

### Teli urges Sindh government to ease lockdown prior Eid

Chairman BMG and former President KCCI Siraj Kassam Teli has urged the Sindh govt. to completely do away with the ongoing lockdown at least during the last week of Ramadan-ul-Mubarak in which all the shops and shopping malls be permitted to operate 24-hour a day, which would not only help in dealing with the overcrowding issue at various commercial markets due to limited timings but would enable the small traders/ shopkeepers to recover some of the previous losses suffered by them because of prolonged lockdown. *BR-Mon.*

### 'Tax relief' budget being prepared

On the directions of the Advisor on Finance, Dr Abdul Hafeez Shaikh, FBR is preparing a "tax relief" budget FY21 for the business community and the general masses with a focus on greater relief measures rather than new taxation measures. It is proposed to bring certain items from the higher duty slabs to lower slabs of 0%, 3% and 11%. The govt. is also considering bringing down Additional Customs Duty (ACD) and Regulatory Duty (RD) on hundreds of imported items of raw material and inter-mediatory goods. Within the Fifth Schedule of the Customs Act, 1990, the govt. may bring those items to the standard customs tariff regime where there is "nil" condition or without any restriction/condition specified in the said schedule. However, the items and sectors subjected to conditions under the Fifth Schedule of the Customs Act, 1990, may be retained in the coming budget. *BR-Mon.*

### IMF proposes PKR 575Bn new taxes in next budget

IMF has proposed PKR 5.1Tn revenue target in the FY21 federal budget, including additional tax measures of PKR 575Bn. IMF has proposed enforcement of administrative measures for tax integration and harmonization along with elimination of unnecessary exemptions and bringing new sectors into the tax net. Progress has also been made with IMF on implementation of reforms in accordance with the terms of the \$ 6Bn Extended Fund Facility Program, which would continue into the next budget. *Dawn-Mon.*

### For relief-oriented budget: Duty cut on imported raw items on the cards

The National Tariff Commission (NTC) has proposed tariff rationalization plan up to FY24 and its 1<sup>st</sup> phase is expected to be implemented in the coming budget. The FBR is considering increasing the limit of providing CNICs condition from PKR 50,000 to PKR 100,000 in the upcoming budget. *The News-Mon.*

### Sindh agrees to resume public transport after Eid holidays

Just a day after Sindh govt refused to lift its ban on public transport despite PM's appeal, provincial authorities have announced they would allow operations of buses and ride-hailing service across the province after Eid holidays. Sindh Transport Minister has also announced a relief package for transporters which includes exemption of several taxes and duties. SOPs will have to be followed by transporters and passengers. *Dawn-Sun.*

### Limited scale: SBP allows NayaPay to commence operations

SBP has permitted NayaPay (Pvt.) Limited, an upcoming E-money Institution (EMI), to commence operations on a limited scale. Users will be able to sign up for their wallet within a few minutes and make hassle-free digital payments through the NayaPay app and associated debit card, which can be used to withdraw money from any ATM and perform digital transactions with millions of retailers online and in stores. *BR-Mon.*

### Pakistan attains space in global market for exporting local rice

Adviser on Commerce Abdul Razak Dawood has said that Pakistan has attained huge space in the global rice market for exporting local rice in potential markets of Middle East, North America and African regions to achieve the target of increasing agricultural exports. He said that a rice delegation from Mexico would hopefully arrive in Pakistan in Jun'20 to appraise various rice exporters for giving them permission for exporting rice to Mexico. *Daily Times-Sun.*

### Bill to amend Cos Act being moved: FATF-related concerns to be addressed

The govt. is introducing a new bill to amend Companies Act, 2017, to address FATF-related concerns specifically money laundering, countering terrorist financing, and information about beneficial ownership of companies. A threshold of a minimum of 25% of ownership or control rights of the ultimate beneficial owner in the reporting company through the multiple layers of intermediate holding companies has been proposed to be specified through the relevant regulations. *BR-Sun.*

### Oil refineries, firms told to boost supplies

The govt. has asked oil marketing companies and refineries to beef up supplies of major transport fuels ahead of Eidul Fitr. The petroleum division has also directed that depots and installations would remain operational during Eid holidays, except for 1<sup>st</sup> and 2<sup>nd</sup> day of Eid. The advisory follows recent shortages of High-Speed Diesel supplies in many parts of the country, as farmers and associated supply chain struggle to meet transport requirements. *Dawn-Mon.*

### Pakistan reopens Chaman, Torkham border for trade

The interior ministry has issued a notification, announcing round-the-clock opening of the Pakistan-Afghanistan border at Torkham and Chaman for six days a week for cargo traffic, and reserved Saturday for pedestrian movement. *Tribune-Sun.*

### Textile exports down 65% in April amid lockdown

Textile sector saw exports sharply fall in Apr'20 to \$ 403.8Mn, down 65% year-on-year as the virus-based lockdown stupefied industrial activities and foreign orders were put on hold amid slackening consumer demand world over. Exporters are unanimous that annual exports wouldn't cross the \$ 20Bn mark in FY20. *The News-Sun.*

### FBR mulls withholding tax on construction, agri vehicles

FBR is likely to expand the scope of withholding tax to cover vehicles used in agriculture and construction sectors in a bid to broaden tax base across the informal economy. The agriculture sector is exempted from income tax and due to ambiguity in the definition the vehicles used by the construction sector escape the levy of withholding tax as well. *The News-Sun.*

### State Bank links further rate cut with unfolding situation

SBP has not ruled out a possibility of further rate cut after swiftly reducing the benchmark interest rates by a cumulative 525bps to 8% in an unprecedented short span of 2 months. SBP Governor Reza Baqir has said that it would be wrong to commit to any level of interest rates and current account deficit and inflation rate would be under consideration to give more comfort for keeping interest rates low. *The News.*

### PSO circular debt towards govt entities reaches PKR 339Bn

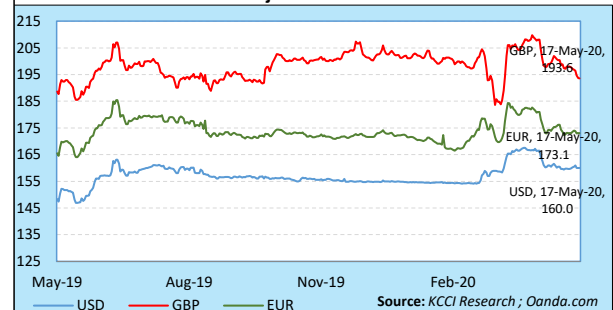
The circular debt by PSO towards various govt. entities has reached PKR 339Bn. SNGCL is the single govt. entity which owes the largest amount of PKR 103.3Bn to PSO. Similarly, the power sector receivable has reached PKR 198.7Bn. *The Nation-Mon.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	15-May	PKR	160.10	0.00%
USD-Open MKT	15-May	PKR	161.00	-0.31%
KSE-100 index	15-May	Pts.	34,008	0.60%
FIPI	15-May	\$ Mn	-3.49	NM**
Crude (AP'19)	15-May	\$/bbl	27.80	8.51%
Gold (MA'19)	15-May	\$/oz	1,739.6	0.96%
Gold (10g) Local	15-May	PKR	89,600	0.22%
Silver (MA'19)	15-May	\$/oz	16.17	2.76%
Cotton(KHI)-40 kg	15-May	PKR	9,217	0.00%
Kibor-6M	15-May	%	8.14	-0.02%
Forex Reserves	8-May	\$ Bn	18.46	-0.06%
<b>FY20</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	May-20	%	8.00	

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

### Major Currencies

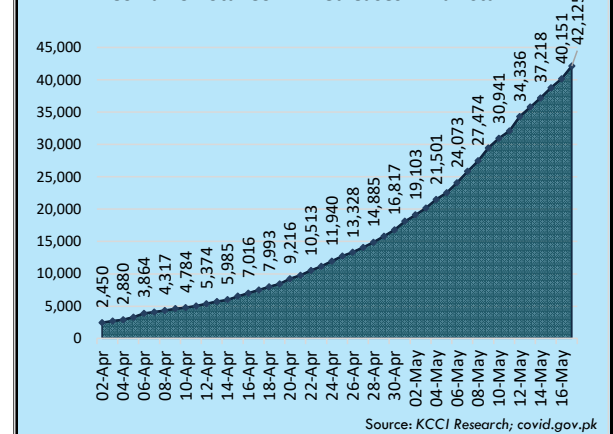


### Quote of the Day

"Anything that is measured and watched, improves."

Bob Parsons

### Covid-19 Total Confirmed Cases in Pakistan



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