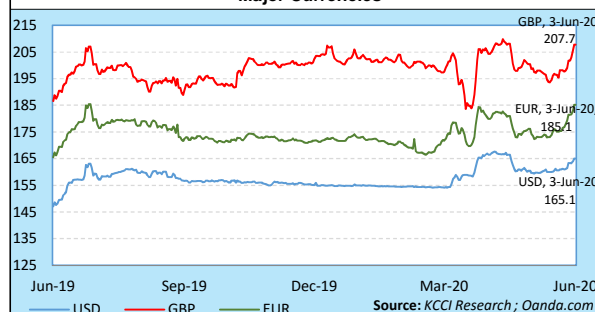


Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	4-Jun	PKR	164.00	-0.15%
USD-Open MKT	4-Jun	PKR	163.35	-0.40%
KSE-100 index	4-Jun	Pts.	34,119	-0.82%
FIPI	4-Jun	\$ Mn	-0.99	NM**
Crude (AP'19)	4-Jun	\$/bbl	36.64	0.00%
Gold (MA'19)	4-Jun	\$/oz	1,697.1	0.00%
Gold (10g) Local	4-Jun	PKR	88,390	0.00%
Silver (MA'19)	4-Jun	\$/oz	17.94	0.00%
Cotton(KHI)-40 kg	4-Jun	PKR	9,217	0.00%
Kibor-6M	4-Jun	%	7.97	0.03%
Forex Reserves	29-May FY20	\$ Bn	16.92	-9.02%
Remittances	Jul-Apr 20	\$ Bn	18.78	5.51%
Exports*	Jul-May 20	\$ Bn	19.80	-6.87%
Imports*	Jul-May 20	\$ Bn	40.85	-18.96%
Trade Balance*	Jul-May 20	\$ Bn	-21.06	27.77%
Current Account	Jul-Apr 20	\$ Bn	-3.34	70.80%
Foreign Direct Inv.	Jul-Apr 20	\$ Bn	2.28	126.78%
LSM Growth*	Jul-Mar 20	%	-5.40	
Avg. CPI	Jul-May 20	%	10.94	
Discount Rate	Jun-20	%	8.00	

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

Major Currencies

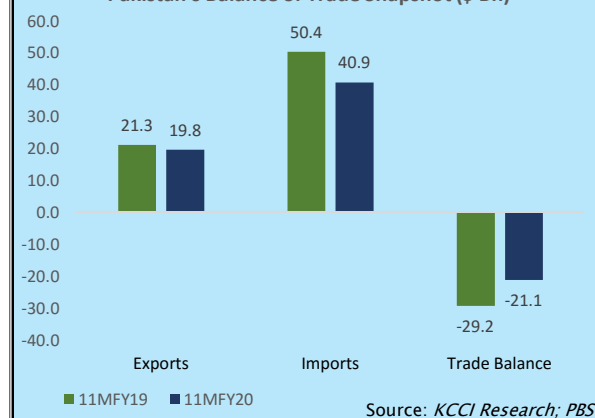


Quote of the Day

"Courage is one step ahead of fear."

Coleman Young

Pakistan's Balance of Trade Snapshot (\$ Bn)



Disclaimer

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Teli, Shahab ask govt. to give relief to all sectors of economy

President KCCI Agha Shahab Ahmed and former President KCCI and Chairman BMG Siraj Kassam Teli have urged PM Imran Khan, Advisor on Finance, Advisor on Commerce and Federal Minister for Industries to announce across-the-board relief to all the sectors of the economy instead of pursuing "a pick-and-choose strategy" which would never benefit the domestic economy or the people in the middle and lower income categories. Recent relief packages announced by the SBP were limited mainly to the export sector or to certain medium-to-large employers. A major part of the SMEs and nearly all of the domestic industries and businesses had not been benefited by any such package. The govt. must announce further reduction in petroleum prices and also slash the electricity tariff, sales tax, income tax, FED and WHT by 50% which would provide immediate relief to the entire nation. They further advised the govt. to bring down the interest rate to 4% in line with strategies adopted by the economies around the world where the interest rates have been slashed down to zero. *BR.*

IMF expects freeze on non-debt servicing expenditures

With a fiscal deficit estimated at around 9% of GDP in FY21, the govt. is struggling to put the IMF program back on track as the Fund expects a tight freeze on all non-debt servicing expenditures. IMF had sought to contain the primary deficit to -0.4% of GDP while authorities are still fighting for its target to be set at -1.2% of GDP. IMF expects Pakistan to freeze, if not reduce, the expenditure for salaries and pensions, running of the civil govt., security, subsidies and development. *Dawn.*

PKR 1.41Tn development budget set to pursue 2.3% growth target

The Annual Plan Coordination Committee (APCC) has finalized total development outlay of about PKR 1.41Tn to achieve an economic growth rate of about 2.3% in FY21. The APCC meeting has approved a federal PSDP worth PKR 630Bn. The four provinces would have cumulative development plans of PKR 783Bn. In PSDP FY21, 59% allocation would be for infrastructure, 35% (PKR 185Bn) to Social sector, and the remaining 6% to other sectors. *Dawn.*

NA, Senate budget sessions begin today

The budget sessions of both the houses of parliament — National Assembly and Senate — are set to begin today (5th Jun'20). The Senate is scheduled to meet in the morning whereas the National Assembly session will be held in the afternoon. The govt. plans to present the FY21 Federal Budget on 12th Jun'20. *Dawn.*

PM asks ministry to ensure revival of lockdown-hit industries

PM Imran Khan while presiding over a meeting on FY21 Budget, has directed the finance ministry to ensure revival of lockdown-affected industries, effective utilization of subsidies and minimizing the burden of govt. expenditures on the common man. He said that boosting the industrial sector and provision of maximum relief to traders is the top priority of the govt. *Dawn.*

Unemployment jumps to 8.53% in second year of PTI govt

The govt. has proposed a target of 2.3% economic growth for its 3rd year in power. Worryingly, unemployment rate has jumped to 8.53% by end-FY20. Ministry of Planning has projected that the unemployment rate will further jump to 9.6% with 850,000 more people becoming unemployed by end-FY21. The Annual Plan Coordination Committee (APCC) has cleared macroeconomic framework for FY21, including setting inflation target at 6.5%. The economic plan will now be tabled before the National Economic Council (NEC) on 8th Jun'20 for its formal endorsement. *Tribune.*

FBR jacks up valuation rates of mobile accessories

Just ahead of the upcoming budget, FBR has jacked up customs valuation rates of mobile accessories substantially such as on import of mobile charger with wire, mobile charger without wire, wireless charger pad/stand, car charger, desktop battery, mobile battery, selfie sticks and on many other items. Importers have termed the higher valuation highly unjustified decision of the FBR as they claimed that the valuation rates were increased by 100 times. They were of the view that such higher valuation of mobile accessories would pave the way for increasing smuggling menace in this country and would cause loss to the revenues of the govt. *The News.*

Trade deficit narrows 35% in May on resurging exports

Trade deficit narrowed 35% month-on-month to \$ 1.5Bn in May'20 as exports rebounded 45.4% after gradual ease in lockdown while imports fell 11%. Exports amounted to \$ 1.4Bn, compared to \$ 957Mn in Apr'20, while imports declined to \$ 2.9Bn from \$ 3.2Bn in Apr'20. In 11MFY20, the trade deficit stood at \$ 21.1Bn compared to \$ 29.2Bn in 11MFY19, showing around 28% contraction. While exports fell 7% to \$ 19.8Bn and imports decreased 19% to \$ 41Bn. *The News.*

Euro-V standards for fuels approved

Cabinet Committee on Energy has approved the proposals of the Ministry of Energy to make imports of diesel and petrol compliant with Euro-V standard. Petroleum Division would also work with inland refineries to make them compliant with the Euro-V standard by the end of this year. Deadline of 1st Aug'20 has been set by which all the OMCs would ensure import of Euro-V compliant petrol only. *The News.*

Emirates to resume scheduled flights to Pakistan

Emirates airline will resume scheduled passenger flights from Pakistan to Dubai from Monday (8th Jun'20), after more than two-month of suspension in operation amid the pandemic. It will resume 14 weekly scheduled flights to Dubai, including a daily from Karachi, five from Lahore and two from Islamabad. *The News.*

Govt. has decided to privatize PSM: Azhar

Minister for Industries Hammad Azhar has said that the employees of Pakistan Steel Mills (PSM) would receive PKR 2.3Mn on average after the ECC relieved them under the golden handshake scheme. The minister said the govt. has decided to privatize PSM in order to revive and steer it out of losses. He said 15 parties had shown their interest in the PSM and only the core Steel Mills operations would be privatized. *BR.*

PKR 200Bn disbursed amongst power entities

The govt. has disbursed PKR 200Bn amongst the power entities after formal approval from the ECC and Cabinet. The amount has been distributed amongst 77 companies and around 20% have received 80% of the total amount: Port Qasim Electric Power got PKR 22.7Bn, Central Power PKR 15.2Bn, Wapda Hydel 15Bn and National Power Parks Management PKR 13.32Bn. *BR.*

Pak-Afghan trade: Motiwala urges PM to help remove bottlenecks

Chairman Pak-Afghan Joint Chamber of Commerce and Industry (PAJCCI), Zubair Motiwala, has urged PM Imran Khan to take notice of the problems in the way of Pak-Afghan trade. He said that bottlenecks and delayed execution of strategies hampered overall effectiveness and in turn resulted in dissatisfaction and immense monetary losses to the businesses across the border. Nonetheless, the speed of clearance, procedural delays, shortage of trackers and delay in their issuance, exorbitant demurrage and detention charges and load of stuck consignments had limited the reaping of the benefits, and the target of cross-border movement was still not met. *BR.*

CCP initiates probe into shortage of petroleum products

Competition Commission of Pakistan (CCP) has taken notice of the public concerns and complaints regarding the shortage of petroleum products in the country and initiated an enquiry to see whether such a shortage is the result of any anti-competitive activity. CCP would also welcome the general public/consumers to provide input and information on such anti-competitive practices. Any such information can be shared through email complaints@cc.gov.pk. *BR.*