



KCCI economic survey shows business sentiments souring

Sentiments among small and big business houses were recorded souring in a wide scale survey before the COVID-19 pandemic that annihilated any iota of expectation about the economic recovery, KCCI's report has revealed. The survey of 1,103 unique manufacturers, service providers and traders conducted between 1st Jan'20 and 15th Mar'20, found that with the exception of a few institutions, a large majority of Karachi-based businesses experienced at least some degree of friction in the pace of business activities in 2019, regardless of the sector to which they belong to and that they also have signified low expectations for 2020. 50% companies claimed to have reduced the number of employees in 2019 while as a consequence of the outbreak and disaster caused by the coronavirus pandemic, a sharp growth in unemployment is being anticipated. After analyzing a number of factors, the report concluded rupee depreciation, unprecedented rise in utility costs and outdated and complex tax system are the biggest challenges for businesses. The survey report said that the people of Karachi have asked the govt. to refrain from sudden changes in policies, indulge in deliberations with policy stakeholders and consider setting up a one window solution for businessmen. *The News.*

Going forward in COVID-19 times: Pakistan has not so far applied for debt relief from G20 countries

IMF's Resident Chief Teresa Sanchez has said that Pakistan has not so far applied for debt relief from G20 countries as neither Islamabad nor any other country made any formal request to this effect. She said that the G20 announcement regarding debt relief is a bit complex and unclear, so the IMF is reviewing its details. *The News.*

FY21 budget: IMF working closely with authorities: Sanchez

Teresa Daban Sanchez, resident representative of the IMF in Pakistan, while emphasizing the need for adopting good taxation principles with sometime increase in the tax-base and sometime increase in rates, has stated that IMF is working closely with the Pakistani authorities on preparing budget for FY21. She stated that taxation on tobacco in Pakistan is very low and it needed to be more taxed, not only for more collection but also for health reasons. The IMF has no involvement over the decision on petroleum prices in Pakistan. If the govt. does not reduce the petroleum levy then it is its prerogative, she added. *BR.*

IMF backs govt package for construction sector

IMF has supported the govt's. construction package to absorb daily wage earners and has advised appropriate taxation for petroleum products, vehicles, beverages and tobacco sector. IMF's resident representative in Islamabad, Teresa Daban Sanchez, said that the performance of Pakistan's economy prior to the emergence of Covid-19 had been quite satisfactory. *Dawn.*

Hafeez not for unfettered SBP autonomy

Advisor on Finance Dr. Abdul Hafeez Shaikh has said that autonomy of SBP should be accompanied by some checks and balances. When the minutes of the Cabinet Committee on Disposal of Legislative Cases (CCLC) came under discussion for ratification. The Ministry of Finance, in its summary to the CCLC had proposed removing SBP Governor from the post of the chairman of the SBP Board of Directors (BoD) to keep the central bank's activities in check after its management's aggressive bid for complete autonomy. SBP wants the abolishment of finance minister-led Monetary and Fiscal Policies Coordination Board, an end to the role of federal govt. in quasi fiscal operations. *BR.*

Federal cabinet approves anti-smuggling ordinance

As the govt. tightens the noose against the hoarders and smugglers, the federal cabinet has approved the anti-smuggling ordinance and sent it to the president for approval. Under the ordinance, the supply of currency, wheat, sugar and other commodities through undeclared routes has been declared smuggling and the perpetrators and aiders would be subjected to an imprisonment of 14 years. *Tribune.*

Pakistan seeks LNG supplies for next six to 24 months on fixed price

Cabinet Committee on Energy (CCOE) has rejected the proposal for invoking the clause of forced majeure for supply of LNG contracts keeping in view the reduced prices in the international market. However, the highest forum of CCOE approved to authorize PSO/PLL to negotiate with ENI and Gunvor for fixed price of supplies for the next six to 24 months' period. Islamabad would make efforts to get the price of \$ 4 to \$ 4.5 MMBTU DES price and efforts to be made to bind as many cargoes as possible within this desired range. *The News.*

Free online entrepreneurship training planned

National Vocational and Technical Training Commission in collaboration with the Kamyab Jawan Startup Pakistan has arranged a free online entrepreneurship training program for students to make the best use of their time during the coronavirus lockdown. The students applying by 20th Apr'20 would be considered for the current course. Students can get registered through <https://bit.ly/navtc> for free online training. *The News.*

Three Korangi industrial units sealed for failing to enforce SOPs

The Sindh govt. has sealed 2 pharmaceutical companies and a tea manufacturing company in the Korangi Industrial Area on account of their failure to act according to the SOPs formulated for the COVID-19 lockdown regime in place. *The News.*

FDI climbs 137% to \$ 2.1Bn in nine months

FDI more than doubled to \$ 2.1Bn in 9MFY20 from \$ 905.1Mn in 9MFY19 mainly on Chinese inflows and spectrum proceeds from Norway. Power sector fetched the highest FDI of \$ 757.4Mn while the communication sector received FDI of \$ 490.3Mn. *The News.*

KMC shops' tenants can pay rent of April, May in installments: mayor

KMC has allowed the tenants in its shops and markets to pay the rent of Apr'20 and May'20 in installments over four months. *The News.*

Oil prices collapse as world awash with crude

US oil prices dived to 34-year lows at \$ 10 after crashing more than 45% in a market flooded with crude as demand evaporates in the face of the coronavirus pandemic. The steep decline was driven by investors closing out their positions ahead of the May'20 contract expiry. Investors left holding the contracts will have to take physical delivery of the contracts as storage is quickly becoming an issue. The drop on the WTI June contract was less severe - 8.8% to \$ 22.82. *The News.*

More than 84% households in Pakistan are food secure: survey

More than 84% households in Pakistan Social and Living Standards Measurement (PSLM) survey conducted by PSB have reported that they are food secure, while 16% households are experiencing moderate or severe food insecurity overall Pakistan. The 11th round of PSLM, covered 25,940 households across rural and urban communities for collecting information on a range of social sector issues — education, health and food security by facilities and services. Sindh witnessed the highest level of moderate or severe food insecurity. Overall literacy has increased to 60% from 58% in FY14. *Dawn.*

Define hoarding, demand traders

The ordinance against hoarding and profiteering, that has made hoarding a punishable crime, has puzzled wholesalers, retailers and stockists, who have asked for details and clarity on the acceptable quantities for various products that can be stocked at shops or godowns. Traders claimed that they keep various essential commodities for months or throughout the year keeping in view of the annual consumption. *Dawn.*

69 export units resume operations in Karachi

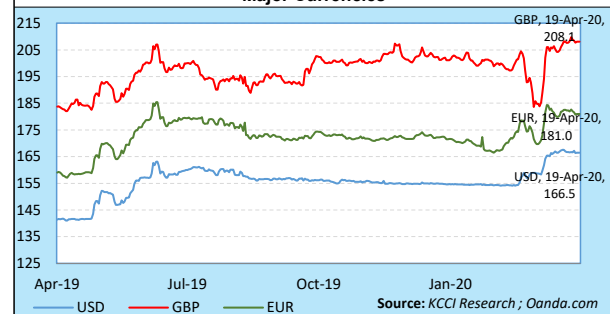
As many as 69 export-oriented units related mainly to textile and other sectors have been allowed to resume operations in Karachi after fulfilling the Standard Operating Procedures (SoPs) laid down by the Sindh govt. *Dawn.*

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	20-Apr	PKR	163.49	-0.05%
USD-Open MKT	20-Apr	PKR	162.50	-0.31%
KSE-100 index	20-Apr	Pts.	33,500	2.03%
FIPI	20-Apr	\$ Mn	4.28	NM**
Crude (AP'19)	20-Apr	\$/bbl	26.02	28.88%
Gold (MA'19)	20-Apr	\$/oz	1,705.2	-1.58%
Gold (10g) Local	20-Apr	PKR	88,480	-1.74%
Silver (MA'19)	20-Apr	\$/oz	15.56	-0.51%
Cotton(KHI)-40 kg	20-Apr	PKR	9,431	0.00%
Kibor-6M	20-Apr	%	8.65	-0.08%
Forex Reserves	10-Apr	\$ Bn	17.30	1.81%
FY20				
Remittances	Jul-Mar 20	\$ Bn	16.99	5.37%
Exports*	Jul-Mar 20	\$ Bn	17.45	3.65%
Imports*	Jul-Mar 20	\$ Bn	34.81	-1.06%
Trade Balance*	Jul-Mar 20	\$ Bn	-17.36	26.72%
Current Account	Jul-Feb 20	\$ Bn	-2.84	71.04%
Foreign Direct Inv.	Jul-Mar 20	\$ Bn	2.15	137.30%
LSM Growth*	Jul-Feb 20	%	-3.03	
Avg. CPI	Jul-Mar 20	%	11.53	
Discount Rate	Apr-20	%	9.00	

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

Major Currencies

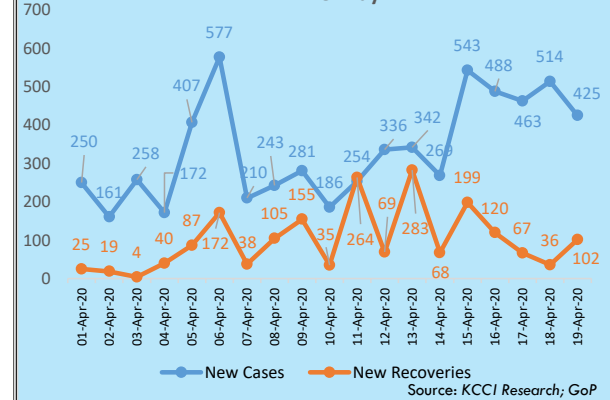


Quote of the Day

"Remember no one can make you feel inferior without your consent."

Eleanor Roosevelt

New Coronavirus Cases Vs Recoveries in Pakistan Per Day



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