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Budget in focus 2025-26

PRESIDENT SIGNS FINANCE BILL INTO LAW

Naveed Butt Published about 2 hours ago

ISLAMABAD: President Asif Ali Zardari on Monday gave formal assent to the Finance Bill for the fiscal year 2025-26, completing the constitutional procedure required for the passage of the federal budget.

According to official sources, the president signed the bill after it was approved by the National Assembly through a majority vote on Friday. This approval grants the federal government the legal mandate to implement its planned revenue measures and expenditures for the upcoming financial year.

The new budget will come into effect at midnight, bringing into force a series of new tax measures and financial reforms detailed in the finance bill.

These changes aim to support the government's economic priorities and fiscal objectives for 2025-26.

President Zardari's signature marks the final legislative step, enabling the government to proceed with its economic agenda and manage national finances according to the newly outlined framework.

With this process now complete, the government is positioned to roll out its budgetary initiatives, including measures intended to boost revenue collection and address fiscal challenges.

The approval also reflects the culmination of parliamentary debate and review, setting the stage for the practical implementation of economic plans in the coming months.

TRADERS REJECT IMPOSITION OF 2PC IDC ON EXPORT FROM KP

Amjad Ali Shah Published about 2 hours ago

PESHAWAR: Traders expressed outcry over enforcement of 2 per cent Infrastructure Development Cess (IDC) on export from Khyber Pakhtunkhwa and feared the export tax will adversely hamper economic growth and regional trade.

Despite the prolonged anti-IDC campaign and dialogue by business leaders with relevant authorities, even reservations conveyed in upper house of the parliament, the Government of Khyber Pakhtunkhwa enforced 2 percent export tax under Infrastructure Development Act from July 01, next and make it part of the finance bill and budget documents 2025-26.

It is noted to mention here that the provincial government has imposed 2 percent export tax through Infrastructure Development Act 2022, which is continuously implemented by making it part of Finance Bill/budget documents of every fiscal year. On the other hand, the Business community vigorously campaigned against IDC and proactively took up this issue with authorities and every forum at central and provincial level.

Export process has already been slowed down from Khyber Pakhtunkhwa as business community/ exporters preferred to shift their consignments to Islamabad and other provinces to prevent huge financial losses, in wake of enforcement of 2 percent IDC on export, reports say.

The Federating Units (provinces) are competent to levy cess on goods/services produced, brought into or taken out of the province. Provincial governments have already levied IDC on imports and are collecting the same through Customs computerised system for the past over one decade, experts say. They added the provinces under the Constitution appear to have power to levy an IDC on transportation, carriage or movement of goods for imports to or exports from the province. However, they stated in order to encourage exporters and to increase exports, duties/taxes are usually not levied on exports as it might have an adverse effect on exports and the flow of foreign exchange into the country.

Traders categorically reject implementation of 2 per cent export tax by the provincial government and stated that export tax would negatively impact exports from the province. They furthermore said KP export cess will undermine the competitiveness of Pakistan’s exports. A large number of vehicles-loaded with essential food items were entered on regular basis in city and other parts of the province, after the imposition export tax.

The prices of daily use items will go up instantly, said Shakeel Ahmad Saraf, president of the Peshawar Small Traders and Small Industries (PST&SI). He said price-hike will directly affect the already inflation-stricken people of the province. Exports cannot be taxed, and they should be incentivised “if we are serious about the progress of the country and the prosperity of the people of Pakistan,” he remarked. “Exports are vital to the country. All governments need to support this national effort,” he said.

Businessmen recommended the federal government convince KP province through the Council of Common Interests for the exemption of exports from direct and indirect provincial levies. Like the consignments routed through KP, this additional cost will now apply to all exports via Balochistan to Afghanistan and Central Asia, as well as Iran, Turkiye and beyond, traders say.

“Exports are vital to the country. All governments need to support this national effort,” Shakeel Saraf remarked. He urged the provincial government to review its decision and take it back immediately. Small traders will soon decide future course of action against export tax, if the government didn’t pay heed to their demands, he warned.

OUTLOOK FOR PUBLIC FINANCES

Dr Hafiz A Pasha Published about 2 hours ago

The federal and provincial budgets for 2025-26 have generally been approved by the respective legislative fora. Therefore, it is possible to get an overall perspective of the likely outlook for public finances in 2025-26.

The targets on revenues, expenditures and surpluses/deficits by the federal and the four provincial governments tend to impart a high degree of optimism about the likely financial outcome in the coming financial year.

The consolidated budget deficit of the federal and provincial governments combined is targeted at Rs 6,501 billion in 2025-26. This will actually be lower even in absolute terms in relation to the deficit in 2024-25 of Rs 7,444 billion. The decline is even more pronounced as a percentage of the GDP, at 3.9 percent of the GDP as compared to 5.6 percent of the GDP in 2024-25.

Achieving a deficit of below 4 percent of the GDP will be an outstanding achievement. The last time we saw a deficit of below 4 percent of the GDP was as far back as 2003-04. In the intervening years, there have been years like 2018-19 when it approached even 8 percent of the GDP. For the first time the limit imposed by the Fiscal Responsibility and Debt Limitation Act of a maximum budget deficit target of up to 4 percent of the GDP is being adhered to.

The targeted budget deficit of 3.9 percent of the GDP is based on a federal deficit of 5.0 percent of the GDP and a provincial cash surplus of 1.1 percent of the GDP. The corresponding magnitudes for 2024-25 were respectively 6.5 percent of the GDP and 0.9 percent of the GDP. Therefore, bulk of the improvement in the state of public finances in 2025-26 is expected to come from a quantum reduction in the federal budget deficit by as much as 1.5 percent of the GDP.

These expectations are even more optimistic than the IMF. The Staff Report of the IMF of the 17th of May 2025, following the successful first review, envisages a consolidated budget deficit of 5.1 percent of the GDP in 2025-26 and a primary surplus of 1.6 percent of the GDP. The federal Ministry of Finance must be duly commended for aiming to even exceed the expectations of the IMF.

The fundamental problem is that the targeted deficit of 3.9 percent of the GDP and a primary surplus of 2.6 percent of the GDP in 2025-26 are based on fragile assumptions about the high growth in revenues and substantial containment of expenditures.

We focus first on the revenue projections and targets. The growth rate targeted for in FBR revenues is a strong 20.5 percent, compared to the projected increase in the GDP of 13 percent. The implied change in the federal tax-to-GDP ratio is 0.5 percent of the GDP. This is to follow the extraordinary jump in 2024-25 of 1.4 percent of the GDP. Consequently, inclusive of provincial tax revenues and the petroleum levy, which is effectively a tax, the national tax-to-GDP ratio is expected to rise to 13 percent of the GDP in 2025-26.

The realization of this target will imply that since 2022-23 there will be a spectacular improvement in the overall tax-to-GDP ratio by almost 3 percent of the GDP. In the event this happens, the performance in the realm of public finances, especially of the FBR, will need to be fully recognized.

However, the normal growth in FBR revenues is likely to be close to 12 percent, subject to the nominal GDP growth of 13 percent. Therefore, an additional increase of 10.5 percent is required through taxation measures in the federal budget. This is equivalent to Rs 1230 billion. The estimate of the likely generation of revenues from taxation measures and improvements in tax administration is close to Rs 650 billion. As such, there is a risk of a shortfall in FBR revenues of Rs 580 billion in 2025-26.

The other questionable projections relate to non-tax revenues. Despite the quantum decline in interest rates, SBP profits are expected to be very high at Rs 2400 billion, only marginally below the peak level of Rs 2,619 billion in 2024-25. The IMF Staff Report expects federal non-tax revenues in 2025-26 to be smaller by almost Rs 1000 billion in comparison to the level of these revenues in 2024-25. It is likely that the official estimates of non-tax revenues for 2025-26 are overstated by a similar amount.

The other source of non-tax revenue, which is probably also overstated, is the revenue from the petroleum levy. It is expected to rise by as much as 26 percent. A part of the increase will be due to the introduction of the carbon levy of Rs 2.50 per litre. However, with oil prices have gone up somewhat after the Iran-Israel war, there is less space for raising the petrol levy. This implies that there could be a shortfall of almost Rs 200 billion.

Overall, given the likely shortfalls identified above, the total federal revenues in 2025-26 may see a big shortfall of as much as Rs 1780 billion in relation to the targets. This will be equivalent to 1.5 percent of the GDP.

Turning to the expenditure side of the federal budget, there is need to start with some apparently good news. The level of current expenditure is targeted at Rs 16,286 billion in 2025-26, which is even lower in absolute terms than the level of Rs 16,390 billion in 2024-25.

The problem is that this absolute decline is expected to occur despite the 10 percent hike in salaries, 7 percent increase in pensions, 17 percent jump in defence expenditure and 20 percent expansion in the outlay on the Benazir Income Support Programme (BISP).

Where then are significant declines anticipated in other heads of current expenditure? The first is debt servicing. The mark-up payments are projected to decline by almost Rs 740 billion in 2025-26 from the actual level in 2024-25. This is despite the fact that the volume of government debt will increase by almost 8 percent. Clearly, the expectation is of a big fall in interest rates.

However, the rate of inflation, according to Consumer Price Index (CPI), is projected to rise to 7.5 percent in 2025-26 from 4.5 percent in 2024-25. Already, the core rate of inflation has approached 8 percent in May 2025. Further, the IMF will insist on a tight monetary policy in the

Programme. Therefore, it is unlikely that there will be significant decline in interest rates in 2025-26 and the reduction proposed in debt servicing will be difficult to achieve.

The other current expenditure head where a containment is anticipated is in the subsidy bill. It is projected at Rs 1186 billion, compared to the actual level of Rs 1378 billion in 2024-25. Most of the fall is expected in the power tariff differential subsidy and other payments in the power sector of Rs 154 billion. Given the failure of the government to increase efficiency in operations of the power sector, this saving will remain very elusive.

Overall, the actual level of current expenditure in 2025-26 is likely to be higher due to the above-mentioned reasons by almost Rs 900 billion. This will be equivalent to 0.7 percent of the projected GDP in 2025-26. Overall, with revenues lower than the budgeted level by 1.5 percent of the GDP, the federal budget deficit is likely to be higher by 2.2 percent of the GDP, and approach 7.2 percent of the GDP.

Finally, there are clear indications from the provincial budgets that the provincial cash surplus of Rs 1464 billion for 2025-26 is unlikely to be met, especially with the likelihood of a significant shortfall in federal transfers. The only provincial government, which has targeted for a large cash surplus of Rs 963 billion, is that of Punjab. Sindh has actually shown a deficit. Therefore, a significant gap in achieving the target is likely of up to Rs 500 billion, equivalent to 0.4 percent of the GDP.

The bottom line is that the federal budget for 2025-26 is fragile. There are a number of factors identified, which could raise the consolidated budget deficit from the target level of 3.9 percent of the GDP to almost 6.5 percent of the GDP, even higher than the deficit of 5.6 percent of the GDP in 2024-25. The primary surplus is likely to be zero or even negative.

Given the relatively higher risk and uncertainty in the outlook for public finances in 2025-26, there is need for a high quality of financial management at the federal and provincial levels. We would like to see much less deviation than identified above from the key budgetary targets of 2025-26 and success in meeting the apparently less ambitious IMF programme targets.

TAX STRUCTURE: BUDGET ENVISAGES NO REFORM

Published July 1, 2025 Updated about 2 hours ago

EDITORIAL: The major revisions in the Finance Act 2025 must be supported as they attempt to reduce the import taxes on key raw materials and intermediate goods, with the government claiming its intent was to create a business-friendly import environment (with an associated positive impact on growth) while inexplicably extending 50 tax exemptions that cannot be supported in the current year considering that the economy remains extremely fragile, reflected partly by the failure of the government to clear its contractual obligations to Independent Power Producers set up under the China Pakistan Economic Corridor, and continued high dependence on

foreign loans (nearly 20 billion dollars) from not only multilaterals but also from the three friendly countries.

The business-friendly revisions include zero tariffs applicable on 2201 tariff lines to be extended to an additional 916 lines and reduction of customs codes on 2624 PTC codes. At the outset it is relevant to note that phasing out import taxes has been a long-standing loan condition by multilaterals and this particular amendment to the Finance Act is unlikely to be challenged by the International Monetary Fund (IMF) staff whose approval is critical to the success of the second staff-level review followed by tranche disbursement.

However, it has not yet been clarified as to how much of the budgeted collections by the Federal Board of Revenue (FBR) would be negatively impacted by these measures. This shortfall in budgeted revenue collection would, one may safely assume, generate the need to impose additional taxes (mini-budget) later in the year as part of the contingency measures agreed with the IMF staff under the ongoing Extended Fund Facility (EFF) programme.

Without Fund approval pledged external assistance releases would not be forthcoming to stave off the still looming threat of default. This stands to reason as both the Finance Minister and the Chairman FBR have publicly stated that in the event that the 389 billion rupees budgeted under enforcement measures is not realised there would be a need to impose additional taxes though the amount noted by the two men has varied between 400 and 600 billion rupees.

There is no doubt that the investment climate in the country needs pro-business measures as the large-scale manufacturing sector (LSM) continues to show an increase in negative growth — negative 1.47 percent July-March 2024-2025 against 0.92 percent 2023-24. This deterioration is in spite of the discount rate being slashed from 22 percent to 11 percent (June 2024 to June 2025) and a decline in electricity tariffs though captive power plants will now be taxed, again an IMF condition. The draconian measures that consist of enhancing the powers of the FBR officials, slightly watered down by parliament, may further compromise productivity in the LSM sector.

Be that as it may, successive Pakistani governments have relied on monetary and fiscal incentives to industry though as per the EFF documents uploaded on the Fund website in October 2024, "The government's intervention in price setting, including for agricultural commodities, fuel products, power, and gas (biannual), combined with high tariff and non-tariff protection tilted the playing field in favour of selected groups or sectors. Despite all this support, the business sector has failed to become an engine of growth, and the incentives eventually weakened competition and trapped resources in chronically inefficient (including perpetually "infant") industries."

In marked contrast to the reduction in import tariffs, exemptions are vigorously opposed by multilaterals as they are largely, if not entirely, supportive of the rich and influential. It is fairly evident that exemptions on the pension of Pakistani presidents falls in the category of benefiting the rich and the influential and is not justified, especially given the economy's fragility.

The most disappointing aspect of the budget 2025-26 is the fact that there have been no reforms in the tax structure and the reliance on indirect taxes, whose incidence on the poor is greater than on the rich, remaining intact as they are easy to collect. Direct taxes based on the ability to pay principal continue to consist of withholding taxes in the sales tax mode (which are indirect taxes) comprising of 75 percent of total collections.

SUPPLEMENTARY BUDGET: PUNJAB ASSEMBLY APPROVES 38 DEMANDS EXCEEDING RS509.71BN

Hassan Abbas Published July 1, 2025 Updated about an hour ago

LAHORE: Punjab Assembly on Monday approved 38 demands exceeding Rs509.71 billion under the supplementary budget for 2024-25 in the absence of the opposition.

The Punjab Assembly session, delayed by four hours and four minutes, commenced under the chairmanship of Speaker Malik Muhammad Ahmad Khan.

On the occasion of International Day of Democracy, Syed Ali Haider Gillani, the parliamentary leader of the Pakistan People's Party (PPP), presented a resolution in the House, which was passed by a majority vote. Upon completion of the agenda, the Punjab Assembly session was adjourned indefinitely.

Addressing the assembly, Speaker Malik Muhammad Ahmad Khan talked in detail on the significance of parliamentary rules rooted in constitutional principles. "The House operates under constitutional rules, which hold sanctity," he stated. "Whether it's the oath, the quorum of members, the roles of the Speaker, Deputy Speaker, Leader of the House, or Leader of the Opposition—all are defined by the Constitution. The conduct of business is not subject to anyone's will but is bound by constitutional provisions."

He further highlighted that the Governor's address, call-attention notices, or ministerial reports are all enshrined in the Constitution. Criticizing disruptive behaviour, the Speaker remarked, "There was deafening noise about stolen elections and claims that the government was formed through Form 47. Efforts were made to craft a narrative based on 37 excuses, but why was no discussion held on such conduct that violates the sanctity of the Assembly?"

Asserting his commitment to upholding the law, the Speaker declared, "I will not allow any violation of the law in the Punjab Assembly. Disputes are part of democratic representation, but I will not permit disgraceful behaviour, especially the hurling of abuses that demean women."

On this occasion, the Speaker also directed treasury members to table a resolution against the opposition's conduct.

During the session, government member Ahsan Raza speaking on the point of order said, "Your decision to strengthen Parliament on International Parliament Day is commendable. The strength of democracy lies in the strength of Parliament. Parliament is a strong and sacred institution, but the storm of misconduct witnessed here is not a good sign for democracy. The opposition should adopt parliamentary language. The leadership of PML-N has always played its part in strengthening democracy.”

Government member Amjad Ali Javed remarked, “The Chair has always tried to work with the opposition, but they unleashed a storm of misconduct under the guise of the right to protest. The Chair repeatedly attempted to explain that democratic traditions should flourish, but they refused to understand.” He added, “Speaker Malik Muhammad Ahmad Khan has established democratic traditions in the House that were not present before.”

Government member Madad Ali Shah, said, “If no one guide a child he will be spoiled. It is our duty and responsibility to curb the opposition’s misconduct.”

Another government member, Salahuddin Khosa, stated, “The opposition itself sent the founder of PTI to jail. The opposition leaders flattered the founder so much that they elevated him to the skies. Their behaviour is not just a problem for themselves but for their party as well.”

During the session, government member Ahsan Raza addressed a point of objection, stating, “Your decision to strengthen Parliament on International Parliament Day is commendable. The strength of democracy lies in the strength of Parliament. Parliament is a strong and sacred institution, but the storm of misconduct witnessed here is not a good sign for democracy. The opposition should adopt parliamentary language. The leadership of PML-N has always played its part in strengthening democracy.”

Punjab Finance Minister Mujtaba Shujaur Rehman addressed the Punjab Assembly, announcing that the current fiscal year’s budget stands at Rs. 5,345 billion, with a development budget of Rs. 1,240 billion. He stated that the government has fulfilled the International Monetary Fund’s (IMF) condition by maintaining a budget surplus. This year’s supplementary budget exceeds Rs. 510 billion, with Rs. 266.6 billion allocated for developmental expenditures.

The minister emphasised prioritizing public welfare projects over salary increases, with the largest share of resources— Rs. 126 billion—dedicated to road infrastructure. Punjab’s total budget exceeds Rs. 1,013 billion, aimed at fostering sustainable economic growth. To curb wasteful spending, the government has initiated public welfare schemes, ensuring a fast-paced and socially equitable budget.

During the session, the Punjab Assembly approved a supplementary budget worth over Rs. 510 billion for the fiscal year 2024-25. Key allocations include Rs. 46.50557 billion for Police department, Rs. 2.341609716 billion for irrigation, Rs. 172.349 million for Forest Department, Rs. 461.467 million for Motor Vehicle Taxes, Rs. 492.502 million for Other Taxes and Duties, Rs. 16.935542 billion for Health Services, Rs. 13.625407 billion for Public Health and Rs. 4.870510 billion for Agriculture.

In total, 38 supplementary demands worth Rs. 509.712246289 billion were approved.

Finance Minister Mujtaba Shujaur Rehman announced a three-month honorarium salary for all staff of the Punjab Assembly Secretariat, the Law Department, and the Chief Minister's Secretariat.

The Punjab Assembly unanimously passed a resolution on the International Day of Democracy, presented by Pakistan Peoples Party (PPP) Parliamentary Leader Syed Ali Haider Gillani. The resolution highlighted that the United Nations General Assembly, in 2018, designated this day to encourage parliamentary institutions worldwide to strengthen public engagement.

The resolution stressed that democracy thrives when institutions are strong and inclusive. This year's theme, "Strong Parliaments for Democracy," underscores the pivotal role of legislatures in lawmaking, minority rights protection, and policy formulation. It called for collective efforts to strengthen and uphold parliamentary traditions, condemning undemocratic attitudes as detrimental to democratic progress.

EDUCATION IN FREEFALL

Published June 30, 2025

EDITORIAL: With nearly two-thirds of Pakistan's 240 million people under the age of 30, the country stands at a critical crossroads. This vast youth bulge could either serve as a powerful engine for economic growth and innovation or, if inadequately harnessed — as is presently the case — morph into a crisis of widespread under-education, joblessness and mounting pressure on the nation's socioeconomic and political fabric.

The way things stand, it increasingly appears that we are on course for the latter. According to a statement issued by Save the Children on June 19, the outgoing fiscal year saw expenditure on education between July 2024 and March 2025 plunge by a shocking 29 percent. This is despite the prime minister's much-publicised declaration of an "education emergency" in May last year, which now appears to be little more than a hollow slogan against the reality of deepening neglect.

Despite numerous education sector reports detailing how a paucity of funds has led to a plethora of issues, ranging from schools lacking essential infrastructure, an alarmingly low student-teacher ratio, the overall substandard quality of instruction and a massive 26 million out-of-school children — around 38 percent of Pakistan's school-age population — this has clearly done little to compel federal and provincial governments to treat this area with the urgency, policy attention and budgetary outlays it deserves.

Since 2018, successive governments have consistently deprioritised education, slashing its share of GDP from two percent in 2018 to just 0.8 percent this year, far below the four to six percent recommended by the UN-backed Incheon Declaration.

The sharp decline in spending also belies the government's own pledge made last year to raise education funding to four percent of GDP by 2029. Far from inching anywhere close to that target, the first fiscal year since the promise has instead seen a further drop in allocations, exposing a glaring lack of seriousness and political will to follow through on the most basic of educational commitments.

As Save the Children warns, the harshest impact of this will fall on children in Pakistan's poorest areas, where already daunting barriers to education have now grown even more insurmountable.

The latest Pakistan Education Statistics report, compiled by the Pakistan Institute of Education, explains how access to education is shaped — and often denied — by regional, gender and socioeconomic disparities. A striking example is that of Balochistan, where 75 percent of girls remain out of school, a single statistic that perfectly encapsulates the intersection of both regional and gender-based inequalities.

Taking the example of our most deprived province further, only 21 percent of its schools have electricity connections, just 28 percent have access to drinking water, 43 percent have toilets and less than half — 48 percent — are enclosed by a boundary wall. This dismal state of infrastructure stems directly from chronic underfunding, which also significantly hampers enrolment efforts, as parents are understandably reluctant to send their children — especially girls — to schools that lack the most rudimentary of facilities.

Dedicated, uninterrupted funding streams for education are also essential to ensure that schooling remains insulated, as far as possible, from climate-fuelled emergencies, like heatwaves and floods, which have too often in recent times led to prolonged school closures, disrupting learning for millions of children.

Most crucially, the growing number of out-of-school children also increases the likelihood of early marriages and child labour, making it even more difficult to break the cycle of intergenerational poverty.

It stands to reason then that breaking down the systemic barriers holding back access to education requires more than meaningless rhetoric; it demands urgent, sustained funding and genuine political will across all provinces. Inaction will end up condemning yet another generation to the margins.

Business & Finance » Taxes

GST E-INVOICING: KTBA URGES FBR TO ALLOW 3-MONTH EXTENSION

Recorder Report Published about 2 hours ago

KARACHI: Karachi Tax Bar Association (KTBA) has formally requested the Federal Board of Revenue (FBR) to allow a three-month extension for sales tax e-invoicing and its integration with the portal.

In a letter sent to the chairman FBR, the KTBA has called for a three-month extension to the current deadlines of July 1, 2025, for corporate taxpayers and August 1, 2025, for non-corporate taxpayers, adding that the majority of businesses remain unprepared for the mandatory transition to the FBR's computerized platform.

The letter said that the e-invoicing integration process has encountered substantial delays since its launch, creating widespread compliance concerns among the business community.

While expressing full support for the FBR's digitization initiative, the KTBA emphasized that the current timeline may be counterproductive to the government's transparency and efficiency goals. The association stressed that adequate preparation time is essential for ensuring the system's long-term success.

"We appreciate and fully endorse the FBR's efforts towards digitization for enhanced transparency and efficiency," the KTBA said in its formal request. However, the association warned that rushing implementation could lead to widespread non-compliance and business disruptions, adding that additional time would facilitate an orderly transition without causing undue disruption to business operations.

A COMMENT ON FINANCE ACT 2025—I

Syed Shabbar Zaidi & Co. Published July 1, 2025 Updated about an hour ago

The Finance Act, 2025 has been passed by the National Assembly. This Act has introduced some major changes and innovations in the tax system of Pakistan.

Pakistan is faced with the crises of ever-increasing non-documentation and non-compliance of the tax regime. Many steps undertaken to improve documentation and compliance remained fruitless.

In order to overcome that situation a fundamentally wrong concept of 'Non-filer' was introduced. That system is inherently wrong.

A person who is non-compliant cannot be treated as legally compliant only by increasing the rate of tax applicable on various withholding transactions.

In the Finance Act, 2025 a major shift has been made on this account. As a result provisions have been introduced where certain large economic transactions for acquisition of assets and bank withdrawal are restricted in case where return is not filed and there are insufficient funds in the wealth statement or the person is not registered; if required to be registered.

These notes describe, in summary, the important changes in the existing provisions and introduction of some new provisions.

Through the Finance Act, 2025 a completely new regime has been introduced for digitally delivered goods and services. A final rate of income tax has been provided at 1 and 2 % of gross sale proceeds in respective cases.

Furthermore, a substantially reduced sales rate of 2% as against 18% has been prescribed for domestic digitally delivered goods by retailers other than Tier 1 retailers and cottage industry.

For international transactions a new law, which is similar to Indian Equalisation Tax has been enacted.

The major change in the enforcement system is the introduction of the concept of embargo / restriction placed on certain economic transactions including withdrawal of cash from a bank account when the return is not filed or business is not registered under the Sales Tax. This is a very big step. It will assist in improving the level of documentation of the economy, if properly implemented.

Income Tax:

Taxation of Digital Transactions

General

Finance Act, 2025 has separated tax on digital transactions from normal tax regime. Two different systems have been introduced each for domestic and international digital transactions or presence.

Accordingly, a final tax regime has been introduced for domestic transactions whereas a separate law, which is also a final tax, by the name of Digital Presence Proceeds Tax Act, 2025 has been enacted for international transactions.

Domestic Digital Presence and Transactions

Concept

A new final tax regime has been introduced for supply of digitally ordered goods or services using locally operated online platforms including online marketplace. Now such transactions would not be part of normal tax regime. (Section 8 of the Income Tax Ordinance 2001 will apply on these transactions)

These provisions are applicable on supply of digitally ordered goods or services which are delivered within Pakistan using locally operated online platforms, including online marketplace or websites. These terms have been appropriately defined in the Ordinance.)

Nature of supply of goods covered:

These provisions will apply on transaction of ordering and delivery of goods which comply with the following conditions:

1. Transaction is undertaken through:

a. "E-commerce", which has been defined to mean sale or purchase of goods and services conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders either through websites, mobile applications or online marketplace having digital ordering features by using either mobile phone, iPad, Tablet or automated computer-to-computer ordering system.

or

b. Online marketplace being an information technology platform run by e-commerce entity over an electronic network that acts as a facilitator in transactions that occur between a buyer and a seller and includes "online interfaces" that facilitate, for a fee, the direct interaction between multiple buyers and multiple sellers via digital orders for supply of goods and services, with or without the platform taking economic ownership of the goods or providing or rendering the services that are being sold.

2. The payment is received through:

a. Courier service which means any specialized entity that provides fast, secure and often tracked transportation of documents, packages and small freight, typically offering door-to-door delivery solutions of goods within specific timeframes and in case of digitally ordered goods in e-commerce delivery and collection of cash (CoD) on behalf of the seller and such delivery service provider includes but not limited to –

(a) Logistic services;

(b) Ride-haling services;

(c) Food-delivery platforms; and

(d) E-commerce services;

b. Payment intermediary being any third party entity including a banking company, financial institution, a licensed foreign exchange company or payments gateways that facilitate the transfer of funds or payment instructions between two or more parties to enable, process, route or settle payments in a financial transaction, without being the ultimate source or recipient of the payment

3. There are withholding/ collecting provisions under Section 153 of the Ordinance, as under:

(i) every payment intermediary at the time of processing payment through digital means, on behalf of a seller of digitally ordered goods or services through locally operated e-commerce platforms (including websites); and

(ii) every courier business providing courier services collecting cash from a buyer under Cash on Delivery (CoD) payment terms on behalf of a seller for the supply of digitally ordered goods and services through e-commerce platforms (including websites);

This withholding/collection is on every person including an individual.

Rate

The rate of tax on such goods and services shall be:

(i) Digital Means or banking channels by payment intermediary at the rate of 1% of gross amount paid or payable; and

(ii) Cash on Delivery by courier service at the rate of 2% of the gross amount paid or payable.

This means that if the goods and services are digitally ordered and delivered then there would be collection/deduction of tax at the rate referred above by the 'payment intermediary' or the 'courier service', as the case may be, which will be the final tax with respect to such goods and services.

Definition of digitally ordered and delivered services

The term 'digitally delivered service' has specifically been defined in Section 2 of the Income Tax Ordinance 2001 as under:

"(17C) "digitally delivered services" means any service delivered over the internet or electronic networks, where the delivery is automated and requires minimal or no human intervention including music, audio and video streaming services, cloud services, online software applications services, services delivered through online inter-personal interaction i.e., tele medicines, e-learning etc., online banking services, architectural design services, research and consultancy reports, accounting services in the form of digital files or any other online facility".

The definition is very wide. For example, the term such as 'online software applications services' would need to be properly identified. Furthermore, the concept of 'no or minimal human interventions' does not tie up with the overall perspective for services such as 'online inter personal interaction', 'e-learning', tele-medicine, etc.

In the context of international transactions this has been defined as:

Digitally delivered services, in an international context, refer to services that are traded internationally and delivered remotely over computer networks. This encompasses a wide range of services that can be transmitted electronically, including those related to information and communication technology (ICT), audiovisuals, and other digital content. Essentially, it's about the international exchange of services where the service provider and the consumer are not physically located in the same place, and the transaction is facilitated through digital means.

These issues do not arise internationally as there is no concept of final tax in those regimes.

(TO BE CONTINUED)

VEHICLES, IMMOVABLE PROPERTIES: TAX RULES SET PURCHASE LIMITS

Hamid Waleed Published July 1, 2025 Updated 37 minutes ago

LAHORE: Addition of a new Fifteenth Schedule to the Income Tax Ordinance in the Finance Bill has impacted a number of taxable activities, said sources.

They said the application for booking, purchase or registration of vehicle under Section 114(1)(a), the threshold motor limitation has been fixed at more than PKR 7 million. The transaction value shall be the invoice value for locally manufactured vehicles, or the import value assessed by customs including all taxes, duties, levies and charges.

According to the sources, cars up to PKR 7 million can be purchased by persons, including non-filers, without obtaining a certificate of eligibility for such purchase. This may potentially increase the demand for used cars, and adversely affect the market for brand new cars.

So far as registering recording or attesting transfer of any immoveable property under Section restriction 114(1)(b) is concerned, the threshold limitation has been fixed at more than PKR 100 million for commercial immoveable properties and more than PKR 50 million for residential immoveable properties. The transaction value taken shall be the fair market value as defined under Section 2(22AA) of the ITO.

Regarding investment in securities, debt securities, units of mutual funds or money market instruments under Section restriction 114(1)(c), the threshold limitation has been fixed at more than PKR 50 million. The transaction value shall be the acquisition cost of securities or debt securities or unit of mutual funds or money market instruments. This will only apply where the investment amount up to PKR 50 million shall be new investment in any financial year excluding reinvestment either by liquidation or similar type of securities and / or reinvestment of returns earned on already held securities.

Regarding opening or maintaining of bank account under Section restriction 114C(1)(d)(i), the restriction has only been placed on opening or maintaining of bank accounts except savings accounts. For annual cash withdrawal limit under Section restriction 114C(1)(d)(ii), the threshold has been fixed for equal to or more than PKR 100 million in all bank accounts held by an individual.

According to the sources, the thresholds fixed seem to be arbitrary in nature, and will exclude majority of the ineligible persons that the government should have sought to bring within the tax net.

Overall, they added, this provision will do only little to broaden the tax net, and will only add a bureaucratic hurdle for wealthy people to obtain eligibility certificates for specific transactions. They said this section is also against the self-assessment scheme of the ITO, and may be subject to litigation on this ground.

LTO KARACHI SHATTERS ALL RECORDS WITH RS3.27 TRILLION TAX COLLECTION

July 1, 2025

KARACHI, July 1, 2025 — In a groundbreaking fiscal triumph, the Large Taxpayers Office (LTO) Karachi has shattered all previous records by amassing an unprecedented Rs3.27 trillion in tax collection during the financial year 2024–25 — a feat that is being hailed as a watershed moment in Pakistan’s taxation history.

According to provisional figures, LTO Karachi’s collection soared by a staggering 29% compared to last year’s Rs2.52 trillion. But the historic milestone didn’t stop there. On June 30, 2025 alone, the LTO Karachi pulled off an extraordinary Rs185 billion single-day collection, powering its monthly tally for June to a jaw-dropping Rs450 billion — a 49% spike over the Rs303 billion recorded in June 2024.

Often dubbed the “mini-FBR,” LTO Karachi has solidified its status as the federal government’s premier revenue authority. Tasked with taxing the country’s corporate giants, it now operates as the powerhouse driving national fiscal ambitions. With this year’s landmark collection, LTO Karachi is not just raising revenue — it’s setting new rules in fiscal dominance.

The detailed breakdown shows stellar performance across all segments. Income tax collection skyrocketed by 32%, reaching Rs1.80 trillion — up from Rs1.36 trillion last year. Sales tax collection wasn’t far behind, climbing 21% to Rs1.24 trillion, while federal excise duty (FED) surged an astonishing 63% to Rs222 billion, compared to Rs136 billion in 2023–24.

Even after disbursing Rs86 billion in refunds under income and sales tax, the net collection remains a towering achievement, signaling efficient administration and proactive enforcement.

But beyond the eye-popping numbers lies a deeper transformation. LTO Karachi is no longer just a tax department — it’s a fiscal force of nature, rewriting the narrative around tax compliance in Pakistan. With its aggressive audits, cutting-edge data analytics, and unrelenting pursuit of high-value taxpayers, the LTO is reshaping the national revenue landscape.

Officials believe this historic collection will set the tone for future policy, elevate investor confidence, and anchor Pakistan's long-term economic stability.

FBR BARS INDIA, ISRAEL FROM GLOBAL SERVICES PROCUREMENT PROCESS

July 1, 2025

Karachi, July 1, 2025 — The Federal Board of Revenue (FBR) has officially declared India and Israel ineligible to participate in its ongoing international procurement process for audit-related services, reaffirming compliance with Pakistan's federal policy directives.

The FBR, which operates as an attached department under the Revenue Division of the Government of Pakistan, has initiated the process of hiring independent services for the audit of Goods Declaration Service Charges (GDSC). The FBR clarified that while consultants of all nationalities are generally welcome to participate in such procurements, exceptions are made for countries whose participation is restricted under official government policy. India and Israel have been explicitly listed as ineligible.

This decision is aligned with Pakistan's national procurement framework and reflects guidelines laid out by the Ministry of Interior under its Business-Friendly Countries List (BVL) policy. The FBR reiterated that such exclusions are not arbitrary but strictly based on federal government directives regarding international cooperation and trade sensitivities.

In the current procurement round, the FBR aims to engage the services of a reputable Chartered Accountancy firm for the audit of GDSC collections and disbursements by Pakistan Customs. This audit is mandated under Customs General Order (CGO) No. 04 of 2024, which requires annual audits of these accounts by independent firms to ensure financial transparency and accountability.

The audit will cover the financial years ending on June 30 from 2018 through 2025. These audits are critical, as the GDSC is collected under Section 18D of the Customs Act, 1969, and includes a service charge—initially Rs. 250 and later revised to Rs. 500 per Goods Declaration—levied for processing documents through the WeBOC system. The authority to manage and expend these service charges lies with the FBR under Section 203A of the same Act.

To ensure a transparent and competitive process, FBR has opted for open bidding for these audit services. The hiring of these auditing services is not only a statutory obligation but also a cornerstone of FBR's ongoing commitment to good governance, transparency, and proper utilization of public funds.

By excluding India and Israel, the FBR emphasizes its adherence to federal policy while continuing to pursue high-quality, independent audit services for public financial accountability.

KTBA REQUESTS DEADLINE EXTENSION FOR ELECTRONIC TAX INTEGRATION

June 30, 2025

Karachi, June 30, 2025 – The Karachi Tax Bar Association (KTBA) has formally appealed to the Federal Board of Revenue (FBR) for an urgent extension in the deadline for mandatory electronic integration under the sales tax invoicing system.

The KTBA, representing a large segment of tax professionals and corporate taxpayers, raised concerns over the feasibility of meeting the current integration deadlines amidst technical and administrative hurdles.

In a detailed letter addressed to the FBR Chairman, the KTBA outlined several pressing challenges that are hindering businesses from achieving seamless integration with the FBR's e-invoicing platform. According to the official FBR notification, corporate taxpayers are required to complete electronic integration by July 1, 2025, while non-corporate taxpayers must comply by August 1, 2025.

The KTBA stressed that despite repeated efforts, the rollout of the e-invoicing and integration regime has encountered numerous obstacles since its inception. Among the primary issues are:

1. Technical complexities and lack of awareness – Many taxpayers, especially in the SME sector, lack the technical capacity and understanding needed to complete the integration process without extensive training and support.

2. Limited availability of licensed integrators – The shortage of certified vendors and system integrators has created bottlenecks, severely slowing the pace of onboarding businesses onto the FBR's electronic platform.

3. Low success rate of integrations – A significant majority of taxpayers have not yet successfully completed their integration, raising serious concerns about the overall readiness of the system ahead of the approaching deadline.

Citing these genuine concerns, the KTBA has urged the FBR to extend the deadline by at least three months, arguing that such a move would enable taxpayers to comply in a more organized and technically sound manner, without risking disruptions to their business operations.

The KTBA emphasized that the goal is not to delay reform, but to ensure a smooth and inclusive integration process. It expressed hope that the FBR will respond sympathetically and consider a phased implementation strategy, allowing all stakeholders the time and support needed to align with the government's digital tax compliance vision.

FBR REDUCES TRANSIT CARGO EXAMINATION TO 5% TO BOOST EFFICIENCY

June 30, 2025

Islamabad, June 30, 2025 – The Federal Board of Revenue (FBR) on Monday officially announced the reduction of transit cargo examination to just 5%. This step is aimed at minimizing procedural delays and enhancing Pakistan's role as a regional transit hub.

The FBR issued SRO 1127(I)/2025 to formally lower the threshold for transit cargo examination from 10% to 5%. This follows an earlier amendment under SRO 1062(I)/2025, dated June 17, 2025, which proposed changes to the Customs Rules, 2001.

Under the revised regulations, the Risk Management System (RMS) of Pakistan Customs will now select only 10% of transit cargo for scanning, down from the previous 25%. More significantly, only 5% of such cargo will be subjected to physical examination, marking a major shift in policy intended to speed up cargo processing and reduce port congestion.

The changes will be implemented by amending Rule 473 of the Customs Rules, which governs transit procedures at key seaports including Karachi, Port Muhammad Bin Qasim, and Gwadar. Once a goods declaration (GD) is filed, most transit consignments will bypass detailed inspection, with only a small percentage flagged for scanning or examination. Cleared cargo will then be routed directly to terminal operators and sealing officers for onward transportation.

To ensure procedural consistency, further adjustments have been made to sub-rule (3) of Rule 475 and sub-rule (1) of Rule 484E. These revisions are expected to harmonize transit cargo examination protocols across all customs checkpoints.

The FBR's decision reflects a broader transition from enforcement-heavy border management toward a risk-based approach that supports trade facilitation. The earlier increase in examination thresholds through SRO 1401(I)/2023 had aimed to tighten security, but the new policy strikes a better balance between trade efficiency and border control.

Industry stakeholders have widely welcomed the decision, citing it as a major reform that will boost confidence among regional traders and investors. By reducing examination of transit cargo, Pakistan enhances its competitiveness and attractiveness as a transit corridor for Central Asia, China, and beyond.

Public and industry feedback is now being sought before the final implementation of these amendments, signaling FBR's intent to make customs procedures more transparent and trade-friendly.

REVISED SUPER TAX RATES EFFECTIVE JULY 1, 2025

June 30, 2025

Karachi, June 30, 2025 – The government has officially notified revised super tax rates through the Finance Act, 2025, which will take effect from July 1, 2025, for the tax year 2026 and onward.

These changes to the super tax structure aim to ease the tax burden on high-income earners while maintaining fiscal balance.

The super tax, originally introduced under Section 4C of the Income Tax Ordinance, 2001, via the Finance Act, 2022, was designed to generate additional revenue from individuals and entities earning exceptionally high incomes. However, the tax has been at the center of legal disputes and criticism for being overly punitive, prompting the government to revisit its structure.

Through the Finance Act, 2025, the government has now revised the super tax rates downward for several income brackets, aiming to provide relief to large taxpayers while preserving the tax's core objective—equitable contribution from the wealthiest segments of the economy.

Under the updated structure:

• Income up to Rs150 million will continue to be exempt from super tax, with the rate fixed at 0%.

• For income between Rs150 million and Rs200 million, the super tax remains at 1%.

• Income exceeding Rs200 million but not more than Rs250 million will now be taxed at 1.5%, down from the earlier 2%.

• Income between Rs250 million and Rs300 million will attract a 2.5% super tax, reduced from 3%.

• For income over Rs300 million but up to Rs350 million, the new super tax rate is 3.5%, previously 4%.

• Income between Rs350 million and Rs400 million will now be taxed at 5.5%, a drop from 6%.

• For income from Rs400 million to Rs500 million, the super tax rate has been lowered to 7.5%, down from 8%.

• Income exceeding Rs500 million will continue to face the maximum super tax rate of 10%, which remains unchanged.

These adjustments reflect the government's intent to strike a balance between revenue generation and investor confidence. The reformed super tax structure is expected to provide relief to corporations and high-net-worth individuals while maintaining progressive taxation principles.

INELIGIBLE PERSONS GET TAX AMNESTY IN PAKISTAN

June 30, 2025

Karachi, June 30, 2025 – In a dramatic turn that defies earlier promises and fiscal discipline, the government has secretly opened the doors of tax amnesty to ineligible persons under the garb of "declaration of sufficient sources."

The Finance Act, 2025, passed by Parliament, has sparked a firestorm by introducing tax amnesty provisions even for those previously barred—sending shockwaves through the financial and tax fraternity.

While the original Finance Bill, 2025 proposed sweeping restrictions on unregistered transactions and ineligible individuals, the final version paints a completely different picture. The newly-inserted Section 114C in the Income Tax Ordinance, 2001 introduces a backdoor amnesty for ineligible individuals—those who haven't filed tax returns or declared wealth in accordance with tax laws.

Shockingly, under this provision, ineligible persons are now permitted to purchase motor vehicles worth up to Rs7 million, acquire immovable property worth Rs100 million, and invest in debt or equity securities up to Rs50 million. The icing on the cake? They can withdraw up to Rs100 million in cash annually from all their bank accounts—an unprecedented allowance for those outside the tax net.

These financial declarations by ineligible persons—if made under the so-called "sources of investment and expenditure statement"—will not be subjected to investigation under Section 111 of the Ordinance, which traditionally targets undisclosed income and benami transactions. The Finance Act boldly clarifies that such declarations will not be considered unexplained income—effectively granting a blanket amnesty.

This move directly contradicts the government's formal commitments to the International Monetary Fund (IMF), where it had assured that no new tax amnesty schemes would be introduced during the ongoing loan program. Yet, the Act cunningly disguises this amnesty as a compliance mechanism rather than an open offer, allowing ineligible persons to launder past transactions into legitimacy.

The government also widened the scope of "eligible persons" to include not only compliant taxpayers but their immediate family members as well—adding further ambiguity and space for maneuvering. Meanwhile, the term "ineligible person" is defined as anyone not meeting the revised criteria, yet paradoxically, these are the very people reaping the benefits.

Critics argue this veiled amnesty undermines the principle of fairness and rewards non-compliance, setting a dangerous precedent. For law-abiding taxpayers, it raises a bitter question: why play by the rules when evasion can lead to forgiveness wrapped in legal fine print?

With amnesty now practically codified for the ineligible, many fear a floodgate of legalized laundering has been opened—jeopardizing future revenue targets and credibility with global financial institutions.

Markets » Cotton & Textile

COTTON SPOT RATES

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Monday, (June 30, 2025)...

Recorder Report Published 01 Jul, 2025 05:49am

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Monday, (June 30, 2025)

The kca official spot rate for local dealings in Pakistan rupees

For base grade 3 staple length 1-1/16"
Micronaire value between 3.8 to 4.9 ncl

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 28-06-2025	Difference Ex-karachi
37.324 KG Equivalent	16,300	285	16,585	16,585	NIL
40 KGS	17,469	305	17,774	17,774	NIL

GINNING PROCESS HIT BY RAINS IN COTTON GROWING AREAS

LAHORE: The local cotton market on Monday remained steady and the trading volume remained low. Cotton Analyst ...

Recorder Report Published 01 Jul, 2025 05:49am

LAHORE: The local cotton market on Monday remained steady and the trading volume remained low.

Cotton Analyst Naseem Usman told Business Recorder that the reason behind low trading volume is that the ginning process was affected due to rains in cotton growing areas of Punjab and Sindh. He also told that the supply of Phutti was effected due to rain.

He further told that the rate of new cotton in Sindh is in between Rs 16,200 to Rs 16,300 per maund and the rate of cotton in Punjab is in between Rs 16,500 to Rs 16,700 per maund.

The rate of Phutti in Punjab is in between Rs 7,500 to Rs 7,800 per 40 kg and the rate of Phutti in Sindh is in between Rs 7,400 to Rs 7,700 per 40 kg. The rate of cotton in Balochistan is in between Rs 16,200 to Rs 16,300 per maund. The rate of Phutti in Balochistan is in between Rs 7,400 to Rs 7,800 per maund.

400 bales of Sanghar were sold at Rs 16,300 per maund, 200 bales of Mian Channu were sold at Rs 16,000 per maund and 400 bales of Vehari were sold at Rs 16,600 to Rs 16,625 per maund.

The Spot Rate remained unchanged at Rs 16,300 per maund. Polyester Fiber was available at Rs 338 per kg.

Business & Finance » Money & Banking

INDIAN RUPEE ENDS MONTH AND QUARTER A TAD LOWER

Reuters Published about 2 hours ago

MUMBAI: The Indian rupee slipped on Monday to end the month and quarter slightly lower, trailing most Asian peers amid muted portfolio inflows and weighed down by the country's external investment deficit. The currency closed at 85.7550 against the US dollar, down 0.3% on the day and posted modest losses of 0.2% and 0.3% respectively for the month and quarter, underperforming most Asian peers amid a broad dollar downtrend.

While the Indian unit is little changed on the year so far, Asian peers such as the Taiwan dollar and Korean won have risen about nearly 13% and 8% year-to-date, respectively, while the offshore Chinese yuan, a closely tracked peer of the rupee, is up over 2%. India's external investment deficit is among the key reasons cited by analysts behind the rupee's underperformance.

DOLLAR LANGUISHES AGAINST MAJOR PEERS

Reuters Published about 2 hours ago

NEW YORK: The dollar languished against the euro and Swiss franc on Monday as markets weighed the prospect of a ballooning US government deficit and the potential for trade deals with major trading partners.

Senate Republicans will try to pass President Donald Trump's sweeping tax-cut and spending bill, despite divisions within the party about its expected $3.3 trillion hit to the nation's debt pile.

The dollar was down 0.44% to 0.79475 against the Swiss franc . The euro was up 0.28% at $1.175450 against the dollar. The greenback was set to finish the month 3.4% down against the franc, while the euro was set to gain about 3.6% against the dollar.

"You have a weak dollar due to a potentially large increase in our budget deficit, and you have continued uncertainty around these tariff deals," said Eugene Epstein, head of structuring for North America at Moneycorp in New Jersey.

Treasury Secretary Scott Bessent said that countries could still face sharply higher tariffs on July 9 even if they are negotiating in good faith, adding that any potential extensions will be up to Trump.

The US and China had resolved issues around shipments of Chinese rare earth minerals and magnets to the United States, further modifying a May deal in Geneva, Bessent had said last week.

"We had this positive news from the EU for a little bit and we had potential positive deals coming up, but then you had Trump doing a temporary about-face on Friday on Canada and so forth," Epstein said.

The dollar was down 0.19% to 144.33 against the Japanese yen , on track to finish the month flat versus the Asian currency.

Canada halted its plans to begin collecting a new digital services tax targeting US technology firms just hours before it was due to start on Monday in a bid to advance stalled trade negotiations with Washington.

The Canadian dollar strengthened against the US currency on the session. It was set to notch its fifth straight month of gains against the greenback. The loonie was up 0.36% versus the greenback to C$1.36 per dollar.

The dollar index, which measures the greenback against a basket of currencies including the yen and the euro, fell 0.15% to 97.05, on track for its sixth straight month of losses. It is set to mark its worst half-year since the 1970s.

"It's kind of rotating a game of musical chairs, whether it's the 'big beautiful bill', the trade deals, and then the Iran-Israel conflict. It's all like taking turns to be at center stage; once one thing passes and the other thing is focused on," Epstein said.

Sterling weakened 0.12% to $1.3698. The Australian dollar strengthened 0.52% versus the greenback to $0.6563.

ASIAN CURRENCIES: TAIWAN DOLLAR DROPS SHARPLY

Reuters Published about 2 hours ago

BENGALURU: Taiwan dollar fell sharply on Monday after a month of strong gains, stoking market talk about intervention by the central bank, while other regional peers edged higher, topping off a June shaped by geopolitical uncertainty and a softer dollar.

The Taiwan dollar fell 2.4% to 29.902 per US dollar towards the end of the trading day after surging last week to its highest level since April 2022.

The central bank aggressively intervened to sell the Taiwan dollar at the end of the second quarter, three bank traders told Reuters.

"TWD rally was a function of Taiwan lifers adding FX hedges, carry trade unwinding and strong equity inflows," said Lemon Zhang, FX & EM macro strategist at Barclays, noting the move higher for the Taiwan dollar had been fast.

"We think near-term USDTWD should see limited downside, unless (there is a) substantial DXY move lower from here."

Other regional currencies were supported on Monday by a subdued dollar index, with markets watching US President Donald Trump's massive tax-cut and spending bill, now before the Senate.

Among the gainers, the Malaysian ringgit rose 0.3%, while the Philippine peso and Thai baht gained 0.4% each. The South Korean won climbed 0.6%.

Most Asian currencies held up despite global headwinds.

In the first half of 2025, markets were jolted by Trump's sweeping tariffs on April 2 and the tariff policy flip-flops thereafter.

An escalating US-China trade war also roiled markets, before the trade rivals struck a deal that lowered duties sharply and opened up rare earth exports from China.

In June, a 12-day war between Israel and Iran sent oil prices higher, even as renewed concerns over the Federal Reserve's independence kept markets on edge.

INDIAN BANKS' GROSS BAD LOAN RATIO TO REMAIN CLOSE TO MULTI-DECADE LOWS, RBI REPORT SAYS

Reuters Published June 30, 2025

MUMBAI: Indian banks' gross bad loan ratio will remain close to multi-decade lows if economic growth holds steady as projected, a report published by the central bank on Monday showed.

The Reserve Bank of India forecasts growth at 6.5% and 6.7% in fiscal 2026 and 2027.

The gross bad loan ratio of 46 banks was at 2.3% in March 2025 and is seen rising only marginally to 2.5% by March 2027, the RBI said in the Financial Stability Report.

The gross bad loan ratio is the proportion of bad assets of a lender to total loans.

The bad loan ratio could rise to 5.3% and 5.6% under two separate high-risk scenarios, the report said.

The Financial Stability Report, published twice a year by the central bank, includes contributions from all financial sector regulators.

Indian banks' asset quality has improved over the last few years due to recoveries and write-offs of legacy bad loans, and curtailed growth of bad assets. Banks have also shored up their capital positions and improved their liquidity profile.

However, retail loan delinquencies have risen at Indian banks over the last few quarters, driven by growing stress in credit cards, personal loans, and microfinance segments.

Aggressive lending to riskier borrowers had led to a surge in missed repayments in these segments.

PKR VS USD: RUPEE ENDS FY25 AT 283.76 AMID HIGH DOLLAR DEMAND

June 30, 2025

Karachi, June 30, 2025 – The Pakistani rupee ended the fiscal year 2024–25 on a stable note, closing at PKR 283.76 against the US dollar in the interbank foreign exchange market on Monday.

This marks a marginal decline of 4 paisas from Friday's close of PKR 283.72 per dollar.

Currency experts attributed the rupee's minor depreciation to increased dollar demand ahead of fiscal year-end payments. Traditionally, June witnesses a rush by importers and corporations to settle their foreign obligations, amplifying dollar outflows and applying short-term pressure on the rupee.

Despite these pressures, the rupee remained largely steady, reflecting improved market resilience. Analysts believe the local currency's relative strength came against the odds, particularly following a significant drop in the State Bank of Pakistan's (SBP) foreign exchange reserves. As per SBP data, reserves fell by $2.657 billion in the week ending June 20, bringing the total down to $9.06 billion. The decline was primarily due to large-scale external debt repayments, including commercial borrowings.

However, the SBP highlighted positive developments that could strengthen the rupee. The central bank confirmed receiving $3.1 billion in fresh government commercial loans along with over $500 million in multilateral support during the last week of June. These inflows are expected to appear in the next reserves report and may provide renewed support to the rupee against the dollar.

Another positive indicator for the rupee has been the sharp rise in workers' remittances. From July 2024 to May 2025, Pakistan received $34.9 billion in remittances—a robust 28.8% increase compared to the same period last year. In May alone, inflows stood at $3.7 billion, which significantly boosted dollar liquidity in the market.

Going forward, currency watchers note that the rupee's trajectory will depend on sustained dollar inflows, improved economic governance, and geopolitical stability. For now, the rupee's stable close despite elevated dollar demand suggests that confidence in the currency is gradually being restored.

With fiscal year 2025–26 beginning tomorrow, both the rupee and dollar will remain under close scrutiny as markets respond to evolving macroeconomic signals and central bank interventions.

Markets » Stocks

INDIA'S BENCHMARK INDEXES CLOSE LOWER

Reuters Published about 3 hours ago

MUMBAI: India's benchmark indexes edged lower on Monday, snapping a four-session rally, as profit-taking in financials near record highs overpowered optimism from easing geopolitical tensions.

The Nifty 50 shed 0.47% to 25,517.05 and the BSE Sensex fell 0.54% to 83,606.46.

Both indexes had gained 2.7% over the prior four sessions and added 3.1% and 2.7% in June, marking their fourth consecutive monthly advance.

The Nifty and Sensex are now just about 2.9% and 2.8% below their all-time high levels hit in September.

Indian markets have held firm despite global headwinds, but elevated valuations near record highs are triggering selective profit-taking, said Gaurav Garg, analyst at Lemonn Markets Desk.

On the day, eight of the 13 major sectors logged losses. High-weight financials, which hit a record high on Friday, lost 0.6%.

The heaviest stock in the benchmark indexes HDFC Bank lost about 0.7%.

Meanwhile, small- and mid-cap indexes outperformed, rising 0.5% and 0.6%, respectively.

Other Asian markets also fell, while the dollar softened on bets that weaker US jobs data could prompt deeper rate cuts.

Among individual stocks, Sigachi Industries slumped 11.5% after an explosion at its Hyderabad unit led to a fire and killed at least eight people and injured over 26, according to police.

Torrent Pharma rose 2% after announcing plans to acquire a 46.4% stake in JB Chemicals from private equity firm KKR. JB Chemicals dropped 6.8% following the deal, which was priced at a discount to its last close.

Alembic Pharma jumped 7.3% after getting US drug regulator's nod for an injection used to treat certain types of cancer including ovarian cancer.

S&P 500, NASDAQ AT RECORD HIGHS AS TRADE HOPES FEED QUARTERLY MOMENTUM

Reuters Published about 3 hours ago

NEW YORK: The S&P 500 and Nasdaq edged up to fresh record highs on Monday, as optimism over the US striking trade deals with its key partners fed into a rally that put the main indexes on track for quarterly gains.

The Nasdaq, S&P 500 and Dow Jones have gained 17.5%, 10.3% and 3.4% so far in the quarter, touching and then retreating from record levels since late last year, mainly driven by headlines around President Donald Trump's rapid policy changes.

The three indexes are still set for their weakest first-half performances since 2022, as the resulting uncertainty around US policies has kept investors wary.

The blue-chip Dow remains 2.3% below its record closing high reached on December 4. The benchmark S&P 500 and the tech-heavy Nasdaq climbed to all-time highs on Friday, a sharp recovery from their April slump, when Trump imposed sweeping tariffs.

Since then, trade deals with China and the UK have fueled optimism that an all-out global trade war can be avoided. On Sunday, Canada scrapped its digital services tax targeting US tech firms, just hours before it was due to take effect, in a bid to advance stalled trade negotiations with the United States. .

But US Treasury Secretary Scott Bessent warned on Monday that countries could still face sharply higher tariffs on July 9 even if they are negotiating in good faith, and any potential extensions will be up to Trump.

"There's hope that eventually there will be some sort of accordance with US trading partners and that the slowness in economic activity will prevent inflation from getting out of hand," said Peter Cardillo, chief market economist at Spartan Capital Securities.

"So you have the prospects of good earnings, the Fed cutting rates perhaps in September and that's causing a lot of momentum buying."

Meanwhile, US Senate Republicans will try to pass Trump's sweeping tax-cut and spending bill, despite divisions within the party about its expected $3.3 trillion hit to the $36.2 trillion national debt. Trump wants the bill passed before the July 4 Independence Day holiday.

Key economic data releases this week include monthly non-farm payrolls and the Institute for Supply Management's survey on manufacturing and services sectors for June.

Several US central bank officials including Federal Reserve Chair Jerome Powell are scheduled to speak later this week.

The S&P 500 posted 36 new 52-week highs and one new low while the Nasdaq Composite recorded 87 new highs and 55 new lows.

EUROPEAN SHARES SEE MONTHLY DECLINES AS MARKETS EYE TRADE DEVELOPMENTS

Reuters Published about 3 hours ago

FRANKFURT: European stocks ended lower in broad-based declines on Monday, closing out June with monthly losses as investors monitored for signs of any progress on US trade talks as the July tariff deadline loomed large.

The pan-European STOXX 600 index closed 0.4% lower, clocking a more than 1% decline for the month.

Global equities suffered losses this month as rising geopolitical tensions in the Middle East saw investors shy away from risky assets such as stocks.

Despite June's losses, the benchmark saw a second successive quarterly rise, rebounding sharply from its April lows when US President Donald Trump's reciprocal tariffs roiled financial markets.

Since then, the index last stood more than 7% higher in the first half of the year, compared to a more than 5% rise in the US S&P 500.

On Monday, heavyweight health care were the biggest drags, while miners also lagged with a 1.1% fall.

Germany's Bayer fell 5.3% after the US Supreme Court asked the Trump administration for its views on the pharmaceutical group's bid to sharply limit lawsuits claiming its Roundup weedkiller causes cancer and potentially avert billions of dollars in damages. In the latest on the global trade front, Canada scrapped its digital services tax targeting US technology firms just hours before it was due to take effect, while the British government said the trade deal that reduced US tariffs on UK cars and aircraft parts has come into effect.

Focus has been shifting to the July 9 deadline for countries to reach deals with the United States.

"Our baseline expectation is that the administration will seek to roll forward the July 9 deadline, citing at least some progress on trade deals and extending it to allow more time on the clock for these bilateral talks to progress," Morgan Stanley analysts said.

In other stock moves, European renewable energy stocks including Vestas, EDP Renovaveis and Orsted slid as a bill in the US Senate - which includes provisions to phase out solar, wind and energy tax credits by 2028 - progressed further.

European banks slid 0.3%, with Germany's Deutsche Bank leading declines with a 3.2% fall.

On the data front, preliminary estimates showed German inflation eased in June, while Italian EU-harmonised consumer prices (HICP) rose a preliminary 0.2% month-on-month in June.

CHINA STOCKS GAIN, HK LOSES AS MANUFACTURING CONTRACTION EASES

Reuters Published about 3 hours ago

HONG KONG: China stocks erased earlier losses to close higher on Monday, while Hong Kong shares pulled back after their best week in months as manufacturing data showed some resilience in the face of a fragile trade truce with the US

China's blue-chip CSI300 Index added 0.4% to hover near a three-month high. The Shanghai Composite Index rose 0.6%.

Hong Kong's benchmark Hang Seng index fell 0.9% after gaining more than 3% last week. The index advanced more than 20% in the first half of the year, making it among the top performers among global markets.

The Hang Seng China Enterprises Index lost 1% on Monday.

The defence sector rallied 4.2% to its highest since November, boosting onshore shares. The chip sector jumped 1.6% and the rare earths sector advanced 2.1%.

However, the banking sector and the brokers sub-index declined by 0.3% and 0.5%, respectively, paring some of last week's gains.

Data released on Monday showed the official purchasing managers' index rose to 49.7 in June from 49.5 in May, marking the third month of contraction for manufacturing activities. A reading below 50 indicates contraction.

"Impact of the tariff truce has been limited and should not be overstated," Nomura analysts said in a note.

Onshore investors have turned less bearish on China's near-term growth outlook as macro data so far this year has been more resilient than expected despite notable divergence between exports and domestic demand, analysts at Goldman Sachs said.

"Onshore clients see a possibility for exports to be more resilient than feared in the second half and even beyond," they said, adding that investors have also lowered their expectations for more easing measures from Beijing.

SRI LANKAN SHARES END HIGHER

Reuters Published about 3 hours ago

COLOMBO: Sri Lankan shares ended higher on Monday, boosted by gains across most sectors barring real estate and energy stocks.

The CSE All-Share index settled 0.86% higher at 18,026.72.

Sri Lanka's Colombo consumer price index was down 0.6% year-on-year in June, after edging down 0.7% in May, the statistics department said on Monday.

On the CSE All-Share index, Abans Finance and Mercantile Shipping were the top percentage gainers, up 24.6% and 15.7%, respectively.

Trading volume on the index fell to 257.3 million shares from 295.1 million in the previous session.

The equity market's turnover fell to 6.38 billion Sri Lankan rupees (about $21 million) from 5.14 billion rupees in the previous session, according to exchange data.

JAPAN'S NIKKEI ENDS AT OVER 11-MONTH HIGH

Reuters Published about 3 hours ago

TOKYO: Japan's Nikkei share average closed at a more than 11-month high on Monday as investor risk appetite grew after a strong rally in US equities, driven by hopes for trade talks and Federal Reserve's rate cuts.

The Nikkei rose 0.84% to close at 40,487.39, its highest closing level since July 17. The index narrowed its earlier gains as investors booked profits from the sharp gains of the index, which rose for a fifth straight session.

The broader Topix climbed 0.43% to 2,852.84.

A strategist at a domestic brokerage said a rally of US equities last week and hopes of Fed rate cuts, as well as easing tension in the Middle East, helped investors to turn "risk-on".

"There are still uncertainties surrounding US tariff policy and geopolitical risks as well as the policy of central banks," said Takeo Kamai, head of execution services at CLSA in Tokyo.

"But that has become a new normal. The Nikkei is strong enough to head towards the next milestone of around the 42,000 level," he said.

S&P 500, NASDAQ AT RECORD HIGHS AS TRADE HOPES FEED QUARTERLY MOMENTUM

Reuters Published June 30, 2025

The S&P 500 and Nasdaq scaled new heights on Monday, as optimism over the U.S. striking trade deals with its key partners fueled the bullish momentum that has kept indexes on track for gains this quarter.

The Nasdaq, S&P 500 and Dow Jones have gained 17.5%, 10.2% and 4.6% so far in the quarter, touching and then retreating from record levels since late last year, partly because of headlines around President Donald Trump's rapid policy changes.

The three indexes are still set for their weakest first-half performances since 2022, as the resulting uncertainty around policy has kept investors wary.

The blue-chip Dow remains 2.3% below its record closing high reached on December 4.

On Monday, the benchmark S&P 500 and the tech-heavy Nasdaq Composite extended their record run from last week, on bets of deeper U.S. interest rate cuts and renewed optimism around AI.

Investor focus is now on a July 9 deadline for countries to reach deals with the United States or see tariffs spike higher, but Trump has said he could extend the tariff deadline or "make it shorter".

Canada on Sunday scrapped its digital services tax targeting U.S. tech firms, just hours before it was due to take effect, in a bid to advance stalled trade negotiations with the United States.

"We've got this deadline coming, but then Trump has said that the deadline can be moved. And then you've got markets thinking that the Fed could potentially cut interest rates sooner than later. So there are a lot of drivers here," said Dennis Dick, at trader at Triple D Trading Inc.

Wall Street Week Ahead: Jobs data, trade and fiscal policies in focus with S&P 500 on cusp of record

"Investors are just confident here in this market right now, because we've had some bad news come in, even some bad earnings reports, and they buy the stocks right back. So bulls remain in complete control."

Investors are also looking into economic data and fiscal policy developments to see if the latest bull run in U.S. stocks can continue.

U.S. Senate Republicans will try to pass Trump's sweeping tax-cut and spending bill, despite divisions within the party about its expected $3.3 trillion hit to the $36.2 trillion national debt. Trump wants the bill passed before the July 4 Independence Day holiday.

Key economic data releases this week include monthly non-farm payrolls and the Institute for Supply Management's survey on manufacturing and services sectors for June.

Several U.S. central bank officials including Federal Reserve Chair Jerome Powell are scheduled to speak later this week.

A raft of soft economic data and expectations that Trump will replace Powell with someone dovish have pushed up bets of rate cuts from the Fed this year.

At 09:59 a.m. ET, the Dow Jones Industrial Average rose 178.68 points, or 0.41%, to 43,998.06, the S&P 500 gained 14.13 points, or 0.23%, to 6,187.20 and the Nasdaq Composite gained 44.64 points, or 0.22%, to 20,318.10.

Shares of big U.S. banks rose after most cleared the Federal Reserve's annual "stress test", paving the way for billions in stock buybacks and dividends.

Shares of Bank of America edged up 0.8%, while rivals JPMorgan Chase and Wells Fargo added 1.5% and 1.9%.

Juniper Networks rose 8.3% after the U.S. Justice Department settled its lawsuit challenging server maker Hewlett Packard Enterprise's all-cash acquisition of the networking gear maker for $14 billion.

Hewlett Packard Enterprise shares soared 9.6%.

Shares of Oracle rose 6.4% after the company said the new cloud services agreement is expected to contribute more than $30 billion to annual revenue starting in fiscal year 2028.

The S&P 500 posted 25 new 52-week highs and no new lows while the Nasdaq Composite recorded 61 new highs and 37 new lows.

Advancing issues outnumbered decliners by a 1.56-to-1 ratio on the NYSE, while by a 1.7-to-1 ratio on the Nasdaq.

GULF BOURSES END MIXED; DUBAI AT 17-YEAR HIGH

Reuters Published June 30, 2025

Stock markets in the Gulf ended mixed on Monday with some including the Saudi index hit by profit-taking, while those in the United Arab Emirates continued their rebound following Iran-Israel ceasefire and Dubai reached a 17-year high.

Dubai's main share index rose for sixth consecutive session to close 0.4% higher, at its highest since June 2008, with blue-chip developer Emaar Properties rising 1.1%.

In other sectors, National Central Cooling Co (Tabreed) advanced 1.8%.

Tabreed and private equity firm CVC's infrastructure strategy arm, CVC DIF, plan to acquire Abu Dhabi-based Multiply Group's district cooling business.

CVC DIF and Tabreed have entered into a partnership to acquire PAL Cooling Holding at an equity value of about 3.8 billion dirhams ($1.03 billion).

Multiply Group shares were up 2.6%.

The market appears well-supported by strong fundamentals for a continued upward trend, said Osama Al Saifi, Managing Director for MENA at Traze.

In Abu Dhabi, the index gained 0.7%.

Most Gulf markets end higher on Iran ceasefire, US rate cut expectations

Saudi Arabia's benchmark index dropped 0.4%, snapping a five-session winning streak, weighed down by a 2.5% fall in Al Rajhi Bank.

The Saudi market concluded its second quarter with losses. The next significant event could be upcoming second-quarter earnings results, which could help spur a recovery in the second half of the year, said Al Saifi.

"However, the potential for lower oil prices remains a headwind," he said.

On the other hand, oil giant Saudi Aramco added 0.1%.

Oil prices - a catalyst for the Gulf's financial markets - held steady as Middle East risks eased, while a possible OPEC+ output increase in August and uncertainty over the global demand outlook weighed on the market.

The Qatari benchmark lost 0.2%, ending six consecutive sessions of gains, with petrochemical maker Industries Qatar declining 1%.

Outside the Gulf, Egypt's blue-chip index retreated 1.1%, with Talaat Moustafa Group Holding dropping 2.3%.

Meanwhile, Egypt's economy grew by 4.77% in the third quarter of its 2024/25 fiscal year, up from 2.2% in the same quarter a year earlier, as manufacturing activity recovered, the planning ministry said on Monday.

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 SAUDI ARABIA     fell 0.4% to 11,204
 Abu Dhabi        rose 0.7% to 9,958
 Dubai            gained 0.4% to 5,706
 QATAR            eased 0.2% to 10,750
 EGYPT            lost 1.1% to 32,858
 BAHRAIN          was up 0.3% to 1,944
 OMAN             eased 0.1% to 4,501
 KUWAIT           added 0.4% to 9,188
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SRI LANKAN SHARES END HIGHER ON BROAD-BASED GAINS

- CSE All-Share index settled 0.86% higher at 18,026.72

Reuters Published June 30, 2025

Sri Lankan shares ended higher on Monday, boosted by gains across most sectors barring real estate and energy stocks.

The CSE All-Share index settled 0.86% higher at 18,026.72.

Sri Lanka's Colombo consumer price index was down 0.6% year-on-year in June, after edging down 0.7% in May, the statistics department said on Monday.

On the CSE All-Share index, Abans Finance and Mercantile Shipping were the top percentage gainers, up 24.6% and 15.7%, respectively.

Trading volume on the index fell to 257.3 million shares from 295.1 million in the previous session.

Sri Lankan shares log best weekly gain since Dec

The equity market's turnover fell to 6.38 billion Sri Lankan rupees (about $21 million) from 5.14 billion rupees in the previous session, according to exchange data.

Foreign investors were net sellers, offloading stocks worth 298.7 million rupees, while domestic investors were net buyers, purchasing shares worth 6.22 billion rupees, the data showed.

INDIA'S EQUITY BENCHMARKS EASE AS FINANCIALS RETREAT FROM RECORD HIGHS

Reuters Published June 30, 2025

India's benchmark indexes edged lower on Monday as profit-taking in financials near record highs outweighed optimism from easing geopolitical tensions and fresh foreign inflows.

The Nifty 50 shed 0.19% to 25,590.45 points and the BSE Sensex fell 0.22% to 83,876.90 as of 10:14 a.m. IST.

Seven of the 13 major sectors logged losses.

High-weight financials, which hit a record high on Friday, lost 0.4%.

The heaviest stock in the benchmark indexes HDFC Bank lost about 0.8%.

Financials, metals lift Indian benchmarks to weekly gains as geopolitical, trade fears ease

Meanwhile, small- and mid-cap indexes outperformed, rising 0.5% and 0.3%, respectively. Both the benchmarks are trading just about 2.5% below record high levels.

They have gained about 3.5% in June, to take their overall rise to about 15% since the start of March.

“Many promoters, private equity funds and early foreign investors are likely booking profits as markets approach the record high levels and valuations get stretched, spurring a pause in the rally,” said G Chokkalingam, founder and head of research at Equinomics Research.

Other Asian markets were also subdued, while the dollar softened on bets that weaker US jobs data could prompt deeper rate cuts.

Among individual stocks, Karnataka Bank tumbled 7% after the chief executive officer Srikrishnan Hari Hara Sarma resigned citing personal reasons.

Executive Director Sekhar Rao also stepped down. Torrent Pharma rose about 4% before paring most of the gains.

The drug maker signed definitive agreements to buy a controlling 46.4% stake in JB Chemicals from private equity firm KKR at 1,600 rupees per share, a 11% discount to JB Chemicals’ Friday close.

On the flipside, Alembic Pharma jumped 9.5% after getting US drug regulator’s nod for an injection used to treat certain types of cancer including ovarian cancer.

ITD Cementation gained 4.1% after securing a $67.4 million international marine contract.

SOUTH KOREAN SHARES SET TO POST BEST MONTH SINCE NOVEMBER 2020

- The benchmark KOSPI index was up 25.39 points, or 0.83%, at 3,081.33

Reuters Published June 30, 2025

SEOUL: Round-up of South Korean financial markets:

- South Korean shares rose on Monday, tracking Wall Street's gains ahead of major economic data releases later this week, and were set to post their best month since late 2020.
- The benchmark KOSPI index was up 25.39 points, or 0.83%, at 3,081.33 as of 0202 GMT.
- It has risen 14.1% so far this month on post-election policy optimism and will post the biggest monthly rise since November 2020, if gains hold.
- Wall Street extended its rally on Friday, sending the S&P 500 and Nasdaq indexes to all-time closing highs, as trade deal hopes fueled risk appetite and economic data helped solidify expectations for rate cuts from the US Federal Reserve.
- South Korea's factory output fell for a second straight month in May, coming in weaker than market expectations.
- South Korea is scheduled to report trade data for June on Tuesday.
- Among index heavyweights, chipmaker Samsung Electronics fell 0.66%, while peer SK Hynix gained 2.90%. Battery maker LG Energy Solution climbed 2.95%.
- Hyundai Motor and sister automaker Kia Corp were up 0.49% and 0.10%, respectively. Steelmaker POSCO Holdings added 1.15%, while drugmaker Samsung BioLogics rose 0.10%. ** Of the total 935 traded issues, 539 shares advanced, while 351 declined.
- Foreigners were net sellers of shares worth 212.5 billion won ($156.66 million).
- The won was quoted at 1,356.9 per dollar on the onshore settlement platform, 0.32% higher than its previous close at 1,361.3.
- In money and debt markets, September futures on three-year treasury bonds gained 0.07 point to 107.32.
- The most liquid three-year Korean treasury bond yield rose by 0.4 basis point to 2.447%, while the benchmark 10-year yield fell 0.8 basis point to 2.781%.

CHINA STOCKS FLAT, HK LOSES ON PERSISTING MANUFACTURING CONTRACTION

Reuters Published June 30, 2025

HONG KONG: China stocks were flat on Monday, while Hong Kong shares pulled back after their best week in two months as manufacturing data showed continued contraction in the face of a fragile trade truce with the US

- At the midday trading break, China's blue-chip CSI300 Index was little changed at 3,922.29 after gaining 2% last week, while the Shanghai Composite Index rose 0.2%.
- Hong Kong's benchmark Hang Seng fell 0.4% after gaining more than 3% last week. The Hang Seng China Enterprises Index lost 0.5%.
- The defence sector rallied 3.8% to its highest since November, boosting onshore shares. The chip sector jumped 1.6% and the rare earth sector advanced 1.1%.
- However, the banking sector and the brokers sub-index declined by 0.9% and 0.8%, respectively, paring some of last week's stellar gains.

- China's manufacturing activity shrank for a third straight month in June, though at a slower pace.
- The official purchasing managers' index (PMI) rose to 49.7 in June from 49.5 in May, data released on Monday showed, remaining below the 50-mark that separates growth from contraction.
- June's PMI marked the third month of contraction for manufacturing, suggesting factory managers are struggling to find domestic buyers as overseas sales stutter amid frail trade truce with the US
- However, onshore investors turned less bearish on China's near-term growth outlook as macro data so far this year has been more resilient than expected despite notable divergence between exports and domestic demand, analysts at Goldman Sachs said.
- "Onshore clients see a possibility for exports to be more resilient than feared in H2 and even beyond… domestic easing mode is 'reactive' rather than preemptive," they added.

JAPAN'S NIKKEI HITS MORE THAN 11-MONTH HIGH AFTER US STOCKS RALLY

Reuters Published June 30, 2025

TOKYO: Japan's Nikkei share average jumped to hit a more than 11-month high on Monday as investors' risk appetite was boosted after a strong rally in US equities, which was driven by hopes for trade talks and Federal Reserve's rate cuts.

The Nikkei rose 1.64% to 40,809.82 by the midday break, hitting its highest level since July 17.

The index rose for a fifth straight session.

The broader Topix rose 0.96% to 2,867.82. A strategist at a domestic brokerage said a rally of US equities last week and hopes of Fed rate cuts, as well as easing tension in the Middle East helped investors to turn "risk-on".

"The Nikkei's gains are sharp and there will be some adjustment, but that will be very limited because Japanese stocks are still underperforming their global peers," said Koichi Kurose, chief strategist, Resona Asset Management.

Wall Street extended its rally on Friday, sending the S&P 500 and Nasdaq to all-time closing highs as trade deal hopes fueled investor risk appetite and economic data helped solidify expectations for rate cuts from the US Federal Reserve.

In Japan, start-up investor SoftBank Group jumped 5% to become the biggest source for the Nikkei's gains.

Japan's Nikkei climbs for fourth day on US-China trade framework; Hino plunges

Chip-making equipment maker Tokyo Electron and chip-testing equipment maker Advantest rose 2.78% and 2.88%, respectively.

"There is an expectation that domestic spending may grow towards the end of the year as utility costs could become lower due to falling oil prices and a stronger yen," said Kurose.

All but two of the Tokyo Stock Exchange's 33 industry sub-indexes rose, with the precision machinery sector rising 2.21% to become the top percentage gainer.

Medical equipment maker Olympus jumped 6% after falling in four straight sessions.

The automaker sector inched down 0.6% after US President Donald Trump said in an interview broadcast on Sunday that Japan engages in "unfair" automobile trade with the US

AUSTRALIAN SHARES HEAD FOR SIXTH STRAIGHT HALF-YEARLY RISE

Reuters Published June 30, 2025

Australian shares were headed for their sixth straight half-yearly rise on Monday, driven by easing geopolitical and trade tensions and hopes of rate cuts by the local central bank.

The S&P/ASX 200 index rose 0.2% to 8,530.60 points by 0023 GMT.

The benchmark was on track to rise 4.5% for the first half of 2025.

Domestic equities recouped from a trough hit in early April as easing US-China trade tensions and an Israel-Iran ceasefire boosted risk appetite.

Gold stocks were poised to soar more than 35% in the first six months of 2025, in what could be its best half-year since 2016's first half, as geopolitical tensions and tariff worries drove safe-haven demand.

However, the sub-index fell 1% on the day as bullion prices eased.

Energy stocks, which fell 0.7%, were highly volatile in the half-year as the Israel-Iran conflict fuelled oil supply concerns.

The sub-index was largely unchanged for the half year.

Meanwhile, miners retreated 1.3% after surging more than 2% on Friday.

Australian shares wipe out early gains as banks drag

Further leading the benchmark higher were prospects of rate cuts by the Reserve Bank of Australia (RBA) as domestic inflation eased.

Swaps implied a 92% probability that the RBA would cut rates by a quarter-point at its upcoming policy meeting on July 8.

Local investors awaited the retail sales data for May due on Wednesday for further clues into rate cuts.

Financials rose 0.7%, with the "Big Four" gaining between 0.3% and 0.8%.

The sub-index was on track to jump more than 10% for the half-year.

In company news, Star Entertainment said it received a notice from Hong Kong's Far East Consortium International and Chow Tai Fook Enterprises to terminate the deal to sell its 50% stake in its Queen's Wharf project in Brisbane.

However, shares rose 1.7%. New Zealand's benchmark S&P/NZX 50 index was largely unchanged at 12,580.56 and was set for its worst half-year since the first half of 2022.

PAKISTAN RUPEE ENDS FY25 LOWER BY 1.95% YOY

- Rupee settles at 283.76 against US dollar in inter-bank market on Monday
- Local currency had stood at 278.34 against greenback on last session of previous fiscal year

Recorder Report Published June 30, 2025

The Pakistani rupee posted marginal decline against the US dollar, depreciating 0.01% in the interbank market on Monday to end the fiscal year 2024-25 down by 1.95% year-on-year (YoY).

At close on Monday, the currency settled at 283.76, a loss of Re0.04 against the previous day close.

During the previous week, rupee remained largely stable against the US dollar.

The local unit closed at 283.72, marginally lower by Re0.02 or 0.01% against 283.70 it had closed the week earlier against the greenback, according to the State Bank of Pakistan (SBP).

Pakistan rupee ended the fiscal year 2024-25 down by 1.95% or Rs5.42 against 278.34 it had closed at on the last session of the previous fiscal year.

The local currency remained under pressure due to increasing import demand, according to analysts.

Globally, the US dollar wallowed near its lowest in nearly four years against the euro on Monday as market optimism over US trade deals bolstered bets for earlier Federal Reserve interest rate cuts.

The greenback also languished near a four-year low versus sterling and a more than decade trough to the Swiss franc after Washington and China moved closer to a tariff agreement, even as

US President Donald Trump injected some uncertainty into the market's bullish narrative by abruptly cutting off trade talks with Ottawa.

Investors interpreted Fed Chair Jerome Powell's testimony to U.S. Congress last week as dovish, after he said that rate cuts were likely if inflation does not spike this summer due to tariffs.

Bets for at least one quarter-point reduction by September have risen to 92.4% according to CME Group's FedWatch Tool, from about 70% a week earlier.

The US dollar index - which measures the US currency against six major counterparts, including the euro, sterling and franc - edged up 0.1% to 97.276, but was still not far from the more than three-year low of 96.933 late last week.

Oil prices, a key indicator of currency parity, fell 1% on Monday as an easing of geopolitical risks in the Middle East and the prospect of another OPEC+ output hike in August boosted the supply outlook.

Brent crude futures fell 66 cents, or 0.97%, to $67.11 a barrel by 0031 GMT, ahead of the August contract's expiry later on Monday.

The more active September contract was at $65.97, down 83 cents.

US West Texas Intermediate crude dropped 94 cents, or 1.43%, to $64.58 a barrel.

Last week, both benchmarks posted their biggest weekly decline since March 2023, but they are set to finish higher in June with a second consecutive monthly gain of more than 5%.

Inter-bank market rates for dollar on Monday

BID	Rs 283.76
OFFER	Rs 283.96

Open-market movement

In the open market, the PKR gained 12 paise for buying and lost 4 paise for selling against USD, closing at 284.83 and 286.14, respectively.

Against Euro, the PKR lost 64 paise for buying and 1.10 rupee for selling, closing at 333.65 and 336.55, respectively.

Against UAE Dirham, the PKR gained 8 paise for buying and 1 paisa for selling, closing at 77.57 and 78.09, respectively.

Against Saudi Riyal, the PKR gained 12 paise for buying and remained unchanged for selling, closing at 75.85 and 76.40, respectively.

Open-market rates for dollar on Monday

BID Rs 284.83

OFFER Rs 286.14

KSE-100 HITS FRESH RECORD HIGH AS FISCAL YEAR COMES TO AN END

- PSX's benchmark index ends FY2024-25 up 60% in PKR terms, 57% in USD terms

BR Web Desk Published June 30, 2025

Bullish momentum continued at the Pakistan Stock Exchange (PSX), as the benchmark KSE-100 Index closed at a new record high on Monday, the last day of the fiscal year 2024-25.

Positive trading was seen throughout the trading session, pushing the KSE-100 to an intra-day high of 125,748.58.

At close, the benchmark index settled at 125,627.31 level, an increase of 1,248.25 points or 1%.

"The local bourse wrapped up the fiscal year on a high note, carrying forward last week's bullish momentum with another stellar performance," brokerage house Topline Securities said in its post-market report.

The upbeat sentiment was fuelled by strong fiscal year-end flows and a significant external trigger — China's rollover of $3.4 billion in commercial loans, according to Topline.

"This move helped Pakistan meet the IMF's foreign reserves requirement of around $14 billion, reinforcing investor confidence."

Heavyweights like FFC, HBL, BAHL, UBL, POL, FABL, and PKGP led the charge, collectively contributing +724 points to the index, it added.

"Investor confidence got further strengthened with BLOOMBERG reporting that Pakistan led global emerging markets (EMs) in default risk reduction, with probability falling from 59% to 47%—the sharpest drop worldwide. In addition, billion-dollar listed firms in Pakistan rose to 11 from 6 since Dec 2023 to date," Ali Najib, Deputy Head of Trading at Arif Habib Ltd, said in a commentary.

During the previous week, the PSX witnessed a stellar performance as the KSE-100 Index jumped by 4,355 points, or 3.6%, on a week-on-week basis to close at then all-time high of 124,379 points on Friday.

The sharp rally was largely driven by easing geopolitical tensions in the Middle East and the smooth passage of the federal budget in the National Assembly.

The KSE-100 increased by 5% on month-on-month (MoM) basis in the last month of FY25.

“This gain can be attributed to approval by federal cabinet to retire country’s largest-ever financial restructuring plan to retire circular debt in the power sector of Rs1.275trn over the next six years,” Topline said.

On year-on-year (YoY) basis, the KSE-100 was up 60% in PKR terms and 57% in USD terms in FY25.

“Over the past two years (FY24 and FY25), the PSX has recorded a total gain of 203% in PKR terms and 206% in USD terms, thanks to the macroeconomic stability country has achieved with the support of the IMF programme,” Topline said.

The other factors contributing to the rally were completion of the first IMF review of March 2025, aggressive monetary easing from 20.5% to 11%, improvement in country’s credit rating by Fitch from CCC+ to B-, improving macro indicators, and improved market liquidity amidst diversion flows from fixed income to equities, it added.

Internationally, Asia shares firmed on Monday as signs of progress in a trade standoff between the United States and Canada helped risk sentiment, while the dollar dipped on concerns U.S. jobs data will show enough weakness to justify larger rate cuts.

Canada on Sunday said it had rescinded its digital services tax in a bid to advance trade negotiations, bowing to pressure from President Donald Trump.

The talks are aimed at getting a deal done by July 21, extending Trump’s original July 9 deadline for his “reciprocal” tariffs.

Officials have suggested most deals could now be done by the September 1 Labor Day holiday.

Investors were also keeping a wary eye on the progress of a huge U.S. tax-cutting and spending bill slowly making its way through the Senate, with signs it may not make it by Trump’s preferred July 4 deadline.

The Congressional Budget Office estimated the bill would add $3.3 trillion to the nation’s debt, testing foreign appetite for US Treasuries.

There was no doubting the demand for the U.S. tech sector and megacap growth stocks including Nvidia, Alphabet and Amazon.

Nasdaq futures rose another 0.4%, while S&P 500 e-minis added 0.3%.

EUROSTOXX 50 futures rose 0.2%, while FTSE futures were flat and DAX futures gained 0.3%.

The bullish sentiment spilled over into Japan's Nikkei which rose 1.6%, while South Korean stocks gained 0.8%. MSCI's broadest index of Asia-Pacific shares outside Japan dipped 0.2%.

Meanwhile, the Pakistani rupee posted marginal decline against the US dollar, depreciating 0.02% in the interbank market on Monday. At close, the currency settled at 283.76, a loss of Re0.04 against the greenback.

Volume on the all-share index increased to 1,144.55 million from 773.80 million recorded in the previous close.

The value of shares decline to Rs35.24 billion from Rs37.57 billion in the previous session.

WorldCall Telecom was the volume leader with 139.89 million shares, followed by Kohinoor Spining with 96.37 million shares, and TPL Properties with 51.66 million shares.

Shares of 481 companies were traded on Monday, of which 297 registered an increase, 152 recorded a fall, while 32 remained unchanged.

KSE-100 INDEX SKYROCKETS 60% IN FY25, CROWNED GLOBAL EQUITY

June 30, 2025

Karachi, June 30, 2025 – The Pakistan Stock Exchange (PSX) has delivered a jaw-dropping performance in fiscal year 2024-25, as the benchmark KSE-100 index skyrocketed by an unprecedented 60% in local currency terms.

Even in US dollar terms, the index surged 57%, making it the eighth-best performing stock market globally this year — and the number one over the past two years.

According to a powerful research note by Topline Securities, the KSE-100 index has now delivered a jaw-dropping 203% return in PKR and 206% in USD over FY24 and FY25 combined. This explosive rally underscores a massive turnaround in investor sentiment, fueled by Pakistan's return to macroeconomic stability, anchored by the ongoing IMF program.

Key catalysts driving this supercharged rally include:

• Completion of the first IMF review in March 2025

• A historic interest rate cut from 20.5% to 11%

• A credit rating upgrade by Fitch from CCC+ to B-

• Improving macroeconomic indicators

• Surging market liquidity as investors shift from fixed income to equities

Trading activity has been equally vibrant. The average daily volume in the cash market rose 37% year-on-year to 631 million shares/day, while average traded value jumped 80% to Rs28 billion/day. Futures trading also exploded, with volumes climbing 26% to 196 million shares/day and value increasing 60% to Rs10.1 billion/day.

Despite foreign corporates turning net sellers of US$321 million in FY25 — largely due to FTSE rebalancing — local institutional support remained strong. Mutual funds led the charge with net buying of US$227 million, followed by companies and individuals.

Several standout stocks in the KSE-100 index massively outperformed the broader market. Bannu Woollen Mills soared 226%, National Bank of Pakistan rocketed 214%, and GlaxoSmithKline Pakistan climbed 179%. Top-performing sectors included Vanaspati, Jute, and Woolen.

Looking ahead to FY26, the outlook remains bullish. Topline forecasts the KSE-100 index could hit 160,000 points by June 2026 — a projected return of 29%, driven by multiple expansion, earnings growth, and dividend yields. However, key risks and triggers include:

• IMF review outcomes and potential expenditure cuts

• Expected credit rating upgrade and launch of Eurobonds and Sukuks

• Geopolitical shifts in Pakistan-USA ties and Middle East tensions

• Oil price volatility, with Brent already breaching US$75/bbl again

• Privatization of PIA, DISCOs, Reko Diq, and other state assets

• FX reserves stability, expected to rise to US$17.7 billion by FY26

Pakistan’s market is trading at a compelling forward PE of 5.7x, well below its historical average of 7.0x. Analysts believe this undervaluation offers a rare opportunity for long-term investors.

With strong macro backing, fresh liquidity, and reform momentum, the KSE-100 index is not just riding a bull wave — it’s leading a market revolution.

PSX ENDS FY25 WITH EXPLOSIVE RALLY, HITS HISTORIC LEVEL OF 125,627

June 30, 2025

Karachi, June 30, 2025 – In a dazzling display of investor confidence and bullish momentum, the Pakistan Stock Exchange (PSX) roared to an all-time high level on the final trading day of fiscal year 2024-25.

The benchmark KSE-100 index surged to a record-shattering level of 125,627 points, capping off the fiscal year with a bang.

The PSX said good-bye to FY25 in sensational style, registering a massive gain of 1,248 points from Friday's close of 124,379. During intraday trading, the index even touched an astonishing level of 125,748, before settling just below at 125,627 — marking a phenomenal one-day leap of 1%.

According to market experts at Topline Securities, the PSX carried forward its fiery momentum from last week, fueled by powerful fiscal year-end flows and a critical macroeconomic boost: China's rollover of $3.4 billion in commercial loans. This external inflow enabled Pakistan to meet the IMF's tough foreign reserves benchmark of $14 billion — instantly energizing investor sentiment and lifting the PSX to a historic level.

Leading the charge on this euphoric day were index heavyweights such as FFC, HBL, UBL, BAHL, POL, FABL, and PKGP, who collectively added a staggering 724 points to the index. Their performance not only pushed the PSX to a new level, but also reinforced expectations of strong corporate earnings and economic stability ahead.

Trading activity was equally explosive, with over 1,141 million shares changing hands and total turnover hitting a jaw-dropping PKR 35.1 billion. Volume leader WorldCall Telecom (WTL) saw an eye-popping 139.8 million shares traded. In terms of traded value, major players included PABC (PKR 1.50bn), FABL (PKR 1.22bn), NATF (PKR 1.10bn), OGDC (PKR 957.92mn), PPL (PKR 789.47mn), PSO (PKR 736.85mn), and FFC (PKR 659.95mn).

With the PSX now sitting at its highest-ever level, analysts believe the market is well-poised to continue its upward trajectory into the new fiscal year. Backed by robust fundamentals, improved liquidity, and global support, the PSX has signaled to the world that it's entering FY26 with unmatched momentum and a new level of investor confidence.

Business & Finance » Industry

VIETNAM ENVOY FOR EXPANDING ECONOMIC TIES WITH PAKISTAN

Recorder Report Published about 3 hours ago

KARACHI: Ambassador of the Socialist Republic of Vietnam, Pham Anh Tuan, has expressed Vietnam's keen interest in strengthening trade and economic relations with Pakistan, as bilateral trade between the two countries approaches the US$1 billion mark.

Speaking during his first official visit to the Karachi Chamber of Commerce & Industry (KCCI), the Ambassador said that the current trade volume stands at approximately US$850 million, and with concerted efforts, both sides are well positioned to achieve or surpass the US$1 billion target by the end of this year or next year.

The Vietnamese Ambassador, while highlighting the importance of strengthening institutional linkages and fostering deeper economic engagement, suggested that by enhancing collaboration between Vietnam Chamber and Karachi Chamber, facilitating timely exchange of trade-related information, encouraging the regular exchange of business delegations, and actively participating in each other's trade fairs and exhibitions, both countries can explore new opportunities for trade and investment while showcasing their products to wider audiences.

Ambassador Tuan emphasized that it is time to realize the full potential of Vietnam–Pakistan economic relations. He expressed confidence that with the cooperation of KCCI's leadership and the active participation of Karachi's vibrant business community, the two sides will be able to significantly enhance economic cooperation.

Referring to the commitment at the highest level, he mentioned that the Prime Ministers of both countries had met in Saudi Arabia last year and reaffirmed their shared desire to strengthen bilateral trade and commercial ties. Reflecting on his experience in Pakistan, Ambassador Tuan noted that although he assumed charge at the Embassy just ten months ago, it has been sufficient time to gain valuable insights into the country's people and business landscape. "I am highly impressed by the dynamism of Pakistan's business community. During my tenure, I have had the opportunity to visit several chambers including those in Lahore, Faisalabad, Rawalpindi, Islamabad, and now Karachi", he said.

He further stated that Vietnam and Pakistan share a longstanding relationship dating back to 1972, and are currently celebrating 53 years of diplomatic relations. He recalled that President Pervez Musharraf was the first Pakistani head of state to visit Vietnam in 2003, which was followed by a state visit by Vietnam's president to Pakistan in 2004. Since then, relations have grown steadily, not only at the political level but also through robust people-to-people and business-to-business engagement.

Promoting closer people-to-people contact and fostering greater cooperation between the business communities of both countries remains a key priority for the Vietnamese Embassy, he said, adding that bilateral trade has shown consistent growth over the years, signalling untapped potential for further expansion.

Welcoming Vietnamese Ambassador, Senior Vice President KCCI, Zia ul Arfeen, called for intensified efforts to unlock the vast untapped potential in bilateral trade and economic cooperation between Pakistan and Vietnam. Referring to recent trade figures, he highlighted that in FY24, Pakistan's exports to Vietnam stood at approximately US$356 million, while imports from Vietnam were around US$285 million, resulting in a rare trade surplus for Pakistan. "Despite this positive development, there remains substantial room for expanding our commercial ties in a structured and strategic manner", he added.

Arfeen proposed that Pakistan's local industries, particularly in textiles, apparel, agriculture, chemicals, and SMEs, can benefit significantly by learning from Vietnam's experience in industrial modernization, technological advancement, and efficient value chains. Joint ventures and technical partnerships can help boost local production, reduce import dependence, and improve global competitiveness.

He further noted that Pakistan and Vietnam can tap into high-potential sectors including IT, minerals, seafood, and tourism. "Vietnam has established itself as a major seafood exporter, and Pakistan, with its immense but underutilized aquaculture potential, can pursue joint ventures to facilitate technology transfer and export enhancement", he said. Highlighting Pakistan's key export products such as cotton fabrics, home textiles, apparel, synthetic textiles, denim, rice, oilseeds, vegetables, fruits, chemicals, leather, and plastics, he stressed the need to expand market reach beyond traditional destinations.

"ASEAN is a $4 trillion market, but Pakistan's trade is mostly limited to Indonesia and Malaysia. Strengthening ties with Vietnam can be our gateway into the broader ASEAN region", he added.

The meeting was attended by Head of Vietnam Trade Mission Ms. Nguyen Thi Diep Ha, KCCI Vice President Faisal Khalil Ahmed, former President Majyd Aziz, and members of KCCI's Managing Committee.

PSW CEO EXPLAINS TRADE FACILITATION, REGIONAL CONNECTIVITY AGENDA

Recorder Report Published July 1, 2025 Updated about an hour ago

KARACHI: Syed Aftab Haider CEO of Pakistan Single Window (PSW) explained that as part of its trade facilitation and regional connectivity agenda; Pakistan is committed to reforming, modernizing, upgrading and automating its system to match the on-going investments in its infrastructure for cross-border trade.

Moreover, Pakistan has ratified the WTO's Agreement on Trade Facilitation on 27th October, 2015 – PSW is enabling country's compliance with the agreement.

CEO PSW informed that; on FPCCI's demand its charges of Rs. 500 will be waived to expand its user base; and, enable them fully utilize its services. He also informed that 22 government departments have already been connected with PSW; it has a user base of 94,000 as of now; one million documents have been processed so far and PSW is striving to connect with all 77 relevant government departments ASAP.

Atif Ikram Sheikh, President FPCCI, has apprised that Syed Aftab Haider, CEO PSW, visited Federation House for a detailed briefing and interactive, consultative session on the government's efforts to digitize and streamline customs procedures and documentations in line with WTO guidelines and international best practices.

Atif Sheikh highlighted the need to create awareness in the business, industry, trade and services community of Pakistan on PSW's facilitation, services and progress made in customs digitalization so far – as it will enable utilization of PSW from the current utilization of the pre-arrival GDs to a much higher and healthier number.

Saquib Fayyaz Magoon, SVP FPCCI, elaborated that PSW's aim should be to establish a single electronic platform to efficiently and flawlessly meet requirements for regulating imports, exports and transit trade; while simplifying, harmonizing and digitizing the trade processes at the same time.

Asif Sakhi, VP FPCCI, informed that on FPCCI's recommendation the government authorities and PSW have decided to abolish Advanced Payments on GDs from July 8, 2025 onwards. The practice was also against the international best practices and the spirit of trade promotion.

Khurram Ijaz, Chairman of FPCCI's Advisory Council on Customs – who is also a Director of PSW representing the private sector – elaborated that PSW's objectives are transparent trade transactions; reduced trading costs & delays; hassle-free banking operations for trade; integrated declaration & automated routing of customs; real-time data exchange via Electronic Data Interchange (EDI); connecting government departments for paperless processing in customs; ease of doing business for women traders and boosting exports and FDI.

SAPM TO VISIT RUSSIA FROM 5TH

Abdul Rasheed Azad Published July 1, 2025 Updated 13 minutes ago

ISLAMABAD: To take up the matters related to the revival of Pakistan Steel Mills (PSM) or construction of a new steel mill in Karachi a high-level delegation led by Special Assistant to the Prime Minister (SAPM) on Industries and Production is to visit Russia from July 5, 2025.

According to the Ministry of Industries spokesperson, over the past one year a number of Russian delegates visited the Ministry of Industries and offered consideration of the revival of PSM or construction of a new steel mill in Karachi. The official said that a Russian delegation led by Denis Nazarov called on the SAPM on Industries and Production, Haroon Akhtar Khan, here on Monday.

Both sides discussed matters related to exploring investment opportunities, industrial cooperation and enhancing bilateral relations. The purpose of the visit is to hold discussions on strategic cooperation, attract foreign direct investment (FDI), and explore technical collaboration for the rehabilitation of PSM. The two sides discussed avenues for enhancing bilateral cooperation, particularly focusing on the revival of PSM and exploring new investment opportunities in Pakistan's industrial sector.

During the visit, Haroon Akhtar Khan will meet with prominent Russian investors and companies to promote investment in Pakistan's industrial and infrastructure sectors. This visit underscores the Government of Pakistan's commitment to industrial revival and fostering international economic partnerships for sustainable development.

The primary focus of the discussion was the establishment of new steel mills in Pakistan and both parties engaged in extensive talks on the potential collaboration between Pakistan and Russia in setting up a new steel mill in Karachi. The two countries agreed to form a joint working group to facilitate the development and implementation of this initiative. Akhtar Khan emphasised the prime minister's vision to increase investments in Pakistan.

He highlighted that this is an opportune time for foreign investors to invest in the country, noting that Pakistan has evolved as a strong and safe destination for international investment and business. "Pakistan is a secure and thriving hub for investment, and the international community has recognised its potential," said Khan.

He also extended an invitation to all Russian businesspeople to explore investment opportunities in Pakistan. The meeting also marked an important step in further strengthening the ties between the two nations and opening new avenues for joint ventures in key sectors such as steel production.

KATI OPPOSES GAS PRICE HIKE DECISION

Recorder Report Published July 1, 2025 Updated about an hour ago

KARACHI: Junaid Naqi, President of the Korangi Association of Trade and Industry (KATI), has strongly opposed the federal government's decision to increase gas prices for the industrial sector, bulk consumers, and the power sector from July 1st, calling it "disastrous" for Pakistan's already struggling economy.

Naqi expressed deep concern over the move, stating that industries are already burdened with skyrocketing electricity, fuel, and raw material costs. "Now, this increase in gas tariffs will deliver a serious blow to the economy," he said. Gas, he added, is a critical raw material for several key sectors, particularly textiles, food processing, iron and steel, chemicals, and fertilizer, all of which will be directly impacted.

He also criticized the government's simultaneous decision to raise fixed gas charges for domestic consumers by 50%, noting that the indirect financial burden would also eventually fall on industries. "By shifting the weight of this increase onto the industrial sector, the government is once again treating businesses as scapegoats," Naqi remarked.

The KATI President warned that the hike in gas prices would not only raise production costs significantly but also render Pakistani exports uncompetitive in the global market. "The government seems oblivious to the fact that a decline in exports directly affects foreign exchange reserves and slows down overall economic momentum," he added.

Naqi pointed out that independent power producers (IPPs), who rely on gas to generate electricity, would now produce even more expensive power, a cost that would ultimately be passed on to the public, small businesses, and the industrial sector alike.

"At a time when Pakistan desperately needs industry-friendly policies to stay afloat, such decisions are akin to stalling the wheels of economic activity," he stressed.

Referring to OGRA's approval of a 6.6% increase in gas tariffs for fiscal year 2025–26 to help gas companies recover a revenue target of Rs 890 billion, including Rs 354 billion for Karachi-based SSGC alone, Naqi said the industrial sector is being unfairly forced to shoulder the consequences of financial mismanagement by public gas utilities.

ABAD UNDERTAKES SIGNIFICANT CONSTITUTIONAL REFORM

Recorder Report Published July 1, 2025 Updated about an hour ago

KARACHI: Association of Builders and Developers (ABAD) has undertaken its most significant constitutional reform in over five decades, approving sweeping amendments to modernize its governance framework and comply with evolving regulatory requirements.

According to the details, ABAD has formally adopted the amendments to its Memorandum and Articles of Association during a Special General Meeting at ABAD House.

The comprehensive reforms mark the first substantial revision to ABAD's founding documents since the organization's establishment in 1972, addressing structural changes necessitated by Pakistan's transformed legal and regulatory environment.

The constitutional overhaul comes in response to recent directives from the Directorate General of Trade Organizations (DGTO), which has mandated all established trade associations to align their governing documents with contemporary standards.

The approved amendments introduce several pivotal organizational modifications. Most notably, the posts of Regional Chairman and Vice Chairman have been eliminated from ABAD's official structure, responding to DGTO objections outlined in Article 1 of the existing constitution.

Under the revised governance model, sub-committees will now operate under Executive Committee oversight through amended Article 9(iii)(6), with membership expanded from two to five positions to enhance operational capacity.

Regional membership processing has been restructured while maintaining established channels. New applications will continue flowing through Regional Committees, but these bodies will now function as Executive Committee appointees under the modified Article 9(v)(6).

Additional revisions affect Articles 8(b)(ii) and 16(2), along with Clause 14 governing membership transfer procedures, streamlining administrative processes across the organization.

"Our existing Articles had remained static for 53 years, despite fundamental shifts in Pakistan's legal framework," Chairman Bakhshi said. "These amendments position ABAD to operate more effectively within today's regulatory environment," he added.

The meeting drew significant participation including Senior Vice Chairman Syed Afzal Hameed, Vice Chairman Tariq Aziz Memon, Southern Region Chairman Ahmad Owais Thanvi, and Hyderabad Sub-Region Vice Chairman Abdullah Jan Memon. Former chairmen Altaf Tai and Anwar Gagai also attended the proceedings.

Bakhshi termed the reforms as essential for strengthening ABAD's advocacy capabilities and government relations. "These changes will enable more effective collaboration with government institutions and enhanced representation of construction sector interests," he stated.

The amendments received majority approval following extensive member deliberations, reflecting broad consensus on the need for organizational modernization.

HIGH COMMISSIONER OF KENYA VISITS FCCI

Press Release Published July 1, 2025 Updated about an hour ago

FAISALABAD: Lt General Peter Mbogo Nijru (R), High Commissioner of Kenya has appreciated the "Look Africa" policy of the Government of Pakistan urging upon the business community of Faisalabad to fully harvest its dividends by enhancing bilateral trade and making investment in Kenya.

Addressing the business community in Faisalabad Chamber of Commerce & Industry (FCCI), he said that textile was the only globally recognized sector of Faisalabad but he has now come to know that pharmaceutical, chemicals, food processing, IT and other sectors are now also growing at a much faster pace.

He said that Pakistani investors could invest in Kenya to produce different commodities in addition to its processing, packaging and exports to African and other countries. He mentioned the African Union and said that products manufactured in Kenya could be exported to different countries without any duty.

"Similarly Kenyan products have duty and quota free access to some European and American markets," he said and added Pakistani investors could also explore this opportunity. He said that we must negotiate trade agreements between Pakistan and Kenya to give a quantum jump to our bilateral trade.

He said that Kenya also offers huge opportunities for the promotion of tourism as it has scenic valleys like Gilgit and Baltistan. He also congratulated FCCI on its Golden Jubilee Year and hoped that it would make tremendous progress in the coming years.

Earlier Rehan Naseem Bharara, President FCCI welcomed the Kenyan High Commissioner and said that our Ministry of Commerce was negotiating on an agreement to provide access to the Pakistani exporters to the eight different African countries including Kenya. He said that Pakistan was importing huge quantities of tea and coffee from Kenya and its investors must consider the cultivation and processing of these products in Pakistan.

He also mentioned some tariff barriers and said that the Kenyan Government should revisit existing tariffs particularly on confectionary products. He also stressed the need to promote direct contacts between the business communities of the two countries and pointed out that some Pakistani banks are reluctant to accept LCs issued by the Kenyan banks. He said that this issue should be resolved on a top priority basis to streamline the banking channels.

Naveed Akram Sheikh, Mirza Zahid Iqbal, Jawad Shafique, Mirza Muhammad Ashraf Mughal and Mian Muhammad Tayyab took part in the question answer session while Qaisar Shams Gucha, SVP offered vote of thanks.

Rehan Naseem Bharara decorated Peter Mbogo Nijru with a special pin of FCCI Golden Jubilee. He also presented a FCCI shield to the Kenyan High Commissioner while they also exchanged gifts with each other. Bonface Njoroge Njuguna, Commercial Attaché of Kenya was also present during this meeting.

TDAP CHARTS EXPORT ROADMAP FOR OLIVE SECTOR

Press Release Published about 3 hours ago

LORALAI: The Trade Development Authority of Pakistan (TDAP), in collaboration with the Agriculture Department Government of Balochistan, FAO, and the Taraqee Foundation, organised a strategic awareness session at the Municipal Hall, Loralai to highlight the export potential of Balochistan's olive sector and align it with international market requirements.

Delivering the keynote address, Zain-ul-Abideen, National Product Officer (Olives), TDAP, presented a detailed trade analysis showing that Pakistan's olive exports have grown over 600% in five years, increasing from 15 tons in 2020 to 160 tons in 2024.

He emphasized that while this growth is promising, Pakistan must shift from low-value bulk exports to branded, certified premium olive oils to unlock its fair share in the $14 billion global olive oil market.

He identified strategic markets in Bangladesh, Indonesia, Malaysia, and the Middle East, where rising demand for extra virgin olive oil offers immense opportunities.

The session concluded with a unified call for scaling up certification, processing capacity, and branding efforts. Stakeholders emphasized that with TDAP's continued leadership and inter-agency coordination, Loralai can emerge as Pakistan's leading olive oil export zone, contributing to national trade growth and rural economic transformation.

HCSTSI CONDEMNS COLLAPSE OF INTERNET SERVICES IN HYDERABAD

Recorder Report Published about 3 hours ago

HYDERABAD: Acting President of Hyderabad Chamber of Small Traders & Small Industry (HCSTSI), Ahmed Idrees Chohan, has strongly condemned the complete collapse of internet and mobile network services in Hyderabad and its surrounding areas during the recent spell of heavy rainfall and prolonged power outages.

He stated that the dual crisis of electricity failure and telecom blackout severely affected both the public and the business community, pushing them into distress, helplessness, and significant financial loss.

He highlighted that basic utilities such as water supply were already suspended due to the electricity shutdown, and to add to the public's woes, the failure of telecom services left citizens entirely cut off from all communication. Expressing deep disappointment over this unacceptable situation, He said that telecom companies failed miserably in fulfilling their core responsibilities. Despite over 24 hours of power outage in many areas, not a single telecom company took the initiative to refuel their tower generators, leading to a complete network blackout.

Acting President further noted that this irresponsibility not only brought business operations to a standstill but also cut off ordinary citizens from their families, emergency services, and essential digital utilities. Online transactions, e-banking, digital communications, and even emergency medical consultations were gravely affected due to the telecom companies' negligence.

Ahmed Idrees Chohan added that the most unfortunate aspect of the matter is that these very companies continue to raise their internet and call package rates on a daily basis, yet when the public needs services the most, they are left with nothing. The quality of their services has been steadily declining, and they appear to have no backup plans or emergency response systems in place. This behaviour has seriously damaged public trust and dealt a harsh blow to businesses financially.

He urged the Pakistan Telecommunication Authority (PTA) to take immediate notice of this gross negligence and hold all telecom companies accountable. The Chamber demands that these companies be formally questioned as to why their generators were not operational during emergency conditions. Moreover, in areas where services were completely shut down, customers should be compensated through full refunds or at the very least, service credits.

Technology

GEOGEMMA WIN 'BEST AI USE CASE' AWARD AT 2025 APAC SOLUTION CHALLENGE

BR Web Desk Published June 30, 2025

Pakistan's student innovation took centre stage at the 2025 APAC Digital Transformation Forum as "GeoGemma", a student team from the Institute of Space Technology (IST) in Islamabad, was awarded with the "Best AI Use Case" Award at the 2025 APAC Solution Challenge organised by Google Developer Groups (GDG) and the Asian Development Bank (ADB).

The competition brought together student-led projects from across Asia-Pacific (APAC), each of which employed Google AI tools to address critical global challenges. The award celebrates the project that effectively leveraged AI technology to develop a practical solution to pressing issues that affect our communities.

GeoGemma, comprising students Ahmed Iqbal and Muhammad Abdullah in their final and second years, respectively, earned this accolade for its project that integrates satellite imagery with generative AI to address pressing environmental and geospatial issues.

The jury was impressed by GeoGemma for its use of AI in multiple modalities, noting its strong technology stack and the important problem being solved. The group's use of the Gemini API is not just a feature but the core of its innovative solution to a complex and critical global problem.

The project's ambition to democratize access to geospatial data through a sophisticated LLM-driven framework represents the most advanced and impactful application of Gemini among the submissions.

Alongside GeoGemma, another Pakistani group, (N + 1)-th Time (Fast National University (NUCES), Islamabad Campus) was also one of the top 10 finalists of the Challenge.

Comprising final year students Muhammad Huzaifa Khan and Hashim Muhammad Nadeem, the team developed a solution that helps neurodivergent users create documents more easily by providing a document editor that allows users to dictate, edit, and transform text naturally.

"We are incredibly proud to see the remarkable talent from Pakistan shine at the APAC Solution Challenge," said Farhan Qureshi, Country Director, Google Pakistan.

"The young minds of GeoGemma and (N + 1)-th Time have demonstrated exceptional innovation and dedication, tackling some of the most critical challenges facing our world with their solutions using Gemini. GeoGemma's win of the 'Best AI Use Case' is also a testament to their impactful work, and a showcase of the thriving Pakistan developer ecosystem."

"The APAC Solution Challenge was a cornerstone of the Asia Pacific Digital Transformation Forum 2025. We saw the power of student-led innovation to address real-world challenges in healthcare, sustainability, trade, and tourism through technology and AI.

The energy and creativity of the students were truly inspiring; we are seeing the future of sustainable digital transformation in the Asia Pacific region.

Other award recipients at the forum included Atempo from Konkuk University, South Korea, who won the Most Societal Impact Award for their AI-powered emergency room matching platform, and the People's Choice Award, presented to Team portfolio making group 2 from Holy Angel University, Philippines, for their waste management tracking solution.

CHINA'S ANT GROUP INVESTED $3.26 BILLION IN R&D IN 2024

Reuters Published June 30, 2025

SHANGHAI: Chinese financial technology firm Ant Group said on Monday that it has increased investment in research and development (R&D) for four consecutive years since 2021, reaching a record high of 23.45 billion yuan ($3.26 billion) in 2024.

China's Ant Group to sell 4% stake in India's Paytm for $242mn, term sheet shows

The company made the disclosure in its 2024 sustainability report.

Business & Finance » Companies

SINDH BANK SELECTS PTCL TO ENHANCE BANK'S DIGITAL CONNECTIVITY INFRASTRUCTURE

Recorder Report Published about 3 hours ago

KARACHI: Pakistan Telecommunication Company Limited (PTCL) and Sindh Bank have signed an agreement for deployment of SD-WAN (Software-Defined Wide Area Network) at 330 branches of Sindh Bank. SD-WAN is a smart way for businesses to manage internet and network connections across different locations. It helps make data travel faster, more securely, and at lower cost by using software instead of just hardware.

Syed Assad Ali Shah, Deputy CEO, Sindh Bank and Asif Ahmad, Group Chief Business Solutions Officer, PTCL & Ufone 4G signed the agreement in the presence of Muhammad Anwaar Sheikh, President & CEO, Sindh Bank at a special ceremony recently held at Sindh Bank Head Office in Karachi.

Also, present at the ceremony were Basharat Qureshi Group VP Enterprise, Sayyed Imran Bukhari, Group VP B2B Strategy, Umar Farooqi, Group Director Enterprise PTCL, Adnan

Siddiqui, CIO Sindh Bank, Dilshad Hussian, CFO Sindh Bank and Syed Zeeshan ul Haq, Head Infrastructure Sindh Bank, were also present on the occasion, along with other senior officials.

PTCL is providing Sindh Bank with its state-of-the-art infrastructure and platform solutions that are equipped with latest technology & managed security.

During the signing ceremony, Asif Ahmed, Group Chief Business Solutions Officer PTCL & Ufone 4G said, "We are pleased to sign an agreement with Sindh Bank to support them in fulfilling their business needs. PTCL, being a national company, is leading the digitalization effort across the country. Through such partnerships, PTCL continues to play its key role in the development of telecom infrastructure by providing innovative and secure solutions to the corporate sector that will further contribute towards the overall economic growth of the country."

On the occasion, Muhammad Anwaar Sheikh, President & CEO Sindh Bank, said, "We are pleased to sign this agreement with PTCL as our trusted partner for infrastructure platform solutions as a part of the Bank's focus on adopting state-of-the-art and secure technology solutions for connectivity and digitalization. This partnership signifies a transformative step forward in the Bank's approach to infrastructure, platforms and data management. By leveraging PTCL's advanced infrastructure and telecommunications expertise, Sindh Bank aims to achieve an enhanced operating leverage, a stronger security and data protection posture, and reduced time-to-market of products and services as the Bank continues on its journey to offer a digitally enabled financial lifestyle for its customers and partners."

PTCL and Sindh Bank place highest level commitment to provide best-in-class services to their customers across various industries in Pakistan. This agreement is part of the growth momentum in the diverse areas of ICT and Security Solutions, which is key to a digital banking eco-system in Pakistan.

KARACHI BEARING BRUNT AS MINISTRY LOOKS TO BLOCK FCA RELIEF YET AGAIN

Salman Siddiqui Published June 30, 2025 Updated about 8 hours ago

The National Electric Power Regulatory Authority (NEPRA) concluded its public hearing on K-Electric's (KE) petition for the approval of its April 2025 Fuel Charges Adjustment (FCA) to pass on a relief of over Rs7 billion to Karachi's consumers.

The hearing, which was originally deferred at the behest of the Power Division, covered the legal aspect of the Ministry of Energy's (MoE) request to defer the decision on KE's April FCA in light of their pending submission to the Cabinet – requesting application of uniform FCA across the country.

The Power Division sought another deferral – submitted on June 27, 2025 – which NEPRA declined and decided to hear KE's case in the public forum.

The MoE highlighted that based on its submission to the Cabinet on approving application of uniform FCA across the country, NEPRA should withhold and defer the decision until the Cabinet's decision.

They argued that the discrepancy between KE's relief of Rs 4.69 per unit to consumers conflicts with the XWDISCO of Re0.93 and would strain the federal budget. Their argument claimed that just as the Quarterly Tariff Adjustment (QTA) is applied uniformly across Pakistan, the FCA should follow the same principle.

NEPRA's said the legal stance highlighted that the FCA mechanism is clearly defined in the law, and any unwarranted delays would not be legally sustainable. Moreover, retrospective applications of FCA would be legally indefensible and would likely face legal challenges.

NEPRA also highlighted that the MoE's inability to raise this issue earlier or explicitly ask for a stay order in their review of the recently approved Multi-Year Tariff for KE, has put them in a difficult position to justify any delayed decision.

Karachi's industrialists echoed this concern, urging NEPRA to remain independent and resist any pressure from the ministry. They pointed out that the ministry never objected when Karachi used to pay for positive FCAs in the past, which increased the applicable electricity price while customers of DISCOs enjoyed relief through negative FCAs.

Citing a decision from IMF's May 2025 brief, Rehan Javed – a prominent industrialist – shared that IMF instructions specifically required Pakistan to implement timely adjustments in the power sector to manage the country's circular debt. Delays in FCA decisions, whether positive or negative would risk undermining this objective.

Echoing similar sentiments, Tanveer Barry, Karachi Chamber of Commerce and Industry representative, and Arif Bilvani, prominent industrialist, highlighted what they termed the continued economic discrimination against Karachi. They questioned why Karachi consumers are forced to pay the Power Holding Limited (PHL) surcharge of Rs3.23 per unit of electricity despite contributing nothing to the circular debt for the next six years.

They argued that Karachi consumers should now fully benefit from the negative FCA instead of being selectively targeted. They also raised concerns about the government's selective application of the "Apna Meter, Apni Reading" program, which has not been extended to Karachi.

Concluding the session, Amina Ahmed, Member (Law), summarizing the frustration of many, questioned why the ministry's sudden urgency should override a process that has been place for nearly two years – in reference to KE's reference fuel cost of Rs15.99 per unit.

"Its like the ministry has woken from its slumber," she remarked.

She also mentioned the absence of clear FCA guidelines – similar to QTA guidelines - and asked if it is imprudent to put Karachi's consumers on hold on the basis of an already delayed Cabinet approval – which may or may not implement a uniform FCA regime.

Speaking during the hearing, Moonis Alvi, CEO KE, shared that they trust NEPRA's process in upholding fairness in whatever decision they may pass and that KE will abide by the decision notified as per the Authority.

CCP CLEARS 40.63% SHARE ACQUISITION OF MITCHELL'S FRUIT FARMS BY CCL HOLDING

BR Web Desk Published June 30, 2025

The Competition Commission of Pakistan (CCP) has approved the acquisition of a 40.63% shareholding of Mitchell's Fruit Farms Limited by CCL Holding (Private) Limited from Ms Syeda Maimanat Mohsin and Ms Syeda Matanat Ghaffar under a Share Purchase Agreement, following a comprehensive competition assessment, according to a CCP statement on Monday.

The CCP said it had identified the relevant product market as 'jam, jellies and marmalades', 'sauces and kitchen condiments, 'sugar confectionery', and 'one-step preparation drinks'.

"The deal is a conglomerate merger with no horizontal or vertical overlaps between the acquirer and the target.

"The commission concluded that the transaction will not result in dominance or lessening of competition in the relevant market," the statement read.

CCP grants exemptions to logistics and transport sector

M/s CCL Holding (Private) Limited formerly known as M/s DHS Pharma (Private) Limited is a private limited company. It is a holding company and does not engage itself in commercial trading or manufacturing activities.

However, its group of companies are primarily engaged in healthcare and pharmaceutical sector, including manufacturing and distribution of pharmaceutical products, according to the CCP.

M/s. Mitchell's Fruit Farms Limited is registered as public limited and a listed company, engaged in the manufacturing and sale of various confectionery and grocery items.

ATLAS HONDA HIKES BIKE PRICES IN PAKISTAN FOLLOWING NEW TAX IMPOSITION

Salman Siddiqui Published June 30, 2025

Atlas Honda Limited, Pakistan's leading motorcycle manufacturer, has increased the prices of its bikes by Rs2,000 to Rs6,000 per unit, effective July 1, 2025, mainly due to the imposition of a new tax in the federal budget for FY25-26, according to industry sources.

Dealers confirmed the price hike on Monday, attributing it to the government's decision to impose a 1% Carbon Levy on the import of motorcycle engines. Muhammad Sabir Shaikh, Chairman of the Association of Pakistan Motorcycle Assemblers (APMA), told Business Recorder that the additional levy has triggered the increase in prices.

Following the revision, the price of Honda's most popular model, the CD-70, has increased by Rs2,000 to Rs159,900, while the CD-70 Dream now costs Rs170,900, also up Rs2,000.

The Pridor model has seen a Rs3,000 rise, now priced at Rs211,900. The CG-125 has climbed Rs4,000 to Rs238,900, while CG-125 Self and CG-125s Gold both went up by Rs4,000 to Rs286,900 and Rs296,900, respectively.

Among the higher-end models, the CB-125F now costs Rs396,900, marking a Rs6,000 jump. The CB-150F saw a Rs6,000 increase, reaching Rs499,900, while the CB-150F Special's price rose by Rs6,000 to Rs503,900.

Atlas Honda holds over half of the motorcycle market share in Pakistan, and the latest price hike is expected to impact affordability for a large segment of the population already coping with high inflation.

SIEMENS RECRUITS ARTIFICIAL INTELLIGENCE EXPERT FROM AMAZON

Reuters Published June 30, 2025

ZURICH: Siemens has recruited Amazon executive Vasi Philomin to its new position of head of data and artificial intelligence, the German technology company said on Monday.

The move is the latest step by Siemens as it seeks to develop AI products and applications like its Industrial Copilot.

Siemens has been aiming to accelerate its transition to a technology-focussed company, with AI seen as a key area along with industrial software.

In 2023, Siemens unveiled a partnership with Microsoft to use artificial intelligence to increase productivity and human-machine collaboration in the manufacturing, transportation and healthcare industries.

The project will create AI copilots to assist staff at customer companies as they design new products, and organize production and maintenance.

Siemens to cut 8pc of jobs at struggling factory automation business

Siemens said it was delighted to welcome Philomin, who had extensive experience in machine learning and industrial scale AI applications at Amazon.

Philomin will report to Siemens' managing board member Peter Koerte, who is the company's chief technology officer and chief strategy officer.

"With his outstanding AI expertise and proven leadership in developing transformative technologies, he will make a decisive contribution to further expanding our data and AI capabilities," said Koerte.

MERCEDES SAYS NO SUPPLY CHAIN DISRUPTIONS AFTER CHINA EXPORT CONCERNS

Reuters Published June 30, 2025

STUTTGART: There has been no disruption to production due to limited raw material exports from China at German carmaker Mercedes-Benz, a senior executive said on Monday.

Joerg Burzer, head of production at Mercedes, said the company remained vigilant over supply chain risks, particularly a shortage of rare earths, but had not experienced any issues to date.

"There's been no incident so far - I expect it will stay that way," Burzer told reporters, adding that the automaker had a clear view of its supply chain exposure and was prepared to act if necessary.

China restricted exports of seven rare earths and related magnets in April in retaliation for U.S. tariffs.

But the threat of mass shutdowns across the automotive supply chain is fading as the supply of Chinese rare earth magnets begins to flow again.

Mercedes is continuing to assess whether further investment in parts or engine production is needed to support manufacturing in the United States, which would enhance supply chain stability and sustainability, Burzer said.

DESCON APPOINTS YASIR SIDDIQUE AS CEO

- Appointment follows resignation of Muhammad Mohsin

BR Web Desk Published June 30, 2025

Descon appointed on Monday Yasir Siddique with immediate effect as its Chief Executive Office for an unexpired term.

The development was shared by the large-scale engineering company in a notice to the Pakistan Stock Exchange.

The company said Siddique was appointed for the role after Muhammad Mohsin Zia tendered his resignation as CEO.

Descon, headquartered out of Pakistan, is a multinational conglomerate that operates in the engineering, power, chemicals, and agriculture sectors.

The organization began as an engineering enterprise. Today, it also owns and operates chemical and power plants, with allied interests in inspection and testing.

INDIA'S INDUSTRIAL OUTPUT GROWTH SLOWS TO NINE-MONTH LOW IN MAY

Reuters Published June 30, 2025

NEW DELHI: India's industrial output grew 1.2% year-on-year in May, its slowest pace since August 2024, government data showed on Monday.

Economists polled by Reuters projected a growth of 2.4%. Industrial output grew 2.7% year-on-year in April.

The early onset of the monsoon weighed on the mining activity and the demand for electricity, with both these sub-sectors of the IIP reporting a contraction in May 2025 amid an anemic manufacturing growth, said Aditi Nayar, an economist at ICRA.

Key numbers

Manufacturing output up 2.6% in May as compared to a growth of 3.1% in April

Electricity generation fell 5.8% in May as against a rise of 1.7% a month ago

Mining activity dropped 0.1% in May as against a fall of 0.2% a month ago

Output of consumer durables, including cards and phones, fell 0.7% in May as compared to a growth of 6.2% a month ago

Output of consumer non-durables, such as food items and toiletries, fell 2.4% in May as compared to a drop of 2.7% in April

Capital goods output increased 14.1% in May as compared to a 14% rise in

Industrial output in April-May grew 1.8% as compared to a rise of 5.7% a year ago

NISSAN SAYS IT WILL SEEK VOLUNTARY JOB CUTS AT UK PLANT

Reuters Published June 30, 2025

TOKYO: Nissan Motor will begin talks this week to seek job cuts at its Sunderland plant in Britain, it said on Monday, as the Japanese automaker targets a 15% reduction in its global workforce.

Nissan said the move was aimed at increasing the efficiency of the Sunderland plant in northeastern England to make it a “leaner, more flexible” operation.

It did not say how many job cuts it was targeting. Japan’s Kyodo News, which earlier reported the planned cuts, said Nissan was aiming to lay off 250 workers.

“We will begin discussions with some of our employees at the Sunderland plant this week about voluntary retirement opportunities and support from the company,” Nissan said in a statement.

Along with the job cuts, Nissan Chief Executive Ivan Espinosa has announced plans to close seven plants worldwide, although Sunderland is not expected to be among them.

Nissan plans to reduce stake in Renault, CEO Espinosa tells Nikkei

The factory is seen as critical to Nissan’s European operations and it plans to make the new version of its Leaf EV there.

Separately, Reuters reported on Monday that Nissan has asked some suppliers in Britain and the European Union to delay payments to free up short-term funds, as it scrambles to boost cash.

MERIT PACKAGING APPROVES MAJOR ASSET SALE TO KOMPASS PAKISTAN

BR Web Desk Published June 30, 2025

Shareholders of Merit Packaging Limited (MPL) have approved the sale of major assets, including the plant and machinery of its flexible packaging unit and associated goodwill, for a total consideration of Rs1 billion.

The listed company, engaged in the manufacture and sale of printing and packaging materials, disclosed the development in its notice to the Pakistan Stock Exchange (PSX) on Monday.

The decision was passed during an Extraordinary General Meeting (EGM) held on June 27, 2025. The buyer, Kompass Pakistan (Private) Limited, submitted the best available offer, which was accepted by the company following due evaluation, MPL said.

"The consent of shareholders be and is hereby accorded to the disposal and sale of the Company's assets comprising of plant and machinery (flexible packaging unit) and goodwill located at 17-B, Sector 29, Korangi Industrial Township, Karachi for an aggregate sale consideration of Rs1,000,000,000 based on the best available quote from the interested party," read the notice.

It said that the Board of Directors has been authorised to execute the transaction, including entering into sale agreements, receiving payment, and handling all legal formalities related to the asset transfer.

At the time of filing this story, the share price of Merit Packaging Limited was being traded at Rs14.30, an increase of Re0.35 or 2.51%.

Incorporated in Pakistan as a public limited company in 1980, MPL is engaged in the manufacturing and sale of printing and packaging materials.

The company caters to a wide range of sectors including food & beverages, surgical instruments, consumer goods, textiles, etc. The company belongs to The Lakson Group of companies.

Markets » Financial

SAUDI WEALTH FUND NET PROFIT TUMBLES 60% IN 2024

Reuters Published June 30, 2025

DUBAI: Saudi Arabia's sovereign wealth fund's net profit slumped 60% from a year earlier to 25.8 billion riyals ($6.9 billion) in 2024, it reported on Monday, hurt by high interest rates and inflation as well as impairments on some projects.

The Public Investment Fund said in a statement that impairments primarily related to changes to operational plans and increases in budgeted costs.

The fund, which has more than $1 trillion in assets under management, reported net profit of 64.4 billion riyals for 2023 in its consolidated statement on Monday.

Saudi wealth fund PIF Expects to raise $1.25bn from 7-year sukuk

Its comprehensive income statement showed that the 138.1 billion riyals reported for 2023 in July last year had swung to a loss of 140 billion riyals this year. A comprehensive income statement includes items such as unrealised gains and losses as well as the change in value of some of a company's assets.

Total assets in 2024 rose 18% to 4.321 trillion riyals from 3.664 trillion riyals a year earlier, the fund said.

The PIF is steering Saudi Arabia's ambitious economic agenda aimed at weaning the Gulf country's economy off oil.

INDIA'S SHORT-END DEBT OUTPERFORMS LONG-END FOR SECOND STRAIGHT QUARTER ON DOVISH RBI

Reuters Published June 30, 2025

MUMBAI: India's shorter-duration government bonds outperformed its longer-duration counterpart for a second straight quarter as the country's central bank continued with liquidity infusion and slashed interest rates in April-June, traders said.

The yield on the benchmark 10-year bond ended at 6.3241%, compared with its previous close of 6.3134%. The 10-year bond yield eased 26 basis points in April-June, after declining 18 bps in January-March.

Meanwhile, the five-year 2029 bond yield ended at 6.0013%, down 45 bps in this quarter after plunging 26 bps in January-March.

"The yield curve steepened due to a comfortable liquidity situation, but with the rate cut cycle likely behind us, the next quarter seems tough," said VRC Reddy, treasury head at Karur Vysya Bank.

The Reserve Bank of India continued infusing funds into the banking system through debt purchases and bought bonds worth 2.39 trillion rupees ($27.89 billion) in April-May, which was followed by the government buying 495 billion rupees of bonds in June.

Indian bonds post biggest monthly dip since April 2024 on change in RBI policy stance

The RBI also slashed repo rate by 75 bps in the quarter, including a larger-than-expected 50 bps in June.

However, the plunge in the shorter end was partly reversed as the central bank changed monetary policy stance to neutral from accommodative after delivering the June rate cut, and also started operations to suck out liquidity from the banking system.

This led to many analysts believing that rate-cut cycle has ended, even as Governor Sanjay Malhotra said in an interview that inflation below the central bank's current projections could open up policy space.

Non-confirmist ultra-long end

Even as the majority of bond yields witnessed a downtrend, the yields on the above 30-year bonds rose, after weak demand from insurance companies and continuous heavy supply.

This has led to increased calls for a tweak in supply calendar, with a reduction in ultra-long bonds and increase in up to seven-year papers.

"We expect the demand will come back as the absolute level of yield becomes attractive. Further, remedial measures can be in terms of reduction in supply through reduction in long-term bond auctions," said Sachin Bajaj, executive vice president and chief investment officer, Axis Max Life Insurance.

INDIAN BONDS POST BIGGEST MONTHLY DIP SINCE APRIL 2024 ON CHANGE IN RBI POLICY STANCE

Reuters Published June 30, 2025

MUMBAI: Indian government bonds tumbled in June, logging their biggest fall in 15 months, pressured by a shift of policy stance by the local central bank and higher crude oil prices following Iran-Israel strikes.

The yield on the benchmark 10-year bond rose 11 basis points to end the month at 6.3241%, the steepest monthly rise since April 2024. The yield fell 26 bps in April-June.

Meanwhile, the yield on the 6.75% 2029 bond climbed 16 basis points, marking its sharpest monthly rise in about 29 months.

Bond yields move inversely to prices.

The Reserve Bank of India cut rates by 50 basis points earlier this month, but in a surprise move, changed its stance to neutral from accommodative, triggering a sell-off in the market.

"The bear steepening trend accentuated after the monetary policy meeting as markets started to factor in the end of the rate-cutting cycle as the MPC changed the monetary policy stance," said Puneet Pal, head of fixed income, PGIM India Mutual Fund.

"Yields continued to inch higher since then on profit booking and aversion to take fresh positions."

Indian bonds also witnessed selling as oil prices rose after the U.S. attacked Iran's nuclear facilities, deepening tensions in the Middle East, although those tensions have since subsided.

Benchmark Brent crude contract shot up to as much as $81.40 per barrel, the highest in five months.

The RBI also conducted a seven-day variable rate reverse repo (VRRR) auction last week, its first in seven months.

Reuters had reported earlier that the RBI sought market feedback to bring the call rates closer to the repo rate.

Rates

India's one-year overnight index swap rate fell for a sixth month in June, while the two-year and the five-year OIS rates rose.

The one-year OIS rate fell nearly 5 basis points this month to close at 5.54%, while the two-year OIS rate rose 2 basis points to 5.51% and the liquid five-year was up nearly 3 basis points at 5.71%.

PAKISTAN'S INFLATION PROJECTED AT 3-4% IN JUNE: FINANCE MINISTRY

- Pakistan's headline inflation clocked in at 3.5% in May

BR Web Desk Published June 30, 2025

Pakistan's headline inflation is expected to stay within the 3-4% range in June, the Finance Division projected on Monday.

"Inflation is expected to remain within the range of 3-4% for June 2025," the ministry said in its 'Monthly Economic Update and Outlook'.

Pakistan's headline inflation hit 3.5% on a year-on-year basis in May 2025, a reading higher than that of April 2025, when it stood at 0.3%, showed Pakistan Bureau of Statistics (PBS) data.

Earlier, JS Global, a brokerage house, projected Pakistan's headline inflation to lower slightly, clocking in at 3.1% in June.

Meanwhile, the finance ministry in its report projected that the outlook for Large Scale Manufacturing (LSM) in the coming months appears positive, "supported by encouraging trends in high-frequency indicators such as cement dispatches and automobile sales".

Moreover, the uptake in loans to private sector businesses suggests rising production activities and improved investor confidence.

"On the external front, higher remittances and exports will continue to keep the current account in surplus for FY 2025," read the monthly outlook.

In FY2025

Pakistan's economy continued growth momentum in FY2025, supported by strengthened macroeconomic fundamentals, prudent fiscal management, and improved external sector performance, read the report.

"Real GDP grew by 2.68%, while inflation eased steadily. Current account recorded a surplus of $1.81 billion, the fiscal deficit declined, and the primary surplus reached 3.2% of GDP in Jul-Apr FY2025.

"The ongoing IMF programs (EFF and RSF), along with upgraded credit ratings, bolstered policy credibility and investor's sentiment," it added.

Agri sector

As per the monthly outlook, for the Kharif season 2025–26, the federal government has set targets of 2.2 million hectares for cotton cultivation area and 10.18 million bales for production.

Meanwhile, farm input utilisation continues to improve, supported by government efforts to ensure the availability of quality seeds, adequate credit, machinery, and fertilisers.

For the Kharif season 2025, the estimated availability of urea and DAP stands at 4,012 and 840 thousand tonnes, respectively. Urea and DAP offtake in April 2025, reached 418 and 95 thousand tonnes, showing YoY increases of 4.6% and 135.2%, respectively, it added.

Markets » Energy

FCA: NEPRA, KARACHI STAKEHOLDERS OPPOSE PD PROPOSAL

Mushtaq Ghumman Published about 3 hours ago

ISLAMABAD: The National Electric Power Regulatory Authority (Nepra) and several Karachi-based stakeholders have strongly opposed the Power Division's proposal to defer a Rs 4.69 per unit negative fuel cost adjustment (FCA) for K-Electric (KE) consumers for April 2025.

The adjustment would have resulted in refunds of nearly Rs 6 billion in electricity bills issued in July 2025.

KE CEO Syed Moonis Abdullah Alvi criticized the proposed deferment, pointing out that when KE consumers faced higher FCAs in the past, the idea of a uniform national FCA mechanism was never considered. While assuring that KE would comply with NEPRA's final decision, Alvi urged the issue be resolved fairly and in line with legal provisions.

April FCA: KE seeks Rs4.69/unit negative adjustment

"A fair decision must be made. KE will abide by Nepra's notification," Alvi said. "If I were an industrialist planning production and exports, this ambiguity would seem unfair." In April 2025, KE received 1600 MW electricity from the national grid which is expected to be increased to 2,000 MW soon.

Nepra Member (Technical) Rafique Shaikh expressed dissatisfaction with the Power Division's justification for the proposed deferment.

Nepra's Legal Counsel Mian Ibrahim, called the Power Division's request illegal, noting that it lacked federal cabinet approval and no stay had been obtained from the Nepra Appellate Tribunal.

"The law on fuel price adjustments is clear. Base tariffs and FCAs are governed by separate legal provisions," Nepra's legal team stated.

The Power Division, represented by Additional Secretary (Power Finance) Mehfooz Bhatti, claimed it was merely seeking more time from the Authority. The team argued that the negative FCA would increase the subsidy burden on the federal government.

Bhatti added that the Division was preparing a summary to issue guidelines to Nepra and had requested stakeholder input. He asked for a 10–15-day deferment to maintain uniform FCA rates nationwide. He denied that the Division was pressuring NEPRA, stating that it was following legal protocols and would seek the Law Ministry's opinion.

However, Nepra Chairman Waseem Mukhtar, noting the public hearing had already been deferred three times, said the Regulator had not prevented the Power Division from obtaining legal advice. He emphasized that NEPRA had rejected the deferment request, particularly as a large number of intervenors had attended the hearing.

Several intervenors spoke against the proposal and also raised concerns about the continued recovery of the Debt Service Surcharge (DSS) from KE consumers.

Rehan Jawed said the Power Division appeared to be exerting undue pressure on NEPRA and urged the regulator to decide the matter strictly in accordance with the law.

Nepra Member (Law) Amina Ahmed highlighted that a provisional FCA of Rs 15.99/kWh had remained intact for nearly two years with no intervention or comments from the Power Division. "Now, after prolonged silence, the Ministry of Energy wants to shut down discussion," she lamented. She also criticized the argument that past deferments justify current ones.

Consumer representative Arif Bilwani called for the outright rejection of the Power Division's request, adding that there is no justification of deferment in FCA's determination.

Tanveer Barry of the Karachi Chamber of Commerce and Industry said the request lacked formal federal cabinet or ECC approval. He noted that during periods when KE consumers paid high FCAs, no relief or uniformity was offered, even though other DISCOs received negative adjustments.

"Karachi consumers are paying the PHL surcharge and are now expected to cover circular debt repayments unrelated to them, stemming from loans secured by the federal government. This is unjust," Barry argued. He urged Nepra to grant full FCA relief to KE consumers and reject both the Power Division's proposal and KE's unverified cost claims.

Discos FCA for May 2025: In a separate hearing earlier, Nepra approved a 50 paisa per unit negative adjustment for DISCOs' May 2025 electricity bills, resulting in refunds of approximately Rs 6.133 billion. This reduction was primarily attributed to declining RLNG (re-gasified liquefied natural gas) prices. Initially, the Central Power Purchasing Agency (CPPA-G) had requested a 10 paisa positive adjustment, but updated RLNG prices reversed the request.

During that hearing, CPPA-G CEO Rihan Akhtar presented fuel price trends and generation data, noting that hydel generation in May was significantly higher, helping offset other costs. Responding to queries, Akhtar said the DSS surcharge—Rs 3.23 per unit—had been uncapped by the government and now accounted for about 10% of the sector's total revenue.

Private sector representatives Aamir Sheikh and Rehan Jawed voiced concerns about rising furnace oil prices, blaming the hike on new Carbon and Petroleum Levies.

HSD PRICE UP BY RS10.39, PETROL'S BY RS8.36

Wasim Iqbal Published about 3 hours ago

ISLAMABAD: The federal government Monday announced a massive increase in the prices of petroleum products with effect from July 1, 2025.

The price of petrol has gone up by Rs 8.36 per litre, whereas, High Speed Diesel (HSD) price has also increased by Rs 10.39 per litre.

The price of petrol has gone up from Rs 266.79 per litre from Rs 258.43 per litre and HSD's jumped from Rs 262.59 to Rs 272.98 per litre for the fortnight starting July 1, according to the Finance Division's statement.

The Finance Division said the decision to increase the prices of petroleum products have been taken in line with the recommendations of Ogra and the relevant ministries. Sources said that the government adjusted the petroleum levy (PL) on petroleum products to levy carbon tax with a rate of Rs 2.50 per litre.

The PL on petrol has reduced from Rs 78.02 per litre to Rs 75.52 per litre and HSD also witnessed a reduction in Pl from Rs 77 to Rs 74.51 per litre, sources said.

US NATGAS PRICES SLIDE ON MILD WEATHER, LOWER DEMAND

Reuters Published about 3 hours ago

NEW YORK: US natural gas futures fell more than 6% on Monday, pressured by mild weather that kept heating and cooling demand subdued, allowing for larger-than-usual storage injections.

The front-month gas futures for August delivery on the New York Mercantile Exchange (NYMEX) were down 25.3 cents, or 6.8% to $3.49 per million British thermal units (mmBtu) by 10:04 a.m. ET (1404 GMT).

The decline marked a weak end to the second quarter, with prices dropping nearly 15% over the three-month period, snapping four straight quarters of gains and marking the worst performance since January 2024.

“The weather has moderated from that heat we just had, the prices are easing off a little bit,” said Thomas Saal, senior vice president for energy at StoneX Financial.

“The market (had initially) shown quite a resilience to additional production or additional supply going into storage. So the storage injections have been rather hefty and so that has kind of revealed that the market is well supplied and that has been weighing on prices.” Peak demand will likely come in July or August as broader heat sets in, Saal said, adding that while there had been some hot weather, it hadn’t yet covered most major gas-consuming regions, so the real test is still ahead.

Financial firm LSEG said average gas output in the Lower 48 US states rose to 105.9 billion cubic feet per day so far in June, up from 105.2 bcfd in May, but still below the monthly record high of 106.3 bcfd in March due primarily to normal spring pipeline maintenance earlier in the month.

LSEG estimated 199 total degree days (TDDs) over the next two weeks, compared with 234 estimated on Friday. It also forecast average gas demand in the Lower 48, including exports, dipping slightly to 105 billion cubic feet per day (bcfd) next week from 105.4 bcfd in the current week. The normal for this time of year is 170 TDDs. Total degree days measure the number of degrees a day’s average temperature is above or below 65 degrees Fahrenheit (18 degrees Celsius) to estimate demand to cool or heat homes and businesses.

The average amount of gas flowing to the eight big US LNG export plants fell to 14.3 bcfd so far in June, down from 15.0 bcfd in May and a monthly record high of 16.0 bcfd in April.

Despite being the world’s top natural gas producer and LNG exporter, many consumers in the US Northeast remain cut off from gas access due to limited pipeline infrastructure, relying instead on heating oil in their homes and businesses.

OIL PRICES SLIP ON EASING MIDDLE EAST RISKS

Reuters Published about 3 hours ago

HOUSTON: Oil prices slipped on Monday as investors weighed easing Middle East risk alongside a possible OPEC+ output increase in August and uncertainty over the global demand outlook.

Brent crude futures edged down by 19 cents, or 0.3%, to $67.58 a barrel at 10:01 a.m. EDT (1501 GMT), ahead of the August contract's expiry later on Monday. The more active September contract was down 34 cents at $66.46. US West Texas Intermediate crude was down 62 cents, or 1%, at $64.90 a barrel.

The Brent and WTI benchmarks posted their biggest weekly declines since March 2023 last week but are set for a second consecutive monthly gain of 5.8% and 6.8% respectively.

A 12-day war that started with Israel targeting Iran's nuclear facilities on June 13 sent prices above $80 a barrel before sliding back to $67.

"Supply increases and a bearish demand outlook by data reporting agencies will likely start to drive oil markets once again after tensions appear to have cooled between Iran and Israel," StoneX analyst Alex Hodes said in a note on Monday.

Four OPEC+ sources told Reuters last week that the group was set to boost production by 411,000 barrels per day (bpd) in August after similar increases for May, June and July.

The oil producer group is set to meet again on July 6. Some market tightness remains despite rising output, however, with lower than expected production increases while exports from OPEC+ countries have remained stable, said Giovanni Staunovo, analyst at UBS.

A Reuters survey found that OPEC oil output rose in May, but gains were limited by cuts by countries that had previously exceeded their quotas. Saudi Arabia and the United Arab Emirates, meanwhile, made smaller increases than allowed.

Kazakhstan, which has persistently exceeded quotas set by OPEC+, may exceed its previous oil production forecast by around 2% this year following an upgrade to output at its largest Caspian oilfields, Reuters calculations, based on data from state-owned energy company KazMunayGaz, showed.

A survey of 40 economists and analysts in June forecast Brent crude will average $67.86 per barrel in 2025, up from May's $66.98 forecast, while US crude is seen at $64.51, above last month's $63.35 estimate.

PAKISTAN HIKES PETROL, DIESEL PRICES FOR FIRST FORTNIGHT OF JULY 2025

July 1, 2025

Islamabad, July 1, 2025 – In a move likely to spark inflationary concerns, the Government of Pakistan has announced a sharp increase in the prices of petrol and diesel, effective from midnight, July 1, 2025.

According to a formal notification issued by the Finance Division, the hike in fuel prices comes in line with the fortnightly review mechanism and recommendations submitted by the Oil and Gas Regulatory Authority (OGRA), in consultation with other relevant ministries.

As per the revised rates, the price of high-speed diesel has been increased by Rs10.39 per liter, bringing the new rate to Rs272.98, up from the previous Rs262.59. Meanwhile, the price of petrol has been raised by Rs8.36 per liter, now set at Rs266.79, compared to the earlier rate of Rs258.43.

This latest adjustment marks the third consecutive rise in petrol and diesel prices in recent months, further straining household budgets and industrial input costs. The surge in petrol and diesel rates is expected to have a cascading effect on transportation fares, food prices, and manufacturing costs, potentially pushing inflation higher.

Interestingly, the price hike comes at a time when global crude oil markets have shown a downward trend. Following a ceasefire agreement between Iran and Israel, international oil prices had dropped considerably. This development had led many economic observers to predict a possible relief in domestic fuel prices. However, contrary to expectations, the government opted for a steep upward revision.

Experts believe that the government may be attempting to shore up revenue amid fiscal challenges, despite the easing of global oil rates. They argue that instead of providing relief, this increase in diesel and petrol prices will burden the common citizen and hurt small businesses already grappling with inflation.

The Finance Division, however, maintained that the current pricing structure is necessary to align with ongoing commitments under economic stabilization policies.

With petrol and diesel being essential to nearly every sector of the economy, today's announcement is poised to ripple across the country's financial landscape.

Pakistan has also impose climate support levy with Rs2.5 per liter on petroleum products.

FEDERAL GOVERNMENT SCRAPS ELECTRICITY DUTY FROM MONTHLY UTILITY BILLS

June 30, 2025

Islamabad, June 30, 2025 — The federal government has announced that the collection of electricity duty through power bills will be discontinued starting July 2025. The Ministry of Energy (Power Division) has urged all provincial governments to follow suit and adopt alternative mechanisms for collecting provincial levies and duties.

Federal Minister for Power Division, Sardar Awais Ahmed Khan Leghari, has formally communicated this decision to all Chief Ministers (CMs) via official letters. The minister emphasized the federal government's commitment to making electricity bills more transparent and easier for the average consumer to understand.

According to a press release issued on Monday, the Minister highlighted that rising electricity tariffs have already placed a considerable strain on households and businesses. The additional layer of taxes, surcharges, and duties, such as the electricity duty, further complicates billing structures, making it harder for consumers to track and manage their actual energy consumption.

"This initiative is a key part of the broader reform agenda to rationalize power tariffs and streamline the billing process," stated Leghari. He further noted that ongoing efforts to renegotiate terms with Independent Power Producers (IPPs), reduce the Return on Equity (ROE) for government-owned generation plants, and push for structural changes in the sector all align with this broader goal.

The federal minister reiterated that electricity bills should reflect the true cost of consumption alone, not serve as a catch-all for unrelated fiscal collections. "To truly simplify billing and reduce confusion, we must eliminate non-essential charges. Discontinuing the electricity duty is a step in that direction," Leghari wrote in his letter.

He called on provincial governments to develop independent systems to collect duties and levies that are currently bundled within electricity bills. This, he said, would ensure greater fiscal transparency and restore the purpose of utility bills to reflect only electricity usage costs.

Expressing hope for collective provincial support, the Power Division maintained that coordinated action on this front will help build a more equitable and consumer-friendly energy regime across Pakistan.

Markets - Rates

BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (June 30, 2025).

==================================== BR...

Recorder Report Published about 3 hours ago

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (June 30, 2025).

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====================================
BR INDICASE AT A GLANCE
====================================
             BRINDEX100
====================================
Day Close:                125,627.31
High:                     125,748.59
```

```
Low:                       124,500.21
Net Change:                  1,248.24
Volume (000):                 258,994
Value (000):               20,301,358
Makt Cap (000)          3,756,648,000
-------------------------------------
BR AUTOMOBILE ASSEMBLER
-------------------------------------
Day Close:                  20,432.16
NET CH                     (+) 105.99
-------------------------------------
BR CEMENT
-------------------------------------
Day Close:                  10,620.40
NET CH                      (-) 68.93
-------------------------------------
BR COMMERCIAL BANKS
-------------------------------------
Day Close:                  33,698.76
NET CH                     (+) 608.35
-------------------------------------
BR POWER GENERATION AND DISTRIBUTION
-------------------------------------
Day Close:                  20,629.12
NET CH                     (+) 116.39
-------------------------------------
BR OIL AND GAS
-------------------------------------
Day Close:                  11,949.93
NET CH                      (+) 30.70
-------------------------------------
BR TECH & COMM
-------------------------------------
Day Close:                   2,922.70
NET CH                      (+) 56.23
-------------------------------------
As on:                   30-JUNE-2025
=====================================
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These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

SHIPPING INTELLIGENCE

Recorder Report Published about 3 hours ago

KARACHI: Karachi Shipping Intelligence report incorporating changes till 7 am on Monday (June 30, 2025).

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Alongside East Wharf

Berth No.	Ship	Working	Agent	Berthing Date
OP-1	Voular	Disc Mogas	Alpine Marine Services	30-06-2025
OP-3	Swan Lake	Disc Crude Oil	Pak National Ship	29-06-2025
B-1	Royal Lady	Disc Chemical	Eastwind Sip Company	29-06-2025
B-4	Meghna Rose	Load Clinkers	Gearbulk Shipping	28-06-2025
B-5	Spinnaker Sw	Load Barite Lumps Barite	Crys Tal Sea Services	27-06-2025
B-9/B-8	Gfs Prime	Dis/Load Containers	Eastwind Sip Company	30-06-2025
B-10/B-11	Chorus V	Disc Rice Phosphate	Wma Shipping Agencies	25-06-2025
B-10/B-11	Bao Success	Disc Rice Phosphate	Wma Shipping Agencies	29-06-2025
B-11/B-12	Grand Concord	Load Clinkers	Evergreen Sip & Logistics	27-06-2025
B-13/B-14	Bao Glory	Load Clinker	Bulk Shipping Agencies	23-06-2025
B-14/B-15	Liberty Grace	Disc Soya Bean Seends	Ocean Services	22-06-2025
B-16/B-17	Kiranl Istanbu	Disc Genreal Cargo	Seahawks ASIA global	29-06-2025

Alongside WEST Wharf

Berth No.	Ship	Working	Agent	Berthing Date
B-20/B-21	Chorus V	Disc Rice Phosphate	Ocean World	29-06-2025
B-25/B-24	Bozburun M	Load Cement	Ocean Service	23-06-2025
B-26/B-27	Yuan Xiang Fa Zhan	Dis/Load Containers	Feeder Logistics	29-06-2025
B-29/B-28	Ital Universo	Dis/Load Containers	Green Pak Shipping	26-06-2025
B-29/B-30	X-Press Kohima	Dis/Load Containers	X-Press Feeders Sip Agency Pak	26-06-2025

Alongside SOUTH Wharf

Berth No.	Ship	Working	Agent	Berthing Date
Sapt-1	One Readiness	Dis/Load Containers	Ocean NETWORK express Pak	27-06-2025
Sapt-2	Seaspan Santos	Dis/Load Containers	Gac Pakistan	29-06-2025
Sapt-3	Apl Antwerp	Dis/Load Containers	Cma Cgm Pakistan	30-06-2025
Sapt-4	Ever Lucid	Dis/Load Containers	Green Pak Shipping	27-06-2025

Expected Sailing

Name of Vessel	Expected Date	Expected Arrival Cargo	Agent
Seaspan Santos	30-06-2025	Dis/Load Containers	Gac Pakistan
Ital Universo	30-06-2025	Dis/Load Containers	Green Pak Shipping
One Readiness	30-06-2025	Dis/Load Containers	Ocean NETWORK express Pak
Swan Lake	30-06-2025	Disc Crude Oil	Pak National Ship

Expected Arrivals

GingaSaker	30-06-2025	L/20000 Chemisal	Eastwind Shipping Company
Kota Manzanillo	30-06-2025	D/L Container	Pacific Delta Shipping
Xinbeijing	30-06-2025	D/L Container	Cosco Shiping Line Pak
Msc Apollo	30-06-2025	D/L Container	Msc Agency Pakistan
Gsl Christen	30-06-2025	D/L Container	Gac Pakistan
UaflDubal	30-06-2025	D/L Container	Golden Shipping Lines
Xin Lian Chang	30-06-2025	D/L Container	Ap Line
Konrad	10-07-2025	D/L Container	Freight Connection Pakistan
Araya Bhum	01-07-2025	D/L Container	Inshipping
An Yang	01-07-2025	D/L Container	Universal Shipping
Addison	01-07-2025	D/L Containerbbc Scandinavia	Oceansea Shipping

Ship Sailed

Name of Vessel	Departure Date	Ships Departures Cargo	Agent
Griffin T	30-06-2025	Tanker	-
Aquavita Trust	30-06-2025	Container Ship	-
Zhong Hang	30-06-2025	Container Ship	-
Sheng	30-06-2025	Container Ship	-
Gfc Genesis	30-06-2025	Container Ship	-
Al Soor Ii	30-06-2025	Tanker	-
Solar Suzanne	30-06-2025	Tanker	-
Monica	30-06-2025	Container Ship	-

PORT QASIM INTELLIGENCE

Berth	Vessel	Working	Agent	Berthing Date
MULTI PURPOSE TERMINAL				
MW-1	Icarius	Rice	Ocean Service	June 29th, 2025
MW-2	Flora	Corn	Blue Marinos	June 27th, 2025
MW-4	Xin Hai Tong	Coal	Ocean World	June 29th, 2025

PAKISTAN INTERNATIONAL BULK TERMINAL

PIBT	HMT Fortune	Coal	Trade Shore	June 28th, 2025

Port Qasim Electric Power Terminal

PQEPT	Falmounth Bay	Coal	Alpine	June 28th, 2025

LIQUID CARGO TERMINAL

LCT	Ocean Agalia	Palm oil	Alpine	June 29th, 2025

GRAIN & FERTILIZER TEMINAL

FAP	Phoenix Ocean	Soya Bean Seed	Ocean Service	June 26th, 2025

SSGC LPG TERMINAL

SSGC	Bateleuer	LPG	M International	June 28th, 2025

DEPARTURE

Vessel	Commodity	Ship Agent	Departure Date
Sereno	Gasoline	Trans Marine	June 30th, 2025
MSC Domna-X	Container	MSC PAK	-do-
Al-Sakhamah	LNG	Hussain Trading	-do-

EXPECTED Departures

Xin Lian Chang	Container	Alpine	June 30th, 2025
Ocean Agalia	Palm oil	Alpine	-do-
Falmounth Bay	Coal	Alpine	-do-

OUTERANCHORAGE

Al-Soor-II	Gas oil	Ass Liner Agency	June 30th, 2025
BBG Forever	Coal	Alpine	-do-
Atlantic Sakura	Canola	Ocean Service	Waiting for Berths
Kendros	Soya Bean Seed	Alpine	-do-
Amir Gas	LPG	M International	-do-
America Graeca	Coal	Alpine	-do-
Lynux Synergy	Coal	GAC	-do-

EXPECTED ARRIVAL

Xin Lian Chang	Container	GAC	June 30th, 2025
Seaspan Santos	Container	GAC	-do-

MSC Inaya-V	Container	MSC PAK	-do-
MSC Sabrina	Container	MSC PAK	July 1st, 2025
Prime	Container	GAC	-do-

KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Monday (June 30, 2025). ========================== KIBOR...

Published about 3 hours ago

KARACHI: Kibor interbank offered rates on Monday (June 30, 2025).

KIBOR

Tenor	BID	OFFER
1-Week	10.94	11.44
2-Week	10.92	11.42
1-Month	10.89	11.39
3-Month	10.90	11.15
6-Month	10.88	11.13
9-Month	10.82	11.32
1-Year	10.81	11.31

Data source: SBP

LME OFFICIAL PRICES

LONDON: The following were Friday official prices. === ALUMINIUM...

Recorder Report Published about 3 hours ago

LONDON: The following were Friday official prices.

ALUMINIUM

CONTRACT	BID	OFFER
Cash	2582.50	2583.00
3-month	2580.00	2580.50

COPPER

CONTRACT	BID	OFFER
Cash	10050.00	10051.00
3-month	9855.00	9857.00

ZINC

CONTRACT	BID	OFFER
Cash	2752.50	2753.00
3-month	2755.00	2756.00

NICKEL

CONTRACT	BID	OFFER
Cash	15025.00	15030.00
3-month	15210.00	15230.00

LEAD

CONTRACT	BID	OFFER
Cash	2009.00	2010.00
3-month	2033.00	2034.00

Source: London Metals Exchange.

ACTIVITIES OF KARACHI PORT TRUST, PORT QASIM

Recorder Report Published about 3 hours ago

KARACHI: The Karachi Port Trust handled 331,420 tonnes of cargo comprising 174,289 tonnes of import cargo and 157,131 tonnes of export cargo during last 48 hours, ending at 0700 hours.

The total import cargo of 93,761 comprised of 6,784 tonnes of Containerized Cargo, 14,879 tonnes of Rock Phosphate & 58,865 tonnes of Liquid Cargo.

The total export cargo of 55,426 comprised of 97,377 tonnes of Containerized Cargo, 17,59 tonnes of Barite Lumps, 2,434 tonnes of Cement, 37,330 tonnes of Clinkers & 2,400 tonnes of Liquid Cargo.

Approximately, 10 ships namely Chorus V, Seaspan Santos, Yuan Xiang Fa Zhan, Bao Success, Kiran Istanbul, X-Press Kohima, Royal Lady, Gfs Prime, Voula & Apl Antwerp, berthed at the Karachi Port Trust.

Griffin T, Aquavita Trust, Zhong Hang, Sheng, Gfc Genesis, Al Soor Ii, Solar Suzanne & Monica, sailed from the Karachi Port Trust.

PORT QASIM

A total of eleven ships were engaged at PQA berths during the last 24 hours, out of them three ships, MSC Domna-X, Sereno and Al-Sakhamah left the port on Monday morning, while three more ships, Xin Lian Chang, Ocean Agalia and Falmouth Bay are expected to sail on Monday.

Cargo volume of 160,007 tonnes, comprising 119,160 tonnes imports cargo and 40,847 export cargo carried in 2,069 Containers (561 TEUs Imports &2,036 TEUs Export) was handled at the port during last 24 hours.

There are seven ships at Outer Anchorage of Port Qasim, out of them two ships, Al-Soor-II and BBG Forever & three more ships, Xin Lian Chang, Seaspan Santos and MSC Inaya-V carrying Gas oil, Coal and Container are expected to take berths at FOTCO, PIBT and QICT respectively on Monday30th June, while three more container ships, GFS Prime and MSC Sabrina-III are due to arrive at outer anchorage on Tuesday 1st July, 2025.

STOCKS SOAR ON CHINA LOAN

Recorder Report Published about 3 hours ago

KARACHI: The Pakistan Stock Exchange (PSX) concluded the last day of fiscal year 2024-25 on a powerful note on Monday, fueled by strong fiscal year-end flows, active institutional participation and a significant external financing development that improved investor sentiment.

By the close of the session, the benchmark KSE-100 Index had surged by 1,248.25 points, or one percent, settling at a record 125,627.31 points, soaring to an all-time closing. The market’s upward trajectory was evident throughout the day as the index touched an intraday high of 125,748.59 points, and the low of 124,500.21 points.

On Monday, BRIndex100 closed at 12,771.29, gaining 97.10 points or 0.77 percent with a total volume of 873.51 million shares. Meanwhile, BRIndex30 settled at 38,294.05, up by 30.32 points or 0.08 percent with a total turnover of 530.03 million shares.

Topline Securities in its market commentary noted that the local bourse wrapped up the fiscal year on a high note, carrying forward last week’s bullish momentum with another stellar performance. The upbeat sentiment was fuelled by strong fiscal year-end flows and a significant external trigger as China rolled over $3.4 billion in commercial loans to Islamabad. This move also helped Pakistan meet the IMF’s foreign reserves requirement of around $14 billion, reinforcing investor confidence and effectively addressing one of the most pressing concerns in the country’s economic landscape.

Heavyweight stocks played a decisive role in Monday's rally as fertilizer, banking, and energy exploration stocks led the charge.

On the trading front, market participation remained exceptionally strong. The total traded volume on the ready market reached 1,144 million shares, a sharp increase from 773 million shares recorded in the previous session. The overall traded value on Monday remained at Rs 35.23 billion, although low from the previous session's Rs 37.56 billion.

On the volume chart, WorldCall Telecom (WTL) emerged as the volume leader, with an impressive 139.88 million shares changing hands, closing at Rs. 1.58 per share. Other actively traded stocks by volume included Kohinoor Spinning (KOSM) with 96.37 million shares traded and closed at Rs. 6.50. This was followed by TPL Properties (TPLP) with 51.66 million shares closing at Rs. 9.97.

Among the standout performers of the day, PIA Holding Company LimitedB delivered a spectacular surge, rising by Rs. 1,469.73 to close at Rs. 16,167.03, while Unilever Pakistan Foods Limited also posted a strong gain of Rs. 113.33, finishing at Rs. 23,613.33. On the downside, Rafhan Maize Products Company Limited witnessed a decline of Rs. 45.66, settling at Rs. 9,553.67, followed by Sapphire Fibres Limited, which fell by Rs. 37.97 to close at Rs. 1,069.36.

Market breadth remained decisively positive, as 297 companies closed higher, 152 declined, while 32 remained unchanged out of a total of 481 active companies in the ready market. Market capitalization rose by Rs 177 billion to Rs 15.239 trillion from Rs 15.062 trillion a session earlier, underlining the magnitude of the market's rally.

The BR Automobile Assembler Index closed at 20,432.16 points, showing an increase of 105.99 points or 0.52 percent, with a total turnover of 2.15 million shares. The BR Cement Index ended the session at 10,620.40 points, down by 68.93 points or 0.64 percent, with 22.50 million shares traded.

The BR Commercial Banks Index posted a strong performance, closing at 33,698.76 points after gaining 608.35 points or 1.84 percent, with a total turnover of 138.76 million shares. The BR Power Generation and Distribution Index advanced by 116.39 points or 0.57 percent to close at 20,629.12 points, with a turnover of 21.50 million shares.

The BR Oil and Gas Index increased by 30.70 points or 0.26 percent, settling at 11,949.93 points with a total turnover of 53 million shares. Meanwhile, the BR Technology & Communication Index rose by 56.23 points or 1.96 percent to finish at 2,922.70 points, registering the highest sector turnover of 202.14 million shares.

Ahsan Mehanti, Director at Arif Habib Corporation, noted that the stock market's bullish run was largely supported by strong foreign financing inflows and a stable rupee. He attributed much of the recent rally to positive developments such as China's $3.4 billion refinancing, improved foreign exchange reserves, and growing anticipation of energy tariff relief for industries. Mehanti added that the upbeat momentum in global stock markets and the government's privatization plans for major public-sector entities further contributed to strengthening investor confidence on the local bourse.

OPEN MARKET FOREX RATES

Updated at: 1/7/2025 8:43 AM (PST)

Currency	Buying	Selling
Australian Dollar	185	190
Bahrain Dinar	754.1	763.10
Canadian Dollar	207	212
China Yuan	39.19	39.59
Danish Krone	43.36	43.76
Euro	333.60	335.60
Hong Kong Dollar	35.76	36.11
Indian Rupee	3.21	3.30
Japanese Yen	1.9550	2.0550
Kuwaiti Dinar	921.1	931.10
Malaysian Ringgit	66.45	67.05
NewZealand $	169.03	171.03
Norwegians Krone	27.68	27.98
Omani Riyal	738.95	747.95
Qatari Riyal	77.37	78.07
Saudi Riyal	76.05	76.4
Singapore Dollar	221.5	226.5
Swedish Korona	29.56	29.86
Swiss Franc	343.9	346.65
Thai Bhat	8.61	8.75
U.A.E Dirham	77.65	78.10
UK Pound Sterling	391.5	394
US Dollar	285.35	286.15

INTER BANK RATES

Updated at: 1/7/2025 8:43 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	185.31	185.63
Canadian Dollar	207.37	207.73
China Yuan	39.59	39.66
Danish Krone	44.53	44.61
Euro	332.25	332.83
Hong Kong Dollar	36.13	36.19
Japanese Yen	1.9667	1.9701
Saudi Riyal	75.62	75.75
Singapore Dollar	222.44	222.83
Swedish Korona	30.06	30.12
Swiss Franc	354.87	355.50
Thai Bhat	8.71	8.73
UK Pound Sterling	388.97	389.65
US Dollar	283.60	284.10

GOLD RATE

Bullion / Gold Price Today

As on Tue, Jul 01 2025, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	298,432	347,722	928,243	
Palladium	XPD	103,551	120,654	322,086	
Platinum	XPT	122,464	142,691	380,913	
Silver	XAG	3,281	3,823	10,206	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Tue, Jul 01 2025, 02:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 347700	Rs. 318723	Rs. 304238	Rs. 260775
per 10 Gram	Rs. 298100	Rs. 273256	Rs. 260838	Rs. 223575
per Gram Gold	Rs. 29810	Rs. 27326	Rs. 26084	Rs. 22358
per Ounce	Rs. 845100	Rs. 774669	Rs. 739463	Rs. 633825

Gold Rate

FOREX.pk offered latest and upto date Gold Rate in Pakistan as per International market for today gold rates in Pakistan you can visit GOLD.pk, We update international market gold rate in every fifteen minutes from authentic sources, Gold rates may be different in every city of Pakistan. Karachi is the main hub of gold market, in Pakistan, Karachi is leading for gold rate, every city follow Karachi Sarafa Bazar Association for gold price, Today gold prices for different cities including Karachi, Lahore, Islamabad, Peshawar, and Quetta are also available on Gold.pk. FOREX.pk is not liable or responsible to any transactions made on the basis of above mentioned gold rate.

* Above Gold rate are taken from International Market so there may be some fluctuation from Local Market you can visit GOLD.pk for uptodate today gold price in Pakistan.

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	7,549	8,795	23,479	
Euro	EUR	900	1,049	2,801	
Japanese Yen	JPY	152,378	177,545	473,956	
Saudi Riyal	SAR	3,947	4,599	12,277	
U.A.E Dirham	AED	3,866	4,504	12,023	
UK Pound Sterling	GBP	769	896	2,392	
US Dollar	USD	1,053	1,226	3,274	