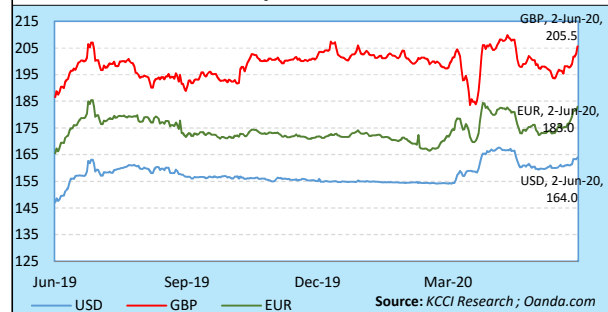


Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	2-Jun	PKR	165.50	0.76%
USD-Open MKT	2-Jun	PKR	165.20	0.43%
KSE-100 index	2-Jun	Pts.	34,408	1.13%
FIPI	2-Jun	\$ Mn	-9.50	NM**
Crude (AP'19)	2-Jun	\$/bbl	36.96	3.65%
Gold (MA'19)	2-Jun	\$/oz	1,725.3	-0.92%
Gold (10g) Local	2-Jun	PKR	88,390	0.00%
Silver (MA'19)	2-Jun	\$/oz	18.37	-2.27%
Cotton(KHI) -40 kg	2-Jun	PKR	9,217	0.00%
Kibor-6M	2-Jun	%	7.89	0.00%
Forex Reserves	21-May	\$ Bn	18.60	-0.11%
	FY20			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-Apr 20	\$ Bn	-3.34	-70.80%
Foreign Direct Inv.	Jul-Apr 20	\$ Bn	2.28	127.00%
LSM Growth*	Jul-Mar 20	%	-5.40	
Avg. CPI	Jul-May 20	%	10.94	
Discount Rate	May-20	%	8.00	

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

Major Currencies

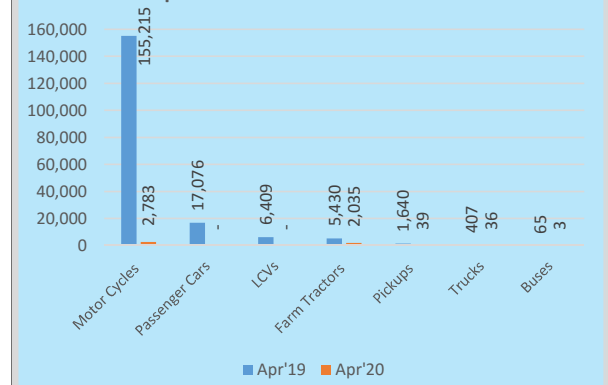


Quote of the Day

"Whatever the mind of man can conceive and believe it can achieve."

Napoleon Hill

Comparison of Vehicles Sales in Pakistan



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

KCCI concerned over helplessness of importers, exporters exploited by shipping lines

KCCI has expressed its dismay and concern at the helplessness of importers and exporters who are being exploited by shipping lines operating to Pakistani ports by taking advantage of lockdowns of over two months and charging hefty amounts of container detention charges and penalties from consignees. Consequently, the agents of shipping lines are recovering penal charges which may range from \$ 150 to \$ 250 per container per day, in addition to other charges and penalties at their discretion. Moreover in total disregard of the foreign exchange regulations, the conversion rate of Rupee to Dollar is taken as PKR. 167 to PKR. 168 during Apr'20 and early May'20 against the official rate of PKR. 159 to PKR. 161 to a dollar. With the intervention by Chairman KPT Rear Admiral Jamil Akhtar and the efforts of Siraj Kassam Teli, Chairman-BMG and Vice Chairman-KPT Board of Trustees, a compromise formula has been worked out between KPT, Terminal Operators and the consignees represented by the KCCI whereby additional free storage days will be allowed by the Terminal Operators. It has also been agreed that the consignees who have taken the delivery of their containers or LCL cargo will also be given refunds of demurrage charges already paid by them for extra days allowed. Notification to this effect is expected within the next two or three day. *BR.*

Export of PPEs allowed by Cabinet

Federal Cabinet's meeting has given its approval to export locally-manufactured Personal Protective Equipment's (PPEs), sanitizers and other things. The meeting also decided that a committee comprising members from ministries of commerce, health, industrial production and science and technologies will be authorized to ban the export of any particular item keeping in view the domestic needs of the country. It also emphasized on creating public awareness about SOPs issued by the govt. against the spread of Coronavirus. *BR.*

'Mobile device manufacturing policy' ratified

Federal Cabinet has approved the first-ever Mobile Device Manufacturing Policy, pursuant to a summary moved by the Ministry of Industries. The salient features of the policy includes: removal of Regulatory Duty for CKD/SKD manufacturing by PTA approved manufacturers under Input/Output Co-Efficient Organization (IOCO) approved import authorization; removal of Fixed Income Tax on CKD/SKD manufacturing of mobile devices up to \$ 350 category; increase in Fixed Income Tax on \$ 351 -500 USD category by PKR 2000 and \$ 500 by PKR 6300 on CKD/SKD manufacturing only; removal of Fixed Sales Tax on CKD/SKD manufacturing of mobile devices, etc. *BR.*

Duty drawback raised for finished leather, plastic

FBR has raised duty drawback rates on export of finished leather and plastic goods including packing material. The revised rates, worked out by Input-Output Coefficient Organization (IOCO) of the Customs, were issued through SRO460 and SRO461, available to exporters from 20th May'20. On the plastic goods including packing material, duty drawback rate was raised to PKR 5.42/kg, from PKR 3.14/kg. *Dawn.*

Karachi buses get the green light

Sindh Transport Minister Awais Qadir Shah has announced that the govt. had granted permission to resume ride-hailing services in Karachi and intra-city transport services across the province, starting today (3rd Jun'20) subject to conditions in line with SOPs. *Tribune.*

Pension bill to exceed salary bill this fiscal

The govt. has decided to provide another ad hoc relief allowance of 10 to 15% in salaries and pensions of public sector servants in Budget FY21. The pay and pension bills have become almost equivalent in Pakistan as these two heads are consuming PKR 431Bn and PKR 421Bn respectively in FY20. *The News.*

ECC to decide on PKR 20Bn plan for hedging of oil imports

The govt. has called a meeting of the ECC today (3rd Jun'20) to consider hedging of oil prices and about PKR 120Bn worth of funds to finance improvement of western border management and low bill recoveries in the power sector. *Dawn.*

Sindh govt hints at reopening remaining sectors after devising SOPs

The Sindh govt. has given the indication that the sectors that are still closed as part of the preventive lockdown against local transmission of the novel coronavirus in the province will soon be reopened after SOPs are devised for them. This comes in the wake of the recent easing off of the lockdown, after which the following sectors continue to remain closed: educational institutions, marriage halls, convention centers, amusement areas, cinemas, theatres, restaurants' dining in facilities, beauty parlors and tourist spots. *The News.*

Profit rates on saving schemes slashed fourth time since July

The govt. has trimmed profit rates on all savings schemes and accounts of the Central Directorate of National Savings for the 4th time since Jul'20 after recent spate of policy rate cuts by SBP. Among others the return on regular income certificates, special savings certificates and Bahbood savings certificates has been reduced to 7.44%, 7.15% and 9.84% from 8.28%, 8.10% and 10.32% respectively. *The News.*

Tax department seeks powers to reopen up to 10-year old cases

Income tax officials have sought more powers for probing assessed taxpayers for up to 10 years for budget FY21. Income tax officials are currently authorized to reopen assessed cases for up to 5 years. The proposed amendment would discourage people for revising their wealth statement after many years of filing original statement and the incorporation of this suggestion to the Finance Bill 2020 would facilitate bona fide taxpayers. *The News.*

Pakistan's mango exports hugely hit by corona restrictions

Pakistan's traditional mango exports take a hit from the economic havoc wreaked by the coronavirus pandemic due to the suspension of international flights, closure of borders, rising freight fares and contracting demands which will lead to decline in the country's mango exports by 35% to 40% this year. Pakistan had earned over \$ 90Mn through mango exports alone but it will not be more than \$ 50Mn this year due to present coronavirus conditions. *The News.*

Supply of petrol affected across country

Supply of petroleum products has been seriously affected in many parts of the country as oil marketing companies and authorities concerned failed to ensure mandatory stocks at designated depots. Major shortage was witnessed in supply of petrol. Shortages were imminent for over 10 days as oil companies did not order imports and scaled down lifting of local production from refineries in anticipation of declining prices to avoid inventory losses. *Dawn.*

Facebook considers Pakistan a priority

In the backdrop of long-standing demand for a Facebook office in Pakistan, the social media platform has appointed a local company, Dial Zero Private Limited, as its authorized sales partner, which can provide limited services. Dial Zero can now provide support and market expertise for local businesses and agencies and assist when businesses are drafting strategies to thrive during and after the coronavirus pandemic. According to a press release, Pakistan is an important country for Facebook. *Tribune.*