic consumption registered an increase of just 3.76%. *Nation.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	7-Nov	PKR	132.68	0.00%
USD-Open MKT	7-Nov	PKR	132.25	0.38%
KSE-100 index	7-Nov	Pts.	41,544	1.43%
FIPI	7-Nov	\$ Mn	-2.54	NM**
Crude (NO'18)	7-Nov	\$/bbl	61.63	-0.87%
Gold (OC'18)	7-Nov	\$/oz	1,227.2	-0.03%
Gold (10g) Local	7-Nov	PKR	51,826	-0.06%
Silver (OC'18)	7-Nov	\$/oz	14.56	0.34%
Cotton(KHI)-40 kg	7-Nov	PKR	9,431	-0.57%
Kibor-6M	7-Nov	%	9.83	0.03%
Forex Reserves	26-Oct	\$ Bn	14.18	-0.78%
	FY19			YoY
Remittances	Jul-Sep 18	\$ Bn	5.42	13.15%
Exports*	Jul-Sep 18	\$ Bn	5.39	4.54%
Imports*	Jul-Sep 18	\$ Bn	14.26	0.64%
Trade Balance*	Jul-Sep 18	\$ Bn	-8.87	1.60%
Current Account	Jul-Sep 18	\$ Bn	-3.67	2.55%
Foreign Direct Inv.	Jul-Sep 18	\$ Bn	0.25	-61.58%
LSM Growth*	Jul-Aug 18	%	-1.17	
Avg. CPI	Jul-Oct 18	%	5.95	
Discount Rate	Jul-18	%	7.50	

Sources: KCCI Research, PMEX, NCCPL, KSE, SBP, PBS\*  
\*\* Not Meaningful on week;

### Major Currencies

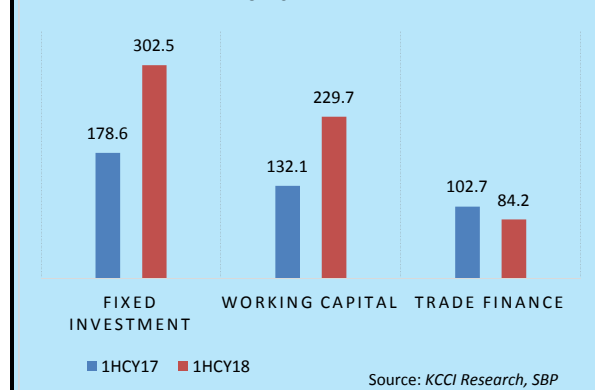


*“Forecasts may tell you a great deal about the forecaster; they tell you nothing about the future.”*

**Warren Buffett**

### Chart of the Day

### Corporate Sector Domestic Advances Flows - PKR Bn



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