

### PM to embark on US visit on Sept 23

PM Imran Khan will leave for the US on 4-day official visit on 21<sup>st</sup> Sep'19 where he will address United Nations General Assembly (UNGA) in New York. He will also hold separate meetings with leaders of different countries. *The News.*

### Base year for price statistics through CPI changed to 2015-16

The govt. has reviewed and granted its nod in principle to change the base year from FY08 to FY16 for publishing price statistics through the monthly CPI. The change of base year means that the PBS will now calculate price increase on basis of increased items and number of cities. Under the new base year, some rural areas have also been included for capturing the data of prices for calculation of CPI based inflation on monthly basis. For the purpose of transparency and consistency, PBS will continue publishing CPI data on the basis of old and new base year simultaneously for a certain period. *The News.*

### Treasury's role ends: FBR to make refund payments out of its own pocket

Ministry of Finance (MoF) has revealed that all sales tax refunds due from 1<sup>st</sup> Jul'19 would be paid from the current revenue stream of the FBR and that the Treasury would not be involved. It will not allocate any sum for payment of sales tax refunds because refunds are not an expenditure item. Effective the week beginning 26<sup>th</sup> Aug'19, FBR would begin the process of repayment of refunds through the Fully Automated Sales Tax e-Refund (FASTER). *BR.*

### Growth-oriented program being pursued: Hafeez

Adviser on Finance, Dr A.Hafeez Shaikh while speaking to World Bank Country Director, Patchamuthu has said that Pakistan was pursuing a growth-oriented program for institutional reforms and economic revival. He added that the technical and financial assistance from the bank was vital for achieving various development goals in different sectors of economy. The Director apprised him about the upcoming visit of World Bank President David Malpass to Pakistan in the 1<sup>st</sup> week of Nov'19. *BR.*

### Local auto industry facing crisis: Auto manufacturers

Sales of cars witnessed decline of around 50% in Jul'19 and it is expected that the condition will be more unpleasant in the month of Aug'19. Auto manufacturers say that the govt. has taken several steps, which are not only in contradiction to the essence of Auto Development Policy 2016-21 but have adversely impacted the localization process in the country. If this continues, all industry efforts of production of 550,000 units under the Auto Policy 2016-21 will become futile, implying a revenue loss of PKR 225Bn per annum and an employment loss of 1.8Mn jobs, thereby resulting in reduction of the growth and expansion that has taken place in the industry over the last few years. *BR.*

### PM meets Chinese power firms

PM Imran Khan has said that the govt. is prioritising alternative and renewable energy to meet country's growing requirements. The new energy policy focuses on promoting alternative and renewable sources, the PM said while meeting a delegation of China Power Hub Generation Company (CPHGC). CPHGC chief apprised the prime minister about progress made so far on the CPEC project for installation of 1320MW (660x2) power plant in Hub. PM Khan reiterated his govt.'s commitment to facilitate investors venturing into Pakistan and encouraged CPHGC to set up waste-to-energy power plant. *Dawn.*

### Thermal power producers: Capacity payments have eaten up anti-theft govt. efforts

Chairman of PM's Task Force on Energy, Nadeem Babar, has acknowledged that capacity payments to thermal power producers have eaten up all the efforts of the govt. against theft and its recovery drive, as two-day consultations on new draft Renewable Energy Policy started. Babar further stated that basic driving force behind developing the new Renewable Energy Policy is that during FY19, 40% electricity was generated through imported fuels which is highly unsustainable for the country's economy, especially when there are abundance of indigenous resources at disposal. *BR.*

### Pakistan gets \$ 440Mn worth of fresh loans in July

Pakistan received \$ 440Mn in fresh loans in Jul'19 amid a gradual shift in the financing from China to multilateral creditors due to completion of many CPEC projects. The borrowing of \$ 440Mn included \$ 173.3Mn in commercial loans from Dubai Bank and a consortium of Credit Suisse. *Tribune.*

### Govt. eyes funds being deposited by Bahria Town

The federal govt. is eyeing funds being deposited by Bahria Town Limited in the Supreme Court for settlement of cases pertaining to its Karachi Super Highway project in lieu of payment of PKR 460Bn. A two-page application submitted to apex court by Attorney General prayed that the entire money deposited by Bahria Town Ltd and held by the Supreme Court may be deposited in the public account of the federal govt. *Dawn.*

### PM to launch Kamyab Naujawan Programme next month

PM Imran Khan will launch the Kamyab Naujawan Programme in Sep'19. Under the programme, 500,000 youths will be given soft loans worth PKR 100Bn. Many schemes, including Youth Entrepreneurship Scheme, Green Youth Movement, Start-up Pakistan, Internship Programme, Hunarmand Naujawan and National Entrepreneur Programme, would be launched. *Dawn.*

### Ministry asks FBR to allow export of wheat products

FBR has allowed export of wheat products on recommendations of the Ministry of National Food Security and Research. In a letter to the FBR, the ministry has said that it had issued a notification on 30<sup>th</sup> Jul'17 for imposing ban on the export of wheat/wheat flour. However, other wheat products like fine, suji and maida are excluded from the ban. The ministry has advised the FBR to make necessary amendments in the appropriate Pakistan Customs Tariff (PCT) Codes to allow export of the said wheat products. *The News.*

### Telcos power into 5G network

China Mobile Pakistan (CMPak), popularly known as Zong, has carried out the first official test of its 5G network. The company will establish a 5G innovation centre in collaboration with Huawei. Jazz and Telenor have also conducted in-house tests of their 5G equipment, but rollout for both companies has been hit by issues arising from their licence renewal. *Dawn.*

### TDAP being reformed to boost exports

The govt. is introducing reforms in TDAP to make it relevant to country's changing export base that has witnessed drastic changes over time. Over years, TDAP has turned more into an event management company. Adviser on Commerce Abdul Razzak Dawood has asked TDAP to also focus on export of services, as opposed to its current disposition towards goods. *Dawn.*

### Stocks thunder ahead as FATF hopes add fuel to valuation-fired rally

Stocks on Thurs (23<sup>rd</sup> Aug'19) have thundered ahead as a valuation-fired rally drew further support from encouraging developments on terror-financing watch list front and bond market, bringing the total tally of points gained this week to 3,100 or 10.8%, highest since Mar'09 in 4 straight sessions. Further, current account numbers and govt. intentions to change NAB laws are also largely welcomed. *The News.*

### Forex reserves rise to \$ 15.60Bn

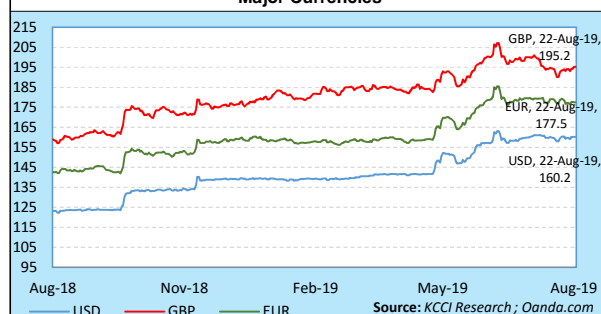
Pakistan's forex reserves have increased to \$ 15.60Bn during the week ended 17<sup>th</sup> Aug'19 from \$ 15.58Bn in the previous week. Reserves held by the SBP fell \$ 26Mn to \$ 8.24Bn due to external debt servicing and other official payments. The reserves of commercial banks rose to \$ 7.37Bn from \$ 7.31Bn last week. *The News.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	22-Aug	PKR	158.23	-0.22%
USD-Open MKT	22-Aug	PKR	158.40	0.00%
KSE-100 index	22-Aug	Pts.	31,884	2.94%
FIPI	22-Aug	\$ Mn	-2.54	NM**
Crude (AP'19)	22-Aug	\$/bbl	55.32	-1.02%
Gold (MA'19)	22-Aug	\$/oz	1,498.3	-0.27%
Gold (10g) Local	22-Aug	PKR	75,360	-0.23%
Silver (MA'19)	22-Aug	\$/oz	17.03	-0.47%
Cotton(KHI)-40 kg	22-Aug	PKR	8,359	0.00%
Kibor-6M	22-Aug	%	14.08	0.00%
Forex Reserves	17-Aug	\$ Bn	15.60	0.17%
	FY19			YoY
Remittances	Jul-19	\$ Bn	2.04	5.70%
Exports*	Jul-19	\$ Bn	1.88	14.63%
Imports*	Jul-19	\$ Bn	4.15	-15.13%
Trade Balance*	Jul-19	\$ Bn	-2.27	30.15%
Current Account	Jul-19	\$ Bn	-0.58	72.82%
Foreign Direct Inv.	Jul-19	\$ Bn	0.11	-21.64%
LSM Growth*	Jul-Jun 19	%	-3.64	
Avg. CPI	Jul-19	%	10.34	
Discount Rate	Jul-19	%	13.25	

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

### Major Currencies

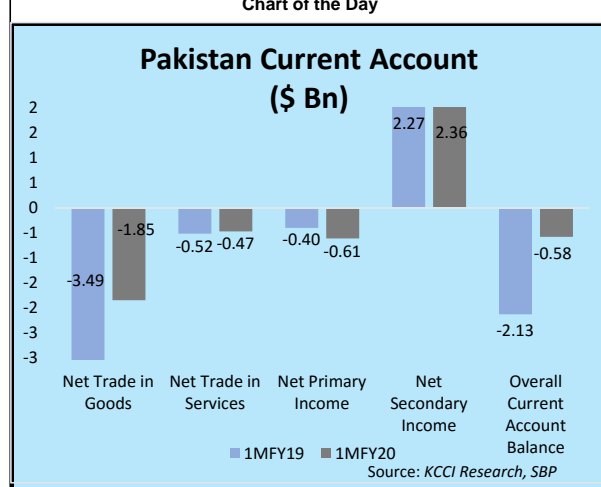


### Quote of the Day

*The economy is the start and end of everything. You can't have successful education reform or any other reform if you don't have a strong economy.*

**David Cameron**

### Chart of the Day



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