

### Trade bodies caution against negligence to reopening precautions

President of KCCI, Agha Shahab Ahmed Khan, has said that it's good to make profits during the shopping season, which would help in recovering some of the previous losses caused by the lockdown but these profits must not be earned at the cost of someone's precious life. A lot of efforts were made by Chairman Businessmen Group Siraj Kassam Teli and office bearers of KCCI that resulted in convincing the Sindh govt. to ease the lockdown on a condition that the business community would strictly adhere to precautions, which were not difficult to follow and obeying them would go in favor of humanity and businesses. *The News*.

### 2,255 cases reported in 24 hours: Sindh seals malls, markets

On the direction of Commissioner Karachi, several markets and shops were sealed in the District South and East for blatantly violating the social distancing order for the past two days. Zainab Market, the Victoria Center, the International Center, Madina City Mall in Saddar while Haram Center and Gul Plaza were sealed in the Garden area while Jilani Center in Arambagh area was also sealed. On the other hand, traders and shopkeepers lamented that it was nearly impossible to follow social distancing considering the structure of their shops and markets. *The News*.

### AC, DC get powers to fine violators of coronavirus restrictions

Sindh governor has promulgated an ordinance that allows officers of deputy and assistant commissioner ranks to impose heavy fines on people violating govt. orders issued in the wake of the coronavirus. The ordinance titled Sindh Epidemic Diseases (Amendment) Ordinance 2020 has come into force and includes a punishment entailing an on spot fine up to PKR 1Mn or attachment of movable, immovable, perishable property or both. *Dawn*.

### SOPs issued for small traders to run businesses during COVID-19 pandemic

The Sindh home department on the instructions of the provincial govt. has issued standard operating procedure (SOP) for retail shops and small traders under the Sindh Epidemic Diseases Act 2014 (The Sindh Act VIII of 2015). In this regard, the home department has imposed restrictions on all activities, save essential services/office/industry. The general SOPs for conduct of any permissible business at any workplace issued earlier vide order number dated 14<sup>th</sup> Apr'20 will apply for staff travelling, staff awareness, conduct, workplace management, cleanliness, distancing, goods handling and transportation etc. to the fullest as applicable to these businesses/shops. *The News*.

### Textile exports plunge to 17-year low

Pakistan's textile and clothing exports have declined by 64.5% in Apr'20 to \$ 403.83Mn year-on-year — the lowest level in almost 17 years — due to order cancellations and shipment delays amid pandemic-led global lockdowns. *Dawn*.

### Tax collection from exports drops 25% in April

Tax collection from exports sharply fell 25% to PKR 402Mn in Apr'20 compared with PKR 538Mn in Apr'19 as the lockdown adversely hurt foreign trade for almost 2 months before having eased recently. Exports registered a 54% decline in Apr'20 and were recorded at \$ 957Mn in Apr'20 compared with \$ 2.09Bn in Apr'19. *The News*.

### World economy to shrink 3.2% in 2020: UN

World economy is projected to shrink by 3.2% in 2020 after the coronavirus pandemic sharply restricted economic activity, increased uncertainty and sparked the worst recession since the great depression. A report by the UN Department of Economic and Social Affairs has said that there would likely only be a gradual recovery in 2021. World economy is expected to lose nearly \$ 8.5Tn in output in 2020 and 2021, wiping out cumulative output gains of the previous four years. *Dawn*.

### Trade resumes with Iran after Zero Point opens in Taftan

Trade activities between Pakistan and Iran have resumed after two more trade crossing points were reopened in Taftan following a decision taken by the National Command and Operations Centre. These trade gateways were closed 2.5 months ago after the coronavirus outbreak in Iran. Trade activities between the two countries would continue thrice a week according to SOPs. *Dawn*.

### Torkham border: 150 containers allowed to cross over into Afghanistan daily

A joint meeting of Khyber District Customs, NLC, FC and police officials was held at Pak-Afghan border Torkham wherein it was decided to allow cross-over of 150 transit goods loaded containers to Afghanistan on a daily basis. Since the recent opening of the border, only 100 transit containers were crossing over to Afghanistan through Torkham border. *BR*.

### Govt to sell debt worth PKR 2.88Tn

The govt. plans to borrow PKR 2.88Tn from the banking system to finance the budget deficit by selling treasury papers. It aims to sell Market Treasury Bills (MTBs), Pakistan Investment Bonds (PIBs) for next three months and Govt. Ijara Sukuk for next two months. *The News*.

### ECC approves PKR 56.6Bn agri package

ECC has approved PKR 56.6Bn to provide farmers subsidy on fertilizers, reduction in mark-up on agriculture loans, subsidy on cotton seed, white fly pesticides and sales tax subsidy on locally-manufactured tractors. *The News*.

### PSX keeps up emerging market status

PSX has kept up its emerging market status in the semi-annual index review by Morgan Stanley Capital International (MSCI) despite being largely non-compliance with the free-float standards, taking a leeway out of the coronavirus crisis. All the 3 stocks, including OGDC, MCB and HBL retained their positions in the MSCI standard index. *The News*.

### SECP to conduct dispute hearings through video conferencing facility

SECP has decided to conduct hearings through video conferencing facility where respondents can make their hearing submissions from their respective safe locations, be it their offices or homes. This decision has been taken in response to disruptions caused by Covid-19 emergency; however, it will be a permanent facility for participating in SECP adjudications related hearings. *The Nation*.

### Countering-terror financing risks: Brokers, insurers and NBFs told to set transaction limits

SECP has allowed securities brokers, commodities brokers, insurers, Takaful operators, Non-Banking Finance Companies (NBFs) and Modarabas (regulated persons) to set transaction limitations (ie, limited deposits/withdrawals, until verification requirements are completed), and account monitoring, for effectively managing money laundering/terrorist financing risks during the COVID-19 pandemic. *BR*.

### MoF agrees to convert over PKR 800Bn PHPL debt into public debt

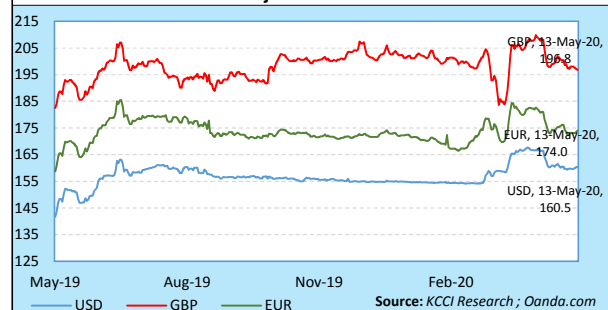
Ministry of Finance has reportedly agreed to convert Power Holding Private Limited (PHPL) debt of over PKR 800Bn into public debt with bi-annual review of power sector performance as per an agreement with the World Bank. The ECC recently approved a proposal of Power Division for conversion of PKR 136.5Bn PHPL loan into public debt. As per the plan, the circular debt flow will remain around PKR 75Bn per annum over the plan's period. The plan does not address the currently payable amount of circular debt of over PKR 1.1Tn. *BR*.

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	13-May	PKR	160.08	-0.24%
USD-Open MKT	13-May	PKR	160.50	-0.31%
KSE-100 index	13-May	Pts.	33,693	0.27%
FIPI	13-May	\$ Mn	-4.08	NM**
Crude (AP'19)	13-May	\$/bbl	25.31	3.10%
Gold (MA'19)	13-May	\$/oz	1,705.0	0.25%
Gold (10g) Local	13-May	PKR	88,740	1.30%
Silver (MA'19)	13-May	\$/oz	15.58	-0.42%
Cotton(KHI)-40 kg	13-May	PKR	9,217	0.00%
Kibor-6M	13-May	%	8.13	0.01%
Forex Reserves	30-Apr	\$ Bn	18.76	1.58%
<b>FY20</b>				<b>YoY</b>
Remittances	Jul-Apr 20	\$ Bn	18.78	5.51%
Exports*	Jul-Apr 20	\$ Bn	18.41	-3.92%
Imports*	Jul-Apr 20	\$ Bn	37.91	-16.50%
Trade Balance*	Jul-Apr 20	\$ Bn	-19.50	25.68%
Current Account	Jul-Mar 20	\$ Bn	-2.77	73.10%
Foreign Direct Inv.	Jul-Mar 20	\$ Bn	2.15	137.30%
LSM Growth*	Jul-Mar 20	%	-5.40	
Avg. CPI	Jul-Apr 20	%	11.22	
Discount Rate	Apr-20	%	9.00	

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

### Major Currencies

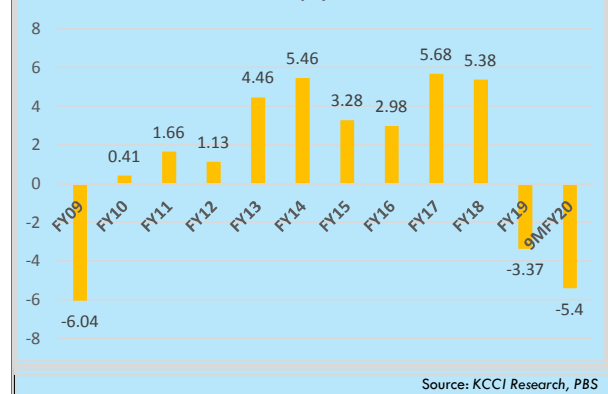


### Quote of the Day

"Business is a combination of war and sports."

Andre Maurois

### Large Scale Manufacturing (LSM) Growth Rates (%)



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