

Foreign Exchange Regulation Act to be amended

PM Imran Khan, while chairing a high level meeting, said that money laundering has inflicted serious and irreparable loss to the country's economy. The meeting decided to introduce amendments in the Foreign Exchange Regulations Act (FERA) of 1947 by enhancing rigorous imprisonment to the offenders. The amendment will provide 10 years rigorous imprisonment and fine with PKR 5Mn. By virtue of the amendment, violation of the act would become cognizable and non-bail able offence. Trial under FERA will be completed within 6 months to 1 year. *The News*.

Cabinet halts decision to rectify gas slabs till June

The cabinet Committee on Energy has put a decision of correcting gas slabs on hold till Jun' 19 in a bid to allow inefficient gas utilities to continue charging higher bills from the gas consumers. According to the new gas slabs scheme approved by the govt., gas companies have charged more than double bills at every new slab. The cabinet body has also noted that consumption of gas will drop in summers by the domestic consumers and, therefore, the slabs should be revised in Jun' 19. *Tribune*.

Cabinet body decides to set up CPEC Business Forum

Minister for Planning, Khuro Bakhtyar has said the Cabinet Committee on CPEC has decided to establish a CPEC Business Forum to tap true potential of this important corridor as the forum would create an interface with the business community. He said that a link between govt. institutions and business community was missing since the inception of CPEC. The established forum would comprise of leading businessmen from different sectors. *The Nation*.

Power firms seek tariff hike to adjust PKR 202Bn

The Central Power Purchasing Agency (CPPA) demanded an additional revenue adjustment of PKR 202 Bn, involving about PKR 2.50 per unit increase in uniform electricity tariff for all distribution companies during FY19. After a public hearing, Nepra reserved its judgment and indicated that it would like to settle the matter very soon so as to provide a clear financial picture of the power sector and also an opportunity to the government to decide how it wants to extended subsidy with allocation in the upcoming federal budget. *Dawn*.

FBR's wing to start on-site raids from next week

A special wing of the FBR, tasked to broaden tax base, is all set to begin on-site raids across the city from next week to identify incidences of evasion and avoidance. The BTB Wing of RTO-Karachi constituted teams for physical inspection on the premises of individuals/enterprises that have taxable income but are not in the tax net. The BTB Wing is initiating audit exercise against 2,000 individuals who purchased high volume immovable properties but are not on the tax roll. *The News*.

PM approves NTCB for reviving tourism sector

PM Imran Khan has approved the formation of National Tourism Coordination Board (NTCB) and working groups to revive the tourism sector in the country. PM's Special Assistant on overseas Pakistanis Zulfiqar Bukhari has been appointed as acting chairman of the NTCB which will coordinate with national and international organizations to boost the tourism sector. The board will also work for promotion and marketing of tourism spots and would provide a platform to devise a comprehensive strategy on tourism. *BR*.

SBP urges SMEs to benefit from finance policy

While speaking to SMEs, Syed Samar Hasnain, Executive Director, SBP has said that the SBP has put in place number of refinance facilities both for purchase of plant and machinery for SMEs and working capital finance for special sectors. He urged the SMEs to take a step ahead and approach nearby bank branches to know about SBP's facilities available for them. SBP's subsidized refinance facility can also be used for setting up silos, cold storage facility and warehouses. *BR*.

Body formed to decide financial scope of ML-I Railway project

Minister for Planning Khuro Bakhtiar has said that an implementation committee has been constituted which will decide about the financial scope and phases of ML-I Pakistan Railway project under CPEC and submit a report within two weeks. The govt. has decided to revert to the original plan of ML-1 on EPC mode under previously agreed loan after China refused to entertain govt.'s idea of undertaking the project on BOT basis. Chairing a meeting of the Cabinet Committee on CPEC, he said that the implementation committee also discussed new initiative projects of socio economic development and agriculture sector. China will give \$ 1Bn grant to Pakistan for various projects under the 2nd phase of CPEC in 3 years of which \$ 500Mn will be distributed to complete early harvest and pilot projects. *BR*.

Business Leaders Summit: govt. accords priority to revive national economy: Qureshi

Foreign Minister Shah Mehmood Qureshi, while speaking at the Business Leaders Summit, has said that the priority of the govt. is to revitalize the national economy for which the govt. is taking measures to create conducive environment to promote foreign direct investment (FDI). He said that the UAE is taking keen interest in making investment in different sectors in Pakistan, while Qatar is also planning to invest in the country's food processing industry. He maintained that SEZs under CPEC will encourage foreign investment. *BR*.

Talks inching towards deal: IMF official

Economic revival in Pakistan is imperative and in this connection negotiations are inching towards a successful IMF program, said Teresa Daban Sanchez, Resident Representative of the IMF. She said that 6.6% fiscal deficit is a major challenge for Pakistan and hectic negotiations are continuing for the last many months. She said that tax to GDP ratio is 12% and people must understand that for sustained development, the country must generate indigenous revenue resources. *BR*.

IMF-govt. gap over reforms narrowed: Minister briefs NA body

Finance Minister Asad Umar has stated that the gap between the govt. and IMF over reform agenda for the next program has considerably narrowed. He stated that, the IMF requires the exchange rate to be market based, there should be no interference by the SBP and the SBP should be given complete autonomy. It also wants that electricity and gas system losses be recovered in particular and public sector losses be curtailed in general. He said that there is no disagreement over the problems; however, disagreement persists over timing and extent of adjustment. He added that at a time when reserves are sliding rapidly, a market based exchange rate would be a cause of panic. *BR*.

Pak-India airspace closure: National institutions suffer PKR 2.55Bn loss

Pakistan and India have closed their airspace for each other for the last two weeks after rise in tension between the two countries due to which the national institutions of Pakistan have suffered losses of PKR 2.55Bn. PIA has suffered loss of PKR 1.05Bn due to closure of certain routes, while CAA of Pakistan has incurred a loss of around PKR 1.5Bn so far due to prevailing tension. *The News*.

Govt fails to secure \$ 3.2Bn UAE oil facility

Pakistan has not been able to secure \$ 3.2Bn oil on deferred payments facility from the UAE – a major development which may again bring official forex reserves under stress. The reasons for cancellation of the facility could not be immediately ascertained. *Tribune*.

Benami law applicable from February 1, 2017

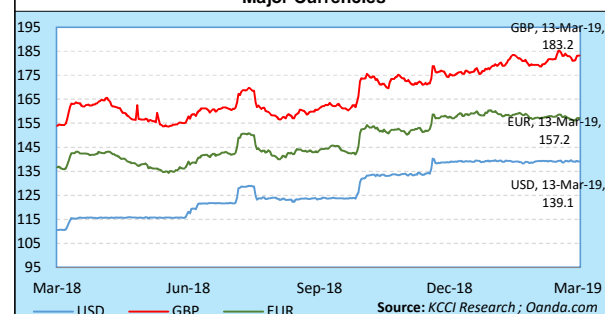
The date of application of Benami law will be from 1st Feb' 17 (date of passage of Benami Transactions (Prohibition) Act 2017 by the Parliament) and tax authorities can prosecute cases of immovable and immovable properties and Benami transactions from the said date onwards. Therefore, the Benami banking and property transactions, which took place from 1st Feb' 17 onwards, could be investigated and prosecuted. *BR*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	13-Mar	PKR	138.81	-0.01%
USD-Open MKT	13-Mar	PKR	138.80	0.00%
KSE-100 index	13-Mar	Pts.	38,929	0.08%
FIPI	13-Mar	\$ Mn	-1.73	NM**
Crude (AP'19)	13-Mar	\$/bbl	58.35	2.22%
Gold (MA'19)	13-Mar	\$/oz	1,309.6	0.63%
Gold (10g) Local	13-Mar	PKR	59,414	0.73%
Silver (MA'19)	13-Mar	\$/oz	15.46	-0.36%
Cotton(KHI) -40 kg	13-Mar	PKR	9,217	0.00%
Kibor-6M	13-Mar	%	10.84	0.00%
Forex Reserves	1-Mar	\$ Bn	14.96	0.95%
	FY19			YoY
Remittances	Jul-Feb 19	\$ Bn	14.35	11.82%
Exports*	Jul-Feb 19	\$ Bn	15.11	1.85%
Imports*	Jul-Feb 19	\$ Bn	36.64	-6.13%
Trade Balance*	Jul-Feb 19	\$ Bn	-21.52	11.03%
Current Account	Jul-Jan 19	\$ Bn	-8.42	16.79%
Foreign Direct Inv.	Jul-Jan 19	\$ Bn	1.45	-17.56%
LSM Growth*	Jul-Dec 18	%	-1.53	
Avg. CPI	Jul-Feb 19	%	6.46	
Discount Rate	Feb-19	%	10.25	

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

Major Currencies

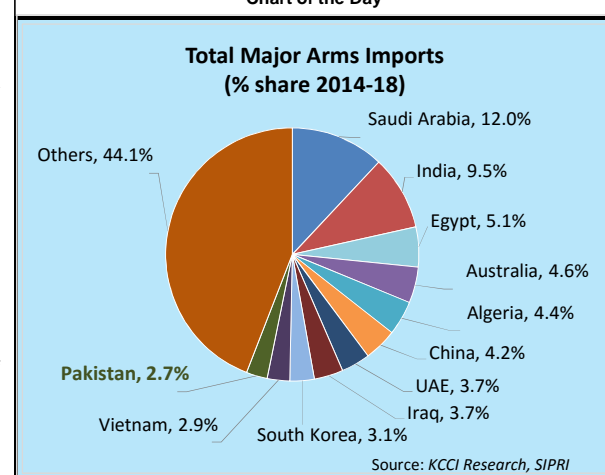


Quote of the Day

"Courage is the ladder on which all the other virtues mount."

Clare Boothe Luce

Chart of the Day



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