



### KCCI President urges KE to improve performance

KCCI President Agha Shahab Ahmed Khan, while expressing deep concern over K-Electric's (KE) poor performance, urged the utility service provider to focus on improving its infrastructure. He further said, the industries have also suffered badly due to the outbreak of coronavirus and the subsequent lockdown for more than 2 months and now, KE has also resorted to massive load shedding, which poses threat to the already staked survival of industries. Agha Shahab requested PM Imran Khan, Governor Sindh Imran Ismail, CM Sindh Murad Ali Shah and other concerned ministers at the Federal and Provincial levels to review the situation and issue strict directives to KE to improve its infrastructure and ensure uninterrupted power supply to the public and also the business and industrial community. *PO.*

### PKR 24.84Bn KMC budget for new fiscal year to be presented today

Karachi Mayor Wasim Akhtar will present the budget of the Karachi Metropolitan Corporation's (KMC) incumbent city council for FY21 on 29<sup>th</sup> Jun'20 (today). He is expected to present a PKR 24.84Bn budget with funds for the District Annual Development Program at around PKR 2.5Bn. *The News-Mon.*

### Sindh Assembly passes PKR 1.24Tn budget

Amid loud protests from the opposition, the Sindh Assembly has passed the PKR 1.24Tn provincial budget for FY21, along with supplementary grants of PKR 16.64Bn for FY20. *Tribune-Sun.*

### PTI govt. decides to introduce more tax concessions in Finance Bill before final voting

The federal govt. has decided to introduce more tax concessions for industrialists and businesses in the Finance Bill before final voting on it by the national assembly aimed at soothing some unnerved lobbies and reversing some aggressive taxation measures. In a major concession, that will also kill the spirit of documentation, the govt. has now decided that the maximum disallowance of expenses to an industrial undertaking attributable to sales made to an unregistered person will be 10% instead of 20%. *Tribune-Sun.*

### All set to declare zero-rated cos as export-oriented sectors

The federal govt. is to declare existing zero rated companies as export oriented sectors with same products included in the SRO-1125. The Commerce Ministry, has requested the ECC to approve the following ; previous list of companies declared zero rated by FBR may be adopted in export oriented sectors; same products which have been in SRO -1125 would continue for export oriented sectors ; FBR may register new applicant units, in accordance with past precedents of STGO-117, under Commerce Division's O.M. No. 1(18)/2019 of 13<sup>th</sup> Dec'19 in manner specified by the FBR and ; FBR, Petroleum Division and Power Division to formulate regular/ routine/ random rechecking / monitoring/ withdrawal strategy for the previous and newly registered companies along-with procedure to penalize in case of misrepresentation and misuse. *BR-Mon.*

### Voluntary Declaration of Domestic Assets Act of 2018: Beneficiaries being questioned by FBR?

Declarations filed by individuals, who availed the amnesty scheme, under the Voluntary Declaration of Domestic Assets Act of 2018 have been questioned by field formations, which require a stern warning of FBR to the field officials to stop scrutinizing contents of the amnesty declarations despite prohibition under the said Act otherwise no one will trust the recently announced Construction Package. *BR-Mon.*

### FBR starts stocktaking of oil marketing companies

FBR has started stocktaking of oil marketing companies after a sudden sharp increase in prices of petroleum products – a move that aims to prevent tax losses related to possible underreported sales. Oil companies may declare higher sales at lower price in back dates in order to avoid or evade sales tax. Further, the company may also claim inventory losses due to sudden change in prices through their income tax returns that will be due in Sept'20. *The News-Sun.*

### 'Made in Pakistan' ventilators ready for delivery: Fawad

Federal Minister for Science and Technology Fawad Chaudhry has said that the first batch of ventilators manufactured in Pakistan would be delivered to National Disaster Management Authority (NDMA) in coming week. *BR-Mon.*

### Pakistanis not permitted to enter EU as borders set to reopen

In another major blow to Pakistan's economic revival efforts, the country has not been included in the draft list of 54 countries that will benefit from reopening of the EU external borders, which is expected to happen by the beginning of Jul'20. Surprisingly, India is on the list despite being the 4<sup>th</sup> most coronavirus infected country. The US failed to make it to the list as EU countries believe that the it failed to control the coronavirus pandemic. *Tribune-Sun.*

### PKR 26.8Bn uplift projects for Karachi in ADP: Murad Ali Shah

Sindh CM Murad Ali Shah has said that the Annual Development Program (ADP) of his govt. comprised development projects for Karachi having the total value of PKR 26.8Bn. He said that besides the ADP, there were foreign-funded projects for the city that the provincial govt. had to pay back to the donor agencies. The projects worth PKR 202Bn included the Red Line, the Yellow Line, the Karachi Urban Mobility Project, the Water & Sewerage Improvement Plan, the Karachi Neighborhood Improvement Project, the Compatible Livable City of Karachi, and the Solid Waste Emergency & Efficiency Project. *The News-Sun.*

### Saudi NCB to take over Samba Financial for \$ 15.6Bn

The National Commercial Bank (NCB), a large Saudi bank, offered to pay as much as \$ 15.6Bn to acquire rival Samba Financial Group. The potential banking takeover has implications for Samba Bank in Pakistan, which is a majority owned subsidiary of Samba Financial Group. Samba Bank has around 40 branches across Pakistan. *BR-Mon.*

### Lockdown areas exempted from loadshedding

The power division has instructed all distribution companies that no load shedding will be allowed in all the areas where smart lockdown has been imposed to check the spread of the new coronavirus, even if feeders there are in high losses. *Tribune-Sun.*

### Pakistan needs to improve anti-trafficking efforts, says report

The US in its Trafficking in Persons (TIP) 2020 report has downgraded Pakistan from Tier 2 to Tier 2 watchlist. Tier-2 watchlist countries are those whose govt.s do not fully meet the Trafficking Victims Protection Act's (TVPA) minimum standards but are making significant efforts to bring themselves into compliance with those standards. Yet, the number of victims of trafficking is increasing significantly. *Tribune-Sun.*

### AGP unearths PKR 270Bn irregularities, embezzlement in federal ministries

The Auditor General of Pakistan (AGP) has unearthed misappropriation and embezzlement of public funds in various ministries amounting to PKR 12.56Bn from 56 cases with irregularities of govt. funds amounting to PKR 258Bn. In addition, there were 98 cases involving recovery of PKR 79.59Bn and 37 instances of non-production of record of PKR 17.97Bn. *Dawn-Mon.*

### RLNG diversion to power sector leaves textile sector in the lurch

Textile industry, in a written letter to Secretary Petroleum Asad Hayauddin, has said that the non-availability of required quantity of furnace oil for power sector has massively shifted the burden for power generation towards the RLNG-based power plants owing to which massive flow of imported gas is being ensured to RLNG-based power plants. Because of the low pressure in RLNG supply, the industrial units are not running up to the mark, resulting in less production of export products. They requested for availability of the required RLNG to textile sector with full pressure so that the industry can keep operating. *The News-Mon.*

### To end load shedding PSO opens bids tomorrow for furnace oil import to generate power

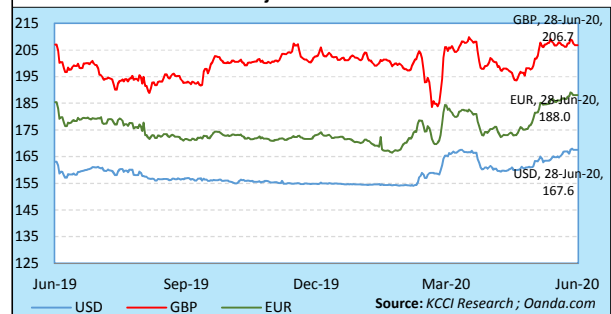
PSO is all set to hold much awaited bids opening tomorrow 30<sup>th</sup> Jun'20 for import of furnace oil. And the furnace oil will be imported through Pakistan National Shipping Corporation (PNSC) ships and once the furnace oil is made available the ongoing load shedding in Karachi in particular and other parts of the country in general will be coped with. *The News-Mon.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	26-Jun	PKR	167.67	0.18%
USD-Open MKT	26-Jun	PKR	168.00	0.30%
KSE-100 index	26-Jun	Pts.	33,939	0.68%
FIPI	26-Jun	\$ Mn	-1.22	NM**
Crude (AP'19)	26-Jun	\$/bbl	39.22	3.26%
Gold (MA'19)	26-Jun	\$/oz	1,772.8	0.34%
Gold (10g) Local	26-Jun	PKR	95,170	0.00%
Silver (MA'19)	26-Jun	\$/oz	17.99	2.36%
Cotton (KHI) -40 kg	26-Jun	PKR	8,681	1.25%
Kibor-6M	26-Jun	%	7.22	-0.47%
Forex Reserves	19-Jun	\$ Bn	16.73	WoW -0.30%
	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

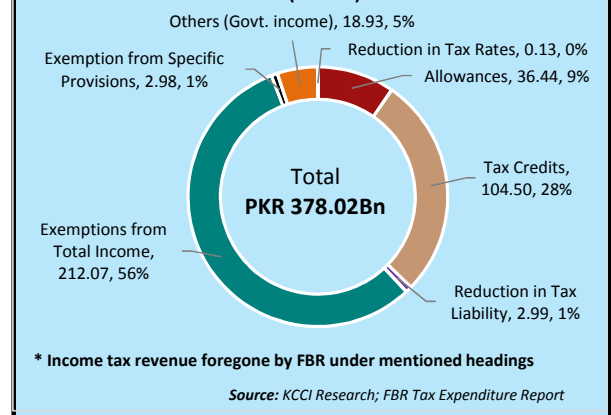


### Quote of the Day

*"Taxation is the price which civilized communities pay for the opportunity of remaining civilized."*

**Albert Bushnell Hart**

### Summary of Income Tax Expenditure Estimates FY20 (PKR Bn)



### Disclaimer

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