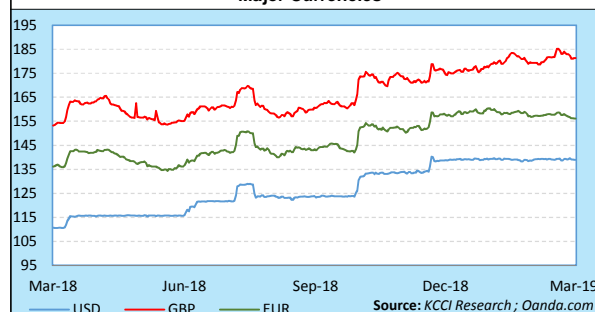


Economic Indicators

| List of Indicators | Date / Period | Unit | Value | Change Daily |
|---------------------|---------------|--------|-----------|--------------|
| USD-Interbank | 26-Jul | PKR | 160.59 | 0.08% |
| USD-Open MKT | 26-Jul | PKR | 160.20 | 0.06% |
| KSE-100 index | 26-Jul | Pts. | 32,103.27 | -1.06% |
| FIPI | 26-Jul | \$ Mn | 737,696 | NM** |
| Crude (AP'19) | 25-Jul | \$/bbl | 55.86 | -0.04% |
| Gold (MA'19) | 25-Jul | \$/oz | 1,414 | -0.81% |
| Gold (10g) Local | 26-Jul | PKR | 72,360 | 0.26% |
| Silver (MA'19) | 25-Jul | \$/oz | 16.34 | -1.08% |
| Cotton(KHI)-40 kg | 26-Jul | PKR | 9,324.00 | 0.58% |
| Kibor-6M | 26-Jul | % | 14.01 | 0.07% |
| Forex Reserves | 19-Jul | \$ Bn | 14.86 | -2.53% |
| | FY19 | | | YoY |
| Remittances | Jul-Jun 19 | \$ Bn | 21.84 | 91.87% |
| Exports* | Jul-Jun 19 | \$ Bn | 22.98 | -1.00% |
| Imports* | Jul-Jun 19 | \$ Bn | 54.80 | -9.86% |
| Trade Balance* | Jul-Jun 19 | \$ Bn | -31.82 | 15.33% |
| Current Account | Jul-Jun 19 | \$ Bn | -13.59 | 31.71% |
| Foreign Direct Inv. | Jul-Jun 19 | \$ Bn | 1.74 | -49.96% |
| LSM Growth* | Jul-May 19 | % | -3.50 | |
| Avg. CPI | Jul-Jun 19 | % | 7.34 | |
| Discount Rate | Jul-19 | % | 13.25 | |

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

Major Currencies

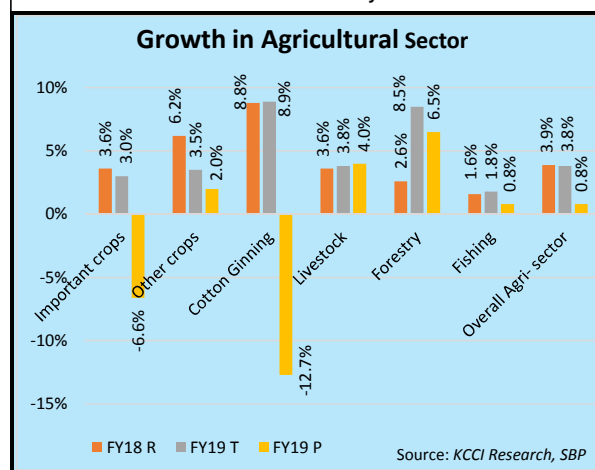


Quote of the Day

"It is hard to fail, but it is worse never to have tried to succeed"

Theodore Roosevelt

Chart of the Day



Disclaimer

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Imran, Erdogan discuss regional issues

Turkish President Recep Tayyip Erdogan called PM Imran Khan and discussed bilateral relations and developments in the region. Both leaders reviewed the progress in several areas of bilateral importance, particularly since PM Imran's visit to Turkey in Jan'19. The two leaders observed that bilateral collaboration in diverse fields will be further strengthened during the next session of the Pakistan-Turkey High-Level Strategic Cooperation Council (HLSCC), scheduled to be held in Islamabad later in 2019. *The News.*

Personal connection made, now time to make progress: US

US State Department has said that PM Imran Khan's visit gave President Donald Trump and Secretary Michael Pompeo the chance to build a personal connection and rapport with premier and now it's time to make progress on this success. A number of issues were discussed not only with the President but with secretary as well, said Spokesperson Ms Ortagus, while re-emphasising that now is time to build upon that meeting and to build upon those commitments. *Dawn.*

PM opted for IMF deal despite another option: Umar

Former finance minister Asad Umar, while speaking at an event, has revealed that PM Imran Khan was provided with an alternative solution to deal with the country's financial crunch instead of opting for the IMF bailout package but he chose to avoid going down the risky path. Under the alternative plan, Umar wanted to use the Pakistani good relations with Gulf countries to raise funds from the global capital markets and commercial banks and apply a combination of tariff and non-tariff barriers and gradual currency depreciation. *BR.*

Makda urges govt. to create conducive environment for Islamic banks

KCCI president Junaid Esmail Makda, while speaking at the 8th Annual Islamic Finance Expo & Conference, has said that the govt. and regulatory bodies such as the SBP and SECP need to develop policies that create more conducive environment for Islamic banks to flourish. He recommended Public-Private Partnership ventures to bring together all stakeholders for generating innovative ideas to stimulate growth of Islamic finance and overcoming the present-day challenges being faced by the industry. *BR.*

1,000 sq ft shops to pay 17% GST

The FBR, through a circular, has defined Tier-1 for retailers as having those with an area of more than 1,000 sq. ft. located at luxury shopping malls: GST at 17% would be applicable to them. For the 2nd tier of retailers, small retailers will have to pay a fixed rate of tax on the basis of electricity bills. The FBR plans to generate PKR 2.6Tn through GST at both import and domestic fronts as well as through imposition of FED out of total fixed annual tax collection target of PKR 5.55Tn for FY20. *The News.*

Murad directs KWSB to launch rotation-based system of water supply

Sindh CM Murad Ali Shah has directed the KWSB to launch a rotation-based system for the distribution of water in the city and develop a system on its website through which people can know when water will be supplied to their locality. While presiding over a meeting, he also discussed ways to deal with heavy rain expected on 29th Jul'19 in the city. *The News.*

CM approves establishment of Sindh Safe City Authority, Sindh Forensic Commission

Sindh CM Murad Ali Shah has approved the proposals to establish the Sindh Safe City Authority and the provincial forensic commission. The 2 proposed projects have been hanging in the balance for some time. It was pointed out that a scheme for PKR 200Mn has been launched to install 10,000 CCTV cameras, in addition to the 25,000 already installed in the city. *The News.*

Sindh govt. poised to invite bids for Dhabeji SEZ

The Sindh govt. is all set to invite developers to participate in competitive bidding for the Dhabeji Special Economic Zone SEZ. Sindh Investment Department would release a request for proposal in Aug'19 and the project would be completed under the public-private partnership model. The govt. would provide land and the private partner would act as a realtor, who would develop the SEZ like a residential society and sell plots to companies. *Tribune.*

Foreign firms repatriate 21.33% less profit in FY19

The outflow of profits and dividends on foreign investments from Pakistan fell 21.33% to \$ 1.83Bn in FY19. Analysts said that the economic slowdown, declining corporates' profitability and currency depreciation dented profits on foreign investment. The payments on FDI fell to \$ 1.58Bn in FY19 from \$ 2.008Bn in FY18. The payments on foreign portfolio investment stood at \$ 247.7Mn, compared with \$ 311.5Mn in FY18. The power sector repatriated \$ 135.1Mn worth of profits as compared with \$ 240.8Mn in FY18. Profit outflows from financial businesses stood at \$ 273.3Mn, compared with \$ 314.4Mn in FY18. *The News.*

Govt borrows \$ 9.85Bn to pay back \$ 8.94Bn foreign debt in FY19

The govt. has borrowed \$ 9.85Bn from foreign sources during FY19 and used the money to pay off \$ 8.94Bn external loans and markups. The Economic Affairs Division said that total external inflows during fiscal FY19 were \$ 10.19Bn, including grants of \$ 330Mn. *The News.*

\$ 2.3Bn external public debt in FY19 lowest in three years

The Economic Affairs Division has said that the net addition to the external public debt during FY19 was only \$ 2.29Bn, which is the lowest in the last 3 years. The EAD further said that net additions to the external public debt during the last three years (FY16 to FY18) were \$ 6.82Bn, \$ 4.77Bn and \$ 8.64Bn, respectively. *Daily Times.*

Maleeha elected vice president of UN's economic arm

Pakistan's Ambassador to UN Maleeha Lodhi has been unanimously elected as one of four vice presidents of Economic and Social Council (Ecosoc), the economic arm of the UN. Ms Lodhi was elected by acclamation after her candidature was endorsed by 54-member body. She will assume Asia Pacific seat in Bureau of Ecosoc, a principal organ of UN mandated to deliberate on socio-economic and development agendas of the world. *Dawn.*

Exports to EU remain stagnant despite GSP+

Pakistan's exports to EU during 2018 posted paltry growth of 2.84%. The dismal numbers show failure of GSP+ to help boost exports as total proceeds to EU amounted to € 6.88Bn compared to € 6.69Bn in 2017. *Dawn.*

Germany to provide financial assistance worth € 22.4Mn

Pakistan and Germany have signed an agreement under Pakistan-Germany Development Programme for financial assistance worth € 22.4Mn to support existing projects in the area of renewable energies, better grid connections and improved access to financial services. These agreements shall provide health insurance to underprivileged masses and investments for polio eradication in collaboration with Ministry of National Health Services, Regulation and Coordination. *The Nation.*

SBP extends renewable energy loan scheme

The SBP has extended the renewable energy financing scheme up to 30th Jun'22, in what would be the central bank's effort to address energy shortage and climate change challenges in the country. This loan facility is available for power generation using alternative/renewable energy sources. *The News.*

ICI receives PKR 7Bn investment offer

ICI Pakistan has received an expression of interest from an international financial institution for investment of PKR 7Bn. The investment would be in the form of a convertible debt instrument which means the investor may attract interest payments and convert the investment into the company's shares at a pre-determined share price. *Tribune.*

WhatsApp to launch digital payments

Messaging giant WhatsApp plans to launch its first payment service this year in India, its biggest market with 400Mn users. The Facebook-owned firm has tested the service with about 1Mn people over the past year. But a commercial launch has been on hold while it waits for approval from India's banking regulator. *The News.*