

'Axle load regime likely to hit Pakistan'

Shipping Agents have urged PM Imran Khan that the axle loads envisaged in the Safety Ordinance 2000 are divorced from the ground realities of Pakistan. Therefore, a new law made after performing a reality check of its economic and logistical consequences is the need of the Naya Pakistan. In a letter to the PM, they said that the recent activation will have cancerous economic and logistical adverse repercussions which needs a careful examination. They said that the new axle load regime has two pronged implications: 1) direct increase in the transportation costs and 2) gap between demand and supply gap of trucks. Under the axle load regime, fuel bill likely to increase by \$ 5Bn per annum, while loss due to reduced export of fruits and vegetable would amount to PKR 88Bn. *BR.*

PM approves 'Sindh Barrage' project

PM of Pakistan has formally approved construction of a barrage on River Indus about 45Km upstream of its outfall into sea and 130 Km East of Karachi. The project named 'Sindh Barrage' is being dubbed as a phenomenal project to address almost all water issues in downstream Kotri Barrage. The proposed project is scheduled to be completed in Dec'24. *BR.*

Afghan envoy, Dawood discuss steps to enhance bilateral trade

Shukur-Allah Mashal, Afghanistan's Ambassador to Pakistan, called on Advisor Commerce A.Razak Dawood to deliberate on the trade related issues in order to enhance bilateral trade. Both sides agreed to start the process of PTA between both countries and have decided to share their list of tariff lines in Sep'19 which will be followed by meeting of technical committees. They further discussed to reopen new border crossing points at Torkham and Ghulam Khan.. *BR.*

Carrying Indian goods: Pakistan rules out access to Afghanistan via Wagah border

Pakistan has ruled out possibility of linking access to Afghanistan via Wagah border for transportation of Indian goods, arguing the transit trade is not trilateral issue in anyway. PM's Adviser to Commerce Abdul Razak Dawood, while addressing a news conference, has said that he has asked PM Imran Khan to stop investigations of NAB against top businessmen, as it is not a good thing and it need to stop. *The News.*

Indian envoy told to leave Pakistan, trade suspended

Pakistan's National Security Committee (NSC) has decided to downgrade diplomatic ties with India, suspend bilateral trade, review bilateral arrangements and observe Independence Day on 14th Aug'19 in solidarity with Kashmiris. *Dawn.*

US asks Pakistan to extend FATF scope to economy

US has urged Pakistan to expand FATF safeguards to informal sectors of economy amid concerns over slow progress on implementation of 27-point Financial Action Plan. The US delegation that is in Pakistan for an on-ground assessment met with Federal Minister Hammad Azhar who is also coordinator on FATF affairs from the civilian side. During their interaction with private and public sectors, the delegation is getting first-hand information about the country's preparedness to deliver on the FATF Action Plan and the actual improvement in the Anti-Money Laundering and Combating Financing of Terrorism regime. The US delegation came to Pakistan nearly two weeks before the govt. is set to submit a report on 13th Aug'19 for the review of the Joint Group of the International Cooperation Review Group of the Asia Pacific Group. *Tribune.*

Sindh declares state of emergency ahead of heavy rain

As a rain-causing system formed in the North Bay of Bengal has intensified and started moving westwards, the met dept. has forecast heavy rain in lower Sindh, including Karachi, from Fri (9th Aug'19) night. Even 2-3 days of intermittent rains may be enough to cause urban flooding-like situation in Karachi, Thatta and Hyderabad divisions. Authorities in Sindh have imposed a rain emergency at all the relevant departments. *The News.*

'PKR 120.3Bn spent on uplift of Karachi during last six years'

Total development expenditures in Sindh during the last 6 fiscal (FY14-19) amounted to PKR 495.04Bn, of which PKR 120.30Bn was spent on development projects in Karachi. Sindh CM Murad Ali Shah, while presiding over a preparatory meeting for the expected heavy downpour in the coastal areas, said that during the last 6 fiscal years, an allocation of PKR 69.27Bn had been made for water supply and sanitation of the city whereas he initiated 40 mega projects of construction and improvement of road network, up-grading of filter plants, pumping stations and construction of storm water drains. 20 mega schemes for PKR 15.33Bn have been completed and 20 schemes worth PKR 12.47Bn are included in the Annual Development Program (ADP) FY20. *The News.*

ADB approves \$ 500Mn loan to improve trade competitiveness

The ADB has approved \$ 500Mn worth of policy-based loan for Pakistan after a gap of 1.5 years as the IMF-backed reforms in the country have persuaded the lender to okay a part of \$ 2Bn committed for FY20. The policy-based loan will support the govt.'s reforms to improve trade competitiveness and exports as a defense against external shocks. The Manila-based lender has also approved a \$ 750,000 technical assistance package to support the preparation and implementation of the program. The loan is expected to be transferred to the SBP today (8th Aug'19). *The News.*

SBP launches Mudarabah-based refinance scheme for SMEs

The SBP has launched a new Shariah-compliant refinance scheme to help support banks to lend to SMEs. The Islamic Refinance Scheme for Working Capital Financing of Small Enterprises and Low-End Medium Enterprises (IWCF) will be based on Mudarabah contract. SBP shall make Mudarabah investment in general pool of Participating Islamic Financial Institutions (PIFIs) under the scheme. The financing will be initially available to meet the working capital requirements of 7 SMEs sectors such as IT, furniture, surgical goods, dates processing, gems and jewelry, leather industry, fruits vegetables and food processing, and printing and packaging. Medium enterprises (MEs) with annual sales turnover of upto PKR 300Mn will be eligible under the scheme. Maximum financing limit for MEs is PKR 50Mn. Maximum financing tenor under the scheme is 1 year. *The News.*

228 shops asked to get registered with FBR

FBR has issued notices to 228 garment and boutique shops, asking them to get themselves registered with tax department. The names of these shops detected during scrutiny of data which showed that these outlets are not registered with income tax and sales tax departments. All regional tax offices had been directed to identify such outlets across the country and issue them notices for registration with the FBR. The FBR has extended till 9th Aug'19 the last date for filing of tax returns for TY18. *Dawn.*

KIA will achieve 50 % localization in five years: CEO

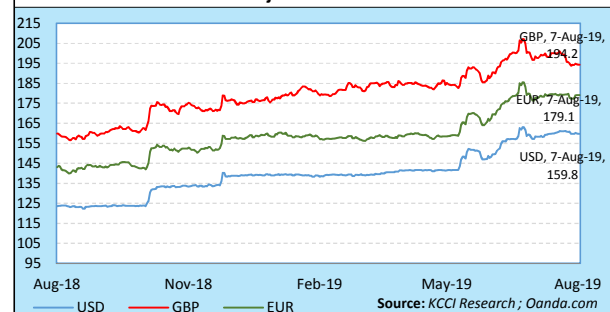
KIA Lucky Motors (KLM) has said it has planned to achieve 50% localization in 5 years, adding that KLM had planned to localize 12% parts this year in order to get sustainable growth under stiff economic conditions. KLM had invested \$ 175Mn on setting up a new state of the art auto plant having a capacity of 50,000 units per year. *BR.*

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	7-Aug	PKR	158.25	-0.25%
USD-Open MKT	7-Aug	PKR	158.20	-0.13%
KSE-100 index	7-Aug	Pts.	30,277	-2.33%
FIPI	7-Aug	\$ Mn	0.05	NM**
Crude (AP'19)	7-Aug	\$/bbl	52.29	-2.37%
Gold (MA'19)	7-Aug	\$/oz	1,503.2	1.79%
Gold (10g) Local	7-Aug	PKR	72,445	0.00%
Silver (MA'19)	7-Aug	\$/oz	17.13	4.14%
Cotton(KHI) -40 kg	7-Aug	PKR	8,306	-1.89%
Kibor-6M	7-Aug	%	14.07	0.04%
Forex Reserves	26-Jul	\$ Bn	15.06	-1.23%
	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-Jun 19	\$ Bn	-13.59	31.71%
Foreign Direct Inv.	Jul-Jun 19	\$ Bn	1.74	-49.96%
LSM Growth*	Jul-May 19	%	-3.50	
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



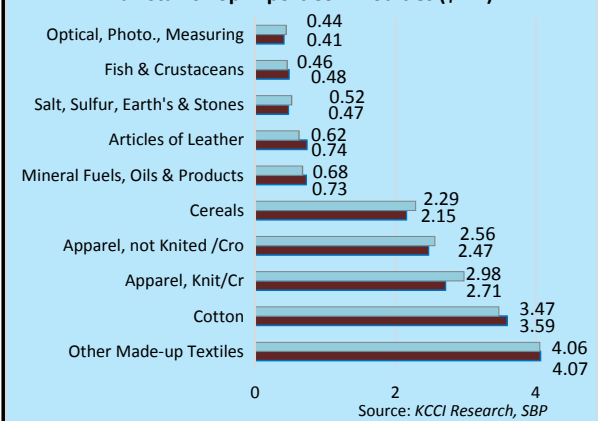
Quote of the Day

"The secret to being successful from a trading perspective is to have an indefatigable and an undying and unquenchable thirst for information and knowledge."

Paul Tudor Jones

Chart of the Day

Pakistan's Top Export Commodities (\$ Bn)



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