

Foreign investors' confidence rises

Foreign investors' perception of country's security and law and order situation has significantly improved in 2018, revealed the survey results conducted by the Overseas Investors Chamber of Commerce and Industry (OICCI). The survey said the security situation in Balochistan improved by 40% and by 70% in Karachi and Lahore. The visibly improved security situation has boosted confidence of foreign investors and is reflected in over 65% increase in the visits to Pakistan by OICCI members' senior management. *Dawn*.

'No agreement with IMF on rupee-dollar parity'

SBP Governor Reza Baqir has dispelled the perception that Pakistan has agreed with the IMF to bring the PKR to a certain level against the USD. Baqir, in a briefing to analysts, said that the SBP's measures have brought the exchange rate close to real effective exchange rate, which has eliminated non-oil trade deficit. Baqir added that comparing the exchange rate movement with Egypt is not fair due to stark difference in the economic position of both countries. The SBP governor is optimistic that the main causes of the crisis have been addressed. *The News*.

PM takes back portfolio of Revenue Division from Hafeez Sheikh

PM Imran Khan has reduced the powers of Advisor on Finance Dr Abdul Hafeez Sheikh by taking back portfolio of Revenue Division from him, according to a notification issued by Cabinet Division. Former Minister of state for revenue Hammad Azhar has been elevated to the post of Federal Minister for Revenue Division, the notification dated 8th Jul'19 stated. *The Nation*.

FBR abolishes 42 special procedures notified thru STGOs

FBR has abolished 42 sales tax procedures dealing with adjustment of sales tax by steel melters, commercial importers, fiscal relief to tribal areas, payment of sales tax on vehicles, refund claims on local supply of zero-rated sectors and repayment of sales tax to duty-free shops on locally manufactured goods. Special procedures have been abolished covering sectors of vehicles, steel, commercial importers, auto-parts and accessories, 5 export-oriented zero-rated sectors and others. *BR*.

Automakers scale back production

Auto assemblers have decided to slow down their production in Jul'19 amid backlog of unsold stocks, slowdown in new booking and on spot sales, substantial hike in vehicle prices and new budgetary measures. *Dawn*.

No schedule finalised for PM's Russia visit

No schedule has been determined for the visit of PM Imran Khan to Russia. Likewise, Russian President Vladimir Putin has yet to make up his mind to visit Pakistan for a maiden trip. *The News*.

Transporters withdraw strike call after meeting with Governor

Karachi Transporters have announced to withdraw their strike call for next 10 days after successful meeting with Sindh Governor Imran Ismail. The Governor assured the transporters that their genuine concerns would be addressed. *BR*.

Offshore assets: FBR expands scope of DG ITO's powers

The FBR has expanded the scope of powers of Director General of International Taxes Operations to enforce return filing, make assessments, seek automatic exchange of information from other countries and obtain information of taxpayers solicited by another country under tax treaty, tax information exchange agreement or multilateral convention. SRO 744 has been issued in this regard. *BR*.

Qatar tenders buy 4,000 tons rice from Pakistan

Qatar's state purchasing agency has issued a tender to buy about 4,000 tons of Basmati rice to be sourced from Pakistan. Tender deadline is 21st Jul'19 and 100,000 bags of rice of 40 Kg each are sought. *BR*.

Capacity charges go up to PKR 900Bn from PKR 650Bn

The capacity charges payments of the power plants have alarmingly ballooned to PKR 900Bn this year from PKR 650Bn in last fiscal year. The hike in tariff by PKR 1.50/unit effective from 1st Jul'19 is mainly because of the capacity charges payments. Over 11,000MW has been added in the system, while the surplus capacity is now hovering at 4,000MW in winter season and the power consumers will pay their capacity charges. *The News*.

Govt has made extra payments of PKR 956Bn to IPPs in 10 years: senator

The convener of a parliamentary committee Nauman Wazir, has said that the govt. has made extra payments of about PKR 956Bn to independent power producers (IPPs) over a period of 10 years more than \$ 6Bn loan to be obtained from IMF. IPPs should have earned PKR 400Bn under the agreement, but they have made PKR 1,400Bn profits. As per GoP Policy, they were entitled for a profit of PKR 717Mn per annum, however, they were on average earning PKR 3,106Mn per annum, hence making an illegal profit of PKR 2,389Mn per annum, he said. *Dawn*.

Net international reserves stand at negative \$ 17.7Bn: IMF

At a time when net international reserves held by the SBP stand at a negative figure of \$ 17.74Bn, the IMF has projected that external debt and liabilities will increase by \$ 20.5Bn in the next 3 years under the IMF program. The net international reserves held by SBP will start declining but remain negative at \$ 10.79Bn in FY20. Meanwhile, the SBP has received the 1st tranche of \$ 991.4Mn from the IMF. *The News*.

Thar power plant achieves commercial operations date

Engro Powergen Thar has announced achievement of commercial operations date (COD) for 660MW coal power plant and mining project in Thar. *Dawn*.

Milk shortage expected today as wholesalers announce strike

A severe shortage of milk is expected in the city today (10th Jul'19) as various associations involved in the trading of milk have announced a strike for an indefinite time period which will not be called off until their demands are met. The issue started on Sat (6th Jul'19) when all the 3 farmers' associations jointly increased the wholesale rate of milk from PKR 85 to PKR 95/litre, a move that was rejected by the provincial govt. The dairy farmers are demanding that the price of one litre of milk be increased by PKR 25 (PKR 10 in 1st phase and PKR 15/litre in the 2nd phase) due to an increase in fodder's cost and other factors. *The News*.

Malaysia seeks investment avenues in Pakistan

High Commissioner to Pakistan Ikram Ibrahim while speaking at the Pakistan-Malaysia Business Opportunities Conference (BOC) in Kuala Lumpur said that the Malaysian business community and key players should seize the opportunity offered in Pakistan's market, specifically under the CPEC project. BOC brought together more than 300 participants – including about 150 Malaysian companies – representing various sectors including tourism, pharmaceutical, chemical, plastic, textile, surgical goods, furniture and construction. *Tribune*.

Pakistan Post becomes most profitable public entity of year

Due to its revolutionary steps, Pakistan Post has become the most profitable public department of the year by increasing its revenue by 116%. It earned around PKR 14.5Bn, which was the highest profitability in all public departments in FY18. *Daily Times*.

Three local firms to invest in Australian mill

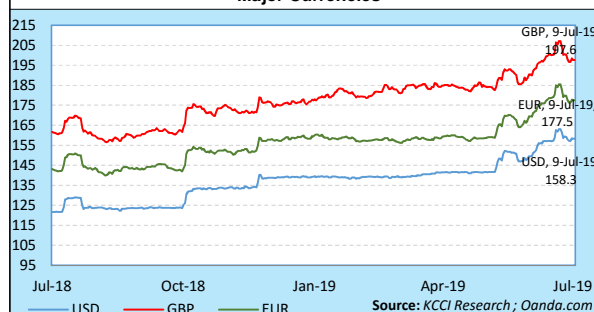
3 Pakistani companies- Thal Industries Corporation, Almoiz Industries and Naubahar Bottling Company- are going to invest AUD 35Mn in the 123-year-old Australian sugar mill – ISIS Central Sugar Mill Company Limited through acquisition of ordinary shares up to 55% of overall stake. *Tribune*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	9-Jul	PKR	157.38	0.03%
USD-Open MKT	9-Jul	PKR	157.20	0.13%
KSE-100 index	9-Jul	Pts.	33,856	0.33%
FIPI	9-Jul	\$ Mn	1.67	NM**
Crude (AP'19)	9-Jul	\$/bbl	58.42	1.65%
Gold (MA'19)	9-Jul	\$/oz	1,399.5	0.16%
Gold (10g) Local	9-Jul	PKR	67,430	0.00%
Silver (MA'19)	9-Jul	\$/oz	15.06	0.60%
Cotton(KHI) -40 kg	9-Jul	PKR	8,895	0.00%
Kibor-6M	9-Jul	%	13.14	0.01%
Forex Reserves	28-Jun	\$ Bn	14.44	0.64%
	FY19			YoY
Remittances	Jul-May 19	\$ Bn	20.19	10.42%
Exports*	Jul-May 19	\$ Bn	21.27	-0.30%
Imports*	Jul-May 19	\$ Bn	50.47	-8.47%
Trade Balance*	Jul-May 19	\$ Bn	-29.21	13.62%
Current Account	Jul-May 19	\$ Bn	-12.68	29.28%
Foreign Direct Inv.	Jul-May 19	\$ Bn	1.61	-49.18%
LSM Growth*	Jul-Apr 19	%	-3.51	
Avg. CPI	Jul-Jun 19	%	7.34	
Discount Rate	May-19	%	12.25	

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

Major Currencies



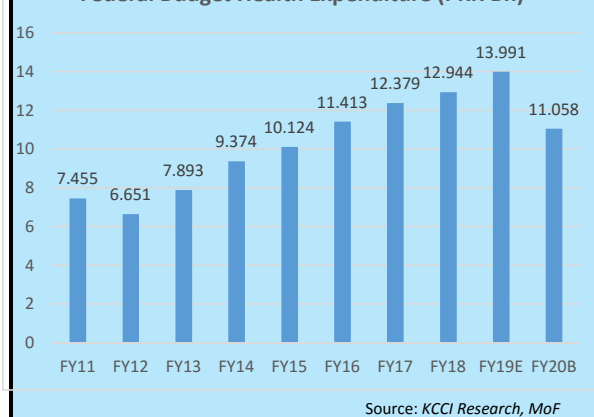
Quote of the Day

"Business is a combination of war and sport."

Andre Maurois

Chart of the Day

Federal Budget Health Expenditure (PKR Bn)



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