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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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'FASTER' IS FBR'S FASTEST SYSTEM FOR REFUND PROCESSING

Sohail Sarfraz Published September 15, 2024

ISLAMABAD: The Federal Board of Revenue (FBR)'s "FASTER" refund payment system took eight to 19 days for processing of refunds, whereas, "STARR" system took 286 to 753 days for processing/payment of sales tax refunds.

An impact study (2023-24) of Fully Automated Sales Tax E-refund (FASTER) system of the Auditor General of Pakistan (AGP) revealed that both the systems are running parallel for processing of refund payments.

The main difference between the two systems is that cases through FASTER are processed centrally for all stages i.e. from verification of claims to upto authorisation of payment at the FBR headquarters.

On the other hand, the processing and sanctioning of refund through STARR system is dealt by the respective field formation. The refunds through the "FASTER" have increased in comparison to refunds through STARR, both in terms of number of claims as well as total claimed amount.

The report added that the "FASTER" took eight to 19 days on average for processing while processing through the "STARR" system varied from 286 to 753 days. Post-processing delays are another hurdle faced by taxpayers while claiming input tax refunds.

Average credit days ranged from 153 to 173 days in STARR, while cases processed through "FASTER" took nine to 29 days, report maintained.

The AGP has recommended that there should be one platform for processing of refund cases. Other sectors not falling within its ambit as of now may also be allowed to file refund claims through "FASTER".

The tax gap framework of the FBR needs to be reviewed to incorporate refund liabilities and potential refunds. The department needs to address the systemic issue of non-payment of refunds. Risk categorisation of pending refund claims be carried out and payments be prioritised according to risk, the AGP report added.

FBR INTENSIFIES EFFORTS TO COLLECT ADVANCE TAX INSTALMENTS

Sohail Sarfraz Published September 14, 2024

ISLAMABAD: The Federal Board of Revenue (FBR) has intensified efforts to timely collect due "advance tax" instalments from banks as well as corporate sector to meet quarterly (July-September) revenue target of Rs2.652 trillion for 2024-25.

Sources informed that the FBR has issued directions to its field formations to work on the top 10 cases of advance tax payment in their respective jurisdictions.

The banks are paying monthly advance tax and corporate entities will pay first instalment of advance tax for the first quarter of 2024-25 by September 15.

The FBR had collected Rs357 billion on the account of advance tax during the first quarter of last fiscal year 2023-24.

Sources said the FBR is likely to collect more than Rs400 billion on account of advance tax during the first quarter of the current fiscal year. The FBR has also asked field formations to look into the issue of negative trends in sales tax.

The Large Taxpayers Offices (LTOs) are pursuing banking companies for timely payment of advance tax instalment in September 2024 to meet the assigned revenue collection targets for first quarter of 2024-25.

The corporate sector would also pay advance tax first payment by September 15. Under Section 147 of the Income Tax Ordinance, 2001, the corporate entities have to pay advance tax on a quarterly basis.

However, there are reports that exaggerated tax demands may be raised against companies to collect inflated amount of advance tax from corporate sector to generate additional revenue.

Before September 15, the orders would be issued for payment of advance tax and exaggerated tax demands would be raised. In case of non-payment, bank accounts would be attached and advance tax payment would be recovered, a tax expert added.

WITHHOLDING TAX RATES FOR TELEPHONE AND INTERNET IN TY 2024-25

September 15, 2024

Karachi, September 15, 2024 – The Federal Board of Revenue (FBR) has updated the withholding tax rates on the usage of telephone and internet services for the tax year 2024-25. This update follows the release of the FBR's withholding tax card for the current tax year, which outlines the applicable tax rates under Section 236 of the Income Tax Ordinance, 2001.

For the tax year 2024-25, the FBR has announced the following withholding tax rates on telephone and internet services:

1. Telephone Subscribers (Non-Mobile):

o For telephone subscribers, excluding mobile phone users, where the monthly bill exceeds Rs 1000, a 10% withholding tax will be applied on the portion of the bill exceeding this threshold.

o This tax rate is targeted at landline users with higher billing amounts.

2. Mobile and Internet Subscribers (Including Prepaid Cards):

o For users of mobile phones, internet services, and prepaid telephone or internet cards, a 15% withholding tax will be applied to the total bill or the sales price of the prepaid card.

o This also includes the sale of units through any electronic medium, ensuring that tax is deducted on all forms of prepaid telecommunications and internet services.

3. Persons Listed in Income Tax General Order Under Section 114B:

o For individuals and entities listed under Section 114B of the Income Tax Ordinance, 2001, a significantly higher withholding tax rate of 75% will be imposed on their telephone and internet bills or the sale price of prepaid cards.

o This elevated rate applies to taxpayers who have not complied with the income tax filing requirements set by the FBR.

The updated withholding tax rates aim to broaden the tax base and ensure compliance from all subscribers, including non-filers. By imposing a higher rate of withholding tax on non-compliant individuals and businesses, the FBR seeks to encourage timely filing of tax returns and proper documentation of income.

These tax updates reflect the government's ongoing efforts to increase revenue collection through direct taxation methods, such as withholding taxes. By targeting the telecommunications and internet sectors, which have seen exponential growth in recent years, the FBR aims to tap into these revenue streams while promoting tax compliance.

Subscribers are advised to review their monthly bills and ensure that the appropriate tax rates are being applied. It is also crucial for non-filers to become compliant to avoid higher tax rates on their telecom and internet services.

FBR EXTENDS TAX CREDIT FOR REAL-TIME SALES REPORTING

September 15, 2024

Karachi, September 15, 2024 – The Federal Board of Revenue (FBR) has announced the continuation of the tax credit facility for taxpayers who are reporting their sales on a real-time basis during tax year 2024-25.

This move is aimed at encouraging businesses to integrate their sales systems with the FBR's computerized platform to promote transparency and ensure accurate tax reporting.

The FBR recently updated the Income Tax Ordinance, 2001, as of June 30, 2024, and retained the provision of tax credit for businesses providing real-time access to their sales under Section 64D of the Ordinance. This section provides an incentive for businesses to invest in point-of-sale (POS) systems, a crucial step in digitizing Pakistan's tax infrastructure.

According to the FBR, Section 64D of the Income Tax Ordinance, 2001 stipulates:

1. Any individual or business required to integrate with the FBR's computerized system for real-time sales reporting will be entitled to a tax credit for the amount invested in purchasing a point-of-sale (POS) machine.

2. The tax credit for the tax year in which the POS machine is installed, integrated, and configured with the FBR's system will be the lesser of:

o The amount actually invested in the purchase of the POS machine, or

o A maximum of Rs. 150,000 per machine.

3. The term point-of-sale machine refers to a device used for processing and recording sales transactions, either through cash, credit/debit cards, or online payments in an internet-enabled environment.

This continuation of tax credit is part of the FBR's broader strategy to digitize tax collection, improve sales reporting accuracy, and reduce tax evasion. By offering tax incentives, the FBR aims to encourage more businesses, particularly in the retail and service sectors, to adopt real-time sales reporting. This step also assists businesses in streamlining their operations and ensuring compliance with national tax regulations.

Real-time reporting is expected to boost revenue collection and minimize tax discrepancies. It ensures that sales data is promptly captured, reducing the chances of misreporting or underreporting sales, which has been a persistent issue in the informal sectors of the economy. Additionally, real-time integration allows the FBR to maintain a comprehensive and up-to-date database of sales transactions across the country.

The tax credit facility has been well-received by businesses looking to reduce their tax liability while investing in necessary technological infrastructure. The FBR's initiative not only incentivizes businesses to comply with tax regulations but also contributes to the ongoing digital transformation of Pakistan's financial system.

Markets » Cotton & Textile

WEEKLY COTTON REVIEW: IMPROVEMENT IN WEATHER HELPS PRICES INCREASE

Naseem Usman Published about an hour ago

KARACHI: The local cotton market witnessed an overall increase in prices during the past week. Changing weather condition has improved the quality of the crop.

The cotton crop in the fields is in good condition, and the supply of Phutti is expected to increase in the coming days, with a better quality. Cotton production; however, is estimated to be around 65-70 lac bales.

Meanwhile, the textile sector continues to struggle. Many mills and power looms are shutting down in Faisalabad. The industry is unhappy with recent 2% decrease in interest rates. Three new cotton seed varieties have been introduced. Most textile mills are showing interest in importing cotton.

In the international market, New York cotton futures prices rose due to concerns over the impact of Hurricane in cotton producing areas in the United States.

However, local market activity is expected to pick up from October.

In Punjab, the early crop has ended, and the next crop will arrive late but in a better condition. During a recent visit to cotton-producing areas, including Bahawalpur, Sadikabad, Upper Sindh, and Mehrabpur it was observed that the cotton crop is in good condition albeit minor damage in some areas.

However, overall production is expected to improve. Total production is estimated to be around 65-70 lac bales.

As production increases, the supply of cotton seeds will also increase, enabling several closed ginning factories to resume operations. However, the textile sector continues to struggle. According to reports from Faisalabad, known for its textile industry, many textile mills and power looms are shutting down, leading to widespread unemployment. Spinners are particularly affected due to increasing yarn imports, which have impacted local production. The struggle of textile industry is likely to continue unless urgent measures are taken to address the issues faced by this sector.

Meanwhile, major textile mill groups are shifting their focus towards imported cotton, leading to a surge in imports. In contrast, the local market is experiencing a decline in demand and prices for yarn, excluding cotton. This downward trend has precipitated a significant financial crisis in market.

According to reports, several textile groups have billions of rupees stuck in yarn imports, with unusually delayed payments. Despite the State Bank of Pakistan's (SBP) recent 2% decrease in interest rates, industrialists and traders remain dissatisfied with the move.

In Sindh, cotton prices were in between Rs 17,800 to Rs18,400 per maund. The rate of Phutti is in between Rs 7,000 to Rs8,400 per 40 kg.

In Punjab the rate of cotton was in between Rs 18,600 to RS19,000 per maund. The rate of Phutti is in between Rs 7,200 to TS 9,000 per 40 kg.

In Balochistan, cotton prices were in between Rs 18,000 to Rs18,300 per maund. The rate of Phutti is in between Rs 7,200 to RS8,800 per 40 kg.

The rate of Balochi cotton was in between Rs 19,500 to RS19,600 per 40 kg.

The Karachi Cotton Association's Spot Rate Committee has fixed the spot rate at Rs 18,500 per maund, following an increase of Rs 200 per maund.

According to Naseem Usman, Chairman of the Karachi Cotton Brokers Forum, international cotton prices remained stable. New York cotton futures traded between 69 and 72 American cents per pound. However, concerns over the impact of Hurricane Fransein on cotton-producing areas in the United States led to an increase in ICE cotton prices.

According to the USDA's weekly export and sales report, one lac and sixteen thousand bales were sold for the 2024-25 season. Vietnam purchased sixty five thousand and seven hundred bales, followed by Pakistan with twenty seven thousand and five hundred bales. India was on number third with more than thirteen thousand and four hundred bales.

The failure to significantly reduce mark-up rates, coupled with continuous increases in electricity and gas prices, has led to the shutdown of over 100 textile mills in Faisalabad, followed by the closure of more than 1,000 power loom units.

According to Patron-in-Chief of the Pakistan Hosiery Manufacturers and Exporters Association Chaudhry Salamat, "It has become impossible to sustain production operations. Further mill closures will unleash a new wave of unemployment." Approximately five lac workers in Faisalabad are employed in the power loom sector alone. Power loom owners maintain that escalating production costs and rising raw material prices have made it impossible for them to continue operations.

Chaudhry Salamat said that Ghulam Muhammadabad, the hub of the power loom sector, houses around 2,100 small and large power loom units, of which approximately 1,000 have shut down. He attributed this to Pakistan's highest mark-up rates and energy tariffs, which have severely impacted the export industry, with most textile mills either partially or completely closed. The effects are now being felt in the power loom sector.

Chaudhry Salamat warned that if the government failed to significantly reduce mark-up rates and lower electricity and gas prices for the export industry, further mill closures will unleash a new wave of unemployment. The current state of the industry suggests that unless the government urgently addresses the textile sector's issues, the national economy will suffer a severe blow.

Meanwhile, agricultural scientists in Sindh have successfully developed new high-yielding varieties of cotton and wheat. These innovative varieties will enable Sindh to become self-sufficient in cotton and wheat production. This breakthrough was announced during the 36th meeting of the Sindh Seed Council, chaired by Provincial Minister for Agriculture and Supply, Sardar Muhammad Bakhsh Khan Mehar.

The meeting approved the cultivation of 12 new crop varieties, including cotton, wheat, mustard, and Berseem, and outlined the characteristics of the new seeds. According to details, the Sindh government has approved 12 new agricultural varieties, paving the way for enhanced crop yields and improved agricultural productivity.

Stock & Commodity

WALL STREET WEEK AHEAD: SIZE, SPEED OF RATE MOVES IN FOCUS AS FED POISED TO START CUTS

Reuters Published about 2 hours ago

NEW YORK: The Federal Reserve is in focus next week, as uncertainty swirls over how much the US central bank will cut interest rates at its monetary policy meeting and the pace at which it will reduce borrowing costs in coming months.

The S&P 500 index is just 1% shy of its July record high despite weeks of market swings sparked by worries over the economy and seesawing bets on the size of the cut at the Fed's Sept. 17-18 meeting.

After fluctuating sharply throughout the week, Fed funds futures on Friday showed traders pricing an almost equal chance of a 25 basis point cut and a 50 basis point reduction, according to CME Fedwatch.

The shifting bets reflect one of the key questions facing markets today: whether the Fed will head off weakening in the labor market with aggressive cuts, rather than take a slower wait-and-see approach.

"The market wants to see the Fed portray a level of confidence that growth is slowing but not falling off a cliff," said Anthony Saglimbene, chief market strategist at Ameriprise Financial. "They want to see ... that there's still this ability to gradually normalize monetary policy." Investors will focus on the Fed's fresh economic projections and interest rate outlook. Markets are pricing in 115 basis points of cuts by the end of 2024, according to LSEG data late on Friday. The Fed's June forecast, by comparison, penciled in one 25-basis point cut for the year.

Walter Todd, chief investment officer at Greenwood Capital, said the central bank should opt for 50 basis points on Wednesday. He pointed to the gap between the 2-year Treasury yield, last around 3.6%, and the Fed funds rate of 5.25%-5.5%.

That gap is "a signal that the Fed is really tight relative to where the market is," Todd said. "They are late in starting this cutting cycle and they need to catch up." Aggressive rate cut bets have helped fuel a Treasury rally, with the 10-year yield down some 80 basis points since the start of July to around 3.65%, near its lowest level since June 2023.

But if the Fed continues to project significantly less easing than the market does for this year, bonds will have to reprice, pushing yields higher, said Mike Mullaney, director of global markets research at Boston Partners.

Rising yields could pressure stock valuations, Mullaney said, which are already high relative to history. The S&P 500 was last trading at a forward price-to-earnings ratio of 21 times expected 12-month earnings, compared to its long-term average of 15.7, according to LSEG Datastream.

"I find it implausible that you're going to get P/E multiple expansion between now and year-end in a rising (yield) environment," Mullaney said.

With the S&P 500 up about 18% so far this year, it may not take much to disappoint investors with next week's Fed meeting.

Focus has turned to the employment market as inflation has moderated, with job growth coming in less robust than expected in the past two monthly reports.

The unemployment rate jumped to 4.2% in August, one month after the Fed projected it reaching that level only in 2025, said Oscar Munoz, chief US macro strategist at TD Securities. That indicates the central bank may need to show it will move aggressively to bring down rates to their "neutral" level, he added.

"If the (forecast) disappoints, meaning they turn more conservative and they don't ease as much ... I think the market might not take it well," Munoz said.

AUSTRALIAN STOCKS HIGHER AS MINING, GOLD SHINE

Reuters Published about 2 hours ago

SYDNEY: Australian shares closed higher on Friday, driven by mining and gold stocks on strong underlying commodity prices, while market participants globally awaited the US Federal Reserve policy meeting next week.

The S&P/ASX 200 index ended 0.3% higher at 8,099.9, after hitting its highest in nearly one-and-a-half months earlier in the day. The benchmark gained 1.1% for the week.

The Fed is widely expected to cut rates for the first time since 2020 at the close of its two-day meeting next Wednesday.

The Reserve Bank of Australia (RBA) has however stuck to a hawkish stance by ruling out the possibility of a rate cut this year as inflation remains too high, even though the economy struggles to motor on.

That might change after next week's jobs data, which will throw light on how well the labour market is handling the extended period of high interest rates.

"If we start to see a trend of weaker macro indicators including on the jobs front, then the RBA could maybe open the door for a potential November rate cut," said Tim Waterer, market analyst at KCM Trade.

In Sydney, gold stocks benefited from a rally in bullion prices and closed 5.2% higher. They were the biggest percentage gainers on the benchmark.

IG market analyst Hebe Chen expects gold prices to rise further in the months ahead, if expectations for aggressive Fed easing receive further support from the meeting.

Northern Star Resources and Evolution Mining advanced 3.7% and 6.9%, respectively. Mining and energy stocks gained 2.6% and 0.8%, respectively.

SRI LANKA SHARES END HIGHER

Reuters Published about 2 hours ago

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COLOMBO: Sri Lankan shares closed higher on Friday aided by gains in communication services and information technology stocks. The CSE All-Share index settled 1.10% up at 10,683.10.

The island nation's economy grew 4.7% year-on-year from April to June this year, official data showed. Blue Diamonds Jewellery Worldwide PLC and Kotmale Holdings PLC were top gainers on the index, up 33.3% and 20%, respectively.

Trading volume on the index rose to 50.1 million shares from 25.3 million shares in the previous session.

The equity market's turnover rose to 1.22 billion Sri Lankan rupees ($4.05 million) from 1.15 billion rupees in the previous session, according to exchange data.

Foreign investors were net buyers, purchasing stocks worth 89.1 million rupees, while domestic investors were net sellers, offloading shares worth 1.21 billion rupees, the data showed.

MOST GULF MARKETS GAIN GROUND ON BIG FED RATE CUT BETS

Reuters Published about 2 hours ago

DUBAI: Most stock markets in the Gulf ended higher on Sunday as investors priced in the possibility of a big interest rate cut by the US Federal Reserve.

Markets focused on comments from a former U.S policymaker who argued that a 50-basis point rate cut is still an option next week.

Futures tied to the Fed's policy rate now reflect about a 47% chance the Fed will cut its policy rate by half a percentage point, climbing from 28% on Tuesday following media reports suggesting it could be a close call between a half-point and a quarter-point rate cut.

Monetary policy in the Gulf Cooperation Council (GCC), which includes the UAE, often aligns with the US Federal Reserve's decisions, as most of the regional currencies are pegged to the US dollar.

Saudi Arabia's benchmark index gained 0.5%, with Al Rajhi Bank rising 1.1% and aluminium products manufacturer Al Taiseer Group closing 0.2% higher.

The Qatari benchmark advanced 0.6%, led by a 2% gain in Islamic lender Masraf Al Rayan.

TSX HITS RECORD HIGH ON HOPES FOR US RATE CUT

Reuters Published about 2 hours ago

TORONTO: Canada's main stock index hit another record high on Friday in a broad-based rally led by mining stocks, as investors assessed the overnight spike in chances of a hefty US interest rate cut next week.

The Toronto Stock Exchange's S&P/TSX composite index was up 143.04 points, or 0.61%, at 23,618.73 and was set to extend its record run. At least 11 sectors on the index nursed gains as the market reacted to the expectation of a bigger rate cut by the Federal Reserve at its Sept. 18 policy meeting.

FTSE 100 GAINS ON PRECIOUS METALS SURGE

Reuters Published about 2 hours ago

LONDON: Precious metal mining stocks lifted London's blue-chip index on Friday as investors raised their bets on a hefty US interest rate cut next week, but gains were limited as a strong pound weighed on export-oriented companies.

The FTSE 100 edged up 0.4%, while the mid-cap FTSE 250 rose 1%. Both stock indexes registered a weekly advance, led by an over 19.5% rise in precious metal mining stocks over the week.

The index climbed over 6.8% to its highest level in over 15 months. Gold miners Fresnillo and Endeavour firmed 5.7% and 10.5%, respectively, as gold scaled a record high against a weaker greenback.

Gold prices rose as optimism about the Federal Reserve cutting US interest rates increased, driven by fund inflows and a weaker dollar.

Beverages were the top sectoral decliners, down 1.2% after the Italian spirits group Campari warned about a "very soft" environment for the industry in the current quarter. UK peer Diageo slipped 1.4%.

Sterling touched a one-week high against the dollar after the Wall Street Journal and Financial Times reported it might be a close call on whether the Fed cuts rates by 25 basis points or by 50 bps at its meeting next Wednesday. That prompted traders to boost their expectations of a steeper 50 bps rate cut to 43% from just 14% a day earlier, CME's FedWatch tool showed.

Meanwhile, the British public's expectations for inflation over the coming year dropped to their lowest in three years in August, likely reassuring policymakers ahead of next week's interest rate decision.

The Bank of England is expected to keep rates on hold in its upcoming meeting, according to a Reuters poll of economists.

Among other stocks, Vodafone rose 1.1% on expectations that the telecom provider's merger with Three UK could win regulatory approval if they can guarantee the $19 billion deal will be good for consumers.

Business & Finance » Money & Banking

HBL AWARDED 'BEST BOARD OF THE YEAR'

Press Release Published about an hour ago

KARACHI: HBL has been honored with the 'Best Board of the Year' award by the Pakistan Institute of Corporate Governance (PICG), in recognition of its exemplary leadership, outstanding governance, and strategic oversight.

Aamir Irshad, Acting President & CEO - HBL, received the award on behalf of the Board of Directors of HBL at the PICG Awards ceremony held at a local hotel in Karachi. Other senior Officials of the Bank were also present on the occasion.

While announcing the award PICG explained that the 'Best Board of the Year' was awarded based on the criteria of not only achieving the highest Board Strategic Performance Index (BSPI) but also having ensured the most efficient evaluation process in cohesion with the management team.

The HBL Board also set a record of the most timely completion of the evaluation process after year-end, and held detailed discussions with PICG's management to discuss the way forward.

This achievement reflects HBL's unwavering commitment to excellence and responsible corporate practices.

INDIAN RUPEE ENDS HIGHER

Reuters Published about 2 hours ago

MUMBAI: The Indian rupee strengthened on Friday as Asian currencies benefited from the weakness in the US dollar as the odds of a outsized Federal Reserve rate cut next week rose after media reports said the decision is likely to be a close call.

The rupee closed at 83.8875 against the US dollar, up from its close at 83.9650 in the previous session.

The currency strengthened nearly 0.1% week-on-week, its best weekly performance since the week ended June 25.

The dollar index dipped below the 101 handle on Friday and was down 0.2% on the day, while the Korean won and the Malaysian ringgit led gains among Asian currencies.

Broad-based interbank dollar offers helped the rupee on Friday, but 83.85 continues to be a strong resistance level for the currency, a foreign exchange trader at a state-run bank said.

The chances of a 50-basis point rate cut by the Fed rose to 43%, up from 14% a day earlier, which drove US bond yields lower.

The odds rose after reports from the Wall Street Journal and Financial Times said an outsized rate reduction is still an option.

Dollar-rupee forward premiums benefited from the decline, with the one-year implied yield rising 5 bps to 2.28%, its highest level in 16 months.

"Unless the Fed surprises with a hawkish cut, we think even a dovish 25bp move (i.e., signalling large easing and perhaps 50bp cuts ahead) can prevent a sustainable dollar recovery," ING Bank said in a note.

Investors will also keep an eye on the Bank of Japan's (BOJ)interest rate decision next Friday, where it's expected to keep rates steady at 0.25%.

The BOJ's rate hike in July had sparked a rally in the yen, leading to an unwinding of global carry trades, sparking volatility across financial markets.

NATIONAL SAVINGS SCHEMES: CDNS REDUCES PROFIT RATES ON MAJORITY OF ITS INSTRUMENTS

BR Web Desk Published September 14, 2024

The Central Directorate of National Savings (CDNS) has reduced profit rates on several of its National Savings Schemes while leaving others unchanged.

Rates of Regular Income Certificate (RIC) decreased by 12 basis points (bps) to 14.52%, down from 14.64%. The Special Saving Certificates (SSC) will offer a return of 15.2% return, as compared to 15.5% earlier a decrease of 30bps.

Similarly, the rate on Special Saving Account declined to 15.2% after a decrease of 30bps.

Short Term Savings Certificate (STSC) will now offer a return of 17.22% after registering a reduction of 68bps.

Meanwhile, the rate offered by Sarwa Islamic Savings Account (SISA) reduced by 100bps to 18%, down from 19%. However, the largest decline was seen in Sarwa Islamic Term Account (SITA), which will now offer a return of 16.36%, representing a decrease of 122bps.

The rate of other schemes remained unchanged.

The National Savings Organization is Pakistan's largest financial institution, managing a portfolio exceeding Rs3.4 trillion and serving over 4 million customers through a network of 376 branches across the country, administered by 12 Regional Directorates.

The CDNS helps the government finance budgetary deficits and support critical infrastructure projects.

The reduction in rates comes as the Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) reduced the key policy rate by 200bps, taking it to 17.5%, its third successive decision of a cut.

Pakistan's headline inflation clocked in at 9.6% on a year-on-year basis in August 2024, lower than the reading in July 2024 when it stood at 11.1%.

The inflation reading was back into single digits after a span of three years, showed Pakistan Bureau of Statistics (PBS) data. Back in October 2021, CPI inflation stood at 9.2%.

Trade & Industry

GANDAPUR VOWS INDUSTRIAL DEVELOPMENT IN KP

Recorder Report Published about 2 hours ago

PESHAWAR: Chief Minister Khyber Pakhtunkhwa, Ali Amin Gandapur, convened a high-level meeting with prominent industrialists across the country to reaffirm the KP government's commitment to the industrial development of the province.

The meeting attended by a large number of business community representatives, provided a platform for a candid exchange of ideas and concerns.

The meeting was attended by Minister for Social Welfare and Women Empowerment Syed Qasim Ali Shah, Advisor to CM KP on Finance Muzzamil Aslam, Special Assistant to CM on Industries, Commerce, and Technical Education Abdul Karim Tordher, Secretary Industries, Commerce and Technical Education, senior management of Khyber Pakhtunkhwa Economic Zones Development and Management Company (KPEZDMC), KP Board of Investment and Trade (KPBOIT) and Small Industries Development Board (SIDB).

These key figures participated in a productive discussion focused on ensuring a business-friendly environment in KP.

The CM informed the attendees about the nearing completion of the 60MW power project, which will significantly enhance energy availability for industries.

The inauguration of the transmission lines for this project is expected soon. He also highlighted the appreciation received from the International Monetary Fund (IMF) for the KP government's successful fulfillment of all agreements, reflecting the province's fiscal discipline and commitment to international standards.

The government is actively working on the revival of trade between Afghanistan and KP, aiming to open new opportunities for cross-border commerce. This initiative will boost the local economy and strengthen regional trade ties.

Gandapur emphasized that the KP government is ready to serve the business community and invited industrialists to join hands with the government to work collectively for the continued development and prosperity of the province.

The industrialists in attendance expressed their appreciation for the KP government's ongoing efforts to enhance the industrial landscape of the province. They voiced their confidence in the provincial administration's proactive approach during the face-to-face engagement and were assured that their concerns would be addressed.

A question-and-answer session was held, during which the business leaders had the opportunity to directly communicate their queries and suggestions to the chief minister and government officials.

The KP government reiterated its dedication to fostering a robust industrial sector, aimed at accelerating economic growth and creating a conducive environment for investment.

WINDAR TIN PLANT: CLOSURE TERMED A SETBACK FOR BALOCHISTAN INDUSTRY

Recorder Report Published September 16, 2024 Updated 34 minutes ago

KARACHI: The recent closure of the Sidique Sons Tin Plant in Windar marks an unfortunate chapter in Balochistan's economic development, experts said.

The Balochistan Economic Forum, which was instrumental in lobbying for this project nearly three decades ago, has expressed its deep concern over the cessation of operations at a plant that once promised a brighter economic future for the region.

Established with the vision of becoming a key driver of industrial growth and job creation in Balochistan, the Sidique Sons Tin Plant was expected to pave the way for economic diversification and upliftment.

The project was seen as a catalyst for regional development, offering a range of opportunities in employment, trade, and skill development. Over the years, the plant provided livelihoods to many families, stimulated local businesses, and contributed to the economic fabric of the province.

The closure; however, highlights the pressing challenges that continue to impede industrial growth in Balochistan. The President Balochistan Economic Forum, Sardar Shoukat Popalzai, believes that the potential of Balochistan remains largely untapped due to inadequate infrastructure, policy inconsistencies, and a lack of robust support systems for industries. The shuttering of this plant is a reminder that much more needs to be done to create an enabling environment for sustainable industrial development in the province.

The Balochistan Economic Forum calls upon both the provincial and federal governments to take immediate and meaningful steps to address the systemic issues that have led to the downfall of such vital projects.

It urges the government to work closely with stakeholders to revive the Sidique Sons Tin Plant or facilitate alternative industrial ventures that can once again bring hope and prosperity to the people of Balochistan. "As we reflect on the past three decades, it is evident that the aspirations of the people of Balochistan for economic stability and growth remain as strong as ever."

USMAN ELECTED RCCI'S PRESIDENT, KHALID QAZI SVP

APP Published about 2 hours ago

RAWALPINDI: A renowned businessman Usman Shaukat has been declared as the next President of Rawalpindi Chamber of Commerce and Industry (RCCI) for the term of two years; 2024-26.

The poll to elect the RCCI president was scheduled for 16th September, however after being elected unopposed for the top executives seats, the election process has also been declared completed.

According to the details, a three member election commission comprising Tariq Mughal, Syed Rizwan Haider Mashadi and Zahoor Ahmed Malik announced the results of scrutiny of nomination papers for the posts of President, Senior Vice President and Vice President.

As per the results, Usman Shaukat, Khalid Farooq Qazi, and Fahad Barlas stand elected as President, Senior Vice President and Vice President respectively. All three executives remained unopposed in the RCCI Elections 2024-26. Whereas on reserved seats for women entrepreneurs, Falak Anjum and Naureen were elected uncontested.

President RCCI, Saqib Rafiq along with Group Leader RCCI Sohail Altaf, Vice President Faisal Shahzad, former presidents, EC members and newly elected Executive Committee members, Secretary General Irfan Manan Khan and distinguished RCCI members were also present on the occasion.

Group leader Sohail Altaf said that Mian Parvez Aslam group got 93% votes in the RCCI election, adding, the opposition was defeated by a huge margin.

“Excellent turnover proved that the Group deserves the right to true representation of the Rawalpindi Chamber of Commerce”, he added.

The participants congratulated the newly elected officials and vowed that the problems of the business community would be solved with the same passion, dedication and hard work that was shown in the election campaign.

Traders and members have shown their trust in Mian Parvez Aslam Group, we have clean footing, we have not made allegations.

INDUSTRIAL PLOTS ALLOTMENT: KP GOVT PREPARES DRAFT OF NEW POLICY

Recorder Report Published about 2 hours ago

PESHAWAR: The KP government prepared the first and basic draft of the new policy for allotment, cancellation, transfer and surrendering of the plots at industrial estates and parks under Small Industries Development Board (SIDB) in the province.

After a thorough review to make it useful and feasible from all aspects, the policy will be presented for approval.

The policy was thoroughly reviewed during a meeting held here with Special Assistant to KP CM on Industries, Commerce and Technical Education, Abdul Karim Khan Tordher in the chair. The participants of the meeting presented proposals and suggestions to bring further improvement in it.

Besides, Special Secretary Industries, Mohammad Anwar Khan, Managing Director (MD) SIDB Habib Ullah Arif and Deputy Managing Director (DMD) Sahibzada Zulfikar, other authorities also attended the meeting.

The participants of the meeting were given detailed presentation regarding the draft of the new policy and were told that after the formal approval, the new policy will be enforced in all prevailing and future industrial parks and industrial estates.

Under the new policy, the applicants for plots at industrial parks and estates will be provided the facility of the submission of online applications while a period of 20 days would be available for submission of essential documents.

Similarly, in case of application for any plot, the applicants would be required to pay 25% of the total price as down payment. Under the policy, the scrutiny of the applications for plots allotment would be carried out by the concerned forum and provisional allotment letter would be issued after the payment of 75% installments. Under the new policy, a clear procedure has been evolved for cancellation, transfer and surrendering of the plot.

Speaking on the occasion, the Special Assistant to KP CM on Industries, Commerce and Technical Education, Abdul Karim Khan Tordher expressed the hope that the new policy would prove helpful and beneficial in the promotion of small and medium enterprises (SMEs) and facilitation of the industrialists.

He said that focus should be made on the promotion of industrialisation and facilitation of industrialists from all aspects and instead of traditional long phases, a simple procedure would be adopted for them in the system.

The Special Assistant emphasised on ensuring the provision of electricity in the new industrial estates and parks on priority basis, saying the issue create unnecessary delay in the establishment of the new industrial units. He further directed the useful utilisation of the commercial plots in industrial estates for the sustainability of the board.

SMAP RAISES CONCERNS OVER PROPOSED BAN ON RAW PINK SALT EXPORTS

Bilal Hussain Published September 15, 2024

The Founding Chairman of the Salt Manufacturers Association of Pakistan (SMAP), Ismail Suttar, has expressed deep concerns over the recent announcement by the Chief Minister of Punjab Maryam Nawaz Sharif regarding a potential ban on the export of raw pink Himalayan salt.

While chairing a meeting to review proposals on getting maximum revenue from the export of pink salt on Saturday, the CM had directed the authorities concerned to prepare a plan for setting up value-added industry for the pink salt. “Ban the export of raw pink salt,” she had said during the meeting.

Suttar voiced his disappointment, calling the announcement “immature” and criticising the lack of consultation with key stakeholders in the salt industry.

“It is very unfortunate to witness repeated mistakes by the government, leading the industry towards a destructive path,” said Suttar. “I am surprised at such a remark from the Office of the Chief Minister without considering the opinion of the salt industry stakeholders.”

Pink salt export: PM witnesses signing of JV between PMDC and Saltworks

According to SMAP, the industry had been expecting a meeting with the Punjab government to discuss the implications of such a ban before any decision was finalised.

Suttar stressed that private industry stakeholders should be included in discussions that have significant economic consequences.

“We are already drowning in debt and cannot afford politicised decisions,” he stated, highlighting that 70% of Pakistan’s mining activities were conducted by the private sector, while only 30% were under government-run entities like the Pakistan Minerals Development Corporation (PMDC).

“Yet this minority gets to make decisions for everyone, regardless of whether it suits them or not.”

Suttar was of the view that value addition in minerals takes time, investment, and research, drawing a comparison with Indonesia’s trade minister, Muhammad Lutfi, who spent a year consulting stakeholders before implementing a ban on raw nickel exports.

He argued that such an approach allows industries to properly adjust to new market demands, unlike abrupt decisions that could harm Pakistan’s salt industry.

While SMAP was not opposed to the idea of increasing value-added exports, Suttar insisted that the government should focus on other high-value minerals like lithium, rare earths, bromine, and sulfate of potash, which hold greater export potential.

According to the association, the concern is not about whether a ban on raw salt exports is beneficial but about the government’s approach.

“We request the government to keep concerned stakeholders in the loop before making any unreasonable decisions that could jeopardise the country’s remaining exports,” said Suttar.

$130 per metric ton customs value fixed on Pink Rock Salt’s export

According to the Punjab government, raw pink salt is currently sold by lessees at around $20 per ton, while its price in international markets exceeds $10 per kilogram.

The government estimates that banning raw salt exports and developing the value-added industry could generate up to $13 billion over the next 3-5 years, as opposed to the current $5 million annual revenue.

Despite the government's optimistic outlook, industry leaders like Suttar remain skeptical, urging the government to take a more consultative approach before implementing policies that could have far-reaching consequences for Pakistan's struggling economy.

2024 SICHUAN CONFERENCE: PAKISTANI BUSINESSMEN AND SAARC CCI STRENGTHEN ECONOMIC TIES

Press Release Published about an hour ago

ISLAMABAD: Pakistani business leaders and SAARC CCI strengthen economic ties at 2024 Sichuan - South Asia & Southeast Asia Business Development Conference in China.

Zulfiqar Ali Butt, Secretary General, SAARC CCI, along with Mubashir Ahmed Shahid, Managing Director, INFONEX BPO, and Nasir Mehmood, CEO, Shah Posh, represented Pakistan at the 2024 Sichuan - South Asia & Southeast Asia Business Development Cooperation Conference.

The conference convened on September 11, in Chengdu, Sichuan Province, China was organized by SAARC Chamber of Commerce & Industry (SAARC CCI) with China Council for the Promotion of International Trade (CCPIT), and the Provincial Government of Sichuan under the theme "Green, Open and Sharing"-Together Build the Belt and Road and Draw a Blueprint for Cooperation.

Maulana Abdul Ghafoor Haidri, member of National Assembly and former Deputy Chairman of the Senate, in his address, echoed the need for stronger regional cooperation and the role of China in fostering economic growth across South Asia.

Chandi Raj Dhakal, Acting President of SAARC Chamber of Commerce and Industry (SAARC CCI) shared that South Asia is one of the largest markets in the world in terms of size and capacity. With untapped natural, social, and economic resources, it offers a very investable opportunity. However, South Asia is confronted with several challenges, such as deficient technological infrastructure.

Mian Anjum Nisar, Vice President, SAARC CCI (Pakistan Chapter) extended his warm wishes and underscored the importance of the China-Pakistan Economic Corridor (CPEC) in strengthening bilateral relations between China and Pakistan. He stated, "CPEC exemplifies the strategic partnership between our two brotherly nations. Through its network of roads, railways, energy projects, and transport infrastructure, it will transform the regional landscape and unlock vast economic potential."

In his remarks, Hu Yun, Vice Governor of Sichuan Provincial People's Government reiterated the need to strengthen economic ties between China and South Asia for mutual benefit.

On the sidelines of the conference, several parallel events took place, including South Asia and Southeast Asia Opportunities and Investment

Environment Promotion Conference & Business Matchmaking, Sichuan - Vietnam Construction Cooperation Project Promotion Conference, and Dialogue Activity on Pluralistic Resolution of International Commercial Disputes in South Asia & Southeast Asia.

A significant highlight of the conference was the signing of a Memorandum of Understanding (MoU) between the South Asian Association for Regional Cooperation Chamber of Commerce and Industry (SAARC CCI) and the Chengdu Institute of Standardization.

The MOU aims to promote economic and trade exchanges, industrial cooperation, and personnel exchanges between Chengdu and South Asian countries through standardization.

150 ENTREPRENEURS TAKE PART IN 'INT'L FAIR FOR TRADE IN SERVICES' IN BEIJING

Recorder Report Published September 15, 2024

ISLAMABAD: More than 2,000 companies from 107 countries around the globe are participating in the International Fair for Trade in Services in Beijing, while from Pakistan 150 entrepreneurs are also included in this grand event.

In a virtual address at the opening session of this Expo, Federal Minister for Board of Investment, Privatization and Communications Abdul Aleem Khan has said that there is an ample scope for investment in agriculture, livestock, food processing and minerals sectors in Pakistan. He added that this country has the second largest coal reserves.

Aleem Khan appreciated the participation of Pakistani companies in a large number in Beijing and said that the eternal history of friendship between China and Pakistan is getting stronger with time. He indicated that under CPEC, Transport, Infrastructure, Energy and Communication in Pakistan has been developed visibly and there has been a significant improvement in these sectors.

Aleem Khan said in his address that Pakistani companies are getting opportunities to increase business-to-business activities from China while to establish or shift industries in Pakistan as compared to North America and Europe is low cost up to 70 percent lesser. In his virtual address to the International Trade Fair, Aleem Khan lauded the efforts of the staff of the Pakistani Embassy in Beijing for huge representation of Pakistan in this global conference.

Aleem Khan said that this international event will be an excellent opportunity and positive step for investment with great expectations. He said that Pakistan will ensure all possible support for investment from China and for this purpose should benefit from the best opportunities like Special Economic Zones, Export Processing Zones and Gwadar Free Zones. Aleem Khan said that after the Prime Minister's visit to China in June, there has been a breakthrough for bilateral investment and business development in Pakistan which will be carried forward in a positive manner, as well.

GOVT URGED TO POSITION HYDERABAD AS PREMIER IT, E-COMMERCE HUB

Recorder Report Published about 2 hours ago

HYDERABAD: Muhammad Farooq Shaikhani, President, Hyderabad Chamber of Small Traders & Small Industry, emphasized that the global shift towards IT and e-commerce is transforming economies, offering a robust alternative to traditional natural resources.

He highlighted the remarkable achievements of neighboring nations, noting that India's IT exports are projected to reach $194 billion in 2024, while China's exports are expected to surpass $1.2 trillion. In contrast, Pakistan's IT industry has only earned few billions.

Shaikhani urged the government to unveil a comprehensive strategy to position Hyderabad as a premier IT and e-commerce hub. He pointed out that the region already boasts prestigious institutions like ZABIST, FAST, NIC and Universities, which are spearheading IT and technology education. By uniting these educational powerhouses on a single platform, Hyderabad has the potential to become a world-class IT business center.

Shaikhani affirmed that Hyderabad possesses the full potential to emerge as a premier hub for IT and software businesses. However, he stressed that this potential can only be realized with robust support and effective policies from the government. Shaikhani has called upon both Federal and Provincial IT Ministers to visit Hyderabad and assess its resources, ensuring that the region is developed in line with contemporary IT sector demands.

He further highlighted the need for targeted training and opportunities for the youth of Hyderabad and interior Sindh in IT and e-commerce, enabling them to integrate into the global market effectively. Drawing a comparison with neighboring countries such as China, India, and Bangladesh, he noted their successful IT sector advancements and global competitiveness. These nations have made IT education a priority and offered substantial incentives to IT companies at the government level. Shaikhani emphasized that Pakistan must adopt similar policies to foster the growth of its local IT industry.

He addressed the pressing issue of payment security for freelancers, noting a 47% increase in freelancer income in Pakistan over recent years. Despite this growth, many freelancers keep their earnings abroad due to concerns about payment security. He urged the government to ensure secure payment systems for freelancers, which would encourage them to bring their earnings back to Pakistan. This move could significantly stabilize the country's economy and alleviate the dollar shortage. He appealed to both federal and provincial governments to support youth through initiatives like Bano Qabil, offering them future business opportunities and guidance.

Shaikhani highlighted the necessity of key facilities to establish Hyderabad as a leading IT and e-commerce hub, with high-speed and reliable internet connectivity being paramount. The IT sector cannot thrive without a robust digital infrastructure. Additionally, he highlighted the importance of creating Special Economic Zones that offer tax exemptions and incentives to IT companies. He also called for modern technology courses and training programs in educational and IT institutions to prepare students and freelancers to meet global standards.

FPCCI SETS UP 'NATIONAL ECONOMIC THINK TANK'

Recorder Report Published September 15, 2024

KARACHI: The Federation of Pakistan Chambers of Commerce (FPCCI) on Saturday announced the formation of a 'National Economic Think Tank' to deal with economic challenges of the country.

Former caretaker Minister of Commerce, Gohar Ejaz said this during a press conference held at Federation House alongside United Business Group's head S M Tanveer and FPCCI Senior Vice President Saqib Fayyaz Magoon, revealed that former caretaker Prime Minister Anwaar ul Haq Kakar will serve as the president of the National Economic Think Tank, former caretaker Minister of Finance Shamshad Akhtar as the Chief Executive, and Bashir Jan Muhammad as its chairman.

Gohar Ejaz said that due to the lack of policy continuity, the economy faces significant challenges. Under Vision 2030, the goal is to increase exports by $100 billion annually with a 10% growth rate. He stressed that the approach should now be to repay loans through business activities rather than borrowing more.

He mentioned receiving threats since initiating action against IPPs (Independent Power Producers). While the Special Investment Facilitation Council (SIFC) is there to provide facilities, it is the business community's responsibility to bring in dollars. Ejaz emphasized that the current electricity prices are unaffordable for the public and all sectors, and that 40 IPP owners hold significant power.

He remarked that improving Pakistan's economy in the current circumstances is akin to a jihad. The think tank aims to progress with the input of all stakeholders, which will also result in increased exports. The National Economic Think Tank includes 40 experts.

He pointed out that 11 years ago, Pakistan's exports were $23 billion, and in 2023 they stood at just $27.5 billion. If exports had grown by 10% annually, they would have reached $60 billion in 10 years.

He said the think tank will have a chair for each sector, including law, health, commerce, and others.

He expressed pride in the nation's armed forces. United Business Group's head, S.M. Tanveer, during his address, noted that the country's economy needs to move forward. For the past three months, they have raised the issue of IPPs, and people are now convinced that work is being done on this matter.

He hoped that issues related to IPPs would be resolved this month, stressing the need for electricity at Rs. 25 per unit.

Tanveer reiterated their commitment to improving the economy and bringing the Federation House in the right direction. He mentioned that a single economic policy must be devised, which would be implemented by any future government. He emphasized that only business community representatives can improve the economy, not political leaders.

He called on politicians to come to them and sign a charter of the economy, stating that industries often go bankrupt soon after being set up.

Former caretaker Minister of Finance, Shamshad Akhtar, said that the goal is to establish an autonomous institution that identifies national problems, including experts from every sector. Best practices from various countries will be analyzed. The state should not have too much involvement; instead, there should be public-private partnerships.

She emphasized the need for policies that attract investment into the country. She also mentioned that improvements in the economic landscape have led to a decrease in interest rates. The world does not operate solely on subsidies; instead, the focus should shift toward incentives, which are among the world's best-designed systems.

Akhtar added that, in addition to government data, private sector data will also be needed. Pakistan has gone through many difficult phases, with numerous causes, but political instability is a primary issue. She also highlighted that better corporate governance is essential for running businesses. While IMF assistance can help with balance of payments, it does not resolve economic crises; for that, economic analysis and collaboration with the business community are necessary.

Prominent industrialist Bashir Jan Muhammad praised Gohar Ejaz's efforts in addressing the electricity issue, noting that the high cost of electricity is the biggest problem for Pakistan's trade and industry sectors.

FPCCI Senior Vice President Saqib Fayyaz Magoon highlighted that Pakistan is currently facing several economic challenges, with the energy crisis and IPPs being the most significant. He noted that exports are declining, and while the Prime Minister has focused on port and shipping issues, progress is very slow. He called for establishment of a long-term 30-year economic plan, as 5 or 10-year plans are not enough to stabilize the economy.

KCCI DEMANDS REPAIR OF DILAPIDATED ROADS

Recorder Report Published September 15, 2024

KARACHI: Acting President Karachi Chamber of Commerce & Industry (KCCI) Altaf A Ghaffar has fervently appealed Chief Minister Sindh Murad Ali Shah and Mayor Karachi Murtaza Wahab to take concrete steps on war footing basis for improving the dilapidated road infrastructure of the megacity which has become of cause of mental torture for all the Karachiites due to frequent traffic jams.

Referring to wide number of complaints being received at KCCI, Acting President said that delays in restoration of road network which were terribly damaged particularly during this year's monsoon has triggered a lot of anxiety not only amongst members of business community but also the general public who find themselves being mentally tortured every day on the street of Karachi where the situation has worsened to such an extent that most of the roads have become neither commutable not walk-able because of pot-holes and overflowing sewerage lines.

"If you take a walk in the district South particularly Jodia Bazaar, Mauripur, Keamari, Bolton Market, Lee Market, Tower, Lyari, MA Jinnah Road, Arambagh and other nearby localities, all of them look war-ravaged," he said. He said this sheer negligence towards providing livable conditions to public was triggering hatred amongst the public who find themselves being terribly punished despite paying the highest amount in taxes. "Is this what Karachi deserves against all its contribution to the national and provincial economies in terms of revenue," he asked

He further said that it was a matter of grave concerns that the largest city of Pakistan which contributes more than 65 percent revenue to the national exchequer and 95 percent to provincial kitty remains largely deprived and the only thing this megacity receives is lip-service. "Commuting on the streets of Karachi has become a matter of life & death nowadays as after staying stuck-up for hours, the frustrated commuters usually start violating traffic rules including the violation of one-way rule that often results in life-threatening accidents in addition to further worsening the traffic jam situation," he said, urging that patch work at roads has to be initiated immediately to resolve the serious issue of frequent traffic jams.

ASSESSMENT ALERT ISSUED BY AC CUSTOMS CHALLENGED

Hamid Waleed Published September 15, 2024

LAHORE: An importer has challenged an assessment alert issued by Assistant Collector of Customs that the assessment of tyre scrap cut into two or three pieces should not be less than US$0.07/kg.

The importer contended that the assessment alert was in violation of the Customs Act where it is only a valuation ruling on the basis of which any value can be determined or fixed for assessment purposes.

He said it is the Director Valuation who can determine the value after following the methods as provided in the law and notify the same. An aggrieved person can approach the Director General against any such determination with a request for its revision as per the law.

He further contended that the Collector of Customs can only make a reference to the Director Valuation for determination of values, and nothing beyond that. He pointed out that the Assistant Collector had issued the assessment alert despite the fact that a reference had already been made to this effect.

According to the importer, the assessment alert cannot be treated as a valuation ruling but an advice at the most, which per settled law has neither the binding force nor the Collector has any jurisdiction to do so. He added that a valuation advice is nothing but an advice which has no binding effect and it cannot be taken as a conclusive evidence while making assessment of goods. Reliance upon the valuation advice simpliciter is not a valid basis of assessment of the value of imported goods within the framework of the relevant provisions of the law.

The Assistant Collector, on the other hand, was of the view that the assessment alert in question has been issued with the approval of competent authority and the process issuing a valuation ruling is undergoing in the meanwhile.

The relevant forum made it clear that the Collector through his authorized officers can only assess and determine the values and the power is restricted to consignments imported by the respective individuals and does not confer any authority across the board for fixation or determination of values. Therefore, the assessment alert in question has no legal basis, as the law does not support any such activity by the Collector of Customs.

PBIF CHIEF FOR TAKING 'DIFFICULT' DECISIONS

Recorder Report Published September 15, 2024

KARACHI Chairman of the FPCCI Advisory Board and National Business Group Pakistan, the President of Pakistan Businessmen and Intellectuals Forum Mian Zahid Hussain has warned that if politically difficult decisions are not taken and time is wasted, a mini-budget will have to be introduced in a few months, and Pakistan will never be able to get out of the debt trap.

He said Pakistan's administrative structure has become an enormous burden. The country is overcrowded with ministries and departments, many of which are dysfunctional and unnecessary. Political recruitment has damaged many institutions, and pensions have become a problem.

Limited resources, senseless expenditure, lack of financial planning, and the policy of making economic decisions on political grounds have shaken the foundations of the country, he underlined.

He said that due to the wastage of resources, health, education, and other facilities are not provided to the people as they have a right to, and the country has to run through borrowing.

He said that it is encouraging that the IMF considers approving a loan of seven billion dollars for Pakistan this month. The IMF's softening stance comes after two-billion-dollar loan guarantees, which may improve the overall economic situation.

Due to strict measures, Mian Zahid Hussain said the economy is ready to take off, but political stability is necessary. Political instability is currently the biggest obstacle to economic development. Volatility is considered necessary for the survival of a political party that always prefers politics of protest and unrest.

He said that the people of Pakistan have made a big sacrifice to get a loan from the IMF. The cost of electricity has increased drastically, tax revenue has increased by a record forty percent, and other measures have also been taken. Due to these measures, Pakistan's financial condition has improved, and its global credit rating has increased.

He said that inflation has also reduced. Still, business activities will not resume until interest rates are reduced further, which is necessary to drive the economy and increase employment. Investment growth is only possible once interest rates fall further.

Business & Finance » Companies

HABIB METROPOLITAN BANK AND PAK SUZUKI TEAM UP TO ENHANCE SUPPLY CHAIN FINANCE

Press Release Published about 2 hours ago

KARACHI: HABIBMETRO recently announced a strategic alliance with Pak Suzuki to revolutionise supply chain finance. This partnership will enable PSMCL's suppliers to access early paymentsfrom HABIBMETRO on approved invoices via 'CashNow', a cutting-edge fintech platform.

CashNow will handle the technological aspects of this invoice discounting scheme, providing suppliers with rapid access to working capital.

"HABIBMETRO is dedicated to foster growth with a particular emphasis on supporting SMEs. With the Digital Supply Chain Financing initiative, we aim to enhance operational efficiency and customer experience by offering seamless processing and improved turn-around-time. Our partnership with Pak Suzuki Motors underscores our commitment to delivering innovative financial solutions to our customers," said Khurram Shahzad Khan, President & CEO of HABIBMETRO.

"We are delighted to announce this scheme to improve the financial stability of our esteemed suppliers," said Hiroshi Kawamura, MD of PSMCL.

"We are honoured that PSMCL and HABIBMETRO have entrusted CashNow with this pivotal Supply Chain Finance initiative," remarked Saeed Iqbal, Director/Co-Founder of CashNow.

NATHALIE ROOS TO STEP DOWN AS CEO OF LIPTON TEAS AND INFUSIONS

Press Release Published about an hour ago

AMSTERDAM: Nathalie Roos has chosen to step down as Chief Executive Officer of LIPTON Teas and Infusions for personal reasons, in agreement with the Board, after two successful years running the world's leading tea business.

Nathalie became CEO in July 2022 and has since overseen the creation of LIPTON Teas and Infusions as a world-leading consumer beverage group. She and her team have relaunched many of the company's key brands with considerable success, and earlier this year she oversaw the establishment of a new global responsible sourcing partnership with the world's largest tea exporter, Browns Investments, in an agreement which included the transfer of the Lipton tea estates in East Africa.

Pierre Laubies, LIPTON Teas and Infusions' Chair of the Board, will be Executive Chair while the Board identifies Nathalie's successor.

AIR CANADA REACHES AGREEMENT WITH PILOT UNION, AVERTING STRIKE

Reuters Published September 15, 2024

Air Canada said early on Sunday it had reached a tentative agreement with its pilot union over a new four-year collective agreement, in a deal that will avert a near-term strike or lockout.

Transport Canada satisfied with security at Karachi airport, PCAA says

The airline said in a statement that terms of the new agreement with the Air Line Pilots Association (ALPA) will remain confidential, pending a ratification vote by its members.

Technology

SAPM ON DIGITAL MEDIA FAHD HAROON IS BULLISH ON PAKISTAN'S IT SECTOR

- Says internet slowdown was a result of faults in submarine cables, speeds to be restored to normal

KARACHI:...
Bilal Hussain Published about 2 hours ago

KARACHI: Special Assistant to the Prime Minister on Digital Media and Minister of State Fahd Haroon sounded a confident tone when he spoke of Pakistan's IT sector.

He described it as a key area being prioritised by the government – the other two being agriculture and mining – and placed a great amount of faith in the country's vibrant youth that, he believes, would usher in the next growth phase for Pakistan's economic growth.

"Pakistan's IT sector has immense potential," Haroon told Business Recorder in Karachi. "Our freelancers, internet penetration and app development are key highlights."

In a rare interview, Haroon spoke at length about the country's potential – a conversation that came on the heels of Pakistan recording its highest IT and IT-enabled services export remittances at $3.22 billion in 2023-24, a massive 24% growth year-on-year.

Now, the plan is to hit a target of $25 billion in the next five years.

"We have immense faith in our youth and are committed to giving them all the tools they need to succeed in IT," he added.

But his comments could be taken with a pinch of salt. The country's internet infrastructure almost crumbled last month, and serious questions were raised over Pakistan's ability to manage the crisis. Contradicting statements did not help the cause and delayed updates also heightened worries in a country where a greater number of professionals have turned towards freelancing after the pandemic and dollar appreciation.

Several business associations and trade bodies criticised the government's handling of the crisis, and some even said the internet disruption and its slowdown were a result of Islamabad's move to install a firewall for greater scrutiny of online activity.

Haroon said these were misconceptions.

"There was a slowdown. But it wasn't due to any firewall."

HISTORIC PRIVATE ASTRONAUT MISSION SPLASHES DOWN OFF FLORIDA

AFP Published September 15, 2024

WASHINGTON: The SpaceX Polaris Dawn mission, which made history when its crew conducted the first spacewalk by non-government astronauts, splashed down off the coast of Florida early Sunday.

The Dragon spacecraft landed in the ocean at 3:37 am (0737 GMT), a webcast of the splashdown showed, with a recovery team deploying in the pre-dawn darkness to retrieve the capsule and crew. The capsule was lifted from the water and onto the recovery vessel half a hour later.

After brief medical checks, a smiling and waving SpaceX engineer Anna Menon was the first of the crew to exit, followed by engineer Sarah Gillis, pilot Scott Poteet and commander Jared Isaacman. A helicopter was due to transport them to land.

SpaceX Polaris Dawn crew are seen during the mission. Photo: AFP

The four-member team led by fintech billionaire Isaacman launched Tuesday from the Kennedy Space Center, quickly journeying deeper into the cosmos than any humans in the past half century as they ventured into the dangerous Van Allen radiation belt.

They hit a peak altitude of 870 miles (1,400 kilometers) – more than three times higher than the International Space Station and the furthest humans had ever traveled from Earth since the Apollo missions to the Moon.

Then on Thursday, with their Dragon spacecraft's orbit brought down to 434 miles, Isaacman swung open the hatch and climbed out into the void, gripping a structure called "Skywalker" as a breathtaking view of Earth unfolded before him.

"SpaceX, back at home we all have a lot of work to do, but from here, Earth sure looks like a perfect world," he told mission control in Hawthorne, California, where teams erupted in applause.

He went back inside after a few minutes and was replaced by a second astronaut, SpaceX engineer Gillis, who, like Isaacman, performed a series of mobility tests on SpaceX's sleek, next-generation suits.

Since Dragon doesn't have an airlock, the entire crew were exposed to the vacuum of space. Mission pilot Poteet and SpaceX engineer Menon remained strapped in throughout as they monitored vital support systems.

It marked a "giant leap forward" for the commercial space industry, said NASA chief Bill Nelson, as well as another triumphant achievement for SpaceX.

Without astronauts, Boeing's Starliner returns to Earth

Though the company was only founded in 2002, it has outpaced its legacy competitors thanks in large part to founder Elon Musk's vast fortune and zeal to begin the colonization of Mars.

Rousing violin solo

Since completing their extravehicular activity, the crew have continued to carry out roughly 40 science experiments – for example inserting endoscopic cameras through their noses and into their throats to image their airways and better understand the impact of long-duration space missions on human health.

They also demonstrated connectivity with SpaceX's Starlink internet satellite constellation by sending back to ground control a high-resolution video of Gillis playing "Rey's Theme" by "Star Wars" composer John Williams, on the violin.

Polaris Dawn is the first of three missions under the Polaris program, a collaboration between Isaacman and SpaceX.

SpaceX engineer Sarah Gillis performed a series of mobility tests on SpaceX's sleek, next-generation suits. Photo: AFP

Financial terms of the partnership remain under wraps but Isaacman, the 41-year-old founder and CEO of Shift4 Payments, reportedly poured $200 million of his own money into leading the 2021 all-civilian SpaceX Inspiration4 orbital mission.

The final Polaris mission aims to be the first crewed flight of SpaceX's Starship, a prototype next-generation rocket that is key to Musk's interplanetary ambitions.

PAKISTAN'S FIRST LOCALLY PRODUCED ELECTRIC CAR TO HIT THE ROAD IN DECEMBER

BR Web Desk Published September 14, 2024

Pakistan's first locally produced four-wheeled electric vehicle (EV) is set to hit the market in December. The development came to light on Saturday during a meeting held under the chairmanship of Prime Minister Shahbaz Sharif regarding the use of EVs.

As per a government statement, it was told during the meeting that since 2022, 49 licenses have been issued for the local production of two and three-wheeled EVs, with 25 factories having already started manufacturing these vehicles.

"The first license for the domestic production of four-wheeled electric vehicles was issued in September 2024, and the first electric car will hit the market in December this year," read the statement.

EVs have emerged as a growing sector in Pakistan with significant potential to transform the country's automotive landscape.

On Tuesday, Dewan Farooque Motors Limited (DFML) informed its stakeholders that it had commenced production of EVs at its assembly plant after receiving approval from the Engineering Development Board (EDB).

Also last month, Chinese electric vehicle giant BYD announced its entry into Pakistan, making the South Asian nation of nearly 250 million people one of its newest markets.

Meanwhile, during the meeting, PM Shehbaz directed the relevant authorities to present a comprehensive financial model for EVs.

EVs not only save valuable foreign exchange in terms of petrol and diesel consumption, but these vehicles will also be environmentally friendly, he noted.

PM also directed to finalize the Electric Vehicles policy by November and called for improvement in licensing regulations related to EV manufacturing in Pakistan, read the statement.

"Necessary deliberation should be held with all provinces, federal agencies and stakeholders regarding the EV policy," PM was quoted.

On the model of the government's laptop scheme, E-motor bikes will be distributed to the high-performing students of government schools, it was learnt.

The PM also directed the Capital Development Authority to prepare a comprehensive plan for the electrification of public transport in Islamabad.

Authorities also decided to set up recharge stations for electric vehicles on a priority basis along motorways, GT Road (National Highway), N-65 and N-70.

Earlier, it was reported that standards for EV charging stations had been drafted by the power ministry, with the government considering offering them affordable electricity.

Economic distress

PM SAYS ECONOMIC POLICIES MOVING IN THE RIGHT DIRECTION

Recorder Report Published September 14, 2024

ISLAMABAD: Prime Minister Shehbaz Sharif on Friday gave credence to his government's economic policies to be in the right direction, as he hailed the "positive" economic indicators including the reduced policy rate and inflation, surged remittances and agricultural exports, and ongoing efforts to boost IT exports.

Speaking to the young parliamentarians of Pakistan Muslim League-Nawaz (PML-N), the prime minister maintained that the "positive" economic indicators demonstrated that the government's economic policies are heading in the right direction.

"The two percent policy rate reduction announced on Thursday was a major relief for the industrialists, investors, agriculturalists, and exporters, and expressed the hope for further reduction," he said.

Economy moving in the right direction: Aurangzeb

The prime minister further stated that the announcement made by the International Monetary Fund (IMF) to discuss the $7 billion Extended Fund Facility (EFF) to Pakistan on September 25 is also equally beneficial for Pakistan.

He said the IMF programme is being achieved following the tremendous efforts and tough decisions such as putting tax burden on the salaried class, which could be lessened in the future in the form of reduced inflation.

The prime minister also urged the country's five million traders to play their part in taxation, adding that the government has brought the agro farms under the tax net.

"Curbing tax evasion is inevitable to rid the country of the IMF programme," he said, adding that this should be the last such facility.

He also appreciated the friendly countries including Saudi Arabia, China and the UAE's support in paving the way for the IMF facility and also lauded the efforts of the government's economic team, Army Chief General Asim Munir, and all those involved in the process.

Recounting on the positive economic indicators, he pointed out that the inflation has reduced to 9.6 percent contrary to 32 percent last year, and remittances by expatriates and agricultural exports have witnessed a surge.

He also stated that the government is also making efforts to promote information technology exports, adding that many more efforts are yet to be made with unity and a clear mind to regain the lost position.

Prime Minister Sharif further stated that the government has made a pathway for the country to regain its stature in the comity of nations by rectifying past mistakes.

He also underscored the significance of the role of youth including parliamentarians, engineers, students, lawyers, bankers and agriculturalists in accomplishing the journey by equipping themselves with modern education and skills. The prime minister also assured the youth of his government's fullest support towards this end.

Fuel & Energy

PETROL PRICE CUT BY RS10, HSD'S BY RS13.06

Wasim Iqbal Published about 2 hours ago

ISLAMABAD: The federal government announced a substantial reduction in prices of petroleum products on Sunday, effective September 16, 2024. A decrease up to Rs 13.06 per litre was made possible without changing the current levels of the petroleum levy (PL) or General Sales Tax.

The rate of petrol was reduced by Rs 10 per litre, from Rs 259.10 to Rs 249.10. High-Speed Diesel (HSD) price was decreased by Rs 13.06 per litre, from Rs 262.75 to Rs 249.69.

Kerosene oil rate was cut by Rs 11.15 per litre, from Rs 169.62 to Rs 158.47. The price of light diesel oil (LDO) was reduced by Rs 12.12 per litre, from Rs 154.05 to Rs 141.93.

According to the Finance Division, the price reduction was driven by a decline in international petroleum prices. Crude oil prices fell from approximately $81 per barrel to less than $76 per barrel for petrol, while HSD prices dropped from $88.5 per barrel to around $83 per barrel.

The import premium for petrol and HSD remained relatively stable during this period at $8.5 and $5 per barrel, respectively. Additionally, the exchange rate remained within a certain range.

Sources said the government's decision of massive cut in petroleum prices will help boost the sale/ consumption of petroleum products, which has dropped significantly.

GOVT REDUCES PETROL PRICE BY RS10, HSD'S BY RS13.06 PER LITRE

- New prices come into effect from September 16, 2024

BR Web Desk Published September 15, 2024

The federal government on Sunday reduced the price of petrol by Rs10, taking the rate to Rs249.10 per litre.

The price of high-speed diesel (HSD) was reduced by Rs13.06 to Rs249.69 per litre, as per a notification shared by the Finance Division.

The price of light diesel oil was slashed by Rs12.12 to Rs141.93, and Kerosene oil by Rs11.15 to Rs158.47.

This is the fourth straight reduction in fuel prices.

The new prices take effect from September 16, 2024.

Earlier, BUSINESS RECORDER had reported that the government was poised for a significant reduction in fuel prices. According to preliminary estimates, the government was considering slashing the petrol price by up to Rs11 per litre and HSD by Rs11.5 per litre for the fortnight commencing September 16, 2024.

In the previous review, the government had reduced the price of petrol by Rs1.86, taking the rate to Rs259.10 per litre. The price of HSD had been reduced by Rs3.32 per litre to Rs262.75.

BANGLADESH RESUMES SPOT LNG PURCHASES AS FUEL DEMAND REBOUNDS

Reuters Published September 15, 2024

DHAKA: Bangladesh has issued three tenders to buy liquefied natural gas (LNG) from the spot market, officials said on Sunday, as fuel demand rebound after the end of anti-government protests and the resumption of operations at its main Summit LNG terminal.

The state-owned Rupantarita Prakritik Gas Company, responsible for LNG imports, is seeking three LNG cargoes, each carrying 138,000 cubic meters, the officials said.

Two deliveries are scheduled for the first week of October, with another in the second week.

The tenders are the first issued by the interim government led by Nobel laureate Muhammad Yunus, which took office after the ouster of Prime Minister Sheikh Hasina following protests.

The new administration said it would purchase LNG through an open tender process for the sake of transparency.

Bangladesh had suspended LNG spot purchases in July due to the shutdown of Summit’s floating storage and regasification unit (FSRU), which was damaged by a stray pontoon during a cyclone.

The terminal had been offline since May 27.

Global LNG: Asian spot LNG prices down on muted demand

The student-led protests, and the curfews and other government measures to crackdown on them, had also reduced activity and fuel demand, but this has since recovered.

Bangladesh heavily relies on LNG for energy, and also imports LNG through two long-term contracts for 2.5 million tons a year from Qatar and 1 million tons from Oman.

Last year, Bangladesh imported 5.2 million metric tons of LNG, according to data from Kpler, but owes more than $600 million to LNG suppliers, Petrobangla officials said.

In a televised address last week, Yunus said the government is appealing for $5 billion in aid from to help stabilise an economy that has been struggling since the Ukraine war sharply increased the cost of fuel and food imports.

Last year, Bangladesh sought a $4.7-billion bailout from the IMF.

US NATGAS DROPS ON PROFIT TAKING

Reuters Published September 15, 2024

NEW YORK: US natural gas futures fell on Friday, as traders took profits after prices rose to a two-month high early, supported by higher demand forecasts and a drop in output in recent days due to Hurricane Francine.

Front-month gas futures for October delivery on the New York Mercantile Exchange fell by 5.2 cents, or about 2.2%, to settle at $2.305 per million British thermal units (mmBtu).

“It looks like there was some profit taking, we had a pretty decent rally this week and especially with the tightness in market expectations, smaller injection that we saw from the storage report yesterday, I think that created some side interest and I think that what we saw here ahead of the weekend was people just taking off some risk,” said Robert DiDona of Energy Ventures Analysis.

During the session, the contract hit its highest level since July 8. For the week, it was up 1%, the third consecutive weekly gain.

“It’s all about the storage scrapes that’s driving the market right now. So we have a lot of things that we can focus on and say maybe it’s low production, high exports to Mexico and increasing demand for power burns. But the reality is less gas is going into the ground towards the end of the storage injection season,” DiDona said.

The US Energy Information Administration (EIA) said utilities added 40 billion cubic feet (bcf) of gas into storage during the week ended Sept. 6.

OIL EASES ON RESUMING US OUTPUT AFTER STORM

Reuters Published September 15, 2024

NEW YORK: Oil prices fell on Friday as US Gulf of Mexico crude production resumed following Hurricane Francine and rising data showed a weekly rise in US rig count.

Brent crude futures settled at $71.61 a barrel, down 36 cents, or 0.5%. US West Texas Intermediate crude (WTI) settled at $68.65 a barrel, down 32 cents, or 0.5%.

As US Gulf Coast production and refining activity resumes, investors have opted to offload oil contracts going into the weekend, said Bob Yawger, director of energy futures at Mizuho in New York.

“You could come back Monday and everything is fine - the refineries are running at 100%, everyone is back on the platform, the oil comes back and gasoline is coming out of the refinery - and the market could potentially pull back exponentially,” Yawger said.

For the week, oil futures finished higher following sharp storm-related increases early in the week, breaking a streak of declines. Brent logged an increase of about 0.8% since the close of last Friday’s session, while WTI registered a roughly 1.4% gain.

Official data showed that, as of Thursday, the storm nearly shut in 42% of oil production in the region that accounts for about 15% of US output.

“These cuts are expected to prove brief and within the broader context are unlikely to spur much movement in the crude balances given the importance of shale production that accounts for the major portion of US output,” Ritterbusch said.

Crude prices also took a hit from the US rig count from energy services group Baker Hughes, which reported the biggest weekly rise in oil and natural gas rig in a year.

The oil and gas rig count rose by eight in the week to Sept. 13 to 590, returning to mid-June levels. The increase was the biggest since the week to Sept. 15, 2023.

Markets – Rates

MARGINAL IMPROVEMENT

Recorder Review Published about 2 hours ago

KARACHI: The rupee improved marginally during the previous week as it gained Re0.41 or 0.15% against the US dollar.

The local unit closed at 278.16, against 278.57 it had closed the week earlier against the greenback, according to the State Bank of Pakistan (SBP).

In a key development, the International Monetary Fund (IMF) Executive Board is scheduled to take Pakistan’s 37-month Extended Fund Facility (EFF) of about $7 billion on agenda on September 25.

This was confirmed by Julie Kozack, Director of the Communications Department at IMF, while addressing a press briefing during the previous week. “We are very happy that we can say now that the board meeting is scheduled for September 25”, she said, adding that Pakistan had obtained the required financing assurances from development partners.

Later, the IMF's website also added Pakistan on the agenda of its Executive Board calendar meetings scheduled on September 25.

Moreover, the Monetary Policy Committee (MPC) of the SBP unleashed its most aggressive cut in the key policy rate since April 2020, reducing it by 200 basis points (bps) to bring it down to 17.5% amid slowing inflation and declining international oil prices.

Meanwhile, foreign exchange reserves held by the SBP increased by $30 million on a weekly basis, clocking in at $9.47 billion as of September 6. Total liquid foreign reserves held by the country stood at $14.8 billion. Net foreign reserves held by commercial banks stood at $5.33 billion.

Open-market rates

In the open market, the PKR lost 44 paise for buying and gained 19 paise for selling against USD, closing at 279.54 and 280.75, respectively.

Against Euro, the PKR gained 1.24 rupee for buying and 1.34 rupee for selling, closing at 307.99 and 311.00, respectively.

Against UAE Dirham, the PKR gained 13 paise for buying and 14 paise for selling, closing at 75.62 and 76.35, respectively.

Against Saudi Riyal, the PKR gained 9 paise for buying and 10 paise for selling, closing at 73.91 and 74.62, respectively.

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THE RUPEE

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Weekly inter-bank market rates for dollar

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Bid Close Rs. 278.16

Offer Close Rs. 278.36

Bid Open Rs. 278.57

Offer Open Rs. 278.77

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Weekly open-market rates for dollar

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Bid Close Rs. 279.54

Offer Close Rs. 280.75

Bid Open Rs. 279.10

Offer Open Rs. 280.94

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PSX ENDS ON POSITIVE NOTE DESPITE FOREIGN SELLING

Recorder Review Published about 2 hours ago

KARACHI: Despite foreign selling, the Pakistan Stock Exchange managed to close on positive note on weekly basis during the outgoing week ended on September 13, 2024 on the back of fresh buying by local investors coupled with institutional support.

The benchmark KSE-100 index increased by 435.33 points on week-on-week basis and closed at 79,333.06 points. The index briefly crossed 80,000 psychological level during the week, however failed to sustain this level due to profit taking in some stocks.

Trading activities remained low as average daily volumes on ready counter decreased by 10.2 percent to 606.74 million shares during this week as compared to previous week's average of 675.46 million shares while average daily traded value on the ready counter increased by 4.7 percent to Rs 15.24 billion during this week against previous week's Rs 14.57 billion.

BRIndex100 gained 60.95 points during this week to close at 8,400.98 points with average daily turnover of 462.899 million shares.

BRIndex30 added 233.16 points on week-on-week basis to close at 27,189.54 points with 302.047 million shares.

The foreign investors however remained on the selling side and withdrew $7.537 million from the local equity market.

An analyst at JS Global Capital said that the KSE-100 index briefly crossed the psychological barrier of 80,000 points but was unable to maintain the level due to selling pressure on the last trading day.

In a significant development, the much-awaited update on the IMF program emerged, with the IMF Executive Board scheduled meeting, to approve the $7.0 billion Extended Fund Facility (EFF), as highlighted in their press briefing. The central bank also announced a 200bps cut in Policy rate bringing it down to 17.5 percent. FBR also hinted an announcement of Rs650billion mini-budget to meet the revenue shortfall, with potential increase in WHT on properties and GST on tractors alongwith strict measures to be taken against non-filers.

An analyst at Arif Habib Limited said that the market experienced initial pressure due to selling by investors, but several positive economic developments emerged throughout the week. The State Bank of Pakistan (SBP) continued its monetary policy easing cycle, cutting the policy rate by 200bps to 17.5 percent, a move not seen since April 2020. As a result, KIBOR rates fell between 25 to 119bps across various tenors, which was welcomed by market participants.

On the international front, there was significant progress regarding Pakistan's IMF program, as the country's name was officially added to the IMF board's meeting agenda for 25th September 2024.

Sector-wise positive contributions came from fertilizer (up 161 points), cement (up 159 points), E&P (up 92 points), Leather (up 74 points) and pharmaceutical (up 54 points). Meanwhile, the sectors that mainly contributed negatively were commercial banks (down 119 points), automobile (down 115 points) and power generation (down 80 points).

Scrip-wise positive contributors were EFERT (up 121points), OGDC (up 100 points), SRVI (up 74 points), UBL (up 69 points) and LUCK (up 66 points). Meanwhile, scrip-wise negative contributions came from MTL (down 115points), MEBL (down 85 points), MARI (down 85 points), HUBC (down 81 points) and HBL (down 78 points).

Foreigner selling continued during this week, clocking in at $7.5 million compared to a net sell of $6.7 million last week. Major selling was witnessed in Fertilizer ($3.7 million) and Banks ($2.9million). On the local front, buying was reported by individuals ($7.2 million) followed by MUTUAL FUNDS ($4.8 million) and companies ($4.4 million).

FUTURES SPREAD UP 217BPS

Recorder Review Published about 2 hours ago

KARACHI: The futures spread increased by 217bps to 19.74 percent on the last day of the outgoing week.

Trading activities on the futures counter improved as average daily volumes increased by 41.7 percent to 223.10 million shares during this week as compared to previous week's average of 157.49 million shares.

Average daily traded value on the futures counter increased by 38.4 percent to Rs 6.41 billion during this week against previous week's Rs 4.63 billion.

OPEN MARKET FOREX RATES

Updated at: 16/9/2024 7:30 AM (PST)

Currency	Buying	Selling
Australian Dollar	186.25	188.50
Bahrain Dinar	735.25	743.25
Canadian Dollar	205.60	208.00
China Yuan	38.25	38.65
Danish Krone	40.03	40.43
Euro	307.90	310.65
Hong Kong Dollar	35.68	36.03
Indian Rupee	3.34	3.45
Japanese Yen	1.93	1.99
Kuwaiti Dinar	901.85	911.35
Malaysian Ringgit	59.3	60.3
NewZealand $	169.34	171.34
Norwegians Krone	26.14	26.44
Omani Riyal	722.40	730.90
Qatari Riyal	76.44	77.14
Saudi Riyal	74.08	74.63
Singapore Dollar	201.85	203.85
Swedish Korona	26.15	26.45
Swiss Franc	326.45	329.25
Thai Bhat	7.55	7.7
U.A.E Dirham	75.70	76.35
UK Pound Sterling	364.60	368.10
US Dollar	278.90	280.75

INTER BANK RATES

Updated at: 16/9/2024 7:30 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	186.89	187.22
Canadian Dollar	204.67	205.04
China Yuan	39.47	39.54
Danish Krone	41.28	41.36
Euro	308.58	309.14
Hong Kong Dollar	35.76	35.83
Japanese Yen	1.9727	1.9762
Saudi Riyal	74.03	74.16
Singapore Dollar	213.91	214.3
Swedish Korona	27.25	27.30
Swiss Franc	325.69	326.27
Thai Bhat	8.34	8.36
UK Pound Sterling	365.30	365.95
US Dollar	278.35	278.85

GOLD RATE

Bullion / Gold Price Today

As on Mon, Sep 16 2024, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	230,929	269,070	718,281	
Palladium	XPD	85,924	100,115	267,258	
Platinum	XPT	80,311	93,575	249,800	
Silver	XAG	2,750	3,204	8,553	

Gold Price in Pakistan

As on Mon, Sep 16 2024, 02:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 269100	Rs. 246673	Rs. 235463	Rs. 201825
per 10 Gram	Rs. 230700	Rs. 211473	Rs. 201863	Rs. 173025
per Gram Gold	Rs. 23070	Rs. 21147	Rs. 20186	Rs. 17303
per Ounce	Rs. 654000	Rs. 599496	Rs. 572250	Rs. 490500

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	5,882	6,853	18,295	
Euro	EUR	749	872	2,329	
Japanese Yen	JPY	116,811	136,103	363,328	
Saudi Riyal	SAR	3,111	3,624	9,675	
U.A.E Dirham	AED	3,046	3,550	9,475	
UK Pound Sterling	GBP	632	737	1,966	
US Dollar	USD	830	967	2,580	