2024

SHAHID LEGAL GROUP

SLD NEWS UPDATES

Wednesday, October 16,

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IN NEWS

Business & Finance » Taxes

Repeated maladministration to taxpayers: FTO directs FBR to take action against RTO Rawalpindi officers

FBR Enforces Strict Policy on Incomplete Tax Returns

FBR Reveals Alarming Surge in Nil-Filers to 37% of Total Returns

Markets » Cotton & Textile

Cotton spot rates

Volume of business improves on cotton market

Stock & Commodity

Pakistan Stocks Gain 579 Points Amid SCO Summit Optimism

Wall Street loses ground as chip, oil stocks plummet

Tech stocks hurt STOXX 600, ASML logs biggest one-day drop

China stocks slide as investors await fiscal spending details

Nikkei hits multi-month peak on Wall Street boost

Most Gulf markets gain ahead of earnings

US stocks mixed at open as markets digest earnings

KSE-100 gains nearly 600 points on SCO summit optimism

Indian shares drop as prospect of delayed domestic rate cuts dulls sentiment

Sri Lankan shares end flat

Major Gulf markets mixed on weak oil, ahead of earnings

European shares climb to two-week highs; oil stocks slump

Oil firms, industrial metal miners drag down London's FTSE 100

Hong Kong stocks dive more than 3% in afternoon trading

China stocks slip as investors wait on fiscal spending

Australia shares touch record high, Ampol top loser on benchmark

Business & Finance » Money & Banking

Indian rupee ends little changed

Dollar weakens against major currencies

Asian FX loses ground on dollar strength

BMP Provides Rs 1.06 Bn Relief to Banking Customers 9MCY24

Rupee Slips 8 Paisas to Dollar Amid Import Payments

Trade & Industry

Business & Finance » Companies

Technology

Economic distress

Fuel & Energy

Markets – Rates

Business & Finance » Taxes

REPEATED MALADMINISTRATION TO TAXPAYERS: FTO DIRECTS FBR TO TAKE ACTION AGAINST RTO RAWALPINDI OFFICERS

Sohail Sarfraz Published October 15, 2024

ISLAMABAD: The Federal Tax Ombudsman (FTO) has directed the Federal Board of Revenue (FBR) to take immediate action against the delinquent tax officers of Regional Tax Office (RTO) Rawalpindi involved in repeated maladministration to the sales tax registered taxpayers.

According to an order issued by the FTO against the RTO Rawalpindi, the agony suffered and borne by the taxpayer since 2011 must be immense.

The FTO office is shocked that the RTO Rawalpindi attached the bank account of the complainant and recovered the sales tax demand, amounting to Rs 16, 73,244 without due process of law.

The FTO has directed the FBR to instruct Member-IR (Operations) FBR to get conducted a fact-finding enquiry to identify delinquent officers responsible for maladministration in this case. The chief commissioner, RTO, Rawalpindi to allow refund of already-recovered amount of Rs 1,673,244.

The FTO order revealed that an in-depth study of the whole case casts serious aspersions on the working of FBR. Initially, a demand of Rs 2,552,008 (principal amount) was created by audit officer for the tax period 2009 and 2010 on the grounds of (i) non-production of record (ii) difference in Income Tax and Sales Tax Returns and (iii) discrepancy in E-Folder of FBR Web Portal and STR declaration. On rejection of appeal, by the CIR (Appeal) vide order dated 31.05.2012 the department recovered Rs 1,673,244 on 06.06.2012 pertaining to ground (iii) as aforementioned by attaching bank account of the complainant. The department again decided the case and reduced the recoverable amount to Rs 1,674,321.

Now in compliance of CIR (Appeals-III) Rawalpindi, the Assistant Commissioner-IR A&E, Unit-I (City Zone) RTO Rawalpindi vide Sales Tax Order-in-Remand No 40/2023-24 has vacated the earlier adjudged liability of Rs 1,624,321. During hearing, the AR informed that he has not received the said Order-in-Remand.

Accordingly, a copy was provided to him. This is a serious case infested with multiple shades of maladministration, the FTO order added.

FBR ENFORCES STRICT POLICY ON INCOMPLETE TAX RETURNS

October 15, 2024

Karachi, October 15, 2024 – The Federal Board of Revenue (FBR) has made it clear that incomplete income tax returns will now be treated as invalid, ushering in a stricter regime to ensure compliance. This move aligns with Section 120 of the Income Tax Ordinance, 2001, which outlines the criteria for submitting and accepting tax returns.

According to FBR, a tax return will only be accepted if it meets the stringent requirements detailed in Section 120. These stipulations emphasize the need for taxpayers to submit a complete and accurate return of income. The consequences of failing to do so are severe, with the FBR reiterating that any return deemed incomplete will be rendered invalid, as though it had never been submitted.

Legal Provisions Under Section 120

The FBR's directive is grounded in the provisions of Section 120 of the Income Tax Ordinance, which mandates that a return must be complete for it to be assessed. Once a valid return is submitted, it is considered an official assessment of the taxpayer's income and the tax due, with the Commissioner automatically issuing an assessment order on the day the return is filed.

However, Section 120 also introduces a crucial clause: if a taxpayer fails to meet the full requirements of the ordinance, including any deficiencies or omissions, their return will be rejected. This invalidation carries significant repercussions, as the taxpayer will be considered non-compliant, subjecting them to potential penalties and additional scrutiny.

The ordinance empowers the Commissioner to audit the tax affairs of individuals under Section 177, even after the submission of a complete return. This additional oversight ensures that even after compliance, taxpayers remain subject to detailed reviews.

The Role of Automation in Tax Return Processing

To further streamline the process and ensure accuracy, Section 120(2A) mandates that all tax returns are processed through an automated system. This system makes adjustments for:

1. Arithmetic errors – Incorrect calculations of taxable income or tax payable.

2. Incorrect claims – Errors or inconsistencies evident from the information in the return.

3. Disallowance of losses and deductions – Under specific parts of the ordinance, including any tax credits or carryforward losses.

Before making any adjustments, however, the system will generate a notice to the taxpayer, providing them with 30 days to address the discrepancies. In the absence of a response, the system will automatically make the adjustments and notify the taxpayer through the IRIS online system.

Addressing Incomplete Returns

If a taxpayer submits an incomplete return, the Commissioner is required to issue a notice highlighting the deficiencies. This notice gives the taxpayer an opportunity to rectify the errors by submitting the missing information by the date specified. Should the taxpayer fail to comply within the prescribed timeframe, the return will be invalidated, essentially nullifying the submission.

Moreover, no notices can be issued after 180 days from the end of the financial year in which the return was furnished. If no adjustments are made within this period, the amounts declared by the taxpayer will be deemed final.

Implications for Taxpayers

This move by the FBR represents a significant tightening of tax enforcement, aimed at increasing transparency and compliance. The automated systems ensure that errors are detected and corrected swiftly, leaving little room for mistakes or intentional underreporting.

For taxpayers, it underscores the importance of ensuring their returns are complete and accurate from the outset. Any misstep or failure to comply could result in their returns being declared invalid, leading to audits, penalties, and further legal action.

With the FBR's emphasis on precision and accountability, taxpayers must now exercise greater diligence in meeting their obligations, ensuring that all aspects of their returns align with the stringent requirements set forth in the Income Tax Ordinance.

FBR REVEALS ALARMING SURGE IN NIL-FILERS TO 37% OF TOTAL RETURNS

October 15, 2024

Karachi, October 15, 2024 – The latest figures released by the Federal Board of Revenue (FBR) have brought to light a concerning rise in nil-filers, representing a significant portion of income tax returns filed for the tax year 2024.

According to the FBR's data, out of the 4.436 million income tax returns submitted, a staggering 1.636 million, or 37%, were nil-filers. These returns, marked by zero taxable income, contributed no tax revenue to the national treasury.

This notable increase in nil-filers demonstrates a growing trend of individuals and entities filing income tax returns without declaring any taxable income. In comparison to the previous year, when 778,137 individuals filed nil-returns, constituting 36% of the total 2.166 million returns filed by mid-October 2023, the surge is evident. Over the entirety of the 2023 tax period, the total number of returns stood at 6.4 million.

The FBR has expressed concern over the escalating number of nil-filers, as this trend undermines the revenue collection efforts of the government. Despite the increase in the number of returns filed, the number of contributors to the tax pool remains disproportionately low. The trend not only exacerbates fiscal pressures but also raises questions about tax compliance and enforcement in the country.

While the surge in nil-filers is alarming, the FBR has also reported a substantial increase in tax revenue collected during the current year. For tax year 2024, the revenue body collected Rs. 114 billion alongside the 4.436 million returns filed, more than double the Rs. 52 billion collected during the previous tax year. This growth in tax collection, although significant, is overshadowed by the parallel rise in nil-filers, raising concerns about the effectiveness of the tax net expansion.

The FBR's registration data further highlights this issue. Between July 1, 2023, and the present, a total of 1,035,922 individuals registered with the FBR, out of which 622,102 were nil-filers. In addition, from July 1, 2024, onwards, 450,405 new taxpayers were registered, of whom 307,482 filed nil-income returns.

This growing segment of nil-filers underscores the challenges faced by the FBR in expanding the tax base while ensuring compliance. Without significant policy reforms and stronger enforcement measures, the burgeoning number of nil-filers threatens to compromise the government's ability to meet its revenue targets, potentially impacting public services and infrastructure development. The FBR's response to this trend will be pivotal in determining the future of tax collection in Pakistan.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published 18 minutes ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Tuesday, (October 15, 2024)

The kca official spot rate for local dealings in Pakistan rupees

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

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 14-10-2024	Difference Ex-karachi
37.324 KG	18,000	285	18,285	18,285	NIL
Equivalent 40 KGS	19,291	305	19,596	19,596	NIL

VOLUME OF BUSINESS IMPROVES ON COTTON MARKET

Recorder Report Published 18 minutes ago

LAHORE: The local cotton market on Tuesday remained easy and the trading volume remained satisfactory. Cotton Analyst Naseem Usman told BUSINESS RECORDER that the rate of cotton in Sindh is in between Rs 17,000 to Rs 17,700 per maund. The rate of Phutti in Sindh is in between Rs 8,000 to Rs 8,500 per 40 kg.

The rate of cotton in Punjab is in between Rs 17,800 to Rs 18,000 per maund. The rate of Phutti in Punjab is in between Rs 7,400 to Rs 8,500 per 40 kg.

The rate of cotton in Balochistan is in between Rs 17,600 to Rs 17,800 per maund. The rate of Phutti in Balochistan is in between Rs 7,400 to Rs 8,500 per 40 kg. The rate of Balochi Cotton is in between Rs 18,800 to Rs 19,000 per maund.

Around, 1400 bales of Rohri were sold in between Rs 17,600 to Rs 17,800 per maund, 1600 bales of Saleh Pat were sold in between Rs 17,700 to Rs 17,900 per maund, 2000 bales of Khair Pur were sold in between Rs 17,600 to Rs 17,900 per maund, 2600 bales of Tando Adam were sold in between Rs 17,600 to Rs 18,000 per maund, 1000 bales of Sanghar, 600 bales of Shahdad Pur were sold in between Rs 17,600 to Rs 17,800 per maund, 3200 bales of Haroonabad, 3600 bales of Fort Abbas were sold in between Rs 17,900 to Rs 18,000 per maund, 800 bales of Lodhran, 1000 bales of Mianwali, were sold in between Rs 18,000 to Rs 18,200 per maund, 3400 bales of Farooqabad were sold in between Rs 17,900 to Rs 18,000 per maund, 400 bales of Yazman Mandi were sold at Rs 18,000 per maund, 600 bales of Dharanwala were sold in between Rs 18,000 to Rs 18,100 per maund, 200 bales of Donga Bonga were sold at Rs 18,200 per maund, 800 bales of Marrot, 400 bales of Kot Sabzal were sold in between Rs 18,000 to Rs 18,200 per maund, 1600 bales of Chishtian were sold in between Rs 17,900 to Rs 18,000 per maund, 400 bales of Bahawalpur were sold at Rs 18,000 per maund, 800 bales of Layyah were sold in between Rs 17,900 to Rs 17,950 per maund, 400 bales of Shujaabad were sold at Rs 17,900 per maund, 800 bales of Rahim Yar Khan were sold at Rs 18,000 per maund, 600 bales of Hasil Pur, 600 bales of Vehari, 600 bales of Chichawtni, 600 bales of Burewala and 600 bales of Mian Channu were sold in between Rs 17,900 to Rs 18,000 per maund.

The Spot Rate remained unchanged at Rs 18,000 per maund. Polyester Fiber was available at Rs 357 per kg.

Stock & Commodity

PAKISTAN STOCKS GAIN 579 POINTS AMID SCO SUMMIT OPTIMISM

October 15, 2024

Karachi, October 15, 2024 – Pakistan stocks saw a notable surge on Tuesday, with the benchmark KSE-100 index climbing by 579 points, driven by positive sentiment surrounding the ongoing Shanghai Cooperation Organization (SCO) summit in Islamabad.

The index closed at 85,840 points, up from the previous day's close of 85,261 points, marking an increase of 0.68%.

According to analysts at Topline Securities Limited, the KSE-100 index's rise reflected growing optimism among investors as the international conference created expectations of enhanced trade relations, new investment opportunities, and strengthened economic ties with member countries of the SCO.

Despite a pullback in the fertilizer and exploration and production (E&P) sectors earlier in the session, investor enthusiasm remained high throughout the day. Stocks in these sectors, including MARI Petroleum, Engro Fertilizers (EFERT), Oil & Gas Development Company (OGDC), Attock Refinery Limited (ATRL), and Fauji Fertilizer Company (FFC), were key contributors to the market's gains, collectively adding 425 points to the index.

The ongoing SCO summit, which brings together key regional players to discuss issues related to economic cooperation, security, and trade, has sparked hopes of new foreign investments and collaboration. Investors are particularly keen on potential developments in the energy, infrastructure, and technology sectors, which could boost economic growth in Pakistan.

Trading activity on the Pakistan stocks was also robust, with 421 million shares changing hands, amounting to a total value of Rs 24 billion. The high trading volume indicates strong participation at Pakistan stocks, with investors capitalizing on the positive momentum. Pakistan Telecommunication Company Limited (PTCL) was the most actively traded stock of the day, with 37 million shares exchanged.

Analysts believe the bullish trend at Pakistan stocks could continue if further positive news emerges from the SCO summit, particularly if agreements or partnerships are announced. "The ongoing summit has boosted investor confidence, and any tangible outcomes from these discussions could provide a further catalyst for market growth," remarked an equity trader.

However, some market watchers also caution that while the immediate outlook is positive, external factors such as global economic conditions and oil price volatility could still impact market performance in the coming weeks.

Overall, the significant gains in the stock market reflect renewed optimism about Pakistan's economic prospects, bolstered by international cooperation and regional partnerships fostered through forums like the SCO.

WALL STREET LOSES GROUND AS CHIP, OIL STOCKS PLUMMET

Reuters Published 20 minutes ago

Index

NEW YORK: Wall Street slipped on Tuesday, with the tech-heavy Nasdaq leading the decline, as a slump in semiconductor and oil stocks offset strong quarterly results from major banks.

Nvidia tumbled 5.6% following a record high close on Monday, after a report the Biden administration is considering capping AI-chip exports by US companies.

Chip stocks lost more ground after results of chip-equipment-maker ASML Holdings, published early in an apparent error, showed the company was downbeat on its 2025 sales. ASML's US-listing dropped 17%, while an index of chip stocks fell 4.6%.

Energy stocks fell 2.2%, as crude prices fell due to a weaker demand outlook and after a media report suggested Israel would not strike Iranian oil targets.

The declines offset broadly positive results from major banks, as Bank of America jumped 2% following a third-quarter profit beat, while Charles Schwab soared 8.3% after beating estimates.

The broader Banks index rose 1.3% and was trading at its highest level in more than two years, while an index of regional banks gained 2.4%.

Meanwhile, the blue-chip Dow opened at a record high but fell quickly, weighed down by a 7.3% slump in health insurer UnitedHealth after the company forecast 2025 profit below Wall Street estimates.

"There's a lot of indecision today, with Nvidia and some of the higher flyers seeing more weakness," said Ryan Detrick, chief market strategist at the Carson Group.

Detrick said investors were likely also booking some profits after a thin trading session on Monday, when bond markets were closed for a holiday, as they looked ahead to key economic data and a continued deluge of earnings over the next few weeks.

Both the Dow and the S&P 500 closed at record highs on Monday.

The Dow Jones Industrial Average fell 169.70 points, or 0.39%, to 42,895.52, the S&P 500 lost 25.99 points, or 0.44%, to 5,833.86, and the Nasdaq Composite lost 173.96 points, or 0.93%, to 18,329.97.

Bucking the decline in tech stocks, Apple rose 1.8% to touch a record high.

A number of S&P 500 companies are scheduled to report results through the week. The large ones will need to justify their expensive stock valuations to investors, particularly in the tech sector, where valuations have grown increasingly inflated in the past year.

Key economic data, including monthly retail sales and industrial production figures, are due this week, while Federal Reserve officials Adriana Kugler and Raphael Bostic are expected to speak on the day.

TECH STOCKS HURT STOXX 600, ASML LOGS BIGGEST ONE-DAY DROP

Reuters Published 20 minutes ago

FRANKFURT: European shares posted their biggest one-day drop in over two weeks on Tuesday, weighed by technology stocks after chip equipment maker ASML's third-quarter results were leaked and showed a disappointing annual sales forecast.

The pan-European STOXX 600 index ended 0.8% lower, with tech stocks falling 6.5% in the sector's biggest one-day drop since October 2020.

The euro zone blue-chip index slid 1.8%, its biggest one-day drop in over two months.

ASML lost 15.6%, the stock's biggest single day drop since June 1998, after the company reported weak quarterly bookings and trimmed its 2025 sales forecasts. The news was leaked ahead of its scheduled release on Wednesday.

"A lot of investors got carried away on the AI (artificial intelligence) excitement and now we're seeing companies like ASML looking ahead and finding an equilibrium," said Danni Hewson head of financial analysis at AJ Bell.

"There's going to be an awful lot of focus on the other earnings updates of the likes of Nvidia to see whether or not this weakness is replicated in other parts of the sector." In the US the tech-heavy Nasdaq Composite Index fell nearly 1%.

The STOXX 600 has climbed around 8.8% so far this year, but lags the S&P 500 index, which has scored double-digit gains led by AI optimism.

Germany's benchmark index closed 0.1% lower after hitting a record high in the session.

Energy stocks slumped nearly 3.3% as oil prices slid 5% after a media report said Israel will not strike Iran's oil facility, easing fears of supply disruptions.

Investors' key focus for the week is the European Central Bank's monetary policy decision on Thursday. It is widely expected to trim rates further by 25 basis points following recent data such as September's bigger-than-expected fall in French inflation and the euro zone's worsening economy.

Among gainers, shares of Ericsson rose 10.8% after the Swedish telecommunications company reported third-quarter core earnings and sales above expectations. The sector jumped nearly 2%.

Bellway surged 8.3% as the UK homebuilder said it expects to construct at least 11% more homes in the 2025 financial year.

TotalEnergies lost 4.8% after the French oil powerhouse said its third-quarter downstream results are expected to sharply decrease due to lower refining margins in Europe and elsewhere.

Deutsche Bank fell 2.6% as its offering of some 16 million shares was priced at 16.01 euros apiece, a bookrunner for the transaction said.

CHINA STOCKS SLIDE AS INVESTORS AWAIT FISCAL SPENDING DETAILS

Reuters Published 21 minutes ago

SHANGHAI: Chinese stocks fell on Tuesday as the frenzied rally that drove them to multi-year highs a week ago stalled with investors stepping back to see when and where government support will be directed at the world's second-biggest economy.

The Shanghai Composite slumped 2.5% in heavy trading into the market close while the blue chip CSI300 lost 2.7%. Hong Kong's Hang Seng was down nearly 4% in late-afternoon trade.

China's markets have been on a tear since late September when a series of policy announcements drove speculation that the government was finally serious about spending money to salvage this year's 5% growth target and address flagging consumption.

The CSI300, which is up 20% since the closing bell on Sept. 23, has turned bumpy in recent sessions, and unable to break resistance around the 4,000 mark as the policy promises have lacked details on timing and size.

On Saturday the finance ministry had said it would increase borrowing, without saying when or by how much. Caixin Global reported on Tuesday China may raise an additional 6 trillion yuan ($850 billion) over three years to fund fiscal stimulus.

"We reckon more details will be shared at the Standing Committee of the National People's Congress later this month after the MoF sent a clear signal to investors that it plans to use its fiscal firepower soon at the press conference on Saturday," said Alex Loo, macro strategist at TD Securities.

Officials have reiterated their intention to achieve around 5% growth, which has stoked expectations that spending is imminent especially as recent economic indicators have been weak. Monday's trade and new lending figures for September, missed expectations. GDP data is due on Friday and is seen slowing to an annualised 4.5% for the third quarter.

"If we still achieve 5% this year, then we can see perhaps we are already at the bottom of this L-shaped path (for China's growth-rate), which I think would help anchor market expectations," said Citi's chief China economist Xiangrong Yu. "In this sense, it's pretty important," he said. "Otherwise, I think, it seems this slow-down process is a non-ending process."

Most market sectors were lower on Tuesday, with banks and brokers taking some of the heaviest losses as their scorching rally cooled. Mainland developers' Hong Kong shares fell 4.3%.

Broader markets in Asia were fairly steady, while the yuan slid about 0.4% to a one-month low of 7.1223 per dollar. The coming weeks are seen as crucial to picking up Chinese growth, leaving markets on edge for spending news.

"I believe October and November are the critical time window for deploying the money to form GDP for this year," said Citi's Yu.

NIKKEI HITS MULTI-MONTH PEAK ON WALL STREET BOOST

Reuters Published 21 minutes ago

TOKYO: Japan's Nikkei share average rose above the 40,000-point level on Tuesday, to touch a three-month high, as Wall Street's strong finish overnight and a weaker yen buoyed investor sentiment.

The Nikkei hit 40,257.34, its highest since July 18, after Japanese markets reopened following a public holiday on Monday.

The benchmark index eased in the afternoon to close 0.8% higher at 39,910.55, securing a fourth straight session of gains. The broader Topix rose 0.6% to end at 2,723.57.

Wall Street ended higher on Monday, with both the S&P 500 and Dow Jones Industrial Average posting fresh record finishes.

Shares of AI darling Nvidia rose to a record close as semiconductor stocks outperformed.

That helped lift Japan's chip-related shares, with heavyweights Tokyo Electron and Advantest rising 4.5% and 3.4%, respectively.

AI-focused startup investor SoftBank, whose subsidiary Arm Holdings climbed overnight, surged 5.8%.

Lasertec Corp rose 6.6%, the most on the index.

Japanese equities were also supported by a softer yen, which tends to boost exporters' overseas earnings when repatriated.

The yen was not far off Monday's low of 149.98 per US dollar, its lowest level since early August.

Along with the weaker yen, which is expected to have benefited Japanese firms this quarter, some companies like Fast Retailing have set a positive tone by posting record earnings, said Sean Teo, a sales trader at Saxo Singapore.

MOST GULF MARKETS GAIN AHEAD OF EARNINGS

Reuters Published October 15, 2024

Most stock markets in the Gulf ended higher on Tuesday as investors shifted focus to third-quarter earnings despite softening oil prices and simmering geopolitical tensions in the region.

Saudi Arabia's benchmark index reversed early losses to close 0.5% higher, with aluminium products manufacturer Al Taiseer Group and the country's biggest lender Saudi National Bank both gaining 1.5%.

On the other hand, oil behemoth Saudi Aramco was down 0.2%.

Oil prices - a catalyst for the Gulf's financial markets - tumbled more than 4% to a near two-week low due to a weaker demand outlook and after a media report said Israel is willing to not strike Iranian oil targets, easing fears of a supply disruption.

The kingdom's annual inflation rate edged up to 1.7% in September from 1.6% in August, government data showed on Tuesday, with increases in housing rents the main driver once again.

Dubai's main share index rose 0.3%, rising for a fourth consecutive session, with blue-chip developer Emaar Properties advancing 1.8%.

In Abu Dhabi, the index fell 0.2%, weighed down by a 1.3% slide in Emirates Telecommunication Group.

Gulf markets end mixed on regional conflict, ahead of earnings

The telecoms group and Amazon Web Services have entered into over a $1 billion agreement as part of new strategic alliance.

The Qatari benchmark jumped 1.6%, as almost all its constituents were in positive territory, including the Gulf's biggest lender Qatar National Bank, which was up 1.8%.

Qatar will hold a rare referendum for citizens to vote on a set of constitutional amendments, including a proposal that would abandon an effort to introduce elections, the Gulf Arab state's emir said on Tuesday.

Outside the Gulf, Egypt's blue-chip index finished 1% higher.

Egypt's central bank will keep its overnight interest rates on hold when its monetary policy committee meets on Thursday following two months of accelerating inflation, a poll of analysts predicted on Monday.

SAUDI ARABIA	rose 0.4% to 12,002
ABU DHABI	fell 0.2% to 9,283
DUBAI	gained 0.3% to 4,470
QATAR	advanced 1.6% to 10,642
EGYPT	was up 1% to 30,584
BAHRAIN	added 0.3% to 2,000
OMAN	was flat at 4,802
KUWAIT	was up 0.7% to 7,621

US STOCKS MIXED AT OPEN AS MARKETS DIGEST EARNINGS

AFP Published October 15, 2024

NEW YORK: Wall Street stocks saw a mixed start Tuesday as investors parsed through earnings reports, with two major US banks beating expectations with their results.

The Dow Jones Industrial Average slipped 0.5 percent to 42,859.57, while the broad-based S&P 500 Index was flat at 5,862.13.

The tech-heavy Nasdaq Composite Index rose 0.2 percent to 18,534.74.

The shifts came as Goldman Sachs saw a jump in profits – up almost 50 percent – on higher fees for debt underwriting and asset management, alongside solid results in some businesses.

S&P 500, Dow rise on boost from big bank earnings

Goldman shares were up 1.3 percent in early trading.

Bank of America, which also reported better-than-expected earnings Tuesday, saw its share price climb 1.5 percent.

“The market is just pausing on the news,” said Adam Sarhan of 50 Park Investments.

“We had a big rally over the last several weeks coming into earnings season. Now we’re seeing earnings confirm what the market already knew,” he added.

The market can now “breathe a sigh of relief” given that major banks are trading mostly higher after their financial reports, Sarhan noted.

Boeing shares were flat after it announced measures to replenish its cash flow, including its intent to raise up to $25 billion as it grapples with production issues and a major US strike.

Markets will also be keeping an eye on Federal Reserve official speeches during the day, and will be monitoring economic indicators later in the week for a sense of how US consumer spending is doing.

KSE-100 GAINS NEARLY 600 POINTS ON SCO SUMMIT OPTIMISM

BR Web Desk Published October 15, 2024

The Pakistan Stock Exchange's (PSX) benchmark KSE-100 Index gained nearly 600 points on Tuesday, as investor enthusiasm remained high amid ongoing Shanghai Cooperation Organisation (SCO) summit in Islamabad.

The index saw range-bound trading in the first hours, followed by some selling that pushed the index to an intra-day low of 84,856.21.

However, the latter hours witnessed a strong buying spree that took the index to an intra-day high of 85,893.99.

At close, the benchmark index settled at 85,840.34, up by 578.96 points or 0.68%.

"The session witnessed a pullback in the fertiliser and exploration and production (E&P) sectors; however, investor enthusiasm remained high due to the ongoing SCO summit, with many anticipating new investment opportunities," brokerage house Topline Securities said in its post-market report.

Key contributors to the index included MARI, EFERT, OGDC, ATRL, and FFC, which together added 425 points, it added.

On Monday, the KSE-100 had closed lower by 222.02 points on late-session selling.

The two-day Shanghai Cooperation Organisation (SCO) kicked off, with delegations of members states reaching Islamabad on Tuesday. India's Minister for External Affairs Subrahmanyam Jaishankar also arrived in Pakistan to attend the summit, making first such visit in nearly a decade of any Indian official in Pakistan.

This is the first such visit in nearly a decade of any Indian official in Pakistan.

Pakistan Telecommunication Company Limited (PTCL) sustained massive losses to the tune of Rs6.3 billion during the three-month period that ended September 30, 2024.

As per the latest consolidated financial results made available to the PSX on Tuesday, the company registered a loss of Rs2.8 billion in the same period of the previous year.

Secure Logistics Group Limited (SLGL) entered into an arrangement to provide transport services to Maersk West and Central Asia Limited (Maersk), a global shipping, transport and logistics services company.

Meanwhile, the Pakistani rupee recorded a marginal decline against the US dollar, depreciating 0.03% in the inter-bank market on Tuesday. At close, the currency settled at 277.74, a loss of Re0.08 against the greenback.

Volume on the all-share index decreased to 422.11 million from 477.64 million on Friday.

The value of shares declined to Rs24.47 billion from Rs23.47 billion in the previous session.

PTCL was the volume leader with 37.87 million shares, followed by Hub Power Co. with 33.28 million shares, and Kohinoor Spinning with 22.46 million shares.

Shares of 443 companies were traded on Tuesday, of which 202 registered an increase, 174 recorded a fall, while 67 remained unchanged.

INDIAN SHARES DROP AS PROSPECT OF DELAYED DOMESTIC RATE CUTS DULLS SENTIMENT

Reuters Published October 15, 2024

Indian shares closed lower on Tuesday, with auto shares leading losses due to expectations of delayed domestic rate cuts while metals declined tracking a fall in global prices.

The Nifty 50 index fell 0.28% to 25,057.35 points as of 3:30 p.m. IST, while the S&P BSE Sensex dropped 0.2% to 81,820.12.

The prospect that a domestic rate cut may be delayed to early 2025 from December, following a spike in retail inflation for September, has dulled overall market sentiment, two analysts said.

Eight of the 13 sub-sectors closed lower. Stocks of automakers, who are heavily dependent on customers taking on bank loans, fell 0.8%.

Metals lost 1.4%, tracking a fall in global prices, as uncertainty about top consumer China’s economic recovery weighed following a detail-thin stimulus announcement over the weekend.

Reliance Industries - the second-heaviest stock on the Nifty 50 - fell 2% after reporting a drop in second-quarter profit on Monday after the markets closed.

Indian shares set to track Asian peers higher

HDFC Life Insurance Company closed 3.6% lower after reporting a lower value for new business (VNB) margin for the half year ended Sept. 30. The stock was the top percentage loser on the benchmark Nifty 50.

Inflation worries overshadowed gains in oil marketing companies and paint makers, triggered by a slide in global oil prices after a media report said Israel is willing not to strike Iranian oil targets, easing fears of supply disruption.

Lower oil prices bear well for India, the world's third-largest importer.

Hyundai India's $3.3 billion IPO, the country's biggest share sale, opened for retail buyers and was subscribed 16% as of 3:30 p.m. IST. The bidding process will run till Thursday.

Among individual stocks, Garuda Construction and Engineering soared 12% in debut trade.

SRI LANKAN SHARES END FLAT

- CSE All-Share index closed flat at 12,257.69 points

Reuters Published October 15, 2024

Sri Lankan shares ended little changed on Tuesday, as losses in real estate stocks offset gains in communication services and healthcare stocks.

The CSE All-Share index closed flat at 12,257.69 points.

Sri Lanka expects to conclude International Monetary Fund (IMF) engagement on bondholder debt restructuring at the IMF meet this month, a cabinet spokesperson said.

Sathosa Motors was the biggest percentage loser on the CSE All-Share index, down 11.8%, while Industrial Asphalts was the biggest percentage gainer, rising 33.3% on the day.

Trading volume on the index rose to 141.1 million shares from 62.1 million in the previous session.

Sri Lankan shares end lower as energy stocks slip

The equity market's turnover soared to 1.85 billion Sri Lankan rupees ($6.3 million) from 1.46 billion rupees in the previous session, according to exchange data.

Foreign investors were net buyers, purchasing stocks worth 355.9 million rupees, while domestic investors were net sellers, offloading shares worth 1.64 billion rupees, the data showed.

MAJOR GULF MARKETS MIXED ON WEAK OIL, AHEAD OF EARNINGS

Reuters Published October 15, 2024

Major stock markets in the Gulf were mixed in early trade on Tuesday on weakening oil even as tensions escalated in the region and as investors braced for third-quarter earnings.

Saudi Arabia's benchmark index dropped 0.1%, hit by a 0.9% fall in ACWA Power and a 0.6% fall in the country's biggest lender, Saudi National Bank.

Elsewhere, oil giant Saudi Aramco eased 0.4%. Oil prices - a catalyst for the Gulf's financial markets -slid as much as $3 to a near two-week low during Asian trade on the back of a weaker demand outlook and after a Washington Post report said Israel is willing not to strike Iranian oil targets, easing fears of a supply disruption.

China's customs data showed that September oil imports were down from a year earlier, as plants curbed purchases because of weak domestic fuel demand and narrowing export margins.

In Abu Dhabi, the index lost 0.3%.

Dubai's main share index added 0.2%, with blue-chip developer Emaar Properties advancing 1.3%.

The Qatari benchmark gained 1%, led by a 1.1% rise in the Gulf's biggest lender, Qatar National Bank. Among other gainers, Islamic lender Masraf Al Rayan added 0.8% a day after reporting an increase in nine-month net profit.

Gulf markets end mixed on regional conflict, ahead of earnings

Israel launched its offensive against Hamas after the militant group's Oct. 7 attack on Israel, in which 1,200 people were killed and around 250 taken hostage to Gaza, by Israeli tallies.

More than 42,000 Palestinians have been killed in the offensive so far, according to Gaza's health authorities.

EUROPEAN SHARES CLIMB TO TWO-WEEK HIGHS; OIL STOCKS SLUMP

Reuters Published October 15, 2024

European shares scaled a fresh two-week high on Tuesday, while investors monitored the ongoing corporate earnings season and awaited further economic cues from the central bank's interest rate decision due later this week.

The pan-European STOXX 600 index was up 0.2%, as of 0710 GMT, with telecoms and travel stocks underpinning gains in morning trade.

The European Central Bank will provide an update on its monetary policy on Thursday, and is widely expected to cut rates further by 25 basis points.

Recent data has signalled the euro zone economy was in worse shape than when policymakers last met in September.

Ericsson reported third-quarter core earnings and sales above expectations as demand for 5G gear rebounded in North America, sending the Swedish company's shares up 8%.

Bucking the upbeat mood, energy stocks slumped 2.5%, tracking a slide in oil prices after a media report said that Israel has informed the United States it will not strike Iran's oil facility, easing fears of supply disruptions.

European stocks flat as China stimulus update underwhelms

Shares of TotalEnergies dropped 3.7% after the French oil major said its third-quarter downstream results are expected to sharply decrease due to lower refining margins in Europe and elsewhere.

Deutsche Bank fell 1.6% as the sale of some 16 million shares was priced at 16.01 euros apiece, a bookrunner for the transaction said.

OIL FIRMS, INDUSTRIAL METAL MINERS DRAG DOWN LONDON'S FTSE 100

Reuters Published October 15, 2024

Britain's benchmark index opened lower on Tuesday, dragged down by heavyweight oil stocks and industrial metal miners, while investors parsed through wage and employment data released earlier in the day.

The FTSE 100 was down 0.1% at 8,283.31 points by 0715 GMT, while the mid-cap index FTSE 250 ticked up 0.2% Oil stocks lost 2.7% and the index was the biggest sectoral loser, after oil prices slid on the back of weaker demand outlook and after a media report said Israel is willing not to strike Iranian oil targets.

Industrial metal miners shed 1.9% as copper prices were pressured by a firmer US dollar and uncertainty about top consumer China's economic recovery. Meanwhile, Britain's labour report revealed that the unemployment rate dropped to 4% in the three months through August, down from 4.1%.

Analysts polled by Reuters expected the data to be unchanged.

However, wage growth in the UK slowed to its lowest pace in over two years during this period, and job vacancies continued to decline.

These figures are likely to be welcomed by the Bank of England (BoE) as it considers when to cut interest rates again.

The further fall in wage growth, along with signs that the labour market continues to cool, support expectations that the BoE will cut interest rates at its policy meeting in November, Capital Economics said in a note.

Traders have priced in an 83% chance of a rate cut by the BoE at its next meeting.

London stocks regain ground after worst session in two months

Among stocks, Bellway rose to the top of the FTSE 250, up 6.9% after the homebuilder said it expects to build more homes in the 2025 financial year, buoyed by prospects of further reductions in borrowing costs.

The house-builders' sector led sectoral gains, up 2.9% Paragon Banking Group lost 6.7% after Jefferies downgraded the stock to "hold" from "buy".

HONG KONG STOCKS DIVE MORE THAN 3% IN AFTERNOON TRADING

AFP Published October 15, 2024

HONG KONG: Hong Kong stocks sank more than three percent in the afternoon session Tuesday, extending a sell-off in response to disappointment over China's lack of detail on a raft of recently unveiled stimulus measures.

The Hang Seng Index dived 3.54 percent, or 746.42 points, to 20,346.45, while the Shanghai Composite Index shed 2.00 percent, or 65.63 points, to 3,218.70.

Markets were sent soaring after Beijing last month began unveiling a slew of measures aimed at kickstarting the world's number two economy, particularly the troubled property sector.

But a news conference on Tuesday that was hoped would see more announcements fell well short of expectations, while a second briefing on Saturday also left traders wanting.

Tech giants including Alibaba and Tencent tumbled, along with developers who had rocketed in the wake of the announcements.

Below-forecast readings on trade and inflation reinforced the view that officials needed to do more to reignite growth.

Hong Kong stocks rally more than 3% in morning

"While recent moves to prop up the economy are a step in the right direction, bigger concerns loom," said Stephen Innes at SPI Asset Management.

"If China's manufacturing and export sectors – the backbone of its economy – start to wobble, the already shaky property market will face even more strain, turning what is already a ticking time bomb into a full-blown crisis."

CHINA STOCKS SLIP AS INVESTORS WAIT ON FISCAL SPENDING

Reuters Published October 15, 2024

SINGAPORE/SHANGHAI: Chinese stocks eased on Tuesday as the frenzied rally that drove them to multi-year highs a week ago subsides with investors stepping back to see when and where government support will be directed at the world's second-biggest economy.

The Shanghai Composite and the blue-chip CSI300 were each down about 0.5% at the midday break and Hong Kong's Hang Seng fell 1.3%.

Volumes dropped sharply back toward longer-run averages after a period of hectic trading.

China's markets have been on a tear since late September when a series of policy announcements drove speculation that the government was finally serious about spending money to salvage this year's 5% growth target and address flagging consumption.

The CSI300, which is up 23% since the closing bell on Sept. 23, has turned bumpy in recent sessions as the policy promises have lacked details on timing and size.

China stocks rally slows as stimulus vows lack detail

On Saturday the finance ministry had said it would increase borrowing, without saying when or by how much. Caixin Global reported on Tuesday China may raise an additional 6 trillion yuan ($850 billion) over three years to fund fiscal stimulus.

"We reckon more details will be shared at the Standing Committee of the National People's Congress later this month after the MoF sent a clear signal to investors that it plans to use its fiscal firepower soon at the press conference on Saturday," said Alex Loo, macro strategist at TD Securities.

Officials have also reiterated their intention to achieve around 5% growth, which has stoked expectations that spending is imminent to start turning around sluggish economic activity.

"If we still achieve 5% this year, then we can see perhaps we are already at the bottom of this L-shaped path (for China's growth-rate), which I think would help anchor market expectations," said Citi's chief China economist Xiangrong Yu "In this sense, it's pretty important," he said.

"Otherwise, I think, it seems this slow-down process is a non-ending process." Most market sectors were marginally lower on Tuesday but property, defence and semiconductor-focused sub-indexes rose more than 1% as they are seen as beneficiaries of spending needed urgently to support growth.

"I believe October and November are the critical time window for deploying the money to form GDP for this year," said Citi's Yu.

Broader markets in Asia were fairly steady, while the yuan slid about 0.3% to a one-month low of 7.1126 per dollar. Oil slid 3% on reports Israel would avoid attacking Iranian oil facilities.

AUSTRALIA SHARES TOUCH RECORD HIGH, AMPOL TOP LOSER ON BENCHMARK

Reuters Published October 15, 2024

Australian shares touched a record high on Tuesday, reflecting broad gains among heavyweight miners on rising iron ore prices, while top fuel retailer Ampol emerged as the top loser after lower production print.

The S&P/ASX 200 index rose 0.6% to 8,305.5 points by 2329 GMT after touching a record high of 8,307.2 points.

The benchmark rose 0.5% on Monday.

Ampol, the top loser on the benchmark, fell as much as 5% to its lowest level since mid-January 2023, after recording a 42% drop in third-quarter output from its Lytton refinery in Queensland.

Mining stocks advanced 1% with iron ore prices surging on renewed prospects of further fiscal stimulus from top consumer China.

Mining giants BHP Group, Fortescue and Rio Tinto rose between 0.9% and 1.3%, respectively.

Financials followed with a gain of 0.8%, climbing to a near three-week high with the "Big Four" banks adding between 0.7% and 1.2%.

Tracking Wall Street, tech stocks advanced 0.5% with Xero rising 0.3% and WiseTech Global gaining 0.5%. Overnight, the US Dow Jones Industrial Average rose 201.36 points, or 0.47%, at 43,065.22 points on Monday.

The S&P 500 gained 44.82 points, or 0.77%, while Nasdaq gained 159.75 points, or 0.87%.

The only losers on the index, energy stocks, lost 0.3% as oil prices were pressurised by a weak global demand outlook. Sector major Woodside fell 1.2% while smaller rival Santos slipped 1.3%.

Australian shares hit two-week high on miners, banks boost

This week, Rio Tinto and Woodside will report their quarterly production results on Wednesday while BHP and Santos are expected to announce on Thursday.

New Zealand's benchmark S&P/NZX 50 index inched 0.1% lower to 12,751.93 points.

The country's quarterly inflation due on Wednesday is expected to ease to 2.2% on a year-on-year basis, according to a Reuters poll.

Business & Finance » Money & Banking

INDIAN RUPEE ENDS LITTLE CHANGED

Reuters Published 26 minutes ago

MUMBAI: The Indian rupee ended little changed on Tuesday as the slump in crude oil prices offset the impact of weakness in Asian peers and dollar demand from foreign banks.

The rupee closed at 84.0375 to the US dollar against its close at 84.06 in the previous session. The currency had slipped to an all-time low of 84.0750 on Monday.

Mild dollar sales from state-run banks alongside limited speculative appetite kept losses for the rupee at bay, traders said.

It is "quite likely that it (USD/INR) drifts up to 84.20 in the near-term but a rise above that could create some panic among importers so the Reserve Bank of India is unlikely to allow that", a trader at a state-run bank said.

Asian currencies were down between 0.1% to 0.7% on the day while the dollar index was at 103.1, within touching distance of its two-month high hit on Monday.

DOLLAR WEAKENS AGAINST MAJOR CURRENCIES

Reuters Published 26 minutes ago

NEW YORK: The US dollar weakened against major currencies on Tuesday, due in part to technical factors, taking a breather from a rally that took it to more than two-month highs fueled by expectations that the Federal Reserve will proceed with modest rate cuts over the next year and a half.

"The US dollar has modest gains left. There's a lot of macro uncertainty that needs to be priced in," said Jayati Bharadwaj, global FX strategist at TD Securities in New York. "We are just a few short weeks ways from the US election, the biggest uncertainty. And the FX market has not priced in for that uncertainty at all."

A string of US data has shown the economy to be resilient, while inflation in September rose slightly more than expected, leading traders to trim bets on further large rate cuts from the Fed.

The US central bank kicked off its easing cycle with an aggressive 50 basis-point (bp) move at its last policy meeting in September but market expectations have shifted to a slower pace of cuts, boosting the dollar.

Traders are now ascribing an 89% chance of a 25 bps cut in November, and an 11% probability of a pause by the Fed, keeping the fed funds rate at the 4.75%-5.0% target range, according to LSEG calculations. In late morning trading, the dollar index, which measures the US currency against six rivals, slipped 0.05% to 103.14, not far from 103.36, the highest level since Aug. 8 it touched on Monday.

The dollar was boosted in part by comments from Fed Governor Chris Waller, who called for "more caution" on interest rate cuts ahead.

Fed repricing "has been the main engine for the dollar rebound, especially in relative terms to other central banks," said Francesco Pesole, FX strategist at ING. "Waller's comments have contributed to the stronger dollar this week."

The euro hit its lowest level since Aug. 8 at $1.0885 ahead of the European Central Bank policy meeting on Thursday, where the central bank looks set to deliver back-to-back interest rate cuts, a move that seemed unlikely at its last meeting in September.

The pound rose 0.2% to $1.3080 in the wake of British labor market data showing pay grew at its slowest in more than two years in the three months to August, a pace that should allow the Bank of England to lower interest rates next month.

The US currency's rise has pushed the yen back toward 150 per dollar, especially after a dovish shift in rhetoric from Bank of Japan Governor Kazuo Ueda and surprising opposition to further rate hikes from new Prime Minister Shigeru Ishiba.

The dollar fell 0.5% against the yen to 149.09 yen, having risen to 149.98 on Monday, its highest since Aug. 1. So far this month, the dollar has gained 3.8% versus the Japanese currency.

Oil-exporting currencies were weaker after crude oil prices plummeted on media reports that Israel was not willing to strike Iranian oil targets, easing fears of a supply disruption in the Middle East.

Against the Norwegian crown, the dollar was flat at 10.802, while the Canadian dollar slipped to C$$1.38.

Meanwhile, the Australian dollar was 0.1% lower at US$0.6719, while the New Zealand dollar eased 0.1% to US$ $0.6092.

ASIAN FX LOSES GROUND ON DOLLAR STRENGTH

Reuters Published 26 minutes ago

BENGALURU: Asian currencies faltered on Tuesday, with the Thai baht and Philippine peso leading the decline, as the US dollar held firm near a two-month peak and investors grew cautious ahead of a slew of key monetary policy decisions due later this week.

The baht shed as much as 0.9%, as of 0609 GMT, and was on track for its worst session since Oct. 7. The peso slid 0.5% to hit a more than two-month low, while Malaysia's ringgit weakened as much as 0.5% to touch its lowest since Sept. 13.

The dollar index, which gauges the greenback against a basket of six major currencies, hovered just below Monday's peak of 103.36, the highest since Aug. 8, as expectation that the Federal Reserve will implement only modest interest rate cuts in the coming months grew further.

However, Philip Wee, a senior FX Strategist at DBS, said the greenback's appeal should wane from improving risk appetite.

Investors in the region waited for monetary policy decisions on Wednesday from central banks in Thailand, the Philippines, and Indonesia.

"We expect further easing over the coming quarters from BI (Bank Indonesia), but the pace and extent of this may be tempered by occasional bouts of IDR weakness," analysts at ING said in a note, adding that market concerns over the country's budget and spending plans might lead to further volatility.

The Indonesian central bank is widely expected to keep rates unchanged on Wednesday, a Reuters poll found. The rupiah traded flat on Wednesday, while stocks in Southeast Asia's largest economy rose 0.6%, hitting their highest since Oct. 1 and heading for a third consecutive session of gains.

The Philippine central bank, which lowered its interest rate in August for the first time in nearly four years, is expected to deliver two more cuts this quarter, a Reuters poll showed.

BMP PROVIDES RS 1.06 BN RELIEF TO BANKING CUSTOMERS 9MCY24

October 15, 2024

Karachi, October 15, 2024 – The Banking Mohtasib of Pakistan (BMP) provided monetary relief totaling Rs 1.06 billion to banking customers during the first nine months of the current calendar year, according to a statement released on Tuesday.

This relief was granted by resolving 18,836 complaints between January and September 2024, underscoring BMP's commitment to protecting customers' financial interests.

During this period, BMP received 21,904 new complaints, including 5,277 complaints routed through the Prime Minister's Portal. The figures mark an increase in complaints from the same period in 2023, when BMP handled 18,431 cases and provided Rs 972.33 million in relief to customers. The rise in complaints highlights the growing concerns of banking customers, especially with the surge in digital and online banking fraud.

Sirajuddin Aziz, the Banking Mohtasib of Pakistan, urged banking customers to remain vigilant and cautious against fraudulent activities, which have become more prevalent in recent years. He emphasized the importance of safeguarding personal and financial information, advising customers not to share their credentials with any third party and to avoid clicking suspicious links received via text or email unless the source is verified and reliable.

Aziz also advised customers to report any suspicious phone calls to their nearest bank branch or to the bank's helpline. He further encouraged individuals to report such incidents, along with the suspicious phone numbers, to the Cyber Crime Wing of the Federal Investigation Agency (FIA), stressing that prompt action can help prevent fraud and financial losses.

BMP's efforts in resolving customer complaints and offering financial relief have played a critical role in boosting consumer confidence in Pakistan's banking sector. The increased monetary relief provided in 2024 demonstrates BMP's growing efficiency in addressing grievances related to banking transactions, fraud, and service issues.

As digital banking expands, so do concerns over cybercrimes and online fraud, making the role of BMP even more significant. The institution's consistent efforts to educate the public about financial security and its prompt handling of complaints help minimize the impact of fraudulent activities on customers.

Looking ahead, the BMP's commitment to customer protection and its collaboration with law enforcement agencies like the FIA are expected to continue enhancing consumer trust and safeguarding the banking system in Pakistan.

RUPEE SLIPS 8 PAISAS TO DOLLAR AMID IMPORT PAYMENTS

October 15, 2024

Karachi, October 15, 2024 – The Pakistani rupee experienced a slight decline against the US dollar on Tuesday, slipping by 8 paisas due to rising demand for foreign currency to cover import and corporate payments.

The rupee closed at PKR 277.74 to the dollar, compared to the previous day's rate of PKR 277.66 in the interbank foreign exchange market.

Currency market analysts attributed the rupee's weakening to higher dollar demand, driven by increased import activity and corporate obligations. The pressures from importers and businesses looking to settle payments in foreign currency continue to weigh on the rupee, particularly as global economic conditions remain fluid.

Despite this modest decline, financial experts remain optimistic about the rupee's near-term prospects, thanks to improvements in Pakistan's foreign exchange reserves and other key economic indicators. The latest figures from the State Bank of Pakistan (SBP) show that the country's total foreign exchange reserves increased to $16.05 billion as of the week ending October 4, 2024, reflecting a $64 million rise from $15.983 billion in the previous week. This boost in reserves is expected to help support the rupee's value and aid in stabilizing the currency.

In addition to the increase in reserves, Pakistan has seen encouraging developments in its trade balance and current account deficits. Both deficits have narrowed significantly in recent months, reducing the strain on the country's foreign exchange reserves. This trend has fueled positive sentiment about the rupee's future performance. "The shrinking of both the trade and current account deficits is a good sign for the rupee's future stability," commented a leading currency expert. As these deficits continue to narrow, less pressure is placed on the rupee, reducing the country's reliance on foreign currency to meet external obligations.

Moreover, the rupee's position is expected to benefit from increased export receipts and steady inflows of workers' remittances. Remittances, which play a vital role in supporting Pakistan's foreign exchange reserves, are projected to remain strong and provide significant backing for the local currency in the coming months.

While the overall outlook for the rupee is cautiously optimistic, market experts have warned that potential risks remain. Changes in global economic conditions and domestic challenges could still affect the rupee's stability. However, the recent strengthening of reserves and the improving trade dynamics indicate that Pakistan is making positive strides toward stabilizing its currency and economy.

Trade & Industry

EPA DEMOLISHES RE-ROLLING INDUSTRIAL UNIT

Recorder Report Published 29 minutes ago

LAHORE: The anti-smog squads of the Environmental Protection Agency (EPA) Punjab have demolished a Mehar Ilyas Re-rolling Industrial Unit due to hazardous smoke emissions.

A spokesperson for the EPA stated that the raid was conducted following directives from Senior Punjab Minister Maryam Aurangzeb, who emphasized the need for action against industrial units that have not yet installed emission control systems. She urged the EPA to intensify operations against such establishments.

The demolition occurred after the owner of the unit failed to comply with repeated notices regarding implementation of anti-smog Standard Operating Procedures (SOPs) and the installation of the necessary emission control systems.

Maryam Aurangzeb is actively monitoring the smog situation in Punjab through the anti-smog dashboard, providing daily instructions. She stressed that public safety should not be compromised, the senior minister said.

She warned that those responsible for non-compliance will face strict consequences. She highlighted that if action is taken now, significant improvements could be observed within eight to ten years. Factory owners are urged to implement emission control systems immediately to avoid further punitive measures.

PCBC SAYS WELCOMES CHINESE PREMIER, HIS TEAM TO SCO SUMMIT

Recorder Report Published 29 minutes ago

KARACHI: Amjad Rafi, former chairman Pakistan-China Business Council has welcomed Chinese prime minister along with his economic team to Pakistan on a 4-day visit to Islamabad for Shanghai Cooperation Council (SCO) Conference and bilateral talks.

He mentioned that business community of Pakistan feels very encouraged by the positive steps taken by Chinese leadership to visit at a crucial moment. While condemning the cowardly act of attack on Chinese nationals he commented, "This visit of Chinese leadership shows that incidents to damage relationship between two iron brothers cannot make any difference as friendship between Pakistan and China is higher than Himalayas."

Business community of Pakistan also appreciates member states of SCO Forum including Russia, China, Uzbekistan, Kazakhstan, Tajikistan, Iran, India, and Kyrgyzstan for their participation.

Amjad Rafi specially welcomed the chairman of the Board of SCO Business Council for attending the summit to highlight the Trade and Business Community's point of view as SCO covers nearly 20% of Global GDP of the world.

While talking to media Amjad Rafi informed that SCO Charter was signed in 2002 and Pakistan became its full member during 17th summit held in June 2017 in Kazakhstan.

HCSTSI ACTING PRESIDENT EXPRESSES CONCERN OVER DAMAGED ROADS IN HYDERABAD

Recorder Report Published 30 minutes ago

HYDERABAD: Acting President, Hyderabad Chamber of Small Traders & Small Industry, Ahmed Idrees Chohan, has expressed deep concern over the deteriorating infrastructure and damaged roads in Hyderabad.

He stated that around the world, local governments are more efficient than provincial or federal administrations in solving everyday issues faced by citizens and traders. However, in Hyderabad, the local government has failed even to provide basic facilities to the public and business community.

Ahmed Idrees Chohan further noted that although over two months have passed since the monsoon season ended, the main roads in several key areas of the city remain in a dilapidated condition. Roads such as Autobahn Road, Badin Stop, Sabzi Mandi Road, New Sabzi Mandi Flyover, Pakka Qila Road, and most units of Latifabad are riddled with potholes. This worsening situation has led to an increase in accidents and severe traffic jams, particularly during peak hours, disrupting the daily lives of residents.

He criticized the inefficiency of the local government, calling it a reflection of their failure. He emphasized that no serious steps have been taken toward the repair and rehabilitation of the city's infrastructure, resulting in growing difficulties for the citizens.

The deteriorated state of the roads has not only paralyzed the traffic system but has also negatively impacted public health. Many traders and residents have been suffering from neck and back pain due to poor road conditions and are being forced to seek medical help.

Ahmed Idrees Chohan demanded that the local government immediately begin road repairs and prioritize resolving these issues to prevent further hardships for the public. He warned that if immediate actions are not taken, the difficulties faced by the city's residents will intensify and the risks to public health and safety will become more serious.

He also appealed to the government to address the basic needs of the public on an urgent basis to improve conditions in the city and ensure the safety of its residents.

LCCI SAYS FBR RAIDS DISRUPTING BUSINESS ENVIRONMENT

Recorder Report Published 30 minutes ago

LAHORE: The Lahore Chamber of Commerce and Industry has strongly condemned the Federal Board of Revenue's ongoing raids on industrial units, which are severely disrupting the business environment.

"The LCCI has expressed deep concern over the harassment of taxpayers under the pretext of combating sales tax evasion and urged Prime Minister Shehbaz Sharif and Finance Minister Muhammad Aurangzeb to take immediate action to stop these harmful practices."

The LCCI President Mian Abuzar Shad said that the FBR has been raiding industries without prior notice, and registering FIRs without issuing show-cause notices, investigation and demanding impractical affidavits from Chief Financial Officers (CFOs). These affidavits require CFOs to guarantee that all of their buyers and suppliers, and even their extended networks, are complying with the law — a requirement that Mian Abuzar Shad described as both unreasonable and impossible. He questioned how any CFO could be expected to take responsibility for the actions of entities several layers removed from their direct control.

The meeting was attended by a significant number of concerned taxpayers, who shared alarming stories of their experiences with FBR raids. They explained that the lack of proper investigation and the abrupt registration of FIRs have left businesses in a state of fear and uncertainty. Many businesses have been forced to divert their time, energy, and financial resources toward defending themselves in legal battles instead of focusing on growth and productivity.

The LCCI President argued that these heavy-handed tactics are stifling business operations at a time when Pakistan's economy is already under significant strain. "The business community is a crucial driver of economic growth, and by creating an atmosphere of fear, the FBR is only impeding our progress towards economic recovery," he said. He emphasized that businesses cannot operate in an environment where they are constantly being harassed by the authorities without due process.

Mian Abuzar Shad called for a more structured and transparent process to address any legitimate concerns the FBR may have about tax evasion. He outlined the need for a step-by-step approach, including the issuance of show-cause notices, followed by thorough investigations. If evidence is found of wrongdoing then and only then should the FBR proceed with legal action. "The current practice of jumping straight to legal action, without giving businesses a chance to explain or defend themselves, is unjust and counterproductive," he added.

The LCCI President further noted that it is the FBR's responsibility to ensure that registered taxpayers are monitored regularly. He said, "If the FBR fails to monitor a taxpayer for five years that is the FBR's failure, not the fault of the businessman. Instead of admitting its shortcomings, the FBR is shifting the blame onto the business community, worsening the already fragile economic situation."

The Lahore Chamber reiterated its demand for the government to halt these raids immediately, warning that if such actions continue, they will inflict long-term damage on Pakistan's industrial base. "The government's efforts to stimulate economic recovery and attract investment will be in vain if the FBR continues to pursue these aggressive tactics against the very taxpayers who are key to driving economic growth," Mian Abuzar Shad said.

He urged Prime Minister Shehbaz Sharif and Finance Minister Muhammad Aurangzeb to take immediate and decisive steps to rein in the FBR's overreach and ensure that future actions are in line with the principles of due process and fairness. The LCCI emphasized that the government must foster a more supportive business environment by promoting policies that encourage growth, investment, and economic stability rather than creating hurdles for the business community.

The Lahore Chamber of Commerce and Industry remains steadfast in its commitment to defending the rights of businesses and ensuring a fair, transparent, and conducive environment for industrial growth in Pakistan. It called on the authorities to prioritize the resolution of these pressing issues, warning that failure to do so will have severe implications for the broader economy.

MOC, TDAP HOLD INFORMATIVE SESSION ON CBAM

Press Release Published 30 minutes ago

KARACHI: Ministry of Commerce (MoC) of Pakistan and TDAP in collaboration with European Commission arranged an informative session regarding Carbon Boarder Adjustment Mechanism (CBAM) which is applicable on sectors like cement, iron & steel, aluminium, fertilizers, electricity & hydrogen.

Delphine Sallard, DG Taxation & Custom Union (TAXUD), European Commission gave a comprehensive presentation highlighting different contours of the regulations. She mentioned that CBAM is a tool introduced by EU to address carbon leakage by imposing a carbon price on imports from non-EU countries. The mechanism ensures that imported goods are subject to the same carbon costs as goods produced within the EU, promoting global reductions in greenhouse gas emissions.

She further discussed different impact of CBAM on Pakistan's exports to the EU. Pakistani exporters will require to measure, report and reduce carbon emissions in their production processes. Non-compliance of may make products less competitive owing to additional cost for carbon pricing.

Nasir Hamid, AS MoC emphasized on Pakistani industries to adapt to new regulations as compliance will be a key determinant of our continued access to European markets. Omar Hameed, EM Brussels and TDAP are facilitating Pakistani business community to make them compliant with such requirements.

Awareness session was attended by both private and government sector representatives.

NEXT PHASE OF CPEC, SCO CAN BE REAL GAME-CHANGERS: FPCCI

Recorder Report Published October 15, 2024

KARACHI: Atif Ikram Sheikh, President FPCCI, has explained that next phase of China – Pakistan Economic Corridor (CPEC) and Shanghai Cooperation Organization (SCO) can be the real game-changers for the national economy – as we have geographical contiguities; economic complementarities; regional trade advantages and ability to look East & diversify our economic partners

Apprising that a high-profile delegation of The China Asia Economic Development Association (CAEDA) has visited FPCCI to explore investment, joint ventures and trade opportunities in mines & mineral; information technology and IT-enabled services (ITeS); agriculture & livestock; food processing & storage; infrastructure development and renewable & alternative energy sources, he informed that CAEDA is an organization focused on promoting economic cooperation and development between China and countries in Asia; as well as other global partners. CAEDA often works with governments, businesses and international organizations to encourage economic integration and partnerships in sectors like finance, technology, energy, and infrastructure.

Abdul Mohamin Khan, VP FPCCI & Reginal Chairman, said that bilateral trade between Pakistan and China is showing increasing trend since the implementation of the China – Pakistan Free Trade Agreement (CPFTA). Bilateral trade volume between the two countries has surpassed $20 billion, he added.

Shabbir Mansha, Chairman of FPCCI's Pakistan – China Business Council, stated that currently Pakistan exports cotton yarn, rice, refined copper, fish, chromium ores & concentrates, aluminum, unwrought, dry fruit and ethyl alcohol to China. Whereas, China is the largest source of imports for Pakistan as it imports semiconductor devices; mechanical appliances; synthetic filament; electric apparatus for line telephony; flat-roll products iron; nitrogen fertilizers; engineering goods and hi-tech component for various industrial sectors.

INDUSTRIAL ZONES TO BE FACILITATED THROUGH 'MIP': BRIG ASAD

Recorder Report Published October 15, 2024

KARACHI: Administrator Pakistan Economic Zone Development and Management Company (PEZDMC) Brigadier Muhammad Asad, while highlighting some key features of the upcoming Malir Industrial Park (MIP), stated that efforts were underway to create an environment at the MIP that is close to ideal by addressing all the current issues being faced by industrialists in the existing industrial zones of Karachi.

"As providing maximum facilities to industrialists is a top priority, efforts are being made to minimize weaknesses so that industries could operate smoothly at the MIP", he added while speaking at a seminar on the Establishment of Malir Industrial Park organized at the Karachi Chamber of Commerce and Industry (KCCI) in collaboration with the PEZDMC.

Administrator PEZDMC said, "We are here to take the business community's inputs about Malir Industrial Park as currently we are at a stage, where the project can easily be tailored but at a later stage, it will be a problem if we identify issues. Today's visit to KCCI is our first formal engagement as this is the most credible institution to begin the successful journey of Malir Industrial Park."

He was quite optimistic that the MIP would take on the leading role and prove to be a major milestone for the economic and industrial development of Pakistan in general, and Karachi city in particular. This project would not only bring about industrial and economic transformation but also social changes.

The MIP would emerge as a model industrial park, providing full-fledged security and excellent infrastructure for industrialists looking forward to setting up their manufacturing units at this park.

“MIP is being established on the outskirts of Karachi, resulting in the socio-economic uplift of the area”, he said, adding that the project’s location and size have been carefully designed after thorough evaluations and considering the ground realities.

He opined that to boost exports, promote import substitution, and support the growing population of Karachi, it is essential to establish maximum number of industries which was the primary rationale behind setting up the MIP, where ample facilities will be guaranteed. “The clustered MIP is going to produce renewable energy on its own which will be cheaper than the electricity being provided by KE.”

He also mentioned that the project’s soft inauguration was done by Army Staff General Asif Munir and Chief Minister of Sindh Syed Murad Ali Shah on September 26, 2024, which demonstrates the high level of importance and commitment to the success of the project.

Speaking on the occasion, President KCCI Muhammad Jawed Bilwani stated that although there has always been serious emphasis on setting up more industrial zones but unfortunately, not a single federal government from time to time bothered to review the causes behind the closure of industries. “However, the Special Investment Facilitation Council (SIFC) has been expressing its resolve to deal with this most pressing issue. We hope and pray that they succeed in doing so”, he said, adding that effective strategies have to be devised to attract and encourage newcomers to set up industries.

He highlighted that the infrastructure in the seven industrial zones of Karachi has been in poor condition for a long time due to low-quality infrastructure projects. As a result, the roads constructed are barely able to last for six months. Despite creating the highest number of employment opportunities, industries in all the industrial zones of Karachi remain largely deprived and face issues such as the unavailability of water, sewerage, gas, electricity, public transport, and many other civic problems.

“Although MIP is a gated industrial park, stringent security measures must also be introduced at all the roads leading to the Industrial Park so that safety and security of industrialists and their workforce traveling daily could be ensured”, he said while stressing the need to bring down crime to zero in every industrial zone of the city to save the industries.

KCCI Senior Vice President Zia ul Arfeen, Vice President Faisal Khalil Ahmed, Former President KCCI Junaid Makda, Secretary PEZDMC Brig Amir Nazir Malik (Retd), Director OPS & Plan PEZDMC Col. Atif Zia, Advisor to Administrator PEZDMC Imran Siddiqui, AD

Marketing PEZDMC Lt Col Abid Ali (Retd) and KCCI Managing Committee members along with prominent industrialists attended the seminar.

Business & Finance » Companies

PQAMC ANNOUNCES RS1.1508/UNIT DIVIDEND FOR PAK-QATAR MONTHLY INCOME PLAN

Press Release Published 32 minutes ago

KARACHI: Pak-Qatar Asset Management Company Limited (PQAMC) is a leading dedicated Islamic Asset Management Company in Pakistan, and part of Pak-Qatar Group, which is Pakistan's Pioneer and Premier Islamic financial services group.

PQAMC has recently announced the monthly dividend of Pak-Qatar Monthly Income Plan (PQMIP) under PQAMC's Shariah-Compliant Income Fund. The plan is also amongst the highest return paying plan in the category.

PQMIP announced dividend of Rs1.1508 per unit for the month of September'24 with an annualized return of 20.45 percent year-to-date, earned as on October 07, 2024. PQAMC is rated AM2 with 'Stable Outlook' by PACRA. The PQMIP plan is also rated A+ with a 'Stable Outlook' by PACRA.

The Chief Executive Officer of Pak-Qatar Asset Management Company Limited – Farhan Shaukat has approved the distributions of dividends for the month of September 2024, under the authority delegated to him by the Board of Directors.

Farhan further stated that, "We are pleased to announce this distribution to the unit-holders of PQMIP. This reflects strong, steady performance and our commitment to delivering value and excellence to participants of PQMIP. We thank our investors for placing their trust in us as we continue to drive success in the market."

Pak-Qatar Group has a vision to add value to the economy of Pakistan by making valuable investments and creating innovative and Halal financial ventures and services for sustainable growth.

The stakeholders can also review the performance of Pak-Qatar Monthly Income Plan on the website of the Mutual Funds Association of Pakistan (MUFAP).

JULY-SEPTEMBER: PTCL SUSTAINS RS6.3BN IN LOSSES

BR Web Desk Published October 15, 2024

Pakistan Telecommunication Company Limited (PTCL) sustained massive losses to the tune of Rs6.3 billion during the three-month period that ended September 30, 2024.

As per the latest consolidated financial results made available to the Pakistan Stock Exchange (PSX) on Tuesday, the company registered a loss of Rs2.8 billion in the same period of the previous year.

The increase in losses comes despite higher revenue and gross profit during the period.

The listed company's revenue surged by nearly 11% to Rs55.56 billion in 3QCY24, compared to Rs50.09 billion recorded in the prior year.

The company's cost of revenue increased up over 14% to Rs42.6 billion in 3QCY24, compared to Rs37.4 billion in SPLY.

April-June: PTCL sustains Rs3.4bn in losses as finance cost bites

Consequently, the gross profit of PTCL inched by over 1% YoY to Rs12.9 billion in 3QCY24. This translates to a profit margin of 23.2% in 3QCY24, lower than 25.4% in SPLY

During the quarter, the company saw its operating expenses surge to Rs13.1 billion, up 26% compared to Rs10.4 billion in SPLY. Resultantly, PTCL posted an operating loss of Rs240 million, as compared to operating profit of Rs2.3 billion in 3QCY23.

Meanwhile, the company's other income declined, hitting Rs2.9 billion in 3QCY24, compared to Rs6.3 billion in the previous year.

On the other hand, PTCL saw its cost of finance ballooned to Rs12.1 billion in 3QCY24.

As a result, the company posted a loss before tax of Rs9.4 billion during the period, as compared to Rs4.1 billion in SPLY.

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

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

PTCL's major assets include Ufone, a mobile operator in Pakistan with over 20 million customers. Etisalat, with a significant minority stake, runs it under an agreement with the government of Pakistan, which has the majority stake.

JUBILEE LIFE INSURANCE TO SPONSOR PAKISTAN INSURTECH SUMMITS

Press Release Published 33 minutes ago

KARACHI: Jubilee Life Insurance, Pakistan's largest private insurer, recently signed an MoU with the Pakistan Fintech Network (PFN) for sponsorship of the upcoming Pakistan Insurtech Summits in 2024, 2025, and 2026.

The annual Pakistan Insurtech Summit aims to drive innovation in the insurance sector, bringing together the key stakeholders in the sector and focusing on how technology can transform insurance services across Pakistan.

The 2nd Pakistan Insurtech Summit will take place in November 2024, at Karachi following a theme of "Transforming Pakistan's Insurance Landscape: Synergy of Tech, Partnership and Policy" where industry professionals will come together to shed light on various pressing issues concerning the industry right now.

The third and fourth Pakistan Insurtech Summit are slated to take place in 2025 and 2026 respectively.

Farhan Faridi, Group Head – Retail Operations, Marketing, and Admin at Jubilee Life Insurance, shared his thoughts on the partnership stating, "Jubilee Life has always been committed to advancing innovation in the insurance sector. Our collaboration with Pakistan Fintech Network for the Insurtech Summits demonstrates our vision of a future where technology plays a pivotal role in making insurance more accessible, efficient, and customer-centric."

PAKISTAN'S SLGL SECURES TRANSPORT SERVICES DEAL WITH MAERSK

BR Web Desk Published October 15, 2024

Secure Logistics Group Limited (SLGL) has entered into an arrangement to provide transport services to Maersk West and Central Asia Limited (Maersk), a global shipping, transport and logistics services company.

SLGL, an Islamabad-based company, shared this development in its notice to the Pakistan Stock Exchange (PSX) on Tuesday.

"This corporate on-boarding of SLG as one of the transport service provider to Maersk aligns with SLG's objectives to become a leading domestic logistic services provider," read the notice.

It added that SLGL is also engaged in discussions with Maersk regarding a similar arrangement under SLG's Transports Internationaux Routiers (TIR) license. "The company will provide similar services to Maersk starting with the regional markets, including the Central Asian countries."

Last month, Maersk appointed SLGL as its onshore logistics partner.

"This strategic partnership aligns with SLGL's continued commitment to expanding its logistics services portfolio," SLGL said in a notice back then.

In August, it was reported that Maersk will invest $2 billion in Pakistan's port and transport infrastructure over the next two years.

Minister for Maritime Affairs Qaiser Ahmed Sheikh informed that Maersk stated this investment will contribute to infrastructure development and will play a vital role in boosting Pakistan's economy.

He said the investment comes as a result of efforts made by the Special Investment Facilitation Council (SIFC).

PTCL REPORTS RS 6.3 BILLION QUARTERLY LOSS AMID REVENUE GROWTH

October 15, 2024

Pakistan Telecommunication Company Limited (PTCL) has reported a substantial net loss of Rs 6.3 billion for the third quarter ending on September 30, 2024, a significant increase from the Rs 2.8 billion loss recorded during the same period last year. This financial setback comes despite notable improvements in the company's revenue and gross profit.

According to the latest consolidated financial results submitted to the Pakistan Stock Exchange (PSX) on Tuesday, PTCL's revenue surged by nearly 11%, reaching Rs 55.56 billion in 3QCY24, compared to Rs 50.09 billion in the corresponding quarter of 2023. However, the sharp rise in operational costs and finance expenses overshadowed these gains, leading to a deepening of the company's financial losses.

The company's cost of revenue escalated by over 14%, amounting to Rs 42.6 billion in the third quarter, compared to Rs 37.4 billion in the same period last year. This surge in expenses chipped away at PTCL's profitability, with gross profit edging up by just over 1% year-on-year to Rs 12.9 billion, reflecting a gross profit margin of 23.2%, down from 25.4% in the previous year.

Operating expenses also saw a substantial rise, increasing by 26% to Rs 13.1 billion in 3QCY24, up from Rs 10.4 billion in 3QCY23. Consequently, PTCL posted an operating loss of Rs 240 million, a sharp contrast to the operating profit of Rs 2.3 billion recorded in the same period last year.

Another factor contributing to the mounting losses was the significant decline in the company's other income, which dropped to Rs 2.9 billion in the third quarter, down from Rs 6.3 billion in 2023. Meanwhile, the company's finance costs skyrocketed, ballooning to Rs 12.1 billion, further eroding profitability.

The impact of these rising costs resulted in a pre-tax loss of Rs 9.4 billion for the quarter, more than doubling the Rs 4.1 billion loss recorded in the corresponding period last year.

Incorporated in Pakistan on December 31, 1995, PTCL is a leading provider of telecommunication services across the country, offering a wide range of domestic and international telephone and communication services. The company's key assets include Ufone, a major mobile operator in Pakistan with over 20 million subscribers. While the government of Pakistan holds a majority stake in PTCL, Etisalat, a UAE-based telecom giant, has a significant minority stake and manages the company under an agreement with the government.

Despite its strategic importance in the telecommunications sector, PTCL's growing financial challenges underscore the pressures faced by the company in navigating rising costs and shrinking margins.

Technology

PAKISTAN'S TECH SECTOR REAPS HUGE RETURNS AT GITEX, DUBAI: PSEB ACTING CEO

Bilal Hussain Published 34 minutes ago

DUBAI: Pakistan Software Export Board (PSEB) Acting CEO Zeeshan Khattak said the country's tech companies are "seeing impressive returns" from their participation in GITEX Global, Dubai, with historic revenues of approximately $40 generated for every dollar spent by the body on subsidies.

Speaking at the Tech Destination Pakistan's Connexion Lounge – an attractive terrace at World Trade Centre Dubai (DWTC), Khattak told BUSINESS RECORDER that the platform has been highly beneficial for Pakistan's IT industry. Taking place at DWTC until October 18, GITEX GLOBAL presents its biggest, most international edition in its 44th year, welcoming over 6,500 exhibitors, 1,800 startups, 1,200 investors alongside governments from more than 180 countries.

"GITEX provides exposure to Pakistani tech companies, but it doesn't stop there. We actively follow up with companies post-event to gauge the outcomes," said Khattak, who is also Chief Commercial Officer of PSEB. "Last year, for every dollar PSEB invested in supporting companies to participate, they earned $40 in return."

Pakistan's tech sector aims for export boost through GITEX Global in Dubai

This year, more than 80 Pakistani companies are showcasing their products and services at GITEX, aiming to strengthen their presence in the global market and boost Pakistan's export potential. The event offers a significant opportunity for these companies to connect with international players in the tech industry, expanding their business horizons.

The second day of GITEX also attracted a significant crowd of many different nationalities as hundreds of futuristic stalls at display. Houseful Etisalat pavilion stood out in the event with futuristic drones, cars and robotic music band.

Khattak said Pakistani tech companies have been observed establishing branch offices and subsidiaries abroad such as in Dubai to increase their international footprint. Speaking with several different software and tech companies, a growing trend has been observed that that software companies now set up front offices in different cities such as Dubai to network and manage global client relationships, while their technical teams continue to operate from Pakistan.

The PSEB Acting CEO also highlighted the potential of Pakistan's highly skilled workforce, with around 75,000 IT graduates entering the job market annually. He believes that with proper exposure, skill development, and infrastructure, Pakistan's IT sector can meet ambitious export targets. The PSEB is working to bridge the gap between universities and the industry to ensure that graduates are equipped with the skills needed especially for export-oriented work.

"To succeed in the global market, our young IT professionals need three things: exposure, skill development, and the right infrastructure," Khattak said. "We are focused on creating opportunities for training and mentoring to ensure our workforce is globally competitive."

With growing international interest in Pakistan's IT capabilities, Khattak is optimistic about the future, particularly as the country continues to foster stronger ties with global markets through events like GITEX.

INDIA SAYS NO AUCTION OF SATELLITE SPECTRUM AFTER MUSK DECRIES MOVE

Reuters Published October 15, 2024

NEW DELHI: India's government on Tuesday said it will allot spectrum for satellite broadband administratively and not via auction, hours after Elon Musk criticized the auction route being sought by rival billionaire Mukesh Ambani as "unprecedented".

In what is seen as a battle between billionaires, the methodology of awarding spectrum for satellite services in India - a market set to grow 36% a year to reach $1.9 billion by 2030 - has been a contentious issue since last year.

Musk's Starlink argues administrative allotment of licences is in line with a global trend, while India's Reliance, led by billionaire Mukesh Ambani, says an auction is needed to ensure a level playing field and as there are no provisions in Indian law on how individuals can be provided satellite broadband services.

Elon Musk unveils robotaxi, pledges it 'before 2027'

Telecoms Minister Jyotiraditya Scindia said during a New Delhi event that the spectrum will be allocated administratively in line with Indian laws, and its pricing worked out by the telecom watchdog.

"If you do decide to auction it, then you will be doing something which is different from the rest of the world," he said.

On Sunday, Reuters was first to report that Reliance had challenged the Indian telecom regulator's consultation process that signals home satellite broadband spectrum should be allocated, not auctioned, calling for it to start again.

The minister's comment will come as a shot in the arm for Musk, who following the Reuters story wrote on X late on Monday that any decision to auction "would be unprecedented".

"This spectrum was long designated by the ITU as shared spectrum for satellites," Musk said, referring to the International Telecommunication Union, a U.N. agency for digital technology.

India is a member of the ITU and signatory to its treaty that regulates satellite spectrum and advocates that allocation must be done "rationally, efficiently and economically" as it is a "limited natural resource".

Sunil Mittal, co-chair of global satellite group Eutelsat, which has partnered with India's telecom operator Bharti Airtel, voiced support for the auction route on Tuesday.

"Satellite companies who have ambitions to come into urban areas, serving elite retail customers, just need to take the telecom licenses like everybody else… they need to buy the spectrum as telecom companies buy," Mittal, who is also the chair of Airtel, said at the New Delhi event.

Earlier in 2023, both Eutelsat unit OneWeb and Airtel had voiced concerns about auctioning the spectrum in their submissions to the Indian government.

Musk's Starlink and some global peers like Amazon's Project Kuiper back an administrative allocation, saying spectrum is a natural resource that should be shared by companies.

GITEX GLOBAL 2024 BEGINS AS DUBAI HIGHLIGHTS PUSH TO DIVERSIFY ECONOMY

Faiza Virani Published October 15, 2024

DUBAI: The 44th edition of GITEX GLOBAL 2024 — one of the world's largest technology and startup events — commenced in Dubai, featuring over 6,500 exhibitors across 180 countries. Pakistan was well-represented with 24 companies and government entities also participating in the five-day event.

Its nature also means the event is being held at two locations — the Dubai World Trade Centre (DWTC) and Dubai Harbour.

Robotics and AI highlights as GITEX GLOBAL 2024 kicks off in Dubai

Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, toured GITEX on Monday as well.

Pakistan's tech sector aims for export boost through GITEX Global in Dubai

"We have a clear vision to advance the UAE's leadership in the global digital and technology landscape, making it the world's most future-ready nation," he stated, according to a statement released by the Dubai Media Office.

"GITEX GLOBAL 2024 also further accelerates the growth and innovation momentum created by our recent strategic initiatives like the 'Dubai Universal Blueprint for Artificial Intelligence'. As the world's top-ranked destination for foreign direct investment in AI, Dubai is creating an environment that nurtures innovation and empowers companies to explore the vast potential of emerging technologies," he added.

GITEX GLOBAL is also set to provide a strong boost to the goals of the Dubai Economic Agenda D33 to double the emirate's GDP and generate an annual AED100 billion contribution from digital transformation by 2033, the press release added.

Pakistan ambassador to UAE Faisal Niaz Tirmizi visited on the opening day of the tech conference in Dubai and cited how "GITEX is an excellent opportunity for business leaders and IT experts from Pakistan to meet their counterparts from across the globe."

He cited how he envisions Pakistan's IT exports to increase from $3.4 billion, and how the country's exports to the UAE have increased 34%.

Trixie Loh Mirmand, executive vice president of DWTC, the organiser of GITEX GLOBAL and Expand North Star, said: "With international participation in Gitex Global rocketing by almost 40%, it's a barometer of the unstoppable ambitions of many young rising digital nations who are now confidently forging their ways into the future global AI economy through GITEX," in a statement issued by GITEX GLOBAL.

Haifa AL Shimari from the UAE Accountability Authority told BUSINESS RECORDER how "GITEX provides us with a unique opportunity to sign important agreements with global software companies, enhancing collaboration with them and positioning us at the forefront of government entities leveraging technology to improve performance."

On display on day one were cutting edge robotics, advances in AI by companies such as Dell, Microsoft and investments in infrastructure by Dubai across its municipalities and services.

H.E Abdullah Bin Touq Al Marri, UAE Minister of Economy, shared his vision for the country.

"I want UAE to be a global R&D hub," highlighting how 74% of the UAE's economy is now oil-free, with a goal of reaching 80% by 2030.

His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, Deputy Prime Minister and Minister of Defence of the UAE, and Chairman of The Executive Council of Dubai, visited the Expand North Star 2024 on Monday, being held at Dubai Harbour.

Organised by the Dubai World Trade Centre and hosted by the Dubai Chamber of Digital Economy, the exhibition is being held until October 16.

Economic distress

MACROECONOMIC PROJECTIONS OF IMF, WB

Dr Hafiz A Pasha Published October 15, 2024

There have been two very recent sets of macroeconomic projections for Pakistan. The first is in the IMF Staff Report on the Extended Fund Facility for Pakistan. The second set of projections is in the October 2024, World Bank Development Update for Pakistan.

A comparison is made of the key macroeconomic projections by the two Multilateral Agencies in Table 1.

There are key projections relating respectively to the GDP growth rate, rate of inflation, current account deficit in the balance of payments and the budget deficit.

The expectation is that the IMF projections are likely to be more conservative. The objective of the Extended Fund Facility is oriented more towards stabilizing the economy and focusing more on reduction of the two deficits. However, as is shown below, this is not necessarily the case.

The first projection of the GDP growth rate is that both Agencies see some recovery in the growth process in the economy. The IMF projects a rise in the growth rate from 2.5% in 2023-24 to 3.2% in 2024-25 and to 4.0% in 2025-26. World Bank envisages less acceleration, with the growth rate rising marginally to 2.8% in 2024-25 and to 3.2% in 2025-26.

A key determinant of medium-run growth prospects is the level of investment in the economy. The year, 2023-24, witnessed perhaps the lowest level of investment as a percentage of the GDP. It was only 13.1% of the GDP, as compared to above 15% of the GDP in earlier years.

The IMF Staff Report is optimistic about the revival of investment in the economy due to the umbrella of reduced risk and uncertainty in the presence of the EFF. As such, the level of investment is projected to increase to 13.6% of the GDP in 2024-25 and to 15.1% of the GDP in 2025-26.

The World Bank is probably more concerned about the impact of high interest rates on private investment and pre-emption of bulk of the bank credit by the borrowing undertaken by the federal government. Also, there is the beginning of realization that the extremely high growth rate of 16.8% of the major crop sector in 2023-24 may imply a fall in the sector output in 2024-25.

A key projection relates to the likely rate of inflation in 2024-25 and 2025-26. Both agencies expect a very big drop in the rate of inflation. The IMF projects it at 9.5% in 2024-25 and further down to 7.8% in 2025-26. However, World Bank expects it to remain double-digit in 2024-25 at 11.1% and then come down to 9.0% in 2025-26.

A number of factors will play a significant role in determining the rate of inflation. The IMF is probably of the view that the rate of monetary expansion will be restricted by contraction in bank borrowing by the federal government and inflation will be restrained by the somewhat better availability of basic goods in 2024-25, due to the faster GDP growth.

However, the World Bank is likely to be more concerned about the risk of continued big increases in electricity and gas tariffs to limit the circular debt. Also, food prices could start rising once again with low growth in the agricultural sector in 2024-25.

As regards the two deficits, both agencies project that the current account deficit will remain below 1% of the GDP in 2024-25 and 2025-26, respectively. Clearly, this is based on the expectation that appropriate policies will be followed to keep the current account deficit at a low level, given the limited level of foreign exchange reserves in the country. For example, the IMF expects that the rupee will depreciate cumulatively by over 15% by June 2026, compared to the level in June 2024.

However, there are some emerging negative developments that could increase the trade deficit in 2024-25 and lead to a significantly larger current account deficit. There has been recently an over 10% increase in the price of crude oil after the escalation of the conflict in the Middle East.

The apparent failure of the current cotton crop will add significantly to cotton imports. Further, the re-entry of India in the rice export market will constrain Pakistan's rice exports.

Overall, there is need now to recognize that the current account deficit could rise by over 1% of the GDP. This will increase the problems for Pakistan to meet fully the external financing requirements. Consequently, there could be pressure on the foreign exchange reserves and on the value of the rupee in the second half of 2024-25.

Finally, we look at the size of the budget deficit projected by the two agencies. The biggest difference in projections is in this variable. IMF requires as part of the EFF a very sharp reduction in the size of the budget deficit. It expects the deficit to come down from 6.7% of the GDP in 2023-24 to 6.0% of the GDP in 2024-25 and to only 4.7% of the GDP in 2025-26. If achieved, this will indeed be a big breakthrough in stabilizing the economy.

The World Bank's expectations are in complete contrast to the IMF's. The budget deficit is expected to show a rising trend to 7.6% of the GDP in 2024-25 and then decline to 7.3% of the GDP in 2025-26. The difference between the two projections of the budget deficit is large at 1.6% of the GDP in 2024-25 and as much as 2.6% of the GDP in 2025-26.

The IMF expects a quantum jump in the tax-to-GDP ratio of Pakistan by almost 1.8% of the GDP in 2024-25. This has never happened before and will necessitate a growth rate in tax revenues of almost 40%, when the nominal GDP is expected to increase by only about 13%. The federal budget of 2024-25 apparently does not contain enough taxation proposals to yield this big jump in revenues. This probably explains the World Bank's projection of the rise in the budget deficit in 2024-25.

Overall, the macroeconomic projections for 2024-25 and 2025-26 by the two Agencies appear to have significant differences, especially in the rate of inflation and the size of the budget deficit. This provides an opportunity for the federal ministry of finance to talk simultaneously with both the IMF and the World Bank for agreement on a common set of macroeconomic projections.

Table

Macroeconomic Projections for Pakistan
by the IMF and World Bank, 2024-25 and 2025-26

	2023-24	2024-25	2025-26
Real GDP Growth (%)			
IMF	2.5	3.2	4.0
World Bank	2.5	2.8	3.2
Rate of Inflation (%)			
IMF	23.4	9.5	7.8
World Bank	23.4	11.1	9.0
Current Account Deficit (% of GDP)			
IMF	-0.2	-0.9	-0.9
World Bank	-0.2	-0.6	-0.7
Budget Deficit (% of GDP)			
IMF	-6.7	-6.0	-4.7
World Bank	-6.8	-7.6	-7.3

Fuel & Energy

US NATURAL GAS PRICES DOWN

Reuters Published 38 minutes ago

NEW YORK: US natural gas futures held near a three-week low on Tuesday on expectations mild weather over the next two weeks will keep demand low.

Front-month gas futures for November delivery on the New York Mercantile Exchange remained unchanged at $2.490 per million British thermal units (mmBtu) at 8:11 a.m. EDT (1211 GMT). On Monday, the contract closed at its lowest since Sept. 20.

One factor weighing on prices in recent weeks has been a reduction in the amount of gas power generators burned after Hurricanes Milton and Helene knocked out electric service to millions of homes and businesses.

There were still about 193,000 customers without power in Florida from Milton, which hit the state on Oct. 9, and 12,000 out in North Carolina from Helene, which hit Florida on Sept. 26 before moving inland.

In total, Milton caused around 3.4 million customers to lose power, while Helene caused roughly 6 million outages.

The US National Hurricane Center, meanwhile, projected there was a 60% chance that a disturbance in the Atlantic Ocean would strengthen into a tropical cyclone over the next week as it moves toward Puerto Rico and the Bahamas.

Financial firm LSEG said average gas output in the Lower 48 US states slid to 101.4 billion cubic feet per day (bcfd) so far in October, down from 101.8 bcfd in September. That compares with a record 105.5 bcfd in December 2023.

Reductions so far this year came after many producers reduced drilling activities after average spot monthly prices at the US Henry Hub benchmark in Louisiana fell to a 32-year low in March. Prices have remained relatively low since then.

OIL PRICES PLUNGE 4PC

Reuters Published 38 minutes ago

HOUSTON: Oil prices tumbled more than 4% to a near two-week low on Tuesday due to a weaker demand outlook and after a media report said Israel would not strike Iranian nuclear and oil sites, easing fears of a supply disruption.

Brent crude futures were down $3.54, or 4.57%, to $73.92 a barrel at 10:35 a.m. CDT (1535 GMT). West Texas Intermediate futures lost $3.55, or 4.81%, hitting $70.28 a barrel. Both benchmarks had earlier fallen by $4, reaching their lowest since the beginning of October, after settling about 2% lower on Monday.

“We’re seeing an unwinding of the war premium we built up last week,” said Phil Flynn, senior analyst at Price Futures Group. “What we’re seeing, it’s not really about supply, it’s about the risk to supply and demand.”

Brent and WTI are down about $5 so far this week, nearly wiping out cumulative gains made after investors became concerned Israel could strike Iran’s oil facilities in retaliation for Tehran’s Oct. 1 missile attack.

Israeli Prime Minister Benjamin Netanyahu told the United States that Israel was willing to strike Iranian military targets and not nuclear or oil ones, the Washington Post reported late on

Monday. Both the Organization of the Petroleum Exporting Countries and the International Energy Agency this week cut their forecasts for global oil demand growth in 2024, with China accounting for the bulk of the downgrades.

OPEC has projected a much stronger expansion of global demand for the year than the IEA. But its “run of lower adjustments is something of an admission of wishful thinking,” said John Evans at oil broker PVM. Traders were watching tightening spreads, brokerage firm StoneX said in a morning note.

“The December-December spreads also tightened, reflecting hedge funds’ reduction of net long positions in crude oil,” said StoneX. “As geopolitical risks seem to ease, the oil market has reversed its recent aggressive rally, now sitting at its lowest level in two weeks.”

IEA SEES OIL SURPLUS LOOMING, REASSURES ON IRAN SUPPLY RISK

Reuters Published October 15, 2024

LONDON: The world oil market is heading for a sizeable surplus in the new year, the International Energy Agency said on Tuesday as it reassured markets that the agency stood ready to act if needed to cover any supply disruption from Iran.

Oil prices have risen in recent weeks on investor concern that Israel may retaliate against a missile attack from Iran, a major oil exporter and OPEC member, by hitting its oil facilities or nuclear sites.

But the IEA, which manages industrialised countries’ emergency oil stocks, said public stocks were more than 1.2 billion barrels and spare capacity in OPEC+, which comprises the Organization of the Petroleum Exporting Countries and allies such as Russia, stood at historic highs.

“As supply developments unfold, the IEA stands ready to act if necessary,” the agency said in a monthly report on Tuesday.

“For now, supply keeps flowing, and in the absence of a major disruption, the market is faced with a sizeable surplus in the new year.”

Oil was down more than $3 a barrel towards $74 on Tuesday, pressured by the weaker demand outlook and after a media report said Israel is willing not to strike Iranian oil targets.

China undershoots

Also in the report, the IEA further cut its global oil demand growth forecast for this year, citing weakness in China, a day after OPEC also lowered its demand projections.

World oil demand will rise by 860,000 bpd this year, down 40,000 bpd from the previous forecast, the IEA said.

For next year, it sees an expansion of 1 million bpd, about 50,000 bpd higher than expected last month. China has for years driven global rises in oil consumption.

The IEA has been saying that slower Chinese economic growth and a shift towards electric vehicles have changed the paradigm for the world's second-largest economy.

The Paris-based agency now expects Chinese demand to grow by only 150,000 barrels per day in 2024, after consumption dropped by 500,000 bpd in August compared to the same month last year, a fourth consecutive month of declines.

"Chinese oil demand continues to undershoot expectations and is the principal drag on overall growth," the IEA said. OPEC also reduced its forecast for 2024 global demand growth on Monday, but it is still projecting a much stronger expansion of 1.93 million bpd driven in part by a bigger contribution from China.

Oil falls as demand outlook weakens, Iran supply disruption concerns ease

The gap between the IEA and OPEC forecasts is equal to more than 1% of world demand. While demand slows, non-OPEC nations are driving up supply.

The IEA forecasts non-OPEC growth at 1.5 million bpd this year and next, with higher production from the US, Guyana, Canada and Brazil - above the rate of demand growth.

"Heightened oil supply security concerns are set against a backdrop of a global market that – as we have been highlighting for some time – looks adequately supplied," the IEA said.

OIL PLUNGES 4% AS IRAN SUPPLY DISRUPTION CONCERNS EASE, DEMAND OUTLOOK WEAKENS

Reuters Published October 15, 2024

HOUSTON: Oil prices tumbled more than 4% to a near two-week low on Tuesday due to a weaker demand outlook and after a media report said Israel would not strike Iranian nuclear and oil sites, easing fears of a supply disruption.

Brent crude futures were down $3.54, or 4.57%, to $73.92 a barrel at 10:35 a.m. CDT (1535 GMT). West Texas Intermediate futures lost $3.55, or 4.81%, hitting $70.28 a barrel.

Both benchmarks had earlier fallen by $4, reaching their lowest since the beginning of October, after settling about 2% lower on Monday.

"We're seeing an unwinding of the war premium we built up last week," said Phil Flynn, senior analyst at Price Futures Group. "What we're seeing, it's not really about supply, it's about the risk to supply and demand."

Brent and WTI are down about $5 so far this week, nearly wiping out cumulative gains made after investors became concerned Israel could strike Iran's oil facilities in retaliation for Tehran's Oct. 1 missile attack.

Israeli Prime Minister Benjamin Netanyahu told the United States that Israel was willing to strike Iranian military targets and not nuclear or oil ones, the Washington Post reported late on Monday.

Oil falls 2pc as OPEC cuts oil demand growth view, China concerns

Both the Organization of the Petroleum Exporting Countries and the International Energy Agency this week cut their forecasts for global oil demand growth in 2024, with China accounting for the bulk of the downgrades.

OPEC has projected a much stronger expansion of global demand for the year than the IEA. But its "run of lower adjustments is something of an admission of wishful thinking," said John Evans at oil broker PVM.

Traders were watching tightening spreads, brokerage firm StoneX said in a morning note.

"The December-December spreads also tightened, reflecting hedge funds' reduction of net long positions in crude oil," said StoneX. "As geopolitical risks seem to ease, the oil market has reversed its recent aggressive rally, now sitting at its lowest level in two weeks."

US NATGAS PRICES SLIP

Reuters Published October 15, 2024

NEW YORK: US natural gas futures dropped about 3% to two-week lows on Monday on forecasts for milder weather and less demand next week than previously expected.

Front-month gas futures for November delivery on the New York Mercantile Exchange fell 7.3 cents, or 2.8%, to $2.559 per million British thermal units (mmBtu) at 8:48 a.m. EDT (1248 GMT), putting the contract on track for its lowest close since Sept. 24.

Even though the November-March heating season is still a couple of weeks away, the market seems to have given up on extreme cold that could cause prices to spike this winter with futures for March trading at a record low premium to April of just 11 cents per mmBtu.

March is the last month of the winter storage withdrawal season and April is the first month of the summer storage injection season. Since gas is primarily a winter heating fuel, traders have said summer prices should not trade above winter.

The industry calls the March-April spread the "widow maker" because rapid price moves on changing weather forecasts have forced some speculators out of business, including the Amaranth hedge fund, which lost more than $6 billion in 2006. One factor weighing on gas prices in recent weeks has been a reduction in the amount of gas power generators burned after Hurricanes Milton and Helene knocked out electric service to millions of homes and businesses.

There were still about 404,000 customers without power in Florida from Milton, which hit the state on Oct. 9, and 17,000 out in North Carolina from Helene, which hit Florida on Sept. 26 before moving inland.

In total, Milton caused around 3.4 million customers to lose power, while Helene caused roughly 6 million outages.

The US National Hurricane Center, meanwhile, projected there was a 50% chance that a disturbance in the Atlantic Ocean would strengthen into a tropical cyclone over the next week as it moves toward Puerto Rico.

Financial firm LSEG said average gas output in the Lower 48 US states slid to 101.4 billion cubic feet per day (bcfd) so far in October, down from 101.8 bcfd in September. That compares with a record 105.5 bcfd in December 2023.

That is because many producers reduced their drilling activities so far this year after average spot monthly prices at the US Henry Hub benchmark in Louisiana fell to a 32-year low in March. Prices have remained relatively low since then.

OIL FALLS 2PC AS OPEC CUTS OIL DEMAND GROWTH VIEW, CHINA CONCERNS

Reuters Published October 15, 2024

HOUSTON: Oil prices declined about 2% on Monday, wiping out all of last week's gains, as OPEC's lowering of its 2024 and 2025 global oil demand growth view again added to concerns of weak fuel demand with China's oil imports falling for a fifth month in a row.

China's stimulus plans also failed to inspire investor confidence while markets continued to watch for potential Israeli attacks on Iranian oil infrastructure.

Brent crude futures were down $1.58, or 2.02%, at $77.44 per barrel by 10:37 a.m. ET (1437 GMT), while US West Texas Intermediate crude futures fell $1.64, or 2.17%, to $73.92 per barrel. Brent gained 99 cents last week, while WTI climbed $1.18. OPEC on Monday cut its forecast for global oil demand growth in 2024 and also lowered its projection for next year, marking the producer group's third consecutive downward revision.

China, the world's largest crude oil importer, accounted for the bulk of the 2024 downgrade as OPEC trimmed its growth forecast for the country to 580,000 barrels per day (bpd) from 650,000 bpd. China's crude imports for the first nine months of the year were down nearly 3% from last year to 10.99 million bpd, data showed.

Declining Chinese oil demand from the growing adoption of electric vehicles (EV), as well as slowing economic growth following the COVID-19 pandemic, has been a drag on global oil consumption and prices. China's deflationary pressures also worsened in September, according to official data released on Saturday.

A press conference the same day left investors guessing about the overall size of a stimulus package to revive the fortunes of the world's second-largest economy.

"The lack of a clear timeline and the absence of measures to address structural issues, such as weak consumption and reliance on infrastructure investments, have only increased ambiguity amongst market participants," noted Mukesh Sahdev, the global head of commodity markets-oil at Rystad Energy.

The negative news from China outweighed market concerns over the lingering possibility that an Israeli response to Iran's Oct. 1 missile attack could disrupt oil production. The US said on Sunday it would send troops to Israel along with an advanced anti-missile system in a highly unusual deployment meant to bolster the country's air defenses.

Markets – Rates

PSX ON STRONG POSITIVE NOTE

Recorder Report Published about an hour ago

KARACHI: Pakistan Stock Exchange (PSX) on Tuesday closed on strong positive note with healthy gains on the back of local investor interest coupled with institutional support.

The benchmark KSE-100 index surged by 578.96 points or 0.68 percent and closed at 85,840.34 points. During the session, the index hit 85,893.99 points intra-day high and 84,856.21 points intra-day low levels.

Total daily trading volumes on ready counter stood at 422.107 million shares as compared to 477.642 million shares traded on Monday while total daily traded value on the ready counter increased to Rs 24.467 billion against previous session's Rs 23.474 billion.

BRIndex100 added 84.11 points or 0.93 percent to close at 9,151.59 points with total daily turnover of 345.866 million shares.

BRIndex30 increased by 208.33 points or 0.77 percent to close at 27,233.85 points with total daily trading volumes of 212.611 million shares.

The foreign investors however remained on the selling side and withdrew $1.365 from the local equity market. Total market capitalization increased by Rs 64 billion to Rs 11.228 trillion. Out of total 443 active scrips, 202 closed in positive and 174 in negative while the value of 67 stocks remained unchanged.

PTCL was the volume leader with 37.868 million shares and gained Re 0.36 to close at Rs 15.73 followed by Hub Power Co that inched up by Re 0.52 to close at Rs 98.83 with 33.284 million shares. Kohinoor Spining increased by Re 0.73 to close at Rs 7.59 with 22.458 million shares.

Unilever Pakistan Foods and Pakistan Engineering Company were the top gainers increasing by Rs 126.95 and Rs 75.64 respectively to close at Rs 17,477.45 and Rs 876.30 while Hallmark Company and Sapphire Fibres were the top losers declining by Rs 98.34 and Rs 93.20 respectively to close at Rs 885.06 and Rs 1,255.65.

An analyst at Topline Securities said that the trading session witnessed a pullback in the Fertilizer and Exploration & Production (E&P) sectors; however, investor enthusiasm remained high due to the ongoing SCO summit, with many anticipating new investment opportunities.

Key contributors to the index included MARI, EFERT, OGDC, ATRL, and FFC, which together added 425 points.

BR Automobile Assembler Index increased by 221.19 points or 1.29 percent to close at 17,332.85 points with total turnover of 8.752 million shares.

BR Cement Index lost 1.27 points or 0.02 percent to close at 8,236.08 points with 21.107 million shares.

BR Commercial Banks Index added 113.34 points or 0.46 percent to close at 24,847.67 points with 18.362 million shares.

BR Power Generation and Distribution Index gained 60.26 points or 0.43 percent to close at 14,061.21 points with 81.627 million shares.

BR Oil and Gas Index surged by 141.01 points or 1.71 percent to close at 8,402.60 points with 23.602 million shares.

BR Tech & Comm Index closed at 3,993.41 points, up 28.11 points or 0.71 percent with 76.968 million shares.

Ahsan Mehanti at Arif Habib Corporation said stocks closed bullish in the earning season rally at PSX led blue chip scrips as investor weigh strong earnings outlook and diplomatic gains in the SCO summit.

He said easing political noise after opposition called off protests, rupee stability and Government deliberations over CPEC Phase II played a catalyst role in positive close.

ACTIVITIES OF KARACHI PORT TRUST, PORT QASIM

Recorder Report Published about an hour ago

KARACHI: The Karachi Port Trust handled 205,762 tonnes of cargo comprising 146,365 tonnes of import cargo and 59,397 tonnes of export cargo during last 24 hours ending at 0700 hours.

The total import cargo of 146,365 comprised of 50,798 tonnes of Containerized Cargo, 26,735 tonnes of Bulk Cargo, 7,325 tonnes of Rock Phosphate & 61,507 Tons of Liquid Cargo.

The total export Cargo of 59,397 comprised of 30,844 tonnes of Containerized Cargo, 100 tonnes of Bulk Cargo, 5,535 tonnes of Cement, 16,068 tonnes of Clinkers & 6,850 tonnes of Liquid Cargo.

Approximately, 07 ships namely, Cs Calla, Yangze 7, Zhong Gu Bo Hai, Kmtc Colombo, Independent Spirit & Mol Presence berthed at the Karachi Port Trust.

Around, 05 ships namely, Ital Universo, Hyundai Jakarta, Hansa Europe, Apl Antwerp & Msc Pratiti sailed from the Karachi Port Trust.

PORT QASIM

A total of eleven ships were engaged at PQA berths during the last 24 hours, out of them four ships, Mol Presence, Apollon-D, Solar Catie and SC-Taipei left the port on Tuesday morning while two more ships, MSC Positano and Berge Catherine are expected to sail on Tuesday afternoon.

Cargo volume of 202,032 tonnes, comprising 136,973 tonnes imports cargo and 65,059 tonnes export cargo carried in 5,312 Containers (2,320 TEUs Imports& 2,992 TEUs Export) was handled at the port during last 24 hours.

There are 15 ships at Outer Anchorage of Port Qasim, out of them three ships, Happy Hero, No.5 Pioneer and Maya Gas-1 & two more ships, Mundra Express and Maersk Cairo are scheduled to load/offload Rice, Palm oil, LPG and Container are expected to take berths at FAP, LCT, EVTL and QICT respectively on today 15th October, Meanwhile two container ships, Maersk Kensington and APL Qingdao are due to arrive at port on Wednesday 16th October, 2024.

LME OFFICIAL PRICES

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

Recorder Report Published about an hour ago

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LONDON: The following were Monday official prices.

ALUMINIUM

CONTRACT	BID	OFFER
Cash	2565.50	2566.00
3-month	2601.50	2602.00

COPPER

CONTRACT	BID	OFFER
Cash	9515.50	9516.00
3-month	9668.00	9669.00

ZINC

CONTRACT	BID	OFFER
Cash	3046.00	3047.00
3-month	3065.00	3067.00

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NICKEL
=========================================
CONTRACT                 BID         OFFER
-----------------------------------------
Cash                17330.00      17335.00
3-month             17630.00      17650.00
=========================================
LEAD
=========================================
CONTRACT                 BID         OFFER
-----------------------------------------
Cash                 2006.00       2008.00
3-month              2050.00       2051.00
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Source: London Metals Exchange.

BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Tuesday (October 15, 2024). ==================================== BR...

Recorder Report Published about an hour ago

KARACHI: BRIndex100 and BR Sectoral Indices on Tuesday (October 15, 2024).

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BR INDICASE AT A GLANCE
====================================
             BRINDEX100
====================================
Day Close:                 85,840.34
High:                      85,893.99
Low:                       84,856.21
Net Change:                   578.95
Volume (000):                251,622
Value (000):              19,200,739
Makt Cap (000)         2,671,901,000
------------------------------------
BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                 17,332.85
NET CH                    (+) 221.19
------------------------------------
BR CEMENT
------------------------------------
Day Close:                  8,236.08
NET CH                      (-) 1.27
------------------------------------
BR COMMERCIAL BANKS
```

```
------------------------------------
Day Close:                 24,847.67
NET CH                    (+) 113.34
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                 14,061.21
NET CH                     (+) 60.26
------------------------------------
BR OIL AND GAS
------------------------------------
Day Close:                  8,402.60
NET CH                    (+) 141.01
------------------------------------
BR TECH & COMM
------------------------------------
Day Close:                  3,993.41
NET CH                     (+) 28.11
------------------------------------
As on:               15-October-2024
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```

These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

OPEN MARKET FOREX RATES

Updated at: 16/10/2024 7:05 AM (PST)

Currency	Buying	Selling
Australian Dollar	186.89	189.14
Bahrain Dinar	731.21	739.21
Canadian Dollar	202.80	205.20
China Yuan	38.88	39.28
Danish Krone	40.29	40.69
Euro	301.75	304.50
Hong Kong Dollar	35.37	35.72
Indian Rupee	3.34	3.45
Japanese Yen	1.92	1.98
Kuwaiti Dinar	897.37	906.87
Malaysian Ringgit	64.13	64.73
NewZealand $	170.21	178.21
Norwegians Krone	25.65	25.95
Omani Riyal	715.71	724.21
Qatari Riyal	76.24	76.94
Saudi Riyal	73.60	74.15
Singapore Dollar	210.75	212.75
Swedish Korona	26.46	26.76
Swiss Franc	322.20	324.88
Thai Bhat	8.18	8.33
U.A.E Dirham	75.35	76.00
UK Pound Sterling	360.70	364.2
US Dollar	278.00	279.50

INTER BANK RATES

Updated at: 16/10/2024 7:05 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	186.42	186.75
Canadian Dollar	201.10	201.46
China Yuan	38.97	39.04
Danish Krone	40.54	40.61
Euro	302.43	302.98
Hong Kong Dollar	35.74	35.81
Japanese Yen	1.8544	1.8578
Saudi Riyal	73.93	74.07
Singapore Dollar	211.87	212.25
Swedish Korona	26.61	26.66
Swiss Franc	321.52	322.09
Thai Bhat	8.31	8.32
UK Pound Sterling	362.33	362.98
US Dollar	277.60	278.10

GOLD RATE

Gold Price Today

As on Wed, Oct 16 2024, 01:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	236,107	275,103	734,387	
Palladium	XPD	92,264	107,502	286,976	
Platinum	XPT	88,668	103,312	275,792	
Silver	XAG	2,778	3,237	8,640	

Gold Price in Pakistan

As on Wed, Oct 16 2024, 01:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 275100	Rs. 252173	Rs. 240713	Rs. 206325
per 10 Gram	Rs. 235900	Rs. 216240	Rs. 206413	Rs. 176925
per Gram Gold	Rs. 23590	Rs. 21624	Rs. 20641	Rs. 17693
per Ounce	Rs. 668800	Rs. 613062	Rs. 585200	Rs. 501600

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	6,030	7,027	18,757	
Euro	EUR	780	909	2,426	
Japanese Yen	JPY	127,500	148,558	396,576	
Saudi Riyal	SAR	3,191	3,718	9,925	
U.A.E Dirham	AED	3,125	3,641	9,720	
UK Pound Sterling	GBP	652	760	2,028	
US Dollar	USD	851	991	2,647	