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SLD NEWS UPDATES

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KTBA ELECTS NEW OFFICE-BEARERS

Recorder Report Published 4 minutes ago

KARACHI: The Karachi Tax Bar Association (KTBA) has elected new office-bearers and executive committee members for the year 2025 during its 68th Annual General Meeting on Wednesday.

Ali A Rahim has been elected as the new President of the association, while Syed Faiq Raza Rizvi will serve as Vice President.

Shams Mohiuddin Ansari has been appointed as General Secretary, with Ghulam Rabbani taking on the role of Joint Secretary. Muhammad Tarique will serve as Librarian.

The newly elected Executive Committee comprised eight members: Hunain Mithani, Imran Hyder, Khadim Rasool, Khalid Mahmood, Muhammad Mehmood Bikiya, Saud Ul Hassan, Syed Hamza Ahmed Hashmi, and Wasif Iqbal.

The KTBA, which represents tax practitioners in Karachi, continues to play a vital role in facilitating dialogue between tax professionals and authorities while promoting professional development within the tax community. The new leadership team will assume their responsibilities for the 2025 term.

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BANKING SECTOR'S ADR CLIMBS TO NEARLY 48% AS OF NOV 29

BR Web Desk Published December 11, 2024

The banking sector's gross Advance-to-Deposit Ratio (ADR) maintained its upward trajectory, hitting nearly 48% as of November 29, 2024.

The banking sector's ADR improved to 47.8% as of November 29, 2024, up from 44.3% recorded in October 2024, stated brokerage house Arif Habib Limited (AHL) on Wednesday.

"The ratio had previously bottomed out at 38.4% in August 2024. Since then, the ADR has increased by 944 basis points (bps) to reach its current level of 47.8%," the brokerage house added.

As per the data, as of November 29, 2024, the banking sector's advances stood at Rs14.9 trillion, up from Rs13.8 trillion recorded in October 2024.

Meanwhile, the sector's deposits remained largely stable at Rs31.1 trillion as of November 29, 2024.

The government, vide Finance Act 2022, introduced higher tax rates on investment income for banks with ADR ratio below 50%. This tax aims to increase commercial lending and tax passive income at a higher rate being an income from non-exertion.

Therefore, in order to avoid this additional tax and maintain high profits, banks are aggressively disbursing loans to the private sector to achieve the 50% ADR target and also announced some measures to discourage large deposits.

Last month, in a move to avoid a potential government-imposed tax, some commercial banks announced the imposition of a 5-6% monthly fee on checking accounts having deposits/balances ranging from Rs1 billion to Rs5 billion on the last day of the month aimed to discourage large deposits.

However, the fee was later reversed as the State Bank of Pakistan (SBP) granted some relaxations to the banks and officially announced that the Minimum Profit Rate requirement would not apply to the deposits of financial institutions, public sector enterprises and public limited companies.

The ADR issue was also the focus of a high-level meeting held on Tuesday, chaired by Deputy Prime Minister and Foreign Minister Senator Mohammad Ishaq Dar.

The participants discussed the use of ADR policy on the overall lending to productive sectors of the economy, its impact on tax revenue targets and the optimum environment for the banking sector.

'CLEVER' TAXPAYER FAILS TO BYPASS ESTABLISHED PROCEDURES

Recorder Report Published December 11, 2024

LAHORE: A 'clever' taxpayer has failed to bypass the established procedures for resolving tax disputes, as the relevant appellate forum has held that no other solution could be sought where an alternate remedy is available.

In a recent incident, despite a ruling that taxpayers could not bypass the established procedures for resolving tax disputes, the said taxpayer remained undeterred. He continued to file petitions and applications, hoping to find a way to avoid paying his taxes. But all his attempts remained unsuccessful and his applications were being dismissed one by one.

Ultimately, the taxpayer realized that he could no longer evade the tax system. With a sigh, he reluctantly paid his taxes, acknowledging that the law had finally caught up with him.

According to sources from among the tax authorities, this classic case serves as a reminder that while loopholes and lawsuits may provide temporary relief, they are no substitute for compliance with the law. As the courts continue to refine their procedures for resolving tax disputes, such taxpayers would do well to heed the warning: the tax system is not a game to be gamed, but a vital institution that underpins our society, they added.

It is worth noting that he taxpayers are found manoeuvring with the tax recovery system with the help of tax consultants, who linger on recovery proceedings by highlighting the loopholes.

In most of the cases, taxpayers had found a way to outsmart the tax system by challenge every tax notice that comes their way, seeking stay orders from the courts to avoid paying their dues.

Strategy of all such taxpayers is simple yet effective, as they approach the relevant appellate forums, citing grievances and requesting the concerned authorities to intervene. Meanwhile, they would also file a reference application and a stay application, which often gets stuck in the system.

Ultimately, they continue to delay payment of their taxes. The purpose of similar strategies on the part of taxpayers is very simple and that is to evade their tax obligations. Interestingly, the appellate authorities are not oblivious to such antics.

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ALI A. RAHIM ELECTED UNOPPOSED AS KTBA PRESIDENT

December 11, 2024

Karachi, December 11, 2024 – Ali A. Rahim has been elected unopposed as the President of the Karachi Tax Bar Association (KTBA) for the tax year 2025.

In the 68th Annual General Meeting of the KTBA held on Wednesday, following office bearers and members of the executive committee have been elected for the year 2025.

In addition to Rahim, several other office bearers were also elected unopposed. These include Syed Faiq Raza Rizvi as Vice President, Shams Mohiuddin Ansari as General Secretary, Ghulam Rabbani as Joint Secretary, and Muhammad Tariq as Librarian. Their unopposed election underscores broad-based agreement among members on the leadership slate for the coming year.

Meanwhile, successful candidates for the KTBA Executive Committee include Hunain Mithani, Imran Hyder, Khadim Rasool, Khalid Mahmood, Muhammad Mehmood Bikiya, Saud-ul-Hasan, Syed Hamza Ahmed Hashmi, and Wasif Iqbal. These individuals bring a wealth of expertise to support KTBA’s mission.

About KTBA

The Karachi Tax Bar Association, originally founded as the Income Tax Practitioners’ Association in 1956, has a long history of fostering professional excellence among tax consultants and practitioners. Over the decades, KTBA has grown to become one of Pakistan’s largest professional bars, comprising advocates, accountants, and tax consultants. The Association is known for its high standards of integrity, efficiency, and dedication to the advancement of the profession.

KTBA has been instrumental in organizing seminars, workshops, and conferences to address taxation issues and fiscal policies. Its publications, including News & Views, papers, and periodicals, aim to enhance professional education among members and the wider public.

In its enduring commitment to fostering a robust tax culture, KTBA has played an active role in advising the government on fiscal matters and policies to strengthen Pakistan's economy. The Association is also set to organize Pakistan's first-ever National Tax Conference under the theme Tax Culture for Revival of Economy, further solidifying its reputation as a key stakeholder in national economic reform.

Beyond its professional mandate, KTBA is affiliated with national and international organizations, emphasizing capacity-building initiatives. Plans to establish a training academy and incentives such as scholarships and awards for academic excellence reflect its dedication to professional development.

Under Ali A. Rahim's leadership, KTBA aims to continue its legacy of excellence and innovation in promoting a progressive and equitable tax culture in Pakistan.

FBR DIRECTS CUSTOMS TO ENSURE DUTY COLLECTION ON SATURDAYS

December 11, 2024

Karachi, December 11, 2024 – The Federal Board of Revenue (FBR) has issued specific instructions to Pakistan Customs for ensuring the seamless collection and transfer of duties and taxes on Saturdays.

This directive aims to enhance revenue operations and facilitate efficient financial processes.

In an official communication addressed to the Chief Collectors of Customs across all regions—Appraisement-South (Karachi), Appraisement-Punjab (Lahore), Appraisement-North KPK (Peshawar), and Appraisement-Baluchistan (Quetta)—the FBR emphasized the need for prompt and accurate handling of customs duties and tax collections on weekends.

The FBR stated that to ensure the same-day transfer of duties and taxes collected on Saturdays to the State Bank of Pakistan (SBP), it is imperative to establish a coordinated mechanism. For this purpose, Chief Collectors have been directed to liaise closely with both the State Bank of Pakistan and the National Bank of Pakistan (NBP). These institutions have been requested to keep authorized bank branches operational on Saturdays until further notice to facilitate this process.

This move underscores the FBR's commitment to streamlining tax collection procedures and minimizing delays in revenue transfers. By enabling weekend operations, the FBR aims to address any backlog and ensure uninterrupted financial transactions, which are vital for maintaining the government's fiscal responsibilities.

Furthermore, the FBR highlighted the importance of collaboration between Pakistan Customs, the SBP, and NBP to implement these directives efficiently. The extended operational hours of authorized branches on Saturdays will not only support businesses that rely on customs services but also contribute to the overall economic activity by reducing transactional delays.

The FBR has reiterated its focus on enhancing transparency and efficiency in revenue collection processes. This initiative aligns with broader reforms aimed at improving the country's fiscal performance and meeting revenue targets.

Customs officials and stakeholders have been encouraged to provide feedback and report any challenges faced during the implementation of these instructions to ensure a smooth transition and effective execution. The FBR remains committed to facilitating trade and optimizing its operational framework to bolster Pakistan's economic stability.

FBR CLARIFIES AMENDMENTS TO BAGGAGE RULES

December 11, 2024

Islamabad, December 11, 2024 – The Federal Board of Revenue (FBR) has issued an official clarification addressing recent confusion regarding proposed amendments to the Baggage Rules, 2006. The clarification comes after the release of draft SRO 2028(I)/2024 dated December 6, 2024, which led to widespread misinterpretation about the valuation limits on personal baggage.

The draft SRO proposed amendments to Notification No. SRO 666(I)/2006 dated June 28, 2006, specifically elaborating on the definition of "commercial quantity" within the Baggage Rules, 2006. It set a limit of USD 1200 for goods brought in baggage that are presumed to be intended for trading or pecuniary gain. However, this clarification has been misconstrued in media and public discussions as a fixed valuation cap on all personal baggage, creating unwarranted concerns.

The FBR clarified that the USD 1200 limit applies only to goods brought for potential commercial purposes. It explicitly excludes items of personal use or gifts brought by passengers. The intention behind the proposed amendment was to prevent misuse of the baggage facility by commercial carriers, ensuring fair application of customs regulations. Consequently, the FBR strongly rebutted the notion that personal baggage exceeding USD 1200 in value would be confiscated, labeling such claims as baseless.

In response to the public confusion, particularly on social media, the FBR has decided to withdraw the draft Notification to prevent further misunderstandings. The agency reiterated its commitment to providing clear and transparent guidelines to facilitate passengers while maintaining compliance with customs regulations.

This clarification underscores the FBR's dedication to addressing public concerns and ensuring that amendments to customs policies are accurately understood. Moving forward, the FBR aims to refine its communication strategies to minimize ambiguities and enhance public awareness about such policy updates.

The amendments have been aimed to strengthen monitoring of personal baggage and prevent misuse by individual misusing the facility to deprive bona fide passengers.

FBR UPDATES DEFINITION OF SALES TAX FRAUD

December 11, 2024

Islamabad, December 11, 2024 – The Federal Board of Revenue (FBR) has officially updated the definition of sales tax fraud, refining its core language to ensure greater clarity and prevent misinterpretation. This updated definition, which comes as part of the revised Sales Tax Act of 1990, will apply to the tax year 2025 and aims to strengthen the enforcement of sales tax regulations across Pakistan.

According to the FBR, sales tax fraud now includes any intentional attempt to understate or underpay tax liabilities, or to overstate entitlements to tax credits or refunds, in direct violation of the duties and obligations set forth under the Sales Tax Act. This can be achieved through various deceptive practices, such as submitting false returns, statements, or documents, or by deliberately withholding accurate information. The intent behind these actions is to cause a loss of tax revenue to the government.

The updated definition explicitly includes several fraudulent practices that fall under the scope of sales tax fraud. These include:

(a) Suppression of taxable supplies, where goods or services liable to tax under the Sales Tax Act are deliberately concealed.

(b) False claims of input tax credit, where businesses wrongfully claim tax credits they are not entitled to.

(c) Failure to issue tax invoices for taxable goods, making supplies without proper documentation, which violates both the Act and the regulations it outlines.

(d) Issuance of tax invoices without actual supply of goods, resulting in inadmissible claims for input tax credits or refunds.

(e) Tax evasion through undue claims of input tax credits or refunds that are not legitimate, using means beyond the illegal actions described in clauses (a) to (d).

(f) Failure to deposit collected tax amounts, where businesses collect tax but do not remit it to the government within the prescribed period of three months from the due date.

(g) Falsification of financial records, whether by altering invoices or creating fake documents or accounts, with the aim of evading tax or obtaining unauthorized refunds.

(h) Tampering with or destroying material evidence or documents required to be kept under the Sales Tax Act, whether by digital or manual means.

(i) Handling goods that are liable to confiscation, which includes actions such as concealing, supplying, or purchasing goods that should be confiscated under the law.

(j) Failure to register under the Sales Tax Act while making taxable supplies, a clear violation of registration requirements.

(k) Intentional omission or action designed to cause a loss of tax revenue, whether by omission, manipulation, or other means.

The FBR has clarified that any action or omission under these categories will be treated as intentional unless the accused can prove they had no knowledge, motive, or intent to commit the fraud. This strengthened definition is aimed at ensuring that those who attempt to evade taxes are held accountable and that the government can better safeguard its tax revenues.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published 4 minutes ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Wednesday, (December 11, 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 10-12-2024	Difference Ex-karachi
37.324 KG	17,300	285	17,585	17,585	NIL
Equivalent 40 KGS	18,540	305	18,845	18,845	NIL

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Stock & Commodity

S&P, NASDAQ ADVANCE AFTER INFLATION DATA

Reuters Published December 12, 2024 Updated 28 minutes ago

NEW YORK: The S&P 500 and the Nasdaq climbed on Wednesday after the latest inflation data bolstered bets on the Federal Reserve cutting interest rates later this month, while the Dow was pressured by declines in UnitedHealth.

A Labor Department report showed US consumer prices increased by the most in seven months in November, though broadly in line with market expectations.

“There were some fears that you could have had an upside surprise to inflation and that may have made the Fed rethink cutting next week,” said Tom Bruce, macro investment strategist, Tanglewood Total Wealth Management.

“With it coming in line with expectations, it clears a way for a 25 bps cut in next week’s meeting.” Bets on the Fed cutting 25 basis point cut next week jumped to over 96%, compared with an 86% chance before the data, according to CME’s FedWatch Tool. Bets had risen following Friday’s employment report, which showed an uptick in unemployment alongside a surge in job growth.

Also expected this week is a producer prices reading on Thursday.

Yields on US government bonds were choppy ahead of an auction of 10-year notes worth $39 billion later in the day. It was last at 4.2458%.

At 11:26 a.m. ET, the Dow Jones Industrial Average fell 9.26 points, or 0.02%, to 44,238.61, the S&P 500 gained 46.31 points, or 0.77%, to 6,081.22 and the Nasdaq Composite gained 291.54 points, or 1.48%, to 19,978.78.

Eight of the 11 major S&P sub-sectors were trading higher, with consumer discretionary rising 1.6%, while communication services added 2.2%.

Most megacap and growth stocks were higher, with Alphabet up 3.3% and Tesla gaining 3.2%.

On the flip side, the blue-chip Dow was weighed down by a 5.2% decline in UnitedHealth.

Despite running into some turbulence earlier this week, both the S&P 500 and the Nasdaq are hovering near their all-time highs, as investors bought into heavyweight technology stocks all through the year in a bid to catch up with the artificial intelligence hype.

Another tailwind for equities was former President Donald Trump's victory in the presidential election in November, as analysts believe his policies on lower corporate taxes and eased regulation could boost corporate performance.

Among other movers, GameStop gained 8.8% after the videogame retailer reported a profit for the third quarter on cost-saving efforts.

Broadcom jumped 5.7% following a report that Apple is developing its first server chip specially designed for artificial intelligence with the company.

Macy's slumped 5.6% after the department-store bellwether cut its annual profit forecast as persistent weakness in demand clouded its expectations for the holiday shopping season.

Match Group dipped 6.4% as it said it would report fourth-quarter revenue below its previous forecast due to a larger-than-anticipated impact from currency exchange rates.

Advancing issues outnumbered decliners by a 1.31-to-1 ratio on the NYSE and by a 1.01-to-1 ratio on the Nasdaq.

The S&P 500 posted 20 new 52-week highs and six new lows, while the Nasdaq Composite recorded 74 new highs and 83 new lows.

FTSE 100 EDGES HIGHER AFTER US INFLATION DATA

Reuters Published December 12, 2024 Updated 27 minutes ago

LONDON: Britain's FTSE 100 index nudged higher on Wednesday, led by precious metal miners, after the US inflation print came in line with expectations, boosting the likelihood of a Federal Reserve rate cut next week. The blue-chip FTSE 100 was up 0.3%, while the midcap FTSE 250 was flat.

Global shares rose as closely watched US consumer prices increased as expected in November, keeping the Federal Reserve on track to deliver a third consecutive interest rate cut next week against the backdrop of a cooling labor market and rental costs.

Precious metal miners led the sectoral gains for UK stocks, advancing 5.1%, tracking gains in gold prices after the data.

Gold miner Endeavour Mining climbed 5.9% to the top of FTSE 100 while Pearson rose 3.2% after J.P. Morgan raised target price on stock to 1400p from 1170p.

Banking group Lloyds advanced 2.4% after British lender Close Brothers was granted permission to appeal a ruling that motor finance brokers must fully inform customers about commissions on car loans.

Personal goods also added 1.8%, while banks were up about 1%.

The pound weakened against the dollar, also boosting export-oriented stocks in the FTSE 100.

Real estate investment trusts companies led the sectoral losses, dropping 1.4%, while utilities declined 1.1%.

Energy stocks were down 1%, led by Shell which dropped 1.2% to be a bottom performer in the blue-chip index.

Meanwhile, the Bank of England is expected to keep interest rates on hold next week, moving more slowly to cut borrowing costs than central banks in Europe and the US Friday's gross domestic product estimate for October will be a key economic indicator before the BoE's decision.

Among other stocks, Kainos Group was a top gainer on the mid-cap index, soaring 4.5%, after the IT software provider re-appointed Brendan Mooney as chief executive officer.

EUROPEAN SHARES CLOSE UP AFTER US INFLATION DATA

Reuters Published 26 minutes ago

FRANKFURT: European stocks recouped earlier losses and closed up on Wednesday, as investors added to bets that the Federal Reserve could lower interest rates later in the month after an in-line US inflation report.

The pan-European STOXX 600 index had slipped earlier in the day, but settled higher by 0.3% after US data showed the Consumer Price Index (CPI) rose as expected in November on both a monthly and annual basis.

Odds of a 25-basis-point cut by the Fed next week stood at 95%, as per CME's FedWatch tool, compared with about 85% before the data.

Closer to home, focus will be on the European Central bank's policy move on Thursday, with LSEG probabilities data indicating an 85% chance for a 25 bps reduction.

“The weakness in the business surveys, combined with the potential for tariffs on European exports to the US, increases the risk of a European recession,” said Joe McConnell, European Liquidity Strategies Portfolio Manager at J.P. Morgan Asset Management.

McConnell expects the ECB will cut rates by 0.25% at every meeting between now and June, taking the deposit rate down to 2% by the middle of next year.

The rate-sensitive banks index edged up 0.1% to touch its highest since August 2015. More broadly, expectations of interest rate cuts have been the primary driver for the STOXX's 8.6% so far this year.

The aerospace and defence sector led gains on the day with a 1.4% rise and has witnessed the biggest gains among peers this year. Investors monitored Ukraine's latest strike on Russia using US-made missiles.

However, disappointing corporate updates kept a lid on advances, with Zara owner Inditex sliding 6.5% after the world's biggest listed fast-fashion retailer posted a rare miss on third-quarter sales even as it said the holiday shopping season had got off to a good start.

Spain's main index hit a one-week low and the broader STOXX retail index dropped 1.8%, and notched its biggest percentage drop in more than a month.

France was also in focus after President Emmanuel Macron on Tuesday set himself 48 hours to name a new prime minister.

CHINA STOCKS RANGE-BOUND AS INVESTORS EYE ECONOMIC MEETING

Reuters Published 25 minutes ago

HONG KONG: China traded in a narrow range on Wednesday as investors awaited a key economic policy meeting for clues on policy easing next year. At the close, the Shanghai Composite index was up 0.29% at 3,432.49.

The blue-chip CSI300 index was down 0.17%.

Semiconductor stocks lost 1.6% to lead the decline, with financial sector sub-index lower by 1%, the consumer staples sector up 0.22%, the real estate index up 0.95% and the healthcare sub-index up 0.26%.

The decline of Hong Kong stocks expanded in the afternoon session and yuan fell after Reuters reported that China is considering allowing the yuan to weaken in 2025 as they brace for higher trade tariffs in a second Donald Trump presidency in the United States.

The Hang Seng index was down 156.23 points, or 0.77%, at 20,155.05. The Hang Seng China Enterprises index fell 0.78% to 7,249.38.

Investor focus has shifted to the annual Central Economic Work Conference, which is expected to be held this week, after Monday's Politburo meeting vowed to switch to an "appropriately loose" monetary policy to spur economic growth. But detailed measures remain unclear.

"The market is anxiously waiting for details on what exactly the government will do. Hopefully the central economic working conference will shed more light, particularly on the fiscal policy front," said Zhiwei Zhang, chief economist at Pinpoint Asset Management.

Jefferies analysts expect detailed easing measures could fall short of investor expectations.

"Most mainland investors expect range-bound market in 2025," they said.

INDIAN SHARES MUTED AHEAD OF DOMESTIC DATA

Reuters Published 18 minutes ago

MUMBAI: Indian shares were little changed on Wednesday, as investors awaited key U.S and domestic inflation data for cues into the rate trajectories of the two countries.

The NSE Nifty 50 added 0.13% to 24,641.8, while the BSE Sensex rose 0.02% to 81,526.14.

The benchmark Nifty 50 has traded in a narrow range of less than 170 points in the three sessions this week after logging gains in the previous three weeks ended Dec. 6.

“The benchmarks have been muted in the last few sessions, reflecting caution ahead of US inflation reading,” said Prashant Tapse, senior vice president of research at Mehta Equities.

The US inflation data will shape the Federal Reserve’s interest rate outlook, which could impact foreign inflows into emerging markets such as India.

Meanwhile, economists expect domestic inflation to have eased in November, a Reuters poll showed. The data is due on Thursday. Moderation in inflation may allow the Reserve Bank of India to cut interest rates in its next policy meeting in February, amid rising growth concerns, two analysts said. The RBI kept rates unchanged in its policy meeting last week.

NIKKEI REVERSES COURSE TO CLOSE TAD HIGHER

Reuters Published 17 minutes ago

TOKYO: Japan’s Nikkei share average erased losses to end marginally higher on Wednesday as investors bought back cheap stocks, while a key inflation report from the United States weighed on sentiment as it is likely to influence the Federal Reserve’s rate path.

The Nikkei ended 0.01% higher at 39,372.23, after falling as much as 0.65% earlier in the session.

The broader Topix rose 0.29% to 2,749.31.

“There were little market-moving cues today but investors bought back stocks when stocks fell to reasonable levels,” said Shuutarou Yasuda, a market analyst at Tokai Tokyo Intelligence Laboratory.

“But gains were limited by caution for the outcome of the US consumer price report,” he said.

Japanese equities opened lower, tracking declines in Wall Street’s main indexes on Tuesday ahead of the November inflation data due on Wednesday - one of the last major reports ahead of the Fed’s Dec. 17-18 meeting.

Investors also awaited the Bank of Japan's (BOJ) policy decision due on Dec. 19.

BOJ Governor Kazuo Ueda has signalled readiness to hike rates again in the near term if the bank becomes more convinced that inflation will stay around 2%, backed by solid consumption and wage growth.

Uniqlo-brand owner Fast Retailing rose 0.37% to become the biggest boost for the Nikkei.

Chip-related heavyweights fell, with Advantest and Tokyo Electron losing 0.51% and 0.49%, respectively.

Chip-making device supplier Disco fell 3.65% to become the biggest percentage loser on the Nikkei.

US STOCKS RISE AFTER INFLATION REPORT

AFP Published December 11, 2024

NEW YORK: Wall Street stocks climbed Wednesday with inflation data in line with expectations ahead of a central bank policy meeting next week.

Around 15 minutes into trading, the Dow Jones Industrial Average rose 0.1 percent to 44,300.88, while the broad-based S&P 500 Index added 0.6 percent to 6,070.17.

The tech-focused Nasdaq Composite Index surged 1.0 percent to 19,883.65.

"Markets today were not disappointed by today's inflation numbers. So, that was encouraging," said Sam Stovall of CFRA.

Wall Street holds steady in anticipation of inflation data

He noted that investors may have been worried about a worse inflation reading.

A figure that was broadly in line with expectations could pave the way for a further Federal Reserve interest rate cut next week.

On Wednesday, Labor Department data showed that the consumer price index rose to 2.7 percent last month from a year ago.

Among individual companies, Nvidia shares jumped 2.0 percent in early trading while Tesla shares rose 0.8 percent.

FTSE 100 SLIDES TO TWO-WEEK LOW AHEAD OF US INFLATION PRINT

Reuters Published December 11, 2024

The UK's benchmark FTSE 100 fell to a two-week low on Wednesday, with Ashtead extending declines, while investors awaited U.S. inflation data that could cement the Federal Reserve's December rate cut.

The blue-chip FTSE 100 and the midcap FTSE 250 fell 0.2% each at 0930 GMT.

Ashtead was the biggest drag on the blue-chip index, falling 5.9% to a more-than-four-month low after a 14% drop in the previous session, as Goldman Sachs downgraded the equipment rental company to "neutral" from "buy". At least two other brokerages also cut their price target on the stock.

Medical equipment companies led the sectoral losses, dropping 1.3%, while real estate investment trusts declined 0.8%.

In contrast, precious metal miners added 1% as gold prices hovered near a two-week peak due to escalating geopolitical tensions and U.S. rate cut expectations.

Investors worldwide focussed on a U.S. consumer price index report, due later in the day, for insight into inflation and the ensuing Fed's policy.

Traders widely expect a quarter-point cut at the central bank's policy meeting next week.

Miners, Ashtead weigh on FTSE 100

Meanwhile, the Bank of England is expected to keep interest rates on hold next week, moving more slowly to cut borrowing costs than central banks in Europe and the U.S.

Friday's gross domestic product estimate for October will be a key economic indicator before BoE's decision.

Additionally, the European Central Bank's rate decision on Thursday is also on the radar, with markets anticipating a reduction in borrowing costs.

Domestic investors will also assess a reading from the RICS Housing Survey, due later in the day.

Among other stocks, Kainos Group was the top gainer on the mid-cap index, soaring 7%, after the IT software provider re-appointed Brendan Mooney as chief executive officer.

Additionally, SSP Group added 5%, after Upper Crust owner announced Indian listing plans for its airport lounge operator Travel Food Services.

EUROPEAN SHARES WEIGHED DOWN BY DISAPPOINTING CORPORATE UPDATES

Reuters Published December 11, 2024

European stocks eased further from multi-week highs on Wednesday after a series of downbeat corporate updates and as investors awaited U.S. inflation data.

The pan-European STOXX 600 index had slipped 0.2% by 0811 GMT, dipping for a second day after touching a seven-week closing high on Monday.

Asian stocks also took a breather ahead of a U.S. inflation reading that is expected to leave the Federal Reserve on course to cut rates again. The odds of a 25 basis point cut next week are at 85%, per CME's FedWatch tool.

Zara owner Inditex slid more than 6% after the world's biggest listed fast-fashion retailer posted a rare miss on third-quarter sales.

German energy group Siemens Energy dropped 5% after U.S. rival GE Vernova's CEO said he was cautious about the outlook for the struggling wind sector.

European shares close at six-week high

Adidas AG dipped 1.5% after authorities raided its headquarters in Germany as part of a years-long tax investigation.

On the flip side, About You soared 65% after German online retailer Zalando said it would acquire the fashion group in a 1.1 billion euros ($1.2 billion) deal. Zalando, however, tumbled about 10%.

MOST GULF MARKETS GAIN AHEAD OF US INFLATION REPORT

Reuters Published December 11, 2024

Most stock markets in the Gulf region edged higher in early trade on Thursday as investors awaited U.S. inflation data, due later in the day, and further economic news this week.

The U.S. Federal Reserve will trim interest rates by 25 basis points at its Dec. 18 meeting, according to 90% of economists polled by Reuters, with most expecting a rate-cut pause in late-January amid concerns over rising inflation risks.

News on Friday that the U.S. job market continued to cool but remained relatively resilient solidified expectations that the Fed can afford to cut rates again before taking stock of the government policy early next year.

The Fed's decisions impact monetary policy in the Gulf, where most currencies, including the Saudi riyal, are pegged to the U.S. dollar.

Saudi Arabia's benchmark index climbed 0.1%, helped by a 0.5% rise in aluminium products manufacturer Al Taiseer Group.

Qatar's blue-chip index gained 0.4%, with the Gulf's biggest lender Qatar National Bank rising 0.9%.

Most Gulf markets gain as investors await US inflation data

The Abu Dhabi index rose 0.1%.

Oil - a catalyst for the Gulf's financial markets - advanced, with investors expecting demand to rise in the world's largest crude importer, after Beijing announced a looser monetary policy to stimulate economic growth in China.

However, Dubai's main share index slipped 0.3%, on course to extend losses to a second session, hit by a 1.8% fall in Dubai ELectricity and Water Authority.

The United Arab Emirates starting January will impose a minimum top-up tax (DMTT) of 15% on large multinational companies operating in the country, the finance ministry said, as the government seeks to boost non-oil revenue.

AUSTRALIAN SHARES FOLLOW WALL STREET LOWER AHEAD OF US INFLATION DATA

Reuters Published December 11, 2024

Australian shares ended lower on Wednesday, tracking losses on Wall Street, ahead of crucial U.S. inflation figures that may influence the Federal Reserve's next rate decision, while local jobs data was also in focus.

The S&P/ASX 200 index ended 0.5% lower at 8,353.6 points, its lowest close since Nov. 26. The benchmark declined for a second consecutive session.

"Today's decline followed a cautious trading session on Wall Street overnight, where investors moved to the sidelines ahead of critical U.S. inflation report," said Tony Sycamore, market analyst at IG.

U.S. inflation data is expected later in the day and is one of the last major economic reports before the Fed's monetary policy meeting next week.

Investors' attention is also on Australian jobs data, scheduled for Thursday, which will provide more clarity on when the Reserve Bank of Australia (RBA) is expected to cut interest rates. The RBA is scheduled to meet next in mid-February.

The RBA kept rates unchanged at 4.35% on Tuesday, but softened its hawkish stance.

Australian shares slip as financials, tech counter miners' gains; RBA decision in focus

A weaker-than-expected employment report will strengthen the case for a first RBA rate cut in February, Sycamore said.

"Market sentiment today is already leaning towards this possibility, with current pricing indicating a 63% probability of a February rate cut, up from 54% on Tuesday."

Financials ended 0.6% lower and was the top drag on the benchmark index, with the "Big Four" banks ending lower between 0.1% and 1.3%.

Energy stocks were down 1% at close. Woodside Energy and Santos ended the session 0.8% and 1.4% lower.

Miners shed 0.4% the back of retreating iron-ore prices. While Rio Tinto and Fortescue lost 1.2% and 1.7%, respectively, BHP Group ended 0.4% higher.

Technology stocks closed 1.4% lower, tracking their Wall Street peers.

New Zealand's benchmark S&P/NZX 50 index finished the session 0.3% higher at 12,761.19 points, after ending lower in the last three sessions.

SOUTH KOREAN STOCKS CLOSE HIGHER FOR SECOND SESSION

- KOSPI closed up 24.67 points, or 1.02%, at 2,442.51

Reuters Published December 11, 2024

SEOUL: Round-up of South Korean financial markets:

South Korean shares closed higher on Wednesday, extending gains to a second session after last week's botched martial law attempt by President Yoon Suk Yeol. The won strengthened, while the benchmark bond yield rose.

The benchmark KOSPI closed up 24.67 points, or 1.02%, at 2,442.51.

Among index heavyweights, chipmaker Samsung Electronics was flat and peer SK Hynix gained 0.82%, while battery maker LG Energy Solution slid 1.82%.

Hyundai Motor shed 0.71% and sister automaker Kia Corp gained 0.73%, while search engine Naver and instant messenger Kakao were up 4.31% and up 1.71%, respectively.

U.S. Treasury Secretary Janet Yellen spoke to South Korean Finance Minister Choi Sang-mok on Tuesday and discussed South Korea's political turmoil following President Yoon Suk Yeol's attempt last week to impose martial law.

South Korean shares rebound as policymakers pledge to stabilise markets

The South Korean police raided the presidential office, Yonhap news agency reported on Wednesday.

Of the total 938 traded issues, 812 shares advanced, while 102 declined.

Foreigners were net sellers of shares worth 141.3 billion won on the main board on Wednesday.

The won was quoted at 1,432.2 per dollar on the onshore settlement platform, 0.04% higher than its previous close at 1,432.8.

In offshore trading, the won was quoted at 1,431.6 per dollar, up 0.2% on the day, while in non-deliverable forward trading its one-month contract was quoted at 1,429.5.

The KOSPI has fallen 8.01% so far this year, but lost 7.6% in the previous 30 trading sessions.

The most liquid three-year Korean treasury bond yield rose by 0.5 basis points to 2.531%, while the benchmark 10-year yield rose by 5.4 basis points to 2.691%.

ASIAN STOCKS FALL, CURRENCIES TEPID AHEAD OF US INFLATION PRINT

Reuters Published December 11, 2024

Most Asian equities were under pressure on Wednesday, while currencies traded largely steady, as investors awaited further policy cues from China and the crucial U.S. inflation data to gain insights into the central bank's rate-cut trajectory.

Equities in Malaysia declined 0.4% while those in Singapore and the Philippines fell 0.5% and 0.4%, respectively.

Investors await more detailed measures from China from the annual Central Economic Work Conference (CEWC) this week, after the world's second-largest economy pledged to boost consumption and ease its monetary policy.

"Should the Chinese authority uplift optimism over economic growth and incoming stimulus, I think it could boost Chinese equities and Chinese yuan in the near term," said Poon Panichpibool, a markets strategist at Krung Thai Bank.

"With stronger Chinese yuan, it is possible to see some positive effect towards other EM Asia FXs as well."

The Chinese yuan was largely unchanged, while stocks climbed 0.2%.

Data on Tuesday signalled that exports from China slowed sharply and imports unexpectedly shrank in November, pointing towards economic weakness in the region's top trading partner amid threats of fresh U.S. tariffs.

Currencies were largely muted, while the Philippines peso and the Indonesian rupiah declined 0.3% and 0.2%, respectively.

Attention is also on the U.S. inflation report, due later in the day, which will offer insights into the Federal Reserve's rate-cut path ahead of its policy meeting this month.

Asia stocks slugged by South Korea turmoil, China disinflation

An in-line inflation reading is unlikely to move the market significantly, but if headline and core inflation exceed expectations, it would be negative for emerging market currencies, according to Krung Thai Bank's Panichpibool.

In Asia, shares in South Korea rose 0.7%, aiming to extend their gains for a second consecutive day, after both stocks and the won came under pressure due to political uncertainty following the failed impeachment attempt on President against President Yoon Suk Yeol. The won edged 0.1% higher on Wednesday.

"We expect short-term pressures on KRW (the won) to remain," analysts at Maybank said in a note.

The Taiwanese dollar weakened 0.2% while shares retreated 0.6%.

Investors maintained a cautious stance after Taiwan's defence ministry reported a spike in Chinese military activity around the island, including 53 military aircraft, with the country on high alert over Beijing's latest pressure campaign.

JAPAN'S NIKKEI REVERSES COURSE TO CLOSE TAD HIGHER; FOCUS STAYS ON US INFLATION DATA

Reuters Published December 11, 2024

TOKYO: Japan's Nikkei share average erased losses to end marginally higher on Wednesday as investors bought back cheap stocks, while a key inflation report from the United States weighed on sentiment as it is likely to influence the Federal Reserve's rate path.

The Nikkei ended 0.01% higher at 39,372.23, after falling as much as 0.65% earlier in the session.

The broader Topix rose 0.29% to 2,749.31.

"There were little market-moving cues today but investors bought back stocks when stocks fell to reasonable levels," said Shuutarou Yasuda, a market analyst at Tokai Tokyo Intelligence Laboratory.

"But gains were limited by caution for the outcome of the U.S. consumer price report," he said.

Japanese equities opened lower, tracking declines in Wall Street's main indexes on Tuesday ahead of the November inflation data due on Wednesday - one of the last major reports ahead of the Fed's Dec. 17-18 meeting.

Investors also awaited the Bank of Japan's (BOJ) policy decision due on Dec. 19.

Nikkei gains on weaker yen

BOJ Governor Kazuo Ueda has signalled readiness to hike rates again in the near term if the bank becomes more convinced that inflation will stay around 2%, backed by solid consumption and wage growth.

Uniqlo-brand owner Fast Retailing rose 0.37% to become the biggest boost for the Nikkei.

Chip-related heavyweights fell, with Advantest and Tokyo Electron losing 0.51% and 0.49%, respectively.

Chip-making device supplier Disco fell 3.65% to become the biggest percentage loser on the Nikkei.

Kawasaki Heavy Industries jumped 10.28% to become the top percentage gainer on the Nikkei. Peer IHI rose 6.25%.

TopCon surged 23% to a daily limit as the eyecare products maker said it is exploring going private among other measures to raise corporate value, following reports that private equity firms were placing bids to take the firm private.

CHINA STOCKS RANGE-BOUND AS INVESTORS EYE ANNUAL ECONOMIC MEETING, HK DROPS

Reuters Published December 11, 2024

HONG KONG: China traded in a narrow range on Wednesday as investors awaited a key economic policy meeting for clues on policy easing next year.

At the close, the Shanghai Composite index was up 0.29% at 3,432.49.

The blue-chip CSI300 index was down 0.17%.

Semiconductor stocks lost 1.6% to lead the decline, with financial sector sub-index lower by 1%, the consumer staples sector up 0.22%, the real estate index up 0.95% and the healthcare sub-index up 0.26%.

The decline of Hong Kong stocks expanded in the afternoon session and yuan fell after Reuters reported that China is considering allowing the yuan to weaken in 2025 as they brace for higher trade tariffs in a second Donald Trump presidency in the United States.

The Hang Seng index was down 156.23 points, or 0.77%, at 20,155.05. The Hang Seng China Enterprises index fell 0.78% to 7,249.38.

Investor focus has shifted to the annual Central Economic Work Conference, which is expected to be held this week, after Monday's Politburo meeting vowed to switch to an "appropriately loose" monetary policy to spur economic growth. But detailed measures remain unclear.

China stocks give up some gains

"The market is anxiously waiting for details on what exactly the government will do. Hopefully the central economic working conference will shed more light, particularly on the fiscal policy front," said Zhiwei Zhang, chief economist at Pinpoint Asset Management.

Jefferies analysts expect detailed easing measures could fall short of investor expectations.

"Most mainland investors expect range-bound market in 2025," they said.

Around the region, MSCI's Asia ex-Japan stock index was weaker by 0.52%, while Japan's Nikkei index closed up 0.01%.

The yuan was quoted at 7.2595 per U.S. dollar at 0834 GMT, 0.14% weaker than the previous close of 7.2491.

INDIAN SHARES MUTED AHEAD OF DOMESTIC, US INFLATION DATA

Reuters Published December 11, 2024

Indian shares were little changed on Wednesday, as investors awaited key U.S and domestic inflation data for cues into the rate trajectories of the two countries.

The NSE Nifty 50 added 0.13% to 24,641.8, while the BSE Sensex rose 0.02% to 81,526.14.

The benchmark Nifty 50 has traded in a narrow range of less than 170 points in the three sessions this week after logging gains in the previous three weeks ended Dec. 6.

"The benchmarks have been muted in the last few sessions, reflecting caution ahead of U.S. inflation reading," said Prashant Tapse, senior vice president of research at Mehta Equities.

The U.S. inflation data will shape the Federal Reserve's interest rate outlook, which could impact foreign inflows into emerging markets such as India.

Meanwhile, economists expect domestic inflation to have eased in November, a Reuters poll showed. The data is due on Thursday.

Moderation in inflation may allow the Reserve Bank of India to cut interest rates in its next policy meeting in February, amid rising growth concerns, two analysts said. The RBI kept rates unchanged in its policy meeting last week.

Indian shares end flat ahead of US, domestic inflation data

Nine of the 13 major sectors rose, but gains were marginal. Banks and state-owned lenders dropped 0.35% and 0.9%, respectively.

The broader, more domestically focussed smallcaps rose 0.4% to a record high and midcaps gained 0.3%.

Both indexes advanced for the 14th straight session, their longest in eight months and in a year, respectively.

Sustained inflows from domestic and mutual fund investors into smallcaps and midcaps, driven by the prospect of outsized returns, is driving the rally, said two analysts.

Among individual stocks, non-bank lender Bajaj Finance rose 2.6% after unveiling growth strategy for fiscal 2025-2029.

D-mart stores operator Avenue Supermarts fell about 3% after Goldman Sachs lowered target price, citing weakness in revenue growth.

Online food delivery platforms Swiggy and Zomato fell 4% and 1.4% on Amazon's plans to enter Indian quick commerce.

STOCKS STAGE STRONG RECOVERY, KSE-100 SETTLES AT FRESH RECORD HIGH

BR Web Desk Published December 11, 2024

A day after intense profit-taking, bullish momentum returned to the Pakistan Stock Exchange (PSX) with the benchmark KSE-100 Index gaining over 1,900 points to settle at a new all-time high of 110,810 on Wednesday.

Stocks started with a strong upward trajectory from the opening bell, reaching an intra-day high of 111,012.01.

At close, the benchmark index settled at 110,810.21, a gain of 1,913.56 points or 1.76%.

Courtesy: PSX

Across-the-board buying was observed in key sectors including automobile assemblers, cement, commercial banks, fertiliser, oil and gas exploration companies, OMCs, refinery and power generation. Index-heavy stocks including HUBCO, NRL, PSO, SSGC, SHELL, ENGRO, NBP, MEBL, HBL and UBL traded in the green.

The buying spree was spurred by improved economic indicators, including a reduction in the inflation rate, which dropped to 4.9% in November. The decline in inflation has raised expectations of a further policy rate cut during the upcoming Monetary Policy Committee (MPC) meeting.

In a key development, a high-level meeting was held on Tuesday to address the issue of the Advance-to-Deposit Ratio (ADR) in the banking sector. The participants discussed the use of ADR policy on overall lending to productive sectors of the economy, its impact on tax revenue targets, and the optimum environment for the banking sector.

The government, vide Finance Act 2022, had introduced higher tax rates on investment income for banks with ADR ratio below 50%. This tax aims to increase commercial lending and tax passive income at higher rate being an income from non-exertion.

On Tuesday, PSX witnessed a highly volatile session, and after moving in both directions, closed in the negative zone due to selling pressure as investors opted to book profit on available margins. The benchmark KSE-100 Index plunged by 1,073.74 points or 0.98% and closed at 108,896.65 points.

Asian stock markets and the dollar took a breather on Wednesday ahead of an anticipated rate cut in Canada and a U.S. inflation reading expected to leave the Fed on course to cut rates again.

Investors were a touch cautious because, with an 85% chance of a U.S. rate cut next week priced in and with Wall Street indexes around record highs, there is room for disappointment.

The S&P 500 had dipped 0.3% overnight though it was just 65 points, or a little short of 1% shy of its all-time high.

US futures were 0.1% higher in the Asia morning. MSCI’s broadest index of Asia-Pacific shares outside Japan was flat and Japan’s Nikkei fell 0.4%.

US Steel shares had dropped nearly 10% overnight on a Bloomberg News report suggesting Nippon Steel’s $15 billion takeover bid would be blocked.

Meanwhile, the Pakistani rupee saw a marginal decline against the US dollar, depreciating 0.04% in the inter-bank market on Wednesday. At close, the currency settled at 278.17 for a loss of Re0.12 against the greenback.

Volume on the all-share index decreased to 1,080.02 million from 1,548.30 million on Tuesday.

The value of shares declined to Rs47.14 billion from Rs68.81 billion in the previous session.

K-Electric Ltd was the volume leader with 135.92 million shares, followed by WorldCall Telecom with 73.53 million shares, and Fauji Foods Ltd with 57.12 million shares.

Shares of 472 companies were traded on Wednesday, of which 288 registered an increase, 130 recorded a fall, while 54 remained unchanged.

KSE-100 INDEX HITS FRESH RECORD HIGH AT 110,810 POINTS

December 11, 2024

Karachi, December 11, 2024 – The Pakistan Stock Exchange (PSX) witnessed a strong rebound on Wednesday, with the benchmark KSE-100 index rallying to a fresh record high of 110,810 points, regaining momentum after a day of profit-taking. The index surged by 1,914 points, or 1.76%, driven by robust buying across key sectors.

The market opened on a positive note, maintaining an upward trajectory throughout the session. The KSE-100 Index reached an intra-day high of 111,012 points before settling just below that at the close. The rally was fueled by optimistic sentiment stemming from improved economic indicators and a favorable policy outlook.

Key sectors, including automobile assemblers, cement, commercial banks, fertilizers, oil and gas exploration, refineries, and power generation, saw broad-based buying interest. Heavyweights such as HUBCO, NRL, PSO, SSGC, SHELL, ENGRO, NBP, MEBL, HBL, and UBL traded firmly in the green, bolstering the index’s upward momentum.

KSE-100 index Investors were encouraged by a drop in inflation to 4.9% in November, its lowest level in years, which has heightened expectations of an interest rate cut in the upcoming Monetary Policy Committee (MPC) meeting. A reduction in policy rates could further stimulate economic activity and enhance corporate profitability, adding to the bullish sentiment at the PSX.

Additionally, a high-level meeting held on Tuesday to address the Advance-to-Deposit Ratio (ADR) policy in the banking sector added to market optimism. Discussions focused on enhancing lending to productive sectors while evaluating its impact on tax revenues and the banking sector’s overall environment. The government’s push to promote commercial lending through higher tax rates on investment income for banks with ADRs below 50% is expected to encourage greater economic activity.

The rebound at KSE-100 index followed a volatile session on Tuesday when the KSE-100 index closed 1,073.74 points lower at 108,896.65 due to profit-taking. However, Wednesday’s rally highlighted the market’s resilience, driven by strong fundamentals and investor confidence in the economy’s improving trajectory.

The record-breaking performance underscores growing optimism in Pakistan’s capital markets, with analysts predicting continued upward momentum in the near term, supported by favorable macroeconomic trends and policy initiatives.

Business & Finance » Money & Banking

DOLLAR LITTLE CHANGED AFTER CPI

Reuters Published 29 minutes ago

NEW YORK: The dollar was little changed on Wednesday after US price data came in line with forecasts, reinforcing expectations the US Federal Reserve will cut interest rates next week.

The dollar was also boosted by a REUTERS report China was considering allowing a weaker currency next year, which sent the yuan and other Asian currencies lower.

The consumer price index rose 0.3% last month, the largest gain since April after advancing 0.2% for four straight months, data showed on Wednesday. Economists polled by REUTERS had forecast the index would rise 0.3%.

Following the report, the likelihood of a quarter-point rate cut by the Fed on Dec. 18 rose to 96.4%, according to CME's FedWatch tool.

"The market is as confident as possible, practically, that the Fed is still going to cut rates next week," said Marc Chandler, chief market strategist at Bannockburn Forex in New York. "Very rarely does the Federal Reserve go against the market when such strong odds are priced in."

The US dollar index was last up 0.141% at 106.5.

Analysts said the dollar was also being affected by REUTERS' report that China's top leaders and policymakers are considering allowing the yuan to weaken in 2025 as they brace for higher trade tariffs under a second Donald Trump presidency.

The dollar jumped against the yuan, but gave back some of its earlier gains and was last up 0.18% against the offshore unit at 7.2747.

The contemplated move reflects China's recognition that it needs bigger economic stimulus to combat Trump's threat of bigger tariffs, people with knowledge of the matter said, according to the report.

China is expected to hold its annual Central Economic Work Conference this week, after Monday's Politburo meeting vowed to switch to an "appropriately loose" monetary policy to spur economic growth.

"If a currency depreciation served as a tactic to counter tariff shock, the likely escalating trade war could reinforce (US dollar) exceptionalism and weigh on regional currencies," said Ken Cheung, FX strategist at Mizuho.

China-exposed currencies fell, with the Aussie last down 0.25% to $0.6362 and the kiwi 0.18% lower at $0.579, after both touched on year lows after the report. Korea's under-fire won also dipped.

Japan's yen was in focus after Bloomberg news reported the BOJ sees "little cost" to waiting for the next rate hike.

The dollar was last 0.19% higher at 152.25 yen.

"The data is leaning towards a hike," said Bart Wakabayashi, co-branch manager at State Street in Tokyo. "Put it this way: if they raise, it's a very defendable position." In a busy week for monetary policy, the Bank of Canada meets later Wednesday and the European Central Bank and Swiss National Bank meet on Thursday.

Expectations Canada's central bank will cut rates by a half point helped to pin the loonie near a 4-1/2-year low against the greenback. One US dollar last bought C$1.4174.

The euro was down 0.13% at $1.0514, while the Swiss franc was down 0.07% against the dollar at 0.8822.

ASIAN CURRENCIES RETREAT AHEAD OF US INFLATION DATA

Reuters Published 34 minutes ago

BENGALURU: A gauge of emerging Asian equities and currencies declined on Wednesday, as investors awaited US inflation data for insights on the Federal Reserve's rate cut and policy cues from China's annual economic meeting.

Attention is on the US inflation report, due later in the day, which will offer insights into the Federal Reserve's rate-cut path ahead of its policy meeting later this month.

An in-line inflation reading is unlikely to move the market significantly, but if headline and core inflation exceed expectations, it would be negative for emerging market currencies, said Poon Panichpibool, a markets strategist at Krung Thai Bank.

MSCI's broadest index of Asia-Pacific shares outside Japan declined 0.6%. Shares in the Philippines were down 1.2% while those in Singapore fell 0.5%.

Meanwhile, MSCI's emerging market currency index slipped 0.2%, with the Philippine peso and the Indonesian rupiah declining 0.4% each.

Investors also await more detailed measures from China's annual Central Economic Work Conference this week, after the world's second-largest economy pledged to ease its monetary policy to boost consumption.

"Should the Chinese authority uplift optimism over economic growth and incoming stimulus, I think it could boost Chinese equities and Chinese yuan in the near term," Panichpibool said.

"With stronger Chinese yuan, it is possible to see some positive effect towards other EM Asia FXs as well."

Chinese equities climbed 0.3%, while the yuan declined 0.2%.

However, Panichpibool cautioned that the trend of stronger EM Asian currencies won't last long and could reverse course whenever the second Trump government decide to deliver tariff hikes as promised.

Data on Tuesday signalled that exports from China slowed sharply and imports unexpectedly shrank in November, pointing towards economic weakness in the region's top trading partner amid threats of fresh US tariffs.

Shares in South Korea closed 1% higher, extending gains to a second consecutive day, after both stocks and the won came under pressure due to political uncertainty following the failed impeachment attempt on President against President Yoon Suk Yeol. The won edged higher on Wednesday.

"We expect short-term pressures on KRW (the won) to remain," analysts at Maybank said in a note.

Elsewhere, the Taiwanese dollar weakened 0.2% while shares retreated 1.0%.

Taiwan's defence ministry reported a spike in Chinese military activity around the island, including 53 military aircraft, with the country on high alert over Beijing's latest pressure campaign.

BANK OF CANADA CUTS RATES BY 50 BPS, FRETS OVER POSSIBLE TRUMP TARIFFS

Reuters Published December 11, 2024

OTTAWA: The Bank of Canada slashed its key policy rate by 50 basis points to 3.25% on Wednesday and indicated that further cuts would be more gradual, a shift from previous messaging that continuous easing was needed to support growth.

Bank of Canada Governor Tiff Macklem also said for the first time that the possibility the new administration of U.S. President-elect Donald Trump might impose tariffs on Canadian exports represented "a major new uncertainty."

The 50-basis-point cut, while widely expected, marks the first time since the pandemic that the central bank has implemented consecutive jumbo-sized cuts. In a Reuters poll of economists, 80%, or 21 out of 27 respondents, predicted that the bank would cut the overnight rate by 50 basis points. The rest forecast a quarter-point reduction.

“With the policy rate now substantially lower, we anticipate a more gradual approach to monetary policy if the economy evolves broadly as expected,” Macklem said in opening remarks at a press conference.

Fed’s Cook: More cuts likely appropriate as disinflation expected to continue

The bank would be evaluating the need for further cuts one decision at a time, he said, noting that monetary policy no longer needed to be clearly in restrictive territory.

The policy rate is now at the top end of the bank’s so-called neutral range, which is considered to be the band within which rates are just enough not to restrict growth but not stimulate it either.

“It says that the economy as a whole is not in an especially strong place,” said Andrew Kelvin, head of Canadian and Global Rates at TD Securities. “The Bank of Canada would like to see growth pick up, which requires, on some level, a more active and robust consumer.”

The Canadian dollar firmed up after the decision, with the loonie trading 0.29% stronger at 1.414 against the U.S. dollar, or 70.72 U.S. cents.

Currency markets are pricing in a 70% chance of a 25-basis-point rate cut in January.

Inflation is now at 2%, the bank’s target, and Macklem reiterated that he wanted to see growth pick up.

Canada’s economy grew at an annualized rate of just 1% in the third quarter, less than the Bank of Canada had predicted. The bank said fourth-quarter growth might be weaker than expected, and that planned reductions in immigration levels could cause 2025 growth to also fall short of forecasts.

Trump has promised to impose tariffs of 25% on all Canadian exports unless Ottawa moves to tighten the border, which Macklem said clouded the economic outlook.

“This is a major new uncertainty,” Macklem said.

As well as analyzing the effect of immigration numbers, the bank will also have to take into account a temporary sales tax rebate and a possible one-time cash handout by the government.

Macklem said the bank would look through the effects that are temporary and focus on underlying trends to guide policy decisions.

“We are retaining our call that the Bank of Canada ultimately needs to take its policy rate down to 2.00% by early 2026 as we expect U.S. tariffs to eventually be applied to some Canadian exports,” Royce Mendes, head of macro strategy for Desjardins Group, wrote in a note.

Mendes, who had called for a cut of 25 basis points, said he expects a number of pauses along the way.

With Wednesday's reduction, the bank has now shrunk benchmark borrowing costs five times in a row by 175 basis points in a space of six months, making it the only major central bank to have reduced borrowing costs at such a rapid pace.

MCB BANK APPOINTS NAUMAN CHUGHTAI AS PRESIDENT & CEO

BR Web Desk Published December 11, 2024

The Board of Directors (BoD) of MCB Bank, one of Pakistan's largest commercial banks, has appointed Muhammad Nauman Chughtai as President and Chief Executive Officer (CEO).

MCB Bank announced the development in its notice to the Pakistan Stock Exchange (PSX) on Wednesday.

"This is to inform you that the existing term of Shoaib Mumtaz as President & CEO of MCB Bank Limited is expiring on December 20, 2024.

"The Board of Directors in its meeting held on December 11, 2024, has approved the appointment of Muhammad Nauman Chughtai as President & CEO of the bank," read the notice.

MCB Bank partners with BPC to strengthen digital security

The appointment is subject to clearance of Nauman's Fit & Proper Test (FPT) by the State Bank of Pakistan (SBP), the bank stated.

According to information available on MCB's website, Nauman Chughtai is currently serving as Group Head of Risk Management Group at MCB. He also serves on the Board of MCB Bank Leasing Azerbaijan, a subsidiary of MCB Bank Limited.

Nauman has over 25 years of professional banking experience in local and foreign banks in risk management and corporate banking.

Meanwhile, as per the notice issued on Wednesday, upon the expiry of the term of the current President, i.e., December 20, 2024, Nauman Chughtai will also assume the charge as 'Acting President'.

The role will be for a "maximum period of three months or clearance of FPT by SBP, whichever is earlier".

"The Board has also placed on record its appreciation for the valuable contribution and the service rendered by the outgoing President & CEO, Shoaib Mumtaz, on completion of his term on December 20, 2024, and wished him luck for his future endeavours," MCB's notice added.

RUPEE EASES TO PKR 278.17 AGAINST DOLLAR IN INTERBANK MARKET

December 11, 2024

Karachi, December 11, 2024 – The Pakistani rupee weakened slightly on Wednesday, depreciating by 12 paisas to close at PKR 278.17 against the US dollar in the interbank foreign exchange market. This decline follows the previous day's closing rate of PKR 278.05 per dollar.

Currency market analysts attributed the rupee's mild drop to increased demand for the dollar, driven by rising import payments and corporate settlements as the end of the calendar quarter approaches on December 31, 2024. However, they remain optimistic that robust inflows from exports and worker remittances will likely mitigate further devaluation in the short term.

The State Bank of Pakistan (SBP) recently reported an impressive 34% year-on-year growth in home remittances during the first five months of the current fiscal year (July–November 2024-25). Total remittances reached $14.77 billion, compared to $11.05 billion during the same period in the previous year. This remarkable increase reflects the unwavering commitment of overseas Pakistanis in supporting the domestic economy, acting as a vital buffer against external pressures on the rupee.

Additionally, Pakistan's foreign exchange reserves have seen notable improvements, providing further stability. As of November 29, 2024, the country's reserves climbed to $16.62 billion, marking a weekly increase of $544 million. This growth was largely supported by a $500 million inflow from the Asian Development Bank (ADB). The SBP's reserves alone rose by $619 million during the week, reaching $12.038 billion, up from $11.419 billion recorded the previous week.

Experts remain cautiously optimistic about the rupee's near-term trajectory. Growth in remittances, coupled with government efforts to curb non-essential imports, has helped stabilize the balance of payments, providing support to the local currency.

However, analysts stress the need for structural economic reforms to ensure sustained stability. Key measures include improving industrial productivity, diversifying export markets, and reducing dependence on short-term external borrowing. These reforms are critical for solidifying Pakistan's economic foundation and enhancing the rupee's resilience in the face of global economic uncertainties.

As Pakistan continues to navigate fiscal challenges, the rupee's performance remains a key barometer of economic stability and progress.

RIPPLE (XRP) SOARS FOLLOWING RLUSD APPROVAL

December 11, 2024

RLUSD, a USD-pegged stablecoin launched by Ripple, has officially received approval from the New York State Department of Financial Services (NYDFS). Ripple's CEO, Brad Garlinghouse, confirmed the milestone on social media platform X (formerly Twitter), emphasizing that exchange and partner listings for the stablecoin will soon go live.

"This just in…we have final approval from @NYDFS for $RLUSD! Exchange and partner listings will be live soon – and reminder: when RLUSD is live, you'll hear it from @Ripple first," Garlinghouse shared.

XRP Prices Surge Following Approval

The approval news has sparked optimism among crypto investors, causing the price of XRP, Ripple's native token, to surge. XRP experienced a 21% increase from its recent $1.9 low, climbing to trade above $2.3. Over the past 24 hours, the cryptocurrency has gained approximately 7.4%. Despite this recent upswing, XRP's performance over the past week reflected a 10% decline. Meanwhile, the broader crypto market faced volatility, with Bitcoin long positions seeing $416 million in liquidations.

Understanding RLUSD

Ripple introduced RLUSD in October in collaboration with prominent crypto exchanges and financial institutions, including Uphold, Bitstamp, and Bitso. Designed to support cross-border payments, RLUSD aims to provide global users with a stable and efficient digital payment solution.

Unlike traditional cryptocurrencies that are often subject to significant price swings, RLUSD is pegged to the US dollar, ensuring greater stability. Ripple envisions RLUSD as a crucial tool for facilitating international transactions, allowing businesses to transfer capital quickly and efficiently.

The stablecoin also serves as a bridge between fiat currencies and crypto assets, enabling seamless conversions between the two. Beyond payments, RLUSD is set to enhance liquidity and transparency in digital asset markets by acting as collateral for real-world assets like commodities and securities.

With its dual focus on stability and utility, RLUSD is positioned to play a pivotal role in bridging traditional financial systems with the evolving world of digital currencies. Ripple's latest achievement highlights the growing importance of regulated, innovative solutions in the cryptocurrency space.

DOGECOIN 2025: BEYOND MEMES TO SERIOUS CRYPTO CONTENDER

December 11, 2024

Dogecoin, once a meme-inspired cryptocurrency, has evolved significantly since its inception. As 2025 approaches, new technologies and financial systems are propelling Dogecoin beyond its original playful nature, raising interest in its future potential.

Blockchain Innovations: By 2025, Dogecoin may benefit from revolutionary updates in blockchain technology, enhancing transaction speed and efficiency. Emerging solutions such as sharding and layer-two protocols could boost Dogecoin's scalability, allowing it to accommodate a larger user base without sacrificing performance. These technological advancements are expected to enhance Dogecoin's functionality and appeal to a broader audience.

Integration with IoT: The Internet of Things (IoT) is projected to become a staple of everyday life by 2025. Dogecoin's lightweight structure positions it as a viable candidate for microtransactions within IoT ecosystems. This integration could revolutionize how devices communicate, paving the way for seamless, automated transactions in smart homes and cities. For instance, a refrigerator could autonomously purchase groceries using Dogecoin, showcasing the potential for practical, real-world applications.

Decentralized Finance (DeFi) Expansion: The DeFi landscape is anticipated to expand further, offering new financial services directly from blockchain platforms. Dogecoin's strong community-driven ethos could facilitate its adoption within DeFi, enabling innovative use cases such as decentralized lending, borrowing, and yield farming. This development could attract a new demographic of investors and bolster its position in the crypto market.

Regulatory Insights: As governments worldwide refine their stance on cryptocurrencies, Dogecoin is likely to face evolving regulations. By 2025, clearer guidelines could increase investor confidence and institutional participation, potentially stabilizing Dogecoin's price and fostering a mature market environment. Regulatory clarity might also pave the way for Dogecoin's integration into mainstream financial systems.

In conclusion, Dogecoin's journey to 2025 is poised with opportunities for technological adaptation and economic integration. As these advancements materialize, Dogecoin could redefine its narrative, shifting from a whimsical digital currency to a serious contender in the crypto world. However, investors must remain cautious. The cryptocurrency market's inherent volatility and regulatory uncertainties underscore the importance of a diversified portfolio and a clear understanding of market trends. While the future holds promise, informed decision-making will be crucial for navigating Dogecoin's evolving landscape.

Business & Finance » Industry

16-MEMBER CHINESE TEAM VISITS KATI: $1M INVESTMENT AIMED AT ESTABLISHING 'MEDICAL CITY' IN KARACHI ANNOUNCED

N H Zuberi Published 16 minutes ago

KARACHI: In a significant boost to Pakistan-China economic cooperation, Meng Xiaowei, the leader of a 16-member Chinese trade delegation, announced a $1 million investment to establish a medical city in Karachi.

The project, which will be Pakistan's first comprehensive pharmaceutical and medicine ecosystem, will be set up in the Dhabeji Economic Zone following successful negotiations with the Sindh government.

Meng, while addressing the Korangi Association of Trade and Industry (KATI), also revealed that talks with the Sindh government are in advanced stages to introduce 1,000 electric buses, electric taxis, and a high-speed train connecting Karachi to Sukkur.

The Chinese delegation includes representatives from top companies in sectors such as agriculture, energy, transport, and manufacturing.

Meng stated that a high-level business alliance in China is actively encouraging investment in Pakistan, with over 50 companies expressing interest in projects ranging from solar energy to fertilizers.

Currently, 10 leading companies have joined the delegation to explore opportunities in Karachi.

KATI President Junaid Naqi welcomed the delegation, emphasizing that China is a steadfast ally of Pakistan, providing diplomatic and financial support during challenging times.

"China is Pakistan's top source of foreign direct investment, and this partnership has immense potential to boost bilateral trade," Naqi said.

He added that the Korangi Industrial Area, a hub of Pakistan's export industries, could play a vital role in promoting joint ventures and increasing exports.

Deputy Patron-in-Chief Zubair Chhaya highlighted the importance of the China-Pakistan Economic Corridor (CPEC), describing it as a "game-changer" for regional trade.

He stressed the potential for enhanced trade with China and Central Asia through CPEC and praised China's continued friendship at both the governmental and public levels.

Coordinator of the Chinese delegation, Idrees Gigi, shared plans for a coal-based fertilizer production plant in Sindh's Thar region, which will reduce Pakistan's reliance on gas for fertilizer production.

He also noted the growing demand for agricultural products and meat in China, presenting an opportunity for Pakistan to expand exports using its 9.1 million hectares of cultivable land.

Idrees Gigi thanked Sindh government, Chief Minister Murad Ali Shah, the provincial cabinet, especially Sharjeel Inam Memon, Nasir Hussain Shah, Qasim Naveed Qamar and senior officers for providing excellent hospitality and full-proof security arrangements for the Chinese delegation.

The event concluded with a commitment to further strengthen business ties. The Chinese delegation will hold B2B meetings with local investors on December 12 to explore collaborative opportunities.

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CHINA PLANS $1BN MEDICAL CITY IN DHABEJI SPECIAL ECONOMIC ZONE, SAYS SINDH GOVT

BR Web Desk Published December 11, 2024

A Chinese business delegation has expressed 'deep interest' in establishing a $1 billion medical city in the Dhabeji Special Economic Zone (SEZ) located in Thatta, Sindh.

The development came during a visit by a high-powered delegation of 12 major Chinese companies, accompanied by Special Assistant to the Chief Minister of Sindh on Investment and Public-Private Partnership Syed Qasim Naveed Qamar, at various sites of the Dhabeji SEZ on Wednesday.

As per a statement issued by Sindh's Investment Department, the Chinese business delegation expressed interest in investing across multiple sectors including cargo, electronic vehicles, fertilizers, pharmaceuticals, food and beverages, solar and wind energy, livestock, agriculture and others.

Bilawal lays foundation of Dhabeji SEZ project

"The Chinese delegation expressed deep interest in establishing a medical city worth one billion dollars in the Dhabeji Special Economic Zone," read the statement.

Moreover, the delegation also expressed keen interest in setting up factories for manufacturing solar plates, solar inverters and solar batteries along with a factory to make fertilizers that would utilise coal instead of gas, in collaboration with local partners.

During the meeting, Qamar highlighted that the Dhabeji Special Economic Zone is a priority project of China Pakistan Economic Corridor (CPEC). "This project is a prominent symbol of the lasting and proud friendship between China and Pakistan," he said.

Qamar told the Chinese delegation that land has been allocated for all kinds of industrial, commercial and residential facilities in the Dhabeji Special Economic Zone.

He added there are attractive and vast investment opportunities in Sindh.

DSEZ project at Thatta designed within CPEC framework

Qamar emphasised the strategic advantages of the Dhabeji Zone, noting its prime location with respect to port, road and railway network, hence the zone will prove to be the most important economic zone in the province in terms of industrial development, technology transfer and job creation.

Secretary Investment Sindh Raja Khurram Shahzad, Chief Executive Officer (CEO) Sindh Economic Zone Management Company Abdul Azim Aqili, CEO Global Ventures Idrees Jiji and senior officials of the Sindh Investment Department were also present on this occasion.

HIGH PROFILE CHINESE DELEGATION VISITS TDAP

Press Release Published December 11, 2024

KARACHI: A high profile international Chinese delegation on Tuesday visited Trade Development of Pakistan (TDAP). The delegation comprised 16 members from various different sectors like Agriculture, Solar Energy, Fertilizers and Transport.

The visit is aimed at exploring potential areas of investment and to further strengthen the economic ties between the two countries.

Representatives from Shandong Nongda Fertilizer Technology Co Ltd, Shandong Hengyi Datong Agriculture and Animal Husbandry Technology Co Ltd, Shandong Industrial Equipment Installation Group Co Ltd, Shandong Pengzhou Plastic Industry Co Ltd, Shandong Pengzhou Hancheng New Energy Technology Co Ltd, Shandong Youhuo Network Technology, Shandong Qianse Board Polymer Materials Co Ltd, Zhongludong (Shandong) Agricultural Technology Development Co Ltd, Shandong Juesheng New Energy Technology Co Ltd, Shandong Longguang Tianxu Solar Energy Co Ltd, Liangshan Fuqiang Sheng Freight Service Co Ltd, and Shan dong Zhongling Vehicle Manufacturing Co Ltd visited TDAP. Chief Executive Zubair Motiwala and Secretary Sheryar Taj welcomed the Chinese delegation.

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OPTIMISM RISES: OICCI SURVEY HIGHLIGHTS ECONOMIC RESILIENCE

December 11, 2024

Karachi, December 11, 2024 – The Overseas Investors Chamber of Commerce and Industry (OICCI), a representative body of foreign investors in Pakistan, has reported improved business confidence in its latest Business Confidence Index (BCI) Survey – Wave 26. Conducted in October and November 2024, the survey reflects growing optimism among businesses operating across Pakistan.

The BCI Wave 26 results highlight an uptick in overall confidence, attributed to positive economic growth, a stable exchange rate, and a marked decline in inflationary pressures. These factors have collectively bolstered the economic outlook and provided a favorable environment for business activities.

Yousaf Hussain, President of OICCI, remarked on the findings, stating, “The improvement in the Business Confidence Index underscores the resilience of Pakistan’s business environment amidst ongoing challenges. Government efforts aligned with IMF Extended Fund Facility (EFF) requirements have contributed significantly. These measures include an improved country risk rating by international agencies, a rise in foreign exchange reserves, and the stabilization of the rupee, all of which have supported a more positive business climate.”

The survey revealed that 43% of respondents held a positive outlook for the next six months, a significant increase from 34% in the previous survey. Key drivers of this optimism include global market growth, improved government policies, better law-and-order conditions, and reduced inflation. Businesses in the services and manufacturing sectors particularly reported notable gains.

M. Abdul Aleem, Secretary General of OICCI, emphasized the importance of sustaining this momentum, stating, “While the findings reflect cautious optimism, sustaining this improvement requires actionable measures. A transparent and consistent policy framework focused on ease of doing business is crucial to drive economic growth, attract investment, enhance exports, and create employment opportunities.”

The OICCI survey is conducted periodically and incorporates feedback from key stakeholders representing nearly 80% of Pakistan’s GDP. It evaluates the business environment at regional, national, sectoral, and corporate levels, offering valuable insights into the challenges and opportunities for the economy.

With businesses optimistic about the near future, the survey underscores the need for collaboration among all stakeholders to address remaining hurdles and ensure Pakistan’s economic trajectory continues on a positive path.

Business & Finance » Companies

MUHAMMAD NAUMAN CHUGHTAI APPOINTED NEW PRESIDENT/CEO OF MCB BANK

Recorder Report Published 18 minutes ago

KARACHI: Muhammad Nauman Chughtai has been appointed as the new President & CEO of MCB Bank Limited. He will assume the role following the conclusion of the term of Shoaib Mumtaz, the current President and CEO, whose tenure is set to expire on December 20, 2024.

According to a notice sent to Pakistan Stock Exchange (PSX) The Board of Directors of MCB Bank Limited in its meeting held on December 11, 2024 has approved the appointment of Muhammad Nauman Chughtai as President and CEO of the bank subject to clearance of his Fit & Proper Test (FPT) by the State Bank of Pakistan (SBP).

Upon expiry of the term of the current president i.e. December 20, 2024, Nauman Chughtai will assume the charge as Acting President for a maximum period of three months or clearance of FPT by the SBP, whichever is earlier.

MCB Bank board has also appreciated the services and valuable contribution of the outgoing President Shoaib Mumtaz on completion of his term.

Muhammad Nauman Chughtai has over 25 years of professional banking experience in local and foreign banks in risk management and corporate banking.

His responsibilities as Group Head Risk Management encompass the Bank's Credit Review, Credit Risk Control, Credit Policy, Market Risk, Operational Risk & Information Security Risk functions for all business areas of the Bank, including Overseas operations. He also serves on the Board of MCB Bank Leasing Azerbaijan (a subsidiary of MCB Bank Limited).

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ADANI PULLS OUT OF US LOAN DEAL FOR COLOMBO PORT

AFP Published December 11, 2024

NEW DELHI: India's Adani Group has withdrawn its request for a US government-backed loan to construct a port in Sri Lanka seen as a counter to a rival Chinese project, according to company filings.

The move comes weeks after a bombshell indictment in New York accused the conglomerate's billionaire founder Gautam Adani of deliberately misleading international investors as part of a bribery scheme.

Subsidiary Adani Ports and Special Economic Zone Ltd said in a Tuesday statement that it was pulling its request for a loan of $553 million from the United States International Development Finance Corporation (DFC) to build the deep-sea Colombo West International Terminal.

It said the project was "progressing well and is on track for commissioning by early next year".

India's Adani Group to invest over $88bn in Rajasthan state, exec says

"The project will be financed through the company's internal accruals and capital management plan," the company added.

The port has an estimated cost of $700 million and is located next to a similar Chinese-run facility.

The loan agreement with DFC was finalised last year, with the project seen at the time as a means of countering Beijing's rising influence in the Indian Ocean.

Sri Lanka sits astride the world's busiest shipping route, which links the Middle East and East Asia, giving its maritime assets strategic importance.

India and the United States have previously also expressed concerns that Beijing could get a military advantage with its foothold at Sri Lanka's Hambantota port.

Gautam Adani breaks silence on US indictment to say his group is committed to compliance

After the November indictment against Adani, Sri Lanka opened an investigation into the conglomerate's local projects, including the port and a $442 million wind power deal.

Adani Group has said that it had lost almost $55 billion in a stock market rout since the indictment, in which US prosecutors accused its founder and other senior officials of bribing Indian government officials.

With a business empire spanning coal, airports, cement and media, Adani Group has weathered previous corporate fraud allegations and suffered a similar stock rout last year.

The conglomerate saw $150 billion wiped from its market value in 2023 after a report by short-seller Hindenburg Research accused it of "brazen" corporate fraud.

ACCORD SIGNED TO IMPLEMENT PITB'S PAYZEN INITIATIVE

Recorder Report Published December 11, 2024

LAHORE: The Punjab Information Technology Board (PITB) and the Punjab Cooperative Housing Society (PCHS) have signed an agreement to implement PITB's PayZen initiative.

The initiative aims to digitize and streamline payment processes within the society, ensuring enhanced efficiency, transparency, and security, said PITB on Tuesday. The agreement was signed by PITB Joint Director Syed Ijlal Hussain and PCHS Treasurer Mahar Muhammad Ishaq in the presence of PITB Senior Program Manager (SPM) Irfan Tahir, Joint Director (JD) Mudassir Paracha and Programme Officer Omer Akhtar.

Under this agreement, PayZen will serve as the primary interface for all types of payments within the Punjab Cooperative Housing Society. The platform is expected to improve administrative processes and offer stakeholders more accessible and transparent payment mechanisms.

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ENGRO'S DEAL SHOWS INVESTORS' CONFIDENCE: SAMAD DAWOOD

Recorder Report Published December 11, 2024

KARACHI: Tough measures taken by the government have helped achieve macroeconomic stability and revived investor confidence in Pakistan, leading to Engro's largest transaction in Pakistani rupee terms, said Samad Dawood.

Last week, Engro Corporation announced a strategic partnership with Pakistan Mobile Communications Limited (Jazz) and its parent company VEON Group, to expand Engro's footprint in the mobile tower-sharing business. Through a scheme of arrangement, Jazz's telecom infrastructure assets, housed under its wholly owned subsidiary Deodar (Private) Limited (Deodar), will vest into Engro Connect, a subsidiary of Engro Corporation. Engro will guarantee the repayment of Deodar's debt of $375 million and provide Jazz with an additional $187.7 million. The transaction is subject to corporate, legal, and regulatory approvals.

"The actions taken in Pakistan over the last few quarters, along with hard decisions for macroeconomic stability, have led to this deal. The incoming macro stability and IMF's seal of approval has a huge impact on foreign financiers to look at Pakistan as an invest-able market," said Samad Dawood, Director Engro. He added that a decline in interest rates and inflation, along with Pakistan's ongoing IMF programme, have helped improve the investment climate as well.

The companies plan expanding tower sharing coverage to other operators and looking into to other use cases, which could include electronic vehicle charging and drone landing.

"Pakistan is a very large market in terms of telecom, which keeps growing larger," according to Samad Dawood, Vice Chairman of Dawood Hercules Corp, which owns 40 percent of Engro Corp. "This infrastructure business, with scale, allows us to utilise telecom infrastructure better in Pakistan and eventually also serve international markets as well," said Dawood, identifying countries from "the Atlantic coast of Morocco all the way to Central Asian states" as potential markets.

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INDRIVE'S B2B DELIVERIES TRIPLING IN 2024

Recorder Report Published December 11, 2024

ISLAMABAD: inDrive, a leading ride-hailing and delivery service, has achieved a remarkable milestone in Pakistan with its B2B deliveries tripling in 2024 compared to the previous year. This surge reflects a significant shift in the logistics landscape, driven by a rising demand for swift and reliable courier solutions across diverse industries.

An in-depth analysis of 5,000 user comments about delivery experiences has unveiled key insights into the evolving needs of Pakistani consumers.

Among the most requested delivery categories, food and beverages lead the list at 27 percent, closely followed by clothing and accessories at 24 percent.

Medicine, electronics, and documents also emerged as notable categories, accounting for 13 percent, 12 percent, and 8 percent of deliveries, respectively. The findings underline the extensive role inDrive plays in catering to varied consumer and business needs.

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META-OWNED PLATFORMS FACE GLOBAL OUTAGE

December 12, 2024

Meta-owned social media platforms, including Facebook, Instagram, and Threads, experienced widespread outages on Wednesday night, leaving millions of users unable to access the apps.

The disruption affected users across the globe, with many reporting issues connecting to their accounts and accessing the platforms' features, causing frustration for both personal and business users.

Meta, the parent company of Facebook, Instagram, and WhatsApp, confirmed the outage, acknowledging the issue and reassuring users that they were working to resolve it promptly. In a brief statement, Meta said, "We're working on getting this fixed as soon as we can."

According to Downdetector, a website that tracks real-time issues and outages of social media platforms, nearly 1,000 users in Pakistan reported disruptions around 11:00 PM local time. The website also indicated that WhatsApp, another popular Meta-owned app, was experiencing problems. Since 10:52 PM, over 2,200 users in Pakistan alone had filed outage reports. This highlighted the widespread nature of the issue, affecting not only Instagram and Facebook but also WhatsApp, a vital communication tool for millions around the world, especially in business and customer service operations.

Instagram users, in particular, were impacted by the outage, with over 1,200 disruption reports registered on Downdetector during the same time period. Many users took to rival platform X (formerly known as Twitter) to express their frustration, with several posting screenshots of the error message that read, "Something went wrong," signaling that Meta was aware of the problem and working to restore services.

This latest outage follows a series of disruptions for Meta platforms in recent months. Earlier this year, Facebook and Instagram were offline for more than two hours due to a technical glitch, affecting hundreds of thousands of users worldwide. Another outage occurred in October, though services were largely restored within an hour. As Meta works to resolve the current issue, users are eagerly awaiting the platforms' return to normal functionality, hoping that these disruptions won't continue to affect their digital presence.

APPLE INTEGRATES CHATGPT WITH WRITING TOOLS

December 11, 2024

CUPERTINO, CALIFORNIA – Apple has announced the integration of ChatGPT into its suite of writing tools as part of the new Apple Intelligence features, unveiled with the release of iOS 18.2, iPadOS 18.2, and macOS Sequoia 15.2. This move underscores Apple's commitment to enhancing user experience while maintaining robust privacy measures in AI technology.

The updates introduce advanced capabilities across iPhone, iPad, and Mac. Apple Intelligence aims to provide personalized assistance, making tasks simpler, faster, and more engaging. Notably, ChatGPT integration allows users to leverage its expertise directly within Writing Tools and Siri, eliminating the need to switch between applications.

Innovative Features for Creativity and Productivity

Apple's new Image Playground offers users the ability to design custom images using text prompts and photos. This feature supports various styles, such as Animation and Illustration, and is integrated into apps like Messages and Keynote. Similarly, Genmoji enables users to create personalized emojis based on descriptions or photos, adding a unique touch to conversations.

The Notes app gets a dynamic upgrade with Image Wand, a tool that transforms rough sketches into polished visuals or generates relevant images using on-device generative AI. Writing Tools expand with the Describe Your Change option, allowing users to specify detailed edits, such as rephrasing text or adapting tones for different purposes.

Visual Intelligence and ChatGPT Integration

With Camera Control, the iPhone 16 lineup offers a powerful visual intelligence experience. Users can instantly learn about objects, copy and translate text, and identify key details in their surroundings. Additionally, ChatGPT enhances this feature by providing explanations for complex information, such as diagrams or class notes.

ChatGPT is also seamlessly integrated into Siri, enabling content generation and image creation through Compose. Users retain full control over ChatGPT's use, ensuring data privacy. By default, no account is required, and requests remain anonymous, while OpenAI's data-use policies apply for linked accounts.

Privacy-First AI

Apple's AI models prioritize on-device processing. For tasks requiring larger models, Private Cloud Compute ensures data is processed securely without storage or sharing. Independent experts continuously verify Apple's privacy standards, marking a significant leap in protecting user data in AI-driven features.

With expanded language support and continuous updates, Apple is setting a new benchmark for AI integration, creativity, and user privacy.

PAKISTAN BLOCKS 80,000 SIMS FOR SPREADING FAKE NEWS

December 11, 2024

Islamabad, December 11, 2024 – Pakistan has taken a significant step to curb the spread of misinformation by blocking approximately 80,000 mobile phone SIM cards used for disseminating fake news, Parliamentary Secretary for the Cabinet Division, Sajid Mehdi, announced in the National Assembly on Wednesday. This move comes as part of ongoing efforts to combat the growing concern surrounding the spread of false information through digital platforms.

In response to a calling attention notice regarding the alarming increase in fake news on social media in Pakistan, which has stirred public unrest and created confusion, Sajid Mehdi detailed the government's proactive measures. A joint task force was formed in Pakistan to tackle this issue, and its findings have already been submitted to the Prime Minister of Pakistan for further action. The task force's report is expected to pave the way for enhanced regulations and enforcement to protect the public from the harmful effects of fake news.

To strengthen existing laws in Pakistan, the government is focusing on addressing gaps in the Prevention of Electronic Crimes Act, 2016. Mehdi revealed that amendments to the law are in the pipeline to expedite the trial of cases involving the spread of false news, ensuring more efficient legal action against offenders. The amendments are expected to create a more robust framework for handling such crimes swiftly.

Furthermore, the government of Pakistan has initiated the registration of Virtual Private Networks (VPNs), which have been widely used to circumvent regulations and spread fake news anonymously. This measure is aimed at limiting the ability of those who use VPNs to hide their digital identity while spreading misinformation.

In addition to these steps, an awareness campaign has been launched across the country to educate citizens about the dangers of sharing fake news. The government is using various media platforms and tools to promote better understanding and responsible online behavior.

Sajid Mehdi expressed confidence that these actions would help mitigate the growing problem of misinformation and lead to a more informed society. He further added that the government remains committed to ensuring that the digital space remains safe and trustworthy for all users, reducing the harmful impact of fake news on Pakistan's social fabric.

ONIC APPOINTS SYMMETRY GROUP FOR DIGITAL PRESENCE IN PAKISTAN

December 11, 2024

Karachi, December 11, 2024 – ONIC (Digital Technology Managed Service Pvt. Limited) has chosen Symmetry Group as its partner to revolutionize its digital presence in Pakistan. This strategic collaboration aims to strengthen ONIC's position as a cutting-edge digital telco brand.

In an official communication shared with the Pakistan Stock Exchange (PSX), Symmetry Group announced that ONIC represents a joint venture between Circle Life, a Singapore-based technology company, and e& (formerly Etisalat), a leading telecommunications provider in the MENAP region. ONIC operates in Pakistan as the digital brand of Pak Telecom Mobile Limited, bringing innovative telco solutions to the local market.

Circle Life is recognized for its expertise in telco transformation, helping Mobile Network Operators (MNOs) globally launch and manage digital telco brands. e&, on the other hand, is a prominent player in the telecommunications industry, providing cutting-edge connectivity solutions across the Middle East, North Africa, and Pakistan. The partnership between these two entities highlights a commitment to delivering advanced digital services tailored to modern consumer demands.

Symmetry Group Limited, a renowned digital technology and experience company, brings its extensive expertise to this collaboration. Specializing in the digitalization of critical business functions, Symmetry Group offers services in digital strategy, transformation, artificial intelligence, digital commerce, data science, mobility, retail research, and interactive marketing. With a proven track record in driving digital innovation, the company is well-positioned to enhance ONIC's presence in Pakistan's competitive telecommunications market.

This partnership is set to empower ONIC to deliver seamless digital experiences and cutting-edge services to its customers, aligning with global trends in telecom digitalization. By leveraging Symmetry Group's technological capabilities and ONIC's innovative approach, the collaboration is expected to redefine digital telco services in Pakistan.

As digital transformation continues to reshape industries, ONIC's alliance with Symmetry Group underscores its commitment to embracing advanced technologies and delivering exceptional value to its customers in Pakistan.

VIPPS LAUNCHES NFC PAYMENTS ON IPHONES, APPLE PAY ALTERNATIVE

December 11, 2024

Vipps, a leading Norwegian payments app, has become the first third-party service to access the NFC chip on Apple devices.

Now available in Norway, Vipps allows users to make online and NFC payments seamlessly at payment terminals. Users can also set Vipps as their default payment method on iPhones, marking a significant development in mobile payments.

This milestone follows a ruling by the European Commission that required Apple to open access to its NFC chips, which had previously been restricted. The decision aimed to address concerns about market fairness and competition, creating new opportunities for mobile payment providers like Vipps.

Vipps is widely recognized for its versatile payment features. The app supports in-store and online purchases, peer-to-peer transfers, and fundraising for personal or organizational causes.

It currently works with SpareBank 1, DNB, and more than 40 other Norwegian banks, ensuring broad accessibility for users across the country.

"We have fought for a long time to compete on equal terms with Apple. That's why it feels almost surreal to finally launch our very own solution.

This will now be a rare and exciting battle between the world's strongest brand and Vipps," said Rune Garborg, Manager of Vipps MobilePay, emphasizing the significance of the launch.

Vipps operates using BankAxept cards, which are accepted at over 90% of payment terminals in Norway. Looking ahead, the app plans to introduce support for Mastercard and Visa, further enhancing its usability.

Vipps is also preparing to expand its NFC-enabled tap-to-pay services to other Nordic countries, including Denmark, Finland, and Sweden, within the next year.

The launch of Vipps as a tap-to-pay solution on iPhones represents a major shift in mobile payments, providing users with a new, flexible alternative for both everyday transactions and peer-to-peer transfers.

As the app continues to grow, it is poised to play a key role in shaping the future of digital payments across the Nordic region.

Technology

FACEBOOK, INSTAGRAM DOWN FOR THOUSANDS OF USERS, DOWNDETECTOR SHOWS

- WhatsApp, Meta's messaging application, also down for users in many countries

Reuters Published December 12, 2024 Updated about 3 hours ago

Meta's Facebook and Instagram were down for thousands of users across the United States on Wednesday, according to outage tracking website Downdetector.com.

There were more than 105,000 incidents of people reporting issues with Facebook and over 70,000 with Instagram, in an outage that started around 12:50 p.m. ET.

WhatsApp, Meta's messaging application, was also down for more than 12,000 users, according to Downdetector.com.

Across the globe: thousands of users report Facebook, Instagram outage

The company did not immediately respond to a REUTERS request for comment.

Some Facebook and Instagram users posted on rival platform X that they were encountering an error that said "something went wrong" and that Meta was working to get it fixed.

Hundreds of thousands of Facebook and Instagram users were impacted globally for more than two hours early this year by an outage that was caused by a technical issue.

The platforms faced another outage in October, when services were largely restored within an hour.

GOOGLE PUTS AI AGENTS AT THE CENTER OF GEMINI UPDATE

Reuters Published December 11, 2024

SAN FRANCISCO: Alphabet's Google on Wednesday released the second generation of its artificial intelligence model Gemini and teased a slate of new ways to use AI beyond chatbots, including through a pair of eyeglasses.

CEO Sundar Pichai in a blog post dubbed the moment as the start of a "new agentic era," referring to virtual assistants that can perform tasks with greater autonomy.

"They can understand more about the world around you, think multiple steps ahead, and take action on your behalf, with your supervision."

The releases underscore the methods by which Google is aiming to reclaim the lead in the race to dominate the emerging technology. Microsoft-backed OpenAI captured global attention when it released chatbot ChatGPT in November 2022.

Google unveiled Gemini in December 2023 and now offers four versions.

On Wednesday, it released an update to Flash, its second cheapest model, with improved performance and added features to process images and audio. Other models will come next year.

Google says AI weather model masters 15-day forecast

OpenAI has in recent days announced a flurry of new offerings to diversify its prospects including a $200-a-month ChatGPT subscription for advanced research use and the availability of its text-to-video model Sora.

Google's play involves injecting its AI advances into applications that already enjoy widespread adoption. Search, Android and YouTube are among seven products that the company says are used by more than 2 billion people monthly.

That user base is a significant advantage over challenger startups such as search startup Perplexity, which is seeking a $9 billion valuation, and newer research labs like OpenAI, Anthropic or Elon Musk's xAI.

The Gemini 2.0 Flash model will power applications including AI Overviews in its search engine.

Alphabet's biggest bet is AI for search, Ruth Porat, the president and chief investment officer, said at the Reuters NEXT conference in New York on Tuesday.

Google also showed reporters new capabilities for Project Astra, a prototype universal agent which can talk to users about anything captured on their smartphone camera in real time.

The tool can now hold a conversation spoken in a mix of languages, as well as process information from Maps and image recognition tool Lens, DeepMind group product manager Bibo Xu told reporters.

And Astra will also be tested on prototype eyeglasses, the company's first return to the product area since the failure of Google Glasses. Others have since entered the market including Meta which in September unveiled an AR glasses prototype.

Google also showed reporters Project Mariner, a Chrome web browser extension which can automate keystrokes and mouse clicks in the vein of rival lab Anthropic's "computer use" feature, a feature to improve software coding called Jules, and a tool to assist consumers in making decisions like what to do or which items to buy in video games.

APPLE ADDS CHATGPT INTEGRATION IN LATEST SOFTWARE UPDATE

AFP Published December 11, 2024

SAN FRANCISCO: Tech giant Apple on Wednesday rolled out major updates to its artificial intelligence offerings that integrate OpenAI's ChatGPT into its native applications, including Siri, on the iPhone.

In a notable shift for the privacy-focused company, Apple has partnered with OpenAI to integrate ChatGPT into its Writing Tools and Siri virtual assistant, allowing users of the latest iPhone or iPad to access the AI chatbot without leaving Apple's ecosystem.

The move, first announced in June, marks Apple's most significant push into generative artificial intelligence, as the company aims to compete with rivals Google and Samsung, who have already integrated similar AI features into their Android-operated devices.

OpenAI launches free AI training course for teachers

Since OpenAI launched ChatGPT in 2022, Apple has been seeking to persuade doubters on its AI strategy, after Microsoft and Google rolled out products in rapid-fire succession.

The ChatGPT features fall under the iPhone maker's "Apple Intelligence" system, which also includes an AI-powered image editing tool called Image Playground and an emoji generator dubbed Genmoji.

Apple is initially rolling out the new AI functions to six English-speaking countries including the United States, Australia, Canada, and Britain.

The company plans to add support for 11 more languages throughout the year, starting with an April software update.

Markets » Energy

ADB APPROVES $200MN LOAN TO MODERNISE PAKISTAN'S POWER DISTRIBUTION NETWORK

BR Web Desk Published December 11, 2024

The Asian Development Bank (ADB) on Wednesday approved a $200 million loan to modernise Pakistan's power distribution infrastructure and improve distribution companies' ability to deliver reliable electricity.

As per a statement released by the Manila-based lender, ADB's Power Distribution Strengthening Project aims to upgrade and modernise distribution systems to meet Pakistan's rapidly growing electricity demand.

"The project will focus on reducing significant energy losses during transit and enhancing the resilience of infrastructure against climate change and disaster-related risks," read the statement.

The ADB disclosed that in its initial phase, the project will support three major distribution companies i.e. Lahore Electric Supply Company (LESCO), Multan Electric Power Company (MEPCO), and Sukkur Electric Power Company (SEPCO).

Pakistan receives $500 million from ADB for climate programme

"This project is part of ADB's ongoing efforts to address challenges in Pakistan's power sector," said ADB Director General for Central and West Asia Yevgeniy Zhukov.

"Reliable grid-connected electricity improves the quality of life. The loss reduction and revenue protection measures supported by this project will also help reduce the power sector's financial losses – alleviating at least one source of strain on the country's economy."

The project will fund the installation of at least 332,000 advanced metering infrastructure, along with data management and communication systems, and at least 15,800 online transformer performance monitoring systems in LESCO, MEPCO, and SEPCO.

"Furthermore, the voltage of four grid stations in SEPCO will also be upgraded from 66 kilovolts (kV) to 132 kV, a critical enhancement that will mitigate losses across the transmission system and address growing electricity demand."

ADB says it has 7 projects for this year, 16 for the next

Meanwhile, in LESCO, at least 25 grid stations will be constructed and modernised with the provision of critical equipment. Whereas, high-loss 11 kV feeder lines will be replaced with aerial bundled conductor cables, and feeder line configuration will be improved.

"These upgrades will reduce losses, enhance revenue collection, and provide distribution companies with real-time data on electricity consumption and grid performance," said ADB Principal Energy Specialist Seung Duck Kim.

"In the event of extreme weather, they can help identify and isolate faults quickly, reducing the time required for recovery and minimizing outages."

Moreover, the project will also study reform actions and policy recommendations that would improve the operational efficiency and overall performance of the three distribution companies.

The ADB also approved an additional $330 million in financing to strengthen Pakistan's federally administered social protection programmes.

OPEC AGAIN CUTS 2024, 2025 OIL DEMAND GROWTH FORECASTS

Reuters Published December 11, 2024

LONDON: OPEC cut its forecasts for oil demand growth this year and next on Wednesday, highlighting weakness in China, India and other regions in the producer group's fifth consecutive downward revision.

The weaker outlook highlights the challenge facing OPEC+, which comprises the Organization of the Petroleum Exporting Countries and allies such as Russia. OPEC+ earlier this month delayed its plan to start raising output until April 2025 against a backdrop of falling prices.

In a monthly report, OPEC said it expects 2024 global oil demand to rise by 1.61 million barrels per day (bpd), down from 1.82 million bpd last month. OPEC had kept the 2024 outlook unchanged until August, a view it had first taken in July 2023.

"The bulk of this revision is made in the third quarter, taking into account recently received bearish data for the third quarter," OPEC said in the report.

Oil up on China's monetary policy shift

China accounted for part of the latest downgrade, as did India, other Asian countries, the Middle East and Africa, OPEC said. Chinese oil demand in October contracted by 81,000 bpd year on year, OPEC said.

OPEC cut its 2025 global oil demand growth estimate to 1.45 million bpd from 1.54 million bpd.

Oil pared gains after the report was issued, with Brent crude trading below $73 a barrel.

Forecasts on the strength of demand growth in 2024 vary widely, partly due to differences over demand from China and the pace of the world's switch to cleaner fuels.

OPEC's outlook remains towards the top of industry estimates and contrasts with the International Energy Agency's far lower view.

The IEA, which represents industrialised countries, sees demand growth of 920,000 bpd in 2024. The agency is scheduled to update its figures on Thursday.

OIL RISES 1% AS EU AGREES FURTHER SANCTIONS THREATENING RUSSIAN OIL FLOWS

Reuters Published December 11, 2024

Oil prices rose more than 1% on Wednesday after the European Union agreed an additional round of sanctions threatening Russian oil flows, while a larger-than-expected build in U.S. fuel stockpiles last week capped the gains.

Brent crude futures were up 88 cents, or 1.22%, to $73.07 a barrel by 11:22 a.m. ET. U.S. West Texas Intermediate crude futures rose $1.09, or 1.59%, to $69.68.

European Union ambassadors agreed on Wednesday to a 15th package of sanctions on Russia over its war against Ukraine, the Hungarian EU presidency said.

Oil prices climb

"I welcome the adoption of our 15th package of sanctions, targeting in particular Russia's shadow fleet", European Commission President Ursula von der Leyen said on X.

The "shadow fleet" has aided Russia in bypassing the $60 per barrel price cap imposed by the G7 on Russian seaborne crude oil in 2022, and has helped keep Russian oil flowing.

U.S. crude futures rose more than $1 per barrel after the sanctions were announced.

"The renewed seriousness about clamping down on flows here is potentially supportive, and is offseting the traditional demand metric that we have been focusing on," said John Kilduff, partner at Again Capital in New York.

Curbing price gains on Wednesday, gasoline and distillate inventories rose by more than-expected last week, according to data from the Energy Information Administration, weighing on crude prices.

Meanwhile, producers' group OPEC cut its forecasts for demand growth in 2024 and 2025 for the fifth straight month on Wednesday and by the largest amount yet.

"OPEC are squaring up to reality about what they are facing, the (demand growth forecast) cuts highlight that they have their hands full in terms of trying to balance this market heading into 2025," Again Capital's Kilduff added.

OPEC+, which groups members of the Organization of the Petroleum Exporting Countries with other producers such as Russia, earlier this month delayed plans to start raising output.

Weak demand, particularly in top importer, China, and non-OPEC+ supply growth were two factors behind the move.

However, investors anticipate a rise in Chinese demand following Beijing's latest plans to boost economic growth.

China said on Monday it would adopt an "appropriately loose" monetary policy in 2025 marking the first easing of its stance in 14 years.

"While past efforts have focused on sectors like electric vehicles and infrastructure, there are expectations that China may shift toward policies to boost consumer spending…this has sparked optimism in the oil market," said Li Xing Gan, financial markets strategist consultant to Exness.

Chinese crude imports also grew annually for the first time in seven months in November, up more than 14% from a year earlier.

Meanwhile the Kremlin said that reports of a possible tightening of U.S. sanctions on Russian oil suggested the administration of U.S. President Joe Biden wants to leave a difficult legacy for U.S.-Russia relations.

Treasury Secretary Janet Yellen said on Wednesday that the U.S. is continuing to look for creative ways to reduce Russia's oil revenue and lower global demand for oil creates an opportunity for more sanctions.

PAKISTAN SECURES $200M ADB LOAN FOR ELECTRICITY IMPROVEMENTS

December 11, 2024

The Asian Development Bank (ADB) has approved a $200 million loan to support Pakistan in modernizing its power distribution infrastructure and enhancing the capacity of distribution companies to provide reliable electricity.

This initiative, under the Power Distribution Strengthening Project, is a critical step toward addressing Pakistan's growing energy demands and improving the resilience of its power infrastructure.

The project focuses on upgrading and modernizing distribution systems, aiming to reduce significant energy losses during transmission and increase resilience to climate change and disaster-related risks. Initially, it will target three major distribution companies: Lahore Electric Supply Company (LESCO), Multan Electric Power Company (MEPCO), and Sukkur Electric Power Company (SEPCO). These upgrades are expected to pave the way for a more efficient and sustainable energy delivery system in these regions.

"This project is part of ADB's ongoing efforts to address challenges in Pakistan's power sector," said Yevgeniy Zhukov, ADB Director General for Central and West Asia. "Reliable grid-connected electricity improves the quality of life. The loss reduction and revenue protection measures supported by this project will also help reduce the power sector's financial losses, alleviating at least one source of strain on the country's economy."

Key components of the project include the installation of over 332,000 advanced metering infrastructure systems, complemented by data management and communication systems. Additionally, at least 15,800 online transformer performance monitoring systems will be implemented in LESCO, MEPCO, and SEPCO. These measures will enhance real-time monitoring and efficiency in electricity consumption and grid performance.

SEPCO's grid system will see significant voltage upgrades, with four grid stations transitioning from 66 kilovolt (kV) to 132 kV, reducing transmission losses and addressing growing electricity demand. LESCO will benefit from the construction and modernization of 25 grid stations, incorporating critical equipment. High-loss 11 kV feeder lines will also be replaced with aerial bundled conductor cables to improve efficiency and reduce energy theft.

"These upgrades will reduce losses, enhance revenue collection, and provide distribution companies with real-time data," noted ADB Principal Energy Specialist Seung Duck Kim. "They will also improve response times during extreme weather, minimizing outages and ensuring quicker recovery."

Beyond infrastructure improvements, the project will conduct studies to recommend policy reforms aimed at enhancing the operational efficiency and overall performance of the three targeted distribution companies.

Pakistan, a founding member of ADB, has received over $52 billion in financing since 1966. These investments have supported inclusive economic growth, improved infrastructure, and enhanced energy, food security, and social services. ADB remains committed to fostering a prosperous, inclusive, and sustainable Asia and the Pacific, while continuing its mission to eradicate extreme poverty.

Markets – Rates

EQUITIES ROAR BACK

Recorder Report Published 27 minutes ago

KARACHI: Pakistan Stock Exchange (PSX) on Wednesday witnessed posted strong recovery supported by healthy buying activity from local investors.

The benchmark KSE-100 Index increased by 1,913.57 points or 1.76 percent to close at a new peak level of 110,810.22 points on Wednesday up from 108,896.65 points on Tuesday. The index also hit 111,012 points intraday high level and 109, 416 points intraday low.

The daily trading volumes on the ready counter declined to 1,080 million compared to 1,548.302 million shares a day earlier. The daily traded value on the ready counter also declined from Rs 68.805 to Rs 47.139 billion.

BRIndex100 rose by 249.24 points or 2.16 percent to close at 11,772.18 points on Wednesday as against 11,522.94 points on Tuesday. Total volume at BRIndex was 919 million shares and K-Electric Ltd. was the most traded company in BRIndex100 with a volume of 136 million shares.

BRIndex30 opened at 35,549.84 points. It touched an intraday high of 36,584.01 points and an intraday low of 35,549.84 points and finally closed at 36,584.01 points which was 1034.17 points or 2.91 percent higher than previous close with total volume of 573 million.

The market capitalization increased by Rs 259 billion to Rs 14.151 trillion. Out of total 472 active scripts, 130 closed in negative and 288 in positive while the value of 54 stocks remained unchanged.

K-Electric was the volume leader with 136 million shares and closed at Rs 6.40 followed by WorldCall Telecom that closed at Rs 1.65 with 73.5 million shares. Fauji Foods Ltd closed at Rs 14.98 with 57.124 million shares.

Unilever Pakistan Foods Limited and Khyber Textile Mills Limited were the top gainers increasing by Rs 504.95 and Rs 53.11 respectively to close at Rs 20,835.50 and Rs 684.99 while Nestle Pakistan Limited and Mehmood Textile Mills Limited were the top losers declining by Rs 175.54 and Rs 59.14 respectively to close at Rs 7,155.27 and Rs 562.53.

An analyst at Topline Securities said that the market maintained an upward trajectory, supported by strong buying activity from local institutions, and reached an intraday peak of 111,012.

Key contributors to the index’s rise included MARI, PPL, OGDC, DAWH, and UBL, which together added 1,002 points to the index. Trading activity remained robust, with a total volume of 1,079 million shares and a turnover of Rs. 47 billion.

Ahsan Mehanti of Arif Habib Corp said that stocks are bullish led by scrips across the board as investors weigh upbeat car sales data surging by 62pc YoY in Nov'24 and recent cut in the NSS rates renewing speculations over significant SBP policy easing this week.

Robust economic indicators, surging global crude oil prices and recovery in global equities on receding geopolitical tensions played a catalyst role in the new record close at PSX, he added.

BR Automobile Assembler Index increased by 67.53 points or 0.33 percent to close at 20,459.84 points with a total turnover of 4.662 million shares.

BR Cement Index surged by 139.87 points or 1.18 percent to reach 11,950.05 points with a total turnover of 58.793 million shares.

BR Commercial Banks Index also gained 267.09 points or 0.93 percent to close at 28,878.55 points with a total turnover of 53.175 million shares.

BR Power Generation and Distribution Index increased by 158.3 points or 0.89 percent to close at 17,945.19 points with a total turnover of 151.159 percent.

BR Oil and Gas Index closed at 11,753.90 points, up by 578.65 points or 5.18 percent with a total turnover of 117.134 million shares.

BR Tech. & Comm. Index gained 84.86 points to reach 5,522.65 points with a total turnover of 179.735 million shares.

Analysts at JS said Wednesday's rebound was also supported by increased local buying led by mutual funds and investors are encouraged by falling inflation rates and expectations of the upcoming Special Investment Facilitation Council (SIFC) meeting, signaling renewed confidence in the market's potential.

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LME OFFICIAL PRICES

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

Recorder Report Published 27 minutes ago

LONDON: The following were Tuesday official prices.

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ALUMINIUM
==========================================
CONTRACT                BID           OFFER
------------------------------------------
Cash                 2552.00         2553.00
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3-month	2585.00	2587.00

COPPER

CONTRACT	BID	OFFER
Cash	9066.00	9067.00
3-month	9180.00	9181.00

ZINC

CONTRACT	BID	OFFER
Cash	3105.00	3105.50
3-month	3126.00	3127.00

NICKEL

CONTRACT	BID	OFFER
Cash	15530.00	15535.00
3-month	15815.00	15825.00

LEAD

CONTRACT	BID	OFFER
Cash	2036.50	2037.00
3-month	2068.00	2069.00

Source: London Metals Exchange.

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KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Wednesday (December 11, 2024).
========================== ...

Published 27 minutes ago

KARACHI: Kibor interbank offered rates on Wednesday (December 11, 2024).

KIBOR

Tenor	BID	OFFER
1-Week	14.60	15.10
2-Week	13.85	14.35
1-Month	13.32	13.82
3-Month	12.17	12.42

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6-Month    12.14     12.39
9-Month    11.96     12.46
1-Year     11.82     12.32
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Data source: SBP

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BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Wednesday (December 11, 2024). ====================================...

Recorder Report Published 28 minutes ago

KARACHI: BRIndex100 and BR Sectoral Indices on Wednesday (December 11, 2024).

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BR INDICASE AT A GLANCE
====================================
             BRINDEX100
====================================
Day Close:                110,810.22
High:                     111,012.02
Low:                      109,416.32
Net Change:                  1913.57
Volume (000):                509,285
Value (000):              33,427,561
Makt Cap (000)         3,401,204,000
------------------------------------
BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                 20,459.84
NET CH                     (+) 67.53
------------------------------------
BR CEMENT
------------------------------------
Day Close:                 11,950.05
NET CH                    (+) 139.87
------------------------------------
BR COMMERCIAL BANKS
------------------------------------
Day Close:                 28,878.55
NET CH                    (+) 267.09
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                 17,945.19
NET CH                    (+) 158.30
------------------------------------
BR OIL AND GAS
------------------------------------
```

```
Day Close:                   11,753.90
NET CH                      (+) 578.65
------------------------------------
BR TECH & COMM
------------------------------------
Day Close:                    5,522.65
NET CH                       (+) 84.86
------------------------------------
As on:                11-December-2024
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These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

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OPEN MARKET FOREX RATES

Updated at: 12/12/2024 6:19 AM (PST)

Currency	Buying	Selling
Australian Dollar	177.75	180.00
Bahrain Dinar	733.95	741.95
Canadian Dollar	197.10	199.50
China Yuan	37.99	38.39
Danish Krone	39.15	39.55
Euro	290.25	293.00
Hong Kong Dollar	35.45	35.8
Indian Rupee	3.18	3.27
Japanese Yen	1.84	1.90
Kuwaiti Dinar	896.25	905.75
Malaysian Ringgit	61.75	62.35
NewZealand $	162.4	164.4
Norwegians Krone	24.93	25.23
Omani Riyal	718.35	726.85
Qatari Riyal	75.7	76.4
Saudi Riyal	73.70	74.25
Singapore Dollar	207.75	209.75
Swedish Korona	25.13	25.43
Swiss Franc	312.72	315.52

Thai Bhat	8	8.15
U.A.E Dirham	75.35	76.00
UK Pound Sterling	352.15	355.65
US Dollar	277.70	279.20

INTER BANK RATES

Updated at: 12/12/2024 6:19 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	177.41	177.73
Canadian Dollar	196.16	196.51
China Yuan	38.47	38.54
Danish Krone	39.23	39.30
Euro	292.53	293.06
Hong Kong Dollar	35.72	35.79
Japanese Yen	1.8330	1.8363
Saudi Riyal	73.94	74.08
Singapore Dollar	207.15	207.52
Swedish Korona	25.46	25.50
Swiss Franc	314.61	315.18
Thai Bhat	8.24	8.25
UK Pound Sterling	354.91	355.55
US Dollar	277.95	278.45

GOLD RATE

Bullion / Gold Price Today

As on Thu, Dec 12 2024, 00:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	240,768	280,534	748,886	
Palladium	XPD	86,798	101,134	269,976	
Platinum	XPT	84,375	98,310	262,439	
Silver	XAG	2,860	3,333	8,897	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Thu, Dec 12 2024, 00:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 280500	Rs. 257123	Rs. 245438	Rs. 210375
per 10 Gram	Rs. 240500	Rs. 220457	Rs. 210438	Rs. 180375
per Gram Gold	Rs. 24050	Rs. 22046	Rs. 21044	Rs. 18038
per Ounce	Rs. 681800	Rs. 624979	Rs. 596575	Rs. 511350

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	6,275	7,312	19,518	
Euro	EUR	823	959	2,561	
Japanese Yen	JPY	131,597	153,332	409,320	
Saudi Riyal	SAR	3,246	3,782	10,095	
U.A.E Dirham	AED	3,178	3,703	9,886	
UK Pound Sterling	GBP	679	791	2,111	
US Dollar	USD	865	1,008	2,692	