

Makkah, Karachi Chambers agree to jointly develop business sector

Makkah Chamber of Commerce and Industry (MCCI) chief, Hisham bin Mohammed Kaaki, met with President KCCI, Junaid Ismail Makda, in a bid to explore ways of jointly developing the business sector of the 2 countries. Kaaki said that visit to KCCI will help strengthen mutual cooperation in addition to organizing forums and exhibitions to help develop private sector and result in strong ties between entrepreneurs on both sides. President KCCI highlighted that Pakistan has a well-developed textile industry, in addition to offering prospects in technology sector, civil engineering and other scopes of mutual interest.

Pakistan keeps key policy rate unchanged at 13.25%

SBP, in its latest bi-monthly Monetary Policy Statement for Oct-Nov'19, has announced to leave the key policy rate unchanged at 13.25%. SBP said its decision was based on the Monetary Policy Committee's (MPC) view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged since the last MPC meeting on 16th Jul'19. The MPC noted that Pakistan's monetary policy stance is adequate to slash inflation down to the forecasted target range of 5-7% in the next two years, but inflation is expected to increase to an average of 11% to 12% in 2020. *Daily Times*.

IMF delegation arrives in Pakistan on five-day visit

A team of IMF arrived in Islamabad on 16th Sept'19 on 5-day visit to discuss the ongoing program with Pakistan's economic team. The IMF's review was expected to take place in Nov'19 but the decision of dispatching this technical mission suggests that the IMF is not happy with massive slippages on fiscal front. The IMF team is likely to suggest ways and means to curtail the yawning budget deficit. The Fund would also review the tax collection efforts of FBR, which had faced shortfall of PKR 68Bn in 2MFY20. The IMF team would meet PM Imran Khan and his core economic team. The delegation will also meet with the chairpersons and members of Nepra, Ogra and SECP before traveling to Karachi to hold discussions at the SBP and other stakeholders. *The Nation*.

Sindh govt. announces to launch clean Karachi campaign

Following intense pressure from the federal govt., media and sections of the civil society, the Sindh govt. has woken up to play a leadership role in removing tons of garbage littering the streets of Karachi. Sindh Local Govt. Minister said that the Sindh govt. will make efforts to clear Karachi of municipal waste to a large extent in one month starting from 21st Sep'19. *The News*.

Minimum wage of unskilled labourers in Sindh raised to PKR 17,500

Sindh Information and Labour Minister, Saeed Ghani, has said that the minimum monthly wage of unskilled laborers across the province has been increased from PKR 16,200 to PKR 17,500 during FY20. He said that the law regarding minimum wage is applicable to all factories, industrial zones and other workplaces across the province where unskilled labor is employed. He said that denial of minimum wage can result in imprisonment of up to 6 months and fine ranging between PKR 20,000-50,000. *The News*.

FBR seeks exclusion of batteries, auto parts, tyres from retail taxation

The FBR has moved a summary to the federal cabinet for excluding import of storage batteries, auto parts, tyres and tubes from purview of retail price taxation. This mean that tax will be imposed at import price, not at retail price. FBR has also proposed abolishing of 3% value addition tax on the goods specified in the Third Schedule of the Sales Tax Act, 1990 as it has resulted in imposition of sales tax at 20% instead of standard rate of 17%. After getting approval of the cabinet, the FBR could issue SRO to make this amendment effective. *The News*.

Import of 7,354 items: FBR unveils new UoM for tax assessment

Importers/ clearing agents and shipping agents are required to furnish invoices/documents/ information in accordance with the new standard units of quantity/measurement (UoM) on the import of 7,354 items/goods notified by the FBR for assessment of duties/taxes. In this regard, the FBR has issued Customs General Order No 15 of 2019. The FBR said that no document including Goods Declaration (GD) shall be accepted after 30th Sep'19, if the information regarding units of quantity declared/shown is not in accordance with this CGO. *BR*.

Tax returns filing date extended

The FBR has extended the last date to file sales tax return and federal excise returns for the tax period of Aug'19 from 18th Sep'19 to 20th Sep'19. The FBR has extended the date in view of holidays on account of Ashura-e-Muharram. Sindh Revenue Board (SRB) has also extended the last date to file return under Sales Tax on Services for the month of Aug'19 up to 27th Sep'19. *The News*.

Egyptian firm expands further into Pakistan

Egyptian transport technology start-up Swvl will expand into two more cities in Pakistan Islamabad and Rawalpindi in the next two weeks. The international firm operates buses along fixed routes and allows customers to reserve and pay for them using an app. The company is also opening an engineering office in Karachi. Swvl is seeking to raise more than \$ 100Mn in a financing round in the 1HCY20, and is targeting a \$ 1Bn valuation in the next five years. It has secured the biggest round of funding for a tech start-up in Egypt. *Dawn*.

Five years to 5G, says PTA

Testing and launch of 5G cellular communication technology was discussed during a Senate Standing Committee meeting on IT and Telecommunication, where senators asked why one company is given a headstart to test its technology while two others are still waiting for approvals required for the purpose. PTA has informed general public that Zong is not authorised to offer commercial mobile services based on 5G technology in Pakistan. 5G technology would be introduced between 2023 and 2025 and it will be ensured that companies do not make a cartel at the time of its auction. *Dawn*.

FBR sets up stall at ITCN Asia

The FBR has set up a stall for the first time at an exhibition to give awareness about the ease of doing business and remove misconceptions about the tax system. FBR has established the stall at the 19th ITCN Asia to be held from 17th-19th Sep'19 at the Karachi Expo Centre. *The News*.

Oil prices soar as attacks slash Saudi output

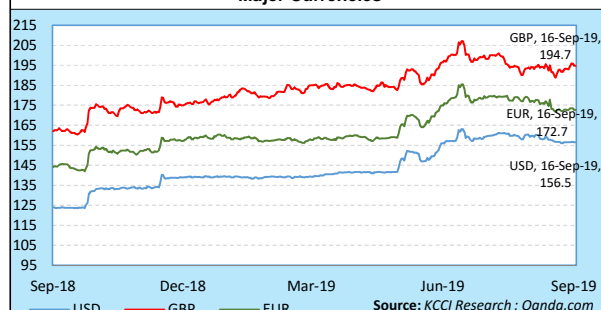
Oil prices surged by as much as 19% before coming off peaks. The intraday jump is the biggest since the 1991 Gulf War. Prices eased after US President Trump announced that he would release US emergency supplies and producers said there are enough stocks stored up worldwide to make up for the shortfall. The attack cut Saudi output by 5.7Mn barrels a day, or around half. *Dawn*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	16-Sep	PKR	156.24	0.03%
USD-Open MKT	16-Sep	PKR	156.00	0.06%
KSE-100 index	16-Sep	Pts.	31,929	1.42%
FIPI	16-Sep	\$ Mn	6.16	NM**
Crude (AP'19)	16-Sep	\$/bbl	61.71	12.38%
Gold (MA'19)	16-Sep	\$/oz	1,499.3	0.64%
Gold (10g) Local	16-Sep	PKR	75,360	-0.34%
Silver (MA'19)	16-Sep	\$/oz	17.84	2.39%
Cotton(KHI) -40 kg	16-Sep	PKR	8,788	1.23%
Kibor-6M	16-Sep	%	13.92	0.00%
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

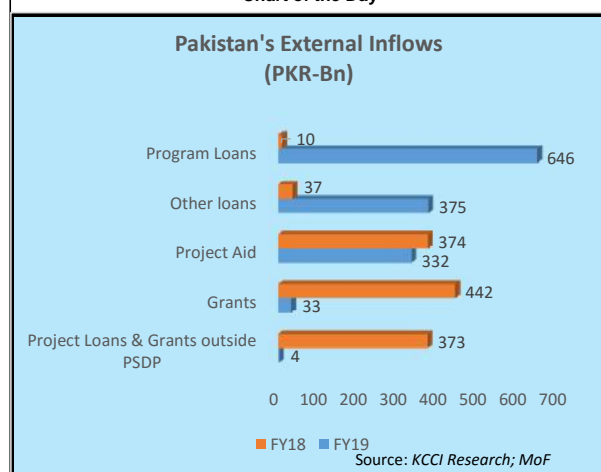


Quote of the Day

"Debt is a mistake between lender and borrower, and both should suffer."

Nassim Nicholas Taleb

Chart of the Day



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