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# SHAHID LEGAL GROUP

# SLD NEWS UPDATES

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## ABBOTTABAD: DG I&I IR PESHAWAR OFFICERS CAN'T RECOVER ST LIABILITIES: PHC

Recorder Report Published May 5, 2025 Updated about an hour ago

**ISLAMABAD: Peshawar High Court (PHC) has declared that the Audit Officers of Directorate General of Intelligence and Investigation – Inland Revenue (DG I&I-IR), do not possess independent statutory powers to assess, adjudicate, or recover sales tax liabilities of sales tax registered persons.**

It is reliably learnt that this landmark decision came in response to a sales tax reference filed by an Abbottabad-based taxpayer, who challenged the jurisdiction of DG I&I (IR) Audit Officer from Peshawar. Case was argued by tax lawyer Waheed Shahzad Butt and the Division Bench agreed, observing: "It is unclear how an officer of the DG I&I (IR), Peshawar, could independently calculate and assess the sales tax liability of the Applicant situated in Abbottabad. Such actions are beyond the statutory framework governing their powers."

PHC order states: "Since the entire exercise has been conducted, the liability in question assessed and contravention report has been made by the Audit Officer of DG I&I (IR), Peshawar. Audit Officers of the DG I&I (IR), Peshawar do not have independent statutory powers to assess, adjudicate, or recover sales tax liabilities. Their powers were limited to detection, investigation, and reporting of cases involving tax evasion, fraud, or non-compliance, preparation of contravention reports, conduct audits and seek information

Every registered person operating within the supply chain claims adjustment or refund of input tax. Without a proper determination of the input tax claimed or claimable, it is unclear how an officer of the DG I&I (IR), Peshawar, could independently calculate and assess the sales tax liability of the Applicant situated in Abbottabad.

Audit Officer of DG I&I, Peshawar, unlawfully assumed jurisdiction, prepared a contravention report without conducting an audit under Section 25 or examining records under Section 38, and improperly determined a sales tax liability. These actions were without jurisdiction and void ab initio.

The Adjudicating Officer, without conducting any independent inquiry or applying his own mind, simply endorsed the findings of the Audit Officer DG I&I (lR). Similarly, both the CIR (Appeals) and the Appellate Tribunal failed to address these jurisdictional and procedural defects, culminating in an unjustified imposition of huge liability upon the taxpayer

Waheed Butt informed that the said judgment reinforces the principle of jurisdictional integrity and legal authority in tax administration. It provides much-needed clarity on the limits of power vested in investigative officers and ensures that taxpayers are not subjected to arbitrary assessments.

It is therefore concluded that the entire proceedings, from their very inception, being without jurisdiction and without lawful authority, are void and of no legal effect, PHC order added.



## FBR OPERATIONALISES SECTION 175C OF ITO

Recorder Report Published May 4, 2025

**ISLAMABAD: In a significant move to broaden the tax base and address long-standing inequities in Pakistan's tax structure, the Federal Board of Revenue (FBR) has operationalised Section 175C of the Income Tax Ordinance, 2001.**

This provision authorises Inland Revenue Officers to be stationed at business premises to monitor production, stocks, supply of goods, and more importantly, the rendering of services—especially by integrated enterprises in the largely undocumented service sector.

Similar provisions of the enforcement mechanism under Section 175C have existed under the Sales Tax Act, 1990 and Federal Excise Act, 2005 with respect to goods. This step simply brings services into parity, ensuring fair and comprehensive oversight across sectors, tackling the underground economy, which is estimated to be more than 30% of the formal GDP.

The measure is a response to growing public concern over the increasing tax fatigue among the salaried class and documented manufacturers. Through enhanced documentation of the high-potential service sector, FBR aims to create fiscal space that could allow potential downward revisions in personal income tax rates on salary earners. In contrast, the service sector—representing nearly 60% of GDP—remains largely undocumented, with over 70% of enterprises reportedly unregistered, leading to significant tax leakages.

The scope of this section specifically targets high-earning yet under-documented businesses including restaurants, hotels, guest houses, marriage halls, clubs, courier and cargo services, beauty parlours, clinics, hospitals, diagnostic laboratories, gyms, foreign exchange dealers, photographers, and traders.

Alarmingly, some private hospitals are reportedly charging Rs 100,000 to 200,000 per day for inpatient room occupancy—rates that exceed even those of five-star hotels. Many of these entities are underreporting revenues and non-compliant with tax laws, thus undermining public trust and depriving the state of critical revenue needed for social services and infrastructure.

The FBR reiterates that the intent behind this legislation is that those rendering services and profiting from Pakistan's booming urban and semi-urban markets must shoulder their lawful tax obligations.

FBR urges all stakeholders to cooperate with tax authorities and ensure compliance. "Together, we can create a more just and robust fiscal architecture—one that does not penalize the honest and reward the non-compliant."

## JEWELERS BLAST NEW TAX ORDINANCE, WARN OF GROWING CRISIS

May 5, 2025

Islamabad, May 5, 2025 – President of the All Pakistan Sarafa Gems and Jewelers Association, Qasim Shikarpuri, has strongly criticized the government's latest economic policies, calling them a fresh assault on the already struggling business community.

He specifically objected to the inclusion of jewelers in the new Tax Laws (Amendment) Ordinance 2025, under which they have been classified as Designated Non-Financial Businesses and Professions (DNFBPs), placing them under anti-money laundering regulations.

According to Shikarpuri, this step is unfair and seems more like a targeted move against small and medium traders. He said that linking jewelers to money laundering is misleading and damaging. "People involved in money laundering don't buy jewelry," he explained. "They avoid it because when they try to resell it, they lose 20 to 25% of the value. No one involved in illegal money transfers would accept such a loss."

He added that the business sector in Pakistan, especially jewelers, is already facing immense financial challenges due to inflation and reduced customer spending. "Instead of offering support, the government is adding more pressure and treating honest traders as criminals," he said. Shikarpuri pointed out that while wealthy individuals and powerful groups often escape taxation, the Federal Board of Revenue (FBR) continues to focus on those who are already paying taxes responsibly.

He also accused the FBR of widespread corruption, especially through the misuse of Point of Sale (POS) systems. According to him, POS devices have become tools for monthly bribe collection. Giving more authority to FBR field officers will only increase corruption and open new doors for the elite and officials to demand illegal payments. Meanwhile, small traders, including jewelers, will face even harsher conditions.

Shikarpuri urged the government to stop making the business community pay the price for its own mismanagement. "This tax policy is clearly against the interests of traders and jewelers. It's deeply concerning," he said. The Association plans to continue protesting through legal and democratic means. He demanded that the government immediately reverse the unfair actions against jewelers and consult with stakeholders before enforcing such damaging measures.

## KCCI REJECTS NEW TAX ORDINANCE, URGES IMMEDIATE WITHDRAWAL

May 4, 2025

Karachi, May 4, 2025 – The Karachi Chamber of Commerce and Industry (KCCI) has strongly denounced the recently promulgated Tax Laws (Amendment) Ordinance, 2025, calling it undemocratic and detrimental to business confidence.

KCCI has demanded the federal government immediately revoke the ordinance and hold a transparent parliamentary debate involving all relevant stakeholders.

In a strongly worded statement on Sunday, KCCI President Muhammad Javed Bilwani criticized the ordinance for granting sweeping powers to the Federal Board of Revenue (FBR), particularly in matters of tax recovery. He said that the ordinance bypasses both Parliament and the Judiciary, undermining the constitutional checks and balances essential to democratic governance.

The controversial ordinance, issued just a day earlier by the President of Pakistan, amends Sections 138 and 140 of the Income Tax Ordinance, 2001, as well as key clauses in the Federal Excise Act, 2005. These changes authorize the FBR to take immediate recovery actions—such as freezing bank accounts, attaching properties, and sealing business premises—after a final verdict from the High Court or Supreme Court, without issuing any further notice.

Bilwani termed this an unacceptable overreach, stating, "Allowing tax authorities to forcibly recover dues immediately after a court verdict, without even a basic opportunity for voluntary compliance or appeal, amounts to harassment and a violation of due process."

Further provisions in the ordinance empower FBR officials to be stationed within factories and business sites to monitor production, inventory, and the flow of goods. The KCCI views this move as invasive and alarming for businesses already grappling with regulatory pressures.

"The deployment of tax officers in business premises is not just intrusive—it's pure harassment," said the KCCI president. "This ordinance disrespects the Constitution, undermines the judiciary, and sends a damaging signal to the investment community."

KCCI emphasized that the amendments to the Federal Excise Act appear to be driven by ill intent rather than reform. The Chamber reiterated its call for the government to immediately withdraw the ordinance and engage with stakeholders through proper legislative processes.

KCCI stands firm in its resolve to protect business interests and uphold democratic accountability in all fiscal policymaking.

## KTBA PROPOSES OVERHAUL OF TAX AUDIT FRAMEWORK FOR FBR

May 4, 2025

Karachi, May 4, 2025 – The Karachi Tax Bar Association (KTBA) has put forward a detailed proposal for the Federal Board of Revenue (FBR) to adopt a comprehensive and transparent audit plan aimed at improving tax compliance and restoring taxpayer confidence.

In its formal recommendations for the Federal Budget 2025–26, the KTBA has emphasized the need to reform the existing mechanism under Section 177 of the Income Tax Ordinance, 2001. According to the association, the current audit framework is widely seen as inconsistent, overly discretionary, and often burdensome for compliant taxpayers. The KTBA believes that an improved and systematic audit regime will not only enhance efficiency but also help reduce harassment and promote voluntary tax compliance.

As part of its proposals, the KTBA has recommended the creation of a dedicated audit wing within the FBR, equipped with modern tools and technologies to identify cases for audit using objective, risk-based criteria. This wing should be responsible for selecting taxpayers based on specific indicators of non-compliance, rather than on arbitrary or subjective grounds.

To make the audit process more effective and comprehensive, the KTBA has advocated for the integration of income tax, sales tax, and federal excise duty (FED) audits into a single, unified process. Such combined audits would give tax authorities a more complete view of a taxpayer's financial operations and reduce duplication of effort. Moreover, it would lower compliance costs and prevent repeated interactions with taxpayers for separate tax categories.

KTBA's plan also stresses the importance of judicially guided audit practices. Audits should be conducted in a structured manner, consistent with court decisions, to ensure fairness and legal conformity. Post-audit, a clear and concise report should be submitted to the jurisdictional officer, who would then initiate any necessary assessment proceedings.

The KTBA's proposal aims to modernize Pakistan's tax enforcement system, align it with international best practices, and foster a culture of compliance through trust, transparency, and reduced administrative burden. By introducing a structured and fair audit strategy, the FBR can boost its credibility and improve tax collection without alienating taxpayers.

## PSX PROPOSES TAX CREDITS REVIVAL FOR SALARIED SHARE INVESTORS

May 4, 2025

Karachi, May 4, 2025 – The Pakistan Stock Exchange (PSX) has urged the Federal Board of Revenue (FBR) to reinstate tax credits for the salaried class investing in the capital market.

In its detailed budget proposals for FY2025-26, the PSX emphasized that restoring these credits would be instrumental in encouraging long-term savings and strengthening participation in the formal investment ecosystem.

The PSX noted that tax credits are particularly important for small-scale investors, especially salaried individuals, who often rely on modest savings to plan for retirement or meet major financial goals. These savings, when directed towards the capital market, not only help individuals build financial security but also contribute to the broader economy by supporting equity and debt markets, including government securities.

In its submission, the PSX warned that the removal of tax credits under the Finance Act 2022 has had a discouraging effect on retail investor participation. The withdrawal of incentives that previously applied to investments in new shares, mutual funds, sukuks, and life insurance policies is believed to have redirected public funds toward informal or undocumented investment avenues offering higher returns but lacking transparency.

The PSX has specifically proposed the reinstatement of Section 62 of the Income Tax Ordinance, 2001. This provision allowed tax credits for individual investors, encouraging disciplined savings behavior. According to the PSX, bringing back Section 62 would have minimal impact on government revenue while delivering long-term benefits by cultivating a savings-oriented culture among citizens.

In its rationale, the PSX highlighted that the tax credits under Section 62 had historically served as a key motivator for individuals to invest in regulated financial instruments. For a country like Pakistan, where the savings rate lags behind regional peers, such incentives are not only beneficial—they are necessary. The PSX also pointed out that similar investment-linked tax incentives are widely used in other countries to support retirement savings and ensure financial inclusion.

Reinstating these credits could act as a catalyst in reviving retail investor interest and promoting formal investment practices, especially among the salaried class that forms a substantial segment of Pakistan's working population.

## FBR UNLEASHES CRACKDOWN USING NEW SWEEPING LEGAL AUTHORITY

May 4, 2025

The federal government has triggered serious concerns across the business and legal communities by granting sweeping, extraordinary powers to the Federal Board of Revenue (FBR) through the Tax Laws Amendment Ordinance, 2025—bypassing parliamentary debate just weeks ahead of the federal budget.

This latest move, driven by a colossal Rs830 billion tax shortfall, reeks of desperation and signals a dangerous shift toward unchecked executive authority.

President Asif Ali Zardari's decision to promulgate this ordinance speaks volumes about the government's financial panic. Rather than presenting these drastic changes through the budget process and allowing public scrutiny, the FBR has now been armed with aggressive new tools to clamp down on taxpayers, directly access bank accounts, and even post officers inside business premises. These are not just procedural adjustments—they are an alarming encroachment on civil and commercial liberties.

One of the most disturbing aspects of the ordinance is the insertion of Section 138(3A) in the Income Tax Ordinance. This provision allows the FBR to initiate immediate recovery of tax liabilities once a superior court rules against a taxpayer—eliminating time extensions and limiting legal recourse. It disregards the fact that multiple legal issues may still be unresolved or pending in higher courts. With this, the FBR is now empowered to recover dues directly from taxpayers' bank accounts or through third parties, effectively turning tax collection into a punitive weapon.

The FBR has also gained powers under the newly added Section 175C, allowing the Chief Commissioner to post Inland Revenue officers at business premises to monitor production, supply, and even unsold stock. This Orwellian surveillance-style enforcement will breed fear, disrupt operations, and deepen distrust between businesses and the state. Legal experts warn that such measures erode due process and incentivize corruption within tax enforcement agencies.

Further amendments to the Federal Excise Act enable the FBR to confiscate goods lacking proper tax stamps, barcodes, or labels—again, authorizing both federal and provincial officials to wield power without sufficient oversight. The ambiguity and wide net cast by these provisions will likely ensnare legitimate businesses already reeling from inflation and high compliance costs.

For a government that set a sky-high revenue target of Rs12.97 trillion, these draconian changes signal failure. Only Rs36 billion has so far been recovered in windfall tax cases—far below the Rs400 billion promised by Prime Minister Shehbaz Sharif. Unrealistic fiscal expectations have backfired, and now the FBR is being weaponized to close the gap—at the expense of legal safeguards and economic stability.

The Lahore Chamber of Commerce and Industry has rightly denounced these amendments, demanding their reversal. If not curbed, this unchecked empowerment of the FBR will cripple business confidence, stifle investment, and alienate the very taxpayers the state seeks to engage.

This is not reform. This is panic policy-making, and it risks turning the FBR into a predator rather than a partner in national progress.

## TEA IMPORTERS URGE REVIEW OF MINIMUM RETAIL PRICE POLICY

May 4, 2025

Karachi, May 4, 2025 – Tea importers have urged the government and tax authorities to urgently review the current minimum retail price (MRP) mechanism applied to tea, warning that the existing framework is distorting the market, undermining legal trade, and facilitating widespread tax evasion.

In its formal budget recommendations for the upcoming Finance Bill 2025–26, the Pakistan Tea Association (PTA) highlighted several critical issues impacting the tea sector. The association stated that over 71,000 metric tons of tea were imported duty-free under concessions granted to the tribal regions of FATA and PATA—areas with a combined population of just 4 million people. Based on the national per capita consumption rate of 1.2 kg per year, actual regional demand should not exceed 4,800 metric tons.

The PTA, representing tea importers, warned that this discrepancy has allowed unscrupulous elements to exploit the tax-free regime, flooding the market with untaxed tea and forcing legitimate importers out of competition. “This abuse is weakening the formal sector, costing the national exchequer billions, and threatening the viability of registered tea importers,” said PTA Chairman Muhammad Altaf.

One of the key concerns raised was the arbitrary enforcement of SRO 1735(1)/2024, which mandates the application of sales tax on tea using a fixed MRP of Rs1,200 per kg, regardless of the actual import value or the form in which tea is brought into the country. “This blanket valuation ignores the diverse nature of tea imports—some of which arrive in bulk quantities exceeding 75 kg per bag and are later blended, processed, and repackaged,” Altaf said.

He added that tea importers source tea at prices ranging from under $1 per kg to more than $3 per kg, yet all varieties are taxed uniformly. “Such a mechanism lacks fairness and punishes lower-income consumers while disregarding the actual trade realities faced by legal tea importers,” he stressed.

The PTA has called for the removal of the MRP clause and proposed several reforms, including tariff rationalisation and stricter controls at dry ports. These include reducing customs duty from 11% to 5%, eliminating regulatory duty, and cutting sales tax and withholding tax significantly. It also recommended limiting re-exports under the Export Facilitation Scheme (EFS) and ensuring PTA’s oversight in verification of tea consignments.

With these reforms, tea importers estimate that legal imports could soar to 300 million kilograms annually, boosting tax revenues from the current Rs68 billion to an estimated Rs108.9 billion, ensuring a more equitable and transparent tea trade ecosystem.

## FBR BEGINS SWIFT TAX RECOVERY FROM BANK ACCOUNTS UNDER NEW LAW

May 4, 2025

Islamabad, May 4, 2025 – The Federal Board of Revenue (FBR) has officially begun immediate recovery of outstanding taxes directly from taxpayers’ bank accounts, following the promulgation of the Tax Laws (Amendment) Ordinance, 2025.

This newly enforced legislation marks a significant shift in Pakistan’s tax enforcement landscape by granting sweeping powers to the FBR for immediate recovery without prior notice, once a case is concluded in favor of the tax department by higher courts.

Under the amendments to Sections 138 and 140 of the Income Tax Ordinance, 2001, and changes to the Federal Excise Act, 2005, the FBR is now authorized to initiate immediate recovery actions upon final judgment by the High Court or Supreme Court. This includes freezing bank accounts, attaching movable and immovable properties, and sealing business premises. The FBR no longer needs to serve additional notices before such actions are taken, effectively overriding provisions that previously allowed time for appeals or voluntary compliance.

The ordinance further permits the FBR to depute tax officers to manufacturing and business sites to monitor production, inventory, and supply of goods. Amendments also empower tax officers to act as enforcement agents against non-affixation of tax stamps and counterfeit labeling under Sections 26 and 27 of the Federal Excise Act.

According to senior tax lawyer Waheed Shahzad Butt, these amendments represent an aggressive and coercive shift in tax enforcement. "Empowering the FBR to bypass established procedures and initiate immediate recovery without serving a notice undermines judicial checks and taxpayer protections," he said. He highlighted how this development contradicts past judgments like the Pakistan LNG case, where the Islamabad High Court emphasized due process, mandating a Section 138 notice before enforcing recovery through Section 140.

The government argues that this legal update aims to address delays in revenue collection and to close loopholes exploited by large corporations, particularly in cases like the recent Rs. 5–6 billion tax dispute involving a telecom company. However, critics warn that the sweeping powers could lead to arbitrary enforcement and scare off investors.

The FBR is now empowered to carry out immediate recovery actions not only against individuals but also corporate entities, as seen in the telecommunication sector ruling dated April 28, 2025. Such cases are now enforceable immediately, irrespective of appeal filings or contrary court decisions, subject to finality of judgment.

Experts caution that while the FBR's new authority might speed up tax recovery, it could severely impact investor confidence and the integrity of the tax system. By removing procedural safeguards, the ordinance, though intended for immediate recovery, risks being perceived as draconian, triggering backlash from legal, business, and civil rights communities.

## Markets » Cotton & Textile

### COTTON CULTIVATION ENTERS FINAL PHASE

Recorder Report Published May 4, 2025

**LAHORE: Cotton cultivation in Punjab has entered its final and decisive phase and so far cotton has been sown on more than 1.5 million acres across the province.**

These remarks were made by Secretary Agriculture Punjab, Iftikhar Ali Sahoo, during a review meeting on the current status of cotton held at Agriculture House, Lahore. He further stated that achieving the cotton cultivation and production targets is being treated as a national duty.

Field activities are at their peak to provide technical guidance to cotton farmers. The technical advisory committees have been formed at the division, district, and tehsil levels to ensure better crop management.

The Secretary praised the commendable role of farmers in the ongoing cotton cultivation campaign. He assured that the supply of canal water to cotton-growing areas is being ensured.

The meeting was attended by Additional Secretary Agriculture Task Force Punjab, Muhammad Shabbir Ahmad Khan; Directors General Agriculture Naveed Asmat Kahloon and Dr Abdul Qayyum, along with other officials. Director General Agriculture (Extension), Chaudhry Abdul Hameed, participated via video link.



## Stock & Commodity

### INDIAN BENCHMARKS MAY OPEN HIGHER ON EASING TRADE WOES, FOREIGN INFLOWS

Reuters Published 27 minutes ago

**Indian equity benchmarks are poised to open higher on Monday, supported by easing global trade tensions, robust U.S. employment data and sustained foreign investor inflows.**

Gift Nifty futures were trading at 24,518 as of 7:56 a.m. IST, indicating the Nifty 50 will open above Friday’s close of 24,346.7.

The BSE Sensex and Nifty 50 logged their longest weekly winning streak of 2025 on Friday, helped by renewed optimism over a potential India-U.S. trade deal.

Foreign portfolio investors (FPI) scooped up Indian shares for the 12th consecutive session on Friday, their longest daily buying streak in two years.

Wall Street equities climbed on Friday after data showed the U.S. economy added more jobs than expected in April and on hopes of easing U.S.-China trade war.

Beijing is evaluating a U.S. offer to hold talks over tariffs, China’s commerce ministry said. Most major Asian markets, such as Japan, South Korea, Hong Kong and China, are closed for public holidays.

**India benchmarks log longest weekly winning run in 2025 on US trade deal hopes, foreign inflows**

“Easing trade tensions between the U.S. and China, coupled with a weakening dollar, are seen as medium-term positives for emerging markets such as India,” said Vinod Nair, head of research at Geojit Investments.

Oil prices fell after OPEC+ agreed to accelerate oil output hikes, spurring concerns about increased supply.

A fall in oil prices is positive for net importers of the commodity, such as India.

Adani group stocks will be in focus after Bloomberg News reported that the representatives of the conglomerate met U.S. President Donald Trump's officials to seek a dismissal of the criminal charges against key group officials in an overseas bribery probe.

Investors will also track India's largest public sector lender, the State Bank of India, which reported a nearly 10% drop in net profit in the March quarter, pressured by a narrower net interest margin, though it beat analysts' estimate.

## WALL STREET WEEK AHEAD: FED OUTLOOK IN FOCUS AS US STOCKS RALLY PICKS UP STEAM

Reuters Published about 2 hours ago

**NEW YORK: The Federal Reserve meeting in the coming week is set to test the US stock market's sharp rebound, with investors hoping the central bank is poised to resume lowering interest rates in the months ahead.**

During the rally, stocks have erased the slump set off by President Donald Trump's sweeping tariffs. The S&P 500 was last little changed since April 2, when Trump's "Liberation Day" tariff announcement sent stocks plunging and led to some of the market's most volatile swings in 50 years.

While the Fed is widely projected to hold borrowing costs steady in its monetary policy statement on Wednesday, market pricing indicates expectations that the central bank could cut as soon as June, although odds of such a move dimmed following Friday's solid U.S jobs report.

"The Fed is one of the few levers that can be pulled in a timely fashion that can support market activity," said Dominic Pappalardo, chief multi-asset strategist at Morningstar Wealth. "If they start to signal that their inflation concerns are waning, that suggests they are closer to a cut, and I think that will be well received by markets."

Trump's tariffs loom over policy decisions for central bank officials weighing concerns about a potential economic downturn against worries that tariffs will drive inflation higher.

Data this week showed the US economy contracted in the first quarter for the first time since 2022, but many analysts discounted the report, saying the weakness was driven by a surge in imports as businesses sought to avoid higher costs from tariffs.

After cutting by 1 percentage point last year, the Fed has held its benchmark rate at 4.25%-4.5% so far in 2025. Fed funds futures are factoring in at least three more 25-basis point cuts by December, according to LSEG data. The amount of expected easing this year fell modestly after data on Friday showed US employment increased by a higher-than-expected 177,000 jobs in April.

The White House has raised pressure on the central bank to cut rates, with Trump harshly criticizing Fed Chair Jerome Powell, who has said the Fed would await more data on the economy's direction before changing rates.

Last month, Trump raised the possibility he would seek to fire Powell, setting off market worries about damage to the Fed's independence. Trump later appeared to back off.

At next week's meeting, Powell "might continue to sound hawkish to push back on the narrative that the Fed is going to be influenced by the White House," said Angelo Kourkafas, senior investment strategist at Edward Jones.

Even after eight straight sessions of gains, and on pace for a ninth on Friday, the S&P 500 remains down about 8% from its February record high. Last month, the benchmark index dropped nearly 20% below that peak.

Corporate results reports over the past few weeks have generally exceeded expectations. With about two-thirds of the S&P 500 having reported, companies in aggregate are posting earnings 7.4% above expectations versus a long-term average of 4.3% above estimates, according to LSEG IBES.

Shares of megacaps Microsoft and Facebook parent Meta Platforms gained on Thursday after their results, boosting equity indexes. Results in the coming week include Uber Technologies, Walt Disney and ConocoPhillips.

Trade developments will remain in focus, with investors saying the market's rebound came on optimism that tensions were easing and that deals with other countries were progressing. Trump on April 9 paused hefty import levies on many countries for 90 days, as the US negotiates with other countries. That move sent stocks soaring.

"The market wants to see, and expects to see, some solid signed deals with some of our trading partners," said Scott Wren, senior global market strategist at the Wells Fargo Investment Institute.

"The market is anticipating something, and it's time for the rubber to hit the road."

## MOST GULF MARKETS GAIN ON SIGNS OF EASING TRADE WOES; SAUDI FALLS

Reuters Published May 4, 2025

**Most stock markets in the Gulf ended higher on Sunday helped by renewed optimism around a potential resolution of the U.S.-China trade dispute, although the Saudi index retreated on poor earnings and weak oil.**

Beijing is evaluating Washington's offer to hold talks over U.S. President Donald Trump's crushing tariffs, China's Commerce Ministry said, signaling a potential de-escalation of the market-rattling trade war.

The Qatari index gained 0.5%, with Qatar Islamic Bank rising 2.1% and Qatar Gas Transport Nakilat advancing 2.9%.

Separately, QatarEnergy - one of the world's biggest liquefied natural gas suppliers - is in talks with Japanese firms for a long-term deal to supply LNG from its North Field expansion project, five trading and industry sources told Reuters.

**Most Gulf markets gain ahead of earnings, US data**

Saudi Arabia's benchmark index, however, dropped 1.1%, weighed down by a 4.1% slide in Saudi Arabian Mining Company and oil giant Saudi Aramco retreating 1%.

Elsewhere, Saudi Basic Industries Corp declined 2.8% as the petrochemical maker posted quarterly losses.

Oil prices - a catalyst for the Gulf's financial markets - fell over 1% lower on Friday and recorded for their biggest weekly losses since the end of March.

OPEC+ plans to further accelerate oil output hikes and could unwind its 2.2 million barrels per day of voluntary cuts by the end of October if members do not improve compliance with their production quotas, Reuters reported, citing five sources from the group.

Outside the Gulf, Egypt's blue-chip index closed 0.7% higher, led by a 1.6% increase in Talaat Moustafa Group Holding.

SAUDI ARABIA fell 1.1% to 11,412

QATAR gained 0.5% to 10,500

EGYPT rose 0.7% to 32,352

BAHRAIN finished flat at 1,912

OMAN gained 0.3% to 4,342

KUWAIT added 0.4% to 8,596

## Business & Finance » Money & Banking

### TRUMP SAYS WON'T REMOVE FED CHAIR POWELL BEFORE TERM ENDS IN 2026, TV INTERVIEW

Reuters Published May 4, 2025

**WASHINGTON: U.S. President Donald Trump said he will not remove Jerome Powell as Federal Reserve Board Chairman before his term ends in May 2026 while describing the central banker as "a total stiff" and repeating calls for the Fed to lower interest rates.**

In an interview with "Meet the Press with Kristen Welker" on NBC NEWS airing on Sunday, Trump said Powell was no fan of his, but he expected the Fed to lower interest rates at some point.

"Well, he should lower them. And at some point, he will. He'd rather not because he's not a fan of mine. You know, he just doesn't like me because I think he's a total stiff," he said in the interview, which was taped in Florida on Friday.

Asked if he would remove Powell before his term as chair ends in 2026, Trump issued his most definitive denial, saying, "No, no, no. That was a total – why would I do that? I get to replace the person in another short period of time."

Wall Street stocks fell sharply last month after Trump doubled down on his attacks against Powell, amplifying concerns about the central bank's autonomy and rattling markets. After the nosedive, Trump has backed off somewhat.

**Trump says he has no plans to fire Fed's Powell; market jumps**

The comments aired on Sunday were the clearest indication yet that the U.S. president would keep Powell in place, which could reassure markets deeply unsettled by Trump's moves to upend the global trading system with a tsunami of tariffs.

On April 2, Trump imposed a 10% tariff on most countries, along with higher tariff rates for many trading partners that were then suspended for 90 days. He has also imposed 25% tariffs on autos, steel and aluminum, 25% tariffs on Canada and Mexico, and 145% tariffs on China.

Trump's administration is negotiating with over 15 countries for trade deals that could avert the higher tariffs, and officials say the first deal could be announced soon.

During the interview with NBC NEWS, Trump declined to rule out making some of the tariffs permanent. "No, I wouldn't do that because if somebody thought they were going to come off the table, why would they build in the United States?" he said.

Trump acknowledged he had been "very tough with China," essentially cutting off trade between the world's two large economies, but said Beijing now wanted to reach an agreement.

"We've gone cold turkey," he said. "That means we're not losing a trillion dollars … because we're not doing business with them right now. And they want to make a deal. They want to make a deal very badly. We'll see how that all turns out, but it's got to be a fair deal."

## INDIA KOTAK MAHINDRA BANK'S Q4 PROFIT DROPS MORE THAN EXPECTED ON HIGHER PROVISIONS

Reuters Published May 3, 2025

**MUMBAI: India's Kotak Mahindra Bank on Saturday reported a larger-than-expected 14% drop in quarterly profit as provisions for potential bad loans surged, offsetting solid loan growth.**

The Mumbai-based private lender's standalone net profit - which excludes earnings from its subsidiaries - rose to 35.52 billion rupees ($420.36 million) in the three months to end-March.

Analysts had expected the bank to report a profit of 36.25 billion rupees, as per LSEG estimates.

Kotak's provisions and contingencies, or funds set aside for potential bad loans, tripled to 9.09 billion rupees.

Its gross non-performing assets ratio, a key gauge of asset quality, was 1.42% at the end of March compared with 1.50% at the end of December.

Kotak's loans rose 13% in value terms in the March quarter, while deposits were up 15%.

**IndusInd Bank CEO quits as accounting lapse triggers management shakeup**

In February, the Reserve Bank of India (RBI) lifted a 10-month ban on Kotak that barred the lender from issuing credit cards and enrolling clients digitally due to gaps in its IT systems.

Its net interest income, the difference between what a bank earns on loans and pays out on deposits, rose 5% to 72.84 billion rupees.

The net interest margin shrank to 4.97% from 5.28% a year earlier, but was higher than 4.93% reported in the previous quarter.

In a falling interest rate scenario, lenders typically pass on central bank rate cuts to borrowers, making loans more attractive, but the pass-through to deposit rates comes with a lag, temporarily compressing margins until the adjustment is fully reflected across both sides of the balance sheet.

A majority of Kotak's loan book is linked to the external benchmark, putting its margins under pressure. Shares of the lender ended 0.9% lower on Friday ahead of the results.

## PAKISTAN CRYPTO COUNCIL ACHIEVES MAJOR MILESTONES IN JUST 50 DAYS

May 4, 2025

Islamabad, May 4, 2025 — In a remarkable display of speed and strategic vision, the Pakistan Crypto Council (PCC) has accomplished what many thought improbable — achieving major breakthroughs in global partnerships, policy development, and blockchain diplomacy within just 50 days of its official launch on March 14, 2025. This swift rise places Pakistan at the forefront of crypto innovation across the Global South.

The PCC's formation marked more than just another institutional announcement — it represented Pakistan's pivot from digital observer to active leader. While traditional government bodies often linger in bureaucratic delays, the Council has moved rapidly, executing high-impact agreements and initiating international collaborations that many developed nations have yet to secure.

In a major highlight, the Pakistan Crypto Council appointed Binance founder Changpeng Zhao (CZ) as a strategic advisor. CZ, globally recognized for shaping the world's largest crypto exchange, brings unparalleled expertise in digital finance, blockchain scalability, and regulatory compliance — a move that no other country in the region, including India, has managed to replicate.

Just weeks later, the PCC signed a landmark Letter of Intent with World Liberty Financial (WLF), a blockchain initiative endorsed by former U.S. President Donald Trump. The WLF delegation, which included Trump envoy Zachary Witkoff, aims to introduce stablecoins, DeFi systems, and cross-border blockchain solutions to Pakistan. This marks the first time a U.S.-backed crypto venture has entered such a strategic agreement with any Pakistani institution.

The Council's reach isn't limited to the West. PCC CEO Bilal Bin Saqib recently held high-level talks with Malaysian Foreign Minister Mohamad bin Hajji Hasan to explore Islamic finance partnerships. Their goal: a Pakistan-Malaysia Digital Finance Alliance rooted in Shariah-compliant, FATF-aligned crypto regulation.

The Pakistan Crypto Council is also in discussions with international Bitcoin mining companies to harness the country's surplus energy for AI-powered mining centers and data hubs. Further talks are underway with tokenization firms to digitize real-world assets like land and commodities — transforming underutilized resources into blockchain-based financial tools.

As India imposes harsh crypto taxes and tight regulations, Pakistan, through the PCC, is positioning itself as a hub for innovation, investment, and regional leadership. With a FATF-compliant regulatory framework nearing completion, the Council is proving that a clear vision, executed boldly, can rewrite a country's digital future.

## Business & Finance » Industry

### IMPLEMENTATION PLAN OF SMEDA REVAMPING APPROVED

Recorder Report Published May 5, 2025 Updated about an hour ago

**LAHORE: The 30th meeting of the Small and Medium Enterprises Development Authority (SMEDA) Board of Directors held Sunday in chair with Haroon Akhtar**

**Khan, Special Assistant to the Prime Minister (SAPM) for Industries and Production has approved the implementation plan of SMEDA revamping. The meeting was also attended by Saif Anjum, Federal Secretary Industries and Production and Socrat Aman Rana, CEO of SMEDA besides the Board members.**

Haroon Akhtar Khan, while chairing the meeting referred to the PM vision on SME development and expressed satisfaction on fast track working of SMEDA in line with the PM vision. He reiterated that future of Pakistan's economy lies with growth and development of SMEs and the Prime Minister is determined to raise Pakistan's SMEs at par with the international standards, for which we are hiring services of the international SME experts.

The board noted that the Prime Minister had constituted a committee to study existing structure of SMEDA and proposed changes for revamping the organization and making it a catalyst for growth of SME sector in the country. In line with the directions of the Prime Minister, implementation plan of revamping to align existing SMEDA employees with the new outsourcing activities initiatives were presented before the Board today.



## HCSTSI SAYS CONCERNED AT FBR'S 'EXCESSIVE' POWERS

Recorder Report Published about 2 hours ago

**HYDERABAD: President Hyderabad Chamber of Small Traders & Small Industry (HCSTSI), Muhammad Saleem Memon, has expressed grave concern over the excessive, unilateral and unbalanced powers granted to the Federal Board of Revenue (FBR) through the SRO and Ordinance issued on May 2, 2025.**

He stated that these amendments, although introduced under the guise of improving tax collection, could in reality open a new chapter of harassment and uncertainty for Pakistan's business community. The changes stand in contradiction to the principles of justice, due process, and economic freedom.

Chamber President Saleem Memon pointed out that under the newly inserted Sections 138(3A) and 140(6A) of the Income Tax Ordinance, 2001, if a matter is adjudicated by a higher court, the tax liability will become immediately enforceable. FBR will then have the authority to freeze bank accounts and recover the dues without prior notice or legal proceedings. This is an alarming provision that undermines the constitutional and legal rights of taxpayers, depriving them of the opportunity to defend, appeal, or clarify violating fundamental principles of natural justice.

He further highlighted that Section 175C grants FBR or the Chief Commissioner the authority to deploy officers at any business premises, including shops or factories, to monitor the production of goods, services, or stock. This, he stated, is a form of coercion and interference in business operations. The physical presence of tax officers will not only create a hostile environment but will also instil fear and mistrust among entrepreneurs, ultimately disrupting routine commercial activities.

Expressing reservations about the amendments to the Federal Excise Act, 2005, Saleem Memon noted that while the criminalization of counterfeit stamps, barcodes, and labels may be justified in principle, it must also be recognized that in many cases, such errors can be unintentional caused by technical glitches, printing issues, or logistical challenges. Such unintended mistakes could easily be misused by officials as grounds for excessive action and harassment.

The HCSTSI president also criticized the manner in which these sweeping changes were introduced. He lamented that the amendments were enforced immediately through Ordinance without parliamentary debate, stakeholder consultation, or committee review. This lack of democratic process and transparency is deeply disappointing and detrimental to the trust between the government and the business community.

In light of these developments, Muhammad Saleem Memon made a strong appeal to the Prime Minister of Pakistan, the Federal Minister of Finance, and the Chairman of FBR to immediately review these amendments and establish clear guidelines to restrict the misuse of authority by FBR officials. He proposed the following key measures to restore balance and fairness:

A minimum 15-day written notice must be mandatory before freezing any bank account to give the taxpayer an opportunity to clarify or respond.

Deployment of tax officers in business premises should be subject to judicial approval to prevent arbitrary actions. An independent grievance redressal cell must be established to address business community complaints in a timely and transparent manner.

No new regulations should be implemented without the prior consultation of stakeholders, particularly representatives of small traders and industries.

He alarmed that ignoring the legitimate concerns of the business sector will severely erode confidence across the country, damaging not only the economic environment but also the government's own revenue collection targets. He added that instead of burdening existing taxpayers, the government should focus on expanding the tax net to include untaxed segments of the economy.

Chamber President concluded by urging the federal government to reconsider these amendments urgently and revive the consultation process with the business community to build a fair, transparent and progressive economic environment in Pakistan.



## UBG CALLS FOR CUT IN MARKUP RATE TO STABILISE ECONOMY

Recorder Report Published about 2 hours ago

**LAHORE: S M Tanveer, Patron-in-Chief of United Business Group (UBG), has called for a single-digit markup rate in the upcoming monetary policy to revive economic activity in the country. According to Tanveer, the business community was expecting**

**single-digit markup in the last monetary policy but all in vain, as the State Bank of Pakistan (SBP) failed to meet their expectations.**

In a statement, Tanveer expressed concern that the SBP's reluctance to lower markup rates is hindering economic recovery.

"The current monetary policy is tightening liquidity and increasing the cost of borrowing, which is detrimental to businesses and industries," he said.

He further noted that the federal government's efforts and the Special Investment Facilitation Council's initiatives for economic revival are being undermined by the SBP's inaction.

"The SBP's policy of keeping double digit interest rates is contradictory to the government's efforts to boost economic growth," he added.

He also pointed out that Pakistan's economic growth has been sluggish, and emphasised that a single-digit markup rate would help stimulate economic activity, increase investment, and boost economic growth.

Tanveer has urged the SBP to immediately bring markup rates down to single-digit to meet the business community's expectations and support economic growth. "A single-digit markup rate would provide relief to businesses and industries, enabling them to access credit at affordable rates and invest in expansion and growth," he said.

It may be noted that the business community is eagerly awaiting the upcoming monetary policy announcement, hoping that the SBP will take into account their concerns and take steps to stimulate economic growth.



## PTA DEMANDS REFORMS IN TEA IMPORT TAXATION

Mohammad Bilal Tahir Published May 4, 2025

**KARACHI: Tea importers have issued a strong call to the federal government to urgently reform the tea import taxation regime, warning that existing loopholes—particularly through FATA/ PATA exemptions and the imposition of Minimum Retail Price (MRP) at the import stage— are causing massive distortions in the formal trade and up to Rs40 billion in annual revenue loss.**

In its budget proposals for the Finance Bill 2025–26, the Pakistan Tea Association (PTA) said over 71,000 metric tons of tea were imported under tax-free status granted to FATA/ PATA, despite the region having only 4 million people. This volume, the association noted, is 1,000 times greater than the actual demand based on per capita tea consumption of 1.2 kg per year.

This exploitation is destroying the formal market, eroding tax revenues, and pushing legal importers out of business, the association warned. "We urge the government not to extend the exemption of tea under FATA/PATA in the best national interest," it said, emphasising that a cap of 4 million kilograms annually should be imposed to reflect actual population-based needs.

PTA Chairman Muhammad Altaf strongly criticised the enforcement of SRO 1735(1)/ 2024, which imposed sales tax on tea at an arbitrary MRP of Rs1,200 per kg—regardless of actual import prices or form of the product. MRP is a tax anomaly and warrants immediate attention, he said. "Bulk tea is imported in large quantities— often in bags over 75 kg— and undergoes blending, processing, and packaging. Charging MRP-based sales tax at the import stage ignores this reality."

He added that tea is imported at widely varying prices— from below $1 per kg to over $3 per kg— yet the same Rs1,200 per kg valuation is being applied across the board. "There is no distinction in taxation based on actual import value. How can low-income consumers be taxed at the same rate as high-income ones, when tea is a daily staple across all social classes," he asked, suggesting to address misuse and restore parity in the tea trade.

PTA also recommended withdrawal of the MRP clause, abolition of export re-exports under the Export Facilitation Scheme (EFS), enhanced oversight at dry ports, with PTA involved in verifying imports, tariff rationalisation to reduce tax evasion incentives. It suggested customs duty from 11% to 5%; regulatory duty from 2% to 0%; sales tax from 18% to 10%, and withholding Tax from 5.5% to 2%

The PTA estimates that with rationalised tariffs and elimination of misuse, legal imports could rise to 300 million kilograms annually, increasing tax revenues to Rs108.9 billion, compared to Rs68 billion currently.



## HAYATABAD ECONOMIC ZONE: NEED TO ADDRESS VIOLATIONS OF ENVIRONMENTAL REGULATIONS

Recorder Report Published about 2 hours ago

**PESHAWAR: The KP Department of Industries has directed the concerned authorities to organise a joint meeting of Sarhad Chamber of Commerce and Industries (SCCI), Hayatabad Industrialists Association (IAP) and the Federation of Pakistan Chambers of Commerce and Industries (FPCCI) to address serious violations of environmental regulations in the Hayatabad Economic Zone.**

These directives were issued during a high-level meeting regarding the administrative and environmental matters of industries in Peshawar division held here with Special Assistant to KP CM on Industries, Abdul Karim Tordher in the chair.

Besides, Secretary Industries Aamir Afaq, Commissioner Peshawar Division Riaz Khan Mehsud, Special Secretary Industries Muhammad Anwar Khan, Officiating CEO Khyber Pakhtunkhwa Economic Zones Development and Management Company (KP-EZDMC) Adil Salahuddin, Director Environmental Protection Agency Jamshed Khan, SSP Peshawar, relevant WAPDA officials, administrative officers from districts Mohmand, Peshawar, and Khyber, office-bearers of the Marble Association Warsak Road and other departmental representatives attended the meeting.

The meeting reviewed various issues facing industries and aligned administrative matters and decided that strict legal action would be taken against violators after the stipulated period.

During the meeting, the commissioner Peshawar Division highlighted concerns regarding environmental pollution and hazardous emissions from certain industries in Peshawar, as well as the damage to road infrastructure caused by the overloading of industrial transport vehicles. Various proposals were discussed to devise appropriate solutions to these issues.

The meeting also deliberated on infrastructure development, land acquisition, outstanding dues, and connectivity roads related to the Mohmand Marble City project, with directions issued for timely and suitable resolutions.



## APCMA FOR INDUSTRY-FRIENDLY STEPS THRU UPCOMING BUDGET

Zahid Baig Published May 4, 2025

**LAHORE: The All Pakistan Cement Manufacturers Association (APCMA) has urged the government to announce industry friendly measures in the upcoming budget that can not only boost construction activities in the country but also make our cement competitive in the global market, providing more export opportunities.**

A spokesman said that a healthy rise in exports this year is a good omen, however, the industry's resurgence was limited due to low domestic demand, leaving about one third of the industry capacity idle.

According to the data released on Saturday by the APCMA, local cement despatches by the industry during the month of April 2025 were 2.516 Million Tons compared to 2.337 Million Tons in April 2024, showing a slight increase of 7.64%. Exports despatches, on the other hand, showed healthy increase by 34.56% as the volumes jumped from 614,214 tons in April 2024 to 826,457 tons in April 2025.

Total Cement despatches during April 2025 were 3.342 Million Tons against 2.951 Million Tons despatched during the same month of last fiscal year, showing an increase by 13.24%.

In April 2025, North based cement mills despatched 2.239 Million Tons cement showing an increase of 7.22% against 2.088 Million Tons despatches in April 2024. South based mills despatched 1.10 Million Tons cement during April 2025 that was 27.81% more compared to the despatches of 863,327 Million Tons during April 2024.

North based cement mills despatched 2.124 Million Tons cement in domestic markets in April 2025 showing an increase of 9.39% against 1.942 Million Tons despatches in April 2024. On the contrary, south based mills despatched 391,445 tons cement in local markets during April 2025 that was 0.95% less compared to the despatches of 395,199 during April 2024.

Exports from North based mills declined by 21.64% as the quantities dropped from 146,086 tons in April 2024 to 114,467 tons in April 2025. Exports from South, however, increased by 52.09% to 711,990 tons in April 2025 from 468,128 tons during the same month last year.

During the first ten months of current fiscal year, total cement despatches (domestic and exports) were 37.336 Million Tons that is 0.32% lower than 37.454 Million Tons despatched during the corresponding period of last fiscal year.

Domestic despatches during this period were 29.978 Million Tons against 31.740 Million Tons during same period last year showing a reduction of 5.55%. Export despatches, on the other hand, were 28.77% more as the volumes increased to 7.359 Million Tons during the first ten months of current fiscal year compared to 5.714 Million Tons exports done during same period of last fiscal year.

North based Mills despatched 24.915 Million Tons cement domestically during the first ten months of current fiscal year showing a reduction of 4.82% than cement despatches of 26.178 Million Tons during July 2023-April 2024.

Exports from North increased by 4.13% to 1.234 Million Tons during July 2024-April 2025 compared with 1.185 Million Tons exported during the same period last year. Total despatches by North based Mills reduced by 4.44% to 26.150 Million Tons during first ten months of current financial year from 27.364 Million Tons during same period of last financial year.

Domestic despatches by South based Mills during July 2024-April 2025 were 5.062 Million Tons showing reduction of 8.98% over 5.562 Million Tons cement despatched during the same period of last fiscal year.

Exports from South increased by 35.22% to 6.124 Million Tons during July 2024-April 2025 compared with 4.529 Million Tons exported during the same period last year. Total despatches by South based Mills increased by 10.86% to 11.186 Million Tons during first ten months of current financial year from 10.091 Million Tons during same period of last financial year.



## FCCI PRESIDENT DEMANDS CUT IN POLICY RATES, POWER TARIFFS

Press Release Published May 4, 2025

**FAISALABAD: Faisalabad Chamber of Commerce and Industry President Rehan Naseem Bharara has demanded immediate reduction in policy rates and electricity tariffs as well as elimination of unnecessary taxes on the construction sector to build the national economy on solid and sustainable foundations.**

He said that due to the tireless efforts of Prime Minister Mian Muhammad Shahbaz Sharif, Finance Minister Senator Muhammad Aurangzeb and their economic team, inflation and other economic indicators are gradually improving.

He said that a new monetary policy is being announced the day after tomorrow. He said that a 4% reduction in interest rates is inevitable so that the industrial wheel can be kept moving with easy availability of capital. He said that inflation has reached the lowest rate in history at 0.28%. Thus, further reduction in electricity rates will also increase production, while valuable foreign exchange can also be earned by exporting surplus production.

He said that it is being openly acknowledged in government circles that bringing interest rates to single digits and reducing electricity rates is necessary for economic development. He said that industries in Faisalabad were closing down due to high interest rates, while a reduction in interest rates would improve industrial processes and the resumption of closed industries would help increase exports and also create new employment opportunities for the youth.

He requested to Prime Minister Mian Muhammad Shahbaz Sharif to bring electricity down to Rs 26 per unit so that the production cost of our exports is reduced and “Made in Pakistan” products can compete with their trading rivals in global markets.



## HCSTSI URGES TO END POWER OUTAGES

Recorder Report Published May 4, 2025

**HYDERABAD: Hyderabad Chamber of Small Traders & Small Industry (HCSTSI), President Muhammad Saleem Memon, has strongly criticized the non-serious and negligent behaviour of the HESCO Chief, stating that his failure to take corrective measures has caused significant harm to the commercial and industrial sectors of Hyderabad.**

He stated that the chamber has repeatedly issued official letters and reminders urging HESCO to put an end to the ongoing unannounced power outages in the SITE industrial area, but no serious action has been taken to date. This inaction clearly reflects HESCO’s inefficiency and apathy.

Saleem Memon further expressed deep regret that despite committing to meet the business community of Hyderabad, HESCO Chief has failed to honour his promises. Instead of engaging with the legitimate representatives of SITE industries, he is reportedly holding discussions with unauthorized individuals who have no legal standing or stake in the industrial zone. This is a highly unprofessional and unacceptable approach, which shows a complete disregard for the actual concerns of the business community and ignorance of the industrial sector's contribution to the economy.

HCSTSI President highlighted that both scheduled and unscheduled power outages are occurring during peak business hours in SITE and other parts of the city. This has made it nearly impossible for traders to carry on their businesses, while industrialists are unable to complete their production orders on time, resulting in cancellations and severe blows to exports.

He also raised serious concerns about the excessive electricity billing to SITE industries. These bills have crossed all reasonable limits, and regrettably, there is no responsible authority in HESCO willing to justify or clarify the inflated charges. This unjustified overbilling has caused widespread frustration and anger among industrialists and is a matter of grave condemnation.

Moreover, due to persistent power outages, civic institutions such as Hyderabad Development Authority, WASA and other government departments are unable to perform routine operations, paralyzing normal urban life.



## BUDGET PROPOSALS: TEA IMPORTERS CALL FOR REFORM IN TAXATION REGIME

Mohammad Bilal Tahir Published May 3, 2025

**Tea importers have urged the government to bring reforms in the import taxation regime, claiming loopholes were causing distortions in the formal trade and up to Rs40 billion in annual revenue loss, BUSINESS RECORDER learnt on Saturday.**

In its budget proposals for the Finance Bill 2025–26, the Pakistan Tea Association (PTA) said over 71,000 metric tons of tea was imported under tax-free status granted to Federally Administered Tribal Areas (FATA) and Provincially Administered Tribal Areas (PATA), despite the region having only 4 million people.

The volume, the association noted, was 1,000 times greater than the actual demand based on per capita tea consumption of 1.2 kg per year.

**Rs40bn revenue loss claimed: Tea Association seeks immediate withdrawal of SRO 1735**

The PTA warned that the exploitation was destroying the formal market, eroding tax revenues, and pushing legal importers out of business.

"We urge the government not to extend the exemption of tea under FATA/PATA in the best national interest," the association said, emphasising that a cap of 4 million kilograms annually should be imposed to reflect actual population-based needs.

### MRP called a tax anomaly

PTA chairman Muhammad Altaf has also strongly criticised the enforcement of SRO 1735(1)/2024, which imposed sales tax on tea at an arbitrary Maximum Retail Price (MRP) of Rs1,200 per kg—regardless of actual import prices or form of the product.

"MRP is a tax anomaly and warrants immediate attention," Altaf said. "Bulk tea is imported in large quantities—often in bags over 75kg—and undergoes blending, processing, and packaging. Charging MRP-based sales tax at the import stage ignores this reality."

### Import of black tea: govt decides to revise structure of duties, taxes

He added that tea was being imported at widely varying prices—from below $1 per kg to over $3 per kg—yet the same Rs1,200 per kg valuation was being applied across the board.

"There is no distinction in taxation based on actual import value. How can low-income consumers be taxed at the same rate as high-income ones, when tea is a daily staple across all social classes?"

### Additional reform proposals

The PTA submitted multiple proposals to the government, which the tea importers believe can help reduce misuse as well as restore parity in tea trade.

The proposals include:

- Withdrawal of the MRP clause
- Abolition of export re-exports under the Export Facilitation Scheme (EFS)
- Enhanced oversight at dry ports, with PTA involved in verifying imports

The PTA also recommended tariff rationalisation to reduce tax evasion incentives. They include:

1. Customs Duty: 11% to 5%
2. Regulatory Duty: 2% to 0%
3. Sales Tax: 18% to 10%
4. Withholding Tax: 5.5% to 2%

### Revenue and market impact

The PTA estimates that with rationalised tariffs and elimination of misuse, legal imports could rise to 300 million kilograms annually, increasing tax revenues to Rs108.9 billion, compared to Rs68 billion currently.

## Business & Finance » Companies

## BUFFETT TO STEP DOWN AS BERKSHIRE CEO AFTER 60 YEARS

Reuters Published May 5, 2025 Updated 8 minutes ago

**OMAHA (Nebraska): Warren Buffett is ending his career as perhaps the world's most famous and revered investor, saying he will step down as chief executive of Berkshire Hathaway at the end of 2025, and hand over the reins to Vice Chairman Greg Abel.**

The move caps an era for Berkshire after Buffett's extraordinary 60 years at the helm, which made him a household name, a multi-billionaire and an American success story.

"I think the time has arrived where Greg should become the chief executive officer of the company at year end," Buffett, 94, said on Saturday as

he wrapped up Berkshire's annual meeting in Omaha, adding he would still "hang around and conceivably be useful in a few cases" but that the "final word" would be Abel's.

The announcement prompted an outpouring of praise for Buffett from CEOs and investors.

"Warren Buffett represents everything that is good about American capitalism and America itself - investing in the growth of our nation and its businesses with integrity, optimism, and common sense," said Jamie Dimon, CEO of JPMorgan Chase & Co.

Tim Cook, chief executive of Apple, in a post on X said: "There's never been someone like Warren, and countless people, myself included, have been inspired by his wisdom. It's been one of the great privileges of my life to know him."

Buffett's move will propel Abel into the spotlight at Berkshire. Abel, who has long been identified by Berkshire to be Buffett's successor, may not have the star power of Buffett although he is expected to preserve the culture of the conglomerate.

Buffett said Abel and most of Berkshire's board of directors hadn't been aware of his plans prior to the announcement, though Buffett had told his two children who are directors. Berkshire's board of directors will meet on Sunday to discuss the transition, he said.

Abel, 62, has been a Berkshire vice chairman since 2018, and was named Buffett's expected successor as chief executive in 2021.

"I couldn't be more humbled and honored to be part of Berkshire as we go forth," Abel told shareholders.

Buffett also said he had "zero" intention of selling any of his Berkshire stock, nearly all of which will be donated after his death.

"The decision to keep every share is an economic decision because I think the prospects of Berkshire will be better under Greg's management than mine," Buffett said.

The decision to step down caps a remarkable 60-year run where Buffett transformed Berkshire from a failing textile company into a $1.16 trillion conglomerate with businesses across the US economy.

## SAMSUNG FIGHTS $520M INDIA TAX DEMAND, POINTS TO RELIANCE PRACTICE

Reuters Published about 2 hours ago

**NEW DELHI: Samsung has asked an Indian tribunal to quash a $520 million tax demand for allegedly misclassifying imports of networking gear, arguing officials were aware of the practice as India's Reliance imported the same component in a similar manner for years, documents show.**

Samsung becomes the second major foreign company in recent months to challenge an Indian tax demand.

Volkswagen has sued Prime Minister Narendra Modi's government in court for a record demand of $1.4 billion for misclassifying its component imports.

In the Samsung case, tax authorities in January asked Samsung to pay $520 million for evading the 10-20% tariffs by misclassifying imports of a key mobile tower equipment, which it then sold to billionaire Mukesh Ambani's telecom giant, Reliance Jio, from 2018 to 2021.

In its 281-page challenge at the Customs Excise and Service Tax Appellate Tribunal in Mumbai, Samsung criticises Indian authorities for being "fully aware" of the business model as Reliance had a "long-established practice" of importing the same equipment without any tariff payments for three years until 2017.

Samsung's India unit says it discovered during an Indian tax investigation that Reliance had been warned about the practice way back in 2017, but Reliance did not inform the South Korean company about it and tax officials never questioned Samsung.

"The classification adopted by the appellant (Samsung) was known to the authorities, however the same was never questioned ... Department was fully aware," Samsung says in its April 17 filing, which is not public but was seen by Reuters.

"Reliance Jio officials did not inform" Samsung about the tax warning of 2017, it adds.

Samsung and India's tax authority did not respond to Reuters queries.

Further details of Reliance's 2017 warning from tax authorities are not public and were not disclosed in the Samsung filing. Reliance didn't respond to Reuters queries.

Other than $520 million demand Samsung faces, Indian authorities have also imposed an $81 million fine on seven of its employees, taking the total tax demand to $601 million. It's not clear if Samsung employees are separately challenging the fines.

## ANNUAL AWARDS 2024 IN LAHORE: MCB ISLAMIC BANK CELEBRATES EXCELLENCE

Press Release Published about 2 hours ago

**LAHORE: MCB Islamic Bank proudly hosted its Annual Awards 2024 in Lahore, celebrating outstanding achievements, dedication, and the collective efforts of its top-performing team members from across the country.**

The prestigious event was graced by Raza Mansha, Chairman of the Board of Directors, as the Chief Guest. In his address, he commended Bank's continued business growth, focus on innovation & digital first approach. The ceremony was hosted by Zargham Khan Durrani, President and CEO, who was joined by senior members of the leadership team.

Durrani praised the unwavering commitment and exceptional performance demonstrated by teams throughout the year, highlighting their critical role in the Bank's success.

The Annual Awards 2024 reaffirm MCB Islamic Bank's commitment to recognizing talent, fostering a culture of excellence, and uniting its people under a shared vision for the future.



## OPEC+ COUNTRIES TO OPEN THE OIL TAPS DESPITE PRICE SLUMP

AFP Published May 3, 2025

**VIENNA: Eight OPEC+ member countries on Saturday announced a sharp increase in oil production for the month of June at the risk of driving down already very low prices.**

Saudi Arabia, along with Russia and six other members of the oil cartel, will implement a production adjustment of 411,000 barrels a day out of the ground, as in May, according to a OPEC+ statement, whereas the initial plan called for an increase of just 137,000 barrels.

Numbering a total of 22 countries, most of which are highly dependent on oil, the group had until recently been exploiting supply scarcity to boost prices, holding millions of barrels in reserve.

"OPEC+ has just thrown a bombshell to the oil market," Jorge Leon, analyst with Rystad Energy, told AFP.

"Last month's decision was a wake up call. Today's decision is a definitive message that the Saudi led group is changing strategy and pursuing market share after years of cutting production," he added.

That about-face will also provide an opportunity to build good relations with Donald Trump's United States, he went on.

## OPEC cuts global oil demand growth forecasts

Shortly after taking office in January Trump called on Saudi Arabia, which heads the cartel, to up production in order to bring prices down.

Last month the group slightly lowered its forecast for oil demand growth, citing the impact of US tariffs on the world economy.

The Organization of the Petroleum Exporting Countries in 2016 came up with OPEC+ to strengthen their weight on the global market.

In previous years Saudi Arabia, Russia, Iraq, the United Arab Emirates, Kuwait, Kazakhstan, Algeria and Oman had agreed to voluntary additional reductions in production to keep barrels of oil off the market.

But after postponing a return to higher production the eight from April have loosened the valves and have now opened the floodgates.

## Price slump

That ramping-up of oil extraction at a time when the market price of crude is at a low – around 60 dollars a barrel – could be intended to punish those within OPEC+ who are not respecting quotas, said Arne Lohmann Rasmussen of Global Risk Management.

In particular Kazakhstan has increased its production in recent months and has not paid the required compensation for the excess extraction, said Carsten Fritsch of Commerzbank.

Besides internal tensions, the increase could also be motivated by the desire to stay ahead of the curve on international geopolitics.

While talks on Iran's nuclear programme and a potential truce in the Russia-Ukraine war appear to have foundered, the United States on the other hands could loosen its sanctions against Moscow and Tehran, allowing them to export more barrels.

However the OPEC+ strategy of rapidly ramping-up production could, however, accentuate the nosedive in oil prices.

That could also endanger the American players in the sector, for whom production would no longer be profitable if prices remained below $55 a barrel an extended period, according to SEB analyst Ole Hvalbye, who saw Opec as "testing its pricing power."

Oil prices have nosedived since Trump returned to the White House from a level of around 80 dollars, a barrel to levels unseen since February 2021.

Forecasts for oil demand have been slashed, particularly given the prospect of a trade war ignited by Trump's tariffs between the United States and China – the world's two largest guzzlers of the black gold.

## Markets » Energy

### OPEC+ TO FURTHER SPEED UP OIL OUTPUT HIKES, FOUR SOURCES SAY

Reuters Published May 4, 2025

**LONDON: OPEC+ plans to further accelerate oil output hikes and could unwind its 2.2 million barrels per day of voluntary cuts by the end of October if members do not improve compliance with their production quotas, four sources from the group said.**

OPEC+ shocked the oil market in April by agreeing a faster-than-expected unwinding of cuts despite weak prices and demand.

The move was designed by OPEC+ leader Saudi Arabia to punish some members for poor quota compliance, sources have said. OPEC+, which includes the Organization of the Petroleum Exporting Countries and allies such as Russia, agreed another big output hike for June on Saturday, taking the total it plans to release in April, May and June to nearly 1 million bpd.

OPEC+ will maintain the trend and will likely agree in June to release another 411,000 bpd in July, the four OPEC+ sources briefed on the matter said, speaking on condition of anonymity.

OPEC, the Saudi government's communications office, and the office of Russian Deputy Prime Minister Alexander Novak did not immediately reply to a request for comment.

The group will likely approve accelerated hikes for August, September and October, with the idea of unwinding the remainder of a big portion of voluntary cuts if Iraq, Kazakhstan and other laggards do not improve compliance and deliver compensation cuts, the sources said.

If compliance does not improve, the voluntary cuts will be unwound by November, one of the sources said, referring to the 2.2 million bpd portion of OPEC+'s voluntary cuts by eight members.

OPEC+ is still cutting output by almost 5 million bpd and many of the cuts are due to remain in place until the end of 2026. In December, OPEC+ agreed to gradually phase out the 2.2 million bpd voluntary part of total cuts by the end of September of 2026 but agreed to accelerate this process in April.

**OPEC+ countries to open the oil taps despite price slump**

Oil prices fell to a four-year low in April below $60 per barrel on accelerated OPEC+ hikes and as US President Donald Trump's tariffs raised concerns about a global economic slowdown.

Reuters reported this week that Saudi officials have briefed allies and industry officials that they are unwilling to prop up oil markets with further supply cuts.

Kazakhstan defied OPEC+ this month when its energy minister said he will prioritise national interests over those of the OPEC+ group when deciding on oil production levels. Kazakhstan's April oil output exceeded its OPEC+ quota despite a 3% fall.

## PESCO CHAIRMAN PRESENTS THREE-MONTH ACTION PLAN

Recorder Report Published about 2 hours ago

**PESHAWAR: Chairman PESCO Himayatullah Khan met with Chief Secretary Khyber Pakhtunkhwa, Shahab Ali Shah, to present a comprehensive three-month action plan aimed at resolving key challenges faced by electricity consumers in the province.**

He was accompanied by CEO PESCO Akhtar Hamid Khan and other senior officials. During the meeting, Chairman PESCO Himayatullah Khan laid out the strategic components of the plan, which focuses on minimizing load management during the summer months, accelerating recovery from provincial government departments, intensifying anti-theft operations to reduce losses, and implementing other operational improvements.

Both Chairman PESCO and Chief Secretary KP agreed on the urgent need to minimize load management through the reduction of transmission and distribution (T&D) losses.

The Chief Secretary emphasized the importance of creating a balanced load management plan to ensure fairness and efficiency in electricity distribution.

PESCO chairman also voiced serious concerns about the security of PESCO grid stations, particularly during summer, citing incidents where protestors forcibly entered grid stations, disrupting the power supply. In response, the Chief Secretary assured full support from district administrations to safeguard PESCO infrastructure and ensure uninterrupted electricity flow.



## OIL DROPS MORE THAN $2/BBL AS OPEC+ ACCELERATES OUTPUT HIKES

Reuters Published May 5, 2025 Updated about an hour ago

**SINGAPORE: Oil prices fell more than $2 a barrel in early Asian trade on Monday as OPEC+ is set to further speed up oil output hikes, spurring concerns about more supply.**

Brent crude futures dropped $2.04 a barrel, or 3.33%, to $59.25 a barrel by 2240 GMT while U.S. West Texas Intermediate crude was at $56.19 a barrel, down $2.10, or 3.60%.

Both contracts touched their lowest since April 9 at Monday's open after OPEC+ agreed to accelerate oil production hikes for a second consecutive month, raising output in June by 411,000 barrels per day (bpd).

The June increase from the eight will take the total combined hikes for April, May and June to 960,000 bpd, representing a 44% unwinding of the 2.2 million bpd of various cuts agreed on since 2022, according to Reuters calculations.

"The May 3 OPEC+ decision to raise production quotas another 411,000 bpd for June adds to the market expectation that the global supply/demand balance is moving to a surplus," Tim Evans, founder of Evans on Energy said in a note.

The group could fully unwind its voluntary cuts by the end of October if members do not improve compliance with their production quotas, OPEC+ sources told REUTERS.

OPEC+ sources have said Saudi Arabia is pushing OPEC+ to accelerate the unwinding of earlier output cuts to punish fellow members Iraq and Kazakhstan for poor compliance with their production quotas.

### Oil prices set for biggest weekly losses

Barclays lowered its Brent forecast by $4 to $66 a barrel for 2025 and by $2 to $60 a barrel for 2026 because of the accelerated phase out by OPEC+, analyst Amarpreet Singh said in a note.

Meanwhile, tensions flared in the Middle East after Israeli Prime Minister Benjamin Netanyahu vowed to retaliate against Iran for the Tehran-backed Houthi group firing a missile that landed near Israel's main airport.

Iran's Defence Minister Aziz Nasirzadeh said on Sunday that Tehran would strike back if the United States or Israel attacked.

## OIL PRICES SET FOR BIGGEST WEEKLY LOSSES

Reuters Published May 4, 2025

**NEW YORK: Oil prices fell 1% on Friday and were set for their biggest weekly losses since the end of March, as traders turned cautious ahead of an OPEC+ meeting to decide the group's output policy for June.**

Brent crude futures were down 65 cents, or 1.1%, to $61.48 a barrel at 11:57 a.m. ET (1557 GMT), while US West Texas Intermediate crude futures fell 79 cents, or 1.3%, to $58.45 a barrel.

For the week, Brent was on track to fall about 8% and WTI about 7%. The OPEC+ meeting was moved up to Saturday from the original plan of Monday, three sources told Reuters on Friday, although it was not immediately clear why the meeting was rescheduled.

Members of the group, which includes the Organization of the Petroleum Exporting Countries and its allies, are deliberating whether to make another accelerated oil output increase in June or stick with a smaller hike, two of the sources said.

Either way, oil traders braced for more supply from the group, at a time when fears of an economic slowdown caused by a trade war between the US and China have prompted market experts to lower demand growth expectations for this year.

“This market is all about OPEC now with even the tariff war taking a back seat,” United ICAP energy specialist Scott Shelton said. Reuters reported this week that officials from Saudi Arabia, the de facto leader of OPEC+, have briefed allies and industry experts that they are unwilling to prop up oil markets with further supply cuts.

OPEC+ is currently cutting output by over 5 million barrels per day. Traders were also cautious given the possibility of a de-escalation of the trade dispute between China and the United States, after Beijing on Friday said it was evaluating a proposal from Washington to hold talks to address US President Donald Trump’s tariffs.

“There is some optimism when it comes to US-China relations but the signs are only very tentative,” Harry Tchilinguirian, group head of research at Onyx Capital Group, said. “It’s still very fluid, a one step forward, two steps back situation when it comes to tariffs.” Friday’s oil price decline was kept in check by rising equity markets, UBS analyst Giovanni Staunovo said, as Wall Street climbed after US jobs data showed payrolls increased more than expected last month.

A threat by Trump on Thursday to impose secondary sanctions on buyers of Iranian oil also helped ease some of the pressure on oil prices, as it could tighten global supply.

The threat, which came after US talks with Iran over its nuclear programme were postponed, could also complicate trade talks with China, which is the world’s largest importer of Iran’s crude.

## US NATGAS PRICES CLIMB ON LOWER OUTPUT, HIGHER DEMAND

Reuters Published May 4, 2025

**NEW YORK: US natural gas futures climbed about 4% to a three-week high on Friday on a drop in output over recent days and forecasts for more demand this week than previously expected.**

Gas futures for June delivery on the New York Mercantile Exchange rose 15.1 cents, or 4.3%, to $3.63 per million British thermal units, their highest close since April 9.

For the week, the front-month was on track to jump about 24% after dropping 29% over the prior four weeks.

Analysts said mild weather expected to last through mid-May should keep heating and cooling demand low, allowing utilities to continue injecting more gas into storage than normal for this time of year.

Gas stockpiles were around 1% above the five-year normal. Gas stockpiles had been below normal from mid-January through late April after utilities pulled a monthly record 1.013 billion cubic feet of gas from storage in January to keep homes and businesses warm during extreme cold weather this winter.

Some analysts said mild weather and record output this spring could allow energy firms to add record amounts of gas into storage in May. The current all-time monthly injection high of 494 bcf was set in May 2015. Financial firm LSEG said average gas output in the Lower 48 US states fell to 103.0 billion cubic feet per day so far in May, down from a monthly record of 105.8 bcfd in April.

On a daily basis, gas output was on track to drop by 2.8 bcfd over the last five days to a preliminary two-month low of 102.6 bcfd on Friday.

That, however, is a smaller daily decline than LSEG forecast on Thursday. Analysts have noted that preliminary data - especially for the first day of the month - is often revised later in the day.

Meteorologists projected temperatures in the Lower 48 states would remain mostly warmer than normal through May 17.

LSEG forecast average gas demand in the Lower 48, including exports, will slide from 98.8 bcfd this week to 96.0 bcfd next week and 95.5 bcfd in two weeks. The forecast for this week was higher than LSEG's outlook on Thursday.

The average amount of gas flowing to the eight big liquefied natural gas export plants operating in the US fell to 15.5 bcfd so far in May, down from a monthly record of 16.0 bcfd in April on rising flows to Venture Global's 3.2-bcfd Plaquemines export plant under construction in Louisiana.

The LNG feedgas decline so far this month was mostly due to a drop in flows to Cameron LNG's 2.0-bcfd export plant in Louisiana to 1.5 bcfd for a second day in a row on Friday, down from an average of 2.2 bcfd over the prior seven days.

Officials at Cameron LNG were not immediately available for comment on the feedgas reduction. The company, however, has told customers that it will conduct maintenance next week on a pipeline that supplies gas to the plant, which will reduce flows on the pipe.

The US became the world's biggest LNG supplier in 2023, surpassing Australia and Qatar, as surging global prices fed demand for more exports, due in part to supply disruptions and sanctions linked to Russia's 2022 invasion of Ukraine.

Gas was trading around $11 per mmBtu at both the Dutch Title Transfer Facility benchmark in Europe and the Japan Korea Marker benchmark in Asia.

## Markets – Rates

### PKR: MORE DEPRECIATION

Recorder Review Published about 2 hours ago

**KARACHI: The Pakistani rupee depreciated further against the US dollar in the inter-bank market as it lost Re0.09 or 0.03% during the previous week.**

The local unit closed at Rs281.06, against Rs280.97 it had closed at during the week earlier, according to the State Bank of Pakistan (SBP).

In a key development, Pakistan's headline inflation clocked in at 0.3% on a year-on-year basis in April 2025, a reading below that of March 2025 when it stood at 0.7%, showed Pakistan Bureau of Statistics (PBS) data.

Foreign exchange reserves held by the SBP edged higher by $9 million on a weekly basis, clocking in at $10.21 billion as of April 25.

**Open-market rates**

In the open market, the PKR lost 54.00 paisa for buying and 17.00 paisa for selling against USD, closing at 281.43 and 282.89, respectively.

Against Euro, the PKR lost 85.00 paisa for buying and 51.00 paisa for selling, closing at 318.45 and 321.36, respectively.

Against UAE Dirham, the PKR lost 14.00 paisa for buying and gained 1.00 paisa for selling, closing at 76.51 and 77.09, respectively.

Against Saudi Riyal, the PKR lost 1.00 paisa for buying and gained 6.00 paisa for selling, closing at 75.14 and 75.70, respectively.

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**THE RUPEE**

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**Weekly inter-bank market rates for dollar**

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Bid Close Rs. 281.05

Offer Close Rs. 281.25

Bid Open Rs. 280.97

Offer Open Rs. 281.17

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**Weekly open-market rates for dollar**

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Bid Close Rs. 281.43

Offer Close Rs. 282.89

Bid Open Rs. 280.89

Offer Open Rs. 282.72

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## FUTURES SPREAD SURGES 158 BPS

Recorder Review Published about 2 hours ago

**KARACHI: The futures spread rose by 158 basis points, closing at 7.26 percent on the final trading day of the week ending May 2, 2025, compared to 5.68percent in the previous week.**

Trading activity on the futures counter declined, with average daily volumes decreasing by 67 percent to 113 million shares, down from 338 million shares a week earlier. Similarly, the average daily traded value on the futures counter fell by 58 percent, reaching Rs 8.62 billion compared to Rs 20.61billion in the preceding week.



## PSX REMAINS VOLATILE

Recorder Review Published about 2 hours ago

**KARACHI: The Pakistan Stock Exchange (PSX) remained volatile during the week ending May 2, 2025 amid escalating geopolitical tension between Pakistan and India.**

The benchmark KSE-100 Index shed 1,355.41 points, or 1.2 percent, on a week-on-week basis, closing at 114,114 points compared to 115,469 points in the previous week. Average trading volumes declined by 29 percent week-on-week, reaching 424 million shares from 599 million shares.

Meanwhile, the average daily traded value on the ready counter fell by 6.2 percent to Rs 27.48 billion compared to Rs 29.30 billion in the prior week. Total market capitalization also declined by Rs 288 billion, settling at Rs 13.808 trillion versus Rs 14.096 trillion a week earlier.

BRIndex100 also lost 164 points during the last week to close at 12,145 points compared to 12,310 points a week earlier. Average daily turnover at BRIndex100 was 350 million shares. BRIndex30 also declined by 1,369 points on a week-on-week basis to settle at 35,341 points with average daily trading volumes of 216.75 million shares.

According to JS Global, the KSE-100 Index dropped by 1.2 percent WoW mainly due to negative sentiment owing to rising geopolitical tensions between Pakistan and India. However, sentiment improved slightly on the last trading day after U.S. diplomats called for restraint, easing escalation fears.

Pakistan's inflation rate fell to 0.3 percent in Apr-2025-the lowest in over six decades, down from 17.3 percent last year. Additionally, falling global oil prices led the government to decrease petrol and HSD prices by Rs2 per litre.

Furthermore, the IMF announced that they will consider Pakistan's request for approval of a $2.3 billion package on May 9, including $1.3 billion for climate resilience and sustainable development.

Pakistan's tax collection target fell short by Rs833 billion in 10MFY25, breaching the IMF-set tax shortfall limit by Rs193 billion. Pakistan's sovereign dollar bonds fell over 3 cents amid escalating tensions with India.

In other news, the government has decided to reduce its power procurement plans from 14,000MW to 7,000MW, aiming to save Rs4.7 trillion. In the recent T-bill auction, SBP raised Rs562 billion against a target of Rs400 billion. The cut-off yield for one-month T-bills decreased by 17bps to 12.1492 percent, while the yields on three-month, six-month, and twelve-month T-bills remained relatively flat.

Nabeel Haroon VP International Equity Sales Topline Securities said that KSE 100 Index declined WoW basis, which can be attributed to regional geopolitical tension between India & Pakistan after an attack last week.

Apart from it, this week was dominated with March quarter result announcements which were largely lower than market expectation, which also weighed down on investor sentiment.

Other development during the outgoing week were T-Bill auction held during the week in which participation of Rs1,505 billion was seen with government raising Rs562 billion as against target of Rs400 billion and maturity of Rs698 billion; yields largely remains unchanged except for 1-month where yield decreased by 17bps to 12.149 percent, Pakistan's CPI for April 2025 clocking in at 0.3 percent compared to last month of 0.7 percent and Pakistan's trade deficit for April 2025 came in at $3.39 billion (up by 55 percent MoM), marking the highest monthly trade deficit in 3 years.



## OPEN MARKET FOREX RATES

Updated at: 5/5/2025 7:45 AM (PST)

| Currency | Buying | Selling |
|---|---|---|
| Australian Dollar | 181.50 | 183.75 |
| Bahrain Dinar | 745.50 | 753.50 |
| Canadian Dollar | 204.60 | 207.00 |
| China Yuan | 37.59 | 37.99 |
| Danish Krone | 42.71 | 43.11 |
| Euro | 319.05 | 321.80 |
| Hong Kong Dollar | 35.9 | 36.25 |
| Indian Rupee | 3.23 | 3.32 |
| Japanese Yen | 1.96 | 2.01 |
| Kuwaiti Dinar | 908.30 | 917.80 |
| Malaysian Ringgit | 64.51 | 65.11 |
| NewZealand $ | 164.68 | 166.68 |
| Norwegians Krone | 26.74 | 27.04 |
| Omani Riyal | 729.25 | 737.75 |
| Qatari Riyal | 76.49 | 77.19 |
| Saudi Riyal | 75.00 | 75.55 |
| Singapore Dollar | 216.5 | 218.50 |
| Swedish Korona | 28.9 | 29.08 |
| Swiss Franc | 338.68 | 341.48 |
| Thai Bhat | 8.26 | 8.41 |
| U.A.E Dirham | 76.55 | 77.20 |
| UK Pound Sterling | 374.40 | 377.9 |
| US Dollar | 281.35 | 282.85 |

## INTER BANK RATES

Updated at: 5/5/2025 7:45 AM (PST)

| Currency | **Bank Buying TT Clean** | **Bank Selling TT & OD** |
|---|---|---|
| Australian Dollar | 180.22 | 180.54 |
| Canadian Dollar | 203.24 | 203.61 |
| China Yuan | 38.88 | 38.95 |
| Danish Krone | 42.56 | 42.64 |
| Euro | 317.62 | 318.18 |
| Hong Kong Dollar | 36.21 | 36.28 |
| Japanese Yen | 1.9333 | 1.9367 |
| Saudi Riyal | 74.87 | 75 |
| Singapore Dollar | 215.05 | 215.44 |
| Swedish Korona | 29.09 | 29.15 |
| Swiss Franc | 338.89 | 339.49 |
| Thai Bhat | 8.45 | 8.46 |
| UK Pound Sterling | 373.74 | 374.40 |
| US Dollar | 280.85 | 281.35 |

## GOLD RATE

Bullion / Gold Price Today

As on Mon, May 05 2025, 02:58 GMT

| Metal | Symbol | PKR for 10 Gm | PKR for 1 Tola | PKR for 1 Ounce | |
|---|---|---|---|---|---|
| Gold | XAU | 292,751 | 341,102 | 910,573 | |
| Palladium | XPD | 86,326 | 100,583 | 268,507 | |
| Platinum | XPT | 87,182 | 101,582 | 271,172 | |
| Silver | XAG | 2,896 | 3,374 | 9,007 | |

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Mon, May 05 2025, 02:58 GMT

| Gold Rate | 24K Gold | 22K Gold | 21K Gold | 18K Gold |
|---|---|---|---|---|
| per Tola Gold | Rs. 341100 | Rs. 312673 | Rs. 298463 | Rs. 255825 |
| per 10 Gram | Rs. 292400 | Rs. 268031 | Rs. 255850 | Rs. 219300 |
| per Gram Gold | Rs. 29240 | Rs. 26803 | Rs. 25585 | Rs. 21930 |
| per Ounce | Rs. 828900 | Rs. 759819 | Rs. 725288 | Rs. 621675 |

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 | 7,575 | 8,826 | 23,560 | |
| Euro | EUR | 922 | 1,074 | 2,868 | |
| Japanese Yen | JPY | 150,862 | 175,778 | 469,241 | |
| Saudi Riyal | SAR | 3,907 | 4,552 | 12,151 | |
| U.A.E Dirham | AED | 3,826 | 4,458 | 11,900 | |
| UK Pound Sterling | GBP | 785 | 914 | 2,441 | |
| US Dollar | USD | 1,042 | 1,214 | 3,240 | |