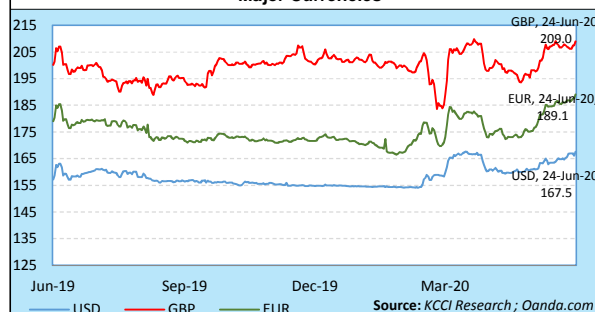


Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	24-Jun	PKR	167.36	-0.17%
USD-Open MKT	24-Jun	PKR	168.50	0.60%
KSE-100 index	24-Jun	Pts.	34,035	-0.05%
FIPI	24-Jun	\$ Mn	-1.90	NM**
Crude (AP'19)	24-Jun	\$/bbl	40.28	-0.93%
Gold (MA'19)	24-Jun	\$/oz	1,778.2	1.15%
Gold (10g) Local	24-Jun	PKR	95,170	3.65%
Silver (MA'19)	24-Jun	\$/oz	18.13	1.70%
Cotton(KHI) -40 kg	24-Jun	PKR	8,574	0.00%
Kibor-6M	24-Jun	%	7.70	0.02%
			WoW	
Forex Reserves	12-Jun	\$ Bn	16.78	0.45%
	FY20			YoY
Remittances	Jul-May 20	\$ Bn	20.65	2.74%
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-May 20	\$ Bn	-3.29	73.60%
Foreign Direct Inv.	Jul-May 20	\$ Bn	2.40	90.60%
LSM Growth*	Jul-Apr 20	%	-8.96	
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

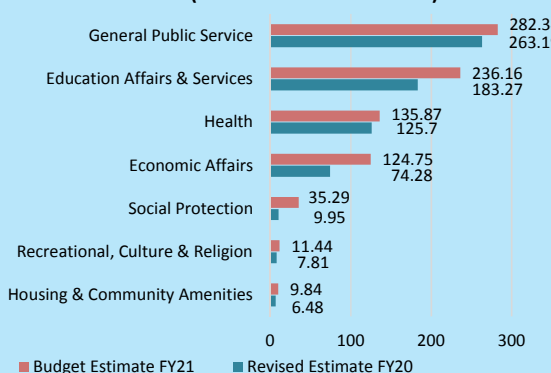


Quote of the Day

"About the time we can make the ends meet, somebody moves the ends."

Herbert Hoover

Sindh Budget FY21: Current Revenue Expenditure (Selected Sectors - PKR Bn)



Disclaimer

This report has been prepared by KCCI Research & Development Cell. The information contained herein has been compiled or arrived at based on information obtained from sources believed to be reliable and in good faith. Such information has not been independently verified.



icon represents the sole viewpoint of the KCCI R&D Cell, and is stated to enrich the readers' understanding of the news item. The

Finance bill clears Senate

The upper house of parliament has unanimously adopted the recommendations of the Senate Standing Committee on Finance on the Finance Bill 2020, containing the annual budget statement. The standing committee has recommended 40 amendments to the Finance Bill 2020 besides 53 general consensus suggestions. It demanded that budget allocation for the Ministry of National Health Services must be enhanced to a minimum of 5%. *Dawn*.

IMF revises FY21 growth rate target downward to 1%

IMF in its latest report "World Economic Outlook Update", has revised upward its forecast for Pakistan for FY20 to -0.4% against its earlier projection of -1.5%. However for FY21 the growth rate target has been revised downward to 1% compared to its earlier projection of 2%. Global growth is projected at -4.9 percent in 2020, 1.9 percentage points below the Apr'20 World Economic Outlook (WEO) forecast. *BR*.

Pakistan receives \$ 1Bn from ADB, World Bank

Pakistan has received \$ 1Bn in fresh loans from two international financial institutions - \$ 500Mn each from ADB and the World Bank - for overcoming the shortfall in budgeted expenditures, mainly on health and socio-economic fronts, and to better fight the coronavirus pandemic. *Tribune*.

Europe, UAE and other countries: CCP removes major hurdle to export of fruit

The Competition Commission of Pakistan (CCP) has removed a major hurdle in the export of seasonal fruit to Europe, the UAE, and other countries, by addressing the issue of mandatory condition of filing of indemnity bonds by the exporters with international airlines. Subsequent to the removal of the said condition, the airlines are now responsible for catering the loss(es) or damage(s), if incurred, during the air carriage as this issue was pending for the last 15 years, and many exporters had left the export business due to this condition. *BR*.

Port Qasim: ETPL to establish onshore LNG storage, re-gasification terminal

Elengy Terminal Pakistan Limited (ETPL), a joint venture of Vopak LNG Holding B V and Engro Corporation, has decided to establish a multi-functional onshore Liquefied Natural Gas (LNG) storage and regasification terminal at Port Qasim, Karachi, which is expected to start its commercial operations from 2023. In this regard, the project has invited Expression of Interest from parties which intend to secure re-gasification, storage and other operational services (i.e. bunkering, trucking, reloading) from the project. *BR*.

To comply with FATF conditions, Pakistan needs to amend foreign exchange laws within three months

The govt. will have to pass amendments into Anti Money Laundering and Foreign Exchange Regulation laws within the next 3 months from the Parliament for complying with the FATF conditions. The FATF has extended the deadline for Pakistan till the next plenary meeting expected to be held in Oct'20. The govt. is proposing some changes into nonprofit organizations (NPOs) and trusts related to income tax laws in order to comply with the FATF requirements. *The News*.

Pakistan Citizens' Portal; PD, attached deptts resolve 135,308 complaints

The Petroleum Division and its attached departments have resolved 135,308 complaints out of 140,082 received so far at the Pakistan Citizens' Portal. The portal management placed recently the Petroleum Division in a list of top 10 public organisations/divisions, who resolved maximum number of complaints registered with their organisations. *BR*.

Consumer groups oppose move to hike gas prices by 110%

Strongly opposing a petition for almost 110% higher gas rates, various stakeholders have demanded a substantial reduction in prices in line with drastic fall in international oil prices. Ogra had called a public hearing on the request of SNGPL which is seeking almost 110% increase in prescribed prices for FY21 in order to meet revenue targets. *Dawn*.

PTI govt abandons K-Electric's coal project

The Cabinet Committee on Energy (CCOE) has approved abandoning of the proposed 700 MW Datang coal-based power project of K-Electric. The power project had been designed to run on local coal, once available. K-Electric said the delay in tariff notification was impacting the project's commercial operation date. The CCOE has additional supply of 500MW from K2 and K3 power plants. *Tribune*.

Goods imports enjoy most sales tax exemptions

According to FBR's first-ever internal comprehensive report titled: Tax Expenditure 2020, sales tax exemptions on imports of goods make up PKR 255.84Bn or 49.3% of total exemptions granted in FY20. Total sales tax exemptions stand at PKR 518.81Bn. Under the Sales Tax Act, concessions are granted in three ways: zero-rating, exemptions, and reduced rates. *Dawn*.

Senate rejects cut in its budget as unconstitutional

The Senate on Wednesday rejected a cut of around Rs170 million in its budget as an unconstitutional move and urged the govt. to reverse the decision. *Dawn*.

Pakistan's textile industry opposes debt surcharge

Towel manufacturers have urged the govt. not to impose debt servicing surcharge on the industry, especially on the export-oriented sector, as the textile industry is already facing a financial crunch due to tax refunds withheld by the FBR. Ministry of Finance has made amendments to the Nepra Act under the Finance Bill 2020 aimed at empowering the regulator to pass the cost of inefficiency of the power sector on to consumers by imposing debt servicing surcharge. *Tribune*.

PIBs yields up

Pakistan Investment Bonds' yields rose on all tenors, as investors believe interest rates have bottomed down and major fall in rates already occurred. The govt. managed to raise PKR 112Bn through an auction of 3, 5, 10, 15 and 20 year PIBs. The 3-year, 5-year yield, 10-year paper and 15 year yield are 7.97%, 8.44%, 8.99% and 9.90% respectively. *The News*.

Tax collection from exports up 23% in July-May

The income tax collection from exports grew 23% PKR 6.06Bn during 11MFY20 as compared to PKR 4.94Bn in 11MFY19 on the back of improved monitoring of export consignments and depreciation of the local currency. It is pertinent to mention that the total export receipts of the country fell 7% to \$ 19.8Bn during 11MFY20 as compared with \$ 21.25Bn in 11MFY19. *The News*.

Diamer Basha Dam project may get off the ground in July

In a major boost to regional cooperation and economic development, Pakistan and China are expected to commence a gigantic effort of constructing the main dam of Diamer Basha Dam next month. Close to 500 workers and other staff including sizable Chinese and other foreign professionals have been mobilized to participate in a major exercise of building mega structure., which would eventually regulate water of the mighty Indus River for achieving goals of power generation and meeting drinking, irrigation and other needs downstream. *The News*.

Current account posts \$ 13Mn surplus

The country's current account deficit has narrowed 73.6% to \$ 3.28Bn in 11MFY20 against \$ 12.45Bn in 11MFY19. The account posted a surplus of \$ 13Mn in May'20 against a deficit of \$ 350Mn in Apr'20. *Dawn*.

Gold prices climb by PKR 2,000

Gold rates in the local market rose by PKR 2,000 per tola to an all time highest rate in the country of PKR 105,100 per tola. Gold prices have increased by PKR 6,500 per tola in one week. *The News*.