

Inflation rises 9.3% in July

Inflation rose sharply - for the third successive month - due to a surge in food and petroleum product prices amid failure of federal and provincial govts. to keep prices of kitchen items in check, particularly wheat and sugar whose rates have surged in double digits. CPI rose 9.3% in Jul'20 as compared with Jul'19 whereas on a month-on-month basis, inflation rose 2.5% in Jul'20 over May'20 - the steepest surge since the PBS - the national data collecting agency - started reporting inflation numbers under a new methodology. *Tribune*.

ADB expects massive hit to Pakistan's remittances

ADB has placed Pakistan among the five worst-affected Asian economies as the inflow of workers' remittances may be hit by a massive 27% due to loss of jobs and drop in income of expatriates, mainly in the oil-producing and exporting nations. The projected inflow, however, is in contrast to the govt. of Pakistan's estimate of a moderate fall in remittances following the reopening of global economy with the ease in lockdowns. The ADB placed Pakistan on 4th out of five after Nepal, Tajikistan and Bangladesh. *Tribune*.

ADB sees pandemic slashing 2020 global remittances by over \$ 100Bn

Remittances across the world could decline by \$ 108.6Bn in 2020 as job losses mount and employers trim payrolls amid a Covid-19 pandemic that has devastated economies, according to a report by the Asian Development Bank. Money sent to Asia, where about a third of migrant workers worldwide come from, could fall by \$ 54.3Bn, or about a fifth of baseline remittances. Remittances to Asia and the Pacific, which amounted to \$ 315Bn in 2019, help fuel the consumption-led growth for some of the region's developing economies, including the Philippines. *BR*.

FBR exempts sales tax

FBR has exempted sales tax on the import of oxygen gas, cylinders and cryogenic tanks for medical purposes, for a period of 3 months starting from 23rd Jun'20. *BR*.

Sales tax collection on imported goods rises 13.5% in July

The collection of sales tax at import stage has registered 13.5% growth to PKR 67.29Bn during Jul'20 as compared with PKR 59.26Bn in Jul'19 on improved economic activities after easing of coronavirus related lockdown. *The News*.

Massive drain clearance drive begins in Karachi

Pakistan Army and Frontier Works Organization (FWO) teams have reached Gujjar Nullah to assist the civilian authorities in clearance of the city's mostly encroached sewerage drains. The drive has been launched under the oversight of the National Disaster Management Authority (NDMA). The garbage from the sewerage drain being immediately transferred to the landfill site. The drain clearance work has also been started at 'Cafe Piala' in Federal B' Area of Karachi with heavy machinery and other equipment. *Daily Times*.

World Bank approves \$ 400Mn projects

The World Bank has approved two projects for Pakistan worth \$ 400Mn — one for supporting measures being taken to reduce food insecurity caused by locust swarms and the other for actions required to restore educational activities in schools which have been closed because of the Covid-19 outbreak. *Dawn*.

World Bank announces new country director for Pakistan

Mr. Najy Benhassine is the World Bank's new Country Director for Pakistan effective 1st Aug'20. He succeeds Mr. Illango Patchamuthu. Mr. Benhassine most recently served as Regional Director for Equitable Growth, Finance and Institutions in the Middle East and North Africa. *Daily Times*.

Parliament to have another hectic week

After completing a hectic schedule of both houses of parliament during which the National Assembly and Senate remained in session for almost two months, the two houses are now set to have another busy week commencing tomorrow (5th Aug'20) where Kashmir and FATF-related legislation will come up for discussion. President Arif Alvi has convened a joint sitting of parliament on Thurs 6th Aug'20 to take up nearly a dozen legislations. *Dawn*.

Focusing on the small guy

Another effort is underway to support the country's Small and Medium Enterprise (SME) sector through the creation of an enabling business environment by knocking down longstanding regulatory and fiscal impediments. The effort is being led by the Small and Medium Enterprise Development Authority (Smeda) that has proposed a raft of measures in the draft SME policy to fix the regulatory framework and tax regime to create space for SMEs in the national economic development strategy. *Dawn*.

Tax Amnesty Scheme (Assets Declaration Ordinance 2019): FTO's ruling gives relief to 12,000 taxpayers who deposited PKR 2.6Bn

Federal Tax Ombudsman (FTO) has issued a judgment to give relief to 12,000 taxpayers who had deposited PKR 2.6Bn tax under the Tax Amnesty Scheme (Assets Declaration Ordinance 2019) but unable to upload their declarations on the last date due to failure of the FBR's online system. *The News*.

Mayor calls for shutting down SSWMB if it is unable to deliver in Karachi

Karachi Mayor Wasim Akhtar has said it is better to altogether shut down the Sindh Solid Waste Management Board if it lacks the ability to meet its targets related to sanitation work in the city. He cited the directives of the apex judiciary that an institution should be closed if it was unable to deliver. *The News*.

Prices of hides fall 50% as pandemic hits leather demands

The prices of raw hides and skins of sacrificial animals crashed, as this Eid-ul-Azha witnessed the lowest ever rates due to ongoing COVID-19 pandemic, and muggy and rainy weather which quickly damaged the hides. Hides of cows, calves and bulls traded at an average price of PKR 600/hide across the country compared to last year's average rate of around PKR 1,400 during Eid days. Goat hide was traded between PKR 100 and PKR 120 per skin as compared to last year's average price of PKR 200 per skin. *The News*.

PTA extends VPN registration deadline

PTA has decided to further extend the VPN registration deadline for a period of two months till 30th Sept'20 to facilitate businessmen and the general public for registration of Virtual Private Networks (VPNs). *The Nation*.

Karachi driving license branches reopen for public

Chief of the license branches of Karachi, has announced the reopening of license branches to facilitate the public by following the standard operating procedures. From Monday to Friday the timings will be from 10am to 4pm (on Friday, prayers' break will last from 1pm to 2pm). *The Nation*

Ferozsons Laboratories and HospitALL partner to develop telehealth platform

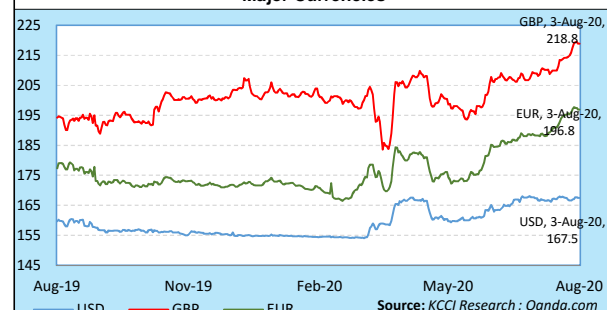
As part of its efforts to combat Covid-19, Ferozsons Laboratories Limited, Pakistan's leading pharmaceutical company, has announced a partnership with HospitALL (a NETSOL Technologies incubated Startup) to develop a cutting-edge "Physician-Patient Virtual Counseling Platform". Ferozsons, through its subsidiary BF Biosciences Limited, has produced remdesivir injections, under the brand name Remidia, under license and technology transfer from Gilead Sciences Inc., the company that received USFDA emergency use authorization for treatment of Covid-19 patients. *The Nation*.

Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	3-Aug	PKR	167.46	0.29%
USD-Open MKT	3-Aug	PKR	167.50	0.00%
KSE-100 index	3-Aug	Pts.	39,872	1.56%
FIPI	3-Aug	\$ Mn	0.94	NM**
Crude (AP'19)	30-Jul	\$/bbl	41.30	0.73%
Gold (MA'19)	30-Jul	\$/oz	1,973.4	0.65%
Gold (10g) Local	3-Aug	PKR	105,700	-0.56%
Silver (MA'19)	30-Jul	\$/oz	24.29	-0.67%
Cotton(KHI)-40 kg	3-Aug	PKR	8,681	0.00%
Kibor-6M	3-Aug	%	7.12	0.03%
Forex Reserves	24-Jul	\$ Bn	18.91	-0.71%
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-Jun 20	\$ Bn	-2.97	77.92%
Foreign Direct Inv.	Jul-Jun 20	\$ Bn	2.56	88.03%
LSM Growth*	Jul-May 20	%	-10.32	
Avg. CPI	Jul-20	%	9.26	
Discount Rate	Jul-20	%	7.00	

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

Major Currencies

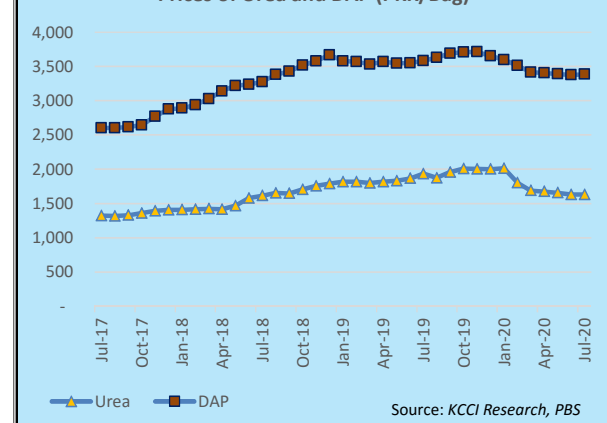


Quote of the Day

"You never know what you can do until you try."

William Cobbett

Prices of Urea and DAP (PKR/Bag)



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