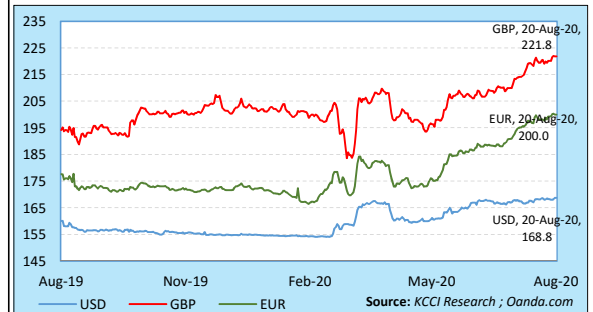


Economic Indicators

List of Indicators	Date / Period	Unit	Value	Change Daily
USD-Interbank	20-Aug	PKR	168.38	0.07%
USD-Open MKT	20-Aug	PKR	168.60	-0.12%
KSE-100 index	20-Aug	Pts.	39,869	-0.71%
FIPI	20-Aug	\$ Mn	-2.68	NM**
Crude (AP'19)	20-Aug	\$/bbl	42.76	-0.56%
Gold (MA'19)	20-Aug	\$/oz	1,957.4	1.65%
Gold (10g) Local	20-Aug	PKR	105,200	0.00%
Silver (MA'19)	20-Aug	\$/oz	27.43	3.19%
Cotton(KHI)-40 kg	20-Aug	PKR	9,002	0.00%
Kibor-6M	20-Aug	%	7.19	-0.02%
			WoW	
Forex Reserves	13-Aug	\$ Bn	19.66	0.70%
			YoY	
Remittances	Jul-20	\$ Bn	2.77	36.50%
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-Jun 20	%	-10.17	
Avg. CPI	Jul-20	%	9.26	
Discount Rate	Jul-20	%	7.00	

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

Major Currencies

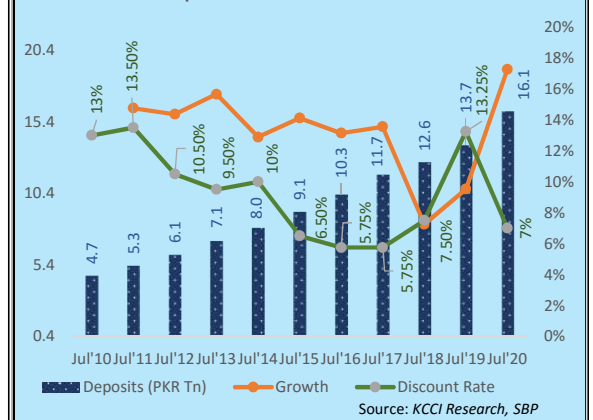


Quote of the Day

"Creativity is just connecting things."

Steve Jobs

Growth in Deposits of Schedule Banks Vs Discount Rate



Disclaimer

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KCCI View icon represents the sole viewpoint of the KCCI R&D Cell, and is stated to enrich the readers' understanding of the news item. The

Pakistan's long-term outlook 'stable': S&P

The Standard & Poor's (S&P) rating agency has affirmed Pakistan's 'B-' long-term and 'B' short-term sovereign rating while maintaining 'stable' long-term outlook. The New York-based rating agency also affirmed 'B-' long-term issue rating on Pakistan's senior unsecured debt and Sukuk trust certificates. It said the country's rating remains constrained by a narrow tax base and domestic and external security risks, which continue to be high. *Dawn*.

Debt repayment: IMF points towards erosion of capacity

The Finance Ministry has claimed that the cost of country's domestic debt has been reduced by re-profiling of debt and its tenure has been increased, while acknowledging that IMF has been pointing towards the erosion of Pakistan debt repayment capacity with a suggestion not to take more loans. *BR*.

FASTER system: Exporters can resubmit refund claims by September 20: FBR

In a major relief provided to exporters, FBR has announced that exporters have been allowed to review and resubmit their sales tax refund claims filed under the FASTER system after removing shortcomings by 20th Sep'20. This would allow exporters to resubmit their sales tax refund claims to the tune of billions by the said deadline. *BR*.

SBP extends loan settlement period by six months

According to SBP, banks can now allow extension of up to 180 days to exporters in settlement of their FE-25 loans (foreign currency loans) in case they are facing delay in realization of export proceeds due to Covid-19. Banks can also allow settlement of FE-25 loans to exporters through substitute contract during the extended period of 180 days where the original export contract has been cancelled due to Covid-19. This facilitation has been provided to exporter and importers for their foreign currency loans maturing up to 30th Sep'20. *Dawn*.

Five export-oriented sectors: ECC likely to approve special electricity tariff

ECC is expected to approve special electricity tariff for five export-oriented sectors including textiles beyond 30th Jun'20. The govt. decided to extend the special relief package at all-inclusive rate of Cents 7.5% from 1st Jul'19 to 30th Jul'20. *BR*.

House building loan: PM directs banks to simplify process

PM Imran Khan has instructed the commercial banks to simplify the process to apply for house building loan to facilitate the low or middle income groups. Chairing the weekly meeting of NCC on Housing, Construction and Development, he said the govt. had addressed all the reservations of the banks. SBP has been empowered for timely disbursement of the subsidy to the banks on house building loans announced by the govt. Moreover, the matter of foreclosure was also being pursued effectively, he added. *BR*.

Cargo scanning capacity at Torkham border enhanced

The successful commissioning of additional scanner at Torkham Border Terminal by National Logistics Cell (NLC) has significantly increased the scanning capacity of import and export cargo vehicles at the busiest crossing point between Pakistan and Afghanistan. Likewise, all vehicles of Afghan Transit Trade (ATT) undergo scanning process at NLC Complex at Jamrud. The practice of scanning is being carried out by NLC round the clock in order to facilitate Customs in timely clearance of import and export vehicles. *BR*.

Afghanistan-bound containers: Govt. likely to waive demurrage charges

The govt. is likely to waive about PKR 4Bn demurrage charges on Afghanistan-bound containers as a special case on the request of Afghanistan's parliamentary delegation. Ministry of Maritime Affairs has recommended that KPT, PQT and terminal operators namely SAPTL, PICT, KICT, QICT be directed through PQA and KPT to allow one-time waiver of demurrage charges recovered / charged by the terminal operators at Bin Qasim and Karachi Port for a period from 24th Mar'20 to 21st Jul'20 or till the approval of federal cabinet including ten days of lifting the containers from the terminals/ ports. *BR*.

Sindh gives nod to new district in Karachi

In a sudden move to divide the province's districts on an administrative basis, the Sindh cabinet has started off with Karachi, deciding to carve out Keamari district as a new administrative unit from West district - the largest district in Sindh in terms of population. *Tribune*.

ST waived on sugar imports

FBR has exempted whole of sales tax on import of 300,000 tons of sugar to arrest the rising price of the whitener. FBR has issued SRO-751 to implement the decision with immediate effect. The facility will be available to Trading Corporation of Pakistan to import the sugar to bridge the shortfall in the domestic market. *Dawn*.

Pakistan's public debt soars to PKR 36.3Tn

The federal govt. has added PKR 11.35Tn in public debt during the first two years in power, which was more than the total debt the previous govt. had taken in its five-year term. Total public debt as of 30th Jun'20, increased to PKR 36.3Tn, which is 87% of GDP. There was an addition of PKR 11.35Tn or 45% in the total public debt in the past two years PKR 24.95Tn. *Tribune*.

Pakistan seeks World Bank technical help on pension reforms

Pakistan has requested the World Bank's technical help in reforming the country's costly public sector pension system. PM Imran Khan had recently described the govt.'s rapidly increasing pension bill as a far more serious problem than the huge power-sector debt. In Jul'20, the govt. approved Concept Clearance Paper for Pension Reform Project. The reforms are to be executed with a \$ 75Mn loan from the World Bank. *The News*.

FDI up 60.8% YoY to \$ 114.3Mn in July

FDI has increased 60.8% in IMFY21 to \$ 114.3Mn from \$ 71.1Mn in IMFY20. Bulk of the inflows came from China, Malta, and Netherlands, and channeled mainly to electrical machinery, financial businesses, oil and gas exploration, and power sectors. China remained the largest source of FDI in Pakistan with \$ 27.1Mn direct investment. *The News*.

11% Pakistanis have developed protective immunity: study

A 25 city National Seroprevalence Study, initiated in Jul'20 by the Health Services Academy in collaboration with multiple partners, including Aga Khan University and WHO, has shown that almost 11% of Pakistanis have developed protective immunity across the country against coronavirus. *Dawn*.

Tax collection on dividend income posts 138% growth

The collection of tax on dividend income has registered sharp increase of 138% PKR 2.14Bn during 1MFY21 as compared with PKR 898Mn in 1MFY20 due to change in application of tax laws. Through Finance Act 2019, the rate of tax was increased to 25% in the case of a person receiving dividend from a company where no tax was payable by such company due to exemption of income or carry forward of business losses or claim of tax credits. *The News*.

Apple becomes first US Company to hit \$ 2Tn market cap

Apple became the first publicly traded US Company to hit a \$ 2Tn market capitalization after its share price exceeded \$ 467.97. The milestone comes two years after the tech company hit \$ 1Tn. Apple surpassed Saudi Arabia's Aramco on 31st Jul'20 to become the most valuable publicly-traded company. *The Nation*.

Forex reserves rise to \$ 19.66Bn

Pakistan's foreign exchange reserves increased to \$ 19.66Bn in the week ended 13th Aug'20 from \$ 19.52Bn a week ago. The forex reserves held by the SBP increased to \$ 12.61Bn while the forex reserves of commercial banks stood at \$ 7.05Bn. *The News*.