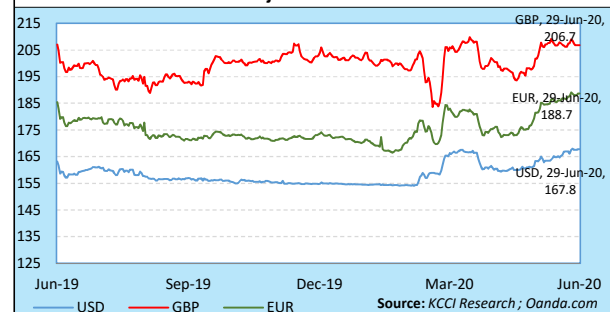


#### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	29-Jun	PKR	168.19	0.31%
USD-Open MKT	29-Jun	PKR	168.55	0.33%
KSE-100 index	29-Jun	Pts.	34,182	0.71%
FIPI	29-Jun	\$ Mn	-2.57	NM**
Crude (AP'19)	29-Jun	\$/bbl	38.20	-2.60%
Gold (MA'19)	29-Jun	\$/oz	1,783.4	0.60%
Gold (10g) Local	29-Jun	PKR	95,400	0.24%
Silver (MA'19)	29-Jun	\$/oz	18.16	0.92%
Cotton(KHI) -40 kg	29-Jun	PKR	8,788	1.23%
Kibor-6M	29-Jun	%	7.22	0.00%
Forex Reserves	19-Jun	\$ Bn	16.73	-0.30%
	FY20			WoW
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

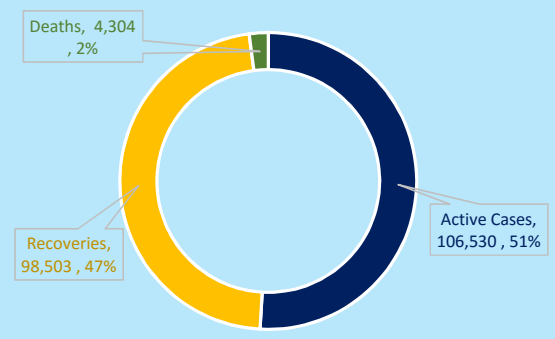


#### Quote of the Day

*“Covid-19 offers us a great opportunity for individual and collective recession. It is a time to go back to the drawing board and rewrite the next phase of our existence.”*

**Olawale Daniel**

#### Pakistan's Covid-19 Snapshot (As of 29th Jun'20)



#### Disclaimer

This report has been prepared by KCCI Research & Development Cell. The information contained herein have been compiled or arrived at based upon 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 sails through NA amid uproar

Amidst chaos and furore created by the opposition, the National Assembly has finally passed the Finance Bill 2020 after rejecting all the amendments of the joint opposition, which led to escalated hostility between both the sides in the House. *BR.*

#### Major amendments made in Finance Bill 2020

The govt. has restricted the scope of FBR powers to have real time access to databases of agencies and withdrawn a major provision of the Finance Bill 2020 of revision of wealth statement after seeking prior approval of the Commissioner through amendments in the Finance Bill 2020. The govt. has withdrawn 25% FED on energy drinks; reduction of the FED on cement from PKR 1.75 to PKR 1.50/kg and duty on imported cigarettes of tobacco or tobacco substitutes would be 65% of retail price. For cigars, cheroots and cigarillos of tobacco and tobacco substitute the rate of duty will be 65% of retail price or PKR 10,000/kg whichever is higher. As per bill a new entry 55d is added whereby locally manufactured double cabin (4x4) pick-up vehicles except the vehicles were subject duty 7.5% ad valorem. Now Finance Act has restricted this to vehicles booked on or before the 30<sup>th</sup> Jun'20 subject to the restriction or conditions specified by the FBR. *BR.*

#### Duty drawback to be paid to exporters on FIFO basis

FBR will pay customs duty drawback to the exporters on a First-In First-Out (FIFO) basis under the new policy on processing and sanctioning of such claims. The FBR has proposed amendments in the Customs Rules 2001 through an SRO.561(I)/2020. *BR.*

#### Sindh won't collect tax for federal govt: Murad

CM Sindh, Murad Ali Shah, has informed the Sindh Assembly that his govt. will not collect tax for the federal govt. from the new fiscal year 2020-21, as the federal govt. has empowered the Sindh govt. to collect the tax by itself under the provisions of the Constitution. *BR.*

#### SBP revising regulatory limits on consumer financing

In order to facilitate the banking customers, SBP has said it is revising regulatory limits for consumer financing upwards. The SBP, amending the Regulation R-8 of the Prudential Regulations for Consumer Financing, has enhanced the maximum clean limit for credit card and personal loan/financing from all banks/DFIs up to PKR 7Mn. According to the revised limits, total clean limits of credit cards and personal loans increased from PKR 2Mn to PKR 3Mn with immediate effect. *BR.*

#### IDFC CEO due next week: Razak

Advisor on Commerce, Abdul Razak Dawood has said that CEO of US International Development of Finance Cooperation (IDFC), Adam Boehler, would visit Pakistan in next week for examining the prospects for funding of projects in the private sector. He said this is an indication of interest being show by the US govt. for investment in Pakistan. *BR.*

#### Dawood discusses reforms for business

The Pakistan Regulatory Modernization Initiative (PRMI) is a large-scale reform exercise being undertaken by the govt. in order to ensure ease of doing business in a more effective manner. Adviser on Commerce Abdul Razak Dawood, while chairing the 3<sup>rd</sup> meeting of PRMI Steering Committee said that reforms are focused on reduction of compliance burden on businesses on the one hand while improving effectiveness of the regulatory regime on the other. Provinces and local govt. need to proactively engage with businesses for meaningful changes in the administrative and regulatory frameworks in favor of businesses. *Tribune.*

#### City Council passes PKR 24.84Bn KMC budget amid opposition's protest

The City Council of the Karachi Metropolitan Corporation has passed a tax-free budget of over PKR 24.84Bn for FY21 amid strong protest by the opposition. Karachi Mayor Wasim Akhtar presented the 4<sup>th</sup> budget of his tenure of PKR 24.85Bn with current receipts of PKR 20.67Bn and capital receipts of PKR 1.66Bn. Over PKR 2.5Bn was allocated for district Annual Development Program (ADP). PKR 680Mn has been earmarked for repair and maintenance of roundabouts, roads, footpaths and sewerage lines of all six districts. *Dawn.*

#### NA approves Electric Vehicle Policy 2020

The National Assembly has approved the Electric Vehicle Policy 2020. The govt. included the Electric Auto Rickshaw, 3-wheeler electric loader and electric motor cycle where the duty under Customs Act would be charged by 50%. This incentive will be applicable for five years starting from 1<sup>st</sup> Jul'20. There will be 1% duty on Electric buses, electric trucks and electric movers. For small trailers assembling, on the 280 HP kit there will be 20% duty. The machinery and design plant for manufacturing of electric vehicles, there will be zero duty. *The News.*

#### Coronavirus paves way for reforms in Pakistan

The World Bank has said that Pakistan is not immune to the economic shock caused by the coronavirus and its exports have been hit hard, as the country recorded \$ 1.39Bn in merchandise exports in May'20, down 34% compared to May'19. World Bank Senior Economist Gonzalo Varela, has said that every crisis presents an opportunity, whereas Covid-19 has provided the world and Pakistan with an opportunity to initiate structural reforms in institutions. *Tribune.*

#### OGRA imposes fine on OMCs

Ogra has imposed a fine of PKR 5Mn each on Byco, Askar and BE Energy after they were found involved in creating artificial shortage of petrol in the country by hoarding the commodity in first 10 days of Jun'20. Hoarding and artificial shortage was witnessed soon after the govt.'s decision to pass on the impact of plunging international oil prices to consumers by lowering ex-refinery prices. *Tribune.*

#### Foreigners invest \$ 66Mn in Pakistan's debt market in June

Foreign funds have invested around \$ 66Mn in govt. securities in Jun'20 without any outflows recorded during the month as they seem to remain undeterred despite exceptional rate cut within unprecedented shorter period. SBP's data showed that foreign funds have invested \$ 3.7Bn in treasury bills and \$ 119.9Mn in Pakistan investment bonds between Jul'19 and Jun'20. Outflows from treasury bills amounted to \$ 3.1Bn and foreign funds divested \$ 45.4Mn from bonds. *The News.*

#### Govt to sell PKR 2.460Tn debt in July-September

The govt. aims to sell domestic debt worth PKR 2.460Tn in July-Sept'20 to finance the budget deficit. Among others, SBP will auction PKR 1.200Tn of 3, 6 and 12 months debts through market treasury bills, the auction target calendar issued by the SBP showed. *The News.*

#### After six months, worst of pandemic 'yet to come': WHO

Six months since the new coronavirus outbreak, the pandemic is still far from over, the World Health Organization said, warning that "the worst is yet to come". Reaching the half-year milestone just as the death toll surpassed 500,000 and the number of confirmed infections topped 10Mn, the WHO said it is a moment to recommit to the fight to save lives. *BR.*

#### Vietnam grounds Pakistani pilots over license concerns

Vietnam's aviation authority has said that it had grounded all Pakistani pilots working for local airlines, amid concern from global regulators that some pilots may have been using "dubious" licences. Pakistan said last week it will ground 262 airline pilots whose credentials may have been falsified, after global airlines body IATA said that irregularities found in pilot licences at PIA represent a "serious lapse" in safety controls. *BR.*