

### Karachi should be handed over to Army for five years: Teli

Chairman BMG and former President KCCI, Siraj Kassam Teli, has said that in order to maintain cleanliness in Karachi, the city should immediately be handed over to the Pakistan Army for a period of 5 years so that all the infrastructure issues could be resolved in a transparent manner under the army's supervision. While warmly welcoming the federal govt.'s resolve to clean Karachi, he stated that the business and industrial community highly appreciated PM Imran Khan's move to engage the National Disaster Management Authority (NDMA) and the Frontier Works Organization (FWO) in the cleanup operation in Karachi which would certainly yield positive results and provide some relief to the perturbed citizens of this city who faced immense hardships whenever the city received torrential rainfalls. Siraj Teli further pointed out that after clearing the city of garbage, the NDMA and the FWO should be given the task to rebuild the infrastructure, particularly the dilapidated road network of Karachi. The roads and sewerage lines in all 7 industrial zones of Karachi are in a pathetic condition, creating a lot of hardships for businessmen and industrialists, he added. *BR.*

### Exports rebound after four months of decline

Pakistan's exports bounced back in Jul'20 following a steep fall for four consecutive months since Mar'20 when the govt. imposed lockdowns to contain the spread of coronavirus. FY21 has started with a positive note as export proceeds grew 5.8% to \$ 1.998Bn in Jul'20, from \$ 1.89Bn in Jul'19. *Dawn.*

### Sindh govt. to give PKR 20Bn cash to pandemic-hit people from next month

The Sindh govt. will start cash transfer from next month to people badly hit by the coronavirus pandemic for their economic welfare. The Sindh govt. has earmarked PKR 34Bn in FY21 budget to help citizens affected by the coronavirus pandemic. This budget was made to ensure food security, reduce inflation and unemployment. Some PKR 20Bn is proposed for cash transfers to those affected by coronavirus under the Sindh Peoples Support Program through the Social Protection Strategic Unit (SPSU) and Social welfare department (SWD). *Dawn.*

### Murad tells centre to fund K-IV, S-III, not micro-level projects

Sindh CM Syed Murad Ali Shah has urged the federal govt. to fund megaprojects like K-IV and S-III instead of making allocations to the federal govt.'s PSDP for micro-level works in the provincial constituencies. *Dawn.*

### Rain forecast: K-Electric identifies 451 dangerous locations

In view of the Pakistan Meteorological Department (Met) forecast for a new spell of rain and urban flooding, K-Electric has identified as many as 451 'hazardous' locations in Karachi, urging the Commissioner for urgent administrative and professional support to address the challenges prior to the rains. KE mentioned that its teams faced an uphill task in restoring power to 222 locations including Delhi and Punjab colony, Khadda Market, Badar Commercial, SITE industrial area, University Road, Korangi, Sohrab Goth and more, due to overflowing and blocked stormwater channels which result in rainwater accumulation. The power utility requested for coordinated support from the PDMA and commissioner office for expedited drainage support. *BR.*

### Govt mulls easing lockdown curbs on hotels, marriage halls

Minister of Industries Hammad Azhar has said the govt. has stepped up efforts to further ease lockdown on social and economic activities, and that could pave the way for restart of tourism sector, restaurants and marriage halls shut down for the last four months. *The News.*

### Hike in POL products' prices: FBR estimates PKR 4Bn more revenue this month

FBR has estimated additional revenue of PKR 3-4Bn in Aug'20 as a result of increase in the price of petroleum products by up to 11.8%. The federal govt. has raised the ex-refinery price of all petroleum products across the board to generate additional revenue under GST which has been maintained at the standard rate of 17%. Sales tax is levied as percentage of the price, i.e., on ad valorem basis, therefore any raise in price would raise total sales tax collection. *BR.*

### Cement sales, exports jump 37% in July

Cement sales and exports have bounced back sharply around 37% to 4.8Mn tons in Jul'20 as compared to 3.5Mn tons in Jul'19 as normalcy is finding way back in the markets with demand recovering after 4 months of the coronavirus lockdown. *The News.*

### RTO-II Karachi July collection up 42%

Regional Tax Office (RTO) - II Karachi has posted 42% growth to PKR 10.13Bn in Jul'20 compared with PKR 7.12Bn in revenue collection in Jul'19 owing to resumption of economic activities after the govt. eases the lockdown. *The News.*

### NSS rates raised by up to 36bps

Profit rates on different National Savings Scheme (NSS) certificates have been raised by the Central Directorate of National Savings (CDNS). Highest increase of 36bps was witnessed in the rates of Pension, Behbood and Shuada family from 9.96% to 10.32%. The govt. mobilized PKR 340.7Bn in 11MFY20 through NSS compared to PKR 306.3Bn for FY19. In May'20 alone, PKR 25Bn was raised against net withdrawal of PKR 19Bn in May'19. Profit rate on Defense Savings Certificates has been increased by 34bps to 8.44%, return on regular income certificate by 20bps to 7.8%. However, profit on Special Savings instrument was lowered by 18bps to 6.87%. Meanwhile, the profit rate on saving accounts was kept unchanged at 5.5%. *Dawn.*

### FBR chief holds online meeting with IMF officials

FBR new team headed by FBR Chairman Javed Ghani held 'an introductory session' with IMF officials in Washington D.C and discussed ways and means for achieving the annual tax collection target for FY21 and reforms in the tax administration. *BR.*

### Households, small businesses: Decline in remittances to imply significant hardships: IMF

The decline in remittances for economies such as Pakistan, where remittance inflows represented more than 5% of the GDP, would imply significant hardships for many households and small businesses as their domestic economies are hit by the synchronised nature of the COVID-19 crisis. This has been stated in the latest report of IMF, "External Sector Report Global Imbalances and the COVID-19 Crisis". It further stated that remittances are highly vulnerable to the COVID-19 crisis because migrant workers are typically more exposed to the risk of unemployment and wage losses during recessions than are native workers. *BR.*

### Import of sugar: ECC decides to take law ministry on board

ECC has decided to take Law Ministry on board on import of 0.3Mn tons of white sugar through TCP as the plan involved over PKR 23Bn of national exchequer. *BR.*

### Pakistan to float another LNG spot tender for August

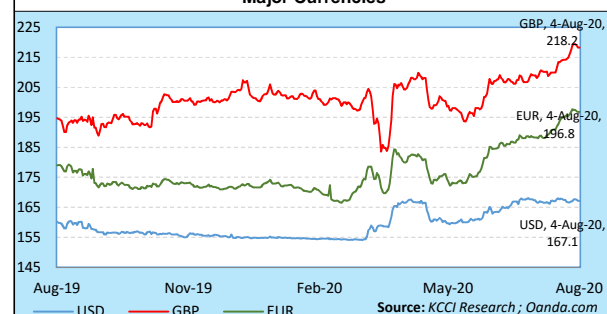
Pakistan LNG Limited is likely to float another tender to spot purchase LNG for Aug'20 to meet the spiking demand. It may be mentioned here that SOCAR Trading has offered to supply LNG at the rate equivalent of 5.74% of Brent crude, which translates into \$ 2.2/mmbtu approximately, to be delivered on 27<sup>th</sup>-28<sup>th</sup> Aug'20. *The News.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	4-Aug	PKR	167.64	0.10%
USD-Open MKT	4-Aug	PKR	167.80	0.18%
KSE-100 index	4-Aug	Pts.	39,578	-0.74%
FIPI	4-Aug	\$ Mn	1.99	NM**
Crude (AP'19)	4-Aug	\$/bbl	41.52	1.76%
Gold (MA'19)	4-Aug	\$/oz	2,022.4	2.10%
Gold (10g) Local	4-Aug	PKR	108,800	2.93%
Silver (MA'19)	4-Aug	\$/oz	26.17	7.04%
Cotton(KHI) -40 kg	4-Aug	PKR	8,788	1.23%
Kibor-6M	4-Aug	%	7.17	0.05%
Forex Reserves	24-Jul	\$ Bn	18.91	-0.71%
				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-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

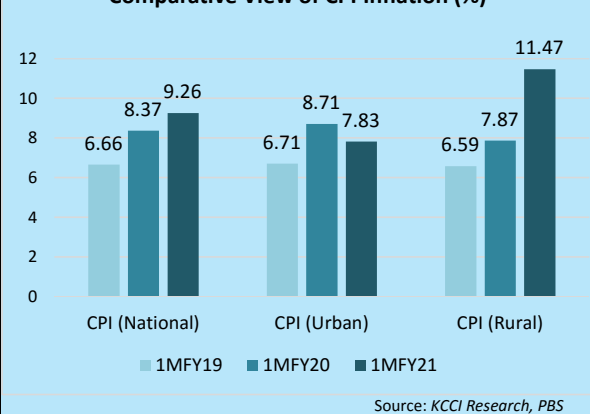


### Quote of the Day

*"The best way to get started is to quit talking and begin doing."*

*Walt Disney*

### Comparative View of CPI Inflation (%)



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