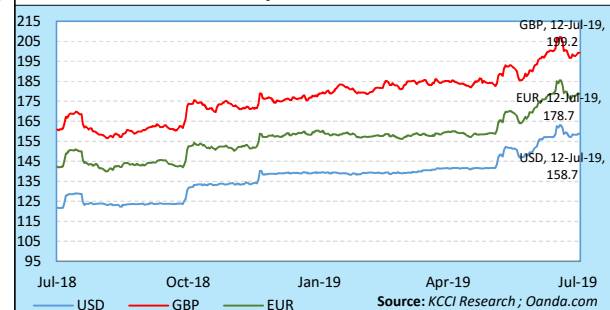


Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	12-Jul	PKR	158.79	0.19%
USD-Open MKT	12-Jul	PKR	159.00	-0.13%
KSE-100 index	12-Jul	Pts.	33,672	-0.60%
FIPI	12-Jul	\$ Mn	0.67	NM**
Crude (AP'19)	11-Jul	\$/bbl	60.46	0.33%
Gold (MA'19)	11-Jul	\$/oz	1,405.0	-1.06%
Gold (10g) Local	12-Jul	PKR	68,844	0.00%
Silver (MA'19)	11-Jul	\$/oz	15.05	-0.86%
Cotton(KHI)-40 kg	12-Jul	PKR	8,895	-1.19%
Kibor-6M	12-Jul	%	13.15	0.01%
Forex Reserves	28-Jun	\$ Bn	14.44	0.64%
	FY19			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-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

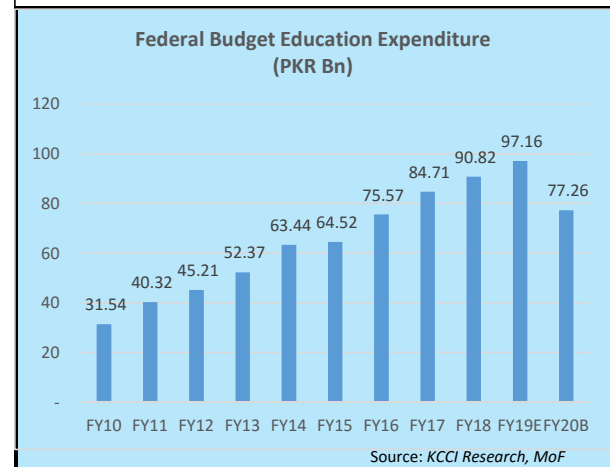


Quote of the Day

"If people are doubting how far you can go, go as far that you cant hear them anymore."

Michelle Ruiz

Chart of the Day



Disclaimer

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Traders call for nationwide strike today—Karachi divided

The first big test of the PTI govt. and its budget could shape up today (13th Jul'19) as traders bodies from around the country have issued a nationwide strike call. A rift has emerged among traders in Karachi ahead of a countrywide strike call given by various organisations. A number of small groups representing various markets, have decided to keep their shutters open. Karachi Chamber of Commerce and Industry has already announced that it is not joining any strike call against the govt. and said that they are in talks with the authorities to resolve the issues. KCCI has stated that it has neither asked for participating in strike call nor they are part of any strike call in the city. KCCI has a clear opinion that strike will not resolve issues and KCCI continues to sit with authorities to explain underlying issues and get them resolved. *Dawn/ The Nation.*

There's no deadlock with any sector, says FBR chief

Chairman FBR Shabbar Zaidi has ruled out possibility of any political involvement or interference behind the ongoing strikes or protests against the condition of providing CNIC numbers of unregistered buyers or imposition of 17% sales tax on local sales of 5 export-oriented sectors. Zaidi said that there is no deadlock with anyone and FBR has constantly been engaged with various exporters associations of different sectors in all cities. The condition of CNIC is not for the general public, but only for persons registered with the sales tax department and such registered number of taxpayers is standing at 47,000 all over the country. As a result of meetings with the chambers/trade bodies, the FBR chairman said that the FBR is ready to define "small trader" in consultation with the trade bodies. The FBR is also ready to introduce a fixed tax scheme for small traders. In a separate incidence The PM met with the officials of Karachi Chamber of Commerce to discuss the issues including CNIC's of un-registered buyers. He regretted that some sectors are using the condition of seeking CNIC's number of buyers to create misunderstanding and confusion for their own motives. *BR.*

Trade deficit contracts 15.3% to \$31.8bn in FY2019

Pakistan's trade deficit has contracted by 15.3% to \$ 31.8bn during FY19 from \$ 37.5bn in FY18 as the govt. managed to compress imports through administrative restrictions and duties on non-essential products, but exports continued to remain subdued. In FY19, imports stood at \$ 54.7bn, down 9.8% from \$ 60.7bn. Exports inched down 1% to \$ 22.9bn as compared to \$ 23.2bn in FY18. *The News.*

MPC to meet on Tuesday: SBP likely to maintain tight monetary policy stance

The SBP is likely to maintain its tight monetary policy stance in its upcoming meeting to ensure macroeconomic stability and contain inflation. The Monetary Policy Committee (MPC) of SBP will meet on 16th Jul'19 at SBP head office Karachi for considerations on the evolving macroeconomic situation to decide about the interest rate. This will be first monetary policy after the IMF program. *BR.*

FBR to help ensure liquidity arrangements for exporters

FBR has so far not taken any decision to withdraw or reduce 17% sales tax imposed on local sales of 5 export-oriented sectors; however, however it says that it will take major measures to ensure liquidity arrangements for the exporters. The FBR will resolve their exemption related issues under Duty & Tax Remission for Exporters (DTRE) scheme and Drawback of Local Taxes and Levies (DLTL). FBR said that it is planning to show a new face of FBR to the world, ie. "E-FBR New Virtual Setup" to facilitate new and existing taxpayers. Under a single portal, all the taxpayers would be provided a common platform and hyper link to file federal and provincial sales tax returns from next month. FBR also said that a new app on mobile phone would be introduced for individuals and salaried class to file their returns simply through mobile phones. *BR.*

No tax imposed on edible items: FBR

Chairman FBR Shabbar Zaidi has said that no tax has been imposed on edible items including the flour, ghee or any other items. However, govt. will not take any decision that hurts our industry or trade.. *The Nation.*

Ordinance to bail big GIDC defaulters out

The govt. has decided to promulgate a presidential ordinance, allowing big defaulters of GIDC to pay just 50% of total amount of PKR 415Bn. Big defaulters will now pay over PKR 200Bn to the govt. Since parliament is not in session, the decision will be enforced through a presidential ordinance. *The News.*

Chinese businesses to invest PKR 790Bn in Pakistan

Chairing a meeting of Board of Directors of Board of Investment (BOI), PM Imran Khan has expressed govt.'s commitment to encourage investors and provide them all out facilities. The PM has directed the Chairman BOI to complete the process of harmonizing and integrating the federal and provincial laws on business within a month. He said that leading Chinese companies have committed to invest \$ 5Bn (PKR 790Bn) in Pakistan in next 3-5 years during their meeting. The commitment was expressed during a meeting of a high level delegation of over 55 executives and CEOs of the leading Chinese companies. *The News.*

Reforms in FBR: 503 more officials transferred

In the 2nd phase of the ongoing massive reshuffle, the FBR has transferred over 500 officials of Customs group including powerful appraisers. In the 1st batch on 7th Jul'19, the FBR transferred around 3,100 workforce, mainly from the Inland Revenue Service (IRS) from across the country. A major reshuffle at the top of the FBR is also expected and it will be done anytime in next few days. *The News.*

Afghanistan, Pakistan resume transit trade talks

Pakistan and Afghanistan have resumed talks to iron out differences in the way of transit treaty after a three-year hiatus. Technical Working Group (TWG) of Afghan officials met with Adviser to PM on Commerce Abdul Razak Dawood where both sides have exchanged their concerns and proposals. During the meeting, Dawood complained to Afghan officials over the unchecked pilferage of goods through transit trade and asked them to address the issue. He also asked officials to submit their revised draft on the Afghanistan Pakistan Transit Trade Agreement (APTTA) which has been pending since 2017. *Dawn.*

Honda halts production, Indus to follow

Honda Atlas Cars Pakistan (HACP) has shut down its plant for 10 days from 12th Jul'19 as its inventories have piled up to 2,000 units on plummeting car sales amid rising prices due to imposition of new, higher taxes in the budget and steep currency devaluation in the recent weeks. Similarly, Indus Motor Company (IMC) has also decided to stop car production for 8 days, two days every week, during Jul'19. Suzuki Motor Company will take decision whether or not to cut down production in the next few days after analysing sales trend and flow of booking orders during Jul'19. *The Nation.*

Ceramic tiles in Third Schedule of ST Act 1990: APCTMA urges govt. to reconsider inclusion

Ceramic tile manufacturers have urged the govt. to reconsider the inclusion of ceramic tiles in the 3rd Schedule of the Sales Tax Act 1990 as it will have negative impact on the industry which is already fighting for survival. They say it is not practical for the manufacturers to print retail prices on each box since the manufacturing process and nature of plant are not that simple. Tiles fall under the category of durable products and these are produced and sold on order-to-order basis in different regions at different prices due to variable freight cost. *BR.*