

### Talks with FBR fail: Traders announce protest march on Islamabad

Trader talks with the FBR on the issues of CNIC condition sales tax registration and fixed tax scheme could not be fruitful and traders have called their representatives from all provinces of the country to reach Islamabad on 9<sup>th</sup> Oct'19 to finalize strategy regarding another shutdown for redressal of their demands. Traders from the whole country are worried as trade activities have come to a standstill. Legal imports are being halted, while the same goods are visible in Pakistani markets through smuggling. *The News-Sun.*

### Five reduced/zero rated sectors: FBR orders audit of registered persons

FBR has directed its field formation to conduct audit of the registered persons who were previously included in five reduced/zero rated sectors. Administrative measures are required to implement the policy corrections made in Sales Tax Act 1990 and Federal Excise Act 2005 through Finance Act 2019 to bridge the gap between actual collection of sales tax / federal excise and its true potential. Furthermore, the registered persons dealing in Third Schedule items would also be monitored to ensure sales tax collection at retail price and printing of retail prices. *BR-Mon.*

### ST, FED returns: Date extended till September 24

FBR has extended the date for filing sales tax and federal excise returns for the tax period Aug'19, up to 24<sup>th</sup> Sep'19. *BR-Sun.*

### Pakistan seeks changes in CASA-1000 deal

Pakistan has formally asked Tajikistan to invoke the open access clause in the agreement under CASA- 1,000 project paving way for two way trade of electricity, as under the existing deal, Pakistan is bound to import 1,000MW electricity per day at 9.50 cents per unit from May-Oct'19 once this project comes into stream. Under the new scenario, Pakistan is now surplus in electricity and wants to export it to the Kyrgyz republic, Tajikistan and Afghanistan in the winter season by using the same structure of CASA project. *The News-Sun.*

### Chairmen of Central, East DMCs complain of no funds for drive

Although the Sindh govt. has claimed that it has taken the KMC and DMCs of the city on board for the new cleanliness drive in Karachi, chairmen of some DMCs have complained that they have not been provided any money for the drive as the provincial govt. has provided funds to the deputy commissioners (DCs) instead. Under the prevailing circumstances, it will be impossible for the DMC to successfully carry out the drive. *The News-Mon.*

### KMC launches city-wide fumigation campaign

On the directives of Mayor Wasim Akhtar, KMC has started a city-wide fumigation campaign on Sun (22<sup>nd</sup> Sep'19) from District Korangi. Forty spray vehicles are being used in this campaign. *The News-Mon.*

### Pakistan gets \$ 1.5Bn worth of foreign loans in Jul-Aug

Pakistan has received \$ 1.5Bn foreign loans in 2MFY20 from bilateral and multilateral creditors and commercial banks, higher by 108% over the \$ 714Mn received in 2MFY19. Foreign disbursements have started picking up following signing of the IMF program, which seeks \$ 38Bn in foreign funding over 3 years. The \$ 1.5Bn is equal to 11.5% of the projected \$ 13Bn borrowing that the govt. has targeted to secure in FY20. *Tribune-Sun.*

### NIDA launches project 'Female Youth Empowerment'

In collaboration with USAID Small Grants and Ambassador's Fund Program, National Integrated Development Association (NIDA) has launched a project titled "Female Youth Empowerment". Deserving women would be imparted vocational and entrepreneurial skills training through training in Advance Boutique Tailoring and Hand/Machine Embroidery. The project would link them to local market for sustainable livelihoods and income generation which would improve socioeconomic status of women. *The Nation-Mon.*

### Investors pulled out PKR 152Bn from CDNS

Directorate of National Savings (CDNS) has pointed out that the investors of PKR 40,000 prize bonds have withdrawn PKR 152Bn by 31<sup>st</sup> Aug'19 from CDNS, out of total stock of PKR 259Bn investment after the govt. decided to discontinue the specific bond. CDNS has already increased rates on various savings certificates aimed at persuading the customers to invest with CDNS. *The Nation-Mon.*

### Banks' advances drop in July

Total banks advances as of Jul'19 has clocked in at PKR 7.99Tn, down PKR 105Bn from PKR 8.09Tn in Jun'19. Private sector's net debt retirement rose to PKR 86.6Bn from 1<sup>st</sup> Jul'19 to 6<sup>th</sup> Sep'19. Govt. borrowed PKR 455.8Bn from banks, in FY18, the govt. retired debts worth PKR 1.2Tn to the scheduled banks. However, loans to private sector reached to PKR 693.5Bn in FY19; slightly lower than PKR 775.5Bn in FY18. *Dawn-Sun.*

### Country to face 15 to 20% water shortage this year

To determine the water availability and shortages for the upcoming Rabi season the meeting of the IRSA's Technical committee has been convened on 25<sup>th</sup> Sept'19 while the advisory committee of the authority is likely to meet early next month. In previous year there was 35% water shortage during Rabi season, however this year it is expected that there will be 15- 20% shortage. *The Nation-Mon.*

### Petroleum imports shrink 26%

Pakistan's oil import bill has posted a hefty decline of over 26% in 2MFY20 from 2MFY19. Product-wise data showed that petroleum group imports dipped 26.75% to \$ 1.93Bn, with the largest drop coming from crude oil, down 55% in value. *Dawn-Sun.*

### Federal govt should collect agriculture tax: Farogh

Federal Law Minister Dr Farogh Naseem has said that the federal govt. should also collect agriculture tax as lot of economic activity is generated in this sector. He said that tax is being collected only from 20-25% of the economy and the question remains on 70-80% of the activity generated in rural Pakistan. He said the role of FBR had changed after Shabbar Zaidi took over its control and the tax collecting agency had been transformed into a facilitator. *Dawn-Mon.*

### Turkey to support Pakistan in hotel, tourism industry

The Turkish govt. will soon initiate a project of skills development in Pakistan aiming to produce skilled workforce for the local industry of hotel and tourism. Center of Excellence for Hospitality and Construction would be established in National Skills University Islamabad under the skills development institution of Turkish Cooperation and Coordination Agency. All the expenses of the project including hiring of workforce and carrying out construction work would be managed by the Turkish govt. *The Nation-Mon.*

### Pasha says sell-off proceeds not non-tax revenue

Dr Hafeez Pasha has said that privatization proceeds are not non-tax revenue but are financing item to be used to finance the budget deficit and thereby reducing debt. According to the Privatization Ordinance 2000, (90%) privatizations proceeds are used for debt servicing and (10%) poverty alleviation. Advisor to PM has recently stated that govt. is expecting PKR 1Tn on account of non-tax revenue with PKR 300Bn as privatization proceeds from the sale of two RLNG power plants, PKR 200Bn from cellular licenses of telecommunication companies and PKR 400Bn from SBP profit and other projected inflows under the head. *BR-Sun.*

### Ten Billion Tree Tsunami Program awaits funds

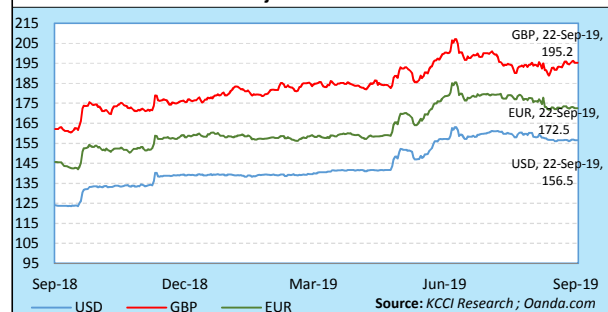
Govt.'s flagship project 'Ten Billion Tree Tsunami Program' still awaits the allocated funds included in PSDP FY20. The total cost of this project is PKR 125Bn and its allocated amount for FY20 is PKR 7.5Bn. Ministry of Climate Change has said the funds allocated for tsunami project are expected to be released by Sep'20. *The Nation-Mon.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	20-Sep	PKR	156.08	-0.10%
USD-Open MKT	20-Sep	PKR	155.80	0.00%
KSE-100 Index	20-Sep	Pts.	32,111	-0.23%
FIPI	20-Sep	\$ Mn	1.57	NM**
Crude (AP'19)	20-Sep	\$/bbl	58.46	-0.34%
Gold (MA'19)	20-Sep	\$/oz	1,516.8	1.15%
Gold (10g) Local	20-Sep	PKR	74,803	0.00%
Silver (MA'19)	20-Sep	\$/oz	17.93	1.03%
Cotton(KHI) -40 kg	20-Sep	PKR	9,270	0.00%
Kibor-6M	20-Sep	%	13.91	0.00%
Forex Reserves	13-Sep	\$ Bn	15.90	0.93%
	FY19			YoY
Remittances	Jul-Aug 19	\$ Bn	3.73	-8.35%
Exports*	Jul-Aug 19	\$ Bn	3.75	10.06%
Imports*	Jul-Aug 19	\$ Bn	7.68	-21.56%
Trade Balance*	Jul-Aug 19	\$ Bn	-3.92	38.47%
Current Account	Jul-Aug 19	\$ Bn	-1.29	54.67%
Foreign Direct Inv.	Jul-Aug 19	\$ Bn	0.16	-58.42%
LSM Growth*	Jul-19	%	-3.28	
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

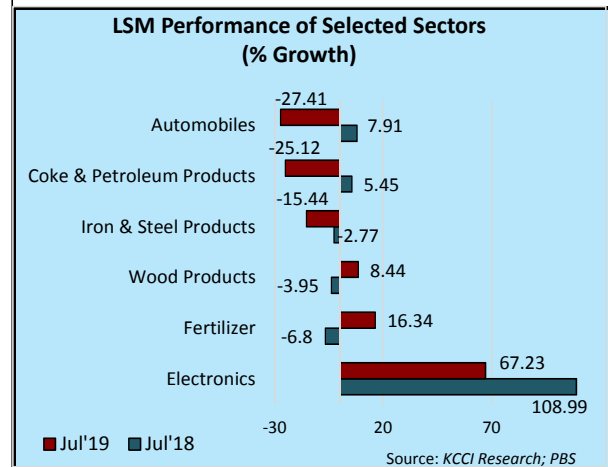


### Quote of the Day

*"Failure is often that early morning hour of darkness which precedes the dawning of the day of success."*

*Leigh Mitchell Hodges*

### Chart of the Day



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