

FBR faces PKR 60Bn shortfall against 352Bn target

FBR is facing PKR 60Bn revenue shortfall to achieve the envisaged monthly target of PKR 352Bn for Aug'19, as it has fetched PKR 292Bn so far. The FBR has collected PKR 576Bn in 2MFY20 against the desired target of PKR 644Bn, witnessing a shortfall of PKR 68Bn. In Aug'19, the FBR achieved a net growth of 17.5% as domestic taxes including Income Tax, Sales Tax (domestic) and FED achieved growth of 30% in revenues collection but tax collection at import stage nosedived, witnessing a decline of 16%. IMF has given 1QFY20 collection target of PKR 1.1Tn. *The News.*

'Private sector infuses funds despite interest rate fluctuation'

SBP Governor Reza Baqir, has said that wide fluctuations in interest rates could not dissuade private sector from investing in the domestic industry. In the last 10 years, private investment has remained around 10% of GDP, although there has been a sharp fluctuation in interest rates during this period. While talking to the business community, SBP governor has said that there are factors other than interest rates, such as regulatory hurdles and ease of doing business issues that hinder fresh investment. *The News.*

Country averted ratings downgrade: SBP chief

SBP Governor Dr Reza Baqir, has said that Pakistan's strategy was very successful in the recent meeting of Asia Pacific Group (APG) of FATF as the country avoided any downgrade in individual ratings in Mutual Evaluation Report. He said that the recommendations of recent meeting and progress and action plan made by Pakistan will be evaluated in the next meeting to be held in Oct'19 and he was confident that Pakistan will remain successful as the SBP and present govt. are aggressively working to address the issues. Governor SBP also urged the business community to prefer banking transactions instead of cash for business purposes as Pakistan's deposit to GDP ratio is much lower than other countries. *BR.*

OGRA recommends PKR 4.59 per litre cut in petrol prices

OGRA has recommended the govt. to decrease the prices of all petroleum products for the month of Sep'19. It has proposed to decrease the per liter prices of motor spirit (MS) by PKR 4.59, HSD by PKR 7.67 and kerosene oil by PKR 4.27. In case the govt. approves the recommendations, the new prices of MS will be PKR 113.24 per litre, HSD PKR 124.80 per litre, kerosene oil PKR 99.57 per litre and LDO PKR 91.89 per litre. *The News.*

China to help develop economic zones

Pakistan and China have agreed to fast-track the pace of industrial cooperation under CPEC by utilising Chinese experience to ensure speedy development of SEZs in the country. Rashakai SEZ in Khyber Pakhtunkhwa will be launched in September, whereas two more SEZs including China Special Economic Zone, Dhabaji and Allama Iqbal Industrial City (M3), Faisalabad would follow similar pattern of development. The Chinese side has offered to train and equip Pakistan's SMEs, making them technologically sound and competitive to increase country's exports. *Dawn.*

FBR issues draft IT return form for IT companies

FBR has issued draft income tax return form for companies for TY19. In this regard, the FBR has issued SRO.968 (I)/2019. Electronic Return for Companies for TY19 has been issued for comments. The FBR has given 7 days to the stakeholders for submission of comments to the FBR. *BR.*

FBR to launch mobile app for tax return filing

With the introduction of new tax return forms for TY19, FBR has decided to launch Income Tax Return App next week to help individuals and businesses file their tax returns. The new electronic form for individuals, salaried individuals and association of companies for TY19 will also be uploaded on the FBR website after making necessary amendments. The deadline for the submission of returns has been set on 30th Sept'19. *Dawn.*

PM directs promotion of small and medium enterprises

PM Imran Khan has directed his economic team that promotion of SMEs must be focused on to boost economic growth. The meeting agreed to promote dialogue with the business community to seek their views on increasing the pace of growth and achieving economic stability. *Dawn.*

FBR removes tea import irritant

FBR has allowed the clearance of bulk raw imported tea on the basis of average retail price. However, in order to avail this facility the tea importer/manufacturer will first have to obtain a certificate by the concerned chief commissioner. From 1st Jul'19, the FBR has made mandatory the clearance of consumer goods on the basis of printed retail prices instead of valuation of Pakistan Customs. Leading tea manufacturers had pleaded with the FBR that it was not possible for them to set the retail price of bulk import of tea. *The News.*

SBP asked to use Nadra VERISYS for verification of non-resident bank accounts

The Federal Ombudsman has directed SBP to use NADRA VERISYS system for verification for non-resident Pakistanis' bank accounts instead of personal biometric system. The same procedure will be adopted for the Pakistanis temporarily residing outside Pakistan so that they could continue with their bank accounts. The direction will resolve the problems of millions of overseas Pakistanis living all over the world as they are facing closure of their bank accounts. *The Nation.*

Hascol Petroleum limited to raise funds amid heavy losses

Hascol Petroleum Limited, a leading oil marketing firm which has booked heavy losses, is considering raising funds from investors at PSX in a bid to cope with the tough financial situation due to massive PKR depreciation and hike in key interest rate. It, however, remains unclear as to what would be the total size of the funds to be raised through the issuance of right shares. *Tribune.*

Proposals invited for setting up mango cold storage

TDAP has sought proposals for setting up a mango cold storage in Sindh as most of the exporters have failed to make shipments due to high temperature in the province. TDAP held a meeting with mango growers of Sindh to discuss the issues faced by the growers and to inform them about the steps needed to be taken to increase exports. *Tribune.*

PIA seeks PKR 10Bn more to stay afloat

The govt. has showed its reluctance to bail out PIA due to its hands being tied by the IMF loan agreement as the PIA management sought another injection of nearly PKR 10Bn to remain afloat. After coming to power, the govt. has already given two bailout packages costing the exchequer nearly PKR 38Bn. *Tribune.*

IFC assures support to boost value addition

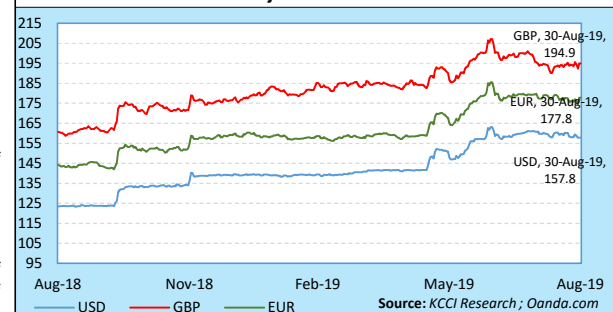
The World Bank's International Finance Corporation (IFC) has assured technical and financial advisory assistance to private and public sector in Pakistan to boost value addition in manufacturing and agribusinesses. Regional industry director of Manufacturing, Agribusinesses and Services Asia and Pacific at IFC, in a meeting with adviser to PM on Commerce, A. Razak Dawood said that Pakistan is the priority country for IFC projects in agribusinesses and services. *The News.*

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	30-Aug	PKR	156.86	-0.23%
USD-Open MKT	30-Aug	PKR	156.70	-0.37%
KSE-100 index	30-Aug	Pts.	29,672	-1.61%
FIPI	30-Aug	\$ Mn	1.89	NM**
Crude (AP'19)	29-Aug	\$/bbl	56.64	1.32%
Gold (MA'19)	29-Aug	\$/oz	1,529.9	-0.83%
Gold (10g) Local	30-Aug	PKR	76,732	-0.55%
Silver (MA'19)	29-Aug	\$/oz	18.14	-2.45%
Cotton(KHI) -40 kg	30-Aug	PKR	8,574	0.00%
Kibor-6M	30-Aug	%	14.08	0.00%
Forex Reserves	23-Aug	\$ Bn	15.63	0.16%
	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

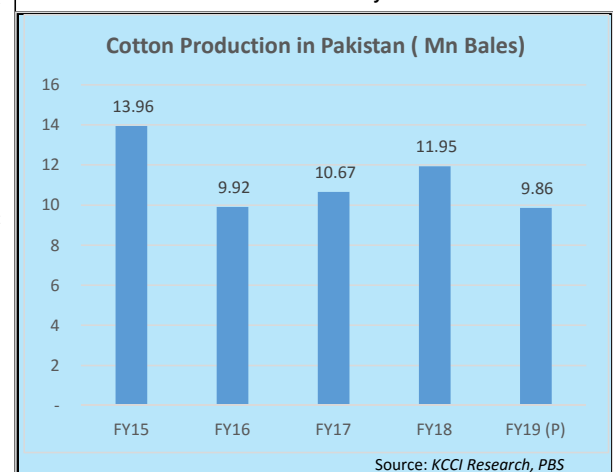


Quote of the Day

"If I had nine hours to chop down a tree, I'd spent the first six sharpening my axe."

Abraham Lincoln

Chart of the Day



Disclaimer

This report has been prepared by KCCI Research & Development Cell. The information contained herein have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith. Such information has not been independently verified.

icon represents the sole viewpoint of the KCCI R&D Cell, and is stated to enrich the readers' understanding of the news item. The