

Trade deficit narrows by 35% in 1Q

Pakistan's trade deficit narrowed by around 35% in 1QFY20 mainly due to reduction in imports. Trade deficit was recorded at \$ 5.73Bn as compared to \$ 8.79Bn in 1QFY19. Imports were recorded at \$ 11.25Bn as against \$ 14.17Bn, showing reduction of 20.59% while exports recorded minor growth of 2.75% as it exported goods worth of \$ 5.52Bn. Imports have started declining due to the imposition of regulatory duties on luxury items and automobiles. *The Nation*.

KCCI urges govt. to revalidate TOO-2007 in place of TOO-2013

President KCCI Agha Shahab Ahmed Khan has invited Advisor to PM on Commerce Abdul Razak Dawood to visit KCCI so that they could get an opportunity to present their point of view about the controversial Trade Organizations Ordinance (TOO) 2013 and convince the govt. to revalidate TOO-2007, besides listening to PM Advisor's plan of action on how to completely cleanse FPCCI from bogus trade bodies which, if done, would surely go in favor of the entire country. He drew the attention of PM's Advisor towards the controversial Trade Organizations Ordinance 2013 which provided enough space at FPCCI through fake and bogus trade bodies to stay in control and deprived genuine representatives of the business & industrial community of their fundamental right of having say in FPCCI's affairs. KCCI firmly believed that TOO-2013 has to be rescinded and replaced with TOO-2007 which must also be implemented in letter and spirit. *BR*.

Dubai agrees to share details of assets owned by Pakistanis

In a major development, FBR Chairman Shabbir Zaidi has announced that the Dubai Land Department will provide information of the properties owned by Pakistanis in Dubai. He added that 'iqama abuse' is also being handled. Notices would be sent to individuals who own 6 or more properties in UAE. In the last 20 years, around \$ 6Bn had been siphoned off on an annual basis from the country. *Daily Times*.

PEW says economic stability unlike during price hike

The Pakistan Economy Watch has said that achieving economic stability amid increasing poverty in the country is a delusion of policymakers. Tax measures and increased cost of energy has swept the buying power of masses. Reduced demand has brought down the production of factories resulting in layoffs which have thrown millions in unemployment. Current interest rates and set of policies are enough to shatter the economy beyond repair, and should be revisited immediately, it demanded. *The Nation*.

Steps demanded to bail out troubled textile sector

Business leaders have said that the textile sector is facing a grave threat due to reduction in cotton production, which should be noticed by the govt. Cotton crop is expected to see a reduction of 33% or almost 5Mn bales which will hurt growers and textile millers. The govt. should allow duty-free import of at least 5Mn bales of cotton to keep price normal otherwise high cost of doing business will hurt the largest export earning sector. They urged that steps should also be taken to bail out growers who have seen part of their crops destroyed to pests and other factors. *The Nation*.

Stalled CPEC projects to be revived

Pakistan and China have vowed to restart stalled schemes under multi-billion dollar CPEC project. The decision was made during the 7th meeting of CPEC's Joint Working Group on Transport Infrastructure. China also assured to extend all cooperation including technical consultation and exchange of information and technology to make Highway and Research Centre (HRC) more active. It also discussed various aspects of upcoming schemes of Peshawar-D.I.Khan Motorway, realignment of KKH from Thakot to Raikot and Swat Expressway from Chakdara to Fatehpur. *Dawn*.

Car sales plunge 36% in Sept; sixth month of decline

Passenger car sales plunged by 36% to 10,923 in Sep'19 from 16,957 in Sep'18, the 6th consecutive month of decline, as escalating interest rate and import tariff hit the slumping industry. Passenger car sales in 1QFY20 declined 39% to 31,017 units, compared to 51,221 units sold during 1QFY19. In Sep'19, Honda Atlas, Indus Motors and Suzuki slashed their productions to 75%, 59% and 82%, respectively. *The News*.

SECP enrolls 96% companies online in September

SECP registered 1,392 companies in Sep'19, most of them enrolled online, as the digitization of the system has made registration and post incorporation compliance simple, faster, and cost effective. Around 96% of the companies were registered through SECP's eService and 50% of them were incorporated on the same day. 85 foreign applicants completed registration from overseas using this service. Now the total number of the incorporated companies stands at 105,407. *The News*.

SBP refutes news item

SBP has refuted the story attributing statements of the SBP Governor that appeared in The News and Daily Jang. Apropos the story entitled, "People must show patience: More shocks of inflation likely", it clarified that SBP Governor Reza Baqir did not make such statements. Instead he repeatedly stated that reducing inflation is a key priority and whatever pressure existed on inflation will start declining and inflation rate will come down, particularly in 2HFY20. *The News*.

IPSOS survey: Inflation, additional taxes worry majority

A Consumer Confidence Survey conducted by IPSOS shows that unemployment is the most worrying issue in Pakistan followed by high inflation and burden of additional taxes. 79% respondents termed the economic situation bad, 44% consider the economic situation very bad, while 34% termed the situation somewhat bad. 31% respondents lost jobs in last one year as a result of economic conditions. The major findings of the survey show that in comparison to one year ago, 9 out of 10 Pakistanis are feeling less comfortable while purchasing general household items as well as major ones like cars, homes etc. *The News*.

PTI govt suggests interest rate cut for female borrowers

The govt. is expected to give the green light to the proposal of slashing interest rate on bank loans provided for female entrepreneurs in an attempt to help them launch their business under the PM's Youth Business Loan Scheme. This will help create opportunities for young females of the country, who will be able to launch their own small business, resulting in job opportunities as well. Cabinet members suggested that the govt. may consider reducing an additional 0.5-1% of interest on borrowing by females. *Tribune*.

Body set up to promote pharma exports

The govt. has constituted a pharmaceutical export promotion committee to encourage production and exports of medicines and medicinal products. The committee is tasked to review the progress of export of pharmaceutical products, suggest measures for achieving the growth targets and facilitate the production and export of active pharmaceutical ingredients in the country. *The News*.

Pakistani startups shine at 39th GITEX

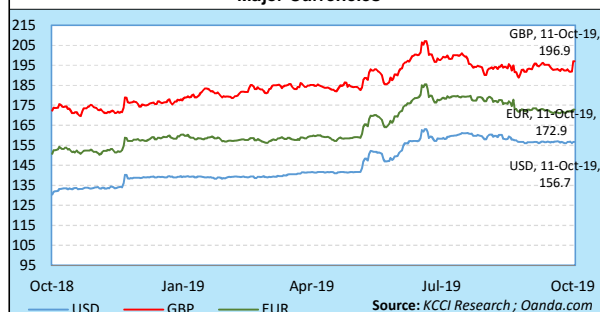
Seven Pakistani startups from business sectors of construction, healthcare and robotics featured prominently in the region's largest technology conference, 39th iteration of GITEX in the UAE, which featured entrepreneurs and technology companies from over 140 countries. *The Nation*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	11-Oct	PKR	156.07	-0.07%
USD-Open MKT	11-Oct	PKR	155.80	-0.06%
KSE-100 index	11-Oct	Pts.	34,476	1.32%
FIPI	11-Oct	\$ Mn	0.58	NM**
Crude (AP'19)	10-Oct	\$/bbl	53.91	2.28%
Gold (MA'19)	10-Oct	\$/oz	1,493.7	-0.86%
Gold (10g) Local	11-Oct	PKR	74,228	-1.00%
Silver (MA'19)	10-Oct	\$/oz	17.48	-1.41%
Cotton(KHI)-40 kg	11-Oct	PKR	9,548	0.00%
Kibor-6M	11-Oct	%	13.64	-0.03%
Forex Reserves	4-Oct	\$ Bn	14.99	-0.07%
	FY20			YoY
Remittances	Jul-Sep 19	\$ Bn	5.48	-1.43%
Exports*	Jul-Sep 19	\$ Bn	5.52	2.75%
Imports*	Jul-Sep 19	\$ Bn	11.25	-20.59%
Trade Balance*	Jul-Sep 19	\$ Bn	-5.73	34.85%
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-Sep 19	%	10.08	
Discount Rate	Jul-19	%	13.25	

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

Major Currencies



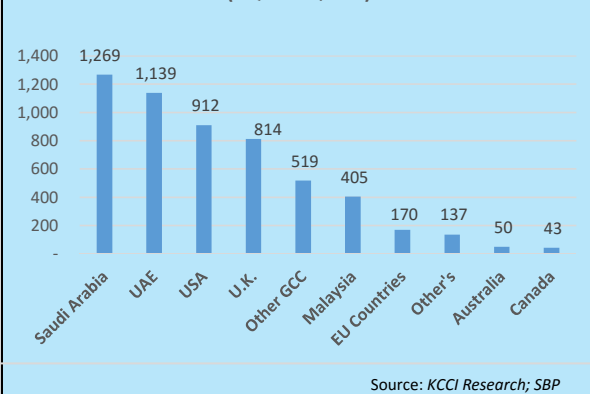
Quote of the Day

"If you wait until there is another case study in your industry, you will be too late."

Seth Godin

Chart of the Day

Country-Wise Workers' Remittances (1QFY20- \$ Mn)



Disclaimer

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