

GDP growth may go down to -1.57% in worst-case scenario

Against the projection of the Planning Commission on country's GDP growth ranging from positive 2 to 2.6%, a high-level meeting chaired by Adviser on Finance and attended by leading development partners, including World Bank, ADB, DFID and UNDP has predicted that GDP growth could remain negative 1.57% for FY20 in worst case scenario. The meeting also predicted that due to an extended economic crisis, fiscal deficit could rise to 9.6% of GDP while the impact on the poverty figures could also be higher due to closure of businesses and restricted economic activity due to the lockdown situation. *The News*.

Taxpayers asked to update returns

FBR has asked taxpayers to update their income tax returns for receiving refunds in bank accounts. It said that bank details are mandatory for a centralized system of online payment of sales tax, FED and income tax refunds directly in the bank account of taxpayers. FBR has also asked exporters to update their WeBOC profile and provide IBAN of the same bank account whose details are already available in the profile. *Dawn*.

Finance ministry plans PKR 600Bn PSDP for next fiscal

The Finance Ministry has indicated an allocation PKR 600Bn for PSDP for the FY21 budget that will keep the planning ministry walking a tightrope to meet the financing needs of ongoing projects as well as funding the new initiatives. The Finance Ministry has started sending indicative budget ceilings to various departments as the govt. is considering announcing the budget on 5th Jun'20. However, no final decision has been made about the budget date. *Tribune*.

July-March: Provisional external inflows stand at \$ 6.73Bn

Total provisional external inflows from multiple financing sources were \$ 6.73Bn during 9MFY20 compared to \$ 8.16Bn in 9MFY19 i.e. 52% of the budgeted \$ 12.95Bn for FY20. The govt. has already procured \$ 1.79Bn from foreign commercial banks against 3.14Bn, which includes disbursement of Dubai Bank (\$ 563.85Mn) and ADB (\$ 2.22Bn). *BR*.

Govt to facilitate remittances through tax exemptions

Estimating that remittances would reach \$ 20-21Bn by end-FY20, down 13-17% against a budgeted target of \$ 24Bn, the govt. has decided to facilitate remittances from overseas Pakistanis through tax exemptions and other incentives under a special loyalty program with effect from the start of FY21. This includes exemption of WHT on cash withdrawal. *Dawn*.

Export of edibles banned

The Federal Cabinet has banned the export of all edible items consumed by the common man in view of the current situation in the country. The decision will be reviewed after two weeks. The cabinet also approved modalities for export of chloroquine by importers in possession of the raw material. It also plans to offer govt.-owned land located in major cities to overseas Pakistanis in order to generate financial resources. *The News*.

Good news for power consumers from May 1: Hafeez Shaikh

Advisor on Finance Dr Hafeez Shaikh has said that the govt. would pass on the benefit of reduced oil prices in the international market to the public and people would hear good news in this regard on 1st May'20. He said the cost of energy and travel would decrease with the reduced oil prices and the govt. would be able to reduce the oil prices further. *The News*.

Charging 5% tax on educational fee: FBR giving no relief to students' parents

Amid providing relief to everyone after the outbreak of COVID-19 pandemic, the FBR has not so far given any relief to parents of students on charging 5% advance WHT on annual fees exceeding PKR 200,000. FBR has estimated to collect PKR 4Bn from WHT at an annual fee of over PKR 200,000 during FY20. *The News*.

NTC tasked to devise uniform taxation policies

The establishment of the National Tax Council (NTC) has been delayed due to the coronavirus outbreak. Ironically, the upcoming budget, expected to be presented in the 1st week of Jun'20, is being formulated on the basis of the old NFC Award. Under the harmonization process, the Centre and provinces will make efforts to evolve a consensus on uniform tax return, single GST rate and other requirements for both goods and services, so the taxpayers will have to file a single return instead of filing 5 separate returns on a monthly basis. *The News*.

Sindh starts crackdown

Sindh govt. has initiated crackdown against profiteers during Ramadan, and has booked 792 hoarders and profiteers and given a PKR 1.64Mn fine. A total of 195 people were charged PKR 1.29Mn in Karachi alone. *The News*.

Chinese co to set up industrial unit to manufacture agri machinery

A leading Chinese company Qingdao Hongzhu Agriculture Machinery Co. Ltd, currently exporting agriculture machinery to Pakistan, is planning to build a factory in Pakistan to manufacture machines and equipment to meet the growing demand of the local agriculture sector. Qingdao Hongzhu specializes in the production of potato machinery and sold more than 200 agricultural machines in Pakistan last year. *The Nation*.

PM approves "Green Stimulus" package

PM Imran Khan has approved the 'Green Stimulus' package, as part of the 10 billion Tree Tsunami project, which aims at promoting plantation, setting up nurseries, natural forests, and promotion of honey, fruit and olive plantation in the country. Under the package, a 'Green Nigehabaan' initiative would also be launched to provide job opportunities to 65,000 youth and daily-wage earners in the first phase, making them a part of the plantation campaign. *The Nation*.

Facebook introduces new tools on Instagram to promote SMEs

Facebook has introduced new tools on Instagram to support SMEs during the present challenges. These tools will empower users of Instagram to support their favorite businesses and help entrepreneurs to make their sales. Started from 25th Apr'20, businesses in Pakistan, Bangladesh, Sri Lanka can now share food orders in Instagram Stories and as a button on their profiles. *BR*.

Uninterrupted movement of goods urged

A policy brief by the United Nations Conference on Trade and Development (UNCTAD) has outlined a ten-point action plan to help industries involved in the movement of goods to keep free-flowing trade afloat during the Covid-19 crisis and its aftermath. The measures which also cover maritime transport, customs operations and legal issues call for policies including ensuring uninterrupted shipping, keep ports open and speeding up customs clearance and trade facilitation. *Dawn*.

New commerce secretary

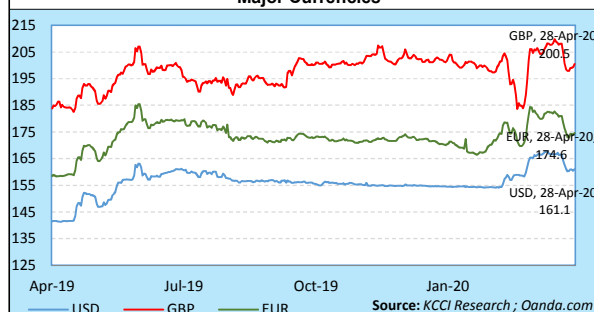
Yousaf Naseem Khokhar, a BS-22 officer of Pakistan Administrative Service (PAS) has been appointed as the Secretary Commerce. Earlier, he was posted as Secretary Interior. *Dawn*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	28-Apr	PKR	161.65	0.73%
USD-Open MKT	28-Apr	PKR	160.25	-0.47%
KSE-100 index	28-Apr	Pts.	32,553	0.74%
FIPI	28-Apr	\$ Mn	0.21	NM**
Crude (AP'19)	28-Apr	\$/bbl	13.24	2.95%
Gold (MA'19)	28-Apr	\$/oz	1,722.2	0.53%
Gold (10g) Local	28-Apr	PKR	88,400	0.80%
Silver (MA'19)	28-Apr	\$/oz	15.42	0.83%
Cotton(KHI)-40 kg	28-Apr	PKR	9,431	0.00%
Kibor-6M	28-Apr	%	7.73	0.02%
Forex Reserves	17-Apr	\$ Bn	17.30	0.03%
FY20 YoY				
Remittances	Jul-Mar 20	\$ Bn	16.99	5.99%
Exports*	Jul-Mar 20	\$ Bn	17.45	2.23%
Imports*	Jul-Mar 20	\$ Bn	34.81	-14.41%
Trade Balance*	Jul-Mar 20	\$ Bn	-17.36	26.44%
Current Account	Jul-Mar 20	\$ Bn	-2.77	73.10%
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

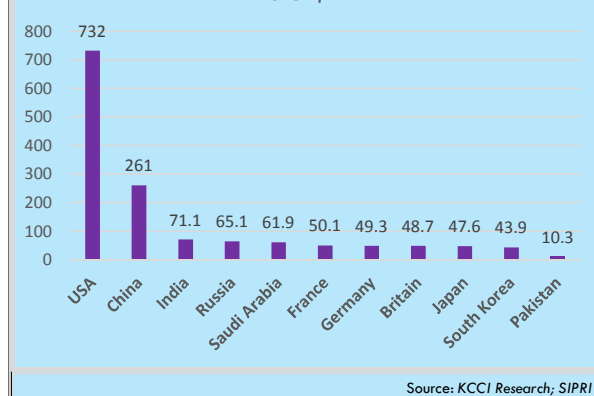


Quote of the Day

"You don't build a business. You build people and then people build the business."

Zig Ziglar

Top 10 World and Pakistan Military Spending 2019- \$ Bn



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