

Govt. for increase in KE tariff in phases

The govt. has decided that K-Electric tariff should be increased in phases to bring it at par with other parts of the country, and to look for a sustainable solution of gas price issue through a further consultation process. While discussing the issue of KE tariff increase, the meeting was informed that on the recommendations of NEPRA power tariff was increased across the country in Jan'20 except KE's tariff. The meeting was further informed that the govt. had been providing PKR 3 to PKR 4Bn monthly subsidy on KE tariff for not making it uniform with the rest of the country. *BR.*

IMF warns global economy not out of the woods yet

IMF Chief Kristalina Georgieva has said that despite some signs of recovery, the global economy faces continued challenges, including the possibility of a second wave of Covid-19, and govts. should keep their support programs in place. She said that "activity has started to gradually strengthen... But we are not out of the woods yet. *Tribune.*

Databank for '360-degree' view of taxpayers developed

FBR has captured data sources such as banks, vehicles and real estate transactions and a databank has also been developed for a 360-degree view of taxpayers. The Board has obtained data from DISCOs and gas companies under the Broadening of Tax Base (BTB) initiatives. Data of more than 3.5Mn industrial and commercial users gathered and informal letters have been issued to all such consumers for registration. *BR.*

Up to 50Mn: FBR directed to make payments of refunds

Adviser on Finance Dr Abdul Hafeez Shaikh has directed FBR to make payment of all income tax refunds of up to PKR 50Mn in the next couple of weeks, and a clear roadmap and strategy may be adopted for the payment of the remaining refunds. Shaikh said that the govt., in FY20, paid tax refunds to the tune of PKR 140Bn, nearly double the amount of refunds paid in FY19. *BR.*

Cash withdrawals from banks: WHT collection shows negative growth: FBR

According to the biannual review for FY20 issued by FBR, WHT from cash withdrawal from banks stood at PKR 8.5Bn during 1HFY20 against PKR 17.69Bn during 1HFY19, reflecting a negative growth of 51.9%. The report revealed that the withholding taxes contribute a major chunk, ie, around 65.9% in the collection of direct tax. The WHT collection has been PKR. 544.5Bn against PKR. 449.4Bn indicating a growth of 21.2%. *BR.*

Tax collection from non-cash banking transactions falls 35%

According to Large Taxpayers Unit Karachi data, collection of withholding tax on non-cash transactions has fallen by 35% to PKR 7.51Bn during FY20 as compared with PKR 11.47Bn during FY19 due to improved compliance in income tax return filing. *The News.*

A day after apologizing to city, KE cuts power for up to 12 hours

A day after K-Electric CEO Moonis Alvi apologized to the people of Karachi for the company carrying out intermittent but persistent load-shedding, the city was subjected to up to 12 hours of power outages. Different areas of the metropolis, including Gulzar-e-Hijri, Scheme 33, North Karachi, New Karachi and others endured power failures as the shortfall seemed to have touched 500 Mw. *The News.*

Bol moves to set up solar captive plant for SEZs

Board of Investment (BoI) has undertaken steps to establish first-ever solar captive power plant for the SEZs in Pakistan. In this regard, BoI facilitated signing of a tripartite MOU between state-owned enterprises including Faisalabad Industrial Estate Development and Management Company (FIEDMC), Power China Jiangxi Electric Power Construction Co Ltd (JEPCC). Chinese companies has proposed to set up a Photovoltaic Power Project of 700MW for the 2 SEZs of FIEDMC namely M3-Industrial City and Allama Iqbal Industrial City. *BR.*

Ecneec approves PKR 289Bn highway projects

The Ecneec meeting presided over by Adviser on Finance Dr. Abdul Hafeez Shaikh discussed and approved construction of 306-km-long Hyderabad-Sukkur Motorway at a cost of PKR 165.68Bn, construction of 47.55-km Khyber Pass Economic Corridor (KPEC) Project at a cost of PKR 77.91Bn, construction of 146-km Hoshab-Awaran-Khuzdar Section of M-8 Project, and land acquisition for Swat Motorway Phase-II at a cost of Rs20Bn. *BR.*

Development works: KMC council approves contract between WB, CLICK

The Council of Karachi Metropolitan Corporation has approved contract between the World Bank and CLICK to carry out uplift works in Karachi. Local councils including KMC, DMCs and District Council would provide details of work to implementation unit established for CLICK Project. *BR.*

Govt to launch PKR 400Bn construction projects by year-end: minister

To pave the way for economic growth, the govt. has decided to launch over PKR 400Bn construction projects by end of this year. The PM is said to be giving special attention to the uplift of the construction sector as this has the potential to revive the national economy as well as realize the dream of the disadvantaged segments of society to own their houses. *Dawn.*

Fuel imports plunge 28% in FY20

Petroleum imports declined 27.84% in FY20 owing to a steep reduction in domestic demand as a result of lockdowns across the country. Total import bill of fuel group dipped by 27.84% year-on-year to \$ 10.42Bn. Of these, petroleum product imports declined by 24.54% in value despite increasing by 3.7% in quantity. Similarly, import of crude oil decreased 40.44% in value and 24.54% in quantity during FY20. *Dawn.*

Amendments proposed to insurance ordinance

SECP has proposed amendments to the Insurance Ordinance 2000 to address regulatory gaps in the existing law and provide a conducive regulatory environment to encourage market development. The draft law has been placed on the regulator's website for stakeholder and public consultation. The changes aim to facilitate use of technology, provide ease of doing business and address entity-specific and systemic risks by shifting towards risk-based supervision (RBS) and risk-based capital (RBC) regimes. *Dawn.*

New projects re-emerge in Pakistan with flurry of China deals

Bloomberg has reported that China's Belt and Road program has found new life in Pakistan with \$ 11Bn worth of projects signed in the last month. The nations have signed deals for two hydro-power generation projects costing \$ 3.9Bn in the Kashmir region, and another to revamp Pakistan's colonial-era railways for \$ 7.2Bn -- the most expensive Chinese project yet in Pakistan. *The News.*

Reserves hit three-year high

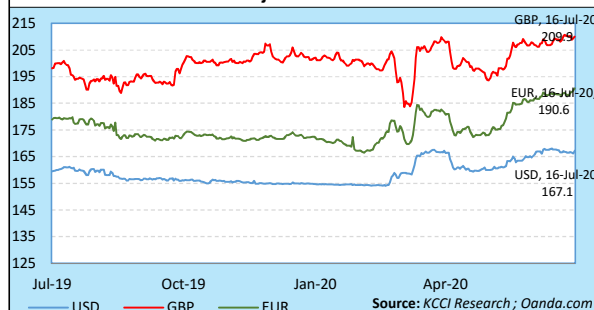
Forex reserves of the country rose to a three-year high with an increase of \$ 162Mn to settle at \$ 18.95Bn during the week ended 10th Jul'20 due to a rise in holdings of the commercial banks which went up by \$ 149Mn to \$ 6.897Bn. Meanwhile, reserves held by the SBP edged up \$ 13Mn to \$ 12.05Bn. *Dawn.*

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	16-Jul	PKR	166.99	0.19%
USD-Open MKT	16-Jul	PKR	167.50	0.12%
KSE-100 index	16-Jul	Pts.	37,001	0.88%
FIPI	16-Jul	\$ Mn	-2.42	NM**
Crude (AP'19)	16-Jul	\$/bbl	41.00	1.31%
Gold (MA'19)	16-Jul	\$/oz	1,813.4	0.03%
Gold (10g) Local	16-Jul	PKR	96,370	0.00%
Silver (MA'19)	16-Jul	\$/oz	19.76	0.88%
Cotton(KHI) -40 kg	16-Jul	PKR	9,002	0.00%
Kibor-6M	16-Jul	%	6.61	0.01%
Forex Reserves	10-Jul	\$ Bn	18.95	0.86%
	FY20			YoY
Remittances	Jul-Jun 20	\$ Bn	23.12	6.35%
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

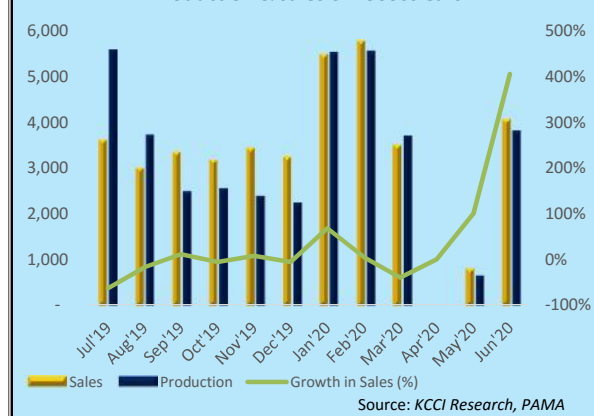


Quote of the Day

"Hire character. Train skill."

Peter Schutz

Production & sales of 1300cc Cars



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