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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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FBR WARNS OFFICERS AGAINST NON SUBMISSION OF DECLARATION OF ASSETS

Sohail Sarfraz Published about 4 hours ago

ISLAMABAD: The Federal Board of Revenue (FBR) has warned that any officer who failed to submit Declaration of Assets and other documents by October 9, 2024 will himself/ herself be responsible for non-consideration/ deferment/ supersession.

According to the FBR's instructions to the field formations, Establishment Division has informed that a meeting of Central Selection Board (CSB) for promotion of Inland Revenue Service/ Pakistan Customs Service from BS-20 to BS-21 and BS-19 to BS-20 posts is scheduled to be held shortly and cases for promotion shall be submitted to the Establishment Division for CSB by 10.10.2024.

All BS-19 and BS-20 officers of IRS/ PCS (as per attached list) are requested to ensure that their PERs and Declaration of Assets up to 30.06.2024 are submitted to the Board latest by 09th October, 2024 positively.

The completion of PERs and submission of Declaration of Assets are the pre-requisites for promotion to selection grades under Civil Servants Promotion (BS-18 to BS-21) Rules, 2019. The Board is trying hard to ensure that all eligible officers be considered for promotion in the forthcoming CSB meeting. "However, your cooperation in timely completion of service record is equally essential.

Any officer who fails to furnish the above documents by due date of 09th October, 2024; will himself/ herself be responsible for non-consideration / deferment supersession. The Reporting/ Countersigning Officers are also requested to immediately forward PERs of the aforesaid officers to the Board (ERM Section) without any delay," FBR added.

SENATE PANEL BRIEFED 'PROPOSED 'NTA' TO END CORRUPTION WITHIN FBR'

Sohail Sarfraz Published about 4 hours ago

ISLAMABAD: The proposed National Tax Authority (NTA) - an automated tax agency would end corruption and maladministration within the Federal Board of Revenue (FBR).

The Senate Standing Committee on Finance and Revenue Wednesday received a comprehensive briefing from the Karakoram Initiative on the concept of 'National Tax Authority'.

The presentation of Haroon Khawaja and Dr. Ikramul Haq was highly appreciated by the committee chairman and its members.

A comprehensive presentation was given to Senate Standing Committee on Finance and Revenue providing solutions for enhancing tax to GDP to 18% at federal level alone through administrative reforms centered NTA, an autonomous and automated tax agency to act as service provider.

The presentation prepared jointly by Haroon Khawaja and Dr. Ikramul Haq analysed the historical failure of Federal Board of Revenue(FBR) and how to replace it with a modern people friendly agency not only to raise revenues but also disburse social payments.

The structural base of the NTA comprises financial autonomy and powers to hire and fire as available to State Bank of Pakistan.

The appointment of Chairman of NTA and its board members will be under parliamentary oversight through open public hearing.

‘CREDIBLE’ FORENSIC LAB TEST MUST FOR VEHICLE AUCTION

Sohail Sarfraz Published October 9, 2024

ISLAMABAD: The Federal Board of Revenue (FBR) has made it mandatory for the Customs Department to conduct forensic laboratory test through a reputable forensic laboratory before auction of vehicles.

The FBR has amended the Customs Rules 2001 through a notification issued here on Tuesday.

Sources informed the FBR has introduced the amendments after intervention of the Federal Tax Ombudsman (FTO) to bring transparency in auction procedure of the imported vehicles.

The buyers of vehicles from customs auction would be able to get non-tempered vehicles. The timing of the forensic laboratory test is very important which needs to be done before the before auction of vehicles.

The decision would be instrumental in checking the auction of tempered vehicles in the country.

According to the notification, before putting vehicles to auction, forensic laboratory test may be conducted through a reputable forensic laboratory.

‘MINI-BUDGET POSSIBILITY DECREASING DUE TO TAX REFORMS’

Recorder Report Published October 9, 2024

KARACHI: Chairman of the FPCCI Advisory Board and National Business Group Pakistan, President Pakistan Businessmen and Intellectuals Forum (PBIF), Mian Zahid Hussain said that the possibility of a mini-budget is decreasing due to tax reforms. He claimed that fully digitising the FBR would double revenue collection and free taxpayers from harassment.

Mian Zahid Hussain said that the finance minister is not in favour of the mini-budget, but it depends on the cooperation of the tax bureaucracy.

He told the business community that if the bureaucracy works hard, it can save the masses and businesses from further burdens.

He stated that the implementation of tax reforms will expedite the country's economic recovery, thereby offering relief to both the public and the business community.

He noted that some expenses should be transferred to the provinces, and those provinces that show laziness in collecting agricultural income tax should be considered for deduction from their payments.

According to Mian Zahid Hussain, investors and the international community are once again confident in the Pakistani economy, but another five percent interest rate reduction is necessary to improve the situation. Lauding the role of SIFC, he said that Pakistan's global ranking is also improving, and there is a need to attract foreign investment as well as pay attention to local investors so that they can do their job.

The inflation rate has dropped to less than nine percent, the rupee remains stable, and exports, particularly those from the IT, textile, and agricultural sectors, are on the rise. Therefore, the central bank should avoid unnecessary precautions and immediately lower interest rates to stimulate business activities.

A reduction in interest rates will ease the government's burden, boost business activity, and create jobs for the masses, he remarked.

OPERATING IN GWADAR ZONE: FBR PLACES CHECKS ON IMPORT OF DUTY-FREE VEHICLES

Sohail Sarfraz Published October 9, 2024

ISLAMABAD: The Federal Board of Revenue (FBR) has placed strict checks on the import of duties and taxes free vehicles imported by the companies operating in Gwadar Zone.

The FBR on Tuesday issued regulatory mechanism "Import of Vehicles by Gwadar Zone and Free Zone Area Concession Holder and its Operating Companies Rules, 2024".

The FBR has declared that at the time of import, the importer shall furnish to the Collector of Customs on the set format an undertaking to abide by the conditions as laid down in the PCT Code 9917 (3) (iii) of Pakistan Customs Tariff and rules made there under failing which they shall be liable to pay the duty and taxes as leviable on each vehicle at the time of import and any other penalties that may be imposed in accordance with the law.

The clearance of vehicles shall strictly be handled by the Collectorate of Customs, Gwadar in order to properly monitor such imports and to ensure centralization of record/data. However, if import is made from any other port, the same shall be processed through Transshipment Permit (TP) for destination Port Gwadar for clearance at Gwadar Collectorate.

The eligible importer shall furnish to the Authority or any other officer authorised by it in this behalf details of vehicles intended to be imported for the sole purpose of construction, development and operations of Gwadar Port and Free Zone Area, and the Authority or the officer authorized by it, as the case may be, shall ascertain actual requirement of such importer based on the nature of activities of the importer strictly in accordance with the scope as defined under PCT Code 9917(3) (iii) of Pakistan Customs Tariff The Authority shall also take into account vehicles which have already been imported prior to issuance of the regulatory mechanism in order to regularize the same in terms of their bonafide use and to ascertain future requirements of concerned importer, FBR added.

In order to avail exemption, eligible importer shall furnish to the Authority a Declaration Form duly signed by the chief executive officer of the Company which shall be certified by the Authority, i.e. Chairman of Gwadar Port Authority, in respect of each vehicle imported, certifying in prescribed manner that such imported vehicles are genuine and bonafide requirements for construction, development and operations of Gwadar Port and Free Zone Area in accordance with the prescribed quotas to be determined by the Authority.

The authority shall verify that the conditions in these rules have been satisfied before the issuance of this Authorization.

The Authority shall verify genuineness of request of the importing company, and after getting formal approval of the import of vehicles from the Ministry of Maritime Affairs, Government of Pakistan, an authorization letter as per actual requirements of the eligible company in the format as per Annex-B shall be submitted by the Authority through WeBOC system. Thereafter, the importing company shall initiate the process of import, FBR added.

'CHARGING FEES FOR RENDERING SERVICES NOT PART OF TURNOVER'

Hamid Waleed Published October 9, 2024

LAHORE: A freight forwarding agent has proved that charging fees for rendering services cannot be treated as part of his turnover, as all such charges are reimbursable expenses, incurred at the behest of the recipient of service.

The tax department, on the other hand, was adamant to treat freight charges, terminal charges, shipment handling charges, duties and taxes as part of invoiced amount, which cannot be excluded from the ambit of turnover as defined in the law. Therefore, the department had levied minimum tax on the turnover, which was challenged by the taxpayer.

Sources said the turnover, in terms of clause (b) of subsection (3) of section 113 of the Ordinance, means the gross fees paid for rendering of services other than those covered by final discharge of tax liability, for which tax is separately paid or payable. The contentious question was whether the amounts, comprising of freight charges, terminal charges, shipment handling charges payment of duties and other taxes could be treated as gross receipts.

Factually, they said, the claim of reimbursement of other amounts was not disputed. There was no cavil that the term gross fee, in the context of rendering of or providing of services, would exclude reimbursable expenses for the purposes of ascertaining the volume of the “turnover".

Accordingly, it was held by the relevant forum that the gross fee and not the gross receipts, which shall be treated as part of turnover for the purposes of commuting the minimum tax liability and amounts comprising of freight charges, terminal charges, shipment handling charges payment of duties and other taxes have had to be excluded for the purposes of turnover.

It was further held this was not the case of the department that amounts consisting of freight charges, terminal charges, shipment handling charges payment of duties and other taxes were treated as part of gross receipts for the purposes of deduction of withholding tax.

FBR SHUTS DOWN REDEMPTION FINE FOR SMUGGLED GOODS

October 9, 2024

Islamabad, October 9, 2024 – The Federal Board of Revenue (FBR) has announced the complete elimination of the redemption fine for smuggled goods, intensifying the government’s crackdown on illegal trade activities.

In a bold directive from Prime Minister Muhammad Shehbaz Sharif, all relevant governmental bodies, especially the FBR and Pakistan Customs, have been tasked with implementing stricter measures to curb smuggling across Pakistan. A pivotal element in this enhanced campaign is the recent amendment introduced via SRO 1619(I)/2024 dated October 3, 2024, which revises the existing S.R.O. 499(I)/2009, originally issued on June 13, 2009. This new regulation grants authorities the power to confiscate vehicles and any other means of transportation involved in smuggling activities, with no possibility of recovery through a redemption fine.

This strategic amendment signifies the government's unwavering commitment to eliminating smuggling, a scourge that has severely undermined Pakistan's economy for years. Smuggling not only drains vital national revenues but also nurtures an unregulated, informal market that destabilizes legitimate trade. Under the updated regulation, any vehicle or conveyance implicated in the illegal transport of smuggled goods will face immediate and irreversible confiscation. This marks a sharp departure from the previous policy, where offenders could reclaim their seized assets by paying a redemption fine. The closure of this loophole ensures that the instruments facilitating smuggling are permanently removed from circulation, thereby crippling the logistics of such illicit operations.

The Chairman of the FBR has directed customs officials and law enforcement agencies to act swiftly and decisively to enforce the new amendment. He called for coordinated efforts across all relevant departments to ensure that once vehicles or other conveyances used in smuggling are apprehended, they are permanently confiscated and never returned to operation.

This strengthened enforcement is a crucial step towards safeguarding Pakistan's economic sovereignty and holding those who support illegal trade accountable. The amendment is just one of many robust measures the government is adopting to eliminate smuggling and protect the integrity of the nation's economy. By closing the doors of redemption, Pakistan inches closer to securing its economic borders and dismantling the networks of illicit trade that have long hindered its financial growth.

FBR SUSPENDS TOP IRS OFFICIAL AMIDST ACCOUNTABILITY MEASURES

October 9, 2024

Islamabad, October 9, 2024 – In a move reflecting ongoing accountability efforts, the Federal Board of Revenue (FBR) has suspended a senior official from the Inland Revenue Service (IRS) for a period of 120 days.

This decision, announced in an official memorandum on Wednesday, underscores the FBR's commitment to enforcing discipline within its ranks.

The suspended official, Ms. Sajida Kausar, who holds the position of Commissioner-IR (Zone-I) at the Large Taxpayers Office in Islamabad, was placed under suspension in accordance with Rule 5(1) of the Civil Servants (Efficiency & Discipline) Rules, 2020. The suspension takes effect immediately and will remain in place for 120 days or until the Authority reaches a decision regarding her case, whichever occurs first.

The FBR's action comes amidst heightened scrutiny of tax administration practices and an increasing call for transparency in government operations. While the specific reasons behind Ms. Kausar's suspension have not been disclosed, the decision indicates the FBR's proactive stance towards addressing inefficiencies and ensuring accountability among its officials.

This suspension is part of a broader initiative by the FBR to bolster the integrity of the tax collection process, particularly as the country grapples with economic challenges and the need for improved revenue generation. By holding top officials accountable, the FBR aims to foster a culture of efficiency and discipline within its workforce.

Ms. Kausar's tenure at the Large Taxpayers Office has been marked by a focus on enhancing tax compliance among major corporations. However, her suspension raises questions about the operational dynamics within the IRS and the FBR's broader strategy to tackle systemic issues.

As the investigation unfolds, the FBR is expected to continue its vigilance in enforcing standards of conduct within its ranks, ensuring that officials uphold the principles of transparency and accountability essential for the effective functioning of the tax system. The outcome of this suspension will likely have implications for the FBR's ongoing reform efforts and its ability to restore public confidence in Pakistan's tax administration.

LHC RULES AGAINST RETROSPECTIVE APPLICATION OF TAX HIKE

October 9, 2024

Lahore – The Lahore High Court (LHC) has declared that the enhanced rates of withholding tax on late filers of income tax returns, introduced by the Finance Act 2024, will not apply to transactions, returns, or assessments that were finalized before the enactment of the new law. This verdict represents a major development in tax legislation, providing clarity for taxpayers on the scope of the amendments.

The judgment of the LHC was delivered in response to a petition filed by the Defence Housing Authority (DHA), challenging the retrospective enforcement of the new withholding tax provisions. The DHA had sought a ruling from the court asserting that the changes made to Section 100BA, in conjunction with Rule 1-A of the Tenth Schedule of the Income Tax Ordinance 2001, as amended by the Finance Act 2024, were prospective in nature and should not affect previously completed tax filings.

The LHC upheld the petition, categorically stating that the provisions introduced under Rule 1-A and its accompanying proviso do not possess any retrospective power. The court's ruling explicitly emphasizes that these tax law changes cannot be retroactively applied to transactions, returns, or assessments that were concluded prior to the promulgation of the Finance Act 2024.

In its order, the LHC made clear that Rule 1-A and the corresponding amendments brought through the Finance Act would only impact future tax obligations, reinforcing the principle that tax laws must be forward-looking unless explicitly stated otherwise. This decision has significant implications for taxpayers, particularly those who finalized their income tax filings or transactions before the 2024 fiscal changes came into effect.

Legal experts have lauded the LHC's judgment as a victory for taxpayer rights, arguing that the ruling safeguards individuals and businesses from the undue burden of retroactive taxation. By preventing the application of enhanced withholding tax rates on past filings, the decision provides a measure of relief for those who may have been adversely impacted by the new legislation had it been enforced retroactively.

The Finance Act 2024 introduced several revisions to Pakistan's tax framework, including increased penalties and higher withholding tax rates for late filers of income tax returns. However, this ruling reaffirms that these changes will only affect future financial actions and not past transactions, ensuring a clearer, more predictable tax landscape for the country.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published about 4 hours ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Wednesday, (October 09, 2024)

The kca official spot rate for local dealings in Pakistan rupees

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

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 08-10-2024	Difference Ex-karachi
37.324 KG	17,700	285	17,985	18,485	-500/-
Equivalent					
40 KGS	18,969	305	19,274	19,810	-536/-

SPOT RATE DECREASES BY RS500 TO RS17,700 PER MAUND

Recorder Report Published about 4 hours ago

LAHORE: The Spot Rate Committee of the Karachi Cotton Association on Wednesday decreased the spot rate by Rs500 per maund and closed it at Rs17,700 per maund.

Cotton Analyst Naseem Usman told Business Recorder that the local cotton market remained bearish and the trading volume remained satisfactory.

The rate of cotton in Sindh is in between Rs17,500 to Rs17,800 per maund. The rate of Phutti in Sindh is in between Rs7,200 to Rs8,300 per 40 kg.

The rate of cotton in Punjab is in between Rs17,700 to Rs18,000 per maund. The rate of Phutti in Punjab is in between Rs7,000 to Rs8,400 per 40 kg.

The rate of cotton in Balochistan is in between Rs17,700 to Rs17,800 per maund. The rate of Phutti in Balochistan is in between Rs7,500 to Rs8,500 per 40 kg. The rate of Balochi Cotton is in between Rs18,800 to Rs19,000 per maund.

4600 bales of Tando Adam were sold in between Rs17,600 to Rs18,100 per maund, 1000 bales of Shahdad Pur were sold in between Rs17,600 to Rs17,900 per maund, 1800 bales of Sanghar were sold in between Rs17,600 to Rs17,900 per maund, 200 bales of Nawab Shah were sold at Rs17,750 per maund, 1400 bales of Khair Pur were sold at Rs17,600 per maund, 2200 bales of Rohri were sold in between Rs17,500 to Rs17,800 per maund, 800 bales of Saleh Pat, 2800 bales of Haroonabad, 1800 bales of Chishtian were sold at Rs17,700 to Rs17,800 per maund, 3200 bales of Yazman Mandi were sold at Rs17,700 to Rs18,000 per maund, 1400 bales of Hasil Pur, 1900 bales of Vehari were sold in between Rs17,700 to Rs18,000 per maund, 400 bales of Khair Pur Tamiwali were sold at Rs17,800 to Rs18,000 per maund, 1000 bales of Faqeer Wali, 600 bales of Shujabad, 1800 bales of Fort Abbas were sold in between Rs17,800 to Rs18,000 per maund and 800 bales of Bahawalnagar were sold at Rs17,800 per maund.

The Spot Rate Committee of the Karachi Cotton Association decreased the spot rate by Rs5,00 per maund and closed it at Rs17,700 per maund. Polyester Fiber was available at Rs357 per Kg.

Business & Finance » Money & Banking

HBL WINS 'BEST CONVENTIONAL BANK OF THE YEAR EXCELLENCE AWARD'

Press Release Published about 4 hours ago

KARACHI: The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) has awarded HBL the accolade of the 'Best Conventional Bank of the Year Excellence Award'.

The award was presented by the President of Pakistan Asif Ali Zardari to Muhammad Nassir Salim, President & CEO – HBL, at the 12th FPCCI Excellence Awards ceremony held in Islamabad on 8 October 2024.

HBL was the first commercial bank to be established in Pakistan in 1947 and one of the largest institutions in the country.

Commenting on the achievement, Muhammad Nassir Salim said, "We are deeply humbled to be recognized by FPCCI as the Best Conventional Bank of The Year. HBL is proud to serve its valued clients and play its due role in the economic development of Pakistan. This win is a tribute to the dedicated team of HBL that has earned the continued trust and confidence of HBL's millions of clients."

DOLLAR EDGES UP TO TWO-MONTH HIGHS

Reuters Published about 4 hours ago

NEW YORK: The US dollar edged higher on Wednesday ahead of the release of records from the Federal Reserve's September decision to slash interest rates by 50 basis points, reflecting confidence that the central bank will not continue easing so aggressively.

Worries about demand from China have been a theme all week, amid disappointment in the follow-up to last month's stimulus measures. Especially hard hit on Wednesday were the Australian and New Zealand currencies.

While the minutes from the last Federal Open Market Committee meeting could show how heated the debate was over the larger-than-expected cut, it will be somewhat out of date after last Friday's robust nonfarm payroll data caused markets to reprice near-term Fed rate cut expectations.

The euro extended its recent sell-off to a two-month low against the greenback, and was last off 0.26% at $1.0953. Dollar/yen rose 0.61% to match Monday's 149.10 high, which was its loftiest since Aug 16.

The yen has been whiplashed since Japan's new Prime Minister Shigeru Ishiba, known for being a critic of easy monetary policy, surprised markets with recent remarks that the nation is not ready for further rate hikes. Ishiba has set a snap election for Oct. 27, ahead of the Bank of Japan's October monetary policy meeting and the US presidential election on Nov. 5.

The dollar index, which measures the greenback against a basket of currencies including the yen and the euro, extended its rally to the highest since Aug. 16 and was 0.26% firmer at 102.76.

Traders are also watching a parade of Fed speakers on Wednesday and keeping powder dry for Thursday's release of September's consumer price index.

"The big stuff now, we've got the CPI tomorrow. I think that China's announcement that they are going to make another announcement Saturday, the Ministry of Finance, that's important," said Marc Chandler, chief market strategist at Bannockburn Global Forex in New York. "Although, we're not seeing much of an effect here today in the dollar block." Looking at the fed funds futures term structure, traders see about an 88% chance of a 25 basis point cut at the November meeting, and about 50 basis points more by year end, according to LSEG calculations.

Dallas Federal Reserve Bank President Lorie Logan on Wednesday said she supported last month's outsized interest-rate cut but wants smaller reductions ahead, given "still-real" upside risks to inflation and "meaningful uncertainties" over the economic outlook.

Also on the docket later are Chicago Fed President Austan Goolsbee, Richmond Fed President Thomas Barkin, Fed Vice Chair Philip Jefferson and after the close Boston Fed President Susan Collins and San Francisco Fed President Mary Daly.

China's finance ministry on Wednesday called a press conference for Saturday on fiscal policy, raising expectations of stimulus, a day after a news conference from the state planner - the National Development and Reform Commission - disappointed markets by yielding no major new stimulus details.

But that did little for the Aussie, which was down 0.36% on the US dollar at $0.6721. The yuan weakened to 7.0810 per dollar.

ASIAN CURRENCIES EKE OUT GAINS ON MUTED DOLLAR

Reuters Published about 4 hours ago

BENGALURU: Most emerging Asian currencies gained ground against a muted dollar on Wednesday as investors stood on the sidelines to assess the future rate cut path by the Federal Reserve, while a potential ceasefire in the Middle East aided risk sentiment.

Thailand's baht appreciated as much as 0.8% to 33.310 per dollar, leading gains among currencies. It is the second-best performing currency in the region, after the Malaysian ringgit, with a 2.4% gain year-to-date.

The currency of Southeast Asia's second-largest economy has been buoyed of late by sustained Fed rate cut bets, stabilising politics and economic growth.

"For the baht, there could be some USD-selling interest from market players especially exporters as they have been waiting for the baht to weaken a bit," said Poon Panichpibool, a markets strategist at Krung Thai Bank.

At 0420 GMT, the dollar index remained steady at 102.59.

Other currencies such as the Indonesian rupiah and Taiwan dollar traded about 0.4% and 0.3% higher, respectively.

The Philippines peso was a notable outlier, falling about 0.3% to its lowest since mid August.

Investors are now awaiting a crucial inflation print for September from the world's largest economy as well as minutes from the Fed's recent meeting later on Wednesday to gain a better sense of where interest rates could be headed.

In Asia, the Reserve Bank of India kept its key interest rate steady at 6.50% as expected, while changing its policy stance to neutral, opening the door to cuts as the economy shows some signs of cooling.

The Bank of Korea is expected to move with a 25-basis point cut in its meeting later this week.

“Until the sentiment-driven market aligns with the Fed’s underlying outlook for lower inflation and interest rates, currencies are likely to lack direction from markets over-reacting to better- or worse-than-expected data,” analysts from DBS wrote.

A potential ceasefire in the Middle East provided relief to sentiments which helped Asian stock markets to make some headway.

Among Asian equities, Taipei outshone others, rising as much as 1.2% to its highest level in nearly two weeks, tracking a rally in US tech stocks.

Other shares in Singapore, Bangkok, and Kuala Lumpur traded between 0.1% and 0.4% higher.

Meanwhile, equities in Shanghai snapped a 10-day winning streak to trade 5.3% lower, paring all gains from the previous session.

The index had risen as much as 10.1% on Tuesday on anticipation of more strong stimulus measures from Beijing which failed to materialise.—Reuters

RUPEE DECLINES FOR THIRD CONSECUTIVE SESSION AGAINST US DOLLAR

October 9, 2024

Karachi, October 9, 2024 – The Pakistani rupee extended its losing streak for a third consecutive session against the US dollar on Wednesday, driven by a surge in demand for the foreign currency to meet import and corporate payment obligations.

The rupee weakened by 5 paisas, closing at PKR 277.72 per US dollar, compared to the previous day’s rate of PKR 277.67 in the interbank foreign exchange market. This marks a sustained decline in the local currency, which stood at PKR 277.74 against the dollar on October 3, 2024.

Currency market experts attributed the rupee’s depreciation to heightened demand for dollars from importers, as economic activity in the country has picked up pace. Additionally, companies have been purchasing foreign currency for the repatriation of profits for the quarter ending September 30, 2024, further pressuring the rupee.

“The rise in demand for the US dollar is a natural response to the increasing need for foreign exchange in trade-related payments,” explained one analyst. “The corporate sector is also actively acquiring dollars to fulfill their commitments for profit repatriation, especially as the fiscal quarter comes to a close.”

Despite the ongoing decline, experts remain cautiously optimistic about the rupee's medium-term outlook. They point to positive developments in Pakistan's trade balance and current account deficits, which have narrowed in recent months, as factors that could provide support to the local currency moving forward.

"The shrinking of both the trade and current account deficits is a good sign for the rupee's future performance," said a currency expert. "As these deficits narrow, pressure on the rupee should ease, reducing the need for the country to rely heavily on foreign currency reserves to finance its external obligations."

Furthermore, the experts highlighted that an expected increase in export receipts and a steady inflow of workers' remittances will bolster the rupee in the coming weeks. These two factors are seen as critical to stabilizing the local currency and offsetting the impact of rising import demand.

For now, the rupee remains under pressure as Pakistan's economy continues to navigate through a complex mix of rising demand for foreign exchange and fluctuating market conditions. However, if the positive trends in trade and remittances continue, the local currency could find some respite and begin to recover from its recent declines.

PAKISTAN SEES 39% SURGE IN WORKERS' REMITTANCES IN 1QFY25

October 9, 2024

Karachi, October 9, 2024 – Pakistan has experienced a remarkable 39% surge in workers' remittances during the first quarter (July – September) of the fiscal year 2024-25, according to data released by the State Bank of Pakistan (SBP) on Wednesday. The remittance inflows soared to $8.79 billion, a significant increase from $6.33 billion in the corresponding quarter of the previous fiscal year.

Mohammad Sohail, CEO of Topline Securities Limited, lauded this surge, emphasizing that robust remittance inflows are pivotal for Pakistan in sustaining the stability of the rupee and mitigating the current account deficit. This influx of foreign currency not only strengthens the economy but also alleviates pressure on the balance of payments.

A particularly noteworthy aspect of this remittance growth is the staggering 67% increase in inflows from the United Arab Emirates (UAE), which reached $1.71 billion during the first quarter of the current fiscal year, up from $1.02 billion in the same period last year. This surge underscores the UAE's significance as a key source of remittances for Pakistan, reflecting the strong ties between the two countries.

In addition to the UAE, remittances from the United Kingdom and Saudi Arabia also demonstrated significant growth, rising by 41.6% and 42%, respectively, during the period under review. The inflows from the United States recorded a more modest yet commendable increase of 17%. These figures indicate a broad-based recovery in remittance flows from various regions, bolstering Pakistan's foreign exchange reserves.

In September 2024 alone, Pakistan received $2.85 billion in workers' remittances, slightly surpassing the $2.84 billion recorded in the previous month, August 2024. More impressively, this figure reflects a substantial increase compared to the $2.21 billion remitted in September 2023. This consistent growth trajectory is a beacon of hope for the country's economy amid global uncertainties.

Analysts predict that the continued rise in remittances could play a crucial role in stabilizing the economy, providing much-needed liquidity and support for local businesses. The government and financial institutions are expected to leverage this positive trend to enhance economic policies aimed at further boosting remittance inflows.

As Pakistan navigates the complexities of its economic landscape, the substantial increase in workers' remittances offers a promising avenue for resilience and recovery, fostering optimism among stakeholders in the nation's economic future.

Business & Finance » Industry

KCCI DEPTTS TO OPERATE EVERY FRIDAY FOR FULL DAY

Recorder Report Published about 4 hours ago

KARACHI: To better serve the business & industrial community, the Management of Karachi Chamber of Commerce & Industry (KCCI) has decided to keep all its departments fully operational every Friday for full day, instead of observing half-day schedule as per past practice.

KCCI members can now avail various facilities on Friday, as all the departments except the Attestation Department will continue to offer services as per office timings starting from 9:30AM to 6:00PM, with a lunch break scheduled from 1:15PM to 2:00PM from Monday to Thursday & Saturday whereas on Friday, lunch hours will be observed from 12:45PM to 2:30PM.

As far as the Attestation Department is concerned, it will start its operations from 9:00AM to 5:00PM throughout the week with 30-minute lunch break from 1:30PM to 2:00PM while Friday prayer/ lunch break timings will remain the same as being observed by all other departments.

The decision to keep KCCI operational throughout Friday was made by the KCCI Office Bearers as they received numerous recommendations from the members of business community who constantly advised to keep KCCI operational throughout the day including Friday so that various services, including the issuance of visa recommendations letters, attestation services, and all other membership and Secretariat-related services, could be provided to KCCI members.

EXPORTS OF PAKISTAN'S ICONIC HANDMADE CARPETS: MOTIWALA EXPLAINS CRITICALITY OF INNOVATION

Press Release Published about 4 hours ago

LAHORE: The Chief Executive of Trade Development Authority of Pakistan (TDAP), Zubair Motiwala has emphasized the significance of innovation in boosting exports of Pakistan's iconic handmade carpets. These intricately crafted masterpieces embody the country's rich cultural heritage, but current export figures of $59 million fall short of their potential.

He underscored the industry's vast untapped potential, pledging comprehensive support to propel growth. By embracing innovation and sustainable production methods, Pakistan can increase its share in the global market.

Zubair emphasized the significance of innovation in Pakistan's hand-woven carpet industry during his speech at the international conference following the inauguration of the 40th World Exhibition of Hand-Woven Carpets held at a local hotel.

The World Exhibition of Hand-Woven Carpets, organized by the Pakistan Carpet Manufacturers and Exporters Association (PCMEA), brings local manufacturers and exporters to showcase Pakistan's finest handmade carpets. The event aims to promote the industry, increase exports, and highlight Pakistan's soft image globally.

On the occasion, Pattern Chief Abdul Latif Malik, Chairman Pakistan Carpet Association Mian Atiqur Rehman, Chairman Exhibition Committee Usman Ashraf, Senior Vice Chairman Zahid Nazir , Vice Chairman Riaz Ahmed, Chairperson Carpet Training Institute Ijazur Rehman, Major Akhtar Nazir (retd), Saeed Khan, Shahid Hassan.

Sheikh, Member Executive Committee Umair Usman, Saadur Rehman, Faisal Saeed Khan and a large number of foreign buyers were also present. As many as 65 stalls have been set up in the three-day international exhibition in which a large number of foreign buyers from 30 countries are participating. Chief Executive TADAP Zubair Motiwala visited the stalls at the exhibition and appreciated the quality and ornate designs of the handmade carpets.

INVESTMENT FROM SAUDI ARABIA WILL BE A GAME CHANGER: LCCI

Recorder Report Published about 4 hours ago

LAHORE: The Lahore Chamber of Commerce on Wednesday appreciated the government for paving the way for investment from Saudi Arabia that is bound to fuel economic activities in the country.

In a statement, LCCI President Mian Abuzar Shad, Senior Vice President Engineer Khalid Usman and Vice President Shahid Nazir Chaudhry welcomed the government's landmark efforts for deals with Saudis which he is poised to finalize during the visit of Saudi Minister of Investment's upcoming visit to Pakistan.

These forthcoming deals are expected to not only enhance bilateral relations but also inject much-needed capital into Pakistan's economy, providing a lifeline to various critical sectors.

LCCI President Mian Abuzar Shad, Senior Vice President Engineer Khalid Usman and Vice President Shahid Nazir Chaudhry lauded the Prime Minister's leadership, describing the agreements as a historic step towards economic revival.

They said that Saudi Arabia has always been a pivotal partner for Pakistan and the signing of these trade and investment deals will open new doors of cooperation in key sectors such as energy, infrastructure, technology and manufacturing.

The LCCI leadership said that the deals will bring in billions of dollars of foreign investment, catalyze the country's economic growth and strengthen its standing on the global stage.

Mian Abuzar Shad said Pakistan stands to benefit greatly from Saudi investment. The LCCI President also added that sectors like industrial growth, agriculture and information technology will see a major boost as a result of these agreements, which will create thousands of jobs and opportunities for the Pakistani workforce.

The LCCI office-bearers said that Saudi Arabia's investment in Pakistan will be a game-changer. These deals will lead to improved connectivity, creating a stronger foundation for long-term economic progress. They further added that enhanced ties with Saudi Arabia will also facilitate the growth of Pakistan's export sector, providing access to new markets and increasing the country's foreign exchange reserves.

They said that the importance of fostering closer ties between the business communities of both nations. "We anticipate that these deals will go beyond government-to-government cooperation. There will be numerous opportunities for private sector partnerships between Pakistani and Saudi companies, particularly in manufacturing, services, and technology," they added.

They also said that the agreements would provide Pakistani businesses with easier access to Saudi markets, boosting exports of textiles, agricultural products and consumer goods.

The LCCI leaders collectively praised Prime Minister Shehbaz Sharif for prioritizing economic diplomacy and securing deals that are expected to address some of Pakistan's most pressing economic challenges.

He said that these agreements will inject vitality into our economy at a time when it is most needed, creating new business opportunities, fostering innovation and generating employment across various sectors. The LCCI emphasized the role that such deals can play in stabilizing Pakistan's foreign exchange reserves and improving the country's overall trade balance.

The Lahore Chamber urged the Pakistani business community to seize these opportunities and actively engage in the process of exploring partnerships and investments that will emerge from these agreements.

PTA SEEKS IMMEDIATE WITHDRAWAL OF EXPORT OF LIVE ANIMALS' DECISION

Recorder Report Published October 9, 2024

KARACHI: It is unveiled from newspapers that the government is considering for the export of live animals for which the Chairman of Pakistan Tanners Association (PTA) Hamid Arshad Zahur along with his Central Executive Committee strongly opposed to this contemplation being made by the government, which is ultimately severely detrimental to Leather Sector of Pakistan being vital export oriented value added industry of the country and contributing significantly to country's GDP.

He also shared with media that the Industry is already facing scarcity of raw materials (hides & skins) which is importing from abroad which is around 35% - 40% out of total requirement of the industry while the decision for export of live animals would be impacted to increase drastically the country's import bill to the unbearable extent by the country and industry as well.

The chairman PTA also highlighted allied industries will also be affected seriously such as (1) By- Products from meat Processing. Gelatin: Derived from bones and tendons, it is used in food, pharmaceuticals and cosmetics; (2) Animal blood, particularly is used in medical research for studies in immunology, transfusion research, and various diagnostic tools; (3) Bones are crushed into a powder called bone meal, which is rich in calcium and phosphorus. It is used as an organic fertilizer in agriculture to improve soil health and aid plant growth; (4) Hair can be used to make carpets, brooms, and paint brushes due to its durability and flexibility; (5) and (6) most importantly to increase further food inflation in Pakistan specially meat & milk, which is already at exorbitant extent etc, besides to create unemployment in various areas of the industry in result of export of live animals.

The industry is already in severe clutches of high cost of doing business with hike prices of electricity and gas in comparison with neighbor competitors and exporters are already "Unable" to compete in global market for securing the export orders and such kind of decision for export of live animals will lead the final cause to ruin the Industry to closure finally.

While concluding, PTA stresses the need to form a uniform policy with consensus and harmony of all stakeholders of the Leather Sector of Pakistan rather than to proceed "unilaterally" for lifting the ban on export of live animals from Pakistan, which would obviously have the negative consequences to the industry and country's exchequer as well.

The Chairman PTA Hamid Arshad Zahur strongly appealed to the Prime Minister of Pakistan Shehbaz Sharif and Federal Minister for National Food Security & Research Rana Tanveer

Hussain to take notice for immediate withdrawal of consideration/decision for export of live animals to save the leather sector of Pakistan from further deterioration to provide level playing with the common cause to achieve the desired milestones for exports which is by virtue of government support.

PRESIDENT HCSTSI EXPRESSES CONCERN OVER CONDITION OF AUTO BHAN ROAD

Recorder Report Published October 9, 2024

HYDERABAD: Muhammad Saleem Memon, President, Hyderabad Chamber of Small Traders & Small Industry (HCSTSI), has expressed serious concern over the deteriorating condition of Auto Bhan Road, which is significantly impacting business activities and causing local traders to incur daily losses in the millions.

He noted that thousands of vehicles traverse this road daily, but the presence of potholes, debris, and water accumulation is severely hampering traffic flow.

Memon highlighted that the Sindh government had allocated 15 billion rupees for the restoration of Hyderabad's infrastructure in the 2022-23 budget, including road construction. However, no substantial and lasting work has been completed on Auto Bhan Road.

Despite the government's announcement at the beginning of 2023 regarding the restoration of a 30-kilometer road network, the condition of Auto Bhan Road remains unchanged. Temporary measures, such as laying bricks and stone powder, were instructed, but these have proven inadequate and have failed to fully alleviate the public's suffering.

In October 2023, Mayor Hyderabad Kashif Shoro inaugurated an ADP project for the construction of Auto Bhan Road, which includes the building of a drainage channel and plans to widen the road from 36 feet to 44 feet on both sides. However, progress on this project has been sluggish, leading to not only disruptions in business activities but also significant hardships for residents.

Chamber President Saleem Memon emphasized the need for the transparent use of funds allocated for the restoration of Auto Bhan Road and insisted that the quality of the project must not be compromised. He urged that the planning should minimize inconvenience to citizens during the construction process and ensure that the repairs and restoration are completed in a timely manner so that business activities can continue uninterrupted.

Furthermore, he expressed concern that the poor state of infrastructure is forcing many businesses to relocate to other areas, resulting in substantial financial losses for local traders. If this situation is not addressed promptly, it could lead to even greater financial setbacks in the future, posing a serious threat to the economy of Hyderabad.

Chamber President Saleem Memon has called on the government to commence the repair work on this road immediately to alleviate the difficulties faced by the business community and residents. He also urged that the government expedite developmental projects and implement effective measures for infrastructure restoration to facilitate the city's progress and allow Hyderabad to regain its thriving business activities.

FLOUR CRISIS FEARED: 'FARMERS HESITANT FOR WHEAT SOWING IN ABSENCE OF CLEAR POLICY'

Zahid Baig Published October 9, 2024

LAHORE: Flour millers have alleged that despite the start of the wheat sowing season, farmers are hesitant to go for plantation because of recent steps taken by the Punjab government. They feared that in the absence of a clear policy regarding wheat procurement, wheat cultivation would be affected and lead to a flour crisis.

They urged the provincial government to immediately announce a clear policy about wheat procurement so that farmers and the flour milling industry can plan their future. The Industry has an investment of billions of rupees and the apathy of the government towards announcing a policy may hurt it.

These views were observed by the flour millers at a virtual meeting of the Pakistan Flour Mills Association (PFMA) Central Executive Committee with its Central Chairman Badruddin Kakar in the chair. The four provincial chairmen Riazullah Khan from Punjab, Muhammad Naeem Butt Khyber Pakhtunkhwa, and Abdul Junaid Sindh Haji Abdul Wahid Balochistan besides Asim Raza Ahmed former central chairman and Chaudhry Aamir Abdullah also took part in the meeting.

The meeting reviewed the overall situation of wheat and flour across the country and declared it satisfactory. Members participating in Tuesday's meeting discussed the restrictions imposed on the inter-provincial transportation of wheat by the Punjab government, the prices of wheat in the open market and the establishment of a new department for the purchase and sale of wheat and its powers and impact on the industry across the country.

The members were of the unanimous opinion that the recent steps taken by the Punjab government would have an impact on the industry across the country. This would contribute to the economic killing of farmers who were the backbone of the country's economy and the destruction of the flour mills industry. Despite the abundant wheat crop this year, the Food Department Punjab did not purchase wheat and the milling industry was also kept in the dark.

The flour milling industry bought wheat at high prices to protect farmers from exploitation. The industry obtained loans from banks for purchase, paid interest on it, bore wheat storage expenses and now the government was controlling the price of wheat/flour. A permit system was introduced banning the shipment of wheat from Punjab to other provinces, which led to bribery and extortion. A bribe of Rs 35,000 to 40,000 per vehicle is collected for obtaining permits and passing through checkpoints.

The meeting unanimously demanded that the Punjab Government should announce a clear policy, wheat prices should be left open under an open market mechanism and if the government is interested in selling cheaper flour to the masses, then it should start supplying wheat to mills from government storages. It will create stability in the prices of flour in the market, they observed.

5TH TEXPO 2024 EXHIBITION FROM OCT 23RD IN KARACHI

Press Release Published October 9, 2024

KARACHI: The TEXPO 2024, the flagship event for the textile and leather industry of Pakistan, is set to take place from October 23rd to 25th, 2024, at the Expo Centre Karachi.

This highly anticipated exhibition will showcase the country's vibrant textile and leather sectors, bringing together over 250 leading companies from across the industry.

More than 250 textile and leather companies will exhibit their latest products and innovations, providing a comprehensive overview of the industry's capabilities.

The event will facilitate extensive networking opportunities, enabling B2B connections between Pakistani and international companies. The exhibition provides opportunity to develop global trade linkages.

PAKISTAN'S DEBT SOARS BEYOND RS 70 TRILLION BY AUGUST 2024

October 9, 2024

Karachi, October 9, 2024 – Pakistan's debt burden has surged past Rs 70 trillion by the close of August 2024, according to a report released by the State Bank of Pakistan (SBP).

This alarming rise is primarily driven by extensive borrowing to finance Pakistan's fiscal deficit, reflecting the government's reliance on both domestic and external debt.

The SBP report highlights that Pakistan's overall debt—comprising both domestic and external obligations—swelled by 2.1% during the initial two months (July-August) of the fiscal year 2025 (FY25). As of August 2024, the federal government's total debt stood at an unprecedented Rs 70.362 trillion, up from Rs 68.914 trillion in June 2024, marking a staggering increase of Rs 1.448 trillion in just two months.

A deeper examination of Pakistan's debt data reveals that while both domestic and external debt contributed to the surge, the majority of the growth was concentrated in domestic borrowings. The government's domestic debt surged to Rs 48.34 trillion by August 2024, compared to Rs 47.16 trillion in June of the same year, registering a sharp increase of Rs 1.179 trillion.

On the external front, Pakistan's debt in rupee terms grew by 1.2%, or Rs 269 billion, during the first two months of FY25. By the end of August 2024, Pakistan's total external debt had climbed to Rs 22.023 trillion, up from Rs 21.754 trillion in June 2024. The SBP report also noted a slight change in the US dollar exchange rate, with the Weighted Average Customer Exchange Rate hovering around Rs 278.5769 in July 2024, compared to Rs 278.3668 in June 2024.

Topline Securities provided further insights, noting that the Central Bank's Government Debt-to-GDP ratio has decreased on a year-on-year basis—from 73% in August 2023 to 65% in August 2024. This improvement is largely attributed to a significant reduction in the external debt-to-GDP ratio, which fell from 27.6% of GDP in August 2023 to 20.2% in August 2024. The decline in external debt is mainly due to the appreciation of the Pakistani rupee, which strengthened from PKR/USD 305.61 in August 2023 to 278.57 in August 2024.

As Pakistan navigates its debt challenges, the government will need to implement strategic fiscal reforms to curb this rising tide and mitigate further economic risks.

Stock & Commodity

KSE-100 INDEX SEES VOLATILE TRADING AFTER CROSSING 86K POINTS

October 9, 2024

Karachi, October 9, 2024 – The Pakistan Stock Exchange (PSX) experienced a turbulent trading session on Wednesday, with the KSE-100 index crossing the significant 86,000-point mark in early trade but closing the day with a modest gain of just 5 points.

The benchmark index, which opened on a strong note, surged to a high of 86,451 points before succumbing to profit-taking pressure and settling at 85,669, slightly up from the previous day's close of 85,664 points.

Despite the minimal gain, the session was marked by high volatility, as the index dipped to an intraday low of 85,444 points before recovering marginally. The market's inability to hold above the psychological barrier of 86,000 points reflected a combination of investor caution and profit-taking, which prevented a sustained rally.

Analysts at Topline Securities Limited commented on the session's erratic behavior, noting that although the KSE-100 briefly soared, local selling pressure coupled with fluctuations in global markets capped further gains. "Profit-taking emerged as the index crossed 86,000, reflecting the market's struggle to maintain these elevated levels," one analyst remarked. "The index was largely supported by the buying activity of local institutional investors."

Key stocks that buoyed the index included MCB Bank, Lucky Cement (LCI), Bank Al-Habib (BAHL), Hub Power Company (HUBC), and Habib Bank Limited (HBL). These major contributors collectively added 292 points to the KSE-100. However, the upward momentum was offset by declines in Fauji Fertilizer Company (FFC), Engro Fertilizers (EFERT), and Pakistan Oilfields Limited (POL), which collectively shaved off 215 points from the index, dampening broader gains.

Trading volumes were notably robust, with 592 million shares traded, amounting to a value of Rs 31 billion. K-Electric Limited (KEL) emerged as the most actively traded stock, with an impressive 55 million shares changing hands during the session, reflecting strong investor interest in the utility sector amid ongoing discussions around energy reforms.

The session highlighted the market's fragility as it struggles to sustain gains amid global economic uncertainties and domestic challenges. While local institutions continued to offer support, analysts caution that the KSE-100 index may remain volatile in the short term as profit-taking remains a key driver, especially after major rallies.

Looking ahead, market participants are expected to focus on upcoming corporate earnings reports and broader economic indicators to gauge the direction of the market. For now, the index remains poised around the 86,000-point mark, with further movements likely influenced by both external and internal factors.

October 10, 2024

The latest prices for gold and silver in Pakistan, as of 12:20 AM on October 10, 2024, have been updated and are as follows, along with the previous closing prices in the bullion market:

• Gold 24 Karat is currently priced at Rs 271,700 per Tola

• Gold 24 Karat is available at Rs 232,939 per 10 grams

• Gold 22 Karat is being sold at Rs 213,527 per 10 grams

• In the international market, the price of Gold stands at $2,617 an ounce

As for silver on October 10, 2024:

• Silver 24 Karat is priced at Rs 3,050.00 per Tola

• Silver 24 Karat is currently available at Rs 2,614.88 per 10 grams

• In the international market, the price of Silver is at $30.65 an ounce

Investors and individuals interested in the precious metals market should be aware that these prices are indicative and can fluctuate over time. The website providing these rates emphasizes that it cannot be held responsible for any errors. Therefore, it is highly recommended that investors exercise caution and seek professional advice before making any investment decisions.

Gold and silver have historically been seen as attractive investment options, particularly during times of market volatility and economic uncertainty. However, it's crucial to note that these investments carry inherent risks and are subject to market fluctuations. As such, investors are urged to stay well-informed, conduct thorough research, and make investment decisions that align with their investment objectives and risk tolerance.

The prices of gold and silver often respond to various economic and geopolitical factors, including inflation, interest rates, currency fluctuations, and global events. As these influences are constantly changing, staying updated on the precious metals market is essential for those looking to invest in gold and silver. In Pakistan and across the globe, the world of precious metals continues to be of great interest to investors and individuals alike.

GOLD PRICES IN PAKISTAN PLUMMET TO RS 271,700 PER TOLA

October 9, 2024

KARACHI, OCTOBER 9, 2024 – Gold prices in Pakistan have dropped sharply, closing at Rs 271,700 per tola on Wednesday, reflecting a significant decline of Rs 3,000 from the previous day's rate of Rs 274,700. The drop comes amid turbulence in global markets, which has had a cascading effect on local bullion prices.

This sharp fall in gold prices marks a volatile period for the precious metal in Pakistan. Just weeks ago, on September 26, 2024, gold reached an all-time high of Rs 277,000 per tola, a peak fueled by economic uncertainties and fluctuations in international demand. However, the market has been witnessing erratic movements since then, keeping both investors and traders on edge.

In tandem with the drop in per tola prices, the rate for 24-karat gold per 10 grams also fell by Rs 2,572, landing at Rs 232,939 from Tuesday's closing price of Rs 235,511. This consistent decrease signals a broader trend that is impacting both small and large investors who have sought refuge in gold amidst a backdrop of fluctuating currency values and inflationary pressures.

Bullion market analysts attribute the steep decline in local prices to the significant plunge in global markets. International gold prices dropped by $30 per ounce, closing at $2,617 on Wednesday from $2,647 the day before. The global decline was primarily driven by a strengthening U.S. dollar and rising treasury yields, which have siphoned investor interest away from safe-haven assets like gold.

"Gold prices are highly sensitive to international trends," remarked a senior bullion trader in Karachi. "The recent dip in global rates, alongside improving U.S. economic indicators, has created a downward pressure on local prices. However, market volatility remains, and further fluctuations are expected in the near term."

The fall in gold prices has impacted local traders, many of whom had been expecting prices to stabilize at higher levels. Some market observers believe that with ongoing geopolitical tensions and potential central bank interventions in major economies, the gold market could see a rebound in the coming weeks. Nonetheless, the immediate outlook remains cautious, with investors keeping a close eye on global developments.

For now, gold in Pakistan continues its downward trajectory, leaving both seasoned investors and retail buyers uncertain about future movements in the market.

KSE-100 INDEX SURPASSES 86,000 POINTS MILESTONE IN EARLY TRADE

October 9, 2024

Karachi, October 9, 2024 – The KSE-100 index of the Pakistan Stock Exchange (PSX) has achieved a remarkable milestone, surpassing the 86,000 points mark in early trading on Wednesday. The benchmark index is currently trading at 86,048 points, reflecting a notable gain of 384 points from the previous day's closing figure of 85,664 points.

Market analysts attribute this robust rally in the KSE-100 index to a surge of positive sentiment spurred by the arrival of a significant delegation from Saudi Arabia. This visit signals promising prospects for increased investment in Pakistan, which has invigorated investor confidence and heightened expectations for economic growth.

In addition to external influences, the KSE-100's upward trajectory has been bolstered by favorable domestic economic conditions, particularly the prevailing lower interest rates and easing inflation. These factors have created an environment ripe for increased economic activity, prompting investors to capitalize on potential growth opportunities within the market.

The influx of foreign investment, particularly from Saudi Arabia, is anticipated to bring substantial capital into various sectors, further fueling the optimism among market participants. The delegation's discussions are expected to pave the way for partnerships and collaborations that could significantly enhance Pakistan's economic landscape.

The positive momentum in the stock market reflects a broader trend of recovery and resilience in the Pakistani economy. Investors are increasingly optimistic about the government's fiscal policies and structural reforms aimed at stabilizing the economy and fostering sustainable growth. As inflation rates continue to ease and interest rates remain manageable, businesses are expected to benefit from improved access to financing, stimulating expansion and job creation.

The KSE-100 index's ascent beyond the 86,000 points milestone signifies not only a key psychological barrier but also an affirmation of market participants' confidence in the nation's economic prospects. With the support of both domestic and international factors, analysts believe that the index has the potential to maintain its upward trajectory in the coming sessions.

As trading continues, investors are closely monitoring developments related to the Saudi delegation's visit, along with any potential announcements regarding investment agreements or projects. The KSE-100 index's impressive performance serves as a testament to the resilience and growth potential of Pakistan's financial markets, positioning the country as an attractive destination for investors seeking opportunities in the South Asian region.

WALL STREET RISES, INFLATION DATA IN FOCUS

Reuters Published about 4 hours ago

NEW YORK: The main stock indexes turned higher in a choppy trading session on Wednesday as investors awaited the minutes of the Federal Reserve's latest meeting, while Alphabet shares lost ground after the US said it was considering breaking up Google.

Shares of Alphabet fell 1.8%, limiting broader gains, after the US Department of Justice said it may ask a judge to force Google to divest parts of its business, including the Chrome browser and Android operating system, to curtail its search monopoly.

The Dow Jones Industrial Average rose 387.01 points, or 0.92%, to 42,467.38, the S&P 500 gained 34.55 points, or 0.60%, to 5,785.63, and the Nasdaq Composite gained 82.01 points, or 0.45%, to 18,264.91.

The S&P 500 touched a fresh record high, with shares of Norwegian Cruise Line topping the benchmark index with a 10.2% gain after Citi upgraded its rating to "buy". Peer Carnival jumped 7.8%.

Trading has been choppy through the week, with investors adjusting their rate-cut expectations, seeking new catalysts for a clearer market direction. Their attention will now turn to crucial inflation data on Thursday and the upcoming third-quarter corporate earnings season.

Minutes from the Fed's September meeting, when policymakers kicked off monetary policy easing with a 50-basis-point rate cut, are due later in the day.

"The Fed minutes are always interesting, but they may be a little bit more interesting this time given the last Fed meeting, though I don't expect any surprises," said Tim Ghriskey, senior portfolio strategist at Ingalls & Snyder.

"In the very short term, we have the CPI number... then Friday is the earnings kickoff, so we've had some volatility in the markets here." Commentary from a number of Fed officials including Philip Jefferson and Thomas Barkin are also expected through the day. Dallas Fed president Lorie Logan said the central bank should not rush policy easing.

Investors are pricing in an 82% chance of a 25-basis-point reduction in borrowing costs at the Fed's November meeting, with some now seeing a slight chance it will keep rates on hold, according to CME's FedWatch.

Prior to the release of strong employment data last week, markets were leaning towards an outsized 50-bps cut in November.

Most S&P 500 sub-sectors were higher, although rate-sensitive Utilities and Real Estate slipped 0.4% and 0.2%, respectively.

Boeing lost 2.6% after talks between the company and its key manufacturing union broke down.

STOXX 600 CLOSES HIGHER WITH FOCUS ON INTEREST RATE CUTS

Reuters Published about 4 hours ago

PARIS: European stocks settled higher on Wednesday, bouncing from losses in the previous session as investors focussed on upcoming interest rate cuts and a key US inflation report later this week.

The continent-wide STOXX 600 index was up 0.6%, with the automobiles and parts sector, which has lagged for most of the year, among top gainers with a 1.1% jump.

Continental gained 7.2% after the German automotive supplier forecast profitability in its automotive business to improve in the third quarter.

Germany's DAX index outperformed the STOXX with a 1% jump.

On the flipside, banks underperformed as Dutch lender ING dropped 2.5% after Deutsche Bank downgraded the stock to "hold", calling 2024 a peak for capital returns and share buybacks.

The benchmark STOXX 600 touched a two-week low on Tuesday, with China-exposed mining and luxury sectors taking a beating as investors were disappointed by a lack of fresh stimulus steps from Beijing.

All eyes will be on a news conference by China's finance ministry on Saturday for new details on fiscal stimulus.

Other major catalysts this week include the minutes of the Federal Reserve's last meeting, US consumer prices data and US bank earnings.

The Fed cut rates by a large 50 basis points last month. Investors expect two more rate cuts of 25 bps each this year.

Meanwhile, many European Central Bank policymakers argued their case for another interest rate cut next week.

Money market pricing suggests traders have almost fully priced in a 25 bps rate cut by the ECB next week, and see a 94% chance of another such move in December.

Against a backdrop of a stagnating economy, cooling price pressures and a softening labour market, the STOXX index along with equities in major regional markets are on track for gains this year.

"Europe is trading at a discount relative to the US and even though (economic) growth is less than what you would want, corporate profitability is still holding up in aggregate terms," said Richard Flax, chief investment officer at Moneyfarm.

"You're going to see interest rate cuts and then an acceleration in European growth over the next 12 to 18 months." Focus will be on third quarter earnings next week, with data compiled by LSEG forecasting a 4.6% increase from a year ago.

Struggling German battery maker Varta jumped about 81% after it said Porsche AG would invest in its business unit for large-format lithium-ion cells.

Gerresheimer jumped 4% after activist investor Ricky Chad Sandler bought a 5.43% stake in the German medical packaging maker.

CHINA'S SHARE RALLY AS INVESTORS AWAIT MORE STIMULUS

Reuters Published about 4 hours ago

SHANGHAI: Chinese stocks tumbled on Wednesday alongside their Hong Kong peers, as investors booked profits after a blistering rally following disappointment over a lack of more powerful stimulus to revive the economy.

Benchmark indexes in China notched their biggest daily losses since the COVID-19 pandemic began, despite the announcement of a finance ministry press conference on Saturday to detail plans on fiscal stimulus.

The Shanghai Composite index slid 6.6% to 3,258.86 points, while the blue-chip CSI300 index declined 7.1% to 3,955.98 points. Both indexes booked their biggest one-day losses since Feb 2020 and also snapped a 10-day winning streak.

The smaller Shenzhen index ended down 8.65% and the start-up board ChiNext Composite index slumped 10.59% to post its biggest one-day loss on record.

Turnover in the A-share market, comprising stocks listed in Shanghai, Shenzhen and Beijing, was 2.96 trillion yuan ($419.04 billion) on Wednesday, down from a record of 3.485 trillion yuan a day earlier.

Market analysts said officials fell short of delivering further details of Beijing's massive stimulus measures at the highly anticipated National Development and Reform Commission (NDRC) press conference on Tuesday, leaving investors disappointed.

"I would say the NDRC's recent announcements were a bit disappointing, mainly because there wasn't much in the way of new stimulus or clear forward guidance," said Nori Chiou, investment director at White Oak Capital.

However, he said Wednesday's pullback in stocks was hardly a letdown for many, given their strong run over the previous sessions. Hong Kong's Hang Seng index similarly dropped 1.68%, though it remains one of the region's best-performing markets this year following its steepest rally in a generation over recent weeks.

The Hang Seng Mainland Properties Index slid 4.1%, while technology shares shed 1.65%.

"The market is widely anticipating a fiscal stimulus announcement sometime this month, something like 2-3 trillion yuan is the range being talked about," said Alvin Tan, head of Asia FX strategy at RBC Capital Markets.

"The positive sentiment on China assets lately is premised on expectation of a major fiscal stimulus package, so that sentiment will turn quickly if we don't get some package at least matching the range above." Tourism shares were among the top losers on Wednesday, as data showed that spending during the Golden Week holiday was yet to recover to pre-COVID levels. An index tracking the performance of the sector lost 8.97%.

Shares of property companies were also among the biggest losers. The CSI300 Real Estate index plunged 9.94%, reflecting lingering concerns over the strength of the recovery in China's beleaguered property market. Elsewhere, Singapore-traded FTSE China A50 futures fell nearly 4%.

NIKKEI GAINS ON TECH, CHINA BOOSTS

Reuters Published about 4 hours ago

TOKYO: Japan's Nikkei share average rose on Wednesday, as tech stocks tracked their US peers higher and renewed hopes of a China stimulus helped lift the mood.

Shares of 7-Eleven owner and takeover target Seven & i Holdings jumped following a media report of a sweetened bid.

The Nikkei climbed 0.87% to end the day at 39,277.96 points, with the chip sector and other high-tech names making up four of the top five points gainers.

The broader Topix added 0.3%, with a sub-index of growth shares gaining 0.85% while value shares dropped 0.23%.

Japanese shares started the day on an upbeat note but momentum ebbed over the course of trading, until they received a boost midway through the afternoon session as Beijing announced the finance ministry would detail plans for fiscal stimulus on Saturday.

Seven & i, which is fending off an approach from Circle K-owner Alimentation Couche-Tard, jumped as much as 11.77% after Bloomberg reported the Canadian retailer was preparing to raise its offer to about $47 billion. It finished the day 4.71% higher.

Seven & i confirmed it had received a revised offer after the close of trade.

Japanese retailers are reporting earnings this week, with both Seven & i and Uniqlo-owner Fast Retailing due to announce their results after the closing bell on Thursday.

Fast Retailing, which rose 1.14%, was the Nikkei’s second-biggest points gainer on Wednesday mainly due to its extremely heavy weighting in the index.

Nvidia supplier Advantest took the top spot, rallying 3.65%

STOXX 600 CLOSES HIGHER WITH FOCUS ON INTEREST RATE CUTS, US DATA

Reuters Published October 9, 2024

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On the flipside, banks underperformed as Dutch lender ING dropped 2.5% after Deutsche Bank downgraded the stock to “hold”, calling 2024 a peak for capital returns and share buybacks.

The benchmark STOXX 600 touched a two-week low on Tuesday, with China-exposed mining and luxury sectors taking a beating as investors were disappointed by a lack of fresh stimulus steps from Beijing.

All eyes will be on a news conference by China’s finance ministry on Saturday for new details on fiscal stimulus.

Defensive sectors prop up Europe’s STOXX 600 as China jitters persist

Other major catalysts this week include the minutes of the Federal Reserve's last meeting, U.S. consumer prices data and U.S. bank earnings.

The Fed cut rates by a large 50 basis points last month. Investors expect two more rate cuts of 25 bps each this year.

Meanwhile, many European Central Bank policymakers argued their case for another interest rate cut next week.

Money market pricing suggests traders have almost fully priced in a 25 bps rate cut by the ECB next week, and see a 94% chance of another such move in December.

Against a backdrop of a stagnating economy, cooling price pressures and a softening labour market, the STOXX index along with equities in major regional markets are on track for gains this year.

"Europe is trading at a discount relative to the U.S. and even though (economic) growth is less than what you would want, corporate profitability is still holding up in aggregate terms," said Richard Flax, chief investment officer at Moneyfarm.

"You're going to see interest rate cuts and then an acceleration in European growth over the next 12 to 18 months."

Focus will be on third quarter earnings next week, with data compiled by LSEG forecasting a 4.6% increase from a year ago.

Struggling German battery maker Varta jumped about 81% after it said Porsche AG would invest in its business unit for large-format lithium-ion cells.

Gerresheimer jumped 4% after activist investor Ricky Chad Sandler bought a 5.43% stake in the German medical packaging maker.

LONDON STOCKS REGAIN GROUND AFTER WORST SESSION IN TWO MONTHS

Reuters Published October 9, 2024

British equities mostly rebounded on Wednesday, with the biggest boost from the real estate sector, while homebuilders extended declines from the previous session after brokerages cut Vistry's target price.

The blue-chip FTSE 100 index climbed 0.7% to clock its best day in nearly three weeks, while the mid-cap FTSE 250 was up 0.9%. The benchmark index notched its biggest single-day percentage drop in two months on Tuesday.

All FTSE 350 sectors traded in the green, except household goods and home construction which fell 0.4% after at least six brokerages including Barclays and Citigroup cut their target price on Vistry Group.

The homebuilder's shares slumped by 24% in the previous session after a profit warning.

The gains were driven by the real estate sector which rose 0.9% while construction and materials sector jumped 2.3%.

Among individual stocks, Mondi advanced 4% after the paper and packaging firm agreed to buy Schumacher Packaging's German, Benelux and UK packaging assets for 634 million euros ($696 million), including debt, to expand in Western Europe.

CMC Markets ended with a 0.5% decline, having advanced earlier in the day after the trading platform forecast a 45% rise in first-half net operating income, buoyed by cost cuts and sustained levels of trading activity.

In other news, Rio Tinto said it would buy Arcadium Lithium in a $6.7 billion all-cash deal to become the world's third-largest lithium producer. The UK-listed shares of the miner ended flat.

Investors will now shift their focus to the minutes of the U.S. Federal Reserve's last monetary policy meeting to gauge the size and extent of further interest-rate cuts in the world's largest economy.

Back home, GDP data for August at the end of the week will also be on markets' radar.

US STOCKS MIXED AS FLORIDA BRACES FOR HURRICANE MILTON

AFP Published October 9, 2024

NEW YORK: Wall Street stocks were mixed early Wednesday as the market braced for a major hurricane approaching Florida and looked ahead to key US economic data.

President Joe Biden warned that Hurricane Milton could be the worst natural disaster to hit the state in a century as residents near Tampa raced to board up homes and flee.

About 25 minutes into trading the Dow Jones Industrial Average was up 0.4 percent at 42,240.12.

The broad-based S&P 500 added 0.1 percent at 5,754.23, while the tech-rich Nasdaq Composite Index declined 0.2 percent to 18,143.73.

Wall St gains as investors focus on inflation data

"There's a lack of conviction," said LBBW's Karl Haeling, pointing to uncertainty about monetary policy decisions and other factors.

"You've also got the geopolitical stuff going on in the Middle East, and you've got election uncertainty," he said. "Historically, October is typically a positive month, except in election years. So it's a little bit negative there."

The Fed is slated Wednesday to release minutes from the September meeting. On Thursday, the market will receive key consumer price data for September.

Among individual companies, Boeing fell 2.6 percent as the aerospace giant suspended negotiations with its striking workers in the Pacific Northwest after two days of talks with the machinist union yielded no breakthrough.

S&P put Boeing on credit watch negative on Tuesday, pointing to "strike-related financial risk."

Google parent Alphabet fell 1.6 percent after the Department of Justice said Tuesday it would demand that Google make profound changes to how it does business and even consider the possibility of a breakup, after the tech juggernaut was found to be running an illegal monopoly.

MOST GULF MARKETS EASE AMID REGIONAL TENSIONS

Reuters Published October 9, 2024

Most stock markets in the Gulf were subdued on Wednesday, with geopolitical tensions in the region taking center stage, although the Egyptian bourse bucked the trend to close higher.

An escalation of fighting in Lebanon and the ongoing one-year-old war between Israel and Hamas in Gaza has raised fears of a wider Middle East conflict.

Rocket sirens sounded constantly across northern Israel on Wednesday, including in the major port city of Haifa, following heavy fire from Lebanon. Israel's military said about 40 projectiles were launched in one barrage at Haifa, some of which were intercepted while others fell in the area.

The downturn in Gulf markets began after Iran launched a missile barrage on Israel on Oct. 1. Israel has sworn to retaliate and is weighing its options, with Iran's oil facilities considered a possible target.

Saudi Arabia's benchmark index dropped 0.8%, weighed down by a 1.1% fall in aluminium products manufacturer Al Taiseer Group and a 2% decline in Al Rajhi Bank.

Major Gulf bourses edge higher, Arabian Mills jump on debut

Elsewhere, oil giant Saudi Aramco was down 0.4%.

Oil prices - a catalyst for the Gulf's financial markets - erased early gains as weak demand fundamentals and rising supply countered the elevated risk of supply disruption from conflict in the Middle East and Hurricane Milton in the United States.

Dubai's main share index eased 0.2%, with top lender Emirates NBD losing 1%.

In Abu Dhabi, the index edged 0.3% higher.

Outside the Gulf, Egypt's blue-chip index advanced 1.1%, as most of its constituents were in positive territory, including Talaat Mostafa Holding, which was up 2.9%.

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 SAUDI ARABIA    dropped 0.8% to 11,927
 ABU DHABI       rose 0.3% to 9,283
 DUBAI           down 0.2% to 4,422
 QATAR           finished flat at 10,510
 EGYPT           gained 1.1% to 31,175
 BAHRAIN         ended flat at 2,000
 OMAN            added 1.2% to 4,743
 KUWAIT          was up 0.1% to 7,577
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PROFIT-BOOKING PULLS INDIAN SHARES TO LOSSES FROM CENTRAL BANK-POWERED GAINS

Reuters Published October 9, 2024

Indian shares settled lower on Wednesday, succumbing to another bout of profit booking in the final hour of trading following strong gains earlier in the session after the central bank eased its stance on monetary policy.

The Nifty 50 index ended 0.12% lower at 24,981.95, while the S&P BSE Sensex shed 0.21% to finish at 81,467.10.

The indexes jumped about 0.8% earlier in the day after the Reserve Bank of India (RBI) kept interest rates unchanged, as expected, but shifted its policy stance to "neutral", opening the door for rate cuts as early as December.

The rate-sensitive financials added 0.4%, while real estate stocks jumped 2.15% and auto companies rose 0.8%.

However, much like in the past week, investors chose to book profits as the fears over the Middle East conflict and foreign funds outflows are exacerbated by some disappointing corporate financial updates ahead of the upcoming earnings season.

Indian shares snap six-session losing streak; cenbank policy in focus

"It is likely that earnings growth in the September quarter will be modest. On average, results for the quarter are likely to reflect some moderation in margins," said Ramesh Mantri, chief investment officer at WhiteOak Capital Asset Management.

"Concerns over earnings have already led to some profit booking and could trigger further bouts over the next few weeks, with valuations also looking stretched."

Consumer stocks tumbled 1.57%, falling for the seventh time in eight sessions, after the RBI flagged that inflation was still a concern, adding to worries after some disappointing corporate financial updates.

Energy stocks shed 0.8% amid a global drop in commodities.

The Nifty losers were led by consumer companies such as ITC, Nestle India, Hindustan Unilever and energy firms like Reliance and ONGC.

In the bright spots, Divi's Laboratories jumped 8% and led pharma stocks 2% higher after Citi gave it a "buy" rating.

State Bank of India rose 2% after Nomura called it its top sectoral pick.

The broader, more domestically-focussed small- and mid-caps rose 1.3% and 1%, respectively.

SRI LANKA SHARES END LOWER AS UTILITIES WEIGH

- CSE All-Share index settled down 0.16% at 12,152.15

Reuters Published October 9, 2024

Sri Lankan shares closed lower on Wednesday, as losses in the utilities stocks countered gains in communication services.

The CSE All-Share index settled down 0.16% at 12,152.15.

Blue Diamonds Jewellery Worldwide was the top percentage gainer on the CSE All-Share index, rising 50%, whereas Citizens Development Business Finance was the top percentage loser, falling 6.25%.

Trading volume on the index rose to 73.1 million shares from 59.3 million in the previous session.

Sri Lanka shares end flat as healthcare losses offset IT gains

The equity market's turnover rose to 2.14 billion Sri Lankan rupees ($7.31 million) from 1.39 billion rupees in the previous session, according to exchange data.

Foreign investors were net buyers, purchasing stocks worth 363.9 million rupees, while domestic investors were net sellers, offloading shares worth 2.12 billion rupees, the data showed.

CITI PHARMA INTENDS TO CONSTRUCT 200-BED HOSPITAL, MEDICAL UNIVERSITY IN LAHORE

BR Web Desk Published October 9, 2024

Citi Pharma Limited (CPHL), a Pakistani pharmaceutical company, will construct a healthcare facility, featuring a 200-bed hospital alongside a medical science teaching university in Lahore.

The listed company engaged in the manufacturing and sale of pharmaceuticals shared the development in its annual report provided to the Pakistan Stock Exchange (PSX) on Wednesday.

In its report, the pharma shared that the company is establishing a hospital facility in Lahore as part of its vertical diversification strategy.

“Lahore is the second largest city of Pakistan with a population of ~13.4 million as quoted by World Population Review.

“Presently, Lahore is facing a shortage of quality healthcare facilities.

“CPHL has acquired a 12-Kanal plot which is located Pine Avenue, opposite DHA Lahore,” it shared.

The company “intends to set up a state-of-the-art 200-bed hospital facility at this location to cater to the demands of a highly densely populated city”, it added.

“These projects are not only part of our broader vision to expand our business footprint but also to contribute to Pakistan’s healthcare and education sectors by fostering innovation and training the next generation of medical professionals,” stated Rizwan Ahmad, CEO CPHL.

Apart from the hospital, CPHL will also construct a medical university in Lahore as well.

Last month, CPHL commenced exports of nutraceuticals to the United States (US).

Back then, the company informed its stakeholders that the financial implications of the latest development were significant, “with the company expecting to generate approximately $3 million annually from this new revenue stream, alongside impressive profit margins of 25% to 30%”.

Earlier in July, Citi Pharma entered into a strategic partnership with India’s Murli Krishna Pharma Private Ltd (MKPL). Under the agreement, MKPL would supply APIs and products to Citi Pharma Limited in the Pakistani market.

LISTED IPPS HUBCO, LALPIR CALL EMERGENCY MEETINGS AS GOVT MOVES TOWARDS AGREEMENT TERMINATION

BR Web Desk Published October 9, 2024

Independent Power Producers (IPPs) listed at the Pakistan Stock Exchange (PSX), including Hub Power Company Limited (HUBCO) and Lalpir Power Limited, have called on emergency meetings as the government initiates steps to prematurely terminate their agreements.

The listed companies shared the development in their respective notices to the PSX on Thursday.

“This is to inform you that an emergent meeting of the Board of Directors of the company will be held on Thursday, October 10, 2024… to place before the Board, the terms proposed for the premature termination in October 2024, of the company’s Implementation Agreement, Power Purchase Agreement, Fuel Supply Agreement and the guarantee which were scheduled to expire in March 2027, in light of the discussions with the Task Force constituted under the Prime Minister’s Office and certain IPPs, including the company,” Hubco said in its statement.

A day earlier, a similar statement was shared by Lalpir Power Limited at the PSX.

“This is to inform you that an emergent meeting of the Board of Directors of Lalpir Power has been called… to place before the Board the terms proposed for the early termination of the Company’s Implementation Agreement, Power Purchase Agreement and the guarantee in light of the discussions between the Government of Pakistan, its entities and certain IPPs, including the company,” LPL said on Tuesday.

The development highlights the growing uncertainty among the energy sector players, as the government seeks to renegotiate or scrap contracts with IPPs in a bid to address financial challenges and streamline the power sector.

BUSINESS RECORDER on Tuesday reported that the federal government’s work on different IPPs has started delivering results as four IPPs, M/s Atlas Power, M/s Saba Power, M/s Rousch Power and Lalpir Power have initialled (signed) premature scrapping of pacts whereas Hubco is likely to follow suit on Tuesday or Wednesday.

As per the report, the Task Force on Power Sector, which also comprises two senior security officers besides lawyers on the board and experts from SECP, PPIB, CPPA-G and Nepra played a key role in convincing IPPs, established under pre-1994, 1994 and 2002 Power Generation Policies to renegotiate.

It informed that three IPPs Hubco Power, Rousch Power and Lalpir Power, fought till the end but ultimately showed leniency on premature termination of Power Purchase Agreements (PPAs).

However, there are differences between Hubco and Government team on the amount of Rs1 billion, it said.

DEFENSIVE SECTORS PROP UP EUROPE'S STOXX 600 AS CHINA JITTERS PERSIST

Reuters Published October 9, 2024

European stocks eked out gains on Wednesday, aided by defensive sectors, as uncertainty around China's stimulus plans kept the mood subdued ahead of key US inflation data later this week.

The continent-wide STOXX 600 index was up 0.1%, as of 0711 GMT, with investors buying into utilities, healthcare and real estate - sectors considered as a safer bet during times of uncertainty.

The benchmark index touched a two-week low in the previous session, with China-exposed mining and luxury sectors taking a beating as investors were disappointed by a lack of fresh stimulus steps from Beijing.

All eyes will be on a news conference by China's finance ministry on Saturday for new details on fiscal stimulus. Other big catalysts this week include US inflation data on Thursday and the start of US earnings season.

Miners, luxury sector weigh on Europe's STOXX 600

UK-listed Rio Tinto slipped 0.7% after the miner said it would acquire Arcadium Lithium for $6.7 billion, in a deal that would make it one of the world's largest lithium producers. Shares of Continental gained nearly 3% after the German automotive supplier forecast profitability in its automotive business to improve in the third quarter.

Struggling German battery maker Varta jumped about 27% after it said Porsche AG would invest in its business unit for large-format lithium-ion cells.

CHINESE SHARES DROP ON STIMULUS UPSET, ASIA TRACKS WALL ST HIGHER

AFP Published October 9, 2024

HONG KONG: Stocks in mainland China and Hong Kong tumbled Wednesday on another volatile day after Beijing disappointed investors over a lack of fresh stimulus and scant detail on its plans for implementing a raft of measures already unveiled.

After blockbuster performances in the wake of last month's announcements to kickstart growth, traders were left deflated Tuesday after a news conference that fell short of expectations and revived worries about the outlook.

A rally on Wall Street, helped by a plunge in oil prices and optimism over the US economy, did little to lift sentiment on Chinese trading floors, though most other markets in Asia enjoyed gains.

Investors are now keeping tabs on developments out of Beijing, hoping for more indications about officials' plans, though analysts warn there is unlikely to be the big "bazooka" stimulus akin to the support seen during the global financial crisis.

Shehzad Qazi at China Beige Book said the news conference "underscored that Beijing does not feel the need to do 'whatever it takes'.

"Instead it's opting for targeting stimulus – including allocating funds for projects previously announced. The irony is markets would've continued rallying had there been no press conference. "The only upside of (Tuesday's) event was injecting a much needed dose of reality."

Japan leads Asia stock rally, dollar gains after blowout US payrolls

Hong Kong had soared more than 20 percent between the first batch of measures being announced and Monday, but it collapsed more than nine percent Tuesday – its worst day since 2008.

After swinging in the morning, the Hang Seng Index fell more than one percent by the break Wednesday as traders struggled to get back on track.

Shanghai fell more than five percent – having seen a 10 percent opening rally Tuesday pared to just over four percent by the end of the day.

Still, most other markets in the region rose as investors took their lead from New York, where tech firms led the way on optimism over the world's top economy in the wake of Friday's forecast-topping jobs data.

Tokyo rose, with Seven & i Holdings – the owner of the 7-Eleven convenience store chain – piling on 12 percent at one point after a report said Canada's Alimentation Couche-Tard had hiked its takeover offer for the company by almost 20 percent to $47.2 billion. It later eased back to sit almost five percent higher.

Sydney, Singapore, Taipei, Wellington, Bangkok and Mumbai also rose, though Manila and Jakarta dipped.

While the US jobs figures dented expectations for a second successive bumper interest rate cut this month, they did temper worries about a possible recession.

US consumer and producer prices data towards the end of the week should provide further clues on the interest rate outlook, while third-quarter earnings season kicks off on Friday.

Oil prices inched up but made little headway into the losses of almost five percent suffered in the previous session that came on the back of doubts about Chinese demand and after Israel faced international pressure not to strike Iranian crude installations.

Fears about Tel Aviv's response to Iran's missile attack last week had sent the commodity soaring Monday to their highest levels since August.

Healthy US stockpiles and expectations of ample supply both in and out of OPEC also weighed on the black gold.

Key figures around 0400 GMT

Shanghai - Composite: DOWN 5.3 percent at 3,304.84 (break)

Hong Kong - Hang Seng Index: DOWN 1.4 percent at 20,635.11 (break)

Tokyo - Nikkei 225: UP 0.7 percent at 39,196.43

West Texas Intermediate: UP 0.3 percent at $73.78 per barrel

Brent North Sea Crude: UP 0.4 percent at $77.47 per barrel

Euro/dollar: DOWN at $1.0969 from $1.0981 on Tuesday

Pound/dollar: DOWN at $1.3090 from $1.3100

Dollar/yen: DOWN at 148.25 yen from 148.29 yen

Euro/pound: UP at 83.80 pence from 83.79 pence

New York - Dow: UP 0.3 percent at 42,080.37 (close)

London - FTSE 100: DOWN 1.4 percent at 8,190.61 (close)

KSE-100 CLOSES FLAT AFTER BRIEFLY CROSSING 86,000 MARK FOR THE FIRST TIME

BR Web Desk Published October 9, 2024

The Pakistan Stock Exchange (PSX) witnessed a volatile session on Wednesday as its benchmark KSE-100 Index crossed 86,000 during intra-day trading for the first time, but retreated on late-selling to close the day flat.

The KSE-100 started the session with a strong buying spree, hitting an intra-day high of 86,451.43. This was its highest level in history.

However, the second half of the session faced selling pressure that erased intra-day gains.

At close, the KSE-100 Index settled flat at 85,669.28, a marginal gain of 5.30 points or 0.01%.

"The session experienced significant volatility, peaking at 86,451 and dipping to 85,444, largely due to profit-taking and the index's inability to sustain levels above 86,000. The market was primarily supported by local institutions' buying activity," brokerage house Topline Securities said in its post-market report.

Key contributors to the index included MCB, LCI, BAHL, HUBC, and HBL, which collectively added 292 points. However, negative movements from FFC, EFERT, and POL deducted 215 points from the index, it added.

Experts have been crediting the ongoing bullish trend to a higher-than-expected decline in the inflation rate, which has raised hopes for a further cut in the policy rate at the upcoming Monetary Policy Committee (MPC) meeting in November 4.

"Greater than expected decline in headline inflation and anticipated rate cuts in the next two MPC meetings (Nov & Dec)" is driving this trend, Saad Khan, analyst at Imran Ismail Securities, told BUSINESS RECORDER.

"A positive real interest rate of more than 10% advocates further rate cuts which can go down by 250-350bps," he said.

On Tuesday, the PSX's record-breaking trend continued due to investors' strong interest and healthy buying, mainly in the E&P and fertilizer sectors. The benchmark index settled at 85,663.98, an increase of 753.68 points or 0.89%.

Globally, Chinese stocks tumbled on Wednesday alongside their Hong Kong peers. Investors booked profits after a blistering rally, and officials failed to inspire confidence in stimulus plans intended to revive the economy.

Benchmark indexes in China declined more than 5% by midday in a sharp reversal from the moves seen the day before, when markets returned from the week-long National Day holiday with a bang and scaled more than two-year highs.

The Shanghai Composite index fell 5.3%, while the blue-chip CSI300 index dropped 5.4%, both poised to snap a 10-day winning streak.

Meanwhile, the Pakistani rupee ended marginally weaker against the US dollar, depreciating 0.02% in the inter-bank market on Wednesday. At close, the currency settled at 277.72, a loss of Re0.05 against the greenback.

Volume on the all-share index increased to 596.05 million from 506.56 million on Tuesday.

However, the value of shares decreased to Rs31.34 billion from Rs33.05 billion in the previous session.

K-Electric Ltd was the volume leader with 55.8 million shares, followed by Hub Power Co.XD with 39.67 million shares, and PTCL with 32.23 million shares.

Shares of 448 companies were traded on Wednesday, of which 208 registered an increase, 172 recorded a fall, while 68 remained unchanged.

JAPAN'S NIKKEI CLIMBS ON TECH BOOST; 7-ELEVEN OWNER JUMPS

Reuters Published October 9, 2024

TOKYO: Japan's Nikkei share average rose on Wednesday, with tech stocks tracking their US peers higher, while shares of 7-Eleven owner and takeover target Seven & i Holdings jumped following a media report of a sweetened bid.

The Nikkei climbed 0.58% to 39,172.30 by 0204 GMT, with chip-sector and other high-tech names making up four of the top five points gainers.

The broader Topix was flat, with an advance for an sub-index of growth shares cancelled out by a drop in value shares.

Seven & i, which is fending off an approach from Circle K-owner Alimentation Couche-Tard, jumped as much as 11.77% after Bloomberg reported the Canadian retailer was preparing to raise its offer to about $47 billion.

It last traded 4.1% higher.

Japanese retailers are reporting earnings this week, with both Seven & i and Uniqlo-owner Fast Retailing due to announce their results after the closing bell on Thursday.

Fast Retailing was the Nikkei's second-biggest points gainer on Wednesday with a 0.76% rise, mainly due to its extremely heavy weighting in the index.

Nvidia supplier Advantest took the top spot, rallying 3.05%.

Also in the top five were chip-making equipment giant Tokyo Electron, AI-focused startup investor SoftBank Group and staffing agency Recruit Holdings, which rose 1.1%, 0.91% and 1.54%, respectively.

Nomura raised its year-end forecast for the Nikkei to 40,000 from 38,000, "supported by end to deflation (and) corporate governance reforms," while "economic and policy risks" look likely to recede in the near term, analysts Tomochika Kitaoka and Naoya Fuji said in a report.

Nikkei snaps 3-day winning run on Wall St slump

Nikkei losers actually outnumbered winners on Wednesday, with 128 of the index's 225 components falling versus 94 that rose, with three flat.

Energy companies were the top losers among sectors amid a retreat in crude oil prices.

Refiners Idemitsu Kosan and Inpex were the Nikkei's bottom performers, sliding 3.51% and 3.18%, respectively.

INDIAN SHARES RISE AFTER CENTRAL BANK EASES POLICY STANCE TO 'NEUTRAL'

Reuters Published October 9, 2024

Indian shares rose on Wednesday, after the central bank kept rates unchanged as expected but eased its policy stance, opening the door for rate cuts.

The Nifty 50 index was up 0.67% at 25,177.5 points as of 10:10 a.m. IST, while the S&P BSE Sensex added 0.55% to 82,080. Both the benchmarks were up 0.2% ahead of the policy decision.

Indian shares snap six-session losing streak; cenbank policy in focus

The Reserve Bank of India (RBI) kept the key policy rates unchanged for a tenth consecutive meeting but changed its policy stance from the hawkish 'withdrawal of accommodation' to 'neutral'.

CHINESE STOCK RALLY HITS SPEED BUMP AS INVESTORS AWAIT FRESH CUES

Reuters Published October 9, 2024

SHANGHAI/SINGAPORE: Chinese stocks tumbled on Wednesday alongside their Hong Kong peers, as investors booked profits after a blistering rally and as officials failed to inspire confidence in stimulus plans intended to revive the economy.

Benchmark indexes in China declined more than 5% by midday in a sharp reversal from the moves seen the day before, when markets returned from the week-long National Day holiday with a bang and scaled more than two-year highs.

The Shanghai Composite index fell 5.3%, while the blue-chip CSI300 index dropped 5.4%, both poised to snap a 10-day winning streak.

The A-share market, comprising stocks listed in Shanghai, Shenzhen and Beijing, had a roller-coaster ride on Tuesday, with turnover hitting a record 3.485 trillion yuan ($493.17 billion).

But gains were capped after officials fell short of delivering further details of Beijing's massive stimulus measures at the highly anticipated National Development and Reform Commission (NDRC) press conference on Tuesday, leaving investors disappointed.

"I would say the NDRC's recent announcements were a bit disappointing, mainly because there wasn't much in the way of new stimulus or clear forward guidance," said Nori Chiou, investment director at White Oak Capital.

However, he said Wednesday's pullback in stocks was hardly a letdown for many, given their strong run over the previous sessions.

Hong Kong's Hang Seng index similarly dropped 1.4%, though it remains one of the region's best-performing markets this year following its steepest rally in a generation over recent weeks.

The Hang Seng Mainland Properties Index slid 4.7%, while technology shares shed 0.86%.

China stocks subdued on mixed trade data

"The market is widely anticipating a fiscal stimulus announcement sometime this month, something like 2-3 trillion yuan is the range being talked about," said Alvin Tan, head of Asia FX strategy at RBC Capital Markets.

"The positive sentiment on China assets lately is premised on expectation of a major fiscal stimulus package, so that sentiment will turn quickly if we don't get some package at least matching the range above."

Tourism shares were among the top losers on Wednesday, as data showed that spending during the Golden Week holiday was yet to recover to pre-COVID levels.

An index tracking the performance of the sector lost 7.9%.

Shares of property companies were also among the biggest losers.

The CSI300 Real Estate index plunged 9.7%, reflecting lingering concerns over the strength of the recovery in China's beleaguered property market.

Elsewhere, Singapore-traded FTSE China A50 futures fell nearly 3%.

Technology

PSEB: CAPACITY-BUILDING ORDERED

Recorder Report Published about 4 hours ago

ISLAMABAD: Minister of State for IT and Telecommunications Shaza Fatima Khawaja has directed the management of Pakistan Software Export Board (PSEB) to build capacity of PSEB and work efficiently to achieve the targets within stipulated time.

She gave this direction while chairing the 61st meeting of Board of Directors of PSEB held at the committee room of the Ministry of IT on Wednesday.

Secretary IT Zarrar Hasham Khan was also present in the meeting.

Pakistan Software Houses Association (P@SHA) Chairman Sajjad Mustafa Syed joined meeting virtually.

Khawaja emphasised upon formulating a proper strategy by PSEB to improve its working, and focus upon its targets.

US CONSIDERS BREAK-UP OF GOOGLE IN LANDMARK SEARCH CASE

Reuters Published about 4 hours ago

NEW YORK: The US said on Tuesday it may ask a judge to force Alphabet's Google to divest parts of its business, such as its Chrome browser and Android operating system, that it says are used to maintain an illegal monopoly in online search.

In a landmark case, a judge found in August that Google, which processes 90% of US internet searches, had built an illegal monopoly. The Justice Department's proposed remedies have the potential to reshape how Americans find information on the internet while shrinking Google's revenues and giving its competitors more room to grow.

"Fully remedying these harms requires not only ending Google's control of distribution today, but also ensuring Google cannot control the distribution of tomorrow," the Justice Department said.

The proposed fixes will also aim to keep Google's past dominance from extending to the burgeoning business of artificial intelligence, prosecutors said.

The Justice Department might also ask the court to end Google's payments to have its search engine pre-installed or set as the default on new devices. Google has made annual payments - $26.3 billion in 2021 - to companies including Apple and other device manufacturers to ensure that its search engine remained the default on smartphones and browsers, keeping its market share strong.

Google, which plans to appeal, said in a corporate blog post that the proposals were "radical" and said they "go far beyond the specific legal issues in this case."

Google maintains that its search engine has won users with its quality, adding that it faces robust competition from Amazon and other sites, and that users can choose other search engines as their default.

The world's fourth-largest company with a market capitalization of over $2 trillion, Alphabet is under mounting legal pressure from competitors and antitrust authorities. A US judge ruled on Monday in a separate case that Google must open up its lucrative app store, Play, to greater competition, including making Android apps available from rival sources. Google is also fighting a Justice Department case that seeks the breakup of its web advertising business.

As part of its efforts to prevent Google's dominance from extending into AI, the Justice Department said it may seek to make available to rivals the indexes, data and models it uses for Google search and AI-assisted search features.

Other orders prosecutors may seek include restricting Google from entering agreements that limit other AI competitors' access to web content and letting websites opt out of Google using their content to train AI models.

Google said the AI-related proposals could stifle the sector.

"There are enormous risks to the government putting its thumb on the scale of this vital industry — skewing investment, distorting incentives, hobbling emerging business models — all at precisely the moment that we need to encourage investment," Google said. The Justice Department is expected to file a more detailed proposal with the court by Nov. 20. Google will have a chance to propose its own remedies by Dec. 20.

US District Judge Amit Mehta's ruling in Washington was a major win for antitrust enforcers who have brought an ambitious set of cases against Big Tech companies over the past four years.

OPENAI TO EXPAND GLOBALLY WITH FOUR NEW OFFICES

AFP Published October 9, 2024

PARIS: Californian company OpenAI, which makes generative AI chatbot ChatGPT, said Wednesday it was expanding its global reach with four new offices.

The firm, which recently got a massive cash injection from investors including Microsoft and chip titan Nvidia, said it would open new sites in Paris, Brussels, Singapore and New York.

It has already opened an office in London and another in Dublin.

The public launch of ChatGPT in late 2022 catapulted the firm into the global spotlight.

OpenAI closes $6.6 billion funding haul with investment from Microsoft and Nvidia

ChatGPT allows users to generate human-like text documents from simple conversational prompts.

OpenAI also makes programs that produces images and is working on a video generator.

The firm raised $6.6 billion in cash and secured a $4 billion credit line earlier this month, propelling it to a reported $157 billion valuation.

JAZZ PHASES OUT 3G SERVICES BY NOV 2024 IN LANDMARK TRANSITION

October 9, 2024

Islamabad, October 9, 2024 – Jazz, Pakistan's leading telecom operator, has announced plans to fully phase out its 3G services by November 2024, making it the first in the country to take this transformative step. The move is part of Jazz's ambitious "4G for All" initiative, aimed at driving high-speed mobile broadband connectivity across Pakistan.

This strategic transition will enable Jazz to repurpose the 3G spectrum, allowing for significant enhancements to its 4G network. The reallocation of resources will bolster 4G coverage, increase data speeds, and improve overall network capacity, reinforcing Jazz's position at the forefront of the nation's telecom industry.

Jazz has stated that this shift will not only elevate its service offerings but also contribute to Pakistan's broader objectives of digital transformation and economic growth by strengthening the country's communication infrastructure. The retirement of the 3G network is a key milestone in Jazz's effort to enhance connectivity and foster digital innovation.

Aamir Ibrahim, CEO of Jazz, emphasized the importance of this decision, noting, "Sunsetting our 3G services highlights our unwavering commitment to providing a world-class digital experience. Our '4G for All' vision is central to empowering individuals and businesses throughout Pakistan in an increasingly digital world." He added that this transition is part of Jazz's evolution toward becoming a comprehensive Service Company (Service Co), focusing on digital solutions that expand access to essential services such as healthcare, education, and financial services.

With over 71 million cellular users and 51 million mobile broadband customers, Jazz remains Pakistan's largest telecom operator. The shift to an exclusively 4G-enabled network is expected to significantly enhance mobile internet speeds, improve call quality, and better meet the dynamic needs of its growing customer base.

As the telecom industry moves towards more advanced technologies, Jazz's decision to phase out 3G underscores the company's commitment to keeping pace with global trends in digital connectivity. By focusing on 4G technology, Jazz is positioned to deliver innovative digital solutions that will shape the future of communication in Pakistan, ensuring a more connected and digitally empowered society.

Business & Finance » Companies

SHELL: TAKEOVER REGULATIONS

Recorder Report Published about 4 hours ago

KARACHI: Shell Pakistan Limited has announced that Wafi Energy Holding Limited (the acquirer) has fulfilled its entire obligations under the takeover regulations.

Arif Habib Limited, Manager to the Offer, has confirmed that payment has been dispatched to all shareholders who tendered their shares as part of the public offer made on July 25, 2024, material information sent to Pakistan Stock Exchange on Wednesday said.

PTCL LAUNCHES PAKISTAN'S FIRST 800G WDM SYSTEM IN PARTNERSHIP WITH HUAWEI

Press Release Published about 4 hours ago

ISLAMABAD: PTCL Group, Pakistan's top integrated ICT provider, has achieved a major milestone by successfully launching the country's first 800 Gbps per wavelength Super C+L Wavelength Division Multiplexing (WDM) system.

This advanced technology enables a data transmission capacity of 64 Tbps per fiber, with the potential to reach up to 96 Tbps, marking a significant step forward for Pakistan's digital infrastructure said a press release.

Developed in collaboration with Huawei, PTCL's Super C+L system supports a broader optical spectrum of up to 12 THz, compared to the 4.8 THz provided by traditional systems. It combines high-speed 800 Gbps per wavelength, ultra-wide Super C+L spectrum, and advanced Flexible Grid optical switching. This breakthrough positions PTCL at the forefront of Pakistan's digital transformation, preparing the network for future technologies like Fixed 5.5G (F5.5G) and enabling faster, smarter, and more efficient connectivity.

Jafar Khalid, Group Chief Technology and Information Officer, PTCL & Ufone 4G, commented: "Our focus is on advancing cutting-edge technology while maintaining sustainability. This upgrade will improve service quality, lower latency, and enhance the overall user experience for both consumers and enterprises, while reducing our environmental footprint."

Victor Zhou, President of Huawei's Optical Domain, stated: "We are proud to support PTCL in building this high-speed optical network, which will boost Pakistan's digital growth and sustainability efforts. It will strengthen data center connections, reduce carbon emissions, and set the stage for future advancements like F5.5G. This technology investment will underpin Pakistan's digital economy for years to come."

Fuel & Energy

OIL FALLS AS SWELLING US SUPPLY COUNTERS ME AND HURRICANE RISKS

Reuters Published about 4 hours ago

NEW YORK: Oil fell by more than $1 a barrel on Wednesday on rising US crude inventories, while the risk of supply disruption from the Middle East conflict and Hurricane Milton in the United States curbed price declines.

Brent crude futures were down $1.21, or 1.6%, at $75.97 a barrel at 11:05 a.m. EDT (1504 GMT). US West Texas Intermediate (WTI) futures lost $1.07, or 1.5%, to $72.50.

Crude inventories jumped by 5.8 million barrels to 422.7 million barrels last week, the Energy Information Administration said, compared with analysts' expectations in a Reuters poll for a 2 million-barrel rise.

The build, however, was smaller than estimates by trade group American Petroleum Institute on Tuesday, which helped to limit the fall in oil prices, said Bob Yawger, director of oil futures at Mizuho in New York.

Larger-than-expected drawdowns in gasoline and distillates also helped soften the impact to prices, Yawger said.

"There's a bullish element in the gasoline number, which might have been a rebound from the hurricane," said Yawger, who was referencing Hurricane Helene, which struck the United States late last month.

The country is now bracing for a second one, Hurricane Milton, which is expected to make landfall as a major storm in Florida on Wednesday. The storm has already driven up demand for gasoline in the state, which has helped support crude prices.

Brent and WTI both gained more than 1% earlier in the session after prices had plunged on Tuesday by more than 4% on a possible Hezbollah-Israel ceasefire, though markets remain wary of a potential Israeli attack on Iranian oil infrastructure.

"Despite the current heightened tensions in the Middle East, it is easy to forget that the oil market is very much vulnerable to corrections due to the ongoing bearish macro narrative centred on China," said Harry Tchilinguirian, head of research at Onyx Capital Group.

China said on Tuesday it was "fully confident" of achieving its full-year growth target but refrained from introducing stronger fiscal steps, disappointing investors who had banked on more support for the economy.

Investors have been concerned about slow growth dampening fuel demand in China, the world's largest crude importer.

ENERGY SECTOR REFORMS: COMMITTEE APPROVES ISMO FORMATION

- ISMO will be an independent multi-player market for electricity generation and procurement in Pakistan

BR Web Desk Published October 9, 2024

In a major step towards reforming Pakistan's energy sector, the Cabinet Committee on Energy gave its principal approval for the formation of the Independent System and Market Operator (ISMO), which will be further ratified by the Cabinet.

The development occurred during the Cabinet Committee on Energy meeting chaired by Prime Minister Shehbaz Sharif on Wednesday, read a statement released by the Prime Minister's Office (PMO).

The ISMO will be an independent multi-player market for electricity generation and procurement in Pakistan.

This new system will enable consumers to directly purchase electricity from various suppliers, offering them an alternative to the traditional distribution companies.

As per the PMO statement, ISMO will be registered with the Securities and Exchange Commission of Pakistan (SECP) under the Companies Act 2017.

"ISMO will gradually end the government's role as the sole buyer of electricity in the country, transforming the market into a multi-player independent market.

"Through this entity, an efficient and transparent competitive electricity market will be established in Pakistan.

"This system will allow consumers to purchase electricity from suppliers other than the distribution companies," read the PMO statement.

CCoE approves amendments to refineries policy

The government believes that ISMO will enable long-term planning for low-cost electricity generation and transmission systems, and significantly reduce circular debt, electricity tariffs in the power sector.

The energy sector plays a crucial role in Pakistan's economy. On Tuesday, BUSINESS RECORDER reported that Pakistan and Chinese power companies were all set to sign pacts on re-profiling of debts and moratorium on payment of over $16 billion for five and three years respectively during the visit of Chinese Prime Minister Li Qiang.

Meanwhile, the Cabinet Committee on Energy was briefed on circular debt in the energy sector.

"We are taking priority steps for reforms in Pakistan's energy sector. Efforts to reduce theft and losses in the energy sector should be intensified and made more effective," said PM Shehbaz.

CCoE body to review oil, gas exploration status

The prime minister instructed relevant authorities to take departmental action against the distribution company's employees involved in electricity theft.

He emphasised the use of modern technology to ensure reforms and the prevention of theft in the power sector.

The meeting was attended by Finance Minister Muhammad Aurangzeb, Federal Minister for Planning and Development Ahsan Iqbal, Federal Minister for Economic Affairs Ahad Khan Cheema, Federal Minister for Energy Sardar Owais Ahmed Khan Leghari, Federal Minister for Petroleum Musadik Masood Malik, Minister of State for Power and Finance Ali Pervaiz and other members of the Cabinet Committee on Energy.

OIL FALLS AS SWELLING US SUPPLY COUNTERS MIDDLE EAST AND HURRICANE RISKS

Reuters Published October 9, 2024

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Oil prices: War premium is back

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Focus also on China

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Investors have been concerned about slow growth dampening fuel demand in China, the world's largest crude importer.

Weak demand continues to underpin the fundamental outlook. The U.S. Energy Information Administration's (EIA) on Tuesday downgraded its demand forecast for 2025 on weakening economic activity in China and North America.

Investors are awaiting developments from expected talks between U.S. President Joe Biden and Israeli Prime Minister Benjamin Netanyahu over intensifying conflict in the Middle East.

The oil-producing region has been on high alert for any Israeli response to an Iranian missile attack last week in retaliation for Israel's military escalation in Lebanon.

KE REMOVES 7,000 ILLEGAL CONNECTIONS

Press Release Published October 9, 2024

KARACHI: K-Electric (KE), with the support of the law enforcement agencies, is actively conducting operations against electricity thieves and the illegal "kunda" mafia.

Over the past three months (July, August, and September 2024), the power utility launched 78 anti-kunda drives in Lyari, removed 7,400 illegal connections, weighing 9,100kg in total from K-

Electric's infrastructure. These illegal connections were responsible for stealing 1.1 million units of electricity. During this period, two FIRs were filed, and four cases were registered with the FIA.

Electricity theft remains a major challenge in the city. Illegal kunda connections bypass the network's safety protocols, posing significant risks to K-Electric's infrastructure and the public. K-Electric continues its efforts to reduce losses and protect the power infrastructure.

Electricity theft and unpaid bills are two key factors that determine the loss profile of any area. Almost 70% of K-Electric's network is exempt from load-shedding, and the power utility is continuously working to reduce losses in other areas to ensure reliable and safe power supply.

Load-shedding has been reduced or eliminated in areas, where losses have decreased. K-Electric urges customers, local representatives, and community leaders to promote a culture of timely bill payments and discourage electricity theft. Such measures are essential to ensuring uninterrupted power supply throughout the city.

K-Electric has taken additional steps in Lyari targeting inspections of buildings. The company engaged community leaders to raise awareness on the dangers of kundas and promoted regularization. Improved coordination has ensured faster complaint resolution and kunda removals, supported by awareness sessions and pamphlet distribution.

Markets - Rates

INDEX TICKS UP

Recorder Report Published about 4 hours ago

KARACHI: A bullish trend continued as Pakistan Stock Exchange on Wednesday hit new highest-ever level, however failed to sustain this level due to foreign selling in the second half that eroded almost all intraday gains.

The benchmark KSE-100 Index crossed 86,000 historic level to hit 86,451.43 points intraday highest-ever level, however could not sustain this level due to profit-taking and closed at 85,669.28 points, up just 5.30 points or 0.01 percent. Trading activity further improved as total daily volumes on ready counter increased to 596.052 million shares as compared to 506.565 million shares traded on Tuesday. The daily traded vale on the ready counter declined to Rs 31.341 billion against previous session's Rs 33.049 billion.

BRIndex100 lost 2.45 points or 0.03 percent to close at 9,091.06 points with total daily turnover of 501.192 million shares.

BRIndex30 gained 60.86 points or 0.22 percent to close at 27,378.84 points with total daily trading volumes of 349.963 million shares.

Foreign investors however remained on the selling side and withdrew $11.238 million from the local equity market. Total market capitalization increased by Rs 2 billion to Rs 11.174 trillion. Out of total 448 active scrips, 208 closed in positive and 172 in negative while the value of 68 stocks remained unchanged.

K-Electric was the volume leader with 55.799 million shares and gained Rs 0.21 to close at Rs 3.98 followed by Hub Power Co that increased by Rs 1.50 to close at Rs 113.42 with 39.666 million shares. P.T.C.L. surged by Rs 1.15 to close at Rs 13.20 with 32.226 million shares.

Lucky Core Industries and Hallmark Company were the top gainers increasing by Rs 114.32 and Rs 102.50 respectively to close at Rs 1,257.56 and Rs 1,348.03 while Nestle Pakistan and Hoechst Pakistan were the top losers declining by Rs 75.24 and Rs 54.13 respectively to close at Rs 6,790.00 and Rs 2,335.87.

An analyst at Topline Securities said that the KSE-100 Index closed at 85,669, up 5.0 points or 0.1 percent.

The session experienced significant volatility, peaking at 86,451 and dipping to 85,444, largely due to profit-taking and the index’s inability to sustain levels above 86,000. The market was primarily supported by local institutions’ buying activity.

Key contributors to the index included MCB, LCI, BAHL, HUBC, and HBL, which collectively added 292 points. However, negative movements from FFC, EFERT, and POL deducted 215 points from the index.

BR Automobile Assembler Index gained 24.49 points or 0.14 percent to close at 17,253.04 points with total turnover of 8.704 million shares.

BR Cement Index decreased by 67.53 points or 0.81 percent to close at 8,254.63 points with 33.160 million shares.

BR Commercial Banks Index surged by 294.73 points or 1.21 percent to close at 24,702.26 points with 71.643 million shares.

BR Power Generation and Distribution Index increased by 241.9 points or 1.57 percent to close at 15,610.53 points with 106.363 million shares.

BR Oil and Gas Index declined by 104.54 points or 1.26 percent to close at 8,183.08 points with 36.450 million shares.

BR Tech. & Comm. Index inched up by 6.84 points or 0.17 percent to close at 3,963.72 points with 101.638 million shares.

Ahsan Mehanti at Arif Habib Corporation said stocks closed to a new all time high led by banking scrips after SBP revised per party exposure limits for SMEs, and reports of $2.8 billion record remittances in September 2024.

He said midsession pressure remained on falling global crude oil prices, and foreign outflows. "Easing political noise and speculations in the earning season played a catalyst role in positive close."

ACTIVITIES OF KARACHI PORT AND PORT QASIM

Recorder Report Published about 4 hours ago

KARACHI: The Karachi Port handled 111,224 tonnes of cargo comprising 59,581 tonnes of import cargo and 51,643 tonnes of export cargo during the last 24 hours ending at 0700 hours on Tuesday.

The total import cargos of 59,581 tonnes comprised of 34,693 tonnes of containerised cargo; 24,046 tonnes of BULK CARGO and 842 tonnes of Dap.

The total export cargos of 51,643 tonnes comprised of 23,128 tonnes of containerised cargo and 28,515 tonnes of clinkers.

There were six vessels Xin Long Yun 55, Northern Practises, Kota Manis, Centurion Signifer, Kiran Caribbean and Addison carrying containers, tankers and general cargo currently at the berths.

There were four ships namely Asian Honor, Serene Sky, CS Calia and CMA CGM Titan sailed out to sea during the reported period.

PORT QASIM

A cargo volume of 123,511 tonnes comprising of 70,158 tonnes of import cargo and 53,353 tonnes of export cargo including 2,765 loaded and empty containers (488 TEUs imports and 2,277 export), was handled at Port Qasim during the last 24 hours.

The total import cargo of 70,158 tonnes includes 8,296 tonnes of containerised cargo; 10,576 tonnes of coal; 29,716 tonnes of gas oil; 9,150 tonnes of palm oil; 8,200 tonnes of fertilizer and 1,455 tonnes LPG.

The total export cargo of 53,353 tonnes includes 38,709 tonnes of containerised cargo; 11,587 tonnes of cement and 3,057 tonnes of rice.

There are 11 ships currently at Outer Anchorage of Port Qasim and waiting for berths; out of them three ships, Christos-K, FSM and Al Wajbath and two more ships Helsinki Eagle and

Marathapolis are scheduled to load/unload Cement, LPG, LNG Coal and container are expected to take berths at MW2, VTL, EETL, PIBT and QICTRESPECTIVELY on 9th October. Four container ships Hyundai Hong Kong, Wan Hai-316, Atlantic ibis and MSC Positano are due to arrive at port on 10th October 2024.

LME OFFICIAL PRICES

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

Recorder Report Published about 4 hours ago

LONDON: The following were Tuesday official prices.

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=========================================
ALUMINIUM
=========================================
CONTRACT                BID         OFFER
-----------------------------------------
Cash                2568.00       2569.00
3-month             2585.00       2585.50
=========================================
COPPER
=========================================
CONTRACT                BID         OFFER
-----------------------------------------
Cash                9618.00       9619.00
3-month             9774.00       9775.00
=========================================
ZINC
=========================================
CONTRACT                BID         OFFER
-----------------------------------------
Cash                3082.50       3083.00
3-month             3106.00       3107.00
=========================================
NICKEL
=========================================
CONTRACT                BID         OFFER
-----------------------------------------
Cash               17400.00      17420.00
3-month            17650.00      17675.00
=========================================
LEAD
=========================================
CONTRACT                BID         OFFER
-----------------------------------------
Cash                2052.50       2053.50
3-month             2102.00       2103.00
=========================================
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Source: London Metals Exchange.

KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Wednesday (October 09, 2024).
========================== KIBOR...

Published about 4 hours ago

KARACHI: Kibor interbank offered rates on Wednesday (October 09, 2024).

Tenor	BID	OFFER
1-Week	17.24	17.74
2-Week	17.28	17.78
1-Month	17.17	17.67
3-Month	15.68	15.93
6-Month	14.45	14.70
9-Month	14.09	14.59
1-Year	13.54	14.04

Data source: SBP

SHIPPING INTELLIGENCE

Recorder Report Published about 4 hours ago

KARACHI: Karachi Shipping Intelligence report incorporating changes till 7 am on Wednesday (October 09, 2024).

ALONGSIDE EAST WHARF

Berth No.	Ship	Working	Agent	Berthing Date
B-2	Putuoshan	Load Ethanol	Eastwind Shipping Co	07-10-2024
B-9/B-8	Addison	D/L Container	Oceansea Shipping	09-10-2024
B-11/B-10	Clipper Teresa	Disc General Cargo	Seahawks Asia Global	07-10-2024
B-11/B-12	Centurion Signifer	Load Clinkers Bulk	Shipping Agenci	08-10-2024

B-13/B-14	Equinox Galini	Load Clinkers	Bulk Shipping Agencies	07-10-2024
B-14/B-15	Kiran Caribbean	Disc Dap	WMA Shipcare Services	09-10-2024
B-16/B-17	Ocean Energy	Disc Steel Billets	Universal Shipping	07-10-2024

Alongside WEST Wharf

B-24	African Loon	Load Cement	Ocean Services	09-10-2024
B-27/B-26	Xin Long Yun 55	D/L Container	Pak Shaheen	08-10-2024
B-29/B-28	Northern Practies	D/L Container	Oceansea Shipping	08-10-2024

Alongside SOUTH Wharf

Saptl-3	Kota Manis	D/L Container	Pacific Delta Shipping	08-10-2024

Expected Sailing

Name of Vessel	Expected Date	Expected Arrival Cargo	Agent
Kota Manis	09-10-2024	D/L Container	Pacific Delta Shipping
Northern Practies	09-10-2024	D/L Container	Oceansea Shipping

Expected Arrivals

Aquarius	09-10-2024	L/2000 Ethanol	Eastwind Shipping Company
Oocl Jakarta	09-10-2024	D/L Container	Oocl Pakistan
Polar Star	10-10-2024	D/7500 Chemical	Alpine Marine Services
Dolphin 08	10-10-2024	D/18000 Chemical	Alpine Marine Services
Cautin	10-10-2024	D/L Container	Hapag-Lloyd Pakistan
Ts Keelung	10-10-2024	D/L Container	Sharaf Shipping Agency
Kang Yu	10-10-2024	L/51000 Clinkers	Bulk Shipping Agencies

Ship Sailed

Name of Vessel	Departure Date	Ships Departures Cargo	Agent
Asian Honor	09-10-2024	Rice	-
Serene Sky	09-10-2024	Clinkers	-
Cs Calla	09-10-2024	Fertilizer	-
CmaCgm Titan	09-10-2024	Container Ship	-

Port Qasim Intelligence

Berth	Vessel	Working	Agent	Berthing Date
MULTI PURPOSE TERMINAL				
MW-1	Phoenician-M	Rice	East Wind	Oct. 01, 2024
MW-2	Sunda	Cement	Crystal Sea Ser	Oct. 07, 2024
MW-4	ST. Cergue	Coal	Ocean World	Oct. 05, 2024
LIQUID CARGO TERMINAL				
LCT	Petrel-1	Palm oil	Trans Trade	Oct. 08, 2024
2nd Container Terminal				
QICT	MSC Alina	Container	MSC PAK	Oct. 08, 2024
FOTCO OIL TERMINAL				
FOTCO	Aligote	Gas oil	GSA	Oct. 07, 2024
GRAIN & FERTILIZER TEMINAL				
FAP	Abu Al Abyad	Fertilizer	Bulk Shipping	Oct. 05, 2024
FAP	Rakan-5	Rice	East Wind	Oct. 05, 2024
SSGC LPG TERMINAL				
SSGC	Al-Diab-II	LPG	M International	Oct. 08, 2024

DEPARTURE

Vessel	Commodity	Ship Agent	Departure Date
EXPECTED Departures			
Aligote	Gas oil	GSA	Oct. 09, 2024
Al-Diab-II	LPG	M International	-do-
Sunda	Cement	Crystal Sea Ser	-do-
ST. Cergue	Coal	Ocean World	-do-
MSC Alina	Container	MSC PAK	-do-
OUTERANCHORAGE			
Christos-K	Cement	Global Maritime	Oct. 09, 2024
FSM	LPG	M International	-do-
Al Wajbah	LNG	GSA	-do-
Apex	Cement	Crystal Sea Ship	Waiting for Berths
Nord Taipei Karpathos	Lentiles	Sea Trader	-do-
Dawn	Rice	East Wind	-do-
Haj	Cement	Crystal	-do-

Muhammad		Sea Ship	
Valentina	Rice	Global Maritime	-do-
Rasha	Cement	Ever Green	-do-
Au-Taurus	Palm oil	Alpine	-do-
Maya Gas-1	LPG	M International	-do-

EXPECTED ARRIVAL

Helsinki Eagle	Coal	Alpine	Oct. 09, 2024
Marathopolis	Container	GAC	-do-
Hyundai			
Hong Kong	Container	GAC	Oct. 10, 2024
Wan Hai-316	Container	GAC	-do-
Atlantic Ibis	Container	GAC	-do-
MSC Positano	Container	MSC PAK	-do-

OPEN MARKET FOREX RATES

Updated at: 10/10/2024 6:44 AM (PST)

Currency	Buying	Selling
Australian Dollar	186.75	189.00
Bahrain Dinar	732.00	740.00
Canadian Dollar	204.60	207.00
China Yuan	39.6	40.00
Danish Krone	41.12	41.52
Euro	303.10	305.85
Hong Kong Dollar	35.65	36
Indian Rupee	3.34	3.45
Japanese Yen	1.92	1.98
Kuwaiti Dinar	898.75	908.25
Malaysian Ringgit	63.6	64.2
NewZealand $	174.21	176.21
Norwegians Krone	26.26	26.56
Omani Riyal	716.75	725.25
Qatari Riyal	76.24	76.94
Saudi Riyal	73.65	74.20
Singapore Dollar	215	217
Swedish Korona	27.15	27.46
Swiss Franc	322.20	325.00
Thai Bhat	8.56	8.71
U.A.E Dirham	75.45	76.1
UK Pound Sterling	361.60	365.1
US Dollar	278.25	279.75

INTER BANK RATES

Updated at: 10/10/2024 6:44 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	186.73	187.06
Canadian Dollar	203.14	203.51
China Yuan	39.27	39.34
Danish Krone	40.82	40.90
Euro	304.42	304.97
Hong Kong Dollar	35.71	35.77
Japanese Yen	1.8714	1.8748
Saudi Riyal	73.93	74.06
Singapore Dollar	212.89	213.28
Swedish Korona	26.84	26.89
Swiss Franc	323.67	324.26
Thai Bhat	8.32	8.34
UK Pound Sterling	363.19	363.85
US Dollar	277.55	278.05

GOLD RATE

Bullion / Gold Price Today

As on Thu, Oct 10 2024, 01:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	233,369	271,913	725,871	
Palladium	XPD	90,021	104,889	280,001	
Platinum	XPT	85,295	99,382	265,301	
Silver	XAG	2,713	3,161	8,437	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Thu, Oct 10 2024, 01:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 271900	Rs. 249240	Rs. 237913	Rs. 203925
per 10 Gram	Rs. 233100	Rs. 213673	Rs. 203963	Rs. 174825
per Gram Gold	Rs. 23310	Rs. 21367	Rs. 20396	Rs. 17483
per Ounce	Rs. 660800	Rs. 605729	Rs. 578200	Rs. 495600

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	5,931	6,911	18,449	
Euro	EUR	766	892	2,382	
Japanese Yen	JPY	124,538	145,107	387,364	
Saudi Riyal	SAR	3,151	3,671	9,800	
U.A.E Dirham	AED	3,086	3,595	9,598	
UK Pound Sterling	GBP	642	748	1,996	
US Dollar	USD	840	979	2,613	