



2025

SHAHID LEGAL GROUP

SLD NEWS UPDATES

Monday, May 19, 2025

Address: Office # 403, 4th Executive floor, Sadiq Plaza, The Mall Road Lahore

Cell: 0321-4726801 || Cell: 0300-8198529

Email: Shahid193@ymail.com | reachus.247@hotmail.com

IN NEWS

Business & Finance » Taxes

Tajir Dost Scheme ends in failure, confirms IMF
FBR targets high-risk taxpayers in real estate and retailers
FBR expands transit fee on Afghan goods through new SRO
FPCCI rejects Tax Laws (Amendment) Ordinance, 2025
Pakistan set to impose carbon levy in budget 2025-26
Pakistan to phase out additional duties and taxes for auto sector
KTBA recommends 40% tax credit for teachers and researchers
Jewellery exporters urge key tax reforms in budget 2025-26
FBR urged to reinstate sales tax on petroleum products in budget

Markets » Cotton & Textile

Only deal reported on cotton market

Stock & Commodity

Indian share benchmarks set for muted start after US rating downgrade
Asia shares slip on mixed China data, drop in Wall St futures
Wall Street Week Ahead: Retailers set to give tariff view as US stock market roars back
British stocks rise on trade optimism
Gulf bourses end mixed

Business & Finance » Money & Banking

Yuan firms on better sentiment
Sterling on track for fifth weekly rise versus euro
Stable rupee expected amid strengthened external position

Business & Finance » Industry

Minister visits FCCI: 'Serious efforts are being made to resolve issues facing industries'
LCCI hails withdrawing amendments to Trade Organizations Act 2025
HCSTSI President welcomes development decisions of HDA
HCSTSI, RDF organize two-day 'Bachat Bazaar'
'Design District' launches its flagship store in Karachi

Business & Finance » Companies

Vodafone Idea seeks court help after India rejects request on dues, documents show
Pakistan imports mobile phones worth Rs350 billion in 10MFY25

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Technology

World celebrates WTISD 2025 under theme 'Gender equality in digital transformation'

'Karachi Slush'D 2025': 'AI should be embedded in everyday operations'

Markets » Energy

Oil little changed as investors eye Iran-US talks, China data

IMF sees Rs215bn PDL shortfall in FY25

'Violation of Petroleum Rules': PMO seeks detailed report from Petroleum Division

KE continues action against power thieves

Turkey discovers new natural gas reserve in Black Sea

US natural gas prices ease

Oil posts weekly gain but remains under supply hike pressure

Government to increase captive power transition levy to 20%

Markets – Rates

Marginal gain

Futures spread up 850 bps

PSX marks highest weekly gain in 5 years

OPEN MARKET FOREX RATES

INTER BANK RATES

Gold Rate

Business & Finance » Taxes

TAJIR DOST SCHEME ENDS IN FAILURE, CONFIRMS IMF

May 18, 2025

The Federal Board of Revenue's (FBR) much-hyped Tajir Dost Scheme — an initiative designed to bring retailers and traders into the formal tax net — has officially ended in failure, according to the latest International Monetary Fund (IMF) country report on Pakistan, released on May 17, 2025.

Launched in April 2024, the Tajir Dost Scheme (or Trader Friend Scheme) was the FBR's most ambitious effort to register small businesses, retailers, and traders by offering simplified registration processes and fixed monthly tax liabilities. It aimed to build trust between the tax authority and the business community by positioning the FBR as a "dost" or friend to the tajir class. However, the scheme failed to generate the expected results.

"The indicative target on tax revenues from retailers under the Tajir Dost Scheme was discontinued at the time of the First Review," the IMF report noted. It has now been replaced with a new focus: monitoring income tax revenues from retailers through alternative means. Despite the failure of this scheme, the FBR has seen modest success in collecting withholding taxes from unregistered businesses, which led to a 51% year-on-year increase in tax filers among tajirs, wholesalers, and retailers. Furthermore, there was a 38% rise in filers with positive tax liabilities as of January 2025.

This partial success led the IMF to introduce a revised target focused on income tax revenue rather than depending solely on a scheme like the Tajir Dost. While the IMF approved the formal scrapping of the Tajir Dost Scheme, it imposed new conditions on the FBR. The revenue body is now required to submit monthly progress reports detailing the number of registered retailers, the value of tax returns filed by newly registered taxpayers, and the total revenue collected.

Ultimately, the end of the Tajir Dost Scheme reflects longstanding challenges in formalizing Pakistan's vast informal economy. While the FBR's reliance on indirect methods like withholding taxes shows some promise, the failure of yet another retailer-focused scheme highlights the need for a more comprehensive and trust-based approach to engaging the tajir community in Pakistan.

FBR TARGETS HIGH-RISK TAXPAYERS IN REAL ESTATE AND RETAILERS

May 18, 2025

Islamabad, May 18, 2025 – The Federal Board of Revenue (FBR) has intensified its efforts to crack down on high-risk taxpayers, particularly within Pakistan's booming real estate and retail sectors.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Utilizing its advanced Compliance Risk Management (CRM) system, the FBR has initiated a targeted campaign to enhance revenue collection and ensure tax compliance from entities that have historically remained outside the tax net.

According to FBR sources, the tax authority is strengthening its enforcement capabilities by leveraging CRM analytics to pinpoint high-risk taxpayers. This includes identifying irregular tax behavior across the real estate, retail, and corporate sectors. The FBR aims to broaden its compliance net by increasing the number of tax auditors, launching mass notification drives, and expanding its integrated Point-of-Sale (POS) system to onboard more retailers.

The FBR's enhanced strategy also focuses on scrutinizing suspicious import declarations. Special attention is being given to imports that display abnormal patterns, especially those involving smuggling-prone goods. A major area of concern remains the informal tobacco sector. In this regard, the FBR has rolled out multiple initiatives, such as mandating the use of bonded warehouses for acetate tow imports, banning its transit to Afghanistan, and restricting these imports to verified filter and tobacco manufacturers.

Officials added that CRM systems are now fully operational in the Large Taxpayer Offices (LTOs) located in Islamabad, Karachi, and Lahore, and have also been extended to Corporate Tax Units. These systems, currently powered by internal data, will soon incorporate third-party information to develop a fully automated framework for detecting high-risk taxpayers.

Despite underwhelming results from the Tajir Dost Scheme, recent increases in withholding tax on unregistered businesses have driven notable progress. FBR reports a 51% year-on-year increase in filer registrations among retailers and a 38% increase in those declaring positive tax liabilities as of January 2025.

To reinforce this momentum, the FBR has submitted a bill to Parliament that proposes abolishing the "non-filer" category entirely. If passed, it would restrict non-filers from major economic transactions, especially real estate and vehicle purchases—sectors often associated with high-risk taxpayers.

These robust compliance measures signal the FBR's resolve to enforce taxation equity, curb evasion, and bring more high-risk taxpayers into the documented economy.

FBR EXPANDS TRANSIT FEE ON AFGHAN GOODS THROUGH NEW SRO

May 18, 2025

Islamabad, May 18, 2025 – The Federal Board of Revenue (FBR) has formally issued SRO 816(I)/2025 to expand the scope of the transit fee imposed on commercial goods destined for Afghanistan through Pakistan.

The move is part of a broader effort to tighten regulatory controls and address the persistent misuse of Afghan Transit Trade privileges.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Under the newly issued SRO, the FBR has extended the 10% ad valorem processing fee to a wider range of Afghan-bound goods transiting via Pakistan. The updated list includes a comprehensive array of industrial and commercial items such as cranes, derricks, boilers, automatic data processing machines, electrical apparatus, agricultural machinery, and dozens of other products previously not covered under the fee structure.

This development marks a significant amendment to the earlier SRO 1380(I)/2023, which had introduced the 10% fee on five major categories: confectioneries and chocolates, footwear, home textiles and blankets, garments, and mechanical and electrical machinery. With the latest changes, the FBR aims to ensure greater oversight and minimize revenue losses caused by goods being routed through Pakistan into Afghanistan at lower duties.

The FBR's decision follows strong recommendations from the Ministry of Commerce. The ministry highlighted that Afghanistan's customs duties are considerably lower than Pakistan's, and this disparity has been exploited by traders on both sides of the border. According to officials, such exploitation undermines Pakistan's revenue system and distorts trade patterns.

To counter this misuse, the Ministry proposed two key reforms: first, replacing the existing Revolving Insurance Guarantee with a 100% bank guarantee based on assessed value; second, extending the 10% processing fee to categories of goods that have shown unjustified spikes in transit volume, suggesting evasion tactics.

The FBR has acted swiftly on these recommendations. The newly listed goods subject to the fee include not just high-value machinery and equipment but also various types of electrical parts, transmission apparatus, cameras, industrial tools, and even electronic waste. This expansion of the fee is intended to close loopholes and ensure fair trade practices within the Afghan Transit Trade framework.

By implementing these measures, the FBR reinforces its commitment to protect Pakistan's revenue base while promoting lawful commerce. Importers and customs clearing agents are advised to stay updated with FBR regulations to avoid any fee-related penalties or disruptions in cross-border trade operations.

FPCCI REJECTS TAX LAWS (AMENDMENT) ORDINANCE, 2025

May 18, 2025

Karachi, May 18, 2025 – The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) has categorically rejected the recently issued Tax Laws (Amendment) Ordinance, 2025, calling it a major setback for the economy and a threat to investor confidence.

At a press conference held at Federation House, FPCCI's Senior Vice President, Saqib Fayyaz Magoon, raised strong objections to the Amendment, warning that it would fuel corruption and harassment rather than streamline the taxation process. "The government claims to be promoting a faceless customs regime, but at the same time, it is deploying Inland Revenue officers directly

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

into factories and industrial units. This contradiction undermines the credibility of reform,” Magoon said.

He questioned the integrity of such officers, sarcastically asking whether they had been issued “certificates of honesty.” He warned that placing FBR personnel on manufacturing sites would not only hinder operations but also create a breeding ground for corruption and abuse of authority.

Magoon further criticized the Amendment for granting sweeping powers to the Federal Board of Revenue (FBR), including the right to recover taxes directly from business bank accounts under Section 140—without prior notice. He compared the removal of appeal rights for taxpayers to bypassing due legal process, calling it “a direct assault on justice.”

Another major concern raised by the FPCCI leadership was the government’s attempt to phase out captive power generation, which, they said, would destroy billions of dollars of private investment in energy infrastructure. The Amendment, they argued, directly conflicts with the Special Investment Facilitation Council’s (SIFC) goal of attracting foreign investment while the FBR continues to harass local businesses.

Vice President FPCCI Muhammad Aman Paracha highlighted the deepening “trust deficit” between the government and the business community, asserting that tax revenue targets would remain unmet unless confidence was restored through consistent long-term policy. He stressed the need for a 10-15 year economic plan.

Nasir Khan, another FPCCI Vice President, condemned the Amendment, saying that enemies of the economy were not outside Pakistan’s borders, but within the policymaking circles. He appealed to the Army Chief to safeguard investor interests.

Senior FPCCI leader Bashir Jan Mohammad urged immediate dialogue with the Prime Minister to address the damage caused by the Tax Laws (Amendment) Ordinance, 2025 and prevent further erosion of industrial stability.

PAKISTAN SET TO IMPOSE CARBON LEVY IN BUDGET 2025-26

May 18, 2025

Islamabad, May 18, 2025 — In a significant policy shift toward environmental sustainability, Pakistan is poised to impose a carbon levy in the upcoming federal budget for fiscal year 2025-26.

This decision aligns with the government’s broader strategy to reduce dependence on fossil fuels and accelerate the transition to clean energy and electric vehicles (EVs).

Pakistan has reached an agreement with the International Monetary Fund (IMF) to implement this reform as part of a broader structural adjustment program. Authorities have assured the IMF

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

of their commitment to ambitious reforms aimed at reducing carbon emissions and promoting greener alternatives in the energy and transport sectors.

As part of this initiative, Pakistan will introduce a supplementary carbon levy on liquid fuels. This carbon levy will be incorporated into the existing Petroleum Development Levy (PDL) and will initially target gasoline and diesel. A base rate of Rs5 per liter will be implemented and phased in gradually over the next two years. Additionally, fuel oil will be included under the PDL, with both base and supplementary carbon levy rates expected to become effective by the end of June 2025.

The carbon levy will be legally enforced through the Finance Act for fiscal year 2025-26, setting a legislative foundation for the government to increase the levy in future Finance Acts if necessary. By establishing this mechanism, Pakistan aims to internalize the environmental costs of carbon emissions while also encouraging a shift to cleaner energy alternatives.

Aligned with the New Energy Vehicle Policy (NEVP) 2025-2030, the government is also planning a revenue-neutral package within the FY26 budget. This includes a subsidy scheme for electric vehicles and a corresponding supplementary tax on internal combustion engine vehicles. The goal is to ensure that at least 30% of new vehicle sales in Pakistan are electric by 2030.

To support EV infrastructure, Pakistan will adopt a Viability Gap Funding (VGF) framework to attract private investment in charging stations. The framework will offer one-time subsidies and utilize an open bidding process to ensure transparency and competition. The first round of bids is scheduled for launch by February 2027.

With technical and financial support from institutions like the Asian Development Bank (ADB) and International Finance Corporation (IFC), Pakistan is committed to ensuring the VGF framework adheres to global best practices while minimizing fiscal risks.

This multi-pronged strategy marks a decisive move by Pakistan to address climate change through the strategic use of a carbon levy and sustainable energy policies.

PAKISTAN TO PHASE OUT ADDITIONAL DUTIES AND TAXES FOR AUTO SECTOR

May 18, 2025

Islamabad, May 18, 2025 — In a major policy shift aimed at liberalizing trade and boosting industrial efficiency, Pakistan has announced plans to phase out additional duties and taxes on raw materials used in the auto sector.

The move is part of the broader National Tariff Policy 2025–2030 and reflects the government’s commitment to reforming its tariff regime in line with international best practices.

According to the latest country report released by the International Monetary Fund (IMF), Pakistan has pledged to eliminate all additional duties—including import and sales taxes—that are currently imposed on “localized” components and inputs used in the auto sector. The

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

government also plans to dismantle the system of special duties applied to imports designated for this sector. These reforms will affect tariff lines covered under the 5th Schedule to the Customs Act as well as SRO 655(I)/2006, which has historically governed incentives for local auto manufacturers.

The reform process will be carried out gradually to avoid disruptions in the auto sector and to allow businesses time to adjust. The IMF report notes that this approach is consistent with the phased implementation strategy outlined in the National Tariff Policy, which seeks to enhance competitiveness and reduce cost inefficiencies across industries.

Importantly, the policy will also apply to new electric vehicle (EV) production. In this context, tariffs and preferential tax treatments for certain EV-related inputs will be reviewed and regularized to ensure a level playing field across the auto sector.

By July 2026, the government aims to extend this principle—removing preferential treatment of domestic production—to other sectors of the economy. This wider application will be rolled out gradually through fiscal year 2030, in consultation with relevant ministries and industry stakeholders.

The reform is expected to improve transparency, promote fair competition, and enhance investment prospects in the auto sector, which has long been protected through special duties and tax incentives. With these changes, Pakistan hopes to position its auto sector for sustainable growth, technological advancement, and increased integration into global supply chains.

KTBA RECOMMENDS 40% TAX CREDIT FOR TEACHERS AND RESEARCHERS

May 18, 2025

Karachi, May 18, 2025 – The Karachi Tax Bar Association (KTBA) has called for the restoration of a 40% tax credit on income earned by qualified teachers and researchers in its detailed budget proposals for the fiscal year 2025-26.

In a document submitted to the Federal Board of Revenue (FBR), the KTBA emphasized the need to reinstate the original tax credit under Clause (2) of Part III of the Second Schedule to the Income Tax Ordinance, 2001. The association noted that this incentive was initially introduced to recognize and reward the contribution of full-time teachers and researchers working in Pakistan's non-profit educational and research institutions.

The tax credit, which was set at 40% for many years, was unfortunately reduced to 25% in 2019. The KTBA argues that this reduction has negatively impacted the financial well-being of genuine teachers and researchers who dedicate their professional lives to education and academic innovation. These individuals often work at institutions recognized by the Higher Education Commission (HEC) or at government-affiliated training and research centers.

Highlighting the significant role that teachers and researchers play in nation-building, the KTBA urged the government to restore the full 40% tax credit. It argued that rather than penalizing the

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

entire sector due to isolated instances of misuse, the authorities should implement stricter monitoring and enforcement measures to prevent abuse of the tax incentive. Monitoring tax withholding at source could help ensure that only eligible individuals benefit from the provision.

“The reduction in tax credit has added to the hardship faced by qualified professionals in the academic and research sectors,” the KTBA stated. “Restoring the original 40% rebate would not only provide them financial relief but also serve as a motivation for excellence in education and research.”

The proposal reflects the broader vision of promoting a knowledge-based economy by incentivizing the contributions of teachers and researchers, who remain at the core of Pakistan’s educational development and intellectual progress.

JEWELLERY EXPORTERS URGE KEY TAX REFORMS IN BUDGET 2025-26

May 18, 2025

Karachi, May 18, 2025 – The Pakistan Gems and Jewellery Development Company has submitted an extensive set of proposals for the upcoming federal budget 2025-26, urging the government to introduce critical reforms to ensure the survival and competitiveness of Pakistan’s jewellery exporters.

One of the most pressing concerns relates to the notarization and attestation process mandated under Clause 4(I)(ii) of SRO 760. Currently, exporters are required to have contracts notarized by foreign legal authorities and then attested by Pakistani Missions abroad—a cumbersome, expensive, and logistically challenging requirement. The industry has urged the Ministry of Commerce and the federal cabinet’s ECC to allow digital verification of contracts instead, using email confirmations and physical contract verification at the time of consignment delivery.

In another key proposal, exporters have called for an amendment to Clause 5(iv) of SRO 760, which mandates that 50% of export proceeds be realized in foreign exchange via normal banking channels. This condition disproportionately impacts exporters, as they earn profits primarily on the 5–10% value-added portion of consignments, not the gold content, which comprises 90–95% of the shipment. The exporters have recommended allowing 100% repatriation of export proceeds in either foreign exchange or precious metals, while requesting tax exemptions on the value of gold and wastage.

The jewelry sector has also highlighted disparities in the Sales Tax Act. Under Clause 6 of SRO 760, only gold imported under the Entrustment Scheme is exempt from sales tax, while imports under Self Consignment and unsold jewelry schemes remain subject to 18% GST. The industry has demanded that all schemes under SRO 760 be exempted uniformly to make exports viable.

Additionally, local jewelry manufacturers face a mismatch between the 18% sales tax paid on gold purchases and the 3% GST charged to customers on final jewelry products. To resolve this, the sector has recommended either reinstating S. No: 37 of the Sixth Schedule or introducing a reduced tax rate of 1% for local gold purchases.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Lastly, exporters are urging the government to replace percentage-based value addition norms with fixed rupee terms to account for gold price volatility. They propose setting flat rates of Rs. 100/gm for bangles, Rs. 150/gm for plain jewelry, and Rs. 200/gm for studded items.

These proposals aim to stabilize the jewelry export industry and make Pakistan more competitive in global markets.

FBR URGED TO REINSTATE SALES TAX ON PETROLEUM PRODUCTS IN BUDGET

May 18, 2025

Karachi, May 18, 2025 – The Federal Board of Revenue (FBR) has been strongly urged to reinstate the sales tax on petroleum products in the upcoming 2025-26 federal budget, as per detailed tax proposals submitted by the Overseas Investors Chamber of Commerce and Industry (OICCI).

The OICCI, representing major foreign investors in Pakistan, emphasized the need for the FBR to reverse the sales tax exemption granted to petroleum products under the Finance Act, 2024. Until June 30, 2024, Mogas, Diesel, Kerosene, and Light Diesel Oil (LDO) were categorized as taxable supplies under the Sales Tax Act, 1990. However, the Finance Act reclassified these essential petroleum products as exempt, a move that has sparked significant concern within the refining sector.

In its proposal, the OICCI highlighted that this exemption has led to a dramatic increase in both operational expenditures and capital expenditures (CAPEX) for refinery upgrade projects. Since these petroleum products are now exempt, the input sales tax incurred in the production process is no longer fully recoverable. Specifically, any direct input sales tax related to the production of exempt items must now be treated as a cost. Moreover, up to 80% of remaining input sales tax must also be absorbed as cost, with only a limited portion being claimable – that which is directly attributable to taxable sales.

To ease the financial burden on refineries and ensure long-term sustainability, the OICCI has recommended that the FBR restore the taxable supply status of Mogas, Diesel, Kerosene, and LDO. Furthermore, it proposed that these petroleum products be listed in the Fifth Schedule of the Sales Tax Act, 1990, to qualify for zero-rating. This would allow businesses to claim refunds on unadjusted input taxes and enhance the viability of the sector.

The refining industry, being a regulated sector, cannot adjust its pricing freely to compensate for increased tax burdens. Therefore, the call for action urges the FBR to consider the adverse impact of the exemption and support the refining sector through a fair tax regime on petroleum products.

[Markets » Cotton & Textile](#)

ONLY DEAL REPORTED ON COTTON MARKET

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

Recorder Report Published May 18, 2025

LAHORE: The local cotton market on Saturday remained steady and the trading volume remained low.

Cotton Analyst Naseem Usman told Business Recorder that the current cotton prices in Sindh and Punjab is in between Rs 16,500 and Rs 17,500 per maund, depending on quality and payment.

200 bales of Multan were sold at Rs 16,000 per maund. The Spot Rate remained unchanged at Rs 16,900 per maund. Polyester Fibre was available at Rs 333 per kg.

Copyright Business Recorder, 2025

Stock & Commodity

INDIAN SHARE BENCHMARKS SET FOR MUTED START AFTER US RATING DOWNGRADE

Reuters Published 8 minutes ago

India's equity benchmark indexes are likely to open little changed on Monday, as global investor sentiment was dented after Moody's downgraded U.S. government's credit rating on Friday.

The Gift Nifty futures were trading at 25,066.5 as of 8:10 a.m. IST, indicating that the Nifty 50 will open around its previous close of 25,019.8.

Most Asian markets were lower on the day, with MSCI Asia ex Japan down 0.7%, while U.S. equity futures and the dollar also slipped.

U.S. Treasury yields rose on Friday after rating agency Moody's downgraded the U.S. government to AA1 from AAA, citing rising debt and interest "that are significantly higher than similarly rated sovereigns".

Higher Treasury yields make bonds attractive for foreign portfolio investors, which does not bode well for equities in emerging markets such as India.

Indian shares log weekly gains on ceasefire with Pakistan, US deal hopes

Investors will closely watch if the rising yields trigger any change in the course of foreign flows. Foreign portfolio investors bought Indian shares worth 159.25 billion rupees (\$1.9 billion) last week, when the Nifty 50 gained 4.2%.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

This was the fifth consecutive weekly buying from these investors.

Traders are waiting for news on India-U.S. trade talks after U.S. President Donald Trump said last week that India has offered a trade deal with zero tariffs.

ASIA SHARES SLIP ON MIXED CHINA DATA, DROP IN WALL ST FUTURES

Reuters Published about an hour ago

SYDNEY: Asian shares slipped on Monday as a mixed bag of Chinese economic data showed the domestic economy was struggling even as U.S. tariffs began to bite into exports, while the White House kept up its rhetorical pressure on trade partners.

Wall Street share futures also slipped with the dollar, while Treasury yields rose as concerns about erratic U.S. economic policies were underlined by Moody's downgrade of the country's credit rating.

Unease over the United States' \$36 trillion of debt has also mounted as Republicans seek to approve a sweeping package of tax cuts, which some estimate could add \$3 trillion to \$5 trillion in new debt over the next decade.

U.S. Treasury Secretary Scott Bessent used television interviews on Sunday to dismiss the downgrade, while warning trade partners they would be hit with maximum tariffs if they did not offer deals in "good faith".

Bessent is off to a G7 meeting this week for more talks, while U.S. Vice President JD Vance and European Commission President Ursula von der Leyen met on Sunday to discuss trade.

"It remains to be seen whether the 10% reciprocal rate - excluding Canada and Mexico - will broadly remain, or will go up or down for some countries," said JPMorgan economist Michael Feroli, who estimates the current effective tariff of around 13% was equal to a tax rise worth 1.2% of GDP.

"Beyond disruptions from higher tariffs themselves, policy uncertainty should additionally weigh on growth."

The tariff war has weighed heavily on consumer sentiment and analysts will be scouring earnings from Home Depot and Target this week for an update on spending trends.

In markets, MSCI's broadest index of Asia-Pacific shares outside Japan eased 0.2%, with Japan's Nikkei down 0.6%.

Chinese blue chips eased 0.4% as retail sales missed forecasts for April, while industrial output slowed but not by as much as feared.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

EUROSTOXX 50 futures added 0.1%, while FTSE futures eased 0.1% and DAX futures were flat.

Dollar doubts

S&P 500 futures lost 0.8% and Nasdaq futures 1.1%, though that followed major rallies last week in the wake of President Donald's Trump decision to lower levies on China.

Yields on 10-year Treasuries rose another 5 basis points to 4.49%, extending Friday's reversal on the Moody's news.

Markets are still pricing in only 53 basis points of Federal Reserve rate cuts this year, compared to more than 100 basis points a month ago. Futures imply just a 33% chance of a move by July, rising to 72% by September.

A host of Fed speakers are on the diary this week, including influential New York Fed President John Williams and Vice Chair Philip Jefferson later on Monday. Fed Chair Jerome Powell is also due to speak on Sunday.

The Reserve Bank of Australia is widely expected to cut its rates at a meeting on Tuesday, while likely signalling it is still cautious about easing too far.

Higher yields offered little comfort to the dollar, which was drifting lower amid investor unease with the volatility of U.S. trade policy.

Asian shares set to end strong week on soft note, bonds enjoy relief rally

The euro edged up 0.1% to \$1.1180 , while the dollar slipped 0.3% to 145.19 yen .

In an interview published over the weekend, European Central Bank President Christine Lagarde said the dollar's recent decline reflected a loss of confidence in U.S. policies and this could benefit the euro currency.

Sentiment on the euro was aided by a surprise victory for the centrist candidate in Romania's presidential election over a far right anti-EU opponent. Centrist candidates also fared well in elections in Poland and Portugal.

In commodity markets, gold was on the rise again after shedding almost 4% last week.

The metal was trading 0.6% firmer at \$3,222 an ounce.

Oil prices struggled on concerns about the risk of increased output from OPEC and Iran.

Brent inched down 19 cents to \$65.22 a barrel, while U.S. crude eased 15 cents to \$62.34 per barrel.

WALL STREET WEEK AHEAD: RETAILERS SET TO GIVE TARIFF VIEW AS US STOCK MARKET ROARS BACK

Reuters Published about 2 hours ago

NEW YORK: A batch of US retail earnings reports in the coming week is set to shed more light on the economic fallout from the shifting tariff backdrop and test the stock market's sharp rebound.

Results from retailers including Target, Home Depot and Lowe's arrive as investors have become less worried that US President Donald Trump's tariffs will send the economy into a recession, particularly following the recent US-China trade truce between the world's two largest economies.

But a warning from Walmart on Thursday that the world's largest retailer will have to start raising prices due to the high tariffs is putting other retailers in the spotlight, as investors watch how they are reacting to a trade backdrop that remains in flux.

"Retailers are going to be incredibly important, especially after what happened with Walmart's announcement," said Matthew Maley, chief market strategist at Miller Tabak.

Maley said it was notable that Walmart's warning followed news of the US-China truce, in which both sides are reducing their extra tariffs that had exceeded 100% for 90 days.

That Walmart is "still warning about the tariffs that will be put in place, even though they won't be some of the most severe ones that everybody was worried about, obviously that raises some concerns," Maley said.

The potential for tariffs to raise prices that could slow consumer spending or drive up inflation has worried investors, particularly since Trump's April 2 "Liberation Day" announcement of sweeping levies on imports.

The retailers' quarterly reports also will offer the latest glimpse into the health of consumer spending, which accounts for more than two-thirds of US economic activity.

Data on Thursday showed US retail sales growth slowed sharply in April as the boost from front-loading purchases ahead of tariffs faded, while consumer sentiment and other surveys have been weak.

"Sentiment is pretty sour," said Jack Ablin, founding partner and chief investment officer at Cresset Capital. "But what we have to do is find out if households are really following through and pulling back on spending."

Results in the coming week also include apparel maker Ralph Lauren and off-price retailer TJX Cos, with the various reports offering insight into a number of consumer segments, investors said.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

One topic of interest is whether shoppers will “trade down” to less expensive items “because people are nervous about rising prices,” said JJ Kinahan, CEO of IG North America and president of online broker Tastytrade.

Stocks have staged a massive recovery since Trump’s April 2 announcement set off extreme volatility and sent stocks plunging. The benchmark S&P 500 index is up over 18% from its April closing low and has erased its losses for the year.

The stock market “just continues to bounce back,” Kinahan said.

BRITISH STOCKS RISE ON TRADE OPTIMISM

Reuters Published about 2 hours ago

LONDON: British equities closed higher on Friday, as the recent de-escalation of the global tariff war supported risk appetite, while investors anticipate more trade agreements ahead.

The blue-chip FTSE 100 gained 0.6%, closing at its highest in nearly 2 months. The index posted a weekly gain of about 1%.

The midcap index gained 0.6% and posted its highest closing since February 10.

The index gained 1.7% this week, notching its seventh consecutive weekly advance.

On Friday, President Donald Trump said US officials will send letters to countries in the next few weeks, outlining the costs associated with doing business in the United States, though he did not provide additional details.

This week, investors cheered the US-China trade war truce, which significantly reduced global recession risks, alongside benign economic data and mostly positive corporate earnings results, despite some underlying caution.

Some major brokerages have revised their US recession forecasts downward after a temporary tariff truce between the US and China eased global trade tensions and sparked a rally in riskier assets this week.

GULF BOURSES END MIXED

Reuters Published about 2 hours ago

DUBAI: Stock markets in the Gulf ended mixed on Sunday, with investors seeking new catalysts as optimism over the US-China trade agreement started to fade.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Saudi Arabia's benchmark index fell 0.4%, hit by a 0.9% fall in Al Rajhi Bank and a 1% decrease in the country's biggest lender Saudi National Bank.

Oil - a driver for the Gulf's financial markets - settled higher on Friday, notching a second straight week of gains on easing US-China trade tensions, though prices were held back by expectations of higher supply from Iran and OPEC+.

The Qatari index gained 0.6%, led by a 2.1% rise in Qatar Islamic Bank.

Outside the Gulf, Egypt's blue-chip index retreated 0.7%, weighed down by a 2.4% slide in tobacco monopoly Eastern Company.

Business & Finance » Money & Banking

YUAN FIRMS ON BETTER SENTIMENT

Reuters Published about 2 hours ago

SHANGHAI: China's yuan firmed against the US dollar on Friday, underpinned by a broadly weaker greenback and improved sentiment following a Sino-US tariff truce, as traders kept a close eye on the daily fixing for clues on Beijing's currency stance.

The dollar fell in tandem with US Treasury yields on Friday after downside surprises on US economic data this week cemented bets of more Federal Reserve rate cuts this year.

Also supporting yuan sentiment, a slew of investment banks including Citi and UBS raised their China GDP forecasts for 2025 after the world's two largest countries agreed to a 90-day deal to slash reciprocal tariffs in a substantial de-escalation of a potentially damaging trade war.

"Buoyed by market optimism driven by tariff developments, the yuan may remain strong against the US dollar for much of the time in the short term," said analysts at Nanhua Futures.

But once the sentiment fades, the yuan is likely to resume two-way fluctuations, they said.

Prior to the market opening, the People's Bank of China set the midpoint rate, around which the yuan is allowed to trade in a 2% band, at 7.1938 per dollar, 147 pips firmer than a Reuters' estimate.

The PBOC has set the yuan's daily fixings much closer to Reuters estimates this week than in the past six months, significantly narrowing the gap — a move viewed as an effort to avoid rapid gains in the currency.

Lemon Zhang, a strategist at Barclays, said the fixes suggested the PBOC was trying to avoid a repeat of the recent sharp moves seen in the Taiwan dollar.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Bullish bets on the Taiwan dollar surged to their highest since late 2020 after the currency posted its steepest one-day gain in nearly four decades last week, as traders wagered Taipei might permit appreciation to smooth trade relations with Washington.

The spot yuan opened at 7.2037 per dollar and was last trading at 7.2020 as of 0259 GMT, 47 pips firmer than the previous late session close and 0.11% weaker than the midpoint.

STERLING ON TRACK FOR FIFTH WEEKLY RISE VERSUS EURO

Reuters Published about 2 hours ago

LONDON: Sterling was on track for its fifth straight weekly rise against the euro on Friday, while hovering near its highest levels since early April.

President Donald Trump's April 2 announcement of aggressive trade duties triggered a sharp but brief selloff in US assets in the following days, supporting the single currency.

The greenback fell on Friday, tracking US Treasury yields, but was set for its fourth weekly rise versus the euro.

The euro area's currency rose 0.1% to 84.14 pence but was on track for a weekly fall of 0.51%. It hit 84 pence on Tuesday, its lowest since April 3.

Market focus is shifting to a UK-European Union meeting next week after the pound rose on Thursday on strong economic data.

"Market participants will be hoping for a 'reset' of sorts in the relationship between Britain and the common bloc in the hope that an accord can be reached that reverses some of the damage done to trade relations," said Matthew Ryan, strategist at global financial services firm Ebury.

"Signs of closer alignment between the UK and EU should be bullish for the pound," he added.

Britain's foreign minister will host European peers on Monday to discuss support for Ukraine and greater regional defence cooperation in the run-up to Prime Minister Keir Starmer's summit with European Union leaders next week.

Meanwhile, analysts are assessing the economic outlook after data showed that British businesses and consumers have remained largely unfazed by worries about the outlook for the economy.

ING highlighted that GDP growth slowed in the first quarter of 2025 on a yearly basis, while Schroders noted the British economy was open and prone to suffer from a global slowdown. The pound rose 0.05% to \$1.33303.

STABLE RUPEE EXPECTED AMID STRENGTHENED EXTERNAL POSITION

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

May 18, 2025

Karachi, May 18, 2025 – The Pakistani rupee is anticipated to remain stable in the coming week starting May 19, 2025, supported by an improved external position, including consistent inflows from the International Monetary Fund (IMF) and a sustained current account surplus.

Recent developments have boosted investor confidence and created a wave of optimism in financial markets. Chief among them is a diplomatic breakthrough between India and Pakistan, easing tensions after weeks of heightened military standoff—the worst in decades. Additionally, the State Bank of Pakistan has received the second tranche of \$1.02 billion from the IMF under its \$7 billion Extended Fund Facility, helping to shore up foreign exchange reserves.

Despite a sharp decline in the monthly current account surplus—which stood at \$12 million in April, down 99 percent from the previous month—the overall trend remains encouraging. Over the first ten months of FY25, Pakistan posted a current account surplus of \$1.88 billion, a sharp reversal from the \$1.33 billion deficit recorded in the same period last year.

The rupee has shown resilience in recent sessions, hovering in a narrow band against the US dollar. It closed at 281.56 on Monday and 281.61 on Friday in the interbank market. This consistent performance has led analysts to predict that the rupee will likely stay stable, provided no major external shocks occur.

A currency dealer noted, “There is some pressure from increased dollar demand for import payments, but the rupee is expected to remain below the 281 mark next week due to stronger fundamentals and recent IMF inflows.”

April’s trade data shows an 18 percent year-on-year increase in imports, reaching \$5.237 billion, while the real effective exchange rate (REER) dipped to 99.4 in April from 101.6 in March, reflecting a slight depreciation in the rupee’s competitiveness.

As of May 9, the State Bank of Pakistan’s foreign exchange reserves stood at \$10.4 billion. The recent IMF disbursement will be reflected in the central bank’s next reserve update, further reinforcing the rupee’s stable outlook. Market participants remain cautiously optimistic that the rupee will maintain this stable trajectory amid ongoing economic recovery. Rupee expected to remain stable amid strengthened external position

Karachi, May 18, 2025 – The Pakistani rupee is anticipated to remain stable in the coming week starting May 19, 2025, supported by an improved external position, including consistent inflows from the International Monetary Fund (IMF) and a sustained current account surplus.

Recent developments have boosted investor confidence and created a wave of optimism in financial markets. Chief among them is a diplomatic breakthrough between India and Pakistan, easing tensions after weeks of heightened military standoff—the worst in decades. Additionally, the State Bank of Pakistan has received the second tranche of \$1.02 billion from the IMF under its \$7 billion Extended Fund Facility, helping to shore up foreign exchange reserves.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Despite a sharp decline in the monthly current account surplus—which stood at \$12 million in April, down 99 percent from the previous month—the overall trend remains encouraging. Over the first ten months of FY25, Pakistan posted a current account surplus of \$1.88 billion, a sharp reversal from the \$1.33 billion deficit recorded in the same period last year.

The rupee has shown resilience in recent sessions, hovering in a narrow band against the US dollar. It closed at 281.56 on Monday and 281.61 on Friday in the interbank market. This consistent performance has led analysts to predict that the rupee will likely stay stable, provided no major external shocks occur.

A currency dealer noted, “There is some pressure from increased dollar demand for import payments, but the rupee is expected to remain below the 281 mark next week due to stronger fundamentals and recent IMF inflows.”

April’s trade data shows an 18 percent year-on-year increase in imports, reaching \$5.237 billion, while the real effective exchange rate (REER) dipped to 99.4 in April from 101.6 in March, reflecting a slight depreciation in the rupee’s competitiveness.

As of May 9, the State Bank of Pakistan’s foreign exchange reserves stood at \$10.4 billion. The recent IMF disbursement will be reflected in the central bank’s next reserve update, further reinforcing the rupee’s stable outlook. Market participants remain cautiously optimistic that the rupee will maintain this stable trajectory amid ongoing economic recovery.

Business & Finance » Industry

MINISTER VISITS FCCI: ‘SERIOUS EFFORTS ARE BEING MADE TO RESOLVE ISSUES FACING INDUSTRIES’

Press Release Published about 2 hours ago

FAISALABAD: Special Assistant to the Prime Minister on Industries and Production Haroon Akhtar Khan, while visiting the Faisalabad Chamber of Commerce and Industry, said that the government attaches great importance to Faisalabad and serious efforts are being made to resolve the problems faced by the industries of this city.

He said that after the success of Operation Bunyan-un-Marsoos, a new industrial policy will be announced very soon to include Pakistan among the world’s 20 largest economies.

Rehan Naseem Bharara, President Faisalabad Chamber of Commerce & Industry (FCCI) said that after the success of Operation Bunyan-un-Marsoos, it has become imperative that we also build the economy on a stable and sustainable basis.

He paid tribute to the leadership of Prime Minister Shehbaz Sharif, Chairman Joint Chiefs of Staff Committee General Sahir Shamshad Mirza, Chief of Army Staff General Asim Munir,

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Chief of Naval Staff Admiral Naveed Ashraf, and Chief of the Pakistan Air Force Air Chief Marshal Zaheer Babar Sidhu for the brilliant victory in the fight for justice. He also mentioned the problems faced by the industrial sector and said that the government should create maximum ease of doing business.

He also called for the establishment of a passport office in the Faisalabad Chamber for the convenience of members and demanded that the Pindi Bhattian Faisalabad Motorway be made 6-lane. He said that according to the 1934 Act, only petroleum goods come under the definition of DPL, so this provision should not be applied to imported chemicals.

He stressed the need to create convenience for traders and reform the taxation system and said that one IT University should be established in Faisalabad as announced by Prime Minister Shehbaz Sharif.

Copyright Business Recorder, 2025

LCCI HAILS WITHDRAWING AMENDMENTS TO TRADE ORGANIZATIONS ACT 2025

Recorder Report Published May 18, 2025

LAHORE: The Lahore Chamber of Commerce and Industry has appreciated the Government for accepting its demand and withdrawing the controversial amendments made to the Trade Organizations (Amendment) Act 2025.

LCCI President Mian Abuzar Shad, Senior Vice President Engineer Khalid Usman and Vice President Shahid Nazir Chaudhry expressed gratitude to the government while addressing a Press Conference at the LCCI.

Mian Abuzar Shad said that elections of chambers of commerce and trade associations will now be held in 2026. He said the Lahore Chamber of Commerce and Industry was the first Chamber of the country to raise its voice against the amendments.

On February 20, LCCI convened a meeting of chambers and trade bodies from across Punjab and formally launched a movement against the proposed changes. He said that enacting legislation without taking the business community into confidence was unacceptable. “We are grateful to the Government of Pakistan for listening to and accepting the stance of the Lahore Chamber of Commerce and Industry,” he said.

Mian Abuzar Shad said that the LCCI has always represented the interests of traders and industrialists. He urged that any future legislation related to business and trade must be done in consultation with chambers of commerce and that chambers should be made active partners in policy making. He also expressed gratitude to the media for playing a key role in communicating LCCI’s position to the public and the government.

Copyright Business Recorder, 2025

Recorder Report Published about 2 hours ago

HYDERABAD: President Hyderabad Chamber of Small Traders & Small Industry (HCSTSI), Muhammad Saleem Memon, has welcomed the major development decisions taken during the recent 120th Governing Body meeting of the Hyderabad Development Authority (HDA), commending the leadership of Sindh Minister for Local Government, Saeed Ghani, HCSTSI President appreciated the swift approvals of development projects and financial allocations for Gulistan-e-Sarmast and other residential schemes, calling them a reflection of the Sindh Government's serious commitment to improving the urban infrastructure of Hyderabad.

In a formal letter addressed to the Minister, the Chamber President Saleem Memon acknowledged the positive steps taken so far but emphasized the need for further practical and sustainable measures to ensure long-term benefits of these decisions. He strongly recommended that at least 70% of the revenue generated from Gulistan-e-Sarmast and other ongoing HDA schemes must be reinvested directly into their respective areas to promote self-sufficiency and continuous development.

He highlighted the urgent necessity for establishing a dedicated grid station for Gulistan-e-Sarmast, in line with NEPRA policies, to ensure uninterrupted electricity supply. He also called for the immediate completion of the long-pending 36-inch water supply line, which has been delayed since 2009. Emphasis was laid on expediting internal road construction, drainage systems, and provision of water and electricity lines particularly in neglected sectors such as Kohsar Extension that have been deprived of basic amenities for decades.

HCSTSI President further urged the launch of new schemes under the Annual Development Program (ADP) for water filtration and sewerage treatment plants in severely underserved areas, including Gulistan-e-Sarmast, Kohsar Zone, Bypass, and New Hyderabad City.

He stressed need for complete revision of existing zoning strategies, proposing that each designated residential or commercial zone must be equipped with all basic utilities within a defined timeframe to prevent land misuse and speculation. He asserted this, would encourage legal occupancy and promote healthy commercial activity.

Chamber President called on HDA to prioritize the completion of infrastructure work in pending schemes and to organize well-planned plot auctions thereafter. This would not only enhance the Authority's revenue but also help regain the lost market value of land.

Expressing concern over the diminishing public trust in HDA due to years of neglect and unfulfilled commitments, he urged the Authority to take immediate and visible actions to restore public confidence through reliable service delivery. He also suggested outsourcing key development works to ensure quality and timely execution.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Most significantly, HCSTSI President made a strong case for the inclusion of Hyderabad's business community especially representation from HCSTSI in the Governing Body meetings of HDA. He emphasized that direct participation would allow the ground realities, public grievances, and trade-related concerns to be effectively presented at the policy level, leading to more practical and people-centric urban planning.

Concluding his remarks, he expressed hope that under the leadership of Saeed Ghani, the Local Government Department will continue to play a pivotal role in making Hyderabad's development more transparent, effective, and citizen-focused. He added that if the Chamber's recommendations are adopted in the next Governing Body meeting, Hyderabad will progress rapidly towards becoming a well-planned and modern city.

Copyright Business Recorder, 2025

HCSTSI, RDF ORGANIZE TWO-DAY 'BACHAT BAZAAR'

Recorder Report Published May 18, 2025

HYDERABAD: Under the directive of Hyderabad Chamber of Small Traders & Small Industry (HCSTSI) President, Muhammad Saleem Memon, HCSTSI in collaboration with the Regional Development Foundation (RDF), organized a two-day "Bachat Bazaar" at the Expo Centre, Hyderabad.

The event was formally inaugurated by the Senior Vice President, Ahmed Idrees Chohan, Former Senator Aajiz Dhamrah and Faisal Jabbar Khan were also present at the occasion.

While addressing the opening ceremony, Ahmed Idrees Chohan, appreciated RDF's Associate Director in Hyderabad Arshad Ali, Head of Programs Niaz Ahmed Siyal and especially Project Manager Aftab Soomro for their welfare initiatives. He remarked that in these times of high inflation, such discount bazaars are blessing for the public.

He emphasized that providing essential commodities such as flour, lentils, sugar, rice, oil, vegetables, fruits, clothing and other household necessities at affordable prices is a practical step toward public relief.

He appealed to the Sindh government to take permanent steps to support this noble cause by allocating a designated space in Hyderabad for a permanent discount bazaar to help citizens combat rising prices. The Chamber assured its full cooperation for all such initiatives. He further urged the public to take full advantage of the two-day event by purchasing quality goods at discounted rates.

Former Senator Aajiz Dhamrah and Faisal Jabbar Khan, in a joint statement, expressed full support from the Sindh government for such public-friendly initiatives aimed at controlling inflation and providing relief to the common man. They also assured full cooperation with the business community and welfare organizations.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Speaking on the occasion, RDF's Associate Director Arshad Ali and Project Manager Aftab Soomro shared that the bazaar featured stalls offering food items, vegetables, fruits, traditional cuisines, clothes and various household goods. They expressed immense satisfaction over the public's positive response, noting that the people of Hyderabad highly appreciate such markets. They also thanked all participating organizations for their support in setting up stalls.

Sarwan Baloch, an expert in economic development and value chains from Welt Hunger Hilfe (WHH) a German-funded NGO also addressed the gathering. He stated that WHH is actively working on integrated projects focused on food security, employment and essential needs for underprivileged and vulnerable communities. He announced that 20 more discount bazaars would soon be organized across Sindh, including Hyderabad.

Notable attendees included former MPA Nadeem Siddiqui, TDAP Hyderabad In-charge Salahuddin Abbasi, Chaudhry Muhammad Aslam, Suhail Qureshi, Asghar Khilji, Sanawwar Qureshi, Sikandar Ali Rajput, Ayub Shaikh, Idrees Memon, Ahmed Hussain Shaikh, Muhammad Yaseen Khilji, Irfan Arbani, Kishor Kumar Bhatia, Irfan Memon and others.

Copyright Business Recorder, 2025

'DESIGN DISTRICT' LAUNCHES ITS FLAGSHIP STORE IN KARACHI

Recorder Report Published May 18, 2025 Updated about 7 hours ago

KARACHI: Design District officially launched its flagship brand store in Karachi on Saturday, introducing a premium range of international fashion products alongside convenient online shopping services.

Located in the upscale DHA area, the new store offers an extensive collection of both formal and casual wear— all under one roof. They have the current collections from all the brands.

From ties, belts, suits, shoes, and trousers to shorts, polo shirts, T-shirts, socks, caps, wallets, and handkerchiefs, the store is designed to meet the diverse style needs of discerning customers.

As an authorised retailer, Design District proudly showcases globally acclaimed fashion labels such as BOSS, Emporio Armani, Lacoste, Vans, and others.

The grand opening drew a large number of brand-conscious visitors who explored the store's stylish offerings.

The launch featured lively music by a DJ, while children enjoyed interactive games including "Pin the Jibbitz," adding a fun, family-friendly element to the celebration.

"It's exciting to have access to international brands right here in Pakistan," said Aryaan Aslam, an enthusiastic shopper. "Now we don't need to travel abroad to find the products we love."

Copyright Business Recorder, 2025

Business & Finance » Companies

VODAFONE IDEA SEEKS COURT HELP AFTER INDIA REJECTS REQUEST ON DUES, DOCUMENTS SHOW

Reuters Published about 7 hours ago

NEW DELHI: Vodafone Idea (VODA.NS), opens new tab has gone to India's Supreme Court to challenge the government's rejection of a request by the debt-saddled telecom giant to waive more than \$5 billion it owes the government, documents show.

The government on April 29 rejected the request by Vodafone Idea CEO Akshaya Moondra for a waiver on interest and penalties it owes on \$9.76 billion in dues, saying the survival of India's third-largest telecom player was at risk, according to the letter seen by Reuters on Sunday.

Vodafone Idea, a joint venture between UK-based Vodafone Group Plc (VOD.L), opens new tab and India's Aditya Birla Group, filed a plea in the Supreme Court on Thursday asking the judges to direct New Delhi to act "in public interest", given the "sensitive telecom sector", according to the filing, which is not public.

Vodafone finance boss Luka Mucic to step down by early 2026

Vodafone Idea and the government did not respond to requests for comment.

The company has struggled to pay outstanding spectrum and revenue-sharing dues since a landmark 2019 Supreme Court order that widened the scope of revenues on which the dues are assessed. The ruling on adjusted gross revenue has been the biggest overhang for India's telecom industry, increasing demands on companies by billions of dollars.

To help Vodafone Idea, the government has over time converted part of the dues into equity and increased its stake in the company to 49%. The court is likely to hear the case this week. The judges have repeatedly rejected Vodafone Idea's requests to change their decision ordering recovery of outstanding dues.

It was not clear how much relief Vodafone Idea is seeking on the \$9.76 billion it owes. The filing says penalties and interest exceed \$5 billion. While bigger rival Bharti Airtel (BRTI.NS), opens new tab also faces dues and has challenged them unsuccessfully in court repeatedly, Vodafone Idea's financial health is less secure.

"No support will lead to a point of no return," Vodafone Idea's Moondra wrote in his April 17 letter. The company "will not be able to operate beyond FY26."

He said that if the current situation is not resolved, it will "create a larger damage to country's reputation and will shake the confidence of global investors".

PAKISTAN IMPORTS MOBILE PHONES WORTH RS350 BILLION IN 10MFY25

May 18, 2025

Islamabad, May 18, 2025 — Pakistan imported mobile phones worth a staggering Rs350 billion during the first ten months (July–April) of the fiscal year 2024–25, according to fresh data released by the Pakistan Bureau of Statistics (PBS).

The figure, while substantial, represents a notable decline when compared to the same period last year.

In the corresponding ten months of fiscal year 2023–24, mobile phone imports stood at Rs414 billion, indicating a 15.57% decrease in rupee terms. Similarly, in dollar terms, imports also dropped by 14.21%, falling to \$1.25 billion from \$1.46 billion recorded during the same period of the previous year.

On a Year-on-Year (YoY) basis, the decline was even more significant. In April 2025 alone, mobile phone imports dropped by 22.47%, reaching \$125 million compared to \$161 million in April 2024. On a Month-on-Month (MoM) basis, imports slipped by an additional 4%, reflecting ongoing sluggishness in the market.

Market analysts point to multiple reasons behind the decline in mobile phone imports. One major factor is the anticipation among importers of potential tax relief measures in the upcoming federal budget 2025–26, prompting many to hold off on bulk imports. Additionally, the local production of mobile phones has picked up significantly in recent years, helping reduce the country's reliance on imported models.

The growing availability of locally assembled and manufactured phones has been encouraged by the government's mobile device manufacturing policy, which offers incentives for domestic production. As a result, more consumers are now turning to locally produced phones, which are often more affordable and better suited to local network conditions.

Despite the downward trend in imports, Pakistan remains a significant market for mobile devices, and overall demand continues to evolve in line with technology adoption and consumer preferences. However, the future dynamics of mobile phone imports will likely hinge on government policy decisions and the continued growth of the local manufacturing ecosystem.

Technology

WORLD CELEBRATES WTISD 2025 UNDER THEME 'GENDER EQUALITY IN DIGITAL TRANSFORMATION'

Recorder Report Published May 18, 2025

ISLAMABAD: As the world celebrates World Telecommunication and Information Society Day (WTISD) 2025 under the theme “Gender equality in digital transformation,” Zong reaffirms its commitment to ensuring that every Pakistani woman has equal access to the benefits of digital technology.

To bridge the digital divide, Zong continues to expand its 4G network to underserved areas while offering affordable data packages, tackling access and affordability, particularly for women in rural regions.

In the rapidly evolving digital world, equitable access to connectivity is not only a matter of convenience, it is a key driver of inclusion and sustainable development. However, barriers to digital access continue to disproportionately affect women and girls globally, restricting their participation in the digital economy and limiting their opportunities for growth.

This year’s WTISD also marks the 160th anniversary of the International Telecommunication Union (ITU), which continues to highlight the transformative role of Information and Communication Technologies (ICTs) in shaping a better and more connected world. Despite progress, around 2.6 billion people remain offline, with women making up the majority. Challenges such as affordability, lack of skills, and unsafe digital environments must be tackled collaboratively to achieve inclusive digital transformation.

In 2024 alone, over 8 million women in Pakistan came online, and the gender gap in mobile internet usage decreased from 38% to 25%, reflecting collective progress by regulators, telecom providers, and civil society. Pakistan now leads South Asia in digital inclusion, with 45% of women connected; surpassing India and Bangladesh. Despite this progress, 55% of women remain offline, with 40% citing barriers such as handset affordability, data costs, literacy gaps, and lack of digital skills.

Aligned with its vision to become Pakistan’s leading information services and technology innovation company Zong has implemented a series of strategic programs to address digital inequality and create lasting impact through innovation, education, and partnerships. These initiatives focus on access to connectivity, digital skills development, financial platforms, and fostering a safe and inclusive digital ecosystem for women.

Zong has partnered with government bodies, non-profits, and digital learning platforms to launch targeted literacy programs that equip women with essential ICT skills, from basic internet usage to e-commerce and online safety. It has also established digital learning centers and telecenters that provide safe spaces for women to build skills and confidence, extending learning beyond traditional classrooms and fostering career readiness.

The Zong Digital Scholars Programme, developed with Knowledge Platform, is a strategic initiative to prepare young women in CPEC corridor communities for the digital future through interactive classrooms and AI-enhanced learning. Building on this foundation, Zong is launching specialized digital literacy programs for 5,000 young women aged 18-24, equipping them with career-ready skills in an increasingly digital economy.

Zong is driving inclusive growth by ensuring technology enables and uplifts all, especially marginalized groups. By embedding inclusion into every layer of its strategy, Zong is not only advancing digital gender equality but also paving the way for a more connected, just, and sustainable Pakistan.

Copyright Business Recorder, 2025

'KARACHI SLUSH'D 2025': 'AI SHOULD BE EMBEDDED IN EVERYDAY OPERATIONS'

Mohammad Bilal Tahir Published May 18, 2025

KARACHI: Speakers at a tech event emphasized the importance of integrating Artificial Intelligence (AI) into business, saying that AI should be embedded in everyday operations.

The event, “Karachi Slush’D 2025” was organized by Katalyst Labs at the auditorium of NASTP on Saturday. Jahan Ara, CEO of Katalyst Labs, said the organization is a Startup Accelerator and Innovation Hub committed to helping startups scale, developing future leaders, and enabling corporations to advance their innovation strategies.

During a panel discussion titled The Next Frontier of AI, Daniyal Baig said that AI plays a vital role in improving products. He emphasized that AI is not the future it is the present and noted that the US has already integrated AI into its school systems. “We have to shift the mindset that AI will lead to job losses,” he said. He added that businesses are now using 10 to 12 AI tools to market their products.

Ahsan Mashkooor said, “Just like you’re fond of food, you should embed AI into your life.” He said that Pakistan holds a significant advantage and should capitalize on AI, calling it a potential game-changer. He also stressed the need to empower youth with AI tools.

Jaya Rajwani, who moderated the panel, said the country’s future lies in AI. This was followed by another panel discussion, Building a Brand that Stands Out, featuring graphic designers and moderated by Hira Fareed.

Arslan Khatri said that understanding audiences is a key to building a successful brand.

Kiran Ahmed underscored the importance of research and conceptualization in brand development.

Fatin Nawaz remarked that identifying the target audience is crucial for building strong brands.

Adnan Syed said brands exist in alignment with audience needs and should resonate with people’s emotions. “Brands are created deep inside the heart,” he added.

Maira Siddiqui, CEO of Chiragh Education Technologies, delivered a talk on her journey in promoting education in native languages.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Karachi Slush'D was a one-day event aimed at empowering the startup and entrepreneurial ecosystem. The conference brought together a vibrant community of founders, students, professionals, investors, and other key players, fostering collaboration and creativity to shape the future of innovation and economic growth in Pakistan.

Copyright Business Recorder, 2025

Markets » Energy

OIL LITTLE CHANGED AS INVESTORS EYE IRAN-US TALKS, CHINA DATA

Reuters Published about an hour ago

SINGAPORE: Oil prices were little changed on Monday with investors eyeing the outcome of Iran-U.S. nuclear talks and key economic data due from China to assess the impact on its commodities demand following trade tensions with the United States.

Brent crude futures edged down 5 cents to \$65.36 a barrel by 0022 GMT while U.S. West Texas Intermediate crude was at \$62.52 a barrel, up 3 cents.

The front-month June WTI contract expires on Tuesday, and the more active July contract fell 4 cents to \$61.93 a barrel.

Both contracts rose more than 1% last week after the U.S. and China, the world's two biggest economies and oil consumers, agreed to a 90-day pause on their trade war during which both sides would sharply lower trade tariffs.

China is due to release a slew of data, including industrial output, later on Monday.

"Any sign of weakness could weaken sentiment that was boosted by the U.S. pause on Chinese tariffs," ANZ analysts said in a note.

The uncertainty over the outcome of Iran-U.S. nuclear talks also supported oil prices.

U.S. special envoy Steve Witkoff said on Sunday that any deal between the United States and Iran must include an agreement not to enrich uranium, a comment that swiftly drew criticism from Tehran.

The evolutionary arc of global oil and why Pakistan's needs to bend it

"There was a lot of hope being built into those talks," IG market analyst Tony Sycamore said. "Realistically, Iran was unlikely to ever willingly agree to peacefully give up its nuclear ambitions, which it has always maintained as being non-negotiable."

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

More so after the collapse of its proxies, which have acted as a buffer in the past between itself and Israel,” he said, without specifying who he was referring to.

In Europe, tensions between Estonia and Russia rose after Moscow detained a Greek-owned oil tanker on Sunday after it left an Estonian Baltic Sea port.

In the U.S., producers cut the number of operating oil rigs by 1 to 473 last week, the lowest since January, Baker Hughes said in its weekly report, as they continued to focus on cutting spending that could slow U.S. oil output growth this year.

IMF SEES RS215BN PDL SHORTFALL IN FY25

Wasim Iqbal Published about 2 hours ago

ISLAMABAD: The IMF has projected a shortfall of Rs 215 billion in petroleum development levy (PDL) on petroleum products for current fiscal year 2024-25 and projected collection of one percent of the GDP, with total collection depending on the GDP growth.

This was revealed in the IMF report “First Review Under the Extended Arrangement Under the Extended Fund Facility, Requests for Modification of Performance Criteria and Request for an Arrangement Under the Resilience and Sustainable Facility” released on Saturday.

In current fiscal year, IMF projected Rs 1066 billion PDL collection against target set at Rs1281 billion despite the removal of PDL cap on petroleum products through a presidential ordinance. Till March 15, 2025, the government was charging a maximum levy of Rs60 per litre on petrol and high speed diesel (HSD), however, it was raised by Rs10 per litre from March 16 onwards to Rs70 per litre. On April 15, the federal government enhanced the PDL on petrol by Rs8.02 per litre and HSD Rs7.01 per litre, taking it to Rs 78.02 per litre and Rs 77.01 per litre on both the products.

The federal government collected PDL of Rs833 billion during the first nine months (July to March) of the ongoing fiscal year. With the current pace of PDL collection, the IMF projected that collection would be approximately Rs1066 billion against the budget target of Rs1281 billion for the ongoing fiscal year 2024-25.

The collection of PDL from previous fiscal year (July to March of 023-24) was Rs719.592 billion.

Copyright Business Recorder, 2025

‘VIOLATION OF PETROLEUM RULES’: PMO SEEKS DETAILED REPORT FROM PETROLEUM DIVISION

Press Release Published May 19, 2025 Updated about 2 hours ago

ISLAMABAD: Prime Minister's Office has sought a detailed report from Petroleum Division regarding alleged violation of Petroleum Rules by Frontier Holdings Limited (FHL) and SPUD Energy PTY Limited.

According to documents, PM Office in a letter dated May 05, 2025 carrying subject “Urgent Action Required Violation of Petroleum Rules by Frontier Holdings Limited (FHL) and SPUD Energy PTY Limited” asked the Petroleum Division to furnish a detailed report.

And, following the PM Office took notice of the alleged violation of the Pakistan Petroleum Rules, 2001, in the disposition of controlling shares of two petroleum exploration firms—SPUD Energy Pty Ltd and Frontier Holdings Limited (FHL), the Director General Petroleum Concession swung into action and advised the Chief Executive Officer of FHL to submit a report in the matter to proceed further in accordance with applicable rules.

Earlier, Transparency International Pakistan (TIP) requested the Prime Minister's Office to initiate an investigation into the alleged violation of the Pakistan Petroleum Rules, 2001, in the disposition of controlling shares of two petroleum exploration firms—SPUD Energy Pty Ltd and Frontier Holdings Limited (FHL).

In a formal letter dated May 2, 2025, TIP raised concerns over the alleged transfer of controlling shares in the two companies without prior government approval, a move that if confirmed, would violate Rule 69(d) of the Pakistan Petroleum (Exploration and Production) Rules, 2001.

According to Rule 69(d), companies must obtain prior consent from the government before proceeding with any disposition of controlling interests. The rule states: “Without the prior consent of the Government, there shall be no disposition of the share capital of the holder or its parent company in consequence of which any person who, prior to that disposition, had effective control of the holder or its parent company ceases to have such effective control.”

TIP stated that SPUD and FHL are linked to Jura Energy Corporation, which recently saw a controlling interest shift from Phoenix Holdings Ltd to IDL Investments Ltd. It alleged that this transaction occurred secretly, without notifying or securing consent from the Petroleum Division.

The watchdog also cited past regulatory violations by SPUD and FHL, including a government-ordered recovery of Rs1.3 billion in unpaid royalties. TIP warned that failure to act on this latest development could set a dangerous precedent, undermine regulatory authority, and compromise Pakistan's energy sovereignty.

Reportedly in 2023, Prime Minister Shehbaz Sharif directed the petroleum division to recover an outstanding royalty amount of Rs 1.13 billion from two oil and gas firms, Spud Energy and Frontier Holdings Limited (FHL).

The PM's office, in a letter dated January 20, 2023, to the secretary petroleum division, said that “it has been desired that the petroleum division shall ensure recovery of the outstanding amount within two weeks and submit a compliance report.”

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

In the letter which was addressed to the managing director, Sui Southern Gas Company Limited (SSGC), Fazal Abbas, the petroleum division's financial analyst, advised the company to stop the payments of Spud Energy and FHL. He said the outstanding royalty should be deposited in the government treasury.

Copyright Business Recorder, 2025

KE CONTINUES ACTION AGAINST POWER THIEVES

NNI Published May 19, 2025 Updated about 2 hours ago

KARACHI: K-Electric (KE), in collaboration with law enforcement agencies, is conducting operations against electricity theft and defaulters across the megacity.

KE had removed its 250-kva PMT installed in Ittehad Town, Baldia due to non-payment of dues. However, later, anti-social elements not only illegally installed a 500-kva PMT transformer but also reconnected it to K-Electric's network and continued the electricity theft.

This illegal PMT was removed with re-disconnection, on which the total outstanding amount was PKR 67 million.

K-Electric had earlier disconnected its transformer at the same location on the basis of dues of over Rs 60 million; however, the defaulters, who had not made payments since 2023, illegally reconnected to the network and continued to steal electricity.

A KE spokesperson said that operations are under way against electricity thieves in various areas including Malir, Landhi, Korangi, Surjani Town, and Gulistan-e-Jauhar.

On the other hand, KE has taken an important step towards providing reliable and continuous power supply in the area by inaugurating a new feeder in the Marble Industry Area. This new feeder will not only provide better power supply to the existing industries but also to the new entrepreneurs.

TURKEY DISCOVERS NEW NATURAL GAS RESERVE IN BLACK SEA

AFP Published May 18, 2025

ISTANBUL: Turkey has discovered a new natural gas reserve in the Black Sea that will meet its residential energy needs for more than three years, President Recep Tayyip Erdogan said on Saturday.

"We have discovered 75 billion cubic meters (2,650 cubic feet) of new natural gas. With this amount, we will meet the needs of our homes alone for about 3.5 years," he said. Erdogan valued the reserve as worth some \$30 billion.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

“Our work at the Goktepe-3 well, which started on March 27 with our seventh-generation drilling ship Abdulhamid Han, was completed yesterday,” he said. Turkey is still highly dependent on imports to cover its energy needs, though Erdogan stressed Ankara’s desire to achieve energy independence.

“We will continue on our path without stopping, without resting, and without paying heed to criticism or obstacles until we reach our goal of a fully energy-independent Turkey,” he said.

US NATURAL GAS PRICES EASE

Reuters Published May 18, 2025

NEW YORK: US natural gas futures eased about 1% to a two-week low on Friday on a smaller decline in output than previously expected, lower gas flows to liquefied natural gas (LNG) export plants and forecasts for less demand in two weeks.

That should translate into extra supplies that will allow utilities to keep injecting more gas into storage than usual for this time of year.

Gas futures for June delivery on the New York Mercantile Exchange fell 1.9 cents, or 0.6%, to settle at \$3.343 per million British thermal units, their lowest close since April 30 for a second day in a row.

That put the front-month down about 12% for the week after soaring about 29% over the prior two weeks.

Despite a heat wave in Texas this week, analysts said heating and cooling demand should remain low across much of the rest of the country in coming weeks, allowing utilities to keep adding more gas into storage than normal for this time of year.

Gas stockpiles were around 3% above the five-year (2020-2024) normal.

Financial firm LSEG said average gas output in the Lower 48 US states fell to 103.7 billion cubic feet per day so far in May, down from a monthly record of 105.8 bcfd in April. On a daily basis, output was on track to drop to a preliminary one-week low of 103.1 bcfd on Friday. But that decline was smaller than previously expected. Analysts have noted that preliminary data is often revised later in the day.

Part of the reason for output reductions was spring maintenance on some gas pipes, including US energy firm Kinder Morgan’s 2.7-bcfd Permian Highway from the Permian basin in West Texas to the Texas Gulf Coast.

Kinder Morgan said it will perform a turbine exchange at the Big Lake compressor station from May 13-26 that will reduce mainline capacity to around 2.2 bcfd. Traders have noted the Permian Highway reduction trapped some gas in the Permian basin, helping spot gas prices at the

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

Waha Hub in West Texas to drop to around 94 cents per mmBtu on Friday, down from \$1.58 For Thursday and an average of \$1.87 over the prior seven days.

OIL POSTS WEEKLY GAIN BUT REMAINS UNDER SUPPLY HIKE PRESSURE

Reuters Published May 18, 2025

HOUSTON: Oil settled higher on Friday, notching a second straight week of gains on easing US-China trade tensions, although prices were held back by expectations of higher supply from Iran and OPEC+. Brent crude futures settled up 88 cents, or 1.4%, at \$65.41 per barrel, while US West Texas Intermediate crude futures closed 87 cents, or 1.4% higher at \$62.49.

The benchmarks posted a weekly rise of 1% and 2.4% respectively. The contracts fell by more than 2% in the previous session on the prospect of an Iranian nuclear deal, which could result in an easing of sanctions that could see Iranian crude return to the global market. “Expected increases in OPEC+ oil production along with a more probable Iranian nuclear agreement has re-surfaced the bear trade,” said Dennis Kissler, senior vice president of trading at BOK Financial. “Near term, with geopolitical temperatures cooling, a strong seasonal travel demand will be needed in the coming months to counter the expected rises in supplies,” Kissler added.

US President Donald Trump said on Thursday the US was nearing a nuclear deal with Iran, with Tehran “sort of” agreeing to its terms. However, a source familiar with the talks said there were still issues to resolve.

ING analysts wrote in a note that a nuclear deal lifting sanctions would allow Iran to increase oil output, resulting in additional supply of around 400,000 barrels per day. Investor sentiment was boosted this week by the US and China, the world’s two biggest oil consumers and economies, agreeing to a 90-day pause on their trade war during which both sides would sharply lower trade duties. The hefty reciprocal tariffs had raised concerns about a sharp blow to global growth and oil demand.

Analysts at BMI, a unit of Fitch Solutions, said in a research report, however, that “while the 90-day cooling off period leaves the door open for additional progress on lowering trade barriers on both sides, the uncertainty on longer-term trade policy will limit price upside.” Keeping a lid on supply additions, Kyiv and Moscow failed to agree to a ceasefire at their first direct talks in more than three years, with Russia presenting conditions that a Ukrainian source described as “non-starters”.

Israel struck Yemen’s Red Sea ports of Hodeidah and Salif on Friday, continuing its campaign to degrade Houthi military capabilities. On the US supply side, oil rigs fell by 1 to 473 this week, their lowest since January, energy services firm Baker Hughes said in its closely followed report on Friday.

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

The dollar rose on Friday after the latest round of economic data showed a jump in import prices while consumer sentiment remained subdued, putting it on pace for a fourth straight weekly advance.

GOVERNMENT TO INCREASE CAPTIVE POWER TRANSITION LEVY TO 20%

May 19, 2025

The government of Pakistan has announced plans to increase the Captive Power Transition Levy (CPL) to 20% by August 2026, according to an official document.

This decision follows the authorities' inability to compel captive power plant owners to shift operations to the national electricity grid voluntarily.

Initially introduced at 5% in February 2025, the captive power levy is part of a broader energy reform plan agreed upon with the International Monetary Fund (IMF). The CPL will rise by 5% every six months, eventually reaching the 20% target. The move is designed to encourage Captive Power Producers (CPPs) to abandon inefficient self-generation and transition to grid-based electricity.

The IMF's latest country report on Pakistan emphasized the importance of adjusting gas tariffs in line with revenue requirements, while also addressing the country's persistent circular debt (CD) in the energy sector. The report stressed that progress in reducing the large gas CD stock requires timely adjustments and improved data monitoring. One key priority remains the integration of captive power producers into the grid to optimize gas use for more efficient power generation.

Although authorities initially aimed to cut off gas supplies to all CPPs by January 2025, the plan was postponed. Around 25% of captive power plants were not yet prepared to switch to the national grid. As an alternative, the government opted for a pricing strategy—the CPL—which makes gas for captive power generation costlier over time compared to grid electricity.

Under the scheme, gas prices for CPPs are now aligned with industrial grid rates plus the levy. Proceeds from the CPL—the difference between the levy-included gas price and the standard OGRA-determined price—will be funneled into the electricity grid. This revenue will help reduce the average grid tariff across consumer categories.

To institutionalize this reform, the CPL, currently enforced through an ordinance, must be legislated by the end of May 2025. Authorities are also working to finalize service-level agreements between distribution companies (DISCOs) and captive power users to ensure a seamless transition.

This step marks a critical push to shift Pakistan's captive power sector toward greater efficiency, energy security, and fiscal sustainability.

Markets – Rates

MARGINAL GAIN

Recorder Review Published about 2 hours ago

KARACHI: Rupee posted marginal gain against the US dollar during the previous week as it appreciated by Re0.05 or 0.02% in the inter-bank market.

The local unit closed at 281.66, against 281.71 it had closed the week earlier against the greenback, according to the State Bank of Pakistan (SBP).

During the previous week, the central bank said it had received the second tranche of Special Drawing Rights (SDR) 760 million, equivalent to \$1.02 billion, from the International Monetary Fund (IMF). The amount will be reflected in SBP's foreign exchange reserves for the week ending on May 16, 2025.

Meanwhile, Pakistan's current account (C/A) posted slight surplus of \$12 million in April 2025, against massive surplus of \$1.2 billion (revised) last month, SBP data showed. On year-on-year (YoY) basis, the C/A decreased 96% against a surplus of \$315 million (revised) recorded in the same month last year.

Pakistan's Real Effective Exchange Rate (REER), a measure of the value of a currency against a weighted average of several foreign currencies, dropped to 99.42 in April 2025, down from 101.55 (revised) in March 2025.

Inflows through the Roshan Digital Account (RDA) clocked in at \$177 million in April, reflecting a decline of 25% compared to \$235 million in March 2025, SBP said.

Open-market rates

In the open market, the PKR lost 87 paise for buying and 39 paise for selling against USD, closing at 282.65 and 283.75, respectively.

Against Euro, the PKR gained 42 paise for buying and 1.32 rupee for selling, closing at 315.96 and 318.56, respectively.

Against UAE Dirham, the PKR lost 26 paise for buying and 2 paise for selling, closing at 76.99 and 77.45, respectively.

Against Saudi Riyal, the PKR lost 31 paise for buying and 4 paise for selling, closing at 75.26 and 75.70, respectively.

=====

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

THE RUPEE

=====

Weekly inter-bank market rates for dollar

=====

Bid Close Rs. 281.66

Offer Close Rs. 281.86

Bid Open Rs. 281.70

Offer Open Rs. 281.90

=====

Weekly open-market rates for dollar

=====

Bid Close Rs. 282.65

Offer Close Rs. 283.75

Bid Open Rs. 281.78

Offer Open Rs. 283.36

=====

Copyright Business Recorder, 2025

FUTURES SPREAD UP 850 BPS

Recorder Review Published about 2 hours ago

KARACHI: The futures spread increased by 850 basis points, closing at 9.28 percent on the final trading day of the week ending May 16, 2025, compared to 0.78 percent in the previous week.

Trading activity on the futures counter increased, with average daily volumes surged by 10 percent to 169.54 million shares, up from 154.55million shares a week earlier. However, the average daily traded value on the futures counter declined by 1.5 percent, reaching Rs 10.61 billion compared to Rs 10.77 billion in the preceding week.

Copyright Business Recorder, 2025

PSX MARKS HIGHEST WEEKLY GAIN IN 5 YEARS

Recorder Review Published about 2 hours ago

KARACHI: The Pakistan Stock Exchange (PSX) experienced a strong rebound and recorded its highest week-on-week (WoW) gain in five years, following the announcement of a ceasefire between Pakistan and India, which fuelled a significant market rally during the week ending May 16, 2025.

The benchmark KSE-100 Index surged by 12,474 points, or 11.6 percent week-on-week (WoW), closing at 119,649 points up from 107,174.64 points in the previous week. Average daily trading volumes also saw a notable increase, rising 30 percent WoW to 559 million shares, compared to 508 million shares the week before.

The average daily traded value on the ready counter also increased from Rs 27.6 billion to Rs 38.60 billion. Total market capitalization mounted up by Rs 1.497 trillion, settling at Rs 14.390 trillion versus Rs 12.893 trillion a week earlier.

BRIndex100 also gained 1,560 points during the last week to close at 12,827.18 points compared to 11,267.56 points a week earlier. Average daily turnover at BRIndex100 was 573 million shares. BRIndex30 surged by 5,596 points on a week-on-week basis to 37,832 points with the daily average share trading volumes of 365 million.

According to AHL Research, the KSE-100 index took a sharp turn and skyrocketed into the green zone on Monday, hitting the upper cap of the circuit breaker. The index posted a historic DoD gain of 10,123pts or 9.45 percent-the highest ever in both absolute and percentage terms.

The rally followed a ceasefire announcement between India and Pakistan, brokered by US, who also expressed intentions to enhance trade ties with both countries. In addition, Pakistan also secured IMF's approval of \$1 billion under the EFF and \$1.4 billion under the RSF.

On the macro front, CA posted a surplus of USD 1,880mn in 10MFY25. LSMI output grew 1.79percentYoY in Mar'25. In the T-Bill auction (first post-MPC), SBP raised PKR 664bn vs a target of PKR 550bn, while yields dropped sharply by 66–90bps across all tenors. Additionally, MSCI added 3 Pak companies to the FM Index and 4 to the FM Small Cap Index.

All these indicators reflected strong positive momentum, driving the KSE-100 past the 119k level to close at a new all-time high on Thursday. SBP reserves rose by \$71 million WoW to \$10.4 billion. Overall, the KSE-100 was the best-performing market on a WoW basis, posting its highest WoW gain in five years.

Sector-wise positive contributions came from Banks (2,711pts), E&Ps (1,937pts), Fertilizer (1,338pts), Cement (1,249pts), and Tech (666pts). Meanwhile, the sectors that contributed negatively were Leasing (0.03pts) and Woollen (0.90pts). Scrip-wise positive contributors were

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

UBL (922pts), FFC (876pts), PPL (750pts), OGDC (581pts), and LUCK (519pts). Whereas, scrip-wise negative contributions came from PKGP (15pts), IBFL (4pts), NESTLE (2pts) and PGLC (0.03pts).

Foreigner selling was witnessed during this week clocked in at USD 9.13mn compared to a net buy of \$ 1.52 million last week. Major selling was witnessed in E&Ps (\$ 5.98 million) followed by All other sectors (\$2.87 million). On the local front, buying was reported by Mutual Funds (\$ 36.03 million) and Insurance Companies (\$6.59 million).

Other major news included the country witnessed net FDI inflow of \$ 141 million during Apr'25, the price of HSD has decreased by Rs 2.00/liter, technology exports went up by 2 percent YoY during Apr'25 to \$ 317 million, banking sector deposits increased by 13.7percentYoY in Apr'25, and the auto sales numbers declined to 10.6K units, down by 5 percent MoM in Apr'25.

Analysts at JS Global said that the surge was primarily driven by easing geopolitical tensions between Pakistan and India, boosting investor confidence. Approval of IMF's first review, green light for the Resilience and Sustainability Facility, and then the disbursement of \$1.02 billion tranche boosted market sentiments.

Furthermore, the current account balance for Apr-2025 recorded a surplus of \$12 million, lower than the same period last year due to higher imports. Cumulatively, the CA remained at a surplus of \$1.88 billion during 10MFY25.

In other news, Pakistan has initiated virtual technical-level discussions with the IMF on the upcoming FY26 budget, with formal policy-level negotiations to commence next week. Government has also approved the phased privatization plan of 24 SOEs, including PIA.

As per the PBS data, LSM index recorded a 1.8percentYoY increase in Mar-2025, marking a return to positive growth after four consecutive months of YoY decline. In the recently held T-bill auction, SBP raised Rs664 billion against a target of Rs550 billion, with yields witnessing a significant decline of 66 to 90bps across different maturities.

Copyright Business Recorder, 2025

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

OPEN MARKET FOREX RATES

Updated at: 19/5/2025 8:24 AM (PST)

Currency	Buying	Selling
Australian Dollar	183.25	185.50
Bahrain Dinar	748.05	756.05
Canadian Dollar	203.10	205.50
China Yuan	37.59	37.99
Danish Krone	42.25	42.65
Euro	315.85	318.65
Hong Kong Dollar	35.94	36.29
Indian Rupee	3.19	3.28
Japanese Yen	1.95	2.01
Kuwaiti Dinar	912.55	922.05
Malaysian Ringgit	64.95	65.55
NewZealand \$	164.62	166.62
Norwegians Krone	26.89	27.19
Omani Riyal	732.65	741.15
Qatari Riyal	76.68	77.38
Saudi Riyal	75.15	75.70
Singapore Dollar	214.73	216.73
Swedish Korona	28.65	28.95
Swiss Franc	336.16	338.96
Thai Bhat	8.4	8.55
U.A.E Dirham	76.80	77.45
UK Pound Sterling	375.30	378.8
US Dollar	282.25	283.75

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

INTER BANK RATES

Updated at: 19/5/2025 8:24 AM (PST)

Currency	Bank Buying TT Clean	Bank Selling TT & OD
Australian Dollar	181.45	181.78
Canadian Dollar	201.66	202.02
China Yuan	39.27	39.34
Danish Krone	42.27	42.34
Euro	315.33	315.89
Hong Kong Dollar	36.05	36.11
Japanese Yen	1.9371	1.9405
Saudi Riyal	75.05	75.19
Singapore Dollar	217.41	217.80
Swedish Korona	29.13	29.18
Swiss Franc	335.55	336.15
Thai Bhat	8.5	8.51
UK Pound Sterling	374.07	374.74
US Dollar	281.50	282.00

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

GOLD RATE

Bullion / Gold Price Today

As on Mon, May 19 2025, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	289,756	337,613	901,258	
Palladium	XPD	87,803	102,304	273,101	
Platinum	XPT	89,657	104,465	278,870	
Silver	XAG	2,923	3,405	9,090	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Mon, May 19 2025, 02:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 337600	Rs. 309464	Rs. 295400	Rs. 253200
per 10 Gram	Rs. 289500	Rs. 265373	Rs. 253313	Rs. 217125
per Gram Gold	Rs. 28950	Rs. 26537	Rs. 25331	Rs. 21713
per Ounce	Rs. 820700	Rs. 752303	Rs. 718113	Rs. 615525

Gold Rate

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

SLD E-LAW UPDATING SERVICE

News Updates on Taxation, Business, Corporate, Technology, Fuel & Energy and Much More.

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

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
 China Yuan	CNY	7,419	8,645	23,077	
 Euro	EUR	922	1,074	2,867	
 Japanese Yen	JPY	149,876	174,630	466,175	
 Saudi Riyal	SAR	3,859	4,497	12,004	
 U.A.E Dirham	AED	3,780	4,404	11,756	
 UK Pound Sterling	GBP	775	903	2,410	
 US Dollar	USD	1,029	1,199	3,201	