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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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FBR ACTIVATES INTERNATIONAL CENTRE OF TAX EXCELLENCE

January 14, 2025

ISLAMABAD: The Federal Board of Revenue (FBR) has officially activated the International Centre of Tax Excellence (ICTE) to enhance international tax cooperation, revenue forecasting, tax analysis, and the overall design and delivery of tax administration. This initiative aims to maximize revenue collection and modernize Pakistan's tax system.

In a recent notification, the FBR has assigned additional responsibilities to several Inland Revenue Service (IRS) officers (BS-18 to BS-20) to oversee the ICTE's operations for a three-month period or until the appointment of regular staff. The officers include Samira Mahmood Quiz (IRS/BS-20), Chief of International Tax Operations; Frida Muhammad (IRS/BS-19), Chief (OPS) of International Taxes; and Mehdi Hassan (IRS/BS-18), Secretary (OPS) for AEOI, as per the Directorate General of International Tax Operations, FBR.

Functions of the ICTE

Under Section 230J of the Income Tax Ordinance 2001, the ICTE has been established to contribute significantly to tax policy development. Its primary objectives include drafting model tax policies, conducting interdisciplinary research, fostering international tax cooperation, and organizing seminars and workshops on international taxation. It also focuses on building the capacity of Inland Revenue officers, enhancing tax analysis, and closing tax gaps within existing provisions.

Governance Structure

The ICTE will operate under a robust governance framework. A Nominating Committee comprising the Minister-in-Charge, Secretary Revenue Division, and Secretary Finance will recommend candidates for the roles of Executive Director and independent members of the Executive Committee to the federal government.

The Executive Committee will include the FBR Chairman, Member (IR-Policy), Member (IR Operations), and two independent members appointed by the federal government. The Executive Director, serving as the committee's secretary, will also act as the chief executive of the institute, overseeing its daily operations and ensuring its independence.

Staffing and Data Handling

At least 50% of the ICTE's workforce will comprise serving or retired Inland Revenue officers with over five years of experience in tax policy or administration. Staff remuneration and terms will be determined by the federal government.

The FBR may establish monitoring committees and appoint project directors to facilitate the institute's establishment. Additionally, any taxpayer data provided to the ICTE for analysis will be anonymized to ensure confidentiality in compliance with Section 216 of the Income Tax Ordinance.

This step is part of FBR's broader vision to modernize Pakistan's tax administration and enhance fiscal governance.

PAKISTAN CUSTOMS DECIDES PEPSI COLA CLASSIFICATION CASE

January 13, 2025

Karachi, January 13, 2025 – The Classification Committee of Pakistan Customs has issued its verdict on the classification of "Kola Vanilla Extract," a product imported by Pepsi Cola International. This decision, forwarded by the Collectorate of Customs (Appraisement) Islamabad, resolves a long-standing debate about the appropriate tariff heading for the product.

The dispute arose when M/s Pepsi Cola International sought clearance for "Kola Vanilla Extract" under Pakistan Customs Tariff (PCT) heading 1302.1900 via Goods Declaration No. 602, dated December 30, 2013. However, the Directorate General of Audit (Customs & Petroleum) Lahore raised an audit objection during their 2013-14 review of Islamabad Dry Port, asserting that the extract should instead fall under PCT heading 3302.1010. This heading carries a 10% customs duty and a 50% federal excise duty (FED), as it pertains to flavors and concentrates used in aerated beverages.

According to Chapter 13's introductory notes in the First Schedule of the Customs Act 1969, the disputed PCT heading excludes preparations based on odoriferous substances for beverage manufacture. Similarly, Chapter 33's notes exclude vegetable extracts of heading 13.02, emphasizing the product's misclassification.

Upon detailed examination, the Classification Committee ruled that "Kola Vanilla Extract," a mixture of kola and vanilla extracts, propylene glycol, glycerin, sugar, and caramel, does not qualify as a raw extract under Chapter 13.02. Applying General Interpretative Rules (GIR) 1 and 3(b), the committee determined that the extract's essential character lies in its use as a beverage concentrate. Consequently, the product is classified under PCT heading 2106.9010.

The committee's findings underscore the importance of correctly interpreting tariff rules and chapter notes. The decision emphasizes that the ruling applies strictly to the documented specifications of the product as provided by the referring Collectorate. Any subsequent discovery of false or incomplete information could render the ruling null and void.

This classification decision resolves a significant issue for Pepsi Cola International, aligning the product's tariff heading with its actual characteristics and usage, and upholding the integrity of customs regulations in Pakistan.

AURANGZEB CONFIDENT OVER ACHIEVING FY25 TAX COLLECTION TARGET

January 13, 2025

Finance Minister Muhammad Aurangzeb on Monday expressed optimism that Pakistan will successfully meet its tax collection target for the fiscal year 2024-25. During a televised interview on Bloomberg's program, The Asia Trade, Aurangzeb highlighted that Pakistan's tax-to-GDP ratio had risen to 10.8% by December 2024.

Aurangzeb emphasized that the country is on track to achieve its tax collection goals, stating that reaching the target is essential for Pakistan's fiscal sustainability. He reaffirmed the government's commitment to expanding and deepening the tax base to improve revenue collection and economic stability.

In July 2024, Pakistan signed a 37-month, $7 billion Extended Fund Facility (EFF) with the International Monetary Fund (IMF) to promote economic stability and inclusive growth. In September, the IMF Executive Board approved the EFF, enabling Pakistan to receive the first tranche of Special Drawing Rights (SDR) worth $760 million, equivalent to $1.03 billion. Aurangzeb confirmed that the IMF mission for the first official review of the program is expected to arrive between mid to late February 2025.

Discussing macroeconomic indicators, Aurangzeb stated that the government aims for a GDP growth rate of 3-3.5% this fiscal year, with plans to increase it to 6% within the next two to three years. The government's primary focus is to transition the economy to an export-led model, which he believes is crucial for sustainable growth.

Aurangzeb expressed confidence in further credit rating upgrades for Pakistan during the ongoing fiscal year. He noted that all three major credit rating agencies had improved their outlook on Pakistan over the past 8-10 months. However, he emphasized the need for Pakistan to return to the single B category to regain access to the international capital market.

Aurangzeb shared plans to tap into the Panda bond market and the Chinese capital market, acknowledging past missed opportunities in this regard. Pakistan is preparing to launch its inaugural Panda bond issue within six to nine months, aiming to raise $200-250 million. China International Capital Corporation Limited (CICC) has been appointed as an advisor for this initiative.

Currently in Hong Kong, Aurangzeb is attending the 18th Asian Financial Forum (AFF), where he is engaging with senior officials from leading Asian financial institutions. He is also meeting prominent members of the Pakistani community in Hong Kong to discuss opportunities and challenges.

The AFF serves as a significant platform for finance and business leaders to address key issues affecting the global economy from an Asian perspective, and Aurangzeb's participation underscores Pakistan's commitment to strengthening its economic ties in the region.

PM SHEHBAZ WANTS ARTIFICIAL INTELLIGENCE FOR CUSTOMS CLEARANCE

January 13, 2025

Islamabad, January 13, 2025 – Prime Minister Muhammad Shehbaz Sharif on Monday expressed his desire that artificial intelligence should take control the clearance at Pakistan Customs.

He desired that the faceless customs system should be shifted to artificial intelligence by minimizing the human intervention.

The prime minister chaired a review meeting on the matters related to the Federal Board of Revenue (FBR).

Prime Minister Muhammad Shehbaz Sharif on Monday said that after functioning in Karachi, the faceless customs assessment system should be broadened and implemented in other cities as soon as possible so that all imports across the country could benefit from this system.

The meeting was attended by Minister for Economic Affairs Ahad Khan Cheema, Minister for Law and Justice Azam Nazeer Tarar, Minister of State for Finance and Revenue Ali Pervez Malik, and other senior officials, PM Office Media Wing said in a press release.

PM Shehbaz desires implementation of faceless customs assessment system in other cities PM desires implementation of faceless customs assessment system in other cities

Prime Minister Shehbaz Sharif observed that significant progress had been achieved in the digitization and reforms within the FBR in previous months, adding for the first time in history, a system with faceless digitization system had been introduced in the customs process, marking a significant milestone in the digitization of the FBR.

The prime minister directed the Ministry of Information Technology and Telecommunication and FBR to work together to further improve the faceless customs assessment system.

PM Shehbaz also directed for the development of a comprehensive strategy for the implementation of the track and trace system in various industrial sectors.

The meeting was briefed over the recent FBR reforms. The faceless customs system at all Karachi port terminals would be made fully operational by the end of February 2025, it was told.

Besides, efforts were underway to ensure its operation nationwide soon. A central control room was being established to monitor the faceless customs system, it was further added.

The meeting was apprised that body cameras and tablets would be used to make the inspection recording system more transparent. Whereas mobile signal jammers and CCTV cameras were also being installed at all terminals to enhance the transparency of the inspection system.

A transparent recruitment process for the new customs system had been initiated while a track and trace system had been implemented in all industrial units of the tobacco, fertilizers, sugar, and cement industries, the meeting was briefed.

The implementation of the track and trace system led to a significant increase in revenue from the tobacco, sugar, cement, and fertilizer industries in the fiscal year 2023-2024 compared to the previous corresponding year.

Further improvement in revenue from these industries was expected with the full implementation of the track and trace system this year, it was added.

The meeting was told that under the prime minister's directive, the upgradation of the web-based One Customs began and its design was expected to be completed by the end of March.

TAXPAYER MONEY DRIVES HEATED DEBATE ON FBR HONDA CAR FLEET

January 13, 2025

Karachi, January 13, 2025 – A heated debate has erupted among taxpayers over the Federal Board of Revenue's (FBR) plan to purchase 1,010 Honda City 1.2 L CVT cars as part of its initiative to strengthen enforcement measures.

Social media platforms have been abuzz with critical messages from taxpayers and stakeholders, expressing frustration and skepticism about the decision. Critics argue that using taxpayers' money to procure such a large fleet of vehicles for the FBR's field staff lacks justification. Many are demanding a clear rationale for the expenditure and an explanation of the anticipated benefits.

The FBR has defended the move, emphasizing that the acquisition aims to enhance its operational capabilities and improve enforcement against tax evasion. According to an official document, the FBR has issued a Letter of Intent (LoI) to Honda Atlas Cars (Pakistan) Limited, finalizing the purchase of the vehicles. These cars are slated for allocation to officers in BS-17 and BS-18 grades, who play a critical role in field enforcement activities.

FBR officials explained that the vehicles are essential for enforcing Point of Sale (POS) systems, e-invoicing, and the Track and Trace system. Currently, officers often use personal or rented vehicles, which not only undermines the authority of the state but also exposes personnel to security risks. "For effective enforcement in non-salaried sectors, the FBR's field presence must be visible," an official remarked. The department also clarified that these vehicles are strictly for official use and will be marked with distinct stickers to discourage personal use.

As part of the procurement plan, the FBR will make an upfront payment of Rs. 3 billion to cover the full cost of 500 units and a partial payment for the remaining 510 units. The balance will be settled upon the delivery of the first batch of 510 cars. The phased delivery process is expected to conclude by May 2025.

Despite the FBR's assurances, public sentiment remains divided. Many argue that such a significant expenditure demands greater transparency, with calls for the FBR to provide detailed projections on how this investment will enhance tax collection and enforcement.

As the controversy unfolds, the FBR's efforts to justify its decision will be closely scrutinized, particularly as it navigates the balance between operational efficiency and public accountability.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published about 5 hours ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Monday, (January 13, 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 11-01-2025	Difference Ex-karachi
37.324 KG Equivalent	18,500	285	18,785	18,785	NIL
40 KGS	19,826	305	20,131	20,131	NIL

THIN TRADING ON COTTON MARKET

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

Recorder Report Published about 5 hours ago

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

Cotton Analyst Naseem Usman told BUSINESS RECORDER that the rate of cotton in Sindh is in between Rs 18,000 to Rs 19,500 per maund. The rate of Phutti in Sindh is in between Rs 8,000 to Rs 8,800 per 40 kg.

The rate of cotton in Punjab is in between Rs 18,000 to Rs 19,500 per maund. The rate of Phutti in Punjab is in between Rs 8,500 to Rs 10,200 per 40 kg.

The rate of cotton in Balochistan is in between Rs 18,000 to Rs 19,500 per maund. The rate of Phutti in Balochistan is in between Rs 8,200 to Rs 10,200 per 40 kg. 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 19,500 per maund.

Approximately, 200 bales of Burewala were sold at Rs 19,000 per maund and 400 bales of Rahim Yar Khan were sold at Rs 19,000 per maund.

The Spot Rate remained unchanged at Rs 18,500 per maund. Polyester Fiber was available at Rs 357 per kg.

Stock & Commodity

STOCKS TUMBLE AS TRADERS CAST DOUBT ON 2025 RATE CUT

Reuters Published about 5 hours ago

NEW YORK: Global stocks fell on Monday, while the dollar hit 26-month peaks following a bumper US jobs report that prompted investors to question if interest rates will fall at all this year, just as earnings season is about to get underway.

A surge in energy prices has added to concern about steadily rising inflation, as crude oil topped $80 a barrel on the back of signs that Russian exports are falling as Washington has stepped up sanctions on the country.

European natural gas prices have risen by 4% in the last month alone following a cold snap and after Ukraine’s decision to halt supplies of Russian gas deliveries via pipeline. Data also showed China’s export growth picked up steam in December, while imports recovered, as the world’s No. 2 economy braces for mounting trade risks with the incoming US administration.

In Europe, equities fell for a second day, leaving the STOXX 600 down 0.7% and Germany’s DAX down 0.6%. The FTSE 100 was only down 0.4%, supported by weakness in the pound, which was once again in focus as UK borrowing costs continued to rise. Markets show traders have already scaled back expectations for Federal Reserve rate cuts to just 25 basis points for all of 2025, from closer to 45 bps before Friday’s jobs data.

“After a very strong jobs report, we think the cutting cycle is over,” declared Aditya Bhave, deputy chief US economist at BofA. “Inflation is stuck above target, with upside risks.” “The conversation should move to hikes, which could be in play if y/y core PCE exceeds 3% and inflation expectations de-anchor,” he added, referring to the Fed’s favoured personal consumption expenditure measure of prices. Yields on 10-year Treasuries traded at to 14-month peaks of 4.79%.

Wednesday's consumer price index (CPI) report could prove even more market-moving than usual, given how close investors are to ruling out any rate cuts at all this year.

"As the weather warms up a bit, whether the deep freeze in bond markets continues may be determined by how US CPI on Wednesday materialises after Friday's blockbuster payrolls report," Deutsche Bank strategist Jim Reid said. Higher bond yields raise the discounting bar for corporate earnings and make debt relatively more attractive compared to equities, cash, property and commodities.

But they also raise borrowing costs for businesses and consumers. Part of the increase in yields over the past few weeks has been driven by an expectation that President-elect Donald Trump's proposed tariffs will raise import prices. This could test the optimism around corporate earnings as the season kicks off on Wednesday with the major banks including Citigroup, Goldman Sachs and JPMorgan.

EUROPEAN SHARES EXTEND SLIDE AS MARKETS PONDER FED RATE OUTLOOK

Reuters Published about 5 hours ago

FRANKFURT: European shares slipped in a broader market sell-off on Monday, as global equities faced pressure after US jobs data reinforced bets the Federal Reserve will be cautious in cutting interest rates this year.

The pan-European STOXX 600 was down 0.9% by 0954 GMT, extending its declines following a near 1% drop on Friday when data showed US job growth unexpectedly accelerated in December while the unemployment rate fell to 4.1%. "It's a tough environment for investors in Europe. (Europe's) rightfully cheap," said Chris Beauchamp, chief market analyst at IG Group. "Investors are not in a congenial mood for risk taking.

They are certainly selling first and asking questions later at the moment, and Europe has been caught up in that." Rate-sensitive technology stocks followed their Wall Street peers lower with a 2.3% decline, while media shed 1.8%.

Adding to the losses, aerospace and defence and heavyweight healthcare lost 1.6% and 1%, respectively. Energy stocks were an outlier, up 0.4% as crude oil prices gained on wider US sanctions on Russian oil and the expected effects on exports to top buyers India and China. European government bond yields remained elevated, in line with US Treasuries. The yield on the 10-year bund hovered near its highest in over six months.

In the UK, yield on the 30-year gilt jumped to a fresh 27-year high, extending the sell-off into a second week. The domestically-focussed FTSE 250 midcap index was down 0.3%.

Concerns over rising inflation, dim chances of deeper rate cuts by the Fed and talks of incoming US President Donald Trump's strategy on imposing tariffs have kept markets on edge lately. Meanwhile, the European Central Bank chief economist Philip Lane said the top bank can ease policy further this year but must find a middle ground that neither induces a recession nor causes an undue delay in curbing inflation.

Later in the week, inflation figures across the continent, including from the UK and Germany would be in focus, along with a US consumer prices report. Among individual stocks, Entain gained 2% after the British gambling group said it expects core profit for 2024 to be at the top end of its forecast range.

MOST GULF MARKETS IN RED ON US RATE CUT UNCERTAINTY

Reuters Published about 5 hours ago

DUBAI: Most stock markets in the Gulf ended lower on Monday, as unexpectedly strong US jobs data reinforced expectations of prolonged elevated interest rates in the world's largest economy.

The hawkish jolt from the jobs data also raised the stakes for Wednesday's consumer price figures where a core measure rise above the forecast of 0.2% could close the door on easing altogether.

Markets have already scaled back expectations for Federal Reserve rate cuts to just 27 basis points for all of 2025, with the Fed now expected to cut 100 basis points less than anticipated last year.

At least five Fed officials are on the docket to speak this week and offer their reaction to the jobs surprise, with the influential Federal Reserve Bank of New York President John Williams appearing on Wednesday.

Monetary policy in the six-member Gulf Cooperation Council (GCC) is usually guided by the Fed's decisions as most regional currencies are pegged to the US dollar.

Saudi Arabia's benchmark index lost 0.1%, weighed down by a 1.8% decline in the Saudi Arabian Mining Company.

Separately, the kingdom plans to monetize all minerals, including by selling uranium, Saudi energy minister Prince Abdulaziz bin Salman said on Monday.

In Qatar, the index retreated 1.8%, as almost all its constituents were in negative territory, including the Gulf's biggest lender Qatar National Bank (QNB), which was down 1.5%.

Post-trading hours, QNB posted a 10% rise in fourth-quarter net profit from a year earlier, slightly beating analyst estimates.

The Abu Dhabi index was down 0.4%.

INDIAN SHARES SLUMP ON WORRIES OVER CORPORATE EARNINGS, FEWER FED CUTS

Reuters Published about 5 hours ago

MUMBAI: Indian shares tumbled on Monday, with the midcap index recording its biggest slide in seven months, after an unexpectedly strong US jobs report signalled fewer Federal Reserve rate cuts amid persistent worries over slowing domestic earnings.

The benchmark Nifty 50 fell 1.47% to 23,085.95, while the BSE Sensex shed 1.36% to 76,330.01. Both benchmarks closed at their lowest in about seven months. The broader, more-domestically focussed small- and midcaps sank a steeper 4% each, which analysts said was due to relatively richer valuations that could be tested if corporate earnings disappointed.

“The slowdown in Indian economic growth is also leading to worries of a likely decline in corporate earnings growth,” said Yashovardhan Khemka, senior manager of research and analytics at Abans Holdings. The markets were also hit by unexpectedly strong US jobs data, which led investors to price in one US rate cut of 25 basis points in 2025. That lifted 10-year Treasury yields to 14-month highs and sent the dollar rallying, making emerging markets such as India less attractive for investment.

This has exacerbated foreign outflows, triggering a sharp decline in Indian markets, said Khemka.

S&P 500, NASDAQ FALL AS INVESTORS SCALE BACK BETS ON FED RATE CUTS IN 2025

Reuters Published January 13, 2025

US stocks dropped on Monday, with the benchmark S&P 500 at a two-month low as bond yields surged after robust payroll numbers last week, boosting expectations that the Federal Reserve will maintain a hawkish stance for most of this year.

At 09:50 a.m. the Dow Jones Industrial Average rose 105.06 points, or 0.25%, to 42,043.51, the S&P 500 lost 40.79 points, or 0.70%, to 5,786.25, and the Nasdaq Composite lost 274.13 points, or 1.43%, to 18,887.50.

Wall Street’s fear gauge rose 1.60 points to hit a more than three-week high.

The domestically sensitive Russell 2000 index declined 1% to its lowest since September 2024, extending Friday’s decline, which saw it enter correction territory after falling more than 10% from its November intraday record high.

Pressuring stocks, yields on longer-dated Treasury bonds are pinned at multi-month highs.

At one point, traders were no longer fully pricing in even one Fed rate cut this year, according to data compiled by LSEG, from about 43 basis points before Friday's job figures. Bets currently reflect expectations of a 27 bps easing by the Fed's December meeting.

"In the early stages of recalibrating monetary policy, investors tend to take a bit of a risk-off attitude," said Art Hogan, chief market strategist at B Riley Wealth.

Wall St drops after payrolls data; small-cap index set to confirm correction

"But the important part of what has changed thus far this year is that economic data being positive at the end of the day will likely be a net positive for corporate earnings and for markets."

Five of the 11 S&P 500 sectors declined, led by a 1.8% drop in Technology stocks. Megacaps were down, with Tesla sliding 2%, Apple dropping 2.7% and Alphabet losing 1.5%.

The main indexes logged their second consecutive week of declines in the previous session after multiple reports pointed to better-than-expected economic activity, raising worries that inflation could be running high.

Investors also priced in the likelihood that the incoming Donald Trump administration's policies - such as tariffs and a clampdown on illegal immigration - could threaten global trade and fuel price pressures when the Fed has also signaled a cloudy monetary policy outlook. Trump is expected to take office on Jan. 20.

The Consumer Price Index numbers and the central bank's Beige Book on economic activity, both due on Wednesday, could help investors gauge the Fed's policy outlook.

Chip stocks such as Nvidia dropped 3.3% and Advanced Micro Devices fell 1% after the U.S. government said it would further restrict artificial-intelligence chip and technology exports.

Moderna slid 22% to the bottom of the S&P 500 after cutting its 2025 sales forecast by $1 billion.

Dow component UnitedHealth Group added 3.6%, CVS Health rose 4.1% and Humana climbed 5.9% after the U.S. government proposed 2026 reimbursement rates for Medicare Advantage plans run by private insurers, which will result in a 2.2% increase in payments.

Major lenders JPMorgan Chase & Co and Wells Fargo are due to report results on Wednesday.

Declining issues outnumbered advancers by a 1.96-to-1 ratio on the NYSE, and by a 2.57-to-1 ratio on the Nasdaq.

The S&P 500 posted one new 52-week high and 22 new lows, while the Nasdaq Composite recorded 11 ne

EUROPEAN SHARES KICK OFF WEEK LOWER AS HEALTHCARE, TECH STOCKS FALL

Reuters Published January 13, 2025

European shares were dragged lower by technology and healthcare stocks on Monday, as global equities faced pressure after US jobs data reinforced bets the Federal Reserve will be cautious in cutting interest rates this year.

The pan-European STOXX 600 was down 0.5% by 0812 GMT, extending its declines following a near 1% drop on Friday when data showed US job growth unexpectedly accelerated in December while the unemployment rate fell to 4.1%.

Technology stocks followed their Wall Street peers lower with a 1.6% decline, while heavyweight health care shed 0.9%. Heavyweight energy stocks, however, advanced 0.9% as crude oil prices gained more than 1%.

European government bond yields remained elevated, in line with US Treasuries.

The yield on the 10-year bund hovered near its highest in over six months.

European stocks see off holiday-shortened week lower

Later in the week, inflation figures across the continent including from the UK and Germany would be in focus, along with a US consumer prices report.

Entain jumped 8.8% after the British gambling group said it expects core profit for 2024 to be at the top end of its forecast range.

MAJOR GULF MARKETS MIXED ON STRONG US JOBS DATA

Reuters Published January 13, 2025

Major stock markets in the Gulf were mixed in early trade on Monday, as unexpectedly strong US jobs data reinforced expectations of prolonged elevated interest rates in the world's largest economy.

The hawkish jolt from the jobs data also raised the stakes in relation to consumer price figures on Wednesday where any rise in the core measure greater than the forecast of 0.2% would threaten to close the door on easing altogether.

Markets have already scaled back expectations for Federal Reserve rate cuts to just 27 basis points for all of 2025, with the Fed now seen cutting 100 basis points less than many had hoped for this time last year.

At least five Fed officials are on the docket to speak this week and offer their reaction to the jobs surprise, with the influential Federal Reserve Bank of New York President John Williams appearing on Wednesday.

Monetary policy in the six-member Gulf Cooperation Council (GCC) is usually guided by the Fed's decisions as most regional currencies are pegged to the US dollar.

Saudi Arabia's benchmark index eased 0.1%, hit by a 1.2% fall in Saudi Arabian Mining Company.

In Qatar, the index dropped 0.6%, with the Gulf's biggest lender Qatar National Bank losing 0.7% ahead of its earnings announcement.

Most Gulf markets fall after stronger than expected US jobs data

Dubai's main share index gained 0.3%, buoyed by a 14.7% surge in logistics firm Aramex. Abu Dhabi sovereign wealth fund ADQ plans to launch a cash takeover offer for Aramex, bidding for the shares it does not already own in the Dubai-listed courier firm. The Abu Dhabi index added 0.2%.

Oil prices - a catalyst for the Gulf's financial markets - continued to climb on supply concerns as Russia's sea borne exports hit their lowest since August 2023, even before the latest round of US sanctions.

SOUTH KOREAN STOCKS SLIP AS US JOBS DATA CURBS RATE-CUT BETS

- The benchmark KOSPI was down 25.37 points, or 1.01%, at 2,490.44

Reuters Published January 13, 2025

SEOUL: Round-up of South Korean financial markets:

- South Korean shares fell on Monday after better-than-expected US payroll data reinforced bets that the Federal Reserve will be cautious in trimming interest rates this year. The won weakened, while the benchmark bond yield rose.
- The benchmark KOSPI was down 25.37 points, or 1.01%, at 2,490.44, as of 0218 GMT.
- Among index heavyweights, chipmaker Samsung Electronics fell 1.63% and peer SK Hynix lost 3.19%, while battery maker LG Energy Solution was flat.
- Hyundai Motor shed 2.88% and sister automaker Kia Corp lost 1.70%, while search engine Naver and instant messenger Kakao were down 0.25% and down 0.27%, respectively.
- US job growth unexpectedly accelerated in December, while the unemployment rate fell to 4.1%, as the labor market ended the year on a solid footing, reinforcing views that the Federal Reserve would keep interest rates unchanged this month.
- Of the total 943 traded issues, 202 shares advanced, while 694 declined.
- Foreigners were net sellers of shares worth 365.1 billion won on the main board on Monday.
- The won was quoted at 1,472.4 per dollar on the onshore settlement platform, 0.03% lower than its previous close at 1,472.0.

- In offshore trading, the won was quoted at 1,471.6 per dollar, up 0.1% on the day, while in non-deliverable forward trading its one-month contract was quoted at 1,469.6.
- The KOSPI has risen 3.79% so far this year, but lost 0.2% in the previous 30 trading sessions.
- In money and debt markets, March futures on three-year treasury bonds fell 0.21 point to 106.61.
- The most liquid three-year Korean treasury bond yield rose 9.5 basis points to 2.656%, while the benchmark 10-year yield rose by 19.8 basis points to 2.880%.

CHINA AND HK STOCKS EXTEND LOSSES AS US RATE CUT HOPES FADE

Reuters Published January 13, 2025

HONG KONG: China and Hong Kong stocks fell on Monday, weighed down by the rising odds of fewer US interest rate cuts and the widening US-China yield gap.

- At the midday break, the Shanghai Composite index was down 0.45% at 3,154.37 points.
- China's blue-chip CSI300 index was down 0.47%, with the financial sector sub-index lower by 0.8%.
- The consumer staples sector was up 0.11%, the real estate index has gained 0.86% and the healthcare sub-index rose 0.23%.
- The Hang Seng Index slid 1.35% to 18,807.68, set for a six-day losing streak. The Hang Seng China Enterprises Index fell 1.14%.
- Tech giants dropped 1.38%, leading the decline.
- The sell-off followed strong US jobs data on Friday that dealt a blow to hopes for more rate cuts and triggered a broad correction on Wall Street.
- China's 10-year bond yield has tumbled over 100 basis points in a year to be around 1.6%, with the spread to US Treasury yields the widest in 24 years.
- This increasing gap, driven by the drop in Chinese yields, has visibly increased market pressure, CICC analysts said in a note.
- They expect trading to be range-bound in the short term due to caution over Hong Kong stocks.
- On the macro data front, China's exports gathered pace in December, while imports recovered, closing out the year on a positive note as the world's second-largest economy braces for mounting trade risks with the incoming US administration.
- "The market pullback may have more to go heading into the US Presidential inauguration on Jan. 20, with the dollar's strength and a 'high for longer' outlook," JPMorgan analysts, led by Wendy Liu, said in a note.
- The smaller Shenzhen index was down 0.25%, the start-up board ChiNext Composite index was higher by 0.12% and Shanghai's tech-focused STAR50 index was down 0.87%.
- Around the region, MSCI's Asia ex-Japan stock index was weaker by 1.47% while Japan's Nikkei index was down 1.05%.

PSX STARTS WEEK POSITIVE, KSE-100 CLOSES THE DAY WITH GAIN OF NEARLY 1,000 POINTS

BR Web Desk Published January 13, 2025

The Pakistan Stock Exchange (PSX) started the week on a positive note as its benchmark KSE-100 Index gained nearly 1,000 points amid a buying spree on Monday.

The KSE-100 saw some selling in the first few hours, hitting an intra-day low of 113,083.86.

However, a strong buying spree in the latter hours took the index to an intra-day high of 114,496.09.

At close, the benchmark index settled at 114,230.06, an increase of 982.77 points or 0.87%.

"The rally was fueled by strong buying across sectors, underpinned by optimism over economic indicators and expectations of improved December quarter earnings," brokerage house Topline Securities said in its post-market report.

"Notably, blue-chip stocks and high-volume sectors witnessed heightened investor activity following last week's market pullback," it added.

GAL from the auto sector continued its upward trajectory, closing at its upper circuit, driven by the successful launch of the new pickup truck, 'JAC T9 Hunter', which garnered significant attention from investors, according to Topline.

"EngroH contributed negatively by up to 275 points to the KSE-100 as shares were transferred to investors today following the merger."

Key contributors to the upward trajectory included MARI, MTL, UBL, SRVI, and FFC, collectively adding 620 points, the report stated.

"Market will look forward to the next Monetary Policy Committee (MPC), in which consensus expectations should be for a 100bps cut to a policy rate of 12% and a potential conclusion of the easing cycle in the near term," said brokerage house Intermarket Securities in a note on Monday.

"Results season should start soon as well, where bank payouts may lift investor mood; however, results from cyclical sectors may not impress much," it added.

During the previous week, the PSX remained under selling pressure and closed in deep red with heavy losses as the investors opted to offload their holdings on available margins. The benchmark KSE-100 plunged by 4,339.69 points on a week-on-week basis and closed at 113,247.29 points.

Globally, Asian shares slipped on Monday while the dollar held near 14-month peaks after an unambiguously strong payrolls report shoved up bond yields and tested lofty equity valuations just as the earnings season gets underway.

Markets have already scaled back expectations for Federal Reserve rate cuts to just 27 basis points for all of 2025, with the terminal level now seen around 4.0% compared to the 3.0% many had hoped for this time last year.

At least five Fed officials are on the docket to speak this week and offer their reaction to the jobs surprise, with the influential Federal Reserve Bank of New York President John Williams appearing on Wednesday.

The hawkish turn-on rates lifted yields on 10-year Treasuries to 14-month peaks of 4.79%, and they were last trading at 4.764% in Asia.

A holiday in Japan made for thin early trading on Monday and MSCI's broadest index of Asia-Pacific shares outside Japan edged down 0.4%. While the Nikkei,was shut, futures traded down at 38,770 compared to a cash close of 39,190.

Meanwhile, the Pakistani rupee saw a marginal decline against the US dollar, depreciating 0.04% in the inter-bank market on Monday. At close, the currency settled at 278.68 after a loss of Re0.10 against the greenback.

Volume on the all-share index increased to 521.21 million from 499.85 million on Friday.

The value of shares rose to Rs28.29 billion from Rs24.83 billion in the previous session.

WorldCall Telecom was the volume leader with 70.13 million shares, followed by Cnergyico PK with 39.60 million shares, and Sui South Gas with 31.10 million shares.

Shares of 449 companies were traded on Monday, of which 280 registered an increase, 116 recorded a fall, while 53 remained unchanged.

BULLS PROPEL PSX TO 983-POINT DRAMATIC GAIN

January 13, 2025

Karachi, January 13, 2025 – The Pakistan Stock Exchange (PSX) surged on Monday, with the benchmark KSE-100 index gaining 983 points as bullish sentiment dominated the trading session. The PSX's KSE-100 index closed at 114,230 points, significantly higher than last Friday's closing of 113,247 points, showcasing renewed investor confidence.

Analysts at Topline Securities Limited highlighted the dominance of bulls in today's session, which drove the PSX to impressive gains. The index reached an intraday high of 1,248 points before settling with a robust increase of 983 points. This rally underscores the positive momentum building in the PSX.

Strong buying interest across multiple sectors fueled the PSX's rally, supported by optimism over improving economic indicators and expectations of strong December quarter earnings. Blue-chip stocks and high-volume sectors attracted heightened investor activity, reversing last week's market pullback and further cementing the bullish trend at the PSX.

In particular, GAL from the auto sector extended its upward trend, closing at its upper circuit following the successful launch of the new pickup truck, "JAC T9 Hunter," which captured significant investor attention. Meanwhile, EngroH contributed negatively to the PSX's performance, dragging the index by 275 points as shares were transferred to investors due to a merger.

Key contributors to the PSX's upward movement included major players such as MARI, MTL, UBL, SRVI, and FFC, collectively adding 620 points to the KSE-100 index. Despite these gains, trading volumes at the PSX were slightly subdued compared to last week. A total of 515 million shares were traded during the session, with a turnover of Rs 28 billion. WTL led the volume charts at the PSX, with 69 million shares changing hands.

The PSX's strong performance reflects investor optimism and confidence in Pakistan's economic recovery. As the market continues to build on this momentum, the PSX remains a focal point for both local and foreign investors. The trajectory of the PSX in the coming days will depend on macroeconomic developments, corporate earnings announcements, and global market trends, keeping market participants engaged.

Business & Finance » Money & Banking

SBP AIMS TO ACHIEVE 75% FINANCIAL INCLUSION BY 2028

- Central bank launches National Financial Inclusion Strategy (NFIS) 2024-28

Salman Siddiqui Published January 13, 2025

The State Bank of Pakistan (SBP) launched the third National Financial Inclusion Strategy (NFIS) 2024-28 on Monday, targeting to increase access of banking services by 11 percentage points to 75% adult population in four years.

The strategy is aimed at improving lives and livelihood and ramping up economic activities through giving priority to women, youth and disabled persons, and Small and Medium Enterprises (SME), housing, agriculture, microfinance and sustainable finance, according to the central bank.

Here is the full text of the National Financial Inclusion Strategy (NFIS) 2024-28 launched by SBP

"The headline targets for NFIS 2024-28 have been set to improve the level of financial inclusion in Pakistan to 75% and reduce the gender gap to 25% by 2028," the SBP said in the strategy document.

Source: SBP

Since 2015, SBP has implemented two National Financial Inclusion Strategies (NFIS), from 2015-2018, and 2019- 2023, with the goal to improve access and usage of formal financial services by the masses. "As a result, financial inclusion level, broadly defined as the share of adult population having a bank account, has jumped from 16% in 2015 to 64% in 2023."

Financial inclusion through Islamic fintech: path to sustainable development

The third edition of NFIS 2024-28 aims to leverage progress made under the past two strategies, tackle persistent bottlenecks in financial inclusion, and capitalize on further digitalisation efforts to foster new innovations.

"Particular attention has been given to promote financial inclusion and awareness in the underserved and unserved areas, as well as vulnerable segments of society like women, youth and disabled persons."

"As of December 2023, 31 million adult women had at least one bank account as compared to 13 million in 2018, due to which, the gender gap has reduced from 47% in 2018 to 34% in 2023."

Moreover, in order to catalyze inclusive economic growth and development in the country, specific actions have been outlined to revolutionize priority sector financing in the areas of SME, housing, agriculture, microfinance and sustainable finance, with the ultimate aim to enhance the wellbeing of low income and under-privileged population segments.

The 2030 UN Sustainable Development Goals (SDGs) acknowledge financial inclusion as a catalyst for achieving developmental objectives. Financial inclusion is therefore integrated into eight out of the seventeen SDGs covering areas such as poverty eradication, hunger alleviation, health improvement, gender equality, economic empowerment, job creation, innovation support, infrastructure development, and inequality reduction.

Aurangzeb says Pakistan economy's issues have been addressed

The implementation of the two NFIS leveraged new technologies, supportive regulatory frameworks, and enhanced public private partnerships to promote financial inclusion. In particular, schemes such as Asaan Digital Account, Asaan Mobile Account, Raast, provided ease of access to and usage of formal financial services.

Nonetheless, expanding the scope of digital financial services specifically to cater to the needs of the underbanked segments of the society remains a challenge due to general preference for cash embedded in the culture, the strategy report read.

HERE IS THE FULL TEXT OF THE NATIONAL FINANCIAL INCLUSION STRATEGY (NFIS) 2024-28 LAUNCHED BY SBP

BR Web Desk Published January 13, 2025

The State Bank of Pakistan (SBP) launched the third National Financial Inclusion Strategy (NFIS) 2024-28 on Monday, aiming to increase the financial inclusion to 75% and reduce the gender gap to 25% by 2028.

The strategy prioritises to enhance availability and usage of secure and easy digital financial services, improve ecosystem for priority sector financing, and strengthen capabilities of both financial institutions and consumers. Particular attention has been given to promote financial inclusion and awareness in the underserved and unserved areas, as well as vulnerable segments of society like women, youth and disabled persons, the report reads.

FINCA MICROFINANCE BANK: CCP APPROVES ACQUISITION OF 94.8PC STAKE

Recorder Report Published about 5 hours ago

ISLAMABAD: The Competition Commission of Pakistan (CCP) has approved the acquisition of a 94.8 percent shareholding in FINCA Microfinance Bank Limited by TPL Corp Limited and ABHI (Private) Limited. The bank's current shareholders include FINCA Microfinance Coöperatief U.A., International Finance Corporation (IFC), Triodos Fair Share Fund, and Acumen Pakistan.

Under the Sale and Purchase Agreement, TPL Corp Limited will acquire 33.17%, while ABHI (Private) Limited will acquire 61.61% of the target bank's shares. The CCP, in its competition assessment, focused on the microfinance lending services market in Pakistan. The assessment concluded that the acquisition would not result in a dominant market position for the acquirers.

TPL Corp Limited, a publicly listed investment company, is engaged in strategic investments across various sectors, including insurance, real estate, security, asset tracking, and technology start-ups. ABHI (Private) Limited, a licensed private company, offers investment finance services under Pakistan's non-banking finance company regulations.

FINCA Microfinance Bank Limited is a licensed microfinance bank regulated by the State Bank of Pakistan (SBP). The sellers involved in the transaction—FINCA Microfinance Coöperatief U.A., IFC, Triodos Fair Share Fund, and Acumen Pakistan—are all organizations focused on sustainable investment and development in emerging markets.

ASIAN CURRENCIES: RUPIAH, RINGGIT FALL ON STRONG US JOBS REPORT

Reuters Published about 5 hours ago

THAILAND: The Indonesian rupiah and Malaysian ringgit weakened towards three-week lows on Monday while equities in emerging Asian economies fell to their lowest since August, after a robust US employment report intensified fears of prolonged high interest rates.

An MSCI index of emerging market currencies fell marginally and was last circling its late-July levels. Both the rupiah and the ringgit fell around 0.6%, pinned close to their weakest since mid-December.

Equities also came under pressure at the start of the week. Stocks in Thailand and Malaysia slipped 1% each, while those in the Philippines declined 1.4%.

An MSCI gauge of Asian emerging market equities dipped more than 1% to its lowest since early August, dragged down largely by stocks in Taiwan and South Korea, which lost 1.7% and 1%, respectively.

Equities of the two East Asian economies hold an aggregate 35% weight in the MSCI gauge.

A strong US jobs report late on Friday left traders heavily scaling back their expectations for Federal Reserve cuts this year.

“Given a resilient labour market, we now think the Fed cutting cycle is over,” said Bank of America’s senior US economist, Aditya Bhave.

“Our base case has the Fed on an extended hold. But we think the risks for the next move are skewed toward a hike.”

That sentiment pushed the greenback to its highest in more than two years and the 10-year US Treasury yield to a 14-month high.

In Indonesia, the central bank entered the foreign exchange market on Monday, saying it aimed to safeguard the rupiah’s stability and secure market confidence, while attributing the currency’s depreciation to external factors related to US economic data.

Bank Indonesia is set to meet later this week - the first time this year - after it held rates steady in its last three meetings, contrary to the two rate cuts expected after it embarked on its easing cycle in mid-September last year.

But strong US economic data has smoothed out the curve on the Fed’s rate-cut trajectory, triggering the dollar’s upward trend and putting pressure on the rupiah. That, combined with uncertainty around possible moves on tariffs by US President-elect Donald Trump, has prompted Bank Indonesia to stay put.

“BI will struggle to find the respite on the currency front needed to resume policy rate cuts this year,” analysts at Barclays wrote. They have pushed their view of two quarter-point rate cuts for this year to 2026.

In South Korea, the won was largely flat at 1,471.6 per dollar, while Taiwan's dollar slipped 0.5%. Singapore's dollar, Thailand's baht and Malaysia's ringgit weakened slightly.

RISING DOLLAR PRESSURES PEERS AS FURTHER FED RATE CUTS QUESTIONED

Reuters Published about 5 hours ago

NEW YORK: The US dollar rose on Monday, driving its peers to multi-year lows, after Friday's blowout US jobs report underscored the strength of the economy and muddied the outlook for further Federal Reserve rate cuts this year.

The dollar index, which measures the US unit against a basket of currencies, was up 0.24% at 109.9. It surged to its highest in more than two years on Monday, peaking at 110.17 , extending the recent rally.

Friday's data showed US job growth unexpectedly accelerated in December and the unemployment rate fell to 4.1%, leaving traders heavily scaling back bets of Federal Reserve rate cuts this year. Markets were now no longer fully pricing in even one rate cut from the Fed in 2025, down from roughly two quarter-point cuts priced at the start of the year.

With Wednesday's reading on US inflation up next, any upside surprise could further close the door on future easing. A slew of Fed officials are also due to speak this week. "Investors are closely monitoring Wednesday's upcoming inflation data to assess whether it supports the Fed's recent hawkish tilt on inflation," said Uto Shinohara, senior investment strategist, at Mesirow Currency Management in Chicago.

Adding to expectations of a less aggressive easing cycle is the view that President-elect Donald Trump's plans for hefty import tariffs, tax cuts and immigration restrictions could stoke inflation. He returns to the White House in a week.

The euro, which hit its weakest level against the dollar since November 2022 at $1.0177, was down 0.4% at $1.0207. Meanwhile sterling was down 0.37% at $1.2151 after sliding as much as 0.7% to a 14-month low of $1.21. The pound has been under pressure from concerns over rising borrowing costs and growing unease over Britain's finances. It tumbled 1.8% last week. Chris Turner, global head of markets at ING, said the view is that the UK government will probably be forced to announce spending cuts in March, feeding a weaker sterling narrative.

"Elsewhere, there's just not a lot of great growth stories or great central bank stories. So, it's just very hard to bet against the dollar right now," said John Velis, head of FX and macro strategy for the Americas, at BNY Markets.

The Australian dollar, which sank to its weakest since April 2020 at $0.6131, was last trading at 0.615. The New Zealand dollar was at $0.5554, languishing near a more than two-year low.

RUPEE WEAKENS AS WEEK BEGINS; DROPS 10 PAISAS AGAINST DOLLAR

January 13, 2025

Karachi, January 13, 2025 – The Pakistani rupee began the week on a weaker note, losing 10 paisas against the US dollar due to increased demand for foreign payments typically observed at the start of the week. By the end of Monday's trading session, the rupee closed at PKR 278.68 per dollar in the interbank market, slightly down from Friday's closing rate of PKR 278.58.

Currency experts cited the rise in demand for the dollar, driven by import and corporate payment requirements, as the primary factor behind the depreciation. They noted that while the rupee continues to face downward pressure due to dwindling foreign exchange reserves, a surge in remittances has provided intermittent support, partially offsetting the currency's weakness. This mixed performance highlights the ongoing economic challenges confronting Pakistan.

According to the State Bank of Pakistan (SBP), the country's net foreign exchange reserves dropped by $31 million during the week ending January 3, 2025. Total reserves now stand at $16.378 billion, compared to $16.409 billion recorded the previous week. The steady decline in reserves has intensified pressure on the rupee, signaling an urgent need for strategic economic measures to stabilize the currency.

Despite these challenges, remittances from overseas Pakistanis have played a pivotal role in mitigating the rupee's decline. During the first half of the fiscal year 2024-25 (July–December), remittance inflows reached $17.85 billion, reflecting an impressive 38% year-on-year increase from $13.44 billion during the same period last fiscal year. This robust growth underscores the vital contribution of the Pakistani diaspora to the country's economy.

However, the rising import bill continues to erode the rupee's value. Data from the Pakistan Bureau of Statistics (PBS) revealed a 17.44% increase in imports for December 2024, with the monthly import bill climbing to $5.29 billion from $4.50 billion in November. This surging demand for dollars to meet import obligations remains a significant challenge, further exacerbating pressure on the rupee.

The delicate interplay between remittance inflows, dwindling reserves, and mounting imports will play a crucial role in determining the rupee's trajectory in the months ahead. Policymakers face the critical task of implementing reforms to boost foreign reserves and address the persistent dollar demand to achieve sustainable economic stability.

CCP APPROVES 94.8% STAKE ACQUISITION IN FINCA BANK

January 13, 2025

ISLAMABAD, January 13, 2025 – The Competition Commission of Pakistan (CCP) has approved the acquisition of a 94.8% stake in FINCA Microfinance Bank Limited by TPL Corp Limited and ABHI (Private) Limited.

This significant transaction approved by the CCP will transfer ownership of the bank from its current shareholders to the acquirers under a structured sale agreement.

FINCA Microfinance Bank, a licensed institution regulated by the State Bank of Pakistan (SBP), has been a key player in providing microfinance services to underserved communities. Its current shareholders include FINCA Microfinance Coöperatief U.A., International Finance Corporation (IFC), Triodos Fair Share Fund, and Acumen Pakistan—all organizations with a strong focus on sustainable development and investment in emerging markets.

Under the terms of the Sale and Purchase Agreement, TPL Corp Limited will acquire a 33.17% stake, while ABHI (Private) Limited will secure the remaining 61.61% of the shares. This division of ownership reflects a collaborative approach by the two entities, each bringing distinct expertise to the table.

The CCP conducted a comprehensive competition assessment of Pakistan's microfinance lending services market to evaluate the transaction's potential impact. Its findings confirmed that the acquisition would not create a dominant market position for TPL Corp or ABHI, ensuring that the competitive dynamics of the sector remain intact.

TPL Corp Limited is a publicly listed investment company with diverse operations spanning insurance, real estate, security, asset tracking, and technology startups. The company's strategic investments aim to drive innovation and growth across multiple sectors. On the other hand, ABHI (Private) Limited is a licensed private enterprise specializing in investment finance services, operating under Pakistan's non-banking finance company regulations.

The acquisition approved by the CCP is expected to enhance the operational and financial strength of FINCA Microfinance Bank, enabling it to expand its outreach and service quality. By leveraging the strategic and financial capabilities of the new shareholders, the bank aims to reinforce its mission of fostering financial inclusion in Pakistan.

This approval marks a significant step forward for both the acquirers and FINCA Microfinance Bank, aligning with broader objectives to promote sustainable economic growth through inclusive financial services.

Business & Finance » Industry

PAKISTANI INDUSTRIALISTS: BANGLADESHI TRADE FACILITIES CAN SERVE AS SPRINGBOARD: PVMA

Recorder Report Published about 5 hours ago

KARACHI: The Chairman of the Pakistan Vanaspati Manufacturers Association (PVMA), Sheikh Umer Rehan has noted that Bangladeshi trade facilities could serve as a springboard for Pakistani industrialists to expand into new markets, urging entrepreneurs to seize this golden opportunity.

Hailing the historic visit of a Pakistani business delegation to Bangladesh after 12 years, calling it a pivotal moment for the economy he highlighted the significance of the steps taken by Pakistan and Bangladesh to foster mutual trade and friendship, particularly through the easing of visa restrictions.

He expressed optimism that these measures would strengthen bilateral ties and significantly boost trade volumes between the two countries. He congratulated Federation of Pakistan Chambers of Commerce and Industry (FPCCI) President Atif Ikram Sheikh, emphasizing the need for the business community to leverage new opportunities and access untapped markets through the FPCCI platform.

COS SHALL NOT RECEIVE FUNDING FROM BLACKLISTED INGOS: SECP

Sohail Sarfraz Published about 5 hours ago

ISLAMABAD: The Securities and Exchange Commission of Pakistan (SECP) has directed the corporate sector that the companies shall not receive funding/ foreign funding from blacklisted International NGOs (INGOs) or un-registered INGOs having operations in Pakistan.

The SECP on Monday issued a notification to propose amendments in the Companies Regulations, 2024.

The revised regulations revealed that any company shall not receive funding/ foreign funding from blacklisted International NGOs (INGOs) or INGOs having operations in Pakistan and not registered as INGOs in Pakistan.

Under revised regulations, the company shall mandatorily register with the respective Provincial Charities Commission and provide evidence of such registration within 6 months of incorporation. Existing companies must comply with this requirement within 1 year of promulgation.

The company shall maintain its website with the information specified in Annexure V of these Regulations. Where an existing entity is converted to a section 42, company, the existing trust or society must be dissolved within ninety days of the company's incorporation. Evidence of the dissolution must be submitted to the Commission, along with an auditor's certificate confirming the completion of the takeover process within ninety days of incorporation failing which license revocation process shall be initiated leading to strike off name of the company.

The CEO of large sized section 42 companies must be fulltime Employee.

For section 42 companies classified as small the statutory auditor should be QCR rated; for medium and large Companies the auditor should be Audit oversight board (AOB) certified and in addition Medium and large section 42 companies shall obtain PCP certification every three years; intimation of the same to be provided to the Commission within six months of the PCP certification date.

Approval of foreign directors/ members shall only be granted upon receipt of prior security clearance from Ministry of interior, SECP added.

Business & Finance » Companies

GSK TO BUY US BIOTECH FIRM IDRX FOR UP TO $1.15 BILLION

Reuters Published January 13, 2025

British drugmaker GSK, said on Monday that it would pay up to $1.15 billion to buy Boston-based biopharmaceutical firm IDRx, which is developing a treatment for a rare type of tumour.

IDRx, a privately held biotechnology firm, is developing a therapy for the treatment of gastrointestinal stromal tumours.

The deal, which comprises an upfront payment of $1 billion, will add to GSK's growing portfolio in gastrointestinal cancers.

Glaxo Pakistan sustains Rs321mn losses in 6MCY23

The British drugmaker, which has been grappling with a decline in its vaccines businesses, has stepped up its efforts in cancer treatment in recent years.

"This acquisition is consistent with our approach of acquiring assets that address validated targets and where there is clear unmet medical need, despite existing approved products," GSK's Chief Commercial Officer, Luke Miels, said in a statement.

LUFTHANSA CEO EXPECTS ITALY'S ITA TO BOOST PROFITS BY HUNDREDS OF MILLIONS, FAZ REPORTS

Reuters Published January 13, 2025

BERLIN: Lufthansa, expects its planned stake in Italy's ITA Airways to increase the German flagship carrier's profits by hundreds of millions of euros in the coming years, Chief Executive Carsten Spohr told the FAZ NEWSPAPER in an interview published on Monday.

The German airline is set to acquire 41% of ITA, the successor airline to bankrupt Alitalia, for 325 million euros ($335 million) on Jan. 13, a source familiar with the situation told Reuters last week, bringing to a close years of talks.

"Without the prospect of a contribution to earnings in the three-digit million range, we would not have taken this step," Spohr said about Lufthansa's acquisition.

Lufthansa suspends flights to Beirut, Tehran until early 2025

The European Commission approved in November a package of competition remedies securing more routes for the German flag carrier's peers, paving the way for the deal to go through.

Spohr reiterated that a 100% takeover is the "clear goal" but increasing its stake is not currently planned for 2025.

"It is in our interest to keep the Italian government on board in the coming months," he said, adding that the companies will need about 18 months to completely integrate their systems.

PORSCHE'S 2024 CHINA SALES FALL BY 28%

Reuters Published January 13, 2025

BERLIN: German sports car maker Porsche AG, reported a 28% tumble in 2024 China sales on Monday, as persistent weakness in the world's largest car market hit German carmakers.

Porsche, majority-owned by Volkswagen, sold 56,887 vehicles in 2024 in China, versus 79,283 in 2023.

The drop weighed on global sales, which were down 3% at 310,718 vehicles compared with 2023.

Mercedes to expand in India's smaller cities as younger generations splurge

This came despite growth in its other markets, including an 11% rise at home in Germany.

Chinese consumers are increasingly reluctant to spend money on luxury goods on faltering economic growth resulting from a real estate crisis in the country.

"Overall, we have shown ourselves to be extremely robust in a challenging market environment in 2024," Porsche's board member Detlev von Platen said in a statement.

Porsche said in October it would pare back its dealership network in China, reflecting persisting weak demand.

Mercedes-Benz's, core car sales also fell in 2024, the carmaker said last week, hurt by a 7% drop in China, while China sales for the Volkswagen brand fell 8.3% to 2.2 million vehicles.

Technology

APPLE FIGHTS $1.8 BILLION APP STORE LAWSUIT IN FIRST OF UK CLASS ACTIONS AGAINST TECH GIANTS

Reuters Published January 13, 2025

LONDON: Apple has abused its dominant position by charging app developers an unfair 30% commission through its App Store, costing British consumers up to 1.5 billion pounds ($1.8 billion), a London tribunal heard on Monday.

The U.S. tech company is facing a mass lawsuit brought on behalf of around 20 million iPhone and iPad users in the United Kingdom, who were allegedly overcharged for app purchases.

Apple, however, says the case is meritless and overlooks the benefits to consumers of the integrated approach of its iOS operating system, which prioritises security and privacy.

The lawsuit at London's Competition Appeal Tribunal is the first mass lawsuit against a tech giant to come to trial under Britain's burgeoning class action-style regime, with many other cases waiting in the wings.

A similar $1.1 billion case against Google over the commission it charges app developers for access to its Play Store begins later in 2025.

Apple clarifies Siri privacy stance after $95mn class action settlement

Apple is facing a separate case brought on behalf of app developers over its App Store commissions, while Google, Meta and Amazon are also fighting high-value mass lawsuits in Britain.

'100% monopoly'

Rachael Kent, the British academic bringing the case which began on Monday, argues Apple has made "exorbitant profits" by excluding all competition for the distribution of apps and in-app purchases.

This dominant position, her lawyers argue, allows Apple to impose restrictive terms on app developers and charge excessive commission, which they say is ultimately borne by consumers.

"Apple is not just dominant … it holds a 100% monopolyposition," Kent's lawyer Mark Hoskins said in court filings.

But Apple – which has faced mounting pressure from regulators in the U.S. and Europe over the fees it chargesthird-party developers – says 85% of developers do not pay any commission at all.

The company's lawyer, Marie Demetriou, said in court filings that the commission reflects "the enormous benefits conferred through Apple's innovation by the iOS ecosystem as a whole".

Kent's case simply ignores Apple's intellectual property rights, Demetriou added, describing the contention that Apple must let developers use its technology as they wish as "expropriation of property rights masquerading as competition".

The seven-week trial is expected to hear evidence from Apple's chief financial officer Kevan Parekh later this week.

BEZOS SEES NO THREAT FROM MUSK-TRUMP TIES IN SPACE RACE

Reuters Published January 13, 2025

CAPE CANAVERAL: Jeff Bezos said he does not think SpaceX CEO Elon Musk will use his close ties with U.S. President-elect Donald Trump to undercut his space company Blue Origin, adding he feels "very optimistic" about the incoming administration's space agenda.

"Elon has been very clear that he's doing this for the public interest and not for his personal gain. And I take him at face value," Bezos, founder of Blue Origin which rivals SpaceX in the space industry, told REUTERS in an interview on Sunday.

Bezos spoke with Reuters in Cape Canaveral, Florida where he will watch the debut launch of Blue Origin's New Glenn, a 30 story-tall rocket that is expected to chip away at SpaceX's market dominance and kick start Blue Origin's long-delayed entrance in the satellite launch business.

Musk, who spent more than a quarter billion dollars to help elect Trump, has had the president-elect's ear on space matters.

Last month he said the U.S. should send missions straight to Mars instead of going to the moon first, fueling industry concerns of a major shakeup to NASA's space exploration program.

"My own opinion is that we should do both - we need to go to the moon and we should go to Mars," Bezos said, when asked if he was concerned about changes to NASA's moon program.

"What we shouldn't do is start and stop things. We should continue with the lunar program for sure," Bezos said.

Trump in his second term as president is expected to make sweeping changes to NASA's moon program and focus heavily on sending missions to Mars.

Blue Origin flies thrill seekers to space after two-year hiatus

Amazon has donated $1 million to Trump's inauguration fund and will stream the event on its Prime Video service. Bezos, Amazon's founder and executive chairman, has met with Trump but told Reuters "we really haven't talked about space."

Blue Origin, founded by Bezos in 2000, has a $3 billion contract with NASA to land humans on the moon later this decade after missions by SpaceX's Starship, Musk's fully reusable rocket in development that is designed to put humans and cargo on both the moon and Mars.

TSMC FOURTH-QUARTER PROFIT SEEN JUMPING 58% ON STRONG AI CHIP DEMAND

Reuters Published January 13, 2025

TAIPEI: Taiwan Semiconductor Manufacturing Co, the main global producer of advanced chips used in artificial intelligence applications, is expected to report a 58% leap in fourth-quarter profit on Thursday because of surging demand.

The world's largest contract chipmaker, whose customers include Apple and Nvidia, has benefited from the megatrend towards AI.

But the Taiwanese company faces headwinds from US government technology restrictions on China and uncertainty about President-elect Donald Trump's incoming administration, which has threatened broad import tariffs.

TSMC is set to report a net profit of T$377.95 billion ($11.41 billion) for the quarter ended Dec. 31, according to a LSEG SmartEstimate drawn from 22 analysts. SmartEstimates give greater weighting to forecasts from analysts who are more consistently accurate.

That estimate compares to the 2023 fourth-quarter net profit of T$238.7 billion.

TSMC's fourth-quarter revenue handily beats market forecast on AI demand

TSMC last week reported a jump in fourth-quarter revenue in Taiwan dollars, comfortably beating market expectations.

The company gives its revenue outlook in US dollars on its quarterly earnings call, scheduled for 0600 GMT on Thursday. Brett Simpson, Arete Research co-founder and senior analyst, said 2025 will be another year where TSMC's growth is largely driven by AI customers.

"From the US government perspective, Arete is optimistic that TSMC can build a good relationship with the new administration particularly given its new fab cluster in Arizona is the biggest foreign direct investment project in the US at present," he added.

TSMC is spending billions of dollars on new factories overseas, including $65 billion on three plants in the US state of Arizona, though it says most manufacturing will remain in Taiwan.

Edward Chen, chairman of Fubon Financial's securities investment unit, said progress on the Arizona fab and its yield rates, or the percentage of usable chips, would be crucial for the company.

"Additionally, the impact of tariffs to be imposed by the incoming Trump administration on demand remains to be seen," he added.

TSMC, at its earnings call, will update its outlook for the current quarter as well as for the full year, including planned capital expenditure as it races to expand production.

On its last earnings call in October, TSMC said capital expenditure was likely to be higher in 2025 than last year, though it did not provide a figure.

On the call, it predicted 2024 capital expenditure as being slightly higher than $30 billion.

The AI boom has helped drive up the price of shares in Asia's most valuable company, with TSMC's Taipei-listed stock soaring 81% last year, compared with a 28.5% gain for the broader market.

Fuel & Energy

OIL PRICES REMAIN NEAR FOUR-MONTH HIGHS AS MARKETS WEIGH RUSSIA SANCTIONS IMPACT

Reuters Published 11 minutes ago

BEIJING: Oil prices slipped at market open on Tuesday but remained near four-month highs as Chinese and Indian buyers sought new suppliers in the wake of the Biden administration's toughest sanctions yet on Russian oil.

Brent LCOc1 futures slipped 22 cents, or 0.27%, to $80.79 a barrel by 0122 GMT, while U.S. West Texas Intermediate (WTI) crude fell 16 cents, or 0.2% to $78.66 a barrel.

That followed roughly 2% gains in Monday trading, after the U.S. Treasury Department on Friday imposed sanctions on Gazprom Neft and Surgutneftegas as well as 183 vessels that trade oil as part of Russia's so-called "shadow fleet" of tankers.

The move is expected to cost Russia billions of dollars per month, according to one U.S. official.

"A large portion of Russia's shadow tanker fleet has been sanctioned, making it more difficult for Russia and buyers to circumvent the G-7 price cap.

These sanctions have the potential to take as much as 700,000 barrels per day (bpd) of supply off the market, which would erase the surplus that we are expecting for this year," ING analysts said in a note.

But the analysts added the actual impact would probably be less as buyers and sellers found ways to continue getting around the sanctions.

Robert Rennie, head of commodity and carbon strategy at Westpac, said the new measures could affect 800,000 bpd of Russian crude exports for "an extended period" and as much as 150,000 bpd of diesel exports.

As a result, Brent prices could near $85 per barrel, Rennie said, pointing also to the extension of OPEC+ production cuts.

Goldman Sachs had said on Friday that Brent prices could top $85 per barrel in the short term and $90 if a decline in Russian output coincided with a reduction in Iranian production.

Oil prices climb to 4-month high on expectations

U.S. President Joe Biden said prices would stabilise after the sanctions and they were not meant to impact the pocketbooks of U.S. consumers.

Weaker demand from major buyer China could blunt the impact of the tighter supply. China's crude oil imports fell in 2024 for the first time in two decades, opens new tab outside of the COVID-19 pandemic, official data showed on Monday.

Six European countries on Monday also called on the EU to lower its $60 a barrel price cap on Russian seaborne crude and refined oil products, measures aimed at reducing Russia's ability to wage war in Ukraine.

FESCO TO LAUNCH 'CCMS PLUS' TO FACILITATE CONSUMERS

Press Release Published about 5 hours ago

FAISALABAD: In line with the vision of the FESCO Board of Directors (BODs), the provision of convenience to consumers will continue in FESCO. In this regard, the mobile Application FESCO Smart App "CCMS Plus" Electronic Operation (EOPS) containing state-of-the-art technology will be fully launched by the end of this month.

The DG (IT) and his team, led by Chief Executive FESCO Engr Muhammad Amir, provided modern IT-based and digitalized complaint filing equipment to the all complaint centers in FESCO Abdullahpur Division.

In this connection, CEO FESCO Engr Muhammad Amir said that consumers are a valuable asset of the company and facilitate them with all modern facilities is the top priority. Provision of better Customer Services to them will also enhance the prestige of the FESCO, he added. A satisfied consumer reflects the company's performance.

He further said that the BOD is taking all possible measures to provide more facilities to the consumers in the FESCO region. Through the use of modern technology in FESCO, further innovation is being brought into the work by making the Complaint Centers of the Sub Divisions paperless.

He said that in light of the instructions of the FESCO BOD, the FESCO administration is providing convenience to both the users and the department through the use of IT in view of the needs of the modern and changing era, and the launch of the FESCO Smart App is a link in this chain. M Amir said that FESCO's new Mobile App has been launched as a Pilot Project in five Sub Divisions of Abdullahpur Division including Madina Town, Mansoorabad, Gutwala, Naemat Colony and Jaranwal Road and it will be fully functional in all 148 Sub Divisions of FESCO by the end of this month.

The mobile application can be downloaded from the Android phone's app store and install on the mobile. After entering the relevant data, users can easily register on this app and benefit from the various features of this modern app.

OIL PRICES CLIMB TO 4-MONTH HIGH ON EXPECTATIONS

Reuters Published about 5 hours ago

NEW YORK: Oil prices climbed about 2% to a four-month high on Monday on expectations that wider US sanctions on Russian oil would force buyers in India and China to seek other suppliers. Brent futures rose $1.40, or 1.8%, to $81.16 a barrel by 11:18 a.m. EST (1618 GMT), while US West Texas Intermediate (WTI) crude rose $2.15, or 2.8%, to $78.72.

That put Brent on track for its highest close since Aug. 26 and WTI on track for its highest close since Aug. 12, and kept both benchmarks in technically overbought territory for a second day in a row.

Moreover, with Brent and WTI front-month prices rising around 7% over the past three trading sessions, the premium of front-month contracts over later-dated futures, known in the energy industry as time spreads, soared to their highest in several months.

The US Treasury imposed wider sanctions on Russian oil producers late last week, including Gazprom Neft and Surgutneftegaz, as well as 183 vessels that have shipped Russian oil, targeting revenue Moscow has used to fund its war with Ukraine. Analysts and energy traders said the sanctions will push China and India to source more crude from the Middle East, Africa and the Americas, boosting prices and shipping costs.

"There are genuine fears in the market about supply disruption. The worst case scenario for Russian oil is looking like it could be the realistic scenario," said PVM analyst Tamas Varga. "But it's unclear what will happen when Donald Trump takes office next Monday." Goldman Sachs estimated that vessels targeted by the new sanctions transported 1.7 million barrels per day (bpd) of oil in 2024, or 25% of Russia's exports.

The bank is increasingly expecting its projection for a Brent range of $70-$85 to skew to the upside. “No one is going to touch those vessels on the sanctions list or take new positions,” said Igho Sanomi, founder of oil and gas trading company Taleveras Petroleum. At least 65 oil tankers have dropped anchor at multiple locations, including off the coasts of China and Russia, since the US announced the new sanctions package.

CHINA’S CRUDE OIL IMPORTS FALL IN 2024, FIRST TIME IN TWO DECADES OUTSIDE OF COVID

Reuters Published January 13, 2025

China’s crude oil imports fell 1.9% in 2024, data showed on Monday, the first annual decline in two decades outside of pandemic-induced falls, as tepid economic growth and peaking fuel demand dampened purchases.

Imports totalled 553.4 million metric tons, equivalent to 11.04 million barrels per day (bpd), according to data from the General Administration of Customs.

That compared with 2023’s record 11.28 million bpd.

Imports in December fell to 47.84 million tons, or 11.27 million bpd, from 11.81 million bpd in November and 11.39 million bpd in December 2023.

“China in 2024 was a let down with the market expecting steady to stronger growth from 2023. Deflationary pressures and transport electrification dampened growth,” said Emril Jamil, senior analyst with LSEG ahead of the data release.

China’s demand for key transportation fuels barely grew in 2024, as rapid electrification of its vehicle fleet displaced gasoline while a property sector crisis and lacklustre merchandise exports crimped demand for diesel.

Analysts said China’s demand for fuels, except those used as petrochemical feedstocks, peaked in 2023, as growth in aviation fuel failed to make up for the falls in gasoline and diesel.

Depressed fuel demand and narrowing refining margins have forced refiners, both state run and independents, to scale back crude throughput cutting into demand for crude oil.

China may trim fuel oil imports amid 2025 tax hike, sources say

Chinese consultancy Oilchem estimated independent refiners in east China’s refining hub - Shandong province - operated at 53.66% of their crude oil processing capacity in 2024, down 8.3 percentage points from 2023.

Plant closures at PetroChina’s Dalian refinery, part of a relocation plan, and indefinite shutdowns at Sinochem Group’s Shandong refineries contributed to a decline in crude oil imports.

State giant Sinopec reported last October its gross refining margins for the first three quarters of 2024 stood at $5.65 a barrel, the second lowest since 2019, according to company reports.

Monday's data showed China's natural gas imports, comprising liquefied natural gas (LNG) and piped gas, rose nearly 10% to 131.69 million tons in 2024, a record high.

Imports in December came in at 11.56 million tons, up from November's 10.8 million tons but lower than the 12.65 million tons in December 2023.

Exports of refined fuel products, which include diesel, aviation fuel, gasoline and marine fuel, totalled 58.14 million tons, down 7.2% from 2023, the data showed.

December exports at 3.73 million tons were the lowest in 2024 as companies ran short of export quotas.

US NATGAS PRICES HOLD NEAR 2-YEAR HIGH AS LOWER FLOWS TO FREEPORT LNG OFFSET COLD WEATHER FORECASTS

Reuters Published about 5 hours ago

NEW YORK: US natural gas futures held near a two-year high on Monday as forecasts for colder weather and more heating demand next week than previously expected offset a reduction in the amount of gas curtailed by freezing pipes and lower flows to Freeport LNG's export plant in Texas.

After soaring about 10% to a two-year high earlier in the session, front-month gas futures for February delivery on the New York Mercantile Exchange were down 1.5 cents, or 0.4%, to $3.974 per million British thermal units at 9:41 a.m. EST (1441 GMT). On Friday, the contract closed at its highest price since Jan. 4, 2023.

In the spot market, extreme cold blanketing parts of the country boosted next-day gas prices at the US Henry Hub benchmark in Louisiana and the Eastern Gas South hub to their highest levels since January 2024.

Analysts projected the next three storage reports for the weeks ending Jan. 10, 17 and 24 could each show utilities pulling more than 200 billion cubic feet (bcf) of gas from inventories to meet soaring heating demand. Some analysts said withdrawals this month could top the current record high of 994 bcf set in January 2022, according to federal energy data.

Those storage withdrawals could wipe out the current surplus of gas in storage, which stands near 7% over the five-year average, by the end of January. That would be the first time stockpiles would fall below the five-year average since January 2022.

Financial firm LSEG said average gas output in the Lower 48 US states has slid to 103.1 billion cubic feet per day (bcfd) so far in January, down from 104.2 bcfd in December. That compares with a record 104.5 bcfd in December 2023.

Over the weekend, LSEG slashed estimated production curtailments due to freezing oil and gas wells and pipes so far this year to just 1.4 bcfd from Jan. 4-7 on Monday, down from a projected 5.9 bcfd from Dec. 31-Jan. 10 on Friday. The energy industry calls those curtailments freeze-offs.

In past winters, freeze-offs cut gas output by around 16.5 bcfd from Jan. 8-16 in 2024, 19.4 bcfd from Dec. 21-24 in 2022, and 20.4 bcfd from Feb. 8-17 in 2021, according to LSEG data.

Meteorologists projected weather in the Lower 48 states would remain mostly colder than normal through Jan. 28, with the coldest day still to come on Jan. 21.

With colder weather coming, LSEG forecast average gas demand in the Lower 48, including exports, would rise from 144.4 bcfd this week to 149.2 bcfd next week. The forecast for this week was lower than LSEG's outlook on Friday, while its forecast for next week was higher.

On a daily basis, LSEG said total gas use so far this winter peaked at 158.9 bcfd on Jan. 8 and would reach 165.1 bcfd on Jan. 21. That, however, would fall short of the daily record high of 168.4 bcfd on Jan. 16, 2024.

The amount of gas flowing to the eight big US LNG export plants has risen to an average of 15.0 bcfd so far in January, up from 14.4 bcfd in December. That compares with a monthly record high of 14.7 bcfd in December 2023. On a daily basis, LNG feedgas was on track to slide from an all-time high of 15.5 bcfd on Jan. 11 to 14.4 bcfd on Monday due mostly to reduced flows to Freeport LNG's 2.1-bcfd plant in Texas. Separately, flows to Venture Global LNG's 2.6-bcfd Plaquemines export plant under construction in Louisiana were on track to rise to a record 1.0 bcfd on Sunday and Monday.

OIL JUMPS ON EXPECTED HIT TO CHINA AND INDIA'S RUSSIAN SUPPLIES

Reuters Published January 13, 2025

LONDON: Oil extended gains for a third session on Monday, with Brent crude rising above $80 a barrel to its highest in more than four months, driven by wider U.S. sanctions on Russian oil and the expected effects on exports to top buyers India and China.

Brent crude futures rose $1.20, or 1.5%, to $80.96 a barrel by 1022 GMT after hitting the highest level since Aug. 27 at $81.49.

U.S. West Texas Intermediate crude was up $1.30, or 1.7%, at $77.87 a barrel after touching its highest since Aug. 15 at $78.58.

Brent and WTI have climbed by about 6% since Jan. 8, surging on Friday after the U.S. Treasury imposed wider sanctions on Russian oil. The new sanctions included producers Gazprom Neft and Surgutneftegaz, as well as 183 vessels that have shipped Russian oil, targeting revenue Moscow has used to fund its war with Ukraine.

Russian oil exports will be hurt severely by the new sanctions, pushing China and India to source more crude from the Middle East, Africa and the Americas, which will boost prices and shipping costs, traders and analysts said.

“There are genuine fears in the market about supply disruption. The worst case scenario for Russian oil is looking like it could be the realistic scenario,” said PVM analyst Tamas Varga. “But it’s unclear what will happen when Donald Trump takes office next Monday.”

Oil prices rally as US hits Russian oil with tougher sanctions

The sanctions include a wind-down period until March 12, so there may not be major disruptions yet, Varga added.

Goldman Sachs estimated that vessels targeted by the new sanctions transported 1.7 million barrels per day (bpd) of oil in 2024, or 25% of Russia’s exports. The bank is increasingly expecting its projection for a Brent range of $70-85 to skew to the upside, its analysts wrote in a note.

Expectations of tighter supplies have also pushed Brent and WTI monthly spreads to their widest backwardation since the third quarter of 2024. Backwardation is a market structure in which prompt prices are higher than those for future months, indicating tight supply.

RBC Capital Markets analysts said the doubling of tankers sanctioned for moving Russian barrels could be a major logistical problem affecting crude flows.

“No one is going to touch those vessels on the sanctions list or take new positions,” said Igho Sanomi, founder of oil and gas trader Taleveras Petroleum.

“Russian supply is going to be disrupted, but we don’t see this having a significant impact because OPEC has spare capacity to fill that supply gap.”

The OPEC+ cartel comprising the Organization of the Petroleum Exporting Countries and a group of Russia-led producers, is holding back 5.86 million barrels per day, about 5.7% of global demand.

Many of the tankers named in the latest sanctions have been used to ship oil to India and China after previous Western sanctions and a price cap imposed by the Group of Seven countries in 2022 shifted trade in Russian oil from Europe to Asia. Some of the ships have also moved oil from Iran, which is also under sanctions.

“The last round of OFAC (U.S. Office of Foreign Assets Control) sanctions targeting Russian oil companies and a very large number of tankers will be consequential in particular for India,” said Harry Tchilinguirian, head of research at Onyx Capital Group.

JPMorgan analysts said Russia had some room to manoeuvre despite the new sanctions, but it would ultimately need to acquire non-sanctioned tankers or offer crude at or below $60 a barrel to use Western insurance as stipulated by the West's price cap.

Markets – Rates

KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Monday (January 13, 2025). ========================== KIBOR...

Published about 5 hours ago

KARACHI: Kibor interbank offered rates on Monday (January 13, 2025).

KIBOR

Tenor	BID	OFFER
1-Week	12.87	13.37
2-Week	12.81	13.31
1-Month	12.60	13.10
3-Month	11.63	11.88
6-Month	11.62	11.87
9-Month	11.59	12.09
1-Year	11.56	12.06

Data source: SBP

SHIPPING INTELLIGENCE

Recorder Report Published about 5 hours ago

KARACHI: Karachi Shipping Intelligence report incorporating changes till 7 am on Monday (January 13, 2025).

Alongside East Wharf

Berth No.	Ship	Working	Agent	Berthing Date
OP-1	M.T Mardan	Disc Crude Oil	Pakistan Nation Ship Corp	13-01-2025
OP-3	MpMr	Disc	Alphine Marine	13-01-2025

	Tanker	Mogas	Services	
B-1	Yateeka	Load Molasses	Eastwind Shipping Co	10-01-2025
B-11/B-12	Chris Gr	Load Clinker	Crystal Sea Services	10-01-2025
B-11/B-10	Annita	Disc General Cargo	Seahawks Asia Global	11-01-2025
B-13/B-14	Akour II	Load Clinkers	Bulk Shipping Agencies	05-01-2025
B-14/B-15	Star Greenwich	Load Clinkers	Ocean Services	10-01-2025
B-16/B-17	Ning Jing Hai	Disc General Cargo	Seahawks	11-01-2025

Alongside WEST Wharf

B-24	Wawasan Topaz	Disc Base Oil	Alphine Marine Services	13-01-2025
B-26/B-27	Xin Hang Zhou	Dis/Load Containers	CoscoShiping Line Pak	12-01-2025

Alongside SOUTH Wharf

Sapt-2	Cscl Neptune	Dis/Load Containers	Oocl Pakistan	11-01-2024
Sapt-3	Apl Antwerp	Dis/Load Containers	CmaCgm Pakistan	11-01-2025

Expected Sailing

Name of Vessel	Expected Date	Expected Arrival Cargo	Agent

Expected Arrivals

Addison	13-01-2025	D/L Container	Oceansea Shipping
Interasia Amplify	09-01-2025	D/L Container	Rahmat Shipping
Zhong Wang Teng Da	13-01-2025	D/50624 General Cargo	Legend Shipping & Logistic
Songa Neptune	14-01-2025	D/17300 Chemical	Gac Pakistan
Gc Argon	14-01-2025	L/15000 Napththa	Trans Maritime
Med Pakize	14-01-2025	D/2000 Chemical	Alphine Marine Services
Crystal St. Petersburg	14-01-2025	D/L Container	Pak Shaheen
Hyundai Force	14-01-2025	D/L Container	United Marine Services
Cap Andreas	14-01-2025	D/L Container	Ocean Network Express Pakistan
Princess Masa	14-01-2025	D/3300 General Cargo	Seahawks Asia Global
Nasc Gem	14-01-2025	L/21000 Mill Scale	Crystal Sea Services

Ship Sailed

Name of Vessel	Departure Date	Ships Departures Cargo	Agent
X-Press Cassiopeia	13-01-2025	Container Ship	-
Ocean Hope	13-01-2025	Tanker	-
Safeen Power	13-01-2025	Container Ship	-

PORT QASIM INTELLIGENCE

Berth	Vessel	Working	Agent	Berthing Date
MULTI PURPOSE TERMINAL				
MW-1	Adventure	Steel Coil	GAC	Jan. 12, 2025
MW-2	Haj Mohammad	Cement	Crystal Sea Ship	Jan. 09, 2025
LIQUID CARGO TERMINAL				
LCT	Nymph Thetis	Palm oil	Alpine	Jan. 12, 2025
QASIM INTERNATIONAL CONTAINER TERMINAL				
QICT	Cussler	Container	GAC	Jan. 12, 2025
FOTCO OIL TERMINAL				
FOTCO	Pacific Julia	Gas oil	GAC	Jan. 12, 2025
GRAIN & FERTILIZER TEMINAL				
FAP	African Plover	Rice	Ocean Service	Jan. 07, 2025
SSGC LPG TERMINAL				
SSGC	White Shark	LPG	Merchant Marine	Jan. 10, 2025

DEPARTURE

Vessel	Commodity	Ship Agent	Departure Date
EXPECTED Departures			
Cussler	Container	GAC	Jan. 13, 2025
African Plover	Rice	Ocean Service	-do-
Chemroad Zenith	Chemicals	Alpine	-do-
OUTERANCHORAGE			
Korea Chemi	Chemicals	East Wind	Jan. 13, 2025
Marangas Asclepius	LNG	GSA	-do-

Maritime			
Kelly Anne	Palm oil	Alpine	Waiting for Berths
OM Singapore	Palm oil	Alpine	-do-
PM Duke	Palm oil	Alpine	-do-
Ardmore			
Cheyenne	Palm oil	Alpine	-do-
M TM Amazon	Palm oil	Alpine	-do-
Autaurus	Palm oil	Alpine	-do-
EVA Manila	Palm oil	Alpine	-do-
Hexagon Alpha	Palm oil	Alpine	-do-
Artemida	Palm oil	Trans Marine	-do-
Meissa	Palm oil	Alpine	-do-
Torm Diana	Palm oil	Alpine	-do-
Hafnia			
Executive	Gas oil	GAC	-do-
Rich Rainbow	Gas oil	Alpine	-do-
Asprouda	Gas oil	Trans Marine	-do-
Maya Gas-1	LPG	Merchant Marine	-do-
Venus	LPG	Merchant Marine	-do-
Nord Valorous	Soyabeen oil	Alpine	-do-
Centurion Buyo	Steel Coil	Alpine	-do-
Dulce Diva	Cement	Global Maritime	-do-
Prince Zain	Rice	Ocean World	-do-

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EXPECTED ARRIVAL

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X-Press Kohima	Container	GAC	Jan. 14th, 2025
Cap Andreas	Container	Ocean Network	-do-

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BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (January 13, 2025). ==================================== BR...

Recorder Report Published about 5 hours ago

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (January 13, 2025).

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BR INDICASE AT A GLANCE

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BRINDEX100	
Day Close:	114,230.06
High:	114,496.09
Low:	113,083.86
Net Change:	982.77
Volume (000):	198,489
Value (000):	18,176,607
Makt Cap (000)	3,385,326,000

```
BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                 21,840.16
NET CH                    (+) 757.48
------------------------------------
BR CEMENT
------------------------------------
Day Close:                 10,717.39
NET CH                     (+) 94.87
------------------------------------
BR COMMERCIAL BANKS
------------------------------------
Day Close:                 29,643.56
NET CH                    (+) 213.18
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                 18,116.13
NET CH                    (+) 137.64
------------------------------------
BR OIL AND GAS
------------------------------------
Day Close:                 12,395.91
NET CH                    (+) 123.54
------------------------------------
BR TECH & COMM
------------------------------------
Day Close:                  5,334.54
NET CH                     (+) 62.13
------------------------------------
As on:               13-January-2025
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These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

PSX ENDS ON STRONG POSITIVE NOTE

Recorder Report Published about 5 hours ago

KARACHI: Pakistan Stock Exchange on Monday witnessed bullish trend and closed on strong positive note with healthy gains on the back of fresh buying on available attractive low levels.

The benchmark KSE-100 index surged by 982.77 points or 0.87 percent and crossed 114,000 level to close at 114,230.06 points. During the session, the index hit 114,496.09 points intra-day high, however closed on slightly low level due to profit taking in some stocks.

Trading activities also improved as total daily volumes on ready counter increased to 521.209 million shares as compared to 499.846 million shares traded on last Friday while total daily traded value on the ready counter increased to Rs 28.287 billion against previous session's Rs 24.825 billion.

BRIndex100 soared by 152.44 points or 1.29 percent to close 11,949.19 points with total turnover of 458.983 million shares.

BRIndex30 increased by 548.73 points or 1.52 percent to close at 36,646.47 points with total daily trading volumes of 344.104 million shares.

The foreign investors however remained on the selling side and withdrew $3.358 million from the local equity market. Total market capitalization increased by Rs 132 billion to Rs 14.362 trillion. Out of total 449 active scrips, 280 closed in positive and 116 in negative while the value of 53 stocks remained unchanged.

WorldCall Telecom was the volume leader with 70.133 million shares and inched up by Rs 0.03 to close at Rs 1.78 followed by Cnergyico PK that gained Rs 0.27 to close at Rs 6.95 with 39.599 million shares. Sui Southern Gas Company increased by Rs 3.83 to close at Rs 43.76 with 31.998 million shares.

Unilever Pakistan Foods and Service Industries were the top gainers increasing by Rs 499.99 and Rs 126.00 respectively to close at Rs 21,400.00 and Rs 1,542.18 while JDW Sugar Mills and Sapphire Textile Mills were the top losers declining by Rs 55.00 and Rs 44.08 respectively to close at Rs 913.09 and Rs 1,206.00.

An analyst at Topline Securities said that the bulls firmly took control of the trading session, propelling the market to impressive gains. The index surged to an intraday high of plus 1,248 points before eventually closing at the 114,000 level, marking a robust increase of 700 points or 0.63 percent.

The rally was fuelled by strong buying across sectors, underpinned by optimism over economic indicators and expectations of improved December quarter earnings. Notably, blue-chip stocks and high-volume sectors witnessed heightened investor activity following last week's market pullback.

GAL from the Auto Sector continued its upward trajectory, closing at its upper circuit, driven by the successful launch of the new pickup truck, "JAC T9 Hunter," which garnered significant attention from investors.

Engro Holdings contributed negatively by up to 275 points to the KSE-100 as shares were transferred to investors following the merger.

Key contributors to the upward trajectory included MARI, MTL, UBL, SRVI, and FFC, collectively adding 620 points.

BR Automobile Assembler Index surged by 757.48 points or 3.59 percent to close at 21,840.16 points with total turnover of 13.971 million shares.

BR Cement Index gained 94.87 points or 0.89 percent to close at 10,717.39 points with 45.850 million shares

BR Commercial Banks Index added 213.18 points or 0.72 percent to close at 29,643.56 points with 30.915 million shares.

BR Power Generation and Distribution Index increased by 137.64 points or 0.77 percent to close at 18,116.13 points with 28.059 million shares.

BR Oil and Gas Index soared by 123.54 points or 1.01 percent to close at 12,395.91 points with 62.513 million shares.

BR Tech. & Comm. Index closed at 5,334.54 points, up 62.13 points or 1.18 percent with 110.689 million shares.

"At first, the benchmark index received some profit taking but after that selling there was no bumps in the road. Investors did some value hunting post last week massive selling as blue-chip stocks were available on attractive price levels offering handsome dividend yields", ", Ali Najib at Insight Securities said.

Anticipation of 100bps further cut in interest rates in the upcoming monetary policy (scheduled on Jan 27th), expectation of further cooling down on inflation front as street is expecting that Jan inflation number may land at 3-3.5 percent and prospects of better corporate announcements in the forthcoming result season kept the bears at the bay during the trading hours.

Today, MARI, MTL, UBL, SRVI and FFC cumulatively added 576 points to the index. Conversely, ENGROH, BAFL and PKGP lost 331 points, collectively.

ACTIVITIES OF KARACHI PORT TRUST, PORT QASIM

Recorder Report Published about 5 hours ago

KARACHI: The Karachi Port Trust handled 273,657 tonnes of cargo comprising 104,268 tonnes of import cargo and 169,268 tonnes of export cargo during last 48 hours ending at 0700 hours.

The total import cargo of 104,268 comprised of 65,242 tonnes of Containerized Cargo, 18,859 tonnes of Bulk Cargo, 14,164 tonnes of Di Ammonium Phosphate & 6,003 tonnes of Liquid Cargo.

The total export Cargo of 169,389 comprised of 84,683 tonnes of Containerized Cargo, 75,706 tonnes of Clinkers & 9,000 tonnes of Liquid Cargo.

Around, 05 ships namely, Xin Hang Zhou, MT Mardan, Wawasan Topaz & Mp Mr Tanker berthed at the Karachi Port Trust.

Approximately, 04 ships, namely X-Press Cassiopeia, Ocean Hope & Safeen Power sailed from Karachi Port Trust.

PORT QASIM

A total of seven ships were engaged at PQA berths during the last 24 hours, out of them three ships, Cussler, African Plover and Chemroad Zenith are expected to sail on Monday.

Cargo volume of 60,391 tonnes, comprising 40,324 tonnes imports cargo and 20,067 tonnes export cargo carried in 1,860 Containers (890 TEUs Imports &970 TEUs Export) was handled at the port during last 24 hours.

There are 22 ships at Outer Anchorage of Port Qasim, out of them two ships ,Korea Chemi and Marangas Asclepius & another ship ‘PNS Yarmook’ carrying Chemicals and LNG are expected to take berths at EVTL and EETL respectively on Monday 13th January, while two more container ships, X-Press Kohima and Cap Andreas are due arrive at outer anchorage on Tuesday January 14, 2025.

LME OFFICIAL PRICES

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

Recorder Report Published about 5 hours ago

LONDON: The following were Friday official prices.

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=========================================
ALUMINIUM
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                2560.00        2560.50
3-month             2575.00        2577.00
=========================================
COPPER
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                8995.00        8995.50
3-month             9094.00        9095.00
```

ZINC

CONTRACT	BID	OFFER
Cash	2856.00	2856.50
3-month	2894.00	2895.00

NICKEL

CONTRACT	BID	OFFER
Cash	15360.00	15400.00
3-month	15590.00	15610.00

LEAD

CONTRACT	BID	OFFER
Cash	1948.00	1949.00
3-month	1967.00	1969.00

Source: London Metals Exchange.

OPEN MARKET FOREX RATES

Updated at: 14/1/2025 7:47 AM (PST)

Currency	Buying	Selling
Australian Dollar	171.75	174.00
Bahrain Dinar	737.85	745.85
Canadian Dollar	194.10	196.50
China Yuan	37.97	38.37
Danish Krone	38.08	38.48
Euro	285.75	288.50
Hong Kong Dollar	35.47	35.82
Indian Rupee	3.19	3.28
Japanese Yen	1.78	1.84
Kuwaiti Dinar	897.25	906.75
Malaysian Ringgit	61.28	61.88
NewZealand $	152.73	154.73
Norwegians Krone	23.97	24.27
Omani Riyal	722.25	730.75
Qatari Riyal	75.9	76.60
Saudi Riyal	74.05	74.60
Singapore Dollar	204	206.00
Swedish Korona	24.76	25.06
Swiss Franc	303.71	306.51
Thai Bhat	7.93	8.08
U.A.E Dirham	75.70	76.35
UK Pound Sterling	341.50	345
US Dollar	278.95	280.45

INTER BANK RATES

Updated at: 14/1/2025 7:47 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	170.64	170.95
Canadian Dollar	192.37	192.71
China Yuan	37.91	37.98
Danish Krone	38.04	38.11
Euro	283.74	284.25
Hong Kong Dollar	35.68	35.75
Japanese Yen	1.7646	1.7678
Saudi Riyal	74.01	74.14
Singapore Dollar	202.22	202.59
Swedish Korona	24.80	24.84
Swiss Franc	302.77	303.31
Thai Bhat	7.99	8.00
UK Pound Sterling	337.34	337.95
US Dollar	279.00	279.50

GOLD RATE

Bullion / Gold Price Today

As on Tue, Jan 14 2025, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	240,780	280,548	748,923	
Palladium	XPD	85,947	100,142	267,329	
Platinum	XPT	86,488	100,773	269,013	
Silver	XAG	2,723	3,172	8,468	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Tue, Jan 14 2025, 02:58 GMT

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

Gold Rate

FOREX.pk offered latest and upto date Gold Rate in Pakistan as per International market for today gold rates in Pakistan you can visit GOLD.pk, We update international market gold rate in every fifteen minutes from authentic sources, Gold rates may be different in every city of Pakistan. Karachi is the main hub of gold market, in Pakistan, Karachi is leading for gold rate, every city follow Karachi Sarafa Bazar Association for gold price, Today gold prices for different cities including Karachi, Lahore, Islamabad, Peshawar, and Quetta are also available on Gold.pk. FOREX.pk is not liable or responsible to any transactions made on the basis of above mentioned gold rate.

* Above Gold rate are taken from International Market so there may be some fluctuation from Local Market you can visit GOLD.pk for uptodate today gold price in Pakistan.

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	6,340	7,387	19,720	
Euro	EUR	835	972	2,596	
Japanese Yen	JPY	136,414	158,944	424,302	
Saudi Riyal	SAR	3,242	3,778	10,085	
U.A.E Dirham	AED	3,175	3,700	9,877	
UK Pound Sterling	GBP	708	825	2,201	
US Dollar	USD	865	1,007	2,689	