

Punjab gradually reopening industries

While Punjab has allowed several industrial sectors to resume operations, Sindh lags behind in easing the restrictions imposed amid the coronavirus pandemic. 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 Ramazan adding that people cannot afford to keep businesses closed forever so the govt. and the business community will have to jointly devise ways and means of how to safely get back to routine life in the presence of the virus. *Tribune*.

Industry, poor to get relief: No new tax in coming budget, says Hafeez Shaikh

Adviser on Finance Dr A.Hafeez Shaikh has said that the govt. would impose no new tax in the coming budget for FY21. He said that the govt. would bring down duty at zero level on many more items in order to give a boost to industries. He said that the govt. would have to devise smart budgeting in order to create a cushion for stimulating the stagnating economy. He added that the next budget would provide relief to industries and people of Pakistan. *The News*.

Govt seeks advices to address fundamental problems in tax system

The govt. is seeking advice from experts to address the fundamental problems in the tax collection system ahead of the budget announcement for FY21. Adviser on Finance Hafeez Shaikh appreciated the work done for gathering data across the country from selected markets and from different chambers of commerce and industry. He said that the govt. is ready to listen to all stakeholders to prepare a budget, which is according to the need of the prevailing economic circumstances and innovative in providing solutions to the structural problems of the economy. *The News*.

Open malls, markets across country: Supreme Court

The Supreme Court (SC) has ordered reopening of shopping malls and markets for the whole week all-over the country, which had been shut down during the lockdown in the wake of Covid-19. The court also set aside the decision of the National Coordination Committee, notifying the provinces for maintaining complete lockdown on Saturday and Sunday except for essential services. *The News*.

Traders request extension of shop timings as sealed markets reopen

Several markets including Zainab Market, Victoria Centre, International Centre, Madina City Mall, Haram Centre, Gul Plaza in the Garden area and Jilani Center in the Arambagh area were de-sealed at 10am on 18th May'20. More than 600 small and big markets continued their operations in the city, however, the shopping malls remained closed. Traders have requested the govt. that at least for the last 5 days of Ramadan, markets be allowed to operate during night so that rush of customers can be reduced. *The News*.

FBR urged to release verified income tax refunds before Eid

Manufacturers have urged FBR to release their verified income tax refunds before Eid providing them much needed cash liquidity to meet their pressing expenses especially those pertaining to staff salaries/wages. Ministry of Finance on 16th Apr'20 while highlighting the relief measures for the trade and industry had announced that income tax refunds of PKR 50Bn stacked up since 2014 will be released within a week, but the FBR has not released the refund amount which was promised within a week. BR.

KE announces further relief for small businesses

In continuation of earlier relief measures on account of the COVID-19 crisis, K-Electric (KE) is facilitating SMEs through pre-paid electricity bills under the "Chota Karobar-o-Sannat Imadadi package" announced by the Federal govt. Under the package, eligible commercial customers with sanctioned load up to 5kW and industrial consumers with sanctioned load up to 70kW will receive a maximum subsidy of up to PKR 100,000 and PKR 450,000 in their electricity bills which can be utilized in 6 month starting from May'20. For customers whose electricity consumption data may not be available for the base period, the appropriate average will be used. BR.

Pak economy size shrinks to \$ 264Bn

National Accounts Committee has announced provisional estimated GDP growth for FY20, with the contraction of Pakistan's GDP growth rate at negative -0.38%. The total size of Pakistan's economy in terms of dollars has decreased up to \$ 264Bn for FY20 against revised estimates of \$ 279Bn. Meanwhile, Pakistan's per capita income had also nosedived \$ 1,271 against \$ 1,363 for FY19. The agriculture sector achieved positive growth of 2.7%, while the manufacturing sector registered negative growth of -5.6% while services sector witnessed negative -0.6% growth. *The News*.

FDI grows 127% in 10 months

Despite Covid-19 pandemic, FDI continued its rising trend in Pakistan and posted a healthy growth of 127% during 10MFY20. Pakistan attracted FDI amounted to \$ 2.28Bn compared to \$ 1.0Bn in 10MFY19, showing an increase of \$ 1.27Bn. FDI inflows were \$ 2.87Bn against outflow of \$ 590Mn. On Month-on-Month basis, FDI surged by 32% to \$ 133Mn in Apr'20 versus \$ 101Mn in Apr'19. During the Apr'20 FDI inflows were \$ 175Mn as against outflow of \$ 42Mn. BR.

Sindh, WB launch \$ 135Mn Covid-19 response program

World Bank (WB) and Sindh govt. have decided to launch a \$ 135Mn Covid-19 response program as well as a \$ 10Mn locust control program. Sindh CM Murad Ali Shah revealed that the provincial govt. plans to disinfect all public spaces including bus stops, offices and roads. The provincial govt. would also establish two new landfill sites in Karachi. *Tribune*.

PTI govt to drop unapproved projects from PSDP

The federal govt. has decided to drop all unapproved projects from PSDP in the next budget, which will now be unveiled on 12th Jun'20. The decision is aimed at complying with an Act of parliament and ensuring better utilization of fiscal resources. There are currently around 180 unapproved projects including the \$ 9.2Bn or PKR 1.5Tn Mainline-I (ML-1) project of CPEC. *Tribune*.

PTI govt gets PKR 300Bn bids for Sukuk

The federal govt. has received roughly PKR 300Bn worth of bids from investors who have oversubscribed (by 50%) the Sukuk that authorities have floated to raise funds to settle nearly 20% of circular debt. The finance ministry expects the price to be Kibor plus around 0.2% to 0.3%. The Islamic bond has been floated to raise PKR 200Bn to retire some of the circular debt that has recently touched PKR 1.2Tn. *Tribune*.

Factory owners plead against Sindh govt's ban on sackings

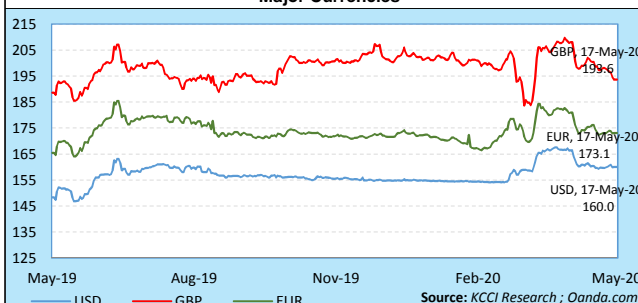
Sindh High Court (SHC) has directed factory owners to file a plea against the Sindh govt's ban on firing employees during the lockdown, after making amendments. It has adjourned the hearing till 4th Jun'20. *Tribune*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	18-May	PKR	160.08	-0.01%
USD-Open MKT	18-May	PKR	161.00	0.00%
KSE-100 index	18-May	Pts.	33,805	-0.60%
FIPI	18-May	\$ Mn	-3.85	NM**
Crude (AP'19)	18-May	\$/bbl	29.81	7.23%
Gold (MA'19)	18-May	\$/oz	1,755.4	0.91%
Gold (10g) Local	18-May	PKR	88,390	-1.35%
Silver (MA'19)	18-May	\$/oz	17.05	5.44%
Cotton(KHI)-40 kg	18-May	PKR	9,217	0.00%
Kibor-6M	18-May	%	8.09	-0.05%
Forex Reserves	8-May FY20	\$ Bn	18.74	-0.06% YoY
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-Apr 20	\$ Bn	2.28	127.00%
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

"Public trust is essential to public safety."

Martin O'Malley

Crime Index of Selected Cities - 2020



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