

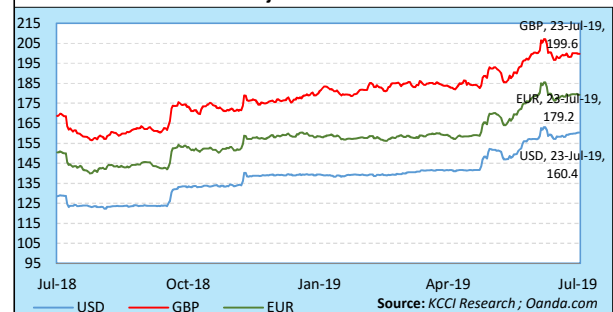


#### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	30-Jul	PKR	160.05	-0.25%
USD-Open MKT	30-Jul	PKR	159.80	-0.44%
KSE-100 index	30-Jul	Pts.	31,658	-0.24%
FIPI	30-Jul	\$ Mn	2.74	NM**
Crude (AP'19)	30-Jul	\$/bbl	58.36	2.30%
Gold (MA'19)	30-Jul	\$/oz	1,434.1	0.22%
Gold (10g) Local	30-Jul	PKR	72,360	0.00%
Silver (MA'19)	30-Jul	\$/oz	16.60	0.67%
Cotton(KHI) -40 kg	30-Jul	PKR	9,002	0.00%
Kibor-6M	30-Jul	%	1,400.00	1385.99%
Forex Reserves	12-Jul FY19	\$ Bn	15.25	WoW 6.94% YoY
Remittances	Jul-Jun 19	\$ Bn	21.84	9.68%
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-Apr 19	%	-3.51	
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

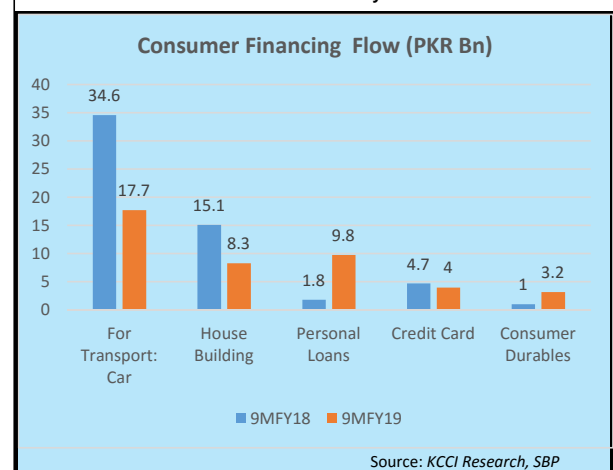


#### Quote of the Day

*"It's not that I'm so smart, it's just that I stay with problems longer."*

**Albert Einstein**

#### Chart of the Day



#### Disclaimer

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#### FBR to get tax from income received from relatives without cross cheque

The FBR will consider provision of gift from closed blood relations, if received through cross cheque or banking channel; otherwise it will be added in income chargeable to tax. Under Section 39 of Income Tax Ordinance 2001, if cash gift is received from relatives including grandparents, parents, spouse, brother, sister, son or a daughter but the same has not been received through cross-cheque or banking channel, the amount of gift will still be added in income chargeable to tax under the head "Income from other sources". The FBR has also empowered Commissioners to freeze any domestic assets of a person involved in offshore tax evasion. *The News*.

#### \$ 10,000 limit for individuals to carry proposed: SBP

SBP has said that a limit of \$ 10,000 or equivalent in other currencies for individuals to carry physically or otherwise within Pakistan was proposed in the Foreign Exchange Regulation (Amendment) Bill. This was stated by the Deputy Governor SBP Jamil Ahmed during the meeting of the finance committee that approved the Bill to check the practice of Hawala/Hundi and other forms of illegal foreign exchange transactions. This limit for authorized dealers, foreign exchange companies, and money changers will be prescribed by the SBP. Any inland movement exceeding the limit shall require permission of the SBP. *BR*.

#### Source must be explained: Remittances exceeding PKR 5Mn not added to taxable income: FBR

FBR has issued income tax circular 9 of 2019 which reads that foreign remittances exceeding PKR 5Mn do not attract any addition to income chargeable to tax, but if the source of foreign remittance is not explainable, such amount will be added to income chargeable to tax. *BR*.

#### Immovable property values: FBR toughens requirement for purchasers

FBR has said that purchasers of immovable properties are now required to explain the source of investment up to the FBR value of property. It explained through income tax circular No 9 of 2019 that previously such purchasers were required to explain the source of investment to the extent of recorded value of property. *BR*.

#### Money launderers to get 10-year jail, fine of PKR 5m under approved bill

The National Assembly's Standing Committee on Finance has approved the Anti-Money Laundering (Amendment) Bill, 2019, which prescribes punishments for offenders and outlines mechanisms for authorities to deal with such crimes in an effort to fulfil the Financial Action Task Force's requirements on curbing money laundering. According to the approved Bill, violators of the law will be subject to a prison sentence of up to 10 years instead of the previous 2 years, along with a fine of PKR 5Mn, up from the previous figure of PKR 1Mn. The investigating officer shall be authorized remand of the person for a period of 180 days, up from the previous 90 days, and shall not need to obtain arrest warrants. The offenders assets will also be seized by authorities. *Daily Times*.

#### Names of 3.26Mn power consumers missing from sales, income tax records

Amid record fiscal deficit and declining govt. revenues, names of as many as 3.26Mn power consumers have been found to be missing from sales tax and income tax records. The alarmingly poor compliance with tax laws is at the heart of the country's widening fiscal deficit. Chairman FBR Shabbir Zaidi has warned that from Jul'19 onwards the board will take strict action against tax defaulters, including by cutting off their supply of electricity. *Dawn*.

#### Petrol price likely to go up by PKR 5.15 per litre

Consumers are likely to face a hike of up to 10% in the prices of petroleum products for Aug'19 following fluctuations in global crude prices. Ogra has calculated an increase of PKR 5.15 per litre in the price of petrol and PKR 5.65 per litre for HSD. *Tribune*.

#### Karachi faces massive power breakdown after Lath Dam overflow

Many areas of the city plunged into darkness after K-Electric suspended supply to feeders associated with the KDA Grid Station at Gulzar-e-Hijri Scheme 33 due to flooding. Floodwater entered different areas of Manghopir, Saadi Town and Superhighway after Thado and Lath dams overflowed. *Tribune*.

#### Mayor seeks Centre's help as low-lying areas flooded by rain

Karachi Mayor Wasim Akhtar has sought the federal govt.'s support as heavy monsoon rains continued to batter Karachi. Unable to control the situation, Mayor Akhtar wrote to the federal minister for maritime affairs, Ali Zaidi, for his support. He has also appealed to PM Imran Khan for help and since the Sindh govt. has failed, the federal govt. should help. *The News*.

#### Customs take steps to check tampering of high security seals

Pakistan Customs has adopted a procedure to prevent incidents of tampering of high security seals in containers to deprive the national exchequer of duty and taxes. As per new procedures, terminal operators will be responsible to ensure that seals are properly applied and removed at the time of examination. They will also ensure that the seal/de-sealing is covered by CCTV. *The News*.

#### Imported cotton: Duty, ST to be re-imposed from tomorrow

The govt. is all set to re-impose custom duty, additional customs duty and sales tax @ 3%, 2% and 5% respectively on imported cotton from 1<sup>st</sup> Aug'19 (tomorrow). Pakistan imports about 1Mn bales to meet the gap between consumption and production. Export oriented units can claim duty paid on imported raw material under Duty and Taxes Remission Scheme. *BR*.

#### Indicative price of cotton: Govt. may announce PKR 4,000/40 kg

The govt. is likely to announce PKR 4,000 per 40kg as the indicative price of Grade 3 Cotton, aimed at luring farmers who opted for other crops due to better returns to grow cotton. Over the years, the production of cotton has declined far below the national requirement, thus making way for import of raw cotton. Last year's production was 10.77Mn bales against national requirement of around 13-14Mn bales annually. The decline in production of cotton has been attributed to low returns to growers, higher cost of production and decline in the price of cotton at a critical time, and low yield and attack of virus and pests. *BR*.

#### Cabinet orders reversal of roti, naan price

PM Imran Khan, while chairing a meeting on gas tariff for tandoors and prices of roti and naan, expressed displeasure over the increase in their rates and has directed reverting the prices back to the previous levels. The PM has also directed the ministries to give proposals for facilitating the common people. *The News*.

#### US hints at greater economic engagement with Pakistan

The US and Pakistan can further enhance bilateral trade if strategic ties between the two countries continue to improve, said a White House fact sheet released on 30<sup>th</sup> Jul'19. American energy producers are seeing more and more business opportunities with Pakistan and American companies are incorporating cutting-edge technologies into energy projects throughout Pakistan, the document adds. *Dawn*.

#### Huawei to establish seven ICT academies

Huawei has planned to establish 7 ICT academies and cultivate 3,000 ICT talents in 2019. Since entering Pakistan in 1998, Huawei has maintained robust growth and contributed to Pakistan's overall ICT industry development. IT employs around 1,600 people in Pakistan, 91% of whom are Pakistani nationals. *The News*.