

PKR 210Bn GIDC write-off is 'no free lunch', says Omar

The govt. has defended its decision to write off about PKR 210Bn to big businesses out of their outstanding PKR 420Bn bills on account of Gas Infrastructure Development Cess (GIDC), saying it gave up uncertain past bills to secure a lower but more certain future revenue stream. Energy Minister Omar Ayub Khan has said that it is not a free lunch to fertiliser or any other sector. An amount of PKR 43Bn is outstanding against general industry who would now pay about PKR 21Bn. *Dawn*.

Exporters get PKR 22Bn refunds via new system

FBR has released PKR 22Bn of verified sales tax refunds to exporters through newly installed Fully Automated Sales Tax e-Refund (FASTER) system. Adviser on Finance Dr Hafeez Shaikh said that the govt. is to release PKR 22Bn as sales tax refunds immediately, along with PKR 1.7Bn of income tax refunds (up to Rs100, 000) for all years. Meanwhile, income tax refunds between PKR 100,000-500, 000 for all years will be paid in Oct'19. In a FBR statement, it was highlighted that only 9 refund claims of 5 export-oriented sectors were received by 30th Aug'19, and the payment has been made. The FBR is encouraging exporters to submit their claims in form Annex-H at the earliest so that their claims can be processed and paid. *Dawn*.

Import stage: FBR to revise valuation rulings: Shabbar

FBR has decided to improve the valuation of imported goods through revised valuation rulings to increase revenue collection at import stage during Sep'19. A major shortfall of PKR 13Bn has been witnessed from customs duty collection at the import stage during August 2019. FBR Chairman Shabbar Zaidi has said that FBR is going to substantially modify its valuation model for determination of customs duty and other taxes levied at import stage. Old customs general order on this subject will be revised. *BR*.

Chinese investors to invest in SME sector of Pakistan

PM Imran Khan met a delegation of investors from around 100 Chinese investment companies, mostly from the Shandong province. The investors expressed their willingness to invest with SMEs of Gujranwala, Gujrat and Sialkot Triangle. China will provide market access to 90% of Pakistani commodities at zero duty to help Pakistan correct trade imbalances. This is estimated to increase Pakistan's exports to China by \$ 500Mn. *The Nation*.

Banks attract PKR 690Bn in fresh deposits

Improved returns following a sustained increased in policy rate has helped attract fresh rupee deposits of PKR 690Bn this year for banks, while reducing the appetite of greenback deposits for domestic investors. Between Jan'19 and Jul'19, rupee deposits of banks have increased to PKR 13.75Tn. Long-term deposits are getting a 10-11% return while short-term deposits are yielding about 8%. *Dawn*.

Govt collects \$ 30Mn from Pak expats under Pakistan Banao Certificate

After receiving a lukewarm response on two major initiatives for raising funds, the total collected amount of PKR 10.9Bn through PM and Chief Justice of Pakistan Fund for Diamer-Bhasha and Mohmand dams has been invested into the treasury bills (TBs) for earning around 14% mark-up. With regard to the 2nd initiative in the shape of Pakistan Banao Certificate (PBC), the govt. has so far collected roughly \$ 30Mn, failing to attract the desired number of potential investors. *The News*.

K-IV project cost increases eight times in 15 years

The federal and Sindh govt.s have jointly constituted a technical committee to review the K-IV project's technical report to be submitted by NESPAK by the end of Sep'19 so that the project can be carried forward. NESPAK has estimated the cost of around PKR 120Bn of the K-IV project, 8 times higher than its initial estimated cost of PKR 25Bn after the passage of 15 years. However, Sindh CM has said that it will cost PKR 150Bn because of the devaluation of PKR. Moreover, a 50MW power plant has also been proposed for the project. *The News*.

FBR sniffing around supermarkets for smuggled goods

The FBR has launched a nationwide drive to physically check if supermarkets are selling smuggled goods to dodge taxes. Major activities of monitoring have been launched in Karachi, Lahore and Islamabad. FBR teams have started inspection at the Centaurus Mall Islamabad, Emporium Mall Lahore and Dolmen Mall and the Forum Karachi. *The News*.

Govt advised to take cases against private sector from NAB

Businessmen have advised the govt. to transfer existing proceedings against the private sector from the NAB to another appropriate court. They said that NAB's powers should be restricted solely to those who hold public offices. Other govt. investigation agencies, regulators and courts should exercise their powers to hold the private sector accountable. The govt. is currently considering amendments into the NAB Ordinance 1999. *The News*.

PTI govt to establish real estate regulatory body

The federal govt. has decided to establish a Real Estate Regulatory Authority (RERA) to manage the affairs of real estate with an appellate tribunal to settle the disputes of the sector. The real estate agents will have to register with the authority for the sale of plots, houses or buildings. For the purpose, the govt. has finalized the Real Estate Regulation and Development Bill 2019. *Tribune*.

Bill moved in Senate for amendment to NAB Ordinance

A bill has been moved in the Senate to amend the National Accountability Ordinance, 1999 which was not opposed by the govt. The aim of the bill is also to do away with the draconian effect of the law. Through the proposed piece of legislation, some key amendments have been sought including curtailing powers of the NAB chairman and that a case of corruption of less than PKR 500Mn should be investigated by any other anti-corruption body as the NAB is supposed to deal with mega corruption cases. *The News*.

Saudi FM to visit Pakistan next week

Saudi Minister of State for Foreign Affairs Adel al-Jubeir is expected to visit Pakistan most likely within this week to discuss the deteriorating situation in South Asia after annexation of Held Kashmir by the Indian govt. *The News*.

China lodges WTO trade complaint against US

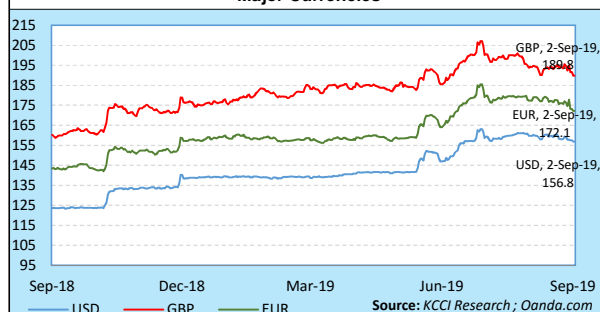
China has lodged a complaint against the US with the WTO, one day after new tariffs were imposed by Washington on billions of dollars of Chinese goods. The world's two biggest economies have been embroiled in a bruising year-long trade war which escalated further when both sides moved ahead with fresh tit-for-tat levy hikes. *The News*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	2-Sep	PKR	156.63	-0.15%
USD-Open MKT	2-Sep	PKR	156.70	0.00%
KSE-100 index	2-Sep	Pts.	30,057	1.30%
FIPI	2-Sep	\$ Mn	-1.54	NM**
Crude (AP'19)	30-Aug	\$/bbl	55.01	-2.88%
Gold (MA'19)	30-Aug	\$/oz	1,526.1	-0.25%
Gold (10g) Local	2-Sep	PKR	75,960	-1.01%
Silver (MA'19)	30-Aug	\$/oz	18.25	0.61%
Cotton(KHI)-40 kg	2-Sep	PKR	8,574	0.00%
Kibor-6M	2-Sep	%	14.08	0.00%
Forex Reserves	23-Aug	\$ Bn	15.63	0.16%
	FY19			YoY
Remittances	Jul-19	\$ Bn	2.04	5.70%
Exports*	Jul-19	\$ Bn	1.88	14.63%
Imports*	Jul-19	\$ Bn	4.15	-15.13%
Trade Balance*	Jul-19	\$ Bn	-2.27	30.15%
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-19	%	10.34	
Discount Rate	Jul-19	%	13.25	

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

Major Currencies

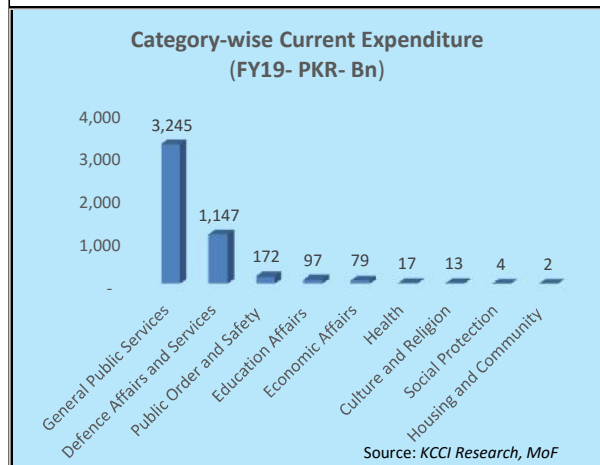


Quote of the Day

"The extravagant expenditure of public money is an evil not to be measured by the value of that money to the people who are taxed for it."

Chester A. Arthur

Chart of the Day



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