

Improving economy: PM seeks out-of-box solutions from his team

PM Imran Khan has directed his economic team to counter baseless propaganda against economy with facts, enabling people to have a clear picture of the past situation and the current improvement. Chairing a meeting of his economic team, the PM called for out-of-box solutions and proposals to improve economy and holding consultations with all stakeholders for implementation of workable proposals. The PM said that the govt. has constituted a detailed policy for promotion of all areas of agriculture. He called for paying special attention to the revival of sick units and plants which were closed due to mismanagement and financial problems in the past. *The News-Sun.*

Accountability should not affect business: Hafeez

Adviser on Finance Dr A. Hafeez Shaikh has expressed the desire that the accountability process should progress in such a manner as does not negatively affect the business climate, as country is graduating from economic crisis to stability due to hard decisions taken by the govt. Mr Shaikh said businesses are more important than the govt., because the former generated job opportunities and economic activities that the govt. supported through its policies. *Dawn-Mon.*

IMF SOS mission to arrive in Pakistan

The IMF has expressed concern over Pakistan's economic performance in 2MFY20 and is sending its SOS (Save Our Soul) mission to Pakistan for suggesting ways to the cash-strapped govt. to curtail the budget deficit being faced by the country. Ministry of Finance and IMF will review the reasons behind the collection of PKR 580Bn in pursuance of the tax target of PKR 648Bn. *The Nation-Sun.*

FBR moves to slash duties on import of mobile phones

FBR has proposed to slash RD on import of mobile phones by up to 50% in some cases, saying the move is aimed to provide relief to the common man and to support digitisation endeavours. The sharpest reduction in RD will be on mobile handsets with a c&f value between \$ 100 and \$ 200, where the existing RD rate is PKR 2,430 that the FBR is proposing to reduce to PKR 1,200. *Dawn-Sun.*

Some recent transfers, postings in FBR raise eyebrows

Some key changes in the FBR has once again demonstrated that the dream of introducing reforms into tax collection machinery is still a far cry despite the wish of the govt. to move ahead on this front. After recent transfer/postings into the FBR, many eyebrows have once again raised as some interesting and unusual happenings occurred into the fold of tax machinery. *The News-Sun.*

Oil price could soar to \$ 100/barrel

The oil market will rally by \$ 5-10 per barrel when it opens and may spike to as high as \$ 100 per barrel if Saudi Arabia fails to quickly resume oil supply lost after attacks over the weekend. Attacks on two plants at the heart of the Kingdom's oil industry knocked out more than half of Saudi crude output, or 5% of global supply. Crude prices could spike by at least \$ 15-20 per barrel in a seven-day disruption scenario and go well into triple digits in a 30-day scenario. *BR-Mon.*

Special procedures: FBR hasn't fully addressed ST issues of various sectors

FBR has not fully addressed sales tax issues of sectors operating under special procedures, particularly the steel sector, despite passage of over two and half months since introduction of budgetary changes of FY20. Sales Tax General Order (STGO) 105 of 2019 issued by the FBR after abolition of Sales Tax Special Procedure for the certain sectors as deficient in respect of steel sector. *BR-Mon.*

PKR 5Bn additional revenue received: Shabbar

Chairman FBR Shabbar Zaidi has said that the FBR has received an additional revenue of PKR 5Bn from increased number of 0.6Mn income tax returns filed for TY18 as return filers went up from 1.9Mn to 2.5Mn. *BR-Mon.*

Terminal to make round-the-clock Afghan trade possible

The National Logistics Cell (NLC), in coordination with KP govt., has completed arrangements for round-the-clock trans-border trade with Afghanistan through Torkham border. The terminal is expected to open next week. The move will facilitate export and import business, reduce congestion and ease pedestrian movement between the two countries. *Dawn-Mon.*

'Power tariff raised by 70% for Punjab exporters'

Power distribution companies in Punjab have raised electricity tariffs for export-oriented industries up to PKR 20 per unit from an earlier rate of PKR 10.62 per unit. Power distribution companies have started charging industrial consumers different taxes from Jul'19 onwards including levies such as tax on electricity bills, income tax, sales tax, quarterly tariff adjustment and extra tax. Lesco has raised power tariff for the export industry up to 70%, which resulted in a hike to PKR 20 per unit, even though Nepra had only allowed an increase to PKR 12.33 per unit. *Tribune-Sun*

PM to launch Youth Entrepreneurship Scheme

PM Imran Khan is to launch Youth Entrepreneurship Scheme in Sep'19 to encourage entrepreneurship culture in the country. The beneficiaries of this scheme would be provided proper training along with subsidized loans to make them successful and thriving businessmen. Another one of the six flagship initiatives under the Kamyab Jawan program, is the 'Startup Pakistan Program' which will train potential young entrepreneurs to help them conceive, incubate, and mature their business plans through access to digital incubation platforms. *The Nation-Mon.*

ITCN Asia to take place from Sept 17th to 19th in Karachi

ITCN Asia, an IT & telecom event in Pakistan being organized for the 19th consecutive year, will take place at the Expo Center in Karachi between 17th -19th Sept'19. Besides local companies, global brands will showcase their state-of-the-art products and services. *The Nation-Mon.*

Gwadar Port and Gwadar Free Zone: FBR accused of backing out from agreed incentives

Ministry of Maritime Affairs (MoMA) has accused FBR of backing out from agreed incentives for Gwadar Port and Gwadar Free Zone, two key CPEC projects. The Ministry of Maritime maintains that since ECC has already approved the tax concession for Gwadar Port and Gwadar Free Zone, therefore, FBR may abide by the ECC decision and withdraw its reference to the Cabinet Division and refer to Ministry of Law and Justice for advice on the institutional arrangement for implementing the concession. *BR-Mon.*

Karachi police to introduce new snap checking mechanism

In order to counter the menace of rising incidents of crimes, particularly street crime, the Karachi police has decided to change the snap checking method in the city. Registration number plates of vehicles will now be checked with modern equipment while 15 special police snap checking teams will be deployed in each district of the city. *The News-Sun.*

Cement's domestic demand declines by 5.49% in two months

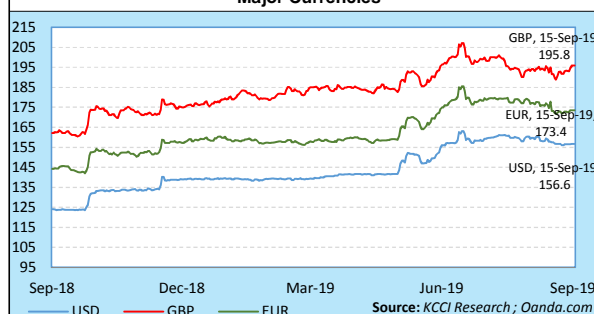
Impact of economic contraction is visible in the cement sector as 2MFY20 saw domestic demand declining by 5.49% while exports posted a healthy increase of 12.66%. Cement manufacturers are of the view that steps like increase in taxes on cement, high power and gas tariffs accompanied with axle weight condition on cement dispatches reduced the uptake of the commodity in the country. *The Nation-Sun.*

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	13-Sep	PKR	156.19	0.00%
USD-Open MKT	13-Sep	PKR	155.90	0.00%
KSE-100 index	13-Sep	Pts.	31,481	-0.21%
FIPI	13-Sep	\$ Mn	1.08	NM**
Crude (AP'19)	13-Sep	\$/bbl	54.91	-0.29%
Gold (MA'19)	13-Sep	\$/oz	1,489.7	-0.67%
Gold (10g) Local	13-Sep	PKR	75,617	0.00%
Silver (MA'19)	13-Sep	\$/oz	17.42	-3.53%
Cotton(KHI) -40 kg	13-Sep	PKR	8,681	0.00%
Kibor-6M	13-Sep	%	13.92	-0.04%
Forex Reserves	6-Sep	\$ Bn	15.75	0.78%
	FY19			YoY
Remittances	Jul-Aug 19	\$ Bn	3.73	-8.35%
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

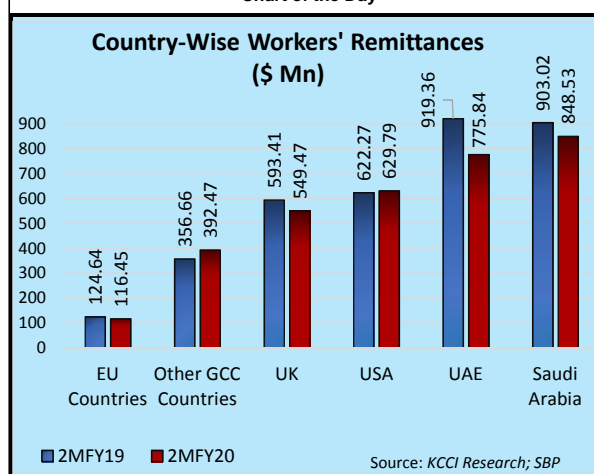


Quote of the Day

"Keep away from people who try to belittle your ambitions. Small people always do that, but the really great make you feel that you, too, can become great."

Mark Twain

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