

110,000 declare assets under amnesty scheme

With the curtain dropping on the amnesty scheme, about 110,000 people have filed tax returns declaring their assets and depositing about PKR 55Bn in taxes till 3rd Jul'19. Another 21,000 people are set to submit their returns along with declaration forms. The amnesty scheme saw a surge of interest mostly from those people who were non-filers of income tax. *Dawn*.

Action against benami assets begins

As the crackdown against benami holders gets underway, FBR's newly-established zones at Karachi, Lahore and Islamabad have attached properties and accounts of 30 public office holders. FBR kick-started its crackdown against public office holders because they were not eligible to avail the Asset Declaration Scheme 2019. FBR would launch a crackdown against 300 biggest benami holders and has finalised a list of such mega cases. *The News*.

Benami probe launched against directors of 33 companies

FBR has started investigating company directors under Benami property prohibition law to unearth assets, made, held, or transacted in the name of other persons/entities, worth billions. The tax authorities have asked SECP to verify the directorships in around 33 companies in connection to Benami properties. These companies mainly belong to sugar manufacturing, building and developing, power generation, welfare foundations, etc. *The News*.

Army chief defends govt.'s tough economic measures

Chief of the Army Staff General Qamar Bajwa has defended the govt.'s tough economic measures as indispensable. He was speaking at a Corps Commanders meeting at the GHQ, where the economic and internal security situation. This was the 2nd occasion in a week when Gen Bajwa, who has recently been made part of the newly constituted National Development Council, spoke on the economy. *Dawn*.

IMF okays \$ 6Bn package to 'foster strong growth'

The Executive Board of IMF approved the \$ 6Bn bailout package for Pakistan and has immediately released \$ 1Bn to ease pressure on the country's foreign exchange reserves. The package, which supports the govt.'s efforts to revive the country's ailing economy, includes a phased release of the additional loan over a 39-month period. *Dawn*.

Textile units shut down amid rising costs

The business of wholesalers and retailers associated with textile processing mills has come to a standstill after the end of zero rated regime for the textile sector coupled with imposition of sales tax of 17% and 20%. Prominent textile leaders held an emergency meeting where in it was discussed that all processing industries have been closed for the last 3 days as their customers have stopped sending any work of dyeing and printing, rendering thousands jobless. The meeting unanimously passed a resolution demanding an extension for sales tax implementation on CNIC basis besides continuing SRO 1125 and zero rating till 31st Jul'19. Business leader Zubair Motiwala said that imposition of 17% and 20% sales tax, 31% increase in gas tariff, power tariff hike and rupee depreciation against the dollar have increased the cost of doing business. *Dawn*.

KE, KMC at loggerheads over dues and encroachment drive

The row between K-Electric and the KMC over outstanding dues against each other further deepened as the city's municipal administration, which has been without electricity for the past 5 days, continued to dismantle the power utility's installations and structures on streets, roads and parks. The 2 organizations are at loggerheads since 28th Jun'19 when KE disconnected as many as 71 power connections of the KMC, including its head office on M.A. Jinnah Road, due to non-payment of monthly electricity bills. *Dawn*.

Currency seizure jumps 208% to reach PKR 485Mn

Seizure of currency by Pakistan Customs as part of compliance with FATF recommendations posted a growth of 208% in FY19, the highest ever in the recent past, to reach PKR 485Mn against PKR 157Mn in FY18. The Customs department has already introduced a string of policy measures to counter terrorism financing through transfers with the help of cash carriers and develop profiles of currency traffickers. *Dawn*.

Transporters to go on strike on July 10 against CNG price hike

Due to an increase of PKR 20 in the per kg price of CNG, the Karachi Transport Ittehad (KTI) has announced their strike on 10th Jul'19. KTI Secretary Arshad Bukhari said due to the heavy increase in the CNG price, it was not possible for them to run buses without increasing fares. Transporters wanted the bus fares to be increased by more than PKR 10 at least. *The News*.

Customs duty collection up 12.9% to PKR 684.4Bn in FY19

Customs duty collection in FY19 stood at PKR 684.4Bn against PKR 606Bn in FY18, registering growth of 12.9%. The custom duty target out of total initial FBR target of PKR 4,435Bn, was PKR 735Bn. Customs collected PKR 843Bn sales taxes at import stage, against a target of PKR 800Bn while FED and WHT at import stage stood at PKR 13.2Bn and PKR 223Bn, respectively. *The News*.

SECP issues draft collateral management companies regulations

While claiming to promote electronic trading and warehouse receipt financing of agricultural commodities, the SECP has stated that it had formulated draft Collateral Management Companies Regulations, 2019 under Companies Act, 2017. Any public limited company with an equity of PKR 200Mn or higher will be eligible for seeking permission of the SECP to register as a collateral management company. These companies will carry out stock audits, as well as accreditations and inspections of warehouses. *Daily times*.

Uplift schemes: Centre releases PKR 3.871Bn under Karachi Package

The federal govt. has released PKR 3.87Bn for development projects under the Karachi Package during FY19 against the allocated amount of PKR 5Bn, a shortfall of PKR 1.12Bn. The previous govt. had announced PKR 25Bn for Karachi. The PKR 24.64Bn Green Line Bus Project faced a shortfall as PKR 6.154Bn were released in FY19 against the allocated PKR 8.79Bn. The federal govt. released PKR 497Mn for the Greater Karachi Sewerage Plant (S-III) out of PKR 862Mn allocated in FY19's PSDP. For Greater Karachi Water Supply Scheme (K-IV), the govt. didn't release a single penny out of the PKR 600Mn allocated for FY19. *BR*.

PM to launch 'Poverty Graduation Initiative' tomorrow

PM Imran Khan is expected to launch the National Poverty Graduation Initiative tomorrow (5th Jul'19), which has been designed to impact 16.28Mn people over a period of four years. The PM will unveil details of the initiative during the planned launch. Various institutions including BISP, Pakistan Bait-ul-Mal, Zakat, Pakistan Poverty Alleviation Fund (PPAF) are expected to work under the umbrella of the program and a one window operation is also expected to be developed in this regard. In Mar'19, PM Imran Khan had launched PKR 80Bn poverty alleviation program 'Ehsas'. *BR*.

Transportation of additional POL products: ECC decides to use railways to reduce cost

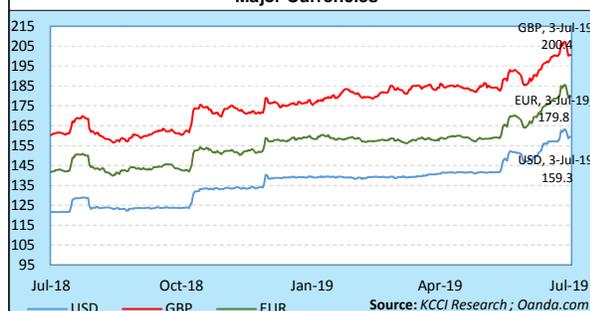
The ECC has decided that additional petroleum products to up-country would be transported through Pakistan Railways, instead of oil tankers, to reduce transportation cost by 20% and help the PR mobilize some revenue. The ECC meeting chaired by PM's Adviser on Finance Dr. Abdul Hafeez Shaikh was told that oil transportation cost through PR is not only cheaper by PKR 5,000-6,000 against its transportation cost through oil tankers, but is also the safest mean that does not entail any threat of theft or wear and tear of roads. During the meeting, the Ministry of Maritime Affairs emphasized on the urgency of establishment of 3rd terminal at Port Qasim Authority (PQA) so as to meet the gas shortage in the country in the years ahead. *BR*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	3-Jul	PKR	157.70	-0.82%
USD-Open MKT	3-Jul	PKR	157.00	-0.79%
KSE-100 index	3-Jul	Pts.	34,897	1.72%
FIPI	3-Jul	\$ Mn	-0.90	NM**
Crude (AP'19)	3-Jul	\$/bbl	57.39	1.95%
Gold (MA'19)	3-Jul	\$/oz	1,421.8	-0.06%
Gold (10g) Local	3-Jul	PKR	67,387	1.03%
Silver (MA'19)	3-Jul	\$/oz	15.26	-0.13%
Cotton (KHI)-40 kg	3-Jul	PKR	8,681	0.00%
Kibor-6M	3-Jul	%	13.11	0.00%
Forex Reserves	21-Jun	\$ Bn	14.35	-1.97%
	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



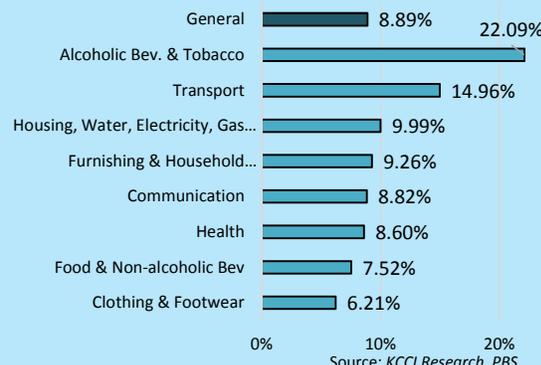
Quote of the Day

'There are only three ways to meet the unpaid bills of a nation. The first is taxation. The second is repudiation. The third is inflation.'

Herbert Hoover

Chart of the Day

CPI Inflation - Group Wise (Jun'19 over Jun'18)



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