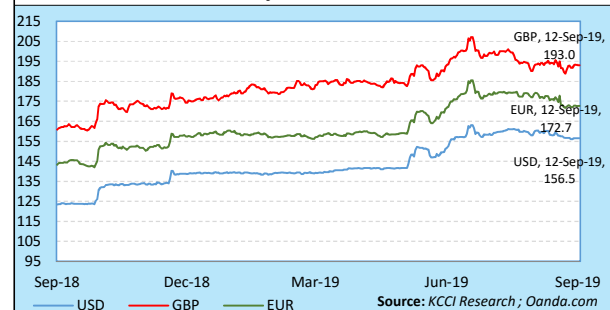


Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	12-Sep	PKR	156.18	-0.08%
USD-Open MKT	12-Sep	PKR	155.90	-0.06%
KSE-100 index	12-Sep	Pts.	31,547	1.91%
FIPI	12-Sep	\$ Mn	-1.39	NM**
Crude (AP'19)	12-Sep	\$/bbl	55.07	-1.59%
Gold (MA'19)	12-Sep	\$/oz	1,499.7	0.13%
Gold (10g) Local	12-Sep	PKR	75,617	-0.90%
Silver (MA'19)	12-Sep	\$/oz	18.06	-0.20%
Cotton(KHI)-40 kg	12-Sep	PKR	8,681	0.00%
Kibor-6M	12-Sep	%	13.96	-0.08%
Forex Reserves	6-Sep	\$ Bn	15.75	0.78%
	FY19			YoY
Remittances	Jul-19	\$ Bn	2.04	5.70%
Exports*	Jul-Aug 19	\$ Bn	3.69	8.09%
Imports*	Jul-Aug 19	\$ Bn	7.66	-21.74%
Trade Balance*	Jul-Aug 19	\$ Bn	-3.97	37.70%
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-Aug 19	%	9.44	
Discount Rate	Jul-19	%	13.25	

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

Major Currencies

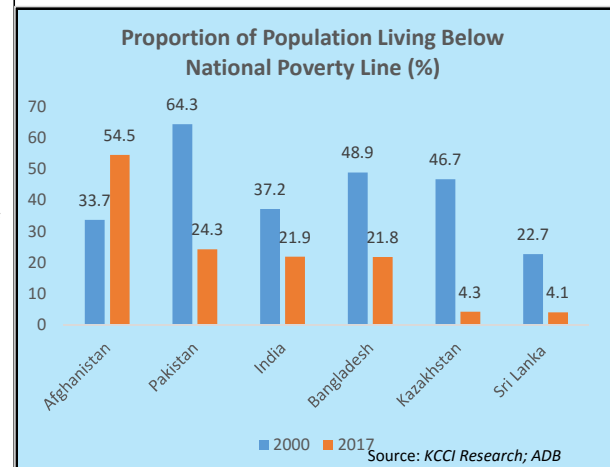


Quote of the Day

“An imbalance between rich and poor is the oldest and most fatal ailment of all republics.”

Plutarch

Chart of the Day



Disclaimer

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

Trade deficit falls sharply by 38% in July-August

The country's trade deficit shrank by nearly 38% in 2MFY20, driven largely by a decline in imports of non-essential luxury items. Trade deficit dipped to \$ 3.973Bn from \$ 6.37Bn over 2MFY19. Imports clocked in at \$ 7.66Bn, down 21.74% from \$ 9.79Bn while exports grew by 8% to \$ 3.69Bn from \$ 3.41Bn. Duty-free imports -machinery and raw materials- grew by 6.89% to \$ 3Bn as against \$ 2.9Bn. *Dawn*.

Pakistan likely to miss IMF's tax refund condition

Pakistan is set to miss the IMF condition to refund PKR 75Bn to taxpayers in 1QFY20 despite an incentive by the global lender that it will soften the tough primary budget deficit reduction target if the country performs better in tax refunds. According to the IMF, the 1QFY20 primary budget deficit target is PKR 102Bn, which can be relaxed to an extent if the govt. pays more than PKR 75Bn in tax arrears. The govt. has so far cleared PKR 22Bn of arrears, which are only 30% of the targeted amount. *Tribune*.

Construction sector is now an industry

PM Imran Khan while chairing a meeting on Ease of Doing Business in construction sector has approved in principle declaring construction sector as an industry. The PM said the govt. is giving special emphasis to simplify the construction related laws and do away with the condition of unnecessary approvals and NOCs. Imran Khan pointed out that the govt. has already abolished the condition of seeking approvals from the civil aviation and other organizations for construction of multi-story buildings in big cities. He said the establishment of land courts will also go a long way in resolving land related matters. *Daily Times*.

Pakistan may face serious financing issues: Moody's

Moody's credit rating agency has placed Pakistan among countries that may face serious financing issues in the extreme scenario under the ongoing US-China trade tensions, as Islamabad's reliance on foreign currency borrowing and thin reserve coverage of external debt payments have weakened its debt affordability. While Moody's assumes generally stable financing conditions with slowing global growth, ongoing US and China tensions and global flashpoints of political risk, sovereigns in emerging markets (EM) and frontier markets (FM) face a material risk of a period of heightened financing stress. *Tribune*.

US support will be key to overcoming FATF challenge

Pakistan requires at least three votes to block any proposal by the 37-member FATF to put it on the blacklist and a consensus to remove it from the grey to white list. Minister for Economic Affairs Hammad Azhar has said that Pakistan has started lobbying with the help of friendly countries to thwart Indian designs at FATF's plenary session scheduled for Oct'19 in Paris. Pakistan is making hectic diplomatic efforts with friendly countries as well as with the United States to get the required support for averting being blacklisted by the FATF. *BR*.

Monetary policy on Monday

SBP will announce Monetary Policy on Monday (16th Sep'19) for the next two months. The financial sector expects a cut in the policy rate following a 31bps drop in the cut-off yield for 12-month papers in auction of Treasury Bills. *Dawn*.

MoC bans wheat, flour export

Ministry of Commerce (MoC) has notified the ban on exporting wheat and flour after massive reduction in its production in the country. ECC of the Cabinet in Jul'19 had decided to impose a ban on export of wheat/wheat flour due to 33% reduction in its stock. Wheat reserves stood at 7.78Mn tons as against 11.37Mn tons in FY18. The country produced 24.12Mn tons of wheat against the target of 25.5Mn tons during Rabi season FY19. Rains coupled with hailstorms have affected wheat crop in the country and reduced the size of the wheat crop by 1.28Mn tons. *The Nation*.

Financial close of TAPI gas pipeline project likely in early 2020

The TAPI Pipeline Company Limited is determined to achieve financial close of the multi-billion dollar Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project by start of the year 2020. Pakistan is committed to start practical work on its section of the pipeline at earliest and complete it within the stipulated time frame. Turkmenistan has already completed the construction work on its section, while Afghanistan also performed groundbreaking of the project last year. Under the project a 56-inch diameter 1,680km pipeline, having capacity to flow 3.2Bn bcf/d gas, would be laid from Turkmenistan through Afghanistan and Pakistan up to Pak-India border by the year 2020. *The Nation*.

Mayor to back Centre's steps for better Karachi

Mayor Karachi Wasim Akhtar has said that he would support any constitutional step of the federal govt. for solving problems of the city and bringing improvement in its civic and municipal infrastructure. Mr Akhtar said he had also filed a constitutional petition in the Supreme Court for obtaining a decision which would strengthen all local bodies in the country. *Dawn*.

Car sales plunge 41% in August

Passenger car sales plunged 41% to 10,636 units in Aug'19 as compared with 17,977 units in Aug'18 owing to an increase in the prices. During 2MFY20, passenger cars sales dropped by 31% to 27,108 units compared with 39,354 units sold during 2MFY19. Sale of trucks dropped to 239 units in Aug'19 from 615 units during Aug'18, while sale of buses decreased to 42 units in Aug'19 from 107 units in Aug'18. *The News*.

Govt to revamp Sarmaya board

The govt. has decided to bring in professional expertise to improve the governance of the State-Owned Entities (SOEs), and a proposal to reconstitute the board of Sarmaya Pakistan Limited (SPL) will be submitted to PM in the coming weeks. Advisor on Finance Hafeez Sheikh stressed that immediate attention is required to contain the losses in a number of SOEs which are a cause of losses to the national economy. *Dawn*.

1,187 firms enrolled in August

SECP registered 1,187 new companies in Aug'19, raising the number of total companies to 104,030. 94% of the new companies were registered online through e-Services. The new companies registered include 71% private limited companies. 434 companies were registered in Islamabad, followed by 316 and 189 companies in Lahore and Karachi respectively. *Dawn*.

Forex reserves rise to \$ 15.75Bn

Pakistan's forex reserves have increased to \$ 15.75Bn during the week end 6th Sep'19 from \$ 15.62Bn during the previous week. Forex reserves held by SBP rose by \$ 182Mn to \$ 8.46Bn while reserves held by commercial banks fell to \$ 7.29Bn from \$ 7.34Bn. *The News*.

Only one Pakistani university among Times global top 500 rankings

Only one Pakistani university has made it to the top 500 universities in the world, according to the Times Higher Education World University Rankings 2020 list. The latest edition of the annual ranking includes around 1,400 universities from 92 countries, and 14 of those institutions are from Pakistan. The Quaid-e-Azam University (QAU) has been ranked at number 401-500. Other Pakistani universities on the list include Lahore University of Management Sciences (LUMS) at 801-1000. Meanwhile, the University of Oxford retained its 1st position for the 4th consecutive year while the University of Cambridge came 3rd. *Tribune*.