

### Various sectors allowed to reopen

With Covid-19 cases on a decline in the country, the govt. has decided to allow various sectors to resume normal operations, with Planning Minister Asad Umar saying SOPs for each sector would be finalized shortly. Sharing a list of dates for the reopening of various businesses and other activities, the minister said that hotels at tourist destinations would be allowed to reopen on 8<sup>th</sup> Aug'20, restaurants/cafes (dine-in), cinemas/theatres, public points and gyms on 10<sup>th</sup> Aug'20. While educational institutes and marriage halls are likely to be allowed to reopen on 15<sup>th</sup> Sep'20, adding reopening of educational institutes is subject to a review meeting on 7<sup>th</sup> Sep'20. *BR.*

### SBP introduces new category of foreign currency account

SBP has introduced a new category of foreign currency account titled Foreign Currency Value Account (FCVA) to facilitate Pakistanis for investment in foreign currency denominated govt. registered debt securities. Authorized Dealers may open "Foreign Currency Value Account" of a non-resident individual Pakistani and a resident individual Pakistani who have duly declared assets held abroad as per wealth statement declared in latest tax return with FBR. *BR.*

### Non-Resident Pakistanis: SBP to introduce rupee value account for investment

SBP has announced to facilitate Non-Resident Pakistani (NRPs), to open and operate non-resident PKR account through digital means and to invest in shares quoted on the Stock Exchange(s) in Pakistan, residential & commercial real estate, Govt. of Pakistan debt securities and term/ remunerative deposit products of ADs on repatriable basis, it has been decided to introduce a separate category of PKR Account named NRP Rupee Value Account (NRVA). *BR.*

### Real time access to data: FBR to impose penalties on defaults by Nadra and FIA

FBR will impose PKR 25,000 penalty on first default and PKR 50,000 for each subsequent default on authorities/organizations including Nadra and FIA, which would not give real time access to the Board for online sharing of data in their respective databases. The purpose of the measure is to enhance FBR's capacity of detecting tax evasions, broadening tax bases, improving compulsory registrations in appropriate cases, encouraging and promoting voluntary compliance by "national concerted efforts". *BR.*

### SBP allows MFBs for lending against gold

In order to enable MFBs to serve financing needs of the low-income segments, SBP has decided to revise the maximum loan sizes, borrowers' eligibility criteria for various micro loans and allow the lending against gold for consumption and enhance the maximum permissible exposure per borrower. As per revised regulations, the maximum size for general loans will be up to PKR 350,000/- to a poor person with annual income (net of business expenses) up to PKR 1,200,000/-. The maximum size for housing loans will be up to PKR 3,000,000/- to a single borrower with annual income (net of business expenses) up to PKR 1,500,000/-. *BR.*

### Customs obtaining export documents discourage under-invoicing

Pakistan Customs is actively obtaining export documents from some of the major trading partners of the country, including China, UAE, Singapore, South Korea and Hong Kong, to avert under-invoicing. Pakistan Customs has unearthed a big case of under-invoicing whereby certain importers imported a brand of drinking powder at an excessively low price of \$ 0.4 per kg. Export documents from the UAE Customs reflected the actual value at the rate of \$ 2.39/kg. Evaded amounts of duty/taxes are to the tune of PKR 330Mn. *BR.*

### Account holders info: FBR prescribes statements for banks

FBR has prescribed statements for banks for providing information of account holders including information of persons who have deposited PKR 10Mn or more in a month, monthly credit card payment of PKR 200,000 or above, profit on debt and particulars of account holders who have withdrawn PKR 1Mn or above in cash in a month. *BR.*

### Parliament okays another FATF-related law

After hectic two-day consultations with the country's two major opposition parties, the coalition govt. finally managed to get the third FATF-related bill — for exchange of information and criminals with countries — passed in the joint sitting of parliament after agreeing to include more than two dozen opposition-proposed amendments. *Dawn.*

### Export of services dips 8.7%

Services exports dipped by over 8.66% year-on-year to \$ 5.45Bn in FY20, from \$ 5.97Bn over FY19. Services exports have fallen since Mar'20 after the govt. imposed a lockdown across the country to contain the pandemic. Meanwhile, services imports declined 24.25% to \$ 8.28Bn in FY20, from \$ 10.94Bn in FY19. *Dawn.*

### Major gas shortage to strike by end of next year

The country is staring yet another predicament, a major gas shortage by end of next year, after recently putting up with the sugar, wheat, and fuel crises. Special Assistant on Petroleum Division Nadeem Babar has informed the Council of Common Interests (CCI) that the country would face gas shortage in winter of FY22 because of dwindling reserves. *Tribune.*

### Transshipment policy to boost economic activities soon

In a major development, the govt. is about to introduce first-ever transshipment policy to stimulate the economic activities in Pakistan's ports, particularly Gwadar Port, which will help generate not only job opportunities but will also help lower the freight charges of cargoes for exporters. *The News.*

### Govt trying to balance tariff rationalisation with revenue generation

In a meeting with presidents of various chambers of commerce to discuss initiatives of the tariff rationalization board, via a video link, Adviser for Commerce A.Razzak Dawood has said that the govt. is working out ways to rationalize tariffs on industrial imports, while keeping under consideration that taxation on imports is a main source of revenue. KCCI President Agha Shahab Ahmed said that the tariff rationalization policy on industrial raw materials for the next three years, has been long overdue and will ensure sustainability of economy. He said that the planned reforms will allow businessmen and industrialists to focus on expanding their production and exports rather than remaining concerned with unpredictability of costs due to frequent changes in tariff structures and ad-hoc measures by the FBR. *The News.*

### Thar project back on track as Chinese return

Work on Shanghai Electric's Thar Coal Block-1 Project, a priority implementation project of CPEC, is expected to speed up following the arrival of a batch of 500 Chinese engineers and managers. The return of Chinese engineers and managers to Pakistan, which had been delayed because of the Covid-19 pandemic, is expected to provide a boost to the Thar Coal Block-1 Project. *The News.*

### All airports allowed to handle domestic flight operations

The Aviation Division has announced that domestic flight operation, already under way from some of the airports for some time, will be resorted from all airports in the country from 6<sup>th</sup> Aug'20 midnight. Moreover, cargo, special flights and private aircraft operations would also be available for all airports. PIA has announced its Jashne Azadi discounted fare and baggage offer to customers, offering 14% discount on flights operating on its primary domestic routes between Islamabad, Karachi and Lahore. *Dawn.*

### Forex reserves rise to \$ 19.56Bn

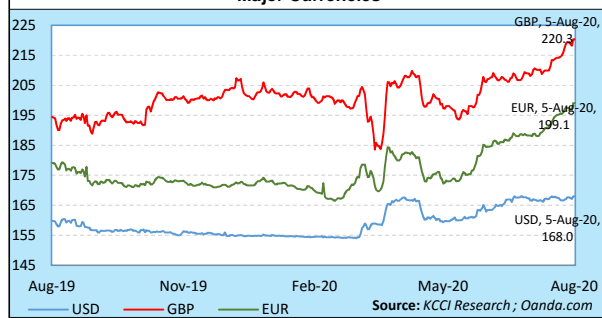
Pakistan's foreign exchange reserves have increased to \$ 19.56Bn during the week ended 30<sup>th</sup> Jul'20 from \$ 18.91Bn a week ago. This increase is attributed to inflows received from multilateral and bilateral agencies, including \$ 505.5Mn from the World Bank. The forex reserves of commercial banks also rose to \$ 7.02Bn from \$ 6.94Bn. *The News.*

### Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	6-Aug	PKR	168.13	-0.06%
USD-Open MKT	6-Aug	PKR	168.70	0.24%
KSE-100 index	6-Aug	Pts.	40,166	0.71%
FIPI	6-Aug	\$ Mn	1.18	NM**
Crude (AP'19)	6-Aug	\$/bbl	42.04	-0.38%
Gold (MA'19)	6-Aug	\$/oz	2,066.4	1.26%
Gold (10g) Local	6-Aug	PKR	111,700	1.18%
Silver (MA'19)	6-Aug	\$/oz	29.15	7.57%
Cotton (KHI) -40 kg	6-Aug	PKR	8,841	0.60%
Kibor-6M	6-Aug	%	7.21	0.00%
Forex Reserves	30-Jul	\$ Bn	19.56	3.44% 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

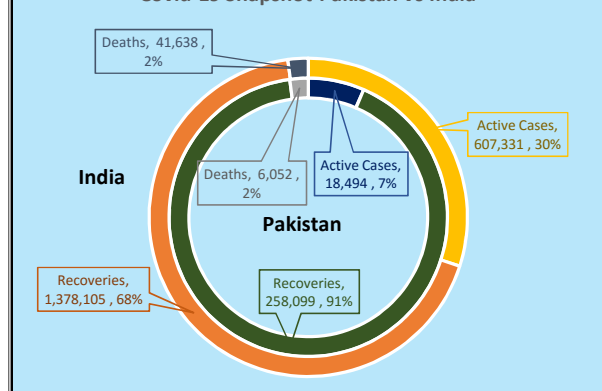


### Quote of the Day

*"It's hard to beat a person who never gives up."*

**Babe Ruth**

### Covid-19 Snapshot-Pakistan Vs India



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