

Construction sector: PM moves to revive Covid-hit economy with surge

PM Imran Khan has made another move to revive the coronavirus-hit economy with an initiative to create a surge in the housing and construction sector with PKR 330Bn of mortgage financing by commercial banks in just 18 months. He noted that some PKR 20Tn is circulating in the informal unregistered economy and now is the opportunity for the people to get the huge amount of money declared by investing in the real estate sector by 31st Dec'20. Now a person with an income of PKR 30,000 to PKR 100,000 could build a house of 5-marla with the mortgage financing at 5% and that of 10-marla at 7% mark-up. *BR-Mon.*

NA takes up anti-terror financing bills today

The National Assembly is set to begin on today (13th Jul'20) a debate on the privatization policy of the govt. besides taking up two crucial bills seeking amendments to the anti-terrorism act to fulfil international commitments and certain requirements of the FATF. *Dawn-Mon.*

Pakistan may get some debt service relief

Abu Dhabi Fund for Development has suspended debt service repayments for some countries and firms from 1st Jan – 31st Dec'20. The fund provides financial assistance to companies in UAE and to developing countries, which has included Pakistan, Egypt, Sudan and Ethiopia. Countries and companies would need to request to have repayments suspended. *Dawn-Mon.*

SBP chief optimistic about forex reserves, rupee-dollar parity

Governor SBP, Raza Baqir, has said that SBP has so far provided some PKR 1.3Tn financial relief package to businesses under its Corona Relief measures to support the economy. He was optimistic that foreign exchange reserves and exchange rate will improve in the coming days. Even if a new challenge or crisis arises, the SBP is fully prepared and ready to deal with any challenge. *BR-Mon.*

Pakistan likely to ease regulatory curbs to boost economy

PM Imran Khan has approved, in principle, a set of recommendations to tap the potential of neglected sectors of the economy by lowering regulatory restrictions and digitizing the economy. Over 60 recommendations in eight areas of the economy have been finalized which the PM is expected to announce in the shape of a package in Jul'20. Proposals pertain to areas including opening digital accounts and enhancing lending limits for the SME and micro finance sectors. *Tribune-Sun.*

Finance ministry proposes key changes for debt policy office

Amid sky rocketing debt burden, Ministry of Finance has proposed over two dozen key changes into Fiscal Responsibility and Debt Limitation Act 2005 for strengthening the Debt Policy Coordination Office working under supervision of secretary finance. Among others, the govt. has proposed to cut powers of External Finance Wing of Ministry of Finance by granting powers of taking decision on foreign commercial borrowing/launching of international bonds, Sukuk to strengthen the role of Debt Office after incorporating these changes in law with the approval of Parliament. *The News-Sun.*

CAA to be split into two regulators

The federal govt. is likely to constitute two regulatory bodies to segregate regulatory and operational functions of Civil Aviation Authority (CAA) meant to outsource operations of country's major airports. The model will be submitted to the federal cabinet during 3rd week of Jul'20 after which further process will be initiated. The main Authority (regulator) will deal with the regulatory functions whereas the Special Purpose Vehicle (SPV) will deal with services of airports through necessary legislation. *BR-Mon.*

Gas companies to provide 549,821 new connections in current FY

The two state-owned companies, SNGPL and SSGC, would provide around 549,821 new connections to domestic, commercial and industrial consumers during FY21. SSGC has plan to give 144,371 connections including 143,023 domestic, 1,164 commercial and 184 industrial connections. In FY20 SSSGC gave 123,900 domestic connections, 700 commercial and 95 industrial. *The Nation-Mon.*

No unannounced load shedding in Karachi from today, pledges Asad

Federal Minister for Planning Asad Umar has announced that there would be no unannounced power outages in Karachi from Sunday (12th Jul'20) after gas supply to the city's sole power utility has been increased to 290mmcf. Even if after this the problems are not solved, the govt. will take legal action. If a takeover is needed, that will be done, he remarked. *Daily Times-Sun.*

Asad Umar suggests businessmen to use RLNG

Pleas of the business community have finally been heard as the federal govt. has taken notice of the prolonged power outages in Karachi. Although it has assured of minimized load-shedding and resumption of gas supplies to industries and CNG stations, Federal Minister for Planning Asad Umar has recommended that businessmen switch over to the expensive imported RLNG as a solution. *Tribune-Sun.*

SBP levies PKR 1.68bn monetary penalty on at least 15 commercial banks

SBP has imposed monetary penalty of PKR 1.68Bn on at least 15 commercial banks for violating various regulations, including anti-money laundering (AML) and counter financing of terrorism (CFT). *Daily Times-Mon.*

PIA increases number of domestic flights

In response to improved travel needs, PIA has decided to increase the number of its domestic flights for Karachi, Lahore, Islamabad, Peshawar and Quetta. Two PIA flights will be operated between Karachi and Islamabad and one flight will be operated between Lahore and Karachi daily. *Dawn-Mon.*

Khunjrab to Islamabad: New optical fibre cable operationalized

Special Assistant to PM on Information, Lt-Gen Asim Saleem Bajwa (ret'd) has said that the new optical fibre cable has been operationalized from Khunjrab to Islamabad. The next phase of the cable would be laid from Islamabad to Karachi and Islamabad to Gwadar as part of digital highway plan under CPEC. *BR-Mon.*

NCOC meeting in Lahore today to discuss virus strategy for Eid

The federal govt. has decided to hold meetings of the National Command and Operation Centre (NCOC) in the provincial capitals to devise a strategy to curb the possible spread of Covid-19 during Eidul Azha, and the first meeting in this regard would take place in Lahore today (13th Jul'20). *Dawn-Mon.*

Govt aims to produce 753,051 tons, import 317,263 tons LPG in FY 2020-21

The govt. has set the target of producing 753,051 tons LPG through indigenous means and import 317,263 tons during FY21 to meet the country's ever-increasing energy needs. In FY20, the commodity's production stood at 784,200 tons against the target of 820,000 tons and the import remained 272,018 tons against the target of 300,000 tons. *The Nation-Mon.*

Govt plans to upgrade NTDC transmission line to supply extra 300 MW electricity to KE

The govt. is planning to upgrade the NTDC transmission line for supplying additional 300 MW electricity to K-electric. It will take 8 to 10 months to complete the up-gradation process. In the long term it is also being planned to operationalize 500 KV grid station at Dhajibji in Mar'22 and 500 KV grid stations of K2/K3 by summer 2023. *The Nation-Mon.*

Textile sector frets over unsettled refunds, demands 4% GST

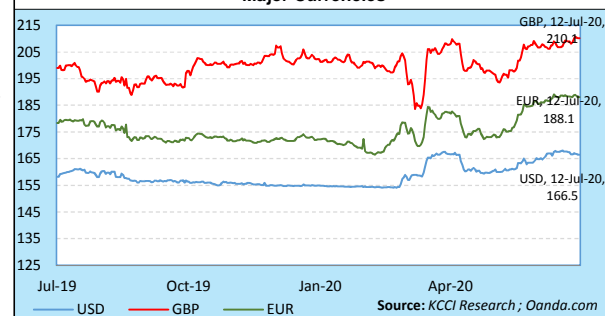
Value-added textile sector has pleaded the authorities to reduce general sales tax rate to 4% if it wants to keep it intact rather than restoring a viable no-payment-no-refund policy as they say outstanding tax refunds reached Billions of rupees. They said exporters are apprehensive about the fate of their refunds of income tax, customs rebate and duty drawback. *The News-Sun.*

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	10-Jul	PKR	166.35	-0.14%
USD-Open MKT	10-Jul	PKR	167.80	0.18%
KSE-100 index	10-Jul	Pts.	36,190	0.13%
FIPI	10-Jul	\$ Mn	-1.22	NM**
Crude (AP'19)	10-Jul	\$/bbl	39.54	-3.28%
Gold (MA'19)	10-Jul	\$/oz	1,807.4	-0.59%
Gold (10g) Local	10-Jul	PKR	96,100	-0.31%
Silver (MA'19)	10-Jul	\$/oz	18.96	-0.73%
Cotton(KHI)-40 kg	10-Jul	PKR	9,002	0.00%
Kibor-6M	10-Jul	%	6.78	-0.03%
Forex Reserves	3-Jul	\$ Bn	18.79	WoW 4.56%
	FY20			YoY
Remittances	Jul-May 20	\$ Bn	20.65	2.74%
Exports*	Jul-Jun 20	\$ Bn	21.39	-6.84%
Imports*	Jul-Jun 20	\$ Bn	44.57	-18.61%
Trade Balance*	Jul-Jun 20	\$ Bn	-23.18	27.11%
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-Jun 20	%	10.74	
Discount Rate	Jul-20	%	7.00	

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

Major Currencies

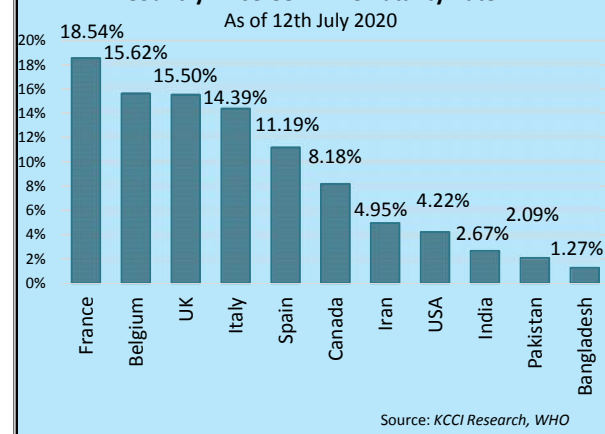


Quote of the Day

"Instead of having a set of policies that are equipping people for the globalization of the economy, we have policies that are accelerating the most destructive trends of the global economy."

Barack Obama

Country-Wise COVID-19 Fatality Rate



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