

### PM forms high-level committee to address Karachi issues

PM Imran Khan, while chairing a meeting, has constituted a high-level committee to draw up short, medium and long-term plans to address the issues being faced by the people of Karachi. The meeting took stock of the issues confronting Karachi like lack of clean drinking water, poor sewerage system, poor state of cleanliness, absence of a mass transit system and others. Expressing serious concern over the issues being faced by the people of Karachi, the PM said that the federal govt. would play its role in resolving these issues so that residents of the port city could live a better life. He said Pakistan's future was linked with that of Karachi as the city was its financial hub. *The Nation-Mon.*

### PM's direction on trade policy formulation ignored

The Commerce Division has delayed the finalization of proposed five-year Strategic Trade Policy Framework (STPF) document despite clear directions from PM's Secretariat to meet deadline of 31<sup>st</sup> Dec'18 to enhance export competitiveness and productivity of domestic industries. The ultimate goal of the policy is to increase exports at a minimum compound annual growth rate of 12% annually till FY23. *Dawn-Sun.*

### Economic stability top priority, says SBP governor

SBP Governor Dr Reza Baqir, while speaking to the business community, has said that stabilizing economy was a top priority while effective and comprehensive measures were being put in place for improving economy gradually. He said that reason behind increasing trade deficit in recent years was the absence of market-based exchange rate. The govt., he said, desired to increase profitability of private business and to promote employment; if the private sector had issues with the public sector, the govt. would make all out efforts to resolve their problems, he assured. *The Nation-Mon.*

### FBR issues 20,000 notices to net evaders

FBR has started issuing notices to tax evaders, mainly high net-worth individuals, containing all types of undeclared transactions made by a person on their CNIC. Around 20,000 notices have been issued by the Regional Tax Office (RTO) – II Karachi. Individuals have been identified through the Tax Profiling System launched by the FBR on 20<sup>th</sup> Jun'19. *The News-Tue.*

### 'Loopholes in tax form to make returns difficult'

Tax experts have pointed out several weaknesses in the draft of taxpayer forms released by the FBR and have expressed their reservations that the loopholes will make it extremely difficult for individuals and Association of Persons (AOPs) to submit their FBR returns. While calling for corrections, they claimed that the return forms included certain parts pertaining to wealth reconciliation due to which wealth statements already furnished and reviewed by FBR appear complicated. They maintained that the form had been released after 31<sup>st</sup> Aug'19, the final date for submission of wealth statements for salaried individuals. However, authorities at FBR have observed that the tax collection agency will soon issue new, simplified forms for salaried individuals and AOPs, while a one-pager assessment form is also scheduled to be printed for small traders by 30<sup>th</sup> Sep'19 after thorough consultation. *Tribune-Mon.*

### Zero-rated industry: Power Division seeks to charge PKR 21Bn tariff adjustment

Power Division is reportedly determined to charge quarterly tariff adjustment of PKR 21Bn (@ PKR 1.80 per unit) from zero rated industry. As per ECC's decision, zero-rated is being billed equivalent to 7.5cens/kWh and there is no direction whether to cross subsidize the differential or to be subsidized by GoP as subsidy which is estimated to be around PKR 23Bn annually. Further proposal for uniform quarterly adjustments (1<sup>st</sup> and 2<sup>nd</sup> quarter) for FY19 are approved by ECC. *BR-Tue.*

### Pakistan delegation in Bangkok for FATF talks

Pakistan has submitted a report on strengthening of its anti-money laundering regime and combating financing of terrorism framework to the FATF, during talks with FATF officials in Bangkok. The meeting will continue till 13<sup>th</sup> Sept'19 and its outcome will determine Pakistan's removal or stay in the FATF's grey list. *The Nation-Tues.*

### Govt working on IMF's demand

Chairman FBR Shabbar Zaidi has summoned a meeting of all tobacco manufacturers on 12<sup>th</sup> Sept'19 in order to have their views for installation of Track and Trace system for tobacco products. The IMF had asked the govt. to ensure that the system to electronically monitor the production and supply of cigarettes and other products of tobacco is completely operational by Mar'20. *The Nation-Tues.*

### Private sector borrowing falls sharply

In 2MFY20, private sector credit off take is negative PKR 84.6Bn against a net borrowing of PKR 30.6Bn in 2MFY19, indicating that firms are largely retiring loans rather than borrowing. Debt retirement figures of conventional banks stood at PKR 81.9Bn during Jul-Aug'19 against net borrowing of PKR 34Bn. Islamic banks noted a net retirement of PKR 19.3Bn against a net retirement of PKR 6.5Bn. *Dawn-Sun.*

### Reko Diq, Karkay cases rulings being challenged: minister

Minister for Power Omar Ayub Khan has clarified that the sole reason for introducing the GIDC (Gas Infrastructure Development Cess) ordinance was to reduce fertiliser prices after conducting forensic audit of five fertiliser companies. He said the govt. is challenging the decision of an international court against Pakistan in Reko Diq and Karkay cases. The minister said that nine other independent power producers (IPPs) had gone to the London Court of International Arbitration, winning PKR 14Bn against Pakistan, adding that if the country defaulted on these payments, national assets abroad could be confiscated. *Dawn-Tue.*

### Visas to be issued free of charge: 2,511 Chinese working illegally given dispensation by PM

PM Imran Khan has directed the Board of Investment (BoI) to issue provisional recommendation letters without security clearance to 2,511 Chinese citizens illegally working on projects and to convert their visas into work visas without any fee. Total BoI processing fee involved for issuance of work visa is \$ 251,000 equivalent to over PKR 40Mn. Ministry of Interior revealed that thousands of Chinese nationals working on CPEC/non-CPEC projects enter Pakistan initially on visit visas and then get extensions instead of going back on the expiry of their visas and return on work visa. *BR-Tue.*

### TCP plans setting up rice cleaning, processing mills in Karachi

The Trading Corporation of Pakistan (TCP) has planned to setup rice cleaning, processing and milling units in Karachi in partnership with the private sector. In this regard, TCP will provide cemented buildings and structures at National Highway and Landhi Industrial Area to interested parties on rental basis. In order to meet the challenges under the WTO regime, it is now essential for the country to put together its rice production and marketing strategies to match the demand of international markets. *The News-Tue.*

### Pakistan to attend Shanghai fair

At the 25<sup>th</sup> Anniversary of Intertextile Shanghai Apparel Fabrics, Pakistan will complete its 21 years of regular participation, as 32 Pakistani companies under TDAP are participating in the event. The largest apparel fabrics and accessories trade fair will take place from 25<sup>th</sup>-27<sup>th</sup> Sep'19 in Shanghai. *The News-Sun.*

### Queen approves law seeking to block Oct 31 no-deal Brexit

Britain's Queen Elizabeth has given final approval to a piece of legislation which seeks to prevent PM Boris Johnson from taking the country out of the EU without an exit deal on 31<sup>st</sup> Oct'19. Brexit, UK's most significant geopolitical move in decades, remains in question more than 3 years since the 2016 referendum, with possible outcomes ranging from a no-deal exit to abandoning the whole endeavor. *The News-Tue.*

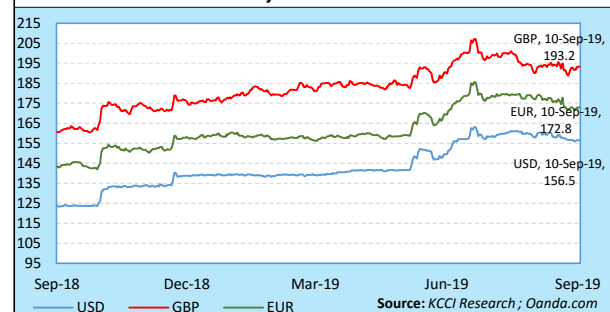
### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	6-Sep	PKR	156.32	-0.04%
USD-Open MKT	6-Sep	PKR	156.40	0.26%
KSE-100 index	6-Sep	Pts.	30,467	0.84%
FIPI	6-Sep	\$ Mn	0.13	NM**
Crude (AP'19)	10-Sep	\$/bbl	57.91	-0.22%
Gold (MA'19)	10-Sep	\$/oz	1,486.5	-0.92%
Gold (10g) Local	6-Sep	PKR	76,303	0.00%
Silver (MA'19)	10-Sep	\$/oz	17.97	-0.02%
Cotton(KHI) -40 kg	6-Sep	PKR	8,681	6.58%
Kibor-6M	6-Sep	%	14.04	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-Aug 19	%	9.44	
Discount Rate	Jul-19	%	13.25	

Sources: KCCI Research, PMEX, NCCPL, KSE, SBP, PBS\*

\*\* Not Meaningful on week;

### Major Currencies

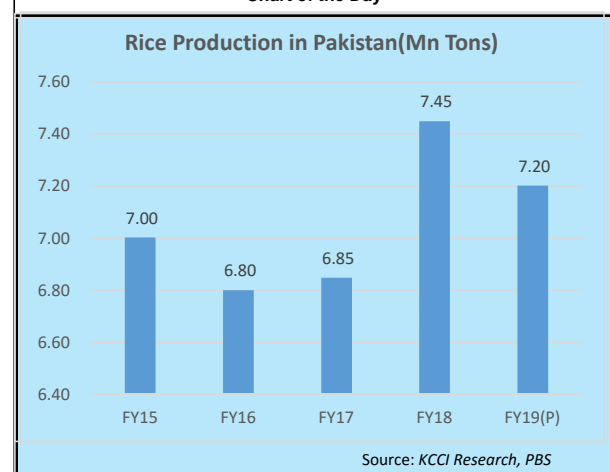


### Quote of the Day

*"Quality is never an accident, it is always the result of intelligent effort."*

**John Ruskin**

### Chart of the Day



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