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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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ISSUANCE OF REFUNDS: TAXPAYERS BEING PRESSURIZED TO WITHDRAW COMPLAINT

Sohail Sarfraz Published February 13, 2025 Updated 22 minutes ago

ISLAMABAD: Tax advisers have reported incidents where tax officials are allegedly pressurizing taxpayers to withdraw complanit filed before the Federal Tax Ombudsman (FTO) against their intentional delaying tactics in issuance of refunds.

These refunds were due on account of appeal order of the Tribunal against which no reference was filed before the Lahore High Court and the appeal order had attained finality a year ago.

The tax experts explained that creation of Refund Zone in the field formations on the pretext of facilitating the taxpayers has proved to a ploy to create further hurdles in obtaining income tax refunds. Since creation of these specialized zone either further hurdles or pick and choose has become the policy.

When contacted Miss Sofia, Income Tax Practitioner/authorized representative of a Lahore based taxpayer being assessed at a Large Taxpayer Office (LTO) explained that when in follow up of pending refund claim she met the Additional Commissioner with whom file was stuck for a week he required that he will sign only if the complaint filed by the taxpayer before FTO is withdrawn. He warned that if complaint is not withdrawn and FTO holds that delay is maladministration then he will file representation before the President and the taxpayer will not get refund for at least one year.

Sofia argued that the earlier partial refund was issued by the Department on filing writ petition and the curtailment of refund was disapproved by the Appellate Tribunal with the direction to issue balance refund with compensation for delay within 30 days. The appeal order was accepted by the Department and no reference was filed before the High Court. Thereafter four reminders were filed for issuance of refunds apart from dozens of follow up visits but all in vain. In these compelling circumstances compliant had to be filed and the FTO had called for report.

On calling for report the DCIR processed the refund claim in the IRIS and sought administrative approval of the Commissioner through proper channel and the Additional Commissioner was holding file for a week when the AR of the taxpayer met him and the Additional Commissioner has pressurized her to withdraw compliant otherwise refund will be got delayed by filing representation to the President which takes months to decide.

Sofia claimed that this is clearly blackmailing apart from the manifestation of ulterior motives and requested the Chairman FBR to take notice of such further maladministration and misconduct which mars the image of the Department.

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FBR UPDATES METHOD FOR ZERO-RATED SUPPLIES TO DUTY-FREE SHOPS

February 12, 2025

Karachi, February 12, 2025 – The Federal Board of Revenue (FBR) has introduced a detailed procedure governing zero-rated supplies to duty-free shops (DFS) across Pakistan.

This initiative aims to streamline tax regulations and ensure compliance with existing laws while facilitating international travelers who purchase goods from DFS outlets.

According to the FBR, the procedure for zero-rated supplies is already outlined in Rule 164 of the Sales Tax Rules, 2006. The FBR emphasized that DFS operators must adhere to the prescribed guidelines to benefit from tax-free procurements.

Procedure for Zero-Rated Supplies

Under the newly reiterated framework, DFS entities licensed by the Customs authorities and eligible for zero-rated supplies under serial No. 3 of the Fifth Schedule to the Sales Tax Act must follow these essential steps:

1. Registration and Compliance: Duty-free shops must be registered under the Sales Tax Act and are required to submit monthly returns while maintaining comprehensive records in accordance with the law.

2. Application for Authorization: The DFS must apply to the relevant Commissioner of Inland Revenue to obtain authorization for tax-free purchases. The application should specify details such as the exact description and quantity of goods, as well as the sales tax registration number of the manufacturer. Only goods intended for sale under duty-free allowances as per baggage concessions will be considered.

3. Indemnity Bond Submission: Along with the application, DFS must submit an indemnity bond in the prescribed format. This bond ensures that if the goods procured under zero-rated status are misused or sold outside the duty-free allowances, the DFS will be liable to pay the applicable sales tax along with additional tax as per Section 34 of the Sales Tax Act, 1990.

4. Zero-Rated Invoice and Delivery: Once authorization is granted by the Commissioner of Inland Revenue and the indemnity bond is accepted, the manufacturer can deliver the goods to the DFS under a zero-rated invoice. The invoice must reference the authorization number and display the value of goods in both Pakistani Rupees and US Dollars. Moreover, all such goods must bear a permanent sticker stating that they are exclusively meant for DFS sales under customs baggage rules.

5. Foreign Currency Payments: The DFS must pay for the goods in US dollars, which will be surrendered to the State Bank of Pakistan. The manufacturer, in turn, will receive payments in Pakistani Rupees as per the prevailing foreign exchange regulations.

6. Receipt Certificate and Customs Verification: Upon receipt of goods, DFS is required to issue a certificate confirming delivery, which must be attested by customs staff. Copies of this certificate must be sent to the manufacturer and the Commissioner of Inland Revenue.

7. Record Maintenance and Inspection: Both the DFS and the manufacturer are obligated to maintain detailed records of all zero-rated transactions. These records must include full particulars of passengers purchasing goods under baggage concessions and should be available for inspection by sales tax authorities as required.

8. Refund Process: Refund claims related to zero-rated supplies will be processed as per Chapter V of the Sales Tax Rules, 2006. The manufacturer will be treated as a manufacturer-cum-exporter for refund purposes.

9. Limit on Procurement Period: Duty-free shops can only procure goods under this framework for a period not exceeding three months. The FBR has mandated that DFS must ensure these goods are not diverted into the local market. If any such goods are found being sold domestically, DFS will be responsible for paying applicable sales tax along with penalties.

10. Release of Indemnity Bond: The indemnity bond will only be released after the Commissioner of Inland Revenue is satisfied—either through an audit or other verification methods—that all goods were sold in compliance with duty-free allowances.

FBR’s Commitment to Tax Regulation

The FBR reiterated its commitment to ensuring transparency and adherence to tax regulations while facilitating the duty-free retail sector. By reinforcing these procedural requirements, the FBR aims to curb potential misuse of tax exemptions while supporting legitimate duty-free operations. The regulatory body has also urged DFS operators to strictly comply with these provisions to avoid penalties and maintain smooth operations.

With this newly reaffirmed procedure, the FBR continues its efforts to enhance regulatory efficiency and foster a more transparent tax environment for duty-free businesses in Pakistan.

RTO HYDERABAD SEALS FAMOUS BAKERY FOR ISSUING FAKE INVOICES

February 12, 2025

Hyderabad, February 12, 2025 – The Regional Tax Office (RTO) Hyderabad on Wednesday took decisive action against tax fraud by sealing three branches of a well-known bakery in Hyderabad for issuing fake invoices.

According to details, on the directives of Chief Commissioner Inland Revenue Qazi Hifz-ur-Rehman and Commissioner Naib Ali Pathan, the Point of Sale (POS) team of the RTO Hyderabad conducted an operation, sealing three branches of the bakery. Authorities found the establishment involved in issuing forged, fake, unstamped, and non-QR coded receipts, violating sales tax regulations.

This fraudulent practice had reportedly been ongoing for an extended period despite multiple warnings. Exercising the powers conferred under Section 33 of the Sales Tax Act, 1990, read with Rule 150ZEO of the Sales Tax Rules, 2006, the authorities sealed the bakery's premises in Hyderabad to curb further tax evasion.

A day earlier, the Large Taxpayers Office (LTO) Karachi had taken a similar step by sealing an outlet of Zelbury, a prominent online fashion shopping platform, for issuing unverified sales tax invoices. These consecutive actions underscore the Federal Board of Revenue's (FBR) commitment to ensuring tax compliance across various business sectors, including those operating in Hyderabad.

The crackdown on non-compliant businesses in Hyderabad is part of a broader initiative by the FBR to prevent tax evasion. The tax authorities have launched an extensive campaign against retailers violating POS regulations to curb revenue losses. The enforcement measures in Hyderabad highlight the urgency of strict adherence to tax laws among businesses.

This latest enforcement move by RTO Hyderabad sends a strong message to retailers and large taxpayers alike. Authorities have emphasized that failure to comply with sales tax regulations will result in stringent legal consequences. Businesses in Hyderabad are urged to align with tax requirements to avoid punitive actions, as tax compliance remains a top priority for the FBR.

With Hyderabad emerging as a key commercial hub, tax authorities remain vigilant in ensuring businesses fulfill their tax obligations. The crackdown serves as a warning to all enterprises in Hyderabad to operate transparently and adhere to tax laws, reinforcing the government's stance against tax fraud and revenue leakages.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published about an hour ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Wednesday, (February 12, 2025)

The kca official spot rate for local dealings in Pakistan rupees

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

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 11-02-2025	Difference Ex-karachi
37.324 KG	17,500	285	17,785	17,785	NIL
Equivalent					
40 KGS	18,755	305	19,060	19,060	NIL

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SPOT RATE UNMOVED AMID LOW ACTIVITY

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

Recorder Report Published about an hour ago

LAHORE: The local cotton market on Wednesday remained bearish and the trading volume remained low.

Cotton Analyst Naseem Usman told Business Recorder that the rate of cotton in Sindh is in between Rs 17,000 to Rs 17,500 per maund. The rate of cotton in Punjab is in between Rs 17,500 to Rs 18,000 per maund. The rate of Balochi Cotton is in between Rs 18,800 to Rs 19,000 per maund. The rate of Primark cotton is Rs 19,300 to Rs 19,5010 per maund.

The Spot Rate remained unchanged at Rs 17,500 per maund. Polyester Fiber was available at 351 per kg.

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Stock & Commodity

GLOBAL STOCKS RALLY ON UKRAINE PEACE HOPES, BONDS SELL OFF

Reuters Published 11 minutes ago

SYDNEY: U.S. and European stock futures rallied on Thursday on optimism over prospects of a peace deal between Ukraine and Russia, offsetting a jump in Treasury yields as hot inflation threatens to close the door to any policy easing in the U.S. this year.

Global trade war fears persisted as U.S. President Donald Trump said he would impose reciprocal tariffs as soon as Wednesday evening on every country that charges duties on U.S. imports. Gold prices hovered not far from their record highs.

The Japanese yen was the biggest loser in the face of higher U.S. yields, while the euro has been helped by Trump’s phone calls with Russian President Vladimir Putin and Ukraine’s Volodymyr Zelenskiy, raising hopes that the years-long war could be nearing an end.

Oil prices dropped, having been down more than 2% overnight. Wall Street staged a late rally to end the day mixed.

In Asia, EUROSTOXX 50 futures climbed 1%. Nasdaq futures rose 0.4% while S&P 500 futures gained 0.2%. Japan's Nikkei gained 1.1% while MSCI's broadest index of Asia-Pacific shares outside Japan edged up 0.3%.

"The optimism is probably somewhat premature," said Kyle Rodda, a senior analyst at Capital.com.

"Early drafts of a peace deal by the United States included commitments from the Ukrainians not to push for NATO membership and to give up territory. Such a concession is a large ask, especially given the lack of trust that the Russians will commit to peace after Trump leaves office."

Chinese blue chips were flat but Hong Kong's Hang Seng index (.HSI), opens new tab extended its bullish run, up 1% to hit another four-month high.

Overnight, data showed U.S. consumer prices rose by the most in nearly 1-1/2 years in January.

The closely watched core inflation index, which excludes food and energy prices, rose 0.4% in the month, above forecasts for 0.3%.

With the Federal Reserve already signalling no rush to cut rates further, investors scaled back expectations of more policy easing from the Federal Reserve this year to just 28 basis points, equivalent to just one cut.

Treasury yields jumped on the inflation data, with 10-year yields up 10 basis points overnight to a three-week top of 4.66%. They were down 2 bps on Thursday at 4.6151%.

Analysts at Barclays still expect one rate cut from the Fed this year.

"Risks are now skewing toward the Fed delivering no cuts this year, and we are putting somewhat more weight on off-baseline scenarios where rate hikes enter the conversation," they said in a note to client.

In the foreign exchange market, the dollar held at 154.52 yen , having jumped 1.3% overnight as U.S. yields shot up.

Asia shares hesitant, dollar firms as US tariffs loom

The euro fared much better, having recovered from earlier falls to be 0.2% firmer for the day and was 0.1% higher at $1.0392 on Thursday.

In commodities markets, oil prices extended their overnight slump on hopes for a peace deal between Russia and Ukraine that would mean the end of sanctions that have disrupted supply flows.

U.S. crude fell 0.7% to $70.88 a barrel, after dropping 2.7% overnight and Brent was also 0.7% lower at $74.66, having dropped 2.4% overnight.

Gold was flat at $2,902 per ounce, not far from its record high of $2,942.7 hit on Tuesday.

WALL ST FALLS AS INFLATION DATA HINTS AT SLOWER RATE CUTS

Reuters Published about 2 hours ago

NEW YORK: Wall Street's main indexes fell on Wednesday, as a hotter-than-anticipated inflation reading added to worries that the Federal Reserve would not cut interest rates anytime soon, while some upbeat earnings like that of CVS Health helped crimp losses.

US consumer prices increased by the most in nearly one-and-a-half years in January, reinforcing the Fed's message that it was in no rush to resume cutting interest rates amid growing uncertainty over the economy.

The surge in prices offered a cautionary note to President Donald Trump's push for tariffs on imported goods, which have been panned by economists as inflationary.

"The CPI report was not a disaster but it's not what the Fed wanted to see either," said Robert Ruggirello, chief investment officer, at Brave Eagle Wealth Management.

"I think (the Fed) is going to do what's implied by the market."

Traders are now fully pricing in just one more 25 basis point rate reduction this year.

Before the data, they saw an about 40% chance of another similar-sized move, as per LSEG data.

Fed Chair Jerome Powell also began his second day of testimony before Congress on Wednesday. He had reiterated that the US central bank is in no rush to cut its short-term interest rate again when he testified to the Senate Banking Committee on Tuesday.

January's reading is the last inflation reading before any direct impact from Trump's tariff measures, which went into effect this month.

Trump's trade advisers are finalizing plans for the reciprocal tariffs on every country that charges duties on US imports.

The Cboe Volatility Index, known as Wall Street's "fear gauge," jumped to its highest in a week, last at 16.6 points.

Most megacap and growth stocks fell, with Nvidia and Amazon.com sliding over 1% each. Tesla was an outlier, up 2.7% after falling for the last five sessions.

At 11:26 a.m. ET, the Dow Jones Industrial Average fell 441.36 points, or 0.99%, to 44,150.93, the S&P 500 lost 46.71 points, or 0.77%, to 6,021.21 and the Nasdaq Composite lost 114.85 points, or 0.58%, to 19,531.10.

The economically sensitive Russell 2000 smallcap index dropped 1.4%.

All 11 S&P 500 sectors traded lower, with rate-sensitive real estate leading losses, down 1.4%.

The utilities sector, often traded as a bond proxy, owing to its stable income regardless of the economic situation, also slid 0.7%.

Treasury yields shot up after the inflation data, with the one on the 10-year note hitting its highest in over two weeks.

CVS Health advanced 13.6% after the healthcare conglomerate beat fourth-quarter profit estimates.

Gilead Sciences jumped 7.7% as the biotech company forecast 2025 earnings above analyst estimates.

EUROPEAN SHARES END AT RECORD PEAK ON EARNINGS BOOST

Reuters Published about 2 hours ago

FRANKFURT: European shares eked out an all-time high on Wednesday, as investors cheered earnings reports from Heineken and ABN AMRO, although some caution around US inflation data and trade policies prevailed.

The pan-European STOXX 600 index settled a choppy session up 0.1%, with Germany's benchmark also at a record peak. European banks led sectoral gains with a 1.1% advance, with ABN AMRO up 8.2% at a more than five-year high after the Dutch bank's fourth-quarter results beat market expectations.

The food and beverages sector was next in line with a 1% increase. Heineken soared 14.4% - its biggest daily rise on record after the brewer reported better-than-expected profit, launched a share buyback and forecast further growth in operating profit in 2025.

Its peers Anheuser-Busch InBev and Carlsberg also rose 2.8% and 3.2%, respectively. On the other hand stocks of dividend-paying utilities fell 1% against a rise in European bond yields, after US data showed consumer prices increased by the most in nearly 1-1/2 years in January, lifting bets that the Federal Reserve could deliver only one interest rate cut this year. Investors also braced for an intensifying global trade war.

US President Donald Trump is expected to announce his reciprocal tariff policy later in the day, which is likely to receive a response by the export-dependent European Union. "Tariffs are not simply a negotiating strategy and that has been our starting view.

There is something else in terms of a belief that it is a source of potential revenue to try and equalize perceived injustices in trade," said Richard Flax, chief investment officer at Moneyfarm. "Defence spending, given the strength of US defence companies, is a good way to improve your trade balance... but I would hesitate to say too much about what could be the kind of compromise on the European side."

Despite an uncertain global trade backdrop, the STOXX 600 has risen nearly 8% this year on tailwinds helped by solid earnings from some European companies and on expectations that a weak euro could aid near-term export-oriented corporate revenues. Among others, Carl Zeiss Meditec slid 12.5% after the German optical systems maker posted downbeat quarterly core earnings.

TECH AND PROPERTY SHARES DRIVE CHINA, HK STOCKS HIGHER

Reuters Published about 2 hours ago

SHANGHAI: China and Hong Kong shares closed higher on Wednesday, led by tech and property shares, as the market was fuelled by AI-driven revaluation opportunities and optimism that authorities may help indebted property developers.

China's blue-chip CSI300 Index ended 1% higher, while the Shanghai Composite Index was up 0.9%. Hong Kong benchmark Hang Seng was up 2.6%.

Alibaba's Hong Kong shares surged over 8%, hitting a four-month peak after the Information reported Apple is partnering with the Chinese tech giant to roll out artificial intelligence features for iPhone users in China.

The tech major's shares traded in Hong Kong rose 2.6%.

"Technology fuelled rallies typically saw share prices rise ahead of earnings and this year, with ample liquidity and lower interest rates, we see valuation re-rating opportunities ahead for AI-related names," said UBS strategist James Wang.

"The internet companies are likely to be longer-term beneficiaries of cheaper AI models and remain attractive given the cheap valuation and capital return initiatives on offer," Wang said. China's AI stocks rose 2% on Wednesday and have risen 13% this month.

Meanwhile, onshore real estate shares jumped nearly 5%, with Vanke up 10%, after media reported that Chinese authorities are exploring a plan to help the property giant plug a funding gap of about 50 billion yuan ($6.84 billion) this year. Mainland developers traded in Hong Kong also surged nearly 6%.

Global investors are starting to reassess China's investability within the tech and AI space, as US-China competition has expanded from trade or tariffs to high-end manufacturing and AI, said equity strategists at Morgan Stanley.

INDIAN BENCHMARK INDEXES ON SIX-DAY LOSING RUN ON TRADE WAR

Reuters Published about 2 hours ago

MUMBAI: India's benchmark indexes extended their losing run to the sixth straight session on Wednesday due to trade war fears and earnings worries that have also pushed small-cap stocks to the cusp of bear market territory.

The Nifty 50 ended 0.12% lower at 23,045.25, while the BSE Sensex fell 0.16% to 76,171.08. They have lost 3% in the past six sessions.

The more domestically focussed mid-cap and small-cap indexes lost 0.26% each on the day.

At their session low, the small-caps were 21.4% below the record high levels hit on December 12. However, they closed 18.7% below their all-time high.

A close of more than 20% below a record-high indicates that the underlying stock or security has entered a bear market.

The mid-cap index is about 17% from its record high. Both the small- and mid-cap indexes remain in correction territory, which is 10% below the record high.

"The sharp downturn in markets can be primarily attributed to significant selling by foreign investors, disappointing earnings and the looming threat of a global trade war exacerbated by the US tariff uncertainty," said Akhil Puri, partner of financial advisory at Forvis Mazars.

Investors are worried that India could be the most impacted by US President Donald Trump's reciprocal tariffs, scheduled to be announced this week due to New Delhi's pronounced tariff differentials, multiple brokerages said.

To prevent this, Indian Prime Minister Narendra Modi is preparing additional tariff cuts ahead of a meeting with Trump this week.

Eight of the 13 major sectors fell on the day.

Financials bucked the trend to rise 0.45% and snap a five-day losing streak in which they lost 2.4%.

Meanwhile, data released after market hours showed that India's retail inflation eased to a five-month low of 4.31% in January as food price inflation declined.

WALL ST FALLS AS HOT INFLATION DATA DENTS RATE CUT HOPES

Reuters Published February 12, 2025

Wall Street's main indexes hit an over one-week low on Wednesday, as a hotter-than-anticipated inflation reading added to concerns that the Federal Reserve would not cut interest rates anytime soon.

U.S. consumer prices increased more than expected in January, reinforcing the Federal Reserve's message that it was in no rush to resume cutting interest rates amid growing uncertainty over the economy.

In the 12 months through January, the CPI increased 3.0% after advancing 2.9% in December. Economists polled by Reuters had forecast the CPI gaining 0.3% month-on-month and rising 2.9% year-on-year.

"It's now calling into question not only whether or not the Fed will cut in the second half of this year … but now it puts on the table potentially the next move even being one to the upside for rates," said Alex Coffey, senior trading strategist at Charles Schwab.

"It brings all options back to the table and likely pushes out even further that discussion of rate cuts."

Traders are now fully pricing in just one more 25 basis point rate reduction this year. Before the data, they saw an about 40% chance of another similar-sized move, as per LSEG data.

Wall St slips on megacap declines ahead of Powell's testimony

Fed Chair Jerome Powell also begins his second day of testimony before Congress at 10 a.m. ET.

On Tuesday, Powell had reiterated that the U.S. central bank is in no rush to cut its short-term interest rate again.

January's reading is the last inflation reading before any direct impact from Trump's tariff measures, which went into effect this month.

Trump had slapped an additional 10% tariff on Chinese goods last week and levied tariffs on all steel and aluminum imports on Monday.

His trade advisers are also finalizing plans for the reciprocal tariffs on every country that charges duties on U.S. imports.

The Cboe Volatility Index, known as Wall Street's "fear gauge," rose 0.5 points to 16.89, its highest in a week.

Most megacaps such as Microsoft and Nvidia fell over 1% each.

At 9:36 a.m. ET, the Dow Jones Industrial Average fell 440.05 points, or 0.99%, to 44,153.60, the S&P 500 lost 56.05 points, or 0.92%, to 6,012.78 and the Nasdaq Composite lost 175.63 points, or 0.89%, to 19,468.23.

All 11 S&P 500 sectors traded lower, with rate-sensitive real estate and utilities leading losses.

The economically sensitive Russell 2000 smallcap index dropped 1.5%.

Among individual movers, Lyft dropped 12.8% after the ride-hailing company forecast current-quarter gross bookings below estimates. Bigger rival Uber also fell 2.6%.

Super Micro Computer advanced 5.3% after the server maker said it believes it will be able to file delayed annual and quarterly reports with the U.S. Securities and Exchange Commission by February 25.

CVS Health advanced 12.6% after the healthcare conglomerate beat fourth-quarter profit estimates.

Declining issues outnumbered advancers by a 7.31-to-1 ratio on the NYSE and by a 3.85-to-1 ratio on the Nasdaq.

The S&P 500 posted four new 52-week highs and 16 new lows, while the Nasdaq Composite recorded 15 new highs and 103 new lows.

US STOCKS FALL AS JANUARY INFLATION RISES

AFP Published February 12, 2025

NEW YORK: Wall Street stocks opened lower Wednesday following a report showing higher US inflation in January, dampening expectations for interest rate cuts.

The consumer price index edged up to 3.0 percent in January from a year ago, rising from 2.9 percent in December, above the 2.8 percent projected by economists.

Nationwide Chief Economist Kathy Bostjancic predicted the Federal Reserve will “remain on the sidelines” and not cut interest rates “at least through Q3 of this year” as a result of the shifting inflation picture.

About 15 minutes into trading, the Dow Jones Industrial Average was down 0.8 percent at 44,217.28.

Wall St muted as markets assess Powell’s remarks

The broad-based S&P 500 dropped 0.7 percent to 6,027.91, while the tech-rich Nasdaq Composite Index declined 0.5 percent to 19,539.96.

The inflation figures came with Fed Chair Jerome Powell set for a second day of congressional testimony later on Wednesday.

Among individual companies, CVS Health shot up 14.2 percent following better-than-expected earnings. The pharmacy chain company projected higher profits in 2025 compared with last year.

MOST GULF MARKETS IN RED ON US TARIFF WORRIES, POWELL'S COMMENTS

Reuters Published February 12, 2025

Most stock markets in the Gulf ended lower on Wednesday as investors remained cautious, given the uncertainty over U.S. import tariffs and the Federal Reserve Chair Jerome Powell signalling a patient path for rate cuts.

Donald Trump's trade advisers were finalizing plans on Wednesday for the reciprocal tariffs the U.S. president has vowed to impose on every country that charges duties on U.S. imports, ratcheting up fears of a widening global trade war.

Saudi Arabia's benchmark index fell 0.3%, hit by a 1.8% fall in Saudi Basic Industries Corp as the petrochemical maker traded ex-dividend.

Dubai's main share index dropped 0.6%, weighed down by a 4% decline in sharia-compliant Dubai Islamic Bank, despite reporting a rise in annual profit.

The Dubai bourse snapped two sessions of gains, influenced by recent earnings releases, said Joseph Dahrieh, managing principal at Tickmill.

However, the Dubai bourse maintains the potential for further upside given its solid fundamentals and generally strong earnings releases this quarter, added Dahrieh.

In Abu Dhabi, the benchmark index nudged 0.2% higher, with Aldar Properties closing 1.1% higher, rising for a fourth consecutive session.

Most Gulf markets rise on buoyant earnings; Saudi eases

Aldar on Monday reported a fourth-quarter profit of 1.9 billion dirhams ($517.32 million), up 37% year-on-year.

However, Lulu Retail Holding plunged 9.6%, extending losses from the previous session, after a steep decline in quarterly profit.

In Qatar, the index was down 0.3%, with petrochemical firm Industries Qatar retreating 0.9%.

The U.S. Consumer Price Index (CPI) report, due at 1330 GMT, is now on investors' radar.

Markets have been scaling back expectations for Fed rate cuts this year, largely expecting the U.S. central bank to hold rates steady at its March and May meetings.

On Tuesday, Powell said the economy is in a good place and the Fed isn't rushing to cut interest rates further, but is prepared to do so if inflation drops or the job market weakens.

Outside the Gulf, Egypt's blue-chip index added 0.3%.

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 SAUDI ARABIA     fell 0.3% to 12,386
 Abu Dhabi        rose 0.2% to 9,659
 Dubai            dropped 0.6% to 5,304
 QATAR            was down 0.3% to 10,595
 EGYPT            was up 0.3% to 29,662
 BAHRAIN          eased 0.4% to 1,892
 OMAN             lost 0.8% at 4,486
 KUWAIT           added 0.3% to 8,514
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INDIAN BENCHMARK INDEXES ON SIX-DAY LOSING RUN ON TRADE WAR, EARNINGS WORRIES

Reuters Published February 12, 2025

India's benchmark indexes extended their losing run to the sixth straight session on Wednesday due to trade war fears and earnings worries that have also pushed small-cap stocks to the cusp of bear market territory.

The Nifty 50 ended 0.12% lower at 23,045.25, while the BSE Sensex fell 0.16% to 76,171.08. They have lost 3% in the past six sessions.

The more domestically focussed mid-cap and small-cap indexes lost 0.26% each on the day.

At their session low, the small-caps were 21.4% below the record high levels hit on December 12. However, they closed 18.7% below their all-time high.

A close of more than 20% below a record-high indicates that the underlying stock or security has entered a bear market.

The mid-cap index is about 17% from its record high. Both the small- and mid-cap indexes remain in correction territory, which is 10% below the record high.

"The sharp downturn in markets can be primarily attributed to significant selling by foreign investors, disappointing earnings and the looming threat of a global trade war exacerbated by the U.S. tariff uncertainty," said Akhil Puri, partner of financial advisory at Forvis Mazars.

Indian benchmarks post worst session in three weeks as US tariff concerns spook investors

Investors are worried that India could be the most impacted by U.S. President Donald Trump's reciprocal tariffs, scheduled to be announced this week due to New Delhi's pronounced tariff differentials, multiple brokerages said.

To prevent this, Indian Prime Minister Narendra Modi is preparing additional tariff cuts ahead of a meeting with Trump this week.

Eight of the 13 major sectors fell on the day.

Financials bucked the trend to rise 0.45% and snap a five-day losing streak in which they lost 2.4%.

Meanwhile, data released after market hours showed that India's retail inflation eased to a five-month low of 4.31% in January as food price inflation declined.

ALIBABA DRIVES HONG KONG SHARES HIGHER, CHINA STOCKS STEADY

Reuters Published February 12, 2025

SHANGHAI: Hong Kong shares rose on Wednesday, led by a rally in Alibaba shares, as the market was fuelled by AI-driven revaluation opportunities. China stocks were roughly flat.

China, HK stocks pare losses amid consumption stimulus

- China's blue-chip CSI300 Index edged down 0.1% by the lunch break, while the Shanghai Composite Index were flat. Hong Kong benchmark Hang Seng was up 1.4%.
- Alibaba's Hong Kong shares surged 6.7%, hitting a four-month peak on Wednesday, after the Information reported Apple is partnering with the Chinese tech giant to roll out artificial intelligence features for iPhone users in China.
- Baidu shares fell 3.5%. Apple had selected Baidu as its main partner last year, but the Chinese company's progress in developing models for Apple Intelligence fell short of its standards, the report said.
- Tech major traded in Hong Kong rose 1.2%, with Lenovo Group and BYD Electronic up 4.6% and 6.2%, respectively.
- "Technology fuelled rallies typically saw share prices rise ahead of earnings and this year, with ample liquidity and lower interest rates, we see valuation re-rating opportunities ahead for AI-related names," said UBS strategist James Wang.
- "The internet companies are likely to be longer-term beneficiaries of cheaper AI models and remain attractive given the cheap valuation and capital return initiatives on offer," Wang said.
- AI-shares traded onshore were up 0.9%, outperforming other sectors.
- Global investors are starting to reassess China's investability within the tech and AI space, as US-China competition has expanded from trade or tariffs to high-end manufacturing and AI, said equity strategists at Morgan Stanley.

- Shares of Chinese bubble tea maker Guming were roughly flat on the Hong Kong Stock Exchange trading debut after the company raised $232 million in an initial public offering.

SOUTH KOREAN SHARES CLIMB TO OVER 3-MONTH HIGH ON TARIFF OPTIMISM

- The benchmark KOSPI closed up 9.34 points, or 0.37%

Reuters Published February 12, 2025

SEOUL: Round-up of South Korean financial markets:

- South Korean shares rose on Wednesday to their highest level since early November on optimism that the country's impact from US tariffs might not be as severe as previously feared.
- The benchmark KOSPI closed up 9.34 points, or 0.37%, at 2,548.39, the highest since November 8, 2024.
- Donald Trump, who won the US presidential election in November, is finalising plans for the reciprocal tariffs he has vowed to impose on every country that charges duties on US imports.
- "The market is in relief that they are reciprocal tariffs, not universal tariffs. When it comes to the former, South Korea will be of less priority for Trump, as we don't have tariffs on US imports, other than rice," said Huh Jae-hwan, economist at Eugene Investment Securities.
- South Korea's acting President Choi Sang-mok on Wednesday said he hoped for a swift agreement within the country's parliament on an extra budget.
- Among index heavyweights, chipmaker Samsung Electronics rose 0.18%, but peer SK Hynix lost 0.40%, while battery maker LG Energy Solution slid 1.31%.
- Shipbuilders HD Hyundai Heavy Industries and Hanwha Ocean rose more than 15%, after reports of a US bill to build naval vessels in allied countries.
- Of the total 942 traded issues, 333 shares advanced, while 555 declined.
- Foreigners were net buyers of shares worth 98.6 billion won ($67.85 million).
- The won was quoted at 1,453.4 per dollar on the onshore settlement platform, 0.08% lower than its previous close at 1,452.2.
- The most liquid three-year Korean treasury bond yield rose by 2.3 basis points to 2.654%, while the benchmark 10-year yield rose by 4.2 basis points to 2.880%.

KSE-100 CLOSES MARGINALLY LOWER AFTER RANGE-BOUND TRADING

BR Web Desk Published February 12, 2025

The Pakistan Stock Exchange (PSX) witnessed range-bound trading on Wednesday, as the benchmark KSE-100 Index swayed in both directions before closing the day marginally lower.

The KSE-100 started the session positive, hitting an intra-day of 113,436.72.

However, the index saw some volatility in the latter hours, which pushed the index to an intra-day low of 112,621.14.

At close, followed by some late-session buying, the index settled at 112,924.94, down by 85.44 points or 0.08%.

"Investor sentiment remained mixed following the latest MSCI review, where ABOT and SEARL were included in the MSCI Frontier Market Index, while BFBIO, BIFO, and Power Cement were added to the MSCI Frontier Market Small Cap Index," brokerage house Topline Securities said.

"However, the review fell short of market expectations, leading to subdued activity," it added.

The uptick was largely driven from PPL, BOP, PTC, AKBL, and MLCF, which collectively contributed 202 points to the index and on the flipside HBL, HUBC, MTL, BAFL, MARI and NBP which collectively subtracted 220 points from the index, Topline said.

On Tuesday, positive momentum persisted at the PSX for the second consecutive session in the week, with the KSE-100 closing the day with a gain of 1,632 points at 113,010.38.

Globally, stocks rose and US Treasury yields firmed on Wednesday as investors assessed the latest U.S. tariff salvo along with Federal Reserve Chair Jerome Powell's signal of a patient path for rate cuts.

Financial markets were largely biding time ahead of a reading on U.S. consumer prices due later in the day which could guide the outlook for monetary policy there, particularly as policymakers weigh the potential inflationary impact of Donald Trump's tariffs on the economy.

The US President on Monday raised tariffs on steel and aluminium imports to 25% from the previous 10%, eliminated country exceptions, as well as product-specific exclusions, and promised to announce global reciprocal tariffs within days.

Mexico, Canada and the European Union on Tuesday condemned the move, with the EU saying the 27-nation bloc would take "firm and proportionate countermeasures".

MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.32%, following a mixed session on Wall Street as gains in Coca-Cola and Apple offset losses in Tesla.

Meanwhile, the Pakistani rupee registered a marginal decline against the US dollar, depreciating 0.03% in the inter-bank market on Wednesday. At close, the currency settled at 279.26 for a loss of Re0.09 against the greenback, according to the State Bank of Pakistan (SBP).

Volume on the all-share index increased to 669.60 million from 486.94 million recorded in the previous close.

However, the value of shares declined to Rs27.90 billion from Rs30.38 billion in the previous session.

B.O.Punjab was the volume leader with 195.54 million shares, followed by Bank Makramah with 46.59 million shares, and P.T.C.L. with 30.23 million shares.

Shares of 441 companies were traded on Wednesday, of which 172 registered an increase, 211 recorded a fall, while 58 remained unchanged.

JAPAN'S NIKKEI RISE ON TECH GAINS, TARIFF WORRIES LIMIT GAINS

Reuters Published February 12, 2025

TOKYO: Japan's Nikkei share average rose on Wednesday, led by heavyweight technology stocks, but the gains were capped due to persistent worries about the US tariff policy.

The Nikkei rose 0.16% to 38,863.82 by the midday break. It gained as much as 0.78% earlier in the session.

The broader Topix reversed early gains to fall 0.28% to 2,725.45.

"Although Japan is not yet a direct target of the tariff policy of the US, whenever we hear about anything new about this subject, the market becomes nervous," said Shuutarou Yasuda, a market analyst at Tokai Tokyo Intelligence Laboratory.

"The auto sector is the most sensitive to the tariff issues."

The US President on Monday raised tariffs on steel and aluminum imports to 25% from the previous 10%, eliminated country exceptions, as well as product-specific exclusions, and promised to announce global reciprocal tariffs within days.

Overnight, the Nasdaq declined, but the Dow Jones Industrial and S&P 500 climbed.

Japan's stock market was closed on Tuesday for a public holiday.

Among stocks that lifted the benchmark Nikkei, chip-testing equipment maker Advantest rose 2.13% and SoftBank Group gained 2.15%.

Medical services platform operator M3 surged 18% to become the top percentage gainer on the Nikkei.

Cable makers, a gauge for data centre investments, rose on the day, with Fujikura and Furukawa Electric jumping 6% and 4%, respectively.

Japan's Nikkei tracks Wall Street higher

Auto stocks slipped 1.32%.

The sector declined as Toyota Motor fell 1.47%, Honda Motor shed 1.23% and Nissan Motor slumped 6.8%.

Brokerages lost 2.13% to become the worst performing sector among the 33 sub-indexes.

Of the 225 Nikkei components, 85 stocks rose and 137 fell, while three traded flat.

KSE-100 ENDS MIXED AMID MSCI REVIEW, MARKET VOLATILITY PERSISTS

February 12, 2025

Karachi, February 12, 2025 – The benchmark KSE-100 index of the Pakistan Stock Exchange (PSX) experienced a mixed session on Wednesday as investors reacted to the latest MSCI review.

The KSE-100 index recorded a marginal decline of 85 points, closing at 112,925 points compared to the previous day's closing of 113,010 points. Throughout the trading session, the KSE-100 fluctuated significantly, hitting an intraday high of 426 points and a low of 389 points, reflecting market uncertainty.

Analysts at Topline Securities Limited noted that the KSE-100 index remained range-bound as investor sentiment wavered following MSCI's review. The review resulted in the inclusion of ABOT and SEARL in the MSCI Frontier Market Index, while BFBIO, BIFO, and Power Cement were added to the MSCI Frontier Market Small Cap Index. However, market expectations were not fully met, contributing to subdued trading activity on the KSE-100.

Despite the uncertainty, select stocks provided upward momentum for the KSE-100 index. Major contributors to the gains included PPL, BOP, PTC, AKBL, and MLCF, collectively adding 202 points. Conversely, pressure on the KSE-100 came from HBL, HUBC, MTL, BAFL, MARI, and NBP, which together erased 220 points from the index.

Overall, market participation remained robust, with increased trading activity observed throughout the session. The total trading volume surged to 688 million shares, with a total turnover of Rs 27.8 billion. The Bank of Punjab (BOP) emerged as the volume leader, with 55.9 million shares traded, reflecting strong investor interest.

Market experts anticipate that the KSE-100 index may witness further fluctuations in the coming sessions, influenced by both global and local economic developments. Investors are closely monitoring corporate earnings reports, macroeconomic indicators, and foreign fund flows, which could shape the KSE-100's trajectory in the near future.

As the market digests the implications of the MSCI review, analysts expect selective buying in fundamentally strong stocks to provide support to the KSE-100 index. Traders are advised to adopt a cautious approach, considering the ongoing volatility that continues to impact the benchmark index's performance.

Business & Finance » Money & Banking

ABL REPORTS STRONG GROWTH IN ASSETS, PROFITABILITY

Press Release Published about 2 hours ago

KARACHI: Allied Bank has made impressive progress in expanding its market presence, reflecting strong growth in both assets and profitability. With a focus on innovation and customer-centric solutions, the Bank has successfully navigated challenging market conditions strengthening its position in the industry.

The Bank's markup or interest income rose to Rs 376,760 million for the year ended December 31, 2024, compared to Rs 357,307 million for the year 2023, reflecting a 5% increase. This growth was fueled by an increase in average earning assets, and effective management of investment durations and spreads. On account of higher cost of deposits and interest expense on right of use of assets partially offset by lower borrowing expense, markup or interest expenses of ABL increased by Rs 17,509 million or 7% to reach at Rs 261,537 million for the year ended December 31, 2024 as compared to Rs 244,028 million for the corresponding year. The Bank declared Rs 16.00 dividend for the year ended December 31, 2024.

Fee income stood at Rs 14,081 million for the year ended December 31, 2024 as compared to Rs 10,641 million for the corresponding year and has increased by Rs 3,440 million or 32%, mainly on account of higher card related fee, commission on remittances fee, Branch banking customer fee, acquiring business and commission on trade.

Dividend income of the Bank stood at Rs 3,018 million for the year ended December 31, 2024 as compared to Rs 3,543 million for the year ended December 31, 2023, lower by 15%.

Capital gain of ABL for the year under review was Rs. 3,444 million or 308% mainly due to higher gain on sale of Federal government securities and Euro bonds compared to Rs 845 million for the year ended December 31, 2023.

Foreign Exchange income of the Bank stood at Rs 6,679 million for the year ended December 31, 2024, against Rs 9,167 million for last year, lower by 27%.

Non-markup or non-interest income of Allied Bank stood at Rs 27,980 million for the year ended December 31, 2024, reflecting a 15% growth from Rs 24,427 million in the corresponding year.

The Bank's other income amounted to Rs 758 million in 2024, compared to Rs 231 million in 2023, marking a 228% increase.

Allied Bank's focus on expanding its branch network and enhancing technological capabilities resulted in increase in total operating expenses. However, through use of technology and process automation and improvements, the Bank managed to restrict the increase in operating expenses to 20%. Total operating expenses reached at Rs 57,985 million for the year ended December 31, 2024, compared to Rs 48,972 million for the year ended December 31, 2023.

For the year under review, profit before taxation for the year ended December 31, 2024 stood at Rs 87,928 million, reflecting a 3% increase from Rs 85,757 million in the corresponding year ended December 31, 2023. This growth was primarily driven by higher net markup and non-markup income and credit loss reversals partially offset by higher operating expenses.

The effective income tax rate for the year ended December 31, 2024 was 50.96% compared to 52.56% for the previous year. The tax charge for 2024 stood at Rs 44,812 million, slightly lower than Rs 45,074 million in 2023, reflecting a 1% decrease. Through the income tax (Amendment) Ordinance, 2024, the Federal Government increased the normal tax rate for banks from 39% to 44% for the year under review and removed higher tax rates on income attributable to investments in Federal Government Securities (FGS), based on banks' Advances to Deposits Ratio (ADR) for the year 2024 onwards.

ABL's profit after tax stood at Rs 43,116 million for the year ended December 31, 2024, up from Rs 40,683 million in the corresponding year of 2023, registering a growth of 6%.

The Bank achieved a millstone by surpassing the Rs 2 trillion deposits base. Total Deposits at the year-end stood at Rs 2,018,395 million, as compared to Rs 1,676,623 million as December 31, 2023, reflecting a growth of 20.4%. Additionally, the market share of deposits increased to 6.67% as of December 31, 2024, up from in the previous year. The Bank's continued focus on enhancing low cost or no cost deposits resulted in a 9% growth in current accounts, despite high saving rates.

Gross advances of Allied Bank recorded at Rs 1,066,348 million as on December 31, 2024, compared to Rs 794,138 million as on December 31, 2023, making a robust growth of 34%. Net advances of ABL reached at Rs 1,051,314 million as on December 31, 2024, compared to Rs 781,597 million as on December 31, 2023, expanding by 35%.

Allied Bank continues to maintain a consistently low infection ratio, demonstrating the high quality and reliability of its credit portfolio. As of December 31, 2024 the Bank's infection ratio stood at 1.22% improving from 1.64% in the previous year. The specific and overall coverage ratios were recorded at 93.85% and 115.71% respectively, compared to 94.61% and 96.18% as of December 31, 2023.

Allied Bank's total investments stood at Rs 1,129,874 million as of December 31, 2024 compared to Rs 1,150,318 million for the year previous year, showing a slight decline of 2%.

ABL's total assets recorded at Rs 2,816,969 million as of December 31, 2024 reflecting a robust growth of 21% from Rs 2,329,317 million in the previous year. The Bank's net assets increased by 20%, reaching Rs 233,901 million as of December 31, 2024, compared to Rs 194,254 million in 2023.

The Return on Assets (ROA) and Return on Equity (ROE) Teir 1 of the Bank recorded at 1.7% and 26.0% respectively as on December 31, 2024, compared to 1.8% and 29.4% in the previous year.

The Capital Adequacy Ratio (CAR) of the Bank stood at 26.71% as of December 31, 2024, up from 26.21% in 2023, remaining well above the minimum regularity threshold of 11.5%

Allied Bank's extensive nationwide branch network, which provides a strategic advantage, has been further strengthened through the addition of digital and smart branches, along with the renovation of existing locations to enhance the overall customer experience. The Bank now operates a total of 1,510 branches, including 1,332 conventional branches, 160 Islamic branches, and 18 digital branches, catering to a diverse range of customer needs.

Allied Bank is well-positioned to provide uninterrupted banking services across the country, through a diverse range of channels, including its extensive branch network, ATMs, online and mobile banking platforms and other digital touchpoints ensuring convenience and accessibility for customers at all times. Allied Bank's accessibility is further enhanced by a robust network of 1,604 Automated Teller Machines (ATMs) comprising 1,356 onsite ATMs, 243 off-site ATMs, and 5 Mobile Banking Units (MBUs).

As the Bank moves forward, it remains strategically focused on delivering innovative digital solutions to meet the evolving demands of its diverse customer segments, while simultaneously driving long-term value creation for its stakeholders through a combination of operational agility, financial resilience, and a strong emphasis on robust corporate governance, risk management, and sustainable business practices.

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DOLLAR JUMPS AS CONSUMER PRICES RISE

Reuters Published about 2 hours ago

NEW YORK: The US dollar jumped on Wednesday after data showed that consumer prices rose more than economists expected in January, raising the likelihood that the Federal Reserve will hold interest rates higher for longer as it battles to bring down price pressures.

The headline consumer price index rose by 0.5% in January, while the core index rose by 0.4%. Both were expected to rise by 0.3%.

That puts headline consumer price gains at 3.0% for the year, above expectations for a 2.9% increase, while core prices rose at an annual pace of 3.3%, above expectations for a 3.1% rise.

"The takeaway is no matter what the reason was for the upside surprise, the Fed has been very clear that it won't cut rates until inflation is close to 2%," said Adam Button, chief currency analyst at ForexLive in Toronto.

"Whether it's one-offs due to eggs or the fire in California, the prospect of hitting 2% inflation this year when we start the year with 0.5% is greatly diminished," Button said.

The dollar index was last up 0.18% on the day at 108.12, while the euro reversed earlier losses to gain 0.06% to $1.0366. Against the Japanese yen, the dollar strengthened 1.34% to 154.52 yen.

Interest rate futures traders are now pricing in 28 basis points of cuts by December, down from around 37 basis points before the data, implying a larger chance of only one 25-basis-point cut for the year.

Fed Chair Jerome Powell said on Tuesday that the US central bank was in no rush to cut its short-term interest rate again, saying that the US economy was "strong overall," with low unemployment and inflation above the Fed's 2% target.

He made the comments in testimony before the Senate Banking, Housing and Urban Affairs Committee. Powell is also testifying before the House Financial Services Committee on Wednesday.

Meanwhile, traders are also focused on tariffs from the Donald Trump administration, which some analysts fear could add to price pressures if implemented.

"Potential tariffs add upside risk to inflation in coming quarters," James Knightley, chief international economist at ING, said in a note on Wednesday.

"But there are some encouraging signs that housing costs will slow meaningfully later in 2025 and keep the door open to the second half of the year cuts we are forecasting," he added.

Trump's trade advisers were finalising plans on Wednesday for the reciprocal tariffs the US president has said he would impose on every country that charges duties on US imports.

Trump is also planning to raise tariffs on steel and aluminum imports to 25% effective on March 4.

The European Union, Mexico and Canada have condemned Trump's decision to impose the steel and aluminium tariffs and European Commission head Ursula von der Leyen said there would be countermeasures.

INDIAN RUPEE SLIGHTLY WEAKER

Reuters Published about 2 hours ago

MUMBAI: The Indian rupee gave up initial gains to settle marginally weaker on Wednesday, as hedging interest from importers and the maturity of positions in the non-deliverable forwards market boosted demand for the dollar.

The rupee closed at 86.8925 against the US dollar, down from its close at 86.8275 in the previous session.

The currency rose to a near-two-week high of 86.47 in early trading but shed its gains amidst heightened demand to buy dollars at the daily reference rate published by the central bank, traders said.

Likely outflows from Indian stocks also hurt the rupee while mild dollar sales from state-run banks kept a lid on its losses, a foreign exchange salesperson at a bank said.

ASIAN CURRENCIES RANGEBOUND

Reuters Published about 2 hours ago

BENGALURU: Stocks in emerging Asian markets got some respite on Wednesday, with Indonesian stocks snapping a five-day losing streak, after a lull in the constant news flow of US tariffs, which also stemmed the dollar's rally and gave Asian currencies a breather.

Asian markets have been on the back foot for the past two days as US President Donald Trump first announced tariffs on steel and aluminium imports and promised reciprocal duties on countries that taxed US exports.

Those plans are to be finalized on Wednesday but Trump had previously telegraphed these plans, which had stunned the markets.

The "equity markets are expected to be volatile as they seek clarity on this front (US tariffs)," said Jason Kuan, director of investment research and advisory at CIMB.

The biggest gains were in Jakarta, where stocks added up to 1.2%, and in the Philippines, where equities rose 1%.

The four-day slump in Indonesian stocks was triggered by MSCI closing the door on adding them to one of its indexes, and the pressure was exacerbated by weak earnings from market leader Bank Mandiri.

In Manila, the central bank is set to meet on Thursday, with the market expecting a 25-basis-point rate cut to bolster an economy that has missed its growth target for two straight years. The peso was more or less unchanged.

In contrast, Malaysian stocks have been on a week-long rally since the government said it would actively build trade relations with other countries, instead of awaiting tariffs. Stocks rose 0.5% in the day and are up 2.7% in the past week.

"The government is taking some necessary steps to ensure growth can continue to be sustained this year and also exploring options to diversify its export.

BANKS TO DEVELOP SME INDEX TO HELP BOOST FINANCING FOR SMALL BUSINESSES

Salman Siddiqui Published February 12, 2025

The Pakistan Banks' Association (PBA) has announced to develop an small and medium-sized enterprises (SME) index over the next one year, aiming to provide a barometer to the financial sector and help accelerate financing to SMEs in the country.

"The banking association has decided to gather data from the market to develop SME index in one year. The index would enable banks to take decisions on ramping up lending to the enterprises," PBA advisor Mir Nejib ur Rehman said while responding to a question at a press conference on Wednesday.

The index would be refreshed after every six months to give a better understanding on the SME sector to lenders, he added.

There are around 5 million SMEs operating in Pakistan that employ around 80% of the total non-agriculture labour force, which contribute towards 40% of the country's GDP [gross domestic product] and 25% of the total exports of Pakistan, according to State Bank of Pakistan's (SBP) National Financial Inclusion Strategy (NFIS) 2024-28 report published in January 2025.

Prime Minister's Youth Programme: loan limit for SMEs raised to Rs1.5mn

"However, out of these total SMEs, only 155,000 SMEs (3%) are availing financing from the banking sector. The share of SME financing in total domestic private sector credit stands at 6%."

SBP aims to support SMEs in their journey towards financial success through measures to ensure their full participation in the mainstream financial ecosystem.

SBP Governor Jameel Ahmad said the other day the central bank was aimed at doubling the SME outstanding financing to Rs1.1 trillion by 2029.

In this regard, the central bank is encouraging financial institutions to use technology to enhance SME financing.

The PBA organised the presser to announce holding its first ever conference titled 'Pakistan Bank Summit 2025' (PBS'25) on February 24-25, 2025 in Karachi to give a direction to banks to ramp up financing to the private sector in the country and share international knowledge to domestic players in the sector.

Zafar Masud, Chairman of PBA, said banks were aimed at setting their focus on four major areas of the economy to scale up financing including SMEs, agriculture, housing, and digital sectors.

Banks may target the sectors to expedite financing to the private sector and support economic activities in the country, said Masud, who is also president/CEO of the Bank of Punjab (BoP).

Atif Bajwa, Chairman of the PBS'25 Steering Committee and President/CEO of Bank Alfalah, said the banking sector was misunderstood by and large without knowing mechanism.

SME sector: SBP revises per party exposure limits

The sector is playing a critical and central role in promoting the domestic economy, according to Bajwa.

"We must strengthen our banking sector. It meets financial requirements in the domestic economy and supports trade and investment," he said.

Bajwa dismissed an impression that the banking sector was minting money and making windfall gains, adding over half of its net earnings goes in taxes to the government.

"After paying 54% of the earning in taxes, banks net profits remain near and around the levels the other sectors book (in Pakistan)," he said.

TRUMP CALLS ON FED TO LOWER US INTEREST RATES

- Lowered interest rates should go hand in hand with upcoming tariffs, says US president

AFP Published February 12, 2025

WASHINGTON: US President Donald Trump on Wednesday called for cutting interest rates, his latest intervention on a policy that is set by the independent US central bank.

"Interest Rates should be lowered, something which would go hand in hand with upcoming Tariffs!!!" he wrote in an early morning post to his Truth Social account, adding "Lets Rock and Roll, America!!!"

Trump has no direct control over the Federal Reserve but this is not the first time he has demanded a rate cut since returning to the White House in January. He also frequently pressured the central bank during his first term in office.

US Fed cuts rate by quarter-point in third straight reduction

His latest comment comes after Fed Chair Jerome Powell said there was no need to be "in a hurry" lowering rates as policymakers keep a close eye on inflation – something that many economists believe Trump's sweeping new trade tariffs will exacerbate.

Trump instituted 25 percent tariffs Monday on all imported steel and aluminum. He has also threatened widespread duties on goods from all the top US trading partners, measures that would likely drive up prices in the United States.

The Fed is an independent body, giving Trump little direct influence.

However, he has stunned Washington with a series of unprecedented moves in his first three weeks in office aimed at bolstering the power of the executive while ignoring Congress, where his deeply loyal Republican Party holds a narrow majority.

ABN AMRO'S QUARTERLY RESULTS LIFT SHARES TO 5-YEAR HIGH

Reuters Published February 12, 2025

Dutch lender ABN Amro's fourth-quarter profit and net interest income beat expectations on Wednesday, lifting the shares 7% to their highest in 5 years as the bank kept a lid on costs.

ABN Amro posted a net profit of 397 million euros ($412 million) for the quarter. While that was 27% below the same period the year before, it was above analysts' average forecast of 389 million euros in a company-compiled consensus.

"Overall a strong set of results (with a somewhat) mixed guidance for 2025, but in consensus it's evening out", said analysts from ING Global Markets Research, while analysts at KBC Securities cited "very strong" NII, and fees income.

At 1125 GMT the stock was up 6.6%, at its highest since November 6, 2019.

The lender said net interest income rose 4% to 6.5 billion euros in 2024, above its target, mainly as a result of improved corporate banking and a short-lived boost in the treasury segment.

In contrast, net interest income was expected to dip to between 6.2 billion and 6.4 billion euros in 2025, with CEO Robert Swaak intending to compensate for lower deposit rates mainly with fee growth and cost cutting discipline.

The banking sector has benefited from rising interest rates over the last three years. However, the European Central bank is expected to cut interest rates further after it recently lowered the deposit rate to 2.75%.

ABN Amro said in January it expected to close its acquisition of HSBC's wealth management unit in Germany in the first half of 2025, with the bank looking for future targets beyond Hauck & Aufhäuser if M&A "fits our strategic profile and if it's financially accretive", Swaak said on Wednesday.

"Deregulation is as relevant in Europe as it is in the US", the CEO said, underlining the importance of a level playing field as Trump has promised to slash regulations for American banks.

INDIA'S CENTRAL BANK LIFTS RESTRICTIONS ON KOTAK MAHINDRA BANK ONBOARDING CUSTOMERS ONLINE

Reuters Published February 12, 2025

BENGALURU: India's central bank on Wednesday lifted restrictions on Kotak Mahindra Bank that had barred the lender from taking on new customers via its online and mobile banking channels and from issuing new credit cards.

In April, the Reserve Bank of India imposed business restrictions on the lender, asking it to stop adding clients through its online and mobile banking channels and issuing credit cards due to gaps in its IT infrastructure.

The RBI said the action was taken after its examination of Kotak's IT systems in 2022 and 2023 raised concerns and Kotak failed to address them adequately.

Over the past year, the RBI has penalised regulated entities and imposed business restrictions on banks and non-banks that breached rules, while emphasising on protecting consumer interest and tightening risk controls.

India central bank will be agile in responding to banks' liquidity needs

After the ban, Kotak Mahindra Bank appointed Grant Thorton Bharat as an external auditor for its IT systems.

The lender "beefed up" its internal tech team, with resources from Accenture, Infosys, Oracle and Cisco, Managing Director and Chief Executive Officer Ashok Vaswani had said.

NAMIBIA CENTRAL BANK CUTS KEY RATE, SAYING INFLATION WELL-CONTAINED

Reuters Published February 12, 2025

WINDHOEK: Namibia's central bank cut its main interest rate for the fourth straight monetary policy meeting, saying its projections showed inflation would remain well-contained and there was room to support the economy.

The Bank of Namibia reduced its repo rate by 25 basis points to 6.75%, after cutting by the same margin at its previous three policy meetings.

Annual inflation in the Southern African country fell to 3.2% in January from 3.4% in December. The central bank said in a statement on Wednesday that inflation was expected to average 4.0% this year.

Other reasons it gave for lowering the repo rate included the relatively high level of domestic real interest rates and adequate foreign reserves.

The bank forecast 2025 economic growth of 4.0%, higher than last year's growth of 3.5%, but it said risks to the economic outlook had grown given global trade restrictions.

"We need to watch trade wars, … and see what the impact thereof is on the Namibian economy," said Bank of Namibia Governor Johannes !Gawaxab.

TotalEnergies' Namibia project seen smaller, later than expected

Namibia's economy is closely tied to that of its neighbor South Africa, and its currency is pegged 1:1 to the rand.

!Gawaxab said relations between South Africa and the United States under President Donald Trump would have a profound impact on Namibia.

Trump last week signed an executive order cutting U.S. financial assistance to South Africa over its land policy and genocide case against Washington's ally Israel at the International Court of Justice.

South Africa has defended itself, saying the executive order "lacks factual accuracy and fails to recognise South Africa's profound and painful history of colonialism and apartheid".

PKR TO USD: RUPEE DIPS SLIGHTLY AMID FOREIGN PAYMENT PRESSURE

February 12, 2025

Karachi, February 12, 2025 – The Pakistani rupee experienced a slight depreciation against the US dollar on Wednesday due to increased foreign payment obligations.

The rupee weakened by nine paisas, closing at PKR 279.26 per dollar compared to the previous day's closing of PKR 279.17 in the interbank foreign exchange market.

Currency market analysts attributed the rupee's decline to heightened demand for dollars, particularly for import and corporate payments. The demand for foreign currency rose as economic activities gained momentum, leading to an increased need for raw material imports. This uptick in imports placed additional pressure on the rupee, impacting its valuation against the dollar.

According to data from the Pakistan Bureau of Statistics (PBS), import payments surged by 10% in January 2025, reaching $5.23 billion compared to $4.76 billion in the same month last year.

This increase in imports led to a higher outflow of dollars, further influencing the rupee's exchange rate.

Despite the slight depreciation, experts remain optimistic about the rupee's stability in the coming weeks. One of the key supporting factors for the rupee is the sustained growth in workers' remittances. The State Bank of Pakistan (SBP) reported a significant 32% increase in remittance inflows during the first seven months (July–January) of the fiscal year 2024-25. These robust inflows have helped mitigate exchange rate volatility and provided crucial support to the rupee by ensuring a steady supply of foreign exchange.

Another factor strengthening the rupee is the improvement in Pakistan's foreign exchange reserves. The SBP recorded an increase of $46 million in reserves for the week ending January 31, 2025, bringing total reserves to $11.418 billion. Higher reserves improve the central bank's liquidity management capabilities and enhance the rupee's resilience against external financial pressures.

Market experts suggest that continued foreign inflows and stronger export performance will play a crucial role in maintaining rupee stability. According to the PBS, Pakistan's exports rose by 10% during the first seven months of FY 2024-25, reaching $19.55 billion compared to $17.78 billion in the previous year. This positive trend helps narrow the trade deficit and reinforces the rupee's position in the forex market. If these trends persist, the rupee may see more stability in the near future, despite short-term fluctuations caused by import pressures.

SBP ANNOUNCES AUCTION FOR BUYBACK OF GOVERNMENT SECURITIES

February 12, 2025

Karachi, February 12, 2025 – The State Bank of Pakistan (SBP) has officially announced an auction for the buyback of government securities. This initiative is part of SBP's ongoing efforts to manage market liquidity and optimize the financial system.

According to SBP, the auction will be conducted in line with the provisions of the MTB Rules 1998 (as amended through S.R.O 1585 (I)/2023) and PIB Rules 2000. The revised operational instructions and procedures for the buyback of government securities will now supersede the previous directives issued under DMMD Circular No. 06 of 2024.

SBP will facilitate the buyback of Government Securities, including Market Treasury Bills (MTBs) and Pakistan Investment Bonds (PIBs) in their Zero Coupon, Fixed Rate, and Floating Rate variants. This process will be carried out on behalf of the Government of Pakistan, ensuring transparency and efficiency in debt management.

The central bank will disclose detailed information regarding the auction, including the targeted security, the total amount, auction schedule, and results. These details will be made available through SBP's pages on Refinitiv and Bloomberg, as well as on the official SBP website. This initiative reinforces SBP's commitment to keeping the financial market well-informed.

All Primary Dealers will have the opportunity to submit competitive bids for participation in the auction. In addition, non-competitive bids will also be accepted under the existing guidelines. This ensures broad participation and a competitive bidding environment for the buyback process.

Eligible market participants are required to submit their bids through the Bloomberg Auction Module (AUPD) within the designated timeframe. The bid submission should include:

• The bid price per Rs. 100 of face value for the buyback, up to four decimal places.

• The total amount (face value) of the securities being offered for buyback.

Upon settlement, the securities bought back will be debited from the SGLA (Subsidiary General Ledger Account) of successful bidders, and their respective current accounts will be credited with the accepted amount.

All other applicable auction rules and procedures, as outlined in various SBP circulars regarding Marketable Government Securities, will remain in effect. Through these measures, SBP continues to play a pivotal role in ensuring a stable and efficient financial market.

Business & Finance » Industry

SAU SECURES RS100M EDF FUNDING TO BOOST MANGO EXPORTS

Recorder Report Published February 13, 2025 Updated 37 minutes ago

HYDERABAD: Sindh Agriculture University (SAU) Tandojam has secured funding worth PKR 100 million from the Export Development Fund (EDF) to establish a Mango Disease and Research Center, Clean Mango Nursery and a Mango Drying Center, aiming to enhance mango exports through value addition.

The faculty members of SAU have successfully obtained financial support for three key projects under EDF. Dr. Muhammad Ibrahim Khaskheli from the Department of Plant Pathology has received funding for the establishment of a Disease Diagnostic and Research Center.

Dr. Aasia Akbar Panhwar from the Institute of Food Sciences and Technology secured funds for a Mango Drying Unit, while Dr. Noor-un-Nisa Memon from the Department of Horticulture obtained funding for a Clean Mango Nursery. The total funding acquired for these projects exceeds PKR 100 million.

In this regard, an awareness seminar titled “Role of Export Development Fund (EDF) and SAU Collaborative Projects” was organized at the University Senate Hall on Wednesday.

Speaking at the seminar, Vice Chancellor Dr. Altaf Ali Siyal emphasized the vast investment potential in Pakistan’s agricultural sector. He stressed the importance of collaboration between academia, industry, and funding institutions to promote agricultural exports and value-added products. He also highlighted the crucial role of EDF in strengthening agricultural research and enhancing the country's export potential.

"With EDF's support, SAU is introducing innovations in mango quality improvement, disease control, and value addition. These initiatives will not only strengthen Pakistan's position in global markets but also generate new economic opportunities for farmers and agro-businesses," he stated.

EDF Deputy Director Abdul Qayoom said that investments are being made to boost the country's exports, but so far, only a mere 2% of the allocated funds for agricultural projects have been received. He stated that 27 centers have been established to train skilled professionals, which will provide trained manpower to the national industry.

He further mentioned that China imports chilli worth $7 billion annually, yet despite having Asia's largest chilli market in Sindh, not a single consignment from Pakistan has been sent to China due to excessive Aflatoxin contamination.

Dr. Muhammad Ibrahim Khaskheli stated that the Disease Diagnostic Center will help detect infections in nurseries and fruits, enhancing the exportability of agricultural commodities.

Dr. Noor-un-Nisa Memon emphasized the need for commercial mango export projects in Sindh, similar to those in Multan, and encouraged experts to design innovative proposals to attract funding.

Dr. Aasia Akbar Panhwar noted that the Mango Drying Unit will ensure year-round availability of dried mangoes and significantly increase the export potential of Sindh's mango industry.

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LCCI CONCERNED AT RAIDS ON BUSINESS PREMISES BY EOBI

Recorder Report Published February 13, 2025 Updated 5 minutes ago

e Chamber of Commerce & Industry has expressed deep concern over the increasing number of raids on business premises by the Employees Old age Benefit Institution (EOBI) and termed them a direct threat to economic stability, investor confidence and the overall business environment.

In a statement, LCCI President Mian Abuzar Shad, Senior Vice President Engineer Khalid Usman, and Vice President Shahid Nazir Chaudhry urged the authorities to put an immediate halt to such coercive measures that are causing anxiety and distress among traders and industrialists.

The LCCI office-bearers said that businesses are the backbone of the economy and their harassment through surprise raids and unjustified inspections sends a negative signal to both local and foreign investors. The business community is already facing immense challenges due to inflation, high energy costs and economic instability. Instead of facilitating businesses, subjecting them to unnecessary raids and intimidation will further damage the fragile economic landscape, if traders and industrialists are not provided a secure and supportive environment, economic revival will remain a distant dream.

They further added that respect for businesses and industrialists is crucial for economic growth and such heavy-handed tactics will only result in a loss of trust between the government and the business community. They demanded an immediate review of these actions and call for transparent policies that ensure businesses are treated with dignity and fairness.

They said that raids disrupt normal business operations, discourage entrepreneurship and create a hostile economic environment. “Business premises should not be treated as crime scenes. If there are any regulatory concerns, they should be addressed through dialogue, legal procedures, and consultation rather than coercion and harassment. The government must work towards policies that promote ease of doing business instead of instilling fear among business owners,” they added.

The LCCI office-bearers called upon the government to take the business community into confidence and adopt a consultative approach when addressing issues related to taxation, regulations and compliance. If there are legitimate concerns, they should be discussed in a structured manner with stakeholders. Conducting raids without prior engagement not only damages business sentiment but also portrays a negative image of the country’s economic policies. LCCI stands firm with its members and will not tolerate unjust treatment of traders and industrialists.

The LCCI leadership urged the government to immediately intervene and put an end to these disruptive actions, emphasizing that the business community should be treated as a key partner in economic progress, not as a target of intimidation. They also called for a clear and transparent policy framework that ensures businesses can operate smoothly without the fear of undue interference.

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NAB DISCLOSES HUGE CAPITAL OUTFLOW SEEKING CITIZENSHIP ABROAD

February 12, 2025

Karachi, February 12, 2025 – The National Accountability Bureau (NAB) on Wednesday revealed alarming statistics regarding capital outflows, highlighting that a significant number of Pakistanis had moved abroad last year, transferring substantial sums to secure foreign citizenship.

During a meeting with members of the Karachi Chamber of Commerce and Industry (KCCI), NAB Chairman Lt. Gen. (Retd) Nazir Ahmed Butt expressed concern over this trend. He stated that approximately 25,000 individuals had likely transferred large amounts of capital abroad under citizenship-by-investment programs. He emphasized the need to curb both the brain drain and capital flight to retain Pakistan's skilled workforce and financial assets.

Chairman NAB reassured business leaders that the organization remains committed to resolving corporate concerns efficiently. He highlighted that out of 14 cases related to the business community, 13 had been resolved within six months, showcasing NAB's dedication to prompt action. Additionally, he encouraged KCCI to submit five general cases and five to six individual cases for priority resolution by NAB.

The meeting was attended by Director General NAB Javed Akbar Riaz, Chairman Businessmen Group (BMG) Zubair Motiwala, KCCI President Muhammad Jawed Bilwani, and other key representatives from the business community. Senior NAB officials were also present.

Addressing concerns from the business community, Chairman NAB assured that under his leadership, the culture of fear and harassment at NAB had been eliminated. He announced new regulations designed to protect businesses from unnecessary scrutiny and reiterated NAB's commitment to enhancing the Businessmen Facilitation Desk, incorporating representatives from KCCI, ABAD, and other key institutions.

Chairman NAB expressed optimism regarding Pakistan's economic future, stressing that the country has the potential to reach a trillion-dollar economy within six to seven years. He pointed out that Pakistan's agricultural exports had reached $9 billion, with rice exports alone contributing $3.8 billion, signaling a shift from an import-driven economy to an export-driven one.

Additionally, he emphasized the need for Pakistan to strengthen its competitiveness beyond reliance on the GSP+ agreement. He highlighted artificial intelligence, cloud computing, and software development as key sectors that could drive the country's economic growth.

During the discussion, Chairman BMG Zubair Motiwala acknowledged the reforms introduced by Chairman NAB but stressed that significant work remained in combating corruption and harassment, which continued to drive individuals and businesses out of Pakistan. He highlighted the IT sector's untapped potential, estimating that Pakistan's IT exports could reach $30 billion if bureaucratic challenges were addressed.

KCCI President Muhammad Jawed Bilwani raised concerns regarding multinational companies exiting Pakistan, land possession delays at Port Qasim, and liquidity issues due to delayed sales tax refunds. He urged NAB to intervene and expedite these matters to restore business confidence and stimulate economic growth.

The business community remains hopeful that NAB's proactive measures will help address longstanding issues, ultimately contributing to a more stable and prosperous economic environment in Pakistan.

Business & Finance » Companies

TELECOM ITALIA APPROVES SALE OF SUBMARINE CABLE UNIT SPARKLE

Reuters Published February 12, 2025

MILAN: Telecom Italia (TIM) said on Wednesday its board of directors approved a 700 million euro ($725.97 million) sale of its submarine cable unit Sparkle to a consortium led by Italy's Treasury.

TIM, which is due to report its full year earnings and update its strategy later on Wednesday, said it expects to complete the Sparkle sale by the first quarter of next year.

Labriola told analysts in November any cash-in from a disposal of Sparkle could help TIM to resume dividend payments, which TIM suspended in 2022.

Sparkle is deemed of strategic importance by Italian authorities, given its 600,000 km cable network, which transmits information between European, Mediterranean and American countries.

AFTER 1E ACQUISITION

Reuters Published February 12, 2025

German software developer TeamViewer laid out its medium-term revenue growth targets on Wednesday after it completed its acquisition of IT firm 1E, sending its shares around 5% up.

TeamViewer forecast revenue in 2028 to be between 1.03 billion and 1.06 billion euros ($1.07-$1.10 billion) with an adjusted EBITDA margin forecast of 44% to 45%.

The company generated revenue of 671 million euros in the fiscal year 2024, while the adjusted EBITDA margin stood at 44%.

Shares of TeamViewer were 5.2% higher by 1046 GMT.

TeamViewer made a strategic acquisition of London-based IT firm 1E for $720 million in December.

Shares in TeamViewer were volatile over the last two months, falling by more than 20% after the acquisition announcement, followed by a gradual recovery on stronger-than-expected preliminary full-year results.

While stock market reaction on the news was initially not good, 1E comes with major blue-chip customers and a focus on the U.S. market, expanding TeamViewer's global footprint, CEO Oliver Steil told Reuters.

"It is never very cheap to make an acquisition, but it's important to develop strategically," Steil said, adding that the combined entity sees good medium and long-term synergy potential.

The enterprise business, which accounts for about 23% of total revenue, has been growing in significance for TeamViewer.

In the fourth quarter of 2024, its revenue rose 37% to 45.5 million euros from 33.3 million a year ago. The growth was largely seasonal as most of the enterprise business occurs towards the year's end, Steil said.

On the U.S. market, he noted slightly improved sentiment among the company's customers and partners following the presidential election there. Prior to the election, TeamViewer had experienced uncertainty and slower purchasing from its customers.

The Americas region contributes about 35% of the company's total revenue.

BARRICK GOLD BEATS PROFIT ESTIMATES; ANNOUNCES NEW SHARE BUYBACK

Reuters Published February 12, 2025

Canada's Barrick Gold beat analysts' estimates for fourth-quarter profit on Wednesday on higher gold prices and production.

On an adjusted basis, the world's second-largest gold miner posted a profit of 46 cents per share in the quarter ended December 31, compared with estimates of 41 cents per share, according to data compiled by LSEG.

Gold production in the quarter came in at 1.08 million ounces, higher than 1.05 million ounces in the same quarter last year, due to its North America, Africa and Middle East operations meeting expectations.

Gold prices rose over 27% in 2024, their biggest yearly rise since 2010, driven by safe-haven demand, interest rate cuts, and buying from central banks.

Barrick said its average realized gold prices rose to $2,657 per ounce in the fourth quarter from $1,986 per ounce last year.

Barrick's gold reserves rise in 2024 on Reko Diq project

All-in sustaining costs (AISC), an industry metric reflecting total expenses, however, rose to $1,451 per ounce in the quarter, from $1,364 per ounce last year.

The company also announced a new share buyback program of $1 billion, scrapping its previous share buyback program that was in place from February 14, 2024.

VFORD CEO SAYS TRUMP POLICY UNCERTAINTY CREATING CHAOS

AFP Published February 12, 2025

NEW YORK: The Trump administration's tariff threats and animosity towards electric vehicles are producing a "lot of cost and a lot of chaos" for Ford, the automaker's chief executive said Tuesday.

While Trump has spoken about the priority of strengthening manufacturing in the United States, the administration thus far has been the source of tremendous "policy uncertainty" with constantly evolving tariff plans and a lack of clarity whether tax credits favoring EVs will be rolled back, he said.

Appearing at a financial conference, Jim Farley described Trump's initial plan to enact 25 percent tariffs on Mexico and Canada as a disaster for US companies that operate across the region, while providing an unfair advantage to European and Asian automakers that also import to the United States.

Trump last week suspended the tariffs for 30 days following concessions from Mexico and Canada. But they have not been removed as a possibility by the Trump administration, which yesterday announced plans to enact 25 percent tariffs on steel and aluminum.

Ford held talks with Indian state to restart production for exports, minister says

Farley said Ford buys most of those two metals from US firms, but that the company's suppliers have international sources.

"So that price will come through, and there may be a speculative part of the market where prices come up because tariffs are even rumored," Farley said.

"President Trump has talked a lot about making our US auto industry stronger, bringing more production here, more innovation," Farley said, adding that these would be "signature accomplishments."

But "so far what we're seeing is a lot of cost and a lot of chaos," he said.

Farley pointed to lingering questions about the Trump administration's intentions on the Biden administration's Inflation Reduction Act, which included tax incentives for consumer EV purchases and for the building of EV factories.

An executive order on Trump's first day signaled the potential elimination of tax credits favoring EVs.

Farley said Ford had already "sunk capital" in major investments in Ohio, Michigan, Kentucky and Tennessee.

"Many of those jobs will be at risk if the IRA is repealed or if big parts of it is repealed," Farley said.

PTCL SUSTAINS RS14.4BN IN LOSSES IN 2024

BR Web Desk Published February 12, 2025

Pakistan Telecommunication Company Limited (PTCL) registered massive losses to the tune of Rs14.39 billion in 2024.

As per the latest consolidated financial results made available to the Pakistan Stock Exchange (PSX) on Wednesday, the company registered a loss of Rs16.73 billion in 2023.

This translates into a loss per share (LPS) of Rs2.82 in 2024, as compared to LPS of Rs3.28 recorded in 2023.

The losses come despite higher revenue and gross profit during the period.

The listed company's revenue surged over 16% to Rs219.78 billion in 2024, compared to Rs188.67 billion recorded in the prior year.

July-September: PTCL sustains Rs6.3bn in losses

The company's cost of revenue increased up over 11% to Rs162.38 billion in 2024, compared to Rs145.93 billion in 2023.

Consequently, the gross profit of PTCL jumped by over 34% YoY to Rs57.4 billion in 2024. This translates to a profit margin of 26.1% in 2024, higher than 22.7% in 2023.

During the year, the company saw its operating expenses surge to Rs51.3 billion, up 27% compared to Rs40.5 billion in 2023. Resultantly, PTCL posted an operating profit of Rs6.12 billion, as compared to an operating profit of Rs2.3 billion in 2023.

Meanwhile, the company's other income declined by over 16%, clocking in at Rs25.6 billion in 2024, compared to Rs30.4 billion in the previous year.

On the other hand, PTCL saw its cost of finance ballooned to Rs52.6 billion in 2024.

As a result, the company posted a loss before tax of Rs20.9 billion in 2024, as compared to Rs22.9 billion in 2023.

Incorporated in Pakistan on December 31, 1995, PTCL provides telecommunication services in Pakistan.

The company owns and operates telecommunication facilities and provides domestic and international telephone services and other communication facilities throughout Pakistan.

MARI MINERALS EXPANDS MINING PORTFOLIO WITH ACQUISITION IN CHAGAI

BR Web Desk Published February 12, 2025

Mari Minerals, a subsidiary of Mari Energies — formerly called Mari Petroleum Company Limited — has acquired an 87.5% interest in Chagai mineral exploration licenses, expanding its copper and gold mining portfolio.

Mari Energies shared the development in its notice to the Pakistan Stock Exchange (PSX) on Wednesday.

“We are pleased to announce that Mari Minerals (Private) Limited (formerly Mari Mining Company (Pvt) Limited), a wholly owned subsidiary of Mari Energies Limited (previously Mari Petroleum Company Limited), has entered into a definitive agreement with Sanjrani Mining Company (Pvt) Limited (SMC), subject to the requisite approvals, to acquire 87.5% interest, along with operatorship, in multiple mineral exploration licenses covering a total of 40 square kilometres area,” read the company.

Mari Energies informed the licenses are located in the Chaghi district of Balochistan.

Mari Mining receives licences for exploration of minerals in Chagai

It added that a new project company will be established to carry out exploration activities following the completion of all necessary formalities and after obtaining relevant regulatory and corporate approvals.

“This acquisition is in line with our diversification strategy where we are building a mining portfolio focused on copper and gold exploration,” the E&P said.

Last month, MARI also inked a definitive agreement to acquire a 5% stake in Kohesultan Mining Company Limited (KMCL).

KMCL is a joint venture between SMD and MCC Tongsin Resources Ltd (MCCT) and is managing the Siahdiq Copper Project in Chagai, Balochistan.

Mari Energies Limited is a public limited company incorporated in Pakistan on December 4, 1984, under the Companies Ordinance, 1984 (now superseded by the Companies Act, 2017).

The company is principally engaged in the exploration, production, and sale of hydrocarbons.

By operating the country’s largest gas reservoir at Mari Gas Field, Daharki, Sindh, MARI is the second largest producer of natural gas.

HOW NISSAN AND HONDA'S $60 BILLION MERGER TALKS COLLAPSED

Reuters Published February 12, 2025

TOKYO: Nissan was deep in trouble late last year when rival Honda offered a lifeline: a $60 billion tie-up that would help both Japanese automakers compete against the Chinese brands upending the car industry.

Years of faltering sales and management turmoil had left Nissan a diminished force, especially after it underestimated demand for hybrids in the U.S., its top market.

But the merger talks unravelled in a little more than a month due to Nissan's pride and insufficient alarm about its predicament, as well as Honda's abrupt decision to revise the terms and propose that Nissan become a subsidiary, according to six people familiar with the matter.

Nissan, which for years until 2020 was Japan's second-largest automaker behind Toyota, insisted on receiving near-equal treatment in the talks despite its weaker position, three of the people said.

Honda pressured Nissan to make deeper cuts to its workforce and factory capacity, but Nissan was unwilling to consider politically sensitive factory closures, three of the sources said.

They said they were left with the impression Nissan felt it could recover on its own, despite its mounting difficulties. That intransigence, combined with what Honda management saw as Nissan's slow decision-making, helped torpedo a deal that would have created one of the world's largest automakers, three people said.

This account of the forces that scuttled the mega merger features previously unreported information, including details about factories Nissan wanted to keep open, its resistance to Honda's pressure for deeper cuts, and the reaction inside Nissan to some of Honda's demands.

The story is based on REUTERS interviews with more than a dozen people, all of whom spoke on the condition of anonymity because of the topic's sensitivity.

The reporting sheds new light on the thinking inside Nissan as it faces a deepening crisis.

The storied carmaker now faces the added threat of U.S. tariffs on vehicles made in Mexico, which account for more than a quarter of its U.S. sales. Both Nissan and Honda are due to report earnings on Thursday.

"I think it's a management problem," said Julie Boote, analyst at research firm Pelham Smithers Associates, about the turmoil at Nissan.

"They're completely overestimating their position and their brand value, and their ability to turn around the business."

Nissan and Honda declined to comment on the specific aspects of the talks as described by REUTERS sources.

Nissan CEO Makoto Uchida visited his counterpart Toshihiro Mibe last week to say he wanted to end discussions after Honda made the subsidiary proposal.

Both automakers have said they would provide an update this month.

Too little, too late

Nissan stunned investors in November when it cut its profit forecast by 70% due to worsening sales in China and the United States. Its announced a turnaround plan that involved cutting 9,000 jobs and one-fifth of global capacity, which some analysts saw as too little, too late.

Uchida promised to forfeit half his pay and said he was focused on making the business leaner and more resilient.

Foxconn's aim is cooperation with Nissan, not acquisition

In December, Nissan and Honda announced plans to merge, an outgrowth of talks they had been holding since March 2024, when they said they were looking to cooperate on technology.

But the merger discussions quickly hit a wall over calculating the shareholding ratio for the combined company, two of the people said.

In private, Uchida exhibited doubts about the deal's prospects, one of the people said. Honda managers complained that Nissan's decision-making was too slow, four people said.

A public update on the talks was originally set for the end of January before being pushed back to mid-February.

Honda managers felt Nissan's turnaround strategy lacked details and were frustrated by what they saw as an insufficient reduction in factory capacity, two sources said.

REUTERS could not determine whether Honda requested a certain number of job cuts or identified specific factories for capacity reductions.

Nissan didn't want to shut factories because that would force a write-down of their value on paper and hurt its earnings, one person said.

The job cuts already promised as part of Nissan's turnaround plan amounted to 7% of its global workforce.

It was telling, one person said, that Honda had cut more people in China over the last two years.

Honda, for its part, appeared unwilling to budge on its plans, implying it didn't consider Nissan an equal, one person familiar with Nissan's thinking said.

Kyushu visit

In late January, Nissan executive Hideyuki Sakamoto visited the southwestern island of Kyushu to announce plans for a battery EV plant that would create 500 jobs.

Flanked by local politicians, Sakamoto said the automaker wouldn't reduce capacity at its existing Kyushu plant, either. Kyushu was a "highly competitive base geopolitically" and important for future EV plans, he said.

The day after Sakamoto's visit to Kyushu, Honda's Mibe told Uchida that Nissan would need to become a Honda subsidiary, a stipulation not in the original merger memorandum of understanding the two companies signed late last year, according to one person.

Reuters could not determine whether Mibe's move was triggered by Nissan's announcements in Kyushu. Nevertheless, the Kyushu trip crystallised the tensions between the companies over the best way forward.

Kyushu wasn't the only plant that Nissan considered ntouchable.

Smyrna in Tennessee, Aguascalientes in Mexico and Britain's Sunderland were all seen as critical to the company's EV strategy, and the automaker didn't want to close them or reduce their lines, one source said.

Honda's abrupt change to the deal's structure reflected its mounting impatience with Nissan over the pace of negotiations, two people said.

Nissan was blindsided by that move, given that it went against the previously agreed memorandum, two of people said. Inside Nissan, the proposal was seen as "outrageous" and an affront to the dignity of Nissan, the older automaker, one person said.

Renault, Nissan's top shareholder, said while it was not privy to the discussions, the latest information suggested the transaction would result in a "takeover of Nissan by Honda without a control premium for Nissan shareholders".

Such an outcome was "not acceptable", Renault said, adding it would "vigorously defend" its interests.

New partners

It's not clear what, if anything, could bring the automakers back to the table. It seems likely they would revert to their original agreement to team up on technology, three of the people said.

If both companies agree to end the discussions, neither would be liable for a 100 billion yen ($650 million) break-up fee, according to their December memorandum of understanding.

Nissan is open to working with new partners, including Foxconn, the Taiwanese contract manufacturer that makes Apple's iPhones, Reuters has reported. Foxconn did not respond to a request for comment.

Foxconn Chairman Young Liu said on Wednesday that its aim was to cooperate with Nissan, not acquire it.

The Taiwanese company's EV business is led by former Nissan executive Jun Seki, who at one point was seen by insiders as a contender to become the carmaker's CEO.

Foxconn would likely be a more generous suitor than Honda because it needs a brand name in the auto industry, and Nissan could be attractive, said Amir Anvarzadeh, a strategist with Japan equity advisory firm Asymmetric Advisors.

"No matter what you think about their cars and their balance sheet and so forth, at least the brand is still fairly recognisable," he said of Nissan.

So far, Japan's government has given little sense of how it sees the breakdown in talks between Honda and Nissan, nor whether it would be open to an acquisition of Nissan by Foxconn, which is also the top shareholder in consumer electronics company Sharp Corp.

For Nissan, the question now is what management will do, said Boote.

"They don't have a realistic view of what's happening in the auto industry and what really needs to happen with Nissan."

MSCI ADDS HYUNDAI MOTOR INDIA TO KEY GLOBAL INDEX, REMOVES ADANI GREEN ENERGY

Reuters Published February 12, 2025

MSCI added a lone Indian company, carmaker Hyundai Motor India, to its Global Standard index late on Tuesday and removed Adani Green Energy as part of its February 2025 index rejig.

The change will come into effect on the market's close on February 28.

In its previous index reconstitution in November, MSCI had added five domestic companies into the global standard index, lifting India's weightage to nearly 20% in the gauge that tracks emerging markets.

The quarterly rebalancing, which was announced overnight, also saw 20 Indian stocks added to MSCI India Domestic Smallcap Index, including Ola Electric Mobility, Sundaram Clayton and

Zaggle Prepaid Ocean Services, among others. However, 17 stocks were deleted from the MSCI Smallcap index.

According to IIFL Capital, the MSCI rejig could lead to a net passive inflow of about $850 million to $1 billion into Indian markets.

India's Adani Green appoints independent law firms to review US indictment

Private lender IndusInd Bank, which is already part of the global standard index, saw a weight increase, according to IIFL Capital.

While MSCI added and removed one Indian stock from the global standard indexes, it added eight stocks from China and deleted 20 stocks from the world's second-largest economy.

Overall, 23 securities will be added and 107 securities deleted from the MSCI global standard indexes as part of the review.

Technology

FOXCONN SAYS IT IS OPEN TO BUYING A STAKE IN NISSAN

Reuters Published 25 minutes ago

NEW TAIPEI: Taiwan's Foxconn would consider taking a stake in Nissan for cooperation, its chairman said, as the Japanese automaker's future hangs in the balance after stepping back from merger talks with Honda.

"If cooperation requires it (purchasing Nissan shares), we will consider it," Foxconn chairman Young Liu told reporters on Wednesday in the company's first public comments about its talks with Nissan.

"But purchasing its shares is not our aim; our aim is cooperation," he said, adding it was talking about cooperation with Nissan's biggest shareholder Renault, which owns 36% of the Japanese firm.

Struggling Nissan is again at a crossroads after sources said last week that negotiations with bigger rival Honda to create the world's No. 4 automaker had been complicated by growing differences.

Nissan and Honda are expected to lay out a new stage in their uncertain relationship on Thursday, one that is likely to see them formally call off a plan to merge after talks between the two foundered last week, according to sources.

The deal would have been the latest change in a car industry facing a huge threat from China's BYD and other electric vehicle entrants.

Nissan is open to working with new partners such as Taiwan's Foxconn, the world's largest contract electronics maker and Apple's main iPhone maker, the sources said last week.

Foxconn's aim is cooperation with Nissan, not acquisition

Nissan and Renault declined to comment on Liu's remarks.

While Foxconn, the world's largest contract electronics manufacturer, is best known for its role as an Apple supplier, it also has ambitions in the electric vehicle sector as it seeks to diversify its business.

Liu said Foxconn would not get into being an auto "brand" and would only provide commissioned design and manufacturing services.

OPENAI SAYS MUSK'S TAKEOVER BID CONTRADICTS HIS LAWSUIT AGAINST IT

Reuters Published 31 minutes ago

Billionaire Elon Musk's bid to buy OpenAI, which wants to be a for-profit entity, clashes with his lawsuit arguing that assets of the ChatGPT maker should not be for private gain, OpenAI wrote in a letter it submitted to a federal court on Wednesday.

On Monday, a consortium of investors led by Elon Musk offered $97.4 billion to buy the assets of OpenAI's nonprofit, in another salvo from the world's richest man against the artificial intelligence startup.

Musk sued OpenAI CEO Sam Altman and others in August and has asked a U.S. district judge to block OpenAI's attempt to transition to a for-profit entity.

OpenAI in its letter said Musk had contradicted himself when making "an improper bid to undermine a competitor."

Musk's court filings assert that OpenAI's assets must remain within a charitable trust and should not be transferred for private gain.

That contrasts with his proposed acquisition which seeks to transfer all OpenAI assets to him and his private investors, OpenAI said.

Representatives for Musk did not respond to an emailed request for comment.

OpenAI's board has not received Musk's takeover bid, source says

Musk co-founded OpenAI with Altman in 2015 as a nonprofit but left before ChatGPT went viral at the end of 2022. He founded the competing AI startup xAI in 2023.

OpenAI has said it wants to become a for-profit organization to secure the capital needed for developing the best AI models.

ADOBE LAUNCHES AI VIDEO TOOL TO COMPETE WITH OPENAI

Reuters Published February 12, 2025

Adobe on Wednesday released the first public version of an artificial intelligence tool that can generate video clips and revealed how much it will charge, but said it will not set pricing for major users such as studios until later this year.

The Firefly Video Model, as Adobe is calling the service, will compete against Sora, a model developed by ChatGPT creator OpenAI, and startup Runway, both of which currently offer video-generation services. Facebook owner Meta Platforms has also developed a video-generation AI model but has not given a timeline for when it will be released.

Adobe's model differs from its rivals because it is geared toward generating clips that will fit into how film and television studios use Premiere Pro, its flagship video editing software.

To that end, many of the features that Adobe is emphasizing revolve around feeding existing shots into the video model and asking it to generate clips that fix or expand on shots that were taken on a real production set but that did not come out quite right.

Adobe said the service will generate five-second clips at 1080p resolution. While that is shorter than the clips of up to 20 seconds generated by OpenAI's service, Adobe executives said the majority of individual clips in most productions are only three seconds.

Germany's TeamViewer sets medium-term targets after 1E acquisition

Adobe said a user can generate 20 clips per month for $9.99 and 70 clips for $29.99. That compares with 50 videos for $20 per month with OpenAI's plan at lower resolution and a $200 OpenAI plan that can handle longer, higher resolution videos.

Adobe is also working on a "Premium" pricing plan for studios and other high-volume video users and will release those pricing details later this year. Alexandru Costin, Adobe's vice president of generative AI, said the company is working to generate 4K video and will remain focused on quality rather than longer clips.

"We actually think that great motion, great structure, great definition scheme, making the actual clip look like it was film, is more important than making a longer clip that's unusable," Costing told Reuters.

Markets » Energy

LESCO RELEASES HALF-YEARLY PERFORMANCE REPORT

Recorder Report Published 40 minutes ago

LAHORE: The Lahore Electric Supply Company (LESCO) has showcased exceptional achievements during the first six months of the current fiscal year.

According to the half-yearly performance report, the company has demonstrated remarkable performance under the leadership of Chief Executive Officer Engineer Shahid Hyder. During this period, 81,929 net metering connections were issued, with a cumulative capacity of 1104 megawatts.

The LESCO has also successfully addressed the shortage of single-phase meters, issuing 80,200 meters to new connections during the first half of the fiscal year. Out of these, 66,400 meters have been installed, while 72,366 defective meters were replaced.

The report highlights that during the six-month period, LESCO ensured zero load-shedding on 1961 category-I and II feeders out of a total of 2224 feeders. The category-III feeders had experienced load-shedding of up to three hours, followed by four hours by category-IV feeders, and up to five hours category-V feeders.

The impressive half-yearly performance report demonstrates LESCO's commitment to providing reliable and efficient electricity supply to its consumers.

Copyright Business Recorder, 2025

OIL FALLS AS POTENTIAL UKRAINE PEACE DEAL MAY EASE SUPPLY DISRUPTIONS

Reuters Published 45 minutes ago

Oil prices fell on Thursday on expectations a potential peace deal between Ukraine and Russia would mean the end of sanctions that have disrupted supply flows and U.S. President Donald Trump's intention to introduce reciprocal tariffs stoked inflation jitters.

Brent futures were down 55 cents, or 0.73%, at $74.63 a barrel by 0141 GMT while U.S. West Texas Intermediate (WTI) crude dropped 52 cents, or 0.73%, to $70.85.

Brent and WTI fell more than 2% on Wednesday after Trump said Russian President Vladimir Putin and Ukrainian President Volodymyr Zelenskiy expressed a desire for peace in separate phone calls with him, and Trump ordered top U.S. officials to begin talks on ending the war in Ukraine.

Russia is the world's third-largest oil producer and sanctions imposed on its crude exports as a result of its invasion of Ukraine nearly three years ago has supported higher prices.

Analysts at ANZ said in a note on Thursday oil prices eased on news of the potential peace talks because of "optimism that risks to crude oil supplies would ease."

The ANZ analysts pointed to the sanctions by the U.S. and EU pushing Russia's output lower.

"Signs of tightening supply have been pushing up oil prices in recent weeks. U.S. sanctions on Russian oil companies and vessels are said to have exacerbated the situation," they said.

Trump's threat of additional tariffs against U.S. trade partners also pressured prices because of concerns that may reduce economic growth and therefore oil demand.

Trump said he would impose reciprocal tariffs as soon as Wednesday evening on every country that charges duties on U.S. imports, in a move that ratchets up fears of a widening global trade war and threatens to accelerate U.S. inflation.

Oil prices lower

A build in crude oil inventories in the U.S., the world's biggest crude consumer, also weighed on the market.

U.S. crude stocks rose more than expected last week, data from the Energy Information Administration (EIA) showed on Wednesday.

Crude inventories rose by 4.1 million barrels to 427.9 million barrels in the week ended Feb. 7, the EIA said, compared with analysts' expectations in a Reuters poll for a 3 million-barrel rise.

OPEC STICKS TO 2025, 2026 GLOBAL OIL DEMAND GROWTH FORECASTS

Reuters Published February 12, 2025

LONDON: OPEC on Wednesday stuck to its forecast for relatively strong growth in global oil demand in 2025, saying air and road travel would support consumption and potential trade tariffs were not expected to impact economic growth.

The Organization of the Petroleum Exporting Countries, in a monthly report, said world oil demand will rise by 1.45 million barrels per day (bpd) in 2025 and by 1.43 million bpd in 2026. Both forecasts were unchanged from last month.

OPEC's view on oil demand is at the higher end of industry forecasts and it expects oil use to keep rising in coming years, unlike the International Energy Agency which see demand peaking this decade as the world switches to cleaner fuels.

In the report, OPEC said the trade policy of President Donald Trump's new U.S. administration has added more uncertainty into markets, potentially creating supply-demand imbalances that are not reflective of market fundamentals, but it made no change to its 2025 economic growth forecast.

OPEC takes long-term view of global oil markets, aims for stability

"It remains to be seen how and to what extent potential tariffs and other policy measures will play out," OPEC said in the report. "So far, they are not anticipated to materially impact the current underlying growth assumptions."

Oil was steady after the OPEC report was released with Brent crude trading lower towards $76 a barrel.

The IEA sees 2025 demand growth at 1.05 million bpd, lower than OPEC, although the gap between the two on 2025 is much smaller than it was for 2024 when the split reached a record high driven by differences over the pace of the energy transition.

OPEC+, which groups OPEC and allies such as Russia, has implemented a series of output cuts since late 2022 to support the market. Its current plan calls for oil output to be gradually increased from April.

OIL PRICES LOWER

Reuters Published about 2 hours ago

HOUSTON: Oil prices fell more than 1% a barrel on Wednesday, on track to end three days of gains after data showed US crude stockpiles rose by more than expected last week, and hawkish remarks from the Federal Reserve chair.

Brent futures were down 96 cents, or 1.25%, at $76.04 a barrel by 10:42 a.m. EST, while US West Texas Intermediate (WTI) crude dropped $1.05, or 1.43%, to $72.27. Both benchmarks fell by more than $1 during the session. The declines follow three days of gains, during which Brent climbed 3.6% and WTI rose 3.7%. US crude oil stocks posted a larger than expected build last week, the Energy Information Administration (EIA) said on Wednesday. Gasoline inventories meanwhile posted a surprise draw while distillate stocks posted a surprise build.

Investors also eyed the Federal Reserve's next moves on cutting interest rates following comments on Tuesday by Fed Chair Jerome Powell and after data on Wednesday showed US consumer prices increased more than expected in January. "Oil prices resumed their downtrend as the macro environment weighed on sentiment, with Jerome Powell indicating that the US Fed was not in a rush to lower rates," said Harry Tchilinguirian, head of research at Onyx Capital Group. US Federal Reserve Chair Jerome Powell said that the economy is in a good place and the Fed is not rushing to cut interest rates further, but it is prepared to do so if inflation drops or the job market weakens.

The consumer price data released by Labor Department's Bureau of Labor Statistics (BLS) on Wednesday reinforced the Fed's message. Higher interest rates increase the cost of borrowing, which can slow economic activity and dampen demand for oil. "We saw a substantial oil price increase in recent days. So probably (there is) some profit-taking following the large crude build reported by API, but that might have been influenced by unfavourable weather impacting crude exports as well as refinery maintenance," said UBS analyst Giovanni Staunovo.

Meanwhile, the Organization of the Petroleum Exporting Countries (OPEC) said in a monthly report that global oil demand will rise by 1.45 million barrels per day (bpd) in 2025 and by 1.43 million bpd in 2026. Both forecasts were unchanged from last month. The EIA also increased its estimate for US crude production while leaving its demand forecast unchanged. It now expects US crude oil output to average 13.59 million bpd in 2025, up from its previous estimate of 13.55 million bpd.

US natgas prices hold near two-week high on cold forecasts

Reuters Published about 2 hours ago

NEW YORK: US natural gas futures held near a two-week high on Wednesday on rising flows to liquefied natural gas (LNG) export plants, a drop in daily output and forecasts for cold weather and higher heating demand over the next two weeks than previously expected.

That lack of price movement came despite forecasts for the return of less cold weather in late February.

Front-month gas futures for March delivery on the New York Mercantile Exchange remained unchanged at $3.517 per million British thermal units (mmBtu) at 7:50 a.m. EST (1250 GMT). On Tuesday, the contract closed at its highest level since January 29 for a second day in a row.

Financial firm LSEG said average gas output in the Lower 48 US states rose to 105.9 billion cubic feet per day (bcfd) so far in February, up from 102.7 bcfd in January when freezing oil and gas wells and pipes, known as freeze-offs, cut production. That compares with a monthly record of 104.6 bcfd in December 2023.

But with the return of extreme cold that is again freezing wells in some parts of the country, daily output was on track to drop by 2.8 bcfd over the past six days to a preliminary two-week low of 104.0 bcfd on Tuesday. That compares with a daily record high of 106.7 bcfd on February 6. Analysts noted that preliminary data is often revised later in the day.

Meteorologists projected weather in the Lower 48 states would remain mostly colder than normal through February 23 before switching to near normal levels from February 24-27.

With mostly colder weather coming, LSEG forecasts that average gas demand in the Lower 48 states, including exports, will rise from 135.5 bcfd this week to 142.0 bcfd next week.

The amount of gas flowing to the eight big US LNG export plants rose to an average of 15.2 bcfd so far in February, up from 14.6 bcfd in January. That compares with a monthly record high of 14.7 bcfd in December 2023.

On a daily basis, LNG feedgas was on track to hit 15.7 bcfd on Wednesday, up from 15.6 bcfd on Tuesday and an average of 15.1 bcfd over the prior seven days. If correct, LNG flows on Wednesday would be the highest since hitting a daily record of 15.8 bcfd on January 18.

The latest LNG feedgas high came with flows to Venture Global's 2.6-bcfd Plaquemines export plant under construction in Louisiana set to hit a record 1.4 bcfd on Tuesday and Wednesday. The United States became the world's biggest LNG supplier in 2023, ahead of recent leaders Australia and Qatar, as much higher global prices feed demand for more exports, due in part to supply disruptions and sanctions linked to Russia's 2022 invasion of Ukraine.

Gas was trading around $17 per mmBtu at the Dutch Title Transfer Facility (TTF) benchmark in Europe and at a two-month high of around $15 at the Japan Korea Marker (JKM) benchmark in Asia.

RUSSIA SAYS IT FULLY COMPLIED WITH OPEC+ OIL DEAL IN JANUARY

Reuters Published February 12, 2025

MOSCOW: Russia was in full compliance with the OPEC+ deal to restrain oil production in January and plans to do so this month, Deputy Prime Minister Alexander Novak told reporters on Wednesday.

He also said that Russia planned to keep steady or increase oil refining throughput this year. Russia processed 266.5 million metric tons (5.33 million barrels per day) of oil in 2024.

Russia has frequently exceeded its output quota of 8.98 million bpd under a pact among the OPEC+ group, which includes the Organization of the Petroleum Exporting Countries and allies such as Russia.

OPEC takes long-term view of global oil markets, aims for stability

Moscow has pledged to compensate for its overproduction in previous months. Its quota is expected to rise to 9.004 mln bpd from April 1, when OPEC+ plans to start gradually increasing its output.

TOTAL, AKER BP SEEK BIGGER STAKES IN GIANT EQUINOR OILFIELD

Reuters Published February 12, 2025

OSLO: TotalEnergies and Aker BP are seeking an independent review of their stakes in Equinor's Johan Sverdrup oilfield with a goal of boosting their holdings in the North Sea's largest producing field, Aker BP said on Wednesday.

Built across several offshore oil and gas licences, Sverdrup is currently owned 42.63% by its operator Equinor, while Aker BP holds 31.57%, Norwegian state-owned oil firm Petoro 17.36% and France's TotalEnergies the remaining 8.44%.

The owners of the field, which began producing oil in 2019, have the right to seek reviews of their stakes based on production and reservoir data.

"TotalEnergies used an option to call for a redetermination process," Aker BP CEO Karl Johnny Hersvik told reporters, adding that his company supported the action.

Egypt signs $3bn LNG deals with Shell and TotalEnergies

"I'm not going to speculate on the results of such a process, but obviously we wouldn't have done that if we didn't expect a positive change," Hersvik said.

Sverdrup is expected to produce around 720,000 barrels of oil equivalent per day on average in 2025, close to its level in 2023-2024, Equinor said last week.

Equinor did not immediately respond to a request for comment.

EUROPEAN LNG PRICES ARE REACHING LEVELS THAT WILL HIT DEMAND, SAYS VITOL

Reuters Published February 12, 2025

NEW DELHI: European prices of liquefied natural gas (LNG) are reaching levels that will start hurting demand, commodities trading firm Vitol's Chief Executive Russell Hardy said on Wednesday at the India Energy Week conference in New Delhi.

Global LNG: Asia spot prices gain amid Russia-Ukraine gas transit concerns

He added that he does not see new policies in top producer the United States leading to major change in anticipated LNG supply capacity growth through 2028.

BRAZIL'S PETROBRAS EYES AFRICAN OIL ASSETS TO OFFSET OUTPUT DECLINE

Reuters Published February 12, 2025

NEW DELHI: Brazil's Petrobras is looking to buy stakes in African oil assets, mainly in Namibia, South Africa and Angola, to make up for lower output from its existing portfolio, its director for exploration and production, Sylvia dos Anjos, said on Wednesday at the India Energy Week conference.

Petrobras to increase refining capacity 25% over 4 years

OIL PRICES FALL ON RISING US CRUDE STOCKS, HAWKISH FED COMMENTS

Reuters Published February 12, 2025

Oil prices fell 1% on Wednesday, ending three days of gains, as industry sources pointed to rising U.S. crude stockpiles and hawkish remarks from Fed Chair Jerome Powell that signalled slower rate cuts this year.

Brent futures were down 67 cents or 0.87% at $76.33 a barrel by 0936 GMT, while U.S. West Texas Intermediate (WTI) crude dropped 75 cents or 1.02% to $72.57 a barrel.

The declines come after three days of gains during which Brent climbed 3.6% and WTI rose 3.7%.

"Oil prices resumed their downtrend as the macro environment weighed on sentiment, with Jerome Powell indicating that the U.S. Fed was not in a rush to lower rates," said Harry Tchilinguirian, head of research at Onyx Capital Group.

"At the same time, traders are eying this afternoon's weekly U.S. EIA oil data release, looking to see if the sizeable 9 million barrel build in crude stocks reported by the API yesterday materialises in the official data."

U.S. Federal Reserve Chair Jerome Powell said on Tuesday the economy is in a good place and the Fed isn't rushing to cut interest rates further, but is prepared to do it if inflation drops or the job market weakens.

Oil prices climb despite trade war concerns

Higher interest rates increase the cost of borrowing, which can slow economic activity and dampen demand for oil.

"We saw a substantial price increase in recent days. So probably (there is) some profit-taking following the large crude build reported by API, but that might have been influenced by unfavourable weather impacting crude exports as well as refinery maintenance," said UBS analyst Giovanni Staunovo.

Crude oil stockpiles in the U.S., the world's biggest oil producer and consumer, rose by 9.4 million barrels in the week ending February 7, according to sources citing American Petroleum Institute data on Tuesday.

Gasoline inventories fell by 2.51 million barrels, and distillate stocks dropped by 590,000 barrels, the sources said the API data showed.

Data from the Energy Information Administration will be released later on Wednesday.

"This week's moves on the WTI crude so far seem to be profit-taking activities from bearish short-term speculators as they await today's U.S. CPI print," OANDA senior market analyst Kelvin Wong said in an email.

U.S. consumer price index data will be released at 1330 GMT on Wednesday. Expectations are for a slight slowdown in January's core inflation print to an annual 3.1% and for the headline number to hold steady at 2.9%.

The EIA also increased its estimate for U.S. crude production while leaving its demand forecast unchanged. It now expects U.S. crude oil output to average 13.59 million barrels per day in 2025, up from its prior estimate of 13.55 million bpd.

Markets – Rates

LME OFFICIAL PRICES

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

Recorder Report Published about 2 hours ago

LONDON: The following were Tuesday official prices.

```
=========================================
ALUMINIUM
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                2646.50        2647.00
3-month             2640.00        2640.50
=========================================
COPPER
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                9240.00        9245.00
3-month             9354.00        9355.00
=========================================
ZINC
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                2762.00        2763.00
3-month             2811.00        2812.00
=========================================
NICKEL
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash               15150.00       15175.00
3-month            15380.00       15400.00
=========================================
LEAD
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                1948.00        1950.00
3-month             1982.00        1984.00
=========================================
```

Source: London Metals Exchange.

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BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Wednesday (February 12, 2025) . ====================================...

Recorder Report Published about 2 hours ago

KARACHI: BRIndex100 and BR Sectoral Indices on Wednesday (February 12, 2025) .

```
====================================
BR INDICASE AT A GLANCE
====================================
             BRINDEX100
====================================
Day Close:                112,924.94
High:                     113,436.72
Low:                      112,621.14
Net Change:                    85.44
Volume (000):                399,904
Value (000):              17,916,565
Makt Cap (000)         3,478,471,000
------------------------------------
BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                 21,826.69
NET CH                     (+) 66.23
------------------------------------
BR CEMENT
------------------------------------
Day Close:                 11,348.87
NET CH                     (-) 28.97
------------------------------------
BR COMMERCIAL BANKS
------------------------------------
Day Close:                 30,376.84
NET CH                     (-) 65.08
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                 18,433.62
NET CH                    (-) 128.97
------------------------------------
BR OIL AND GAS
------------------------------------
Day Close:                 11,622.65
NET CH                     (+) 58.70
------------------------------------
BR TECH & COMM
------------------------------------
Day Close:                  5,287.32
```

```
NET CH                     (+) 46.16
------------------------------------
As on:                12-February-2025
====================================
```

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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KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Wednesday (February 12, 2025).
========================== ...

Published about 2 hours ago

KARACHI: Kibor interbank offered rates on Wednesday (February 12, 2025).

```
==========================
           KIBOR
==========================
Tenor         BID     OFFER
==========================
1-Week       11.91    12.41
2-Week       11.88    12.38
1-Month      11.84    12.34
3-Month      11.65    11.90
6-Month      11.57    11.82
9-Month      11.49    11.99
1-Year       11.48    11.98
==========================
```

Data source: SBP

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ACTIVITIES OF KARACHI PORT TRUST, PORT QASIM

Recorder Report Published about 2 hours ago

KARACHI: The Karachi Port Trust handled 207,614 tonnes of cargo comprising 140,961 tonnes of import cargo and 66,653 tonnes of export cargo during last 24 hours ending at 0700 hours.

The total import cargo of 140,961 comprised of 59,902 tonnes of Containerized Cargo, 61,047 tonnes of Bulk Cargo & 20,012 tonnes of Liquid Cargo.

The total export Cargo of 66,653 comprised of 53,053 tonnes of Containerized Cargo, 500 tonnes of Bulk Cargo&13,100Tons of Liquid Cargo.

Around, 06 ships, namely Ital Universo, Zhong Gu Ji Nan, Gsl Nicoletta, Em Ruby, Addison & Victoria May berthed at the Karachi Port Trust.

Approximately, 05 ships namely Chemroad Polaris, Apl Miami, Hmm Promise, MT Shalamar & Li Dian 5 sailed from the Karachi Port Trust.

PORT QASIM

A total of eight ships were engaged at PQA berths during the last 24 hours, out of them a petroleum product carrier 'Kition-M' is left the port on Wednesday morning while two more ships, Karlskrona and DM Dragon are expected to sail on Wednesday.

Cargo volume of 131,695 tonnes, comprising 90,170 tonnes imports cargo and 41,525 tonnes export cargo carried in 4,121 Containers (2,055 TEUs Imports &2,066 TEUs Export) was handled at the port during last 24 hours.

There are 09 ships at Outer Anchorage of Port Qasim, out of them three ships, Falcon Royal, Katherine Kosan and Doha carrying Mogas, Chemicals and LNG are expected to take berths at FOTCO, EVTL and EETL are respectively on Wednesday 12th February, while three more container ships, Jaru Bhum, X-Press Anglesey and Bremen Express are due to arrive at outer anchorage on Thursday 13th February, 2025.

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PSX SHOWS MIXED TREND

Recorder Report Published about 2 hours ago

KARACHI: Pakistan Stock Exchange on Wednesday witnessed mixed trend and remained oscillating in both directions due to investor lack of interest in the absence of any trigger and continuous foreign selling.

The benchmark KSE-100 index hit 113,436.72 points intra-day high and 112,621.14 points intra-day low levels, before closing at 112,924.94 points, down 85.44 points or 0.08 percent.

Total daily trading volumes on ready counter increased to 669.597 million shares as compared to 486.935 million shares traded on Tuesday while total daily traded value on the ready counter declined to Rs 27.904 billion against previous session's Rs 30.381 billion.

BRIndex100 gained 19.09 points or 0.16 percent to close at 11,960.38 points with total daily turnover of 601.888 million shares.

BRIndex30 increased by 254.04 points or 0.71 percent to close at 35,908.09 points with total daily trading volumes of 414.407 million shares.

The foreign investors also remained on the selling side and withdrew $1.554 million from the local equity market. Total market capitalization increased by Rs 9 billion to Rs 13.955 trillion. Out of total 441 active scrips, 211 closed in negative and 172 in positive while the value of 58 stocks remained unchanged.

Bank of Punjab was the volume leader with 195.542 million shares and increased by Rs 1.08 to close at Rs 11.91 followed by Bank Makramah that gained Re 0.32 to close at Rs 4.18 with 46.593 million shares. PTCL surged by Rs 2.09 to close at Rs 24.77 with 30.235 million shares.

Unilever Pakistan Foods and Rafhan Maize Products Company were the top gainers increasing by Rs 508.57 and Rs 93.25 respectively to close at Rs 23,923.99 and Rs 9,458.30 while Ismail Industries and Bata Pakistan were the top losers declining by Rs 47.81 and Rs 38.91 respectively to close at Rs 1,852.19 and Rs 1,861.27.

An analyst at Topline Securities said that the local bourse experienced a range-bound session, with the benchmark index oscillating between an intraday high of plus 426 points and a low of minus 389 points.

Investor sentiment remained mixed following the latest MSCI review, where ABOT and SEARL were included in the MSCI Frontier Market Index, while BFBIO, BIFO, and Power Cement were added to the MSCI Frontier Market Small Cap Index. However, the review fell short of market expectations, leading to subdued activity.

The uptick was largely driven from PPL, BOP, PTC, AKBL, and MLCF, which collectively contributed plus 202 points to the index and on the flipside HBL, HUBC, MTL, BAFL, MARI and NBP which collectively subtracted 220 points from the index.

BR Automobile Assembler Index gained 66.23 points or 0.3 percent to close at 21,826.69 points with total turnover of 17.440 million shares.

BR Cement Index lost 28.97 points or 0.25 percent to close at 11,348.87 points with 59.138 million shares.

BR Commercial Banks Index decreased by 65.08 points or 0.21 percent to close at 30,376.84 points with 262.483 million shares.

BR Power Generation and Distribution Index declined by 128.97 points or 0.69 percent to close at 18,433.62 points with 25.715 million shares.

BR Oil and Gas Index inched up by 58.7 points or 0.51 percent to close at 11,622.65 points with 48.047 million shares.

BR Tech & Comm Index added 46.16 points or 0.88 percent to close at 5,287.32 points with 71.068 million shares.

Ali Najib at Insight Securities said PSX had mixed day as the KSE-100 index observed diverse sentiments during the trading hours.

During the session, sector and stocks wise momentum got witnessed as investors opted to do some sectors and stocks switching in absence of any positive/negative trigger.

PPL, BOP, PTC, AKBL and EFERT saw buying interest as they added 201 points, collectively. On the other hand, ENGROH, FFC, HBL, BAFL and MTL witnessed profit taking as they lost 261, cumulatively.

OPEN MARKET FOREX RATES

Updated at: 13/2/2025 7:55 AM (PST)

Currency	Buying	Selling
Australian Dollar	175.75	178.50
Bahrain Dinar	736.85	744.85
Canadian Dollar	195.60	198.00
China Yuan	37.59	37.99
Danish Krone	38.06	38.46
Euro	288.75	291.50
Hong Kong Dollar	35.47	35.82
Indian Rupee	3.11	3.20
Japanese Yen	1.82	1.88
Kuwaiti Dinar	896.30	905.80
Malaysian Ringgit	62.18	62.78
NewZealand $	155.78	157.58
Norwegians Krone	24.51	24.81
Omani Riyal	721.25	729.75
Qatari Riyal	75.93	76.63
Saudi Riyal	74.25	74.80
Singapore Dollar	206.5	208.50
Swedish Korona	25.13	25.43
Swiss Franc	303.71	306.51
Thai Bhat	8.13	8.28
U.A.E Dirham	75.90	76.55

UK Pound Sterling	347.00	350.5
US Dollar	279.75	281.25

INTER BANK RATES

Updated at: 13/2/2025 8:55 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	174.97	175.29
Canadian Dollar	194.40	194.75
China Yuan	38.14	38.20
Danish Krone	38.59	38.66
Euro	287.85	288.36
Hong Kong Dollar	35.66	35.72
Japanese Yen	1.8078	1.8111
Saudi Riyal	74.1	74.23
Singapore Dollar	205.28	205.65
Swedish Korona	25.7	25.75
Swiss Franc	304.24	304.79
Thai Bhat	8.14	8.15
UK Pound Sterling	345.81	346.43
US Dollar	279.05	279.55

GOLD RATE

Bullion / Gold Price Today

As on Thu, Feb 13 2025, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	260,463	303,481	810,143	
Palladium	XPD	86,942	101,302	270,425	
Platinum	XPT	89,381	104,144	278,011	
Silver	XAG	2,892	3,369	8,994	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Thu, Feb 13 2025, 02:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 303500	Rs. 278206	Rs. 265563	Rs. 227625
per 10 Gram	Rs. 260200	Rs. 238515	Rs. 227675	Rs. 195150
per Gram Gold	Rs. 26020	Rs. 23851	Rs. 22768	Rs. 19515
per Ounce	Rs. 737700	Rs. 676220	Rs. 645488	Rs. 553275

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	6,821	7,948	21,216	
Euro	EUR	898	1,046	2,793	
Japanese Yen	JPY	144,289	168,120	448,795	
Saudi Riyal	SAR	3,499	4,077	10,885	
U.A.E Dirham	AED	3,427	3,993	10,660	
UK Pound Sterling	GBP	750	874	2,333	
US Dollar	USD	933	1,087	2,903	