

FBR waives CNIC condition for traders by two months

FBR has delayed enforcement of CNIC condition required under the Finance Act'19 till 30th Sept'19 on purchase of over PKR 50,000 for nearly two months for traders, thwarting a nationwide strike that they were set to observe against the govt. The interim understanding was reached during a meeting between the FBR and the traders with FBR Chairman Shabbar Zaidi in chair. FBR and traders said that they would start negotiations again after Eid holidays. Last week, FBR unveiled a draft of simplified income tax regime for small shopkeepers. But the retailers had their reservations against the draft too, as they did not want to be a part of the formal regime without guarantees. *Tribune*.

ECC approves PKR 5.2Bn for industrial sector's gas subsidy claims

The ECC approved PKR 5.2Bn worth of four months subsidy claims of the industrial sector related to gas supply. The ECC took the decision during a meeting presided over by Adviser to PM on Finance, Hafeez Shaikh. The decision was taken on a summary regarding gas/ RLNG supply to industrial sector, including exporters of formerly 5 zero-rated sectors in the light of the committee's decision in Oct'18 of supplying system gas/RLNG to export-oriented sector, its process units and captive power plants. *The News*.

ECC moves to revamp gas price incentives for export sector

The Economic Coordination Committee (ECC) of the Cabinet has approved mechanism for payment of subsidy on account of lower gas price of \$ 6.5 per unit to export industry and also ordered to have a proper definition of export oriented sector to avoid misuse of public funds. The ECC meeting presided over by Adviser on Finance Abdul Hafeez Shaikh who also hinted at setting indicative price of PKR 3,600-4,000 per bale for cotton crop FY20. *Dawn*.

PNSC, KPT, PQA removed from sell-off list

The Cabinet Committee on Privatisation (CCoP) has removed Pakistan National Shipping Corporation, Port Qasim Authority and Karachi Port Trust from privatisation list due to strategic importance and profitability of these entities. However, the committee directed Ministry of Privatisation to expedite sell-off process of approved public sector enterprises (PSEs). *Dawn*.

57,450 Pakistanis have \$ 7-8Bn in foreign bank accounts: FBR

Chairman FBR Shabbar Zaidi has disclosed that govt. had received evidence of Pakistanis who had \$ 7-8Bn in bank accounts of other countries. He said that Pakistan had signed an agreement with Organization for Economic Cooperation and Development (OECD) in 2016. The agreement had helped FBR to exchange data with 28 countries. The FBR had so far received data of offshore accounts of 57,450 Pakistanis. Among them, around 378 people had more than \$ 5Bn in their accounts. *The Nation*.

Federal cabinet likely to sanction suspension of bilateral trade with India

The Ministry of Commerce would likely to present the summary to suspend bilateral trade with India in federal cabinet today (9th Aug'19) following the decision of National Security Committee (NSC). Ministry of Commerce would make amendment in export/import order after getting approval from the cabinet meeting. The Ministry of Commerce had already clarified that decision of suspending bilateral trade would not dent Pakistan's exports, which are worth few million dollars. The decision would hurt Indian trade with Pakistan as according to the statistics, Indian exports to Pakistan are worth \$ 1.8Bn. *The Nation*.

CPEC Authority okayed for fast tracking projects

The National Development Council (NDC) has approved the constitution of CPEC Authority for ensuring fast track implementation of CPEC projects. The Council held its 1st meeting with PM Imran Khan in the chair. While discussing development of Gwadar and Master Plan of the city, the Council accorded approval to the conceptual framework of Gwadar Special Economic District. Development plan of Balochistan, Master Plan of Gwadar, creation of CPEC Authority and accelerated development plan FY20 for erstwhile Fata/merged districts was discussed during the meeting. *The News*.

Govt retires \$ 9.5Bn foreign loans in one year, NA told

The NA has been informed that the govt. has retired record foreign loans worth of \$ 9.5Bn during the FY19 which has never been done by any govt. in single year. Minister for Revenue Hammad Azhar said the govt. will have to retire another \$ 10Bn of loans in FY20. He said that the govt. is focusing to enhance exports and foreign remittances for putting the country on the path of development and prosperity. *The News*.

Govt extends export package by 3 years

The govt. has extended the export enhancement package for another three years with same conditions to encourage export of non-traditional goods as well from the country. New export sectors such as transport equipment, auto parts and accessories, machinery, furniture and stationary had been included in the package. Customs and regularity duties on 236 tariff lines comprising raw material and intermediate goods had been reduced under the package to support economic growth. Duty on cotton yarn has also been waived compared to 10% earlier while export rates had been increased by 3% for the exporters. *BR*.

NA panel seeks action against wheat, sugar barons

The National Assembly has directed the govt. to take action against wheat flour mills and sugar barons after competition commission of Pakistan (CCP) suspected 10% to 26% increase in prices of both the commodities was the result of cartelization. They asked the Ministry of Finance to take administrative action to bring down prices of wheat flour and sugar. *Tribune*.

Starting October, Sindh to impose complete ban on polythene bags

Sindh's environment department has announced that there will be a complete ban on the manufacture, sale and use of polythene (plastic) shopping bags across the province from the 1st Oct'19. *The News*.

Investment in PKR 40,000 prize bonds falls 25% to PKR 193Bn in June

Investment in unregistered prize bonds with PKR 40,000 denomination sharply fell to PKR 193Bn till Jun'19-end from PKR 258Bn in May'19 as the govt. has decided to pull the plug on the bearer instrument. The total investment in prize bonds has fallen to PKR 886.22Bn by Jun'19 compared with PKR 951.64Bn in May'19 due mainly to replacement of the bearer prize bonds with PKR 40,000 denomination. *The News*.

Saudi Aramco valuation gap persists as IPO talks resume

Saudi Crown Prince Mohammed Bin Salman is insisting on a \$ 2Tn valuation of oil firm Aramco, even though some bankers say that the kingdom should trim its target to around \$ 1.5Tn. Aramco is conducting talks with banks about an initial public offering (IPO). Even at the lower end of estimated valuations, an Aramco IPO would create the world's largest public company. *The News*.

Forex reserves fall to \$ 15.02Bn

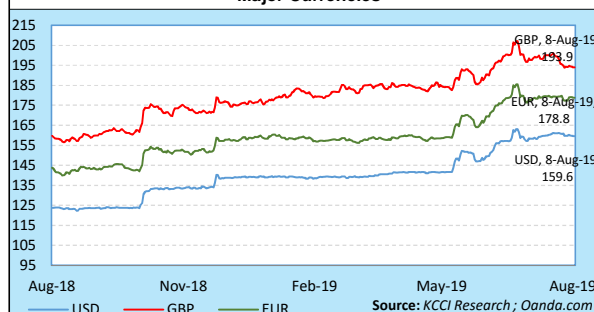
Pakistan's forex reserves fell to \$ 15.02Bn during the week ended 2nd Aug'19 from \$ 15.06Bn in the previous week. The SBP's forex reserves decreased by \$ 38Mn to \$ 7.73Bn on the back of external debt servicing and other official payments. The forex reserves held by commercial banks slightly dropped to \$ 7.291Bn during the week ended 2nd Aug'19 from \$ 7.294Bn the week before. *The News*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	8-Aug	PKR	158.26	0.00%
USD-Open MKT	8-Aug	PKR	158.30	0.06%
KSE-100 index	8-Aug	Pts.	29,738	-1.78%
FIPI	8-Aug	\$ Mn	0.43	NM**
Crude (AP'19)	8-Aug	\$/bbl	52.94	1.24%
Gold (MA'19)	8-Aug	\$/oz	1,503.2	0.00%
Gold (10g) Local	8-Aug	PKR	74,417	2.72%
Silver (MA'19)	8-Aug	\$/oz	16.93	-1.17%
Cotton(KHI) -40 kg	8-Aug	PKR	8,306	0.00%
Kibor-6M	8-Aug	%	14.08	0.01%
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



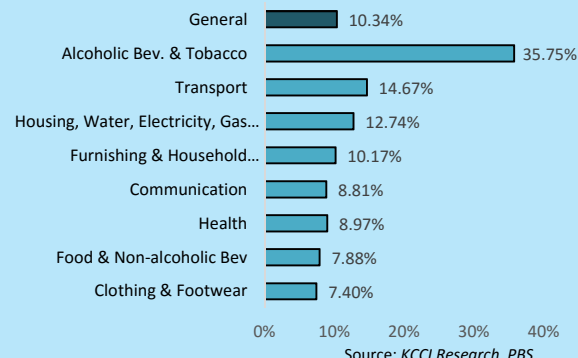
Quote of the Day

"Don't let the fear of losing be greater than the excitement of winning."

Robert Kiyosaki

Chart of the Day

CPI by Group of Commodities (% Change Jul'19 over Jul'18)



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