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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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FBR CONCLUDES SUPER TAX CASE ARGUMENTS IN SUPREME COURT

May 20, 2025

Islamabad – The Supreme Court of Pakistan on Monday adjourned proceedings in the high-profile super tax case until May 22, after the Federal Board of Revenue (FBR) concluded its arguments.

The constitutional bench, comprising five justices, is examining the legality and scope of the super tax under Section 4B of the Income Tax Ordinance.

The Supreme Court bench is headed by Justice Aminuddin Khan and includes Justice Jamal Khan Mandokhail, Justice Muhammad Ali Mazhar, Justice Syed Hasan Azhar Rizvi, and Justice Shahid Bilal Hassan. The case has garnered significant attention due to its potential implications on tax policy and the powers of the FBR to impose additional levies.

During Monday’s proceedings, the FBR’s legal team finalized their presentation, focusing on the interpretation of Section 4B and the authority it grants the government to impose a super tax. Justice Aminuddin Khan, presiding over the hearing, inquired whether senior counsel Makhdoom Ali Khan intended to respond specifically to Section 4B. In reply, Makhdoom requested access to the written submissions made by Dr. Shahnawaz and other lawyers representing the FBR, stating he would study them before delivering his rebuttal in the next session.

Additional Attorney General Aamir Rehman also addressed the Supreme Court, informing the bench that he would be submitting three precedent-setting court rulings relevant to the matter. He emphasized that these rulings clearly support the government’s authority to introduce taxes for targeted purposes. The Supreme Court directed Rehman to present the rulings in written form for consideration.

The bench then adjourned the hearing, allowing Makhdoom Ali Khan to begin his rebuttal on May 22.

This case is pivotal for the FBR, as it will determine whether the super tax mechanism can continue under existing legislation. A ruling in favor of the FBR would reinforce its ability to generate revenue through specialized tax instruments, while a contrary verdict could reshape future tax strategies and fiscal planning.

FBR’S BINDING INSTRUCTIONS: MEMBER LEGAL APPROACHED REGARDING ALLEGED BLATANT VIOLATIONS

Sohail Sarfraz Published about 2 hours ago

ISLAMABAD: The Federal Board of Revenue (FBR) Member Legal has been approached regarding alleged blatant violations of FBR's binding instructions meant to prevent futile litigation in cases involving the recovery of withholding tax (WHT) defaults in terms of Section 161 of the Income Tax Ordinance, 2001.

Concerns have been raised over certain field formations initiating recovery proceedings in apparent disregard of the landmark order passed by the Division Bench-I of the ATIR, as well as the explicit and binding directives earlier issued by the FBR itself. These actions are being viewed by stakeholders as attempts to undermine the authority of both the appellate forum and the FBR's own legal framework.

Tax lawyer Waheed Shahzad Butt, speaking to this correspondent, "emphasized the gravity of the situation. It is imperative that necessary steps be taken to ensure strict compliance with the FBR's binding instructions and the judicial pronouncements of ATIR. Any deviation from these standards amounts to administrative overreach and poses a serious risk to justice," he stated.

According to sources, a formal request has been made to the Member Legal to issue urgent and unequivocal instructions to all concerned field formations, directing them to halt actions that are inconsistent with established legal precedent and the FBR's internal guidance. Observers noted that the matter now warrants immediate and serious attention to prevent further miscarriage of justice and to preserve the integrity of administrative and judicial processes within the tax system

It is deeply concerning that the binding instructions issued by the FBR have been openly violated, without any justification or explanation. Such a defiant act reflects either willful disobedience or gross incompetence, both of which are unacceptable and damaging to the credibility of the tax administration. The 161 notices generated under the command of flagship entity of the FBR exhibit a glaring lack of professional diligence and legal awareness. Such conduct not only undermines the integrity of the department but also exposes taxpayers to unlawful proceedings, thereby eroding public trust, Waheed added.

FBR HOLDS TAX AWARENESS SESSION AT CUST

Press Release Published about 2 hours ago

KARACHI: The Federal Board of Revenue (FBR), through its Taxpayers Services Wing, organized a tax awareness session at Capital University of Science & Technology. The session was attended by the President Hammad Qureshi, Vice President Ammad Azhar, General Secretary MAmmara Khan and university students.

The FBR team included Second Secretary (Tax Education) Zafar Iqbal Khan, Inspector Salman Khaliq, Coordinator Zia Farooqi and staff Manzoor Hussain.

During the session, Second Secretary (Tax Education) Zafar Iqbal Khan gave a comprehensive presentation on the tax structure and overall working of FBR. He highlighted the various measures being taken by FBR to enhance the transparency and efficiency of the revenue collecting system. In his briefing, he urged students to become "Tax Ambassadors" by spreading awareness about tax responsibilities in their communities.

The session concluded with a detailed Q&A session, where participants asked questions directly from the speaker and gathered more information. On the occasion, souvenirs were also distributed among the students.

This initiative is part of FBR's ongoing efforts to foster a better understanding of the tax system among youth and promote a culture of tax compliance in Pakistan.

AFFECTED PARTY (TAXPAYER): ASSESSMENT ORDER COMMUNICATION MANDATORY: ATIR

Sohail Sarfraz Published about 2 hours ago

ISLAMABAD: The Appellate Tribunal Inland Revenue (ATIR) has ruled that the communication of the assessment order to the affected party (taxpayer) is essential for the order to attain legal efficacy within the statutory timeframe.

Through an order issued by the ATIR, it stated that an order passed internally on a file, but not communicated to the affected party (taxpayer) within the legally prescribed time limit, cannot be deemed to have been validly passed within that period.

Prior to granting any extension in time for passing of amended order under Section 122(5A) of the Income Tax Ordinance, 2001, it is the bounden duty of the Commissioner to act impartially, providing a fair opportunity of hearing to all rival parties.

It is reliably learnt that a landmark order has been passed by the ATIR on arguments made by tax lawyer Waheed Shahzad Butt wherein the ATIR held that communication of the order to the affected party is essential for the order to attain legal efficacy within the statutory timeframe. Merely signing or noting it on a file without informing the concerned party fails to meet the legal standard.

Shahzad Butt Advocate, who represented the appellant, hailed the decision as a landmark in administrative and tax jurisprudence. He stated, "This ruling is a critical reaffirmation that authorities must act transparently, within the bounds of the law, and with full regard to the rights of the parties involved. It sets a powerful precedent for future adjudication where procedural fairness is at stake."

ATIR order states "Notice was issued on 08.01.2024 and the amended order has been passed on 08.11.2024. Resultantly, it has been proved that the order has been passed after a lapse of 305 days from the issuance of show cause notice, while as per statement of the author extension in time was sought from the concerned Commissioner after lapse of 239 days on 03.09.2024. A total period of 240 days has been provided by the legislature to dispose of the show cause notice (SCN)in the shape of assessment order.

It is now settled principle of law that prior to granting extension, it is the bounden duty of the CIR to provide an opportunity of hearing to the rival parties and act like a neutral unbiased umpire. However, in the instant case, admittedly no such opportunity has been granted to the appellant, which renders the extension order illegal & void ab-initio. The impugned amended order is thus time barred, ATIR order added.

'HIGH TAX ON PACKAGED JUICES STIFLES GROWTH, HURTS ECONOMY'

Zahid Baig Published May 20, 2025 Updated 18 minutes ago

LAHORE: The formal packaged juice industry in Pakistan continues to reel under the weight of an excessive 20% federal excise duty (FED) in addition to the existing 18% general sales tax (GST) imposed since the 2023-24 budgets.

This steep tax burden has not only throttled the industry's growth but also led to unintended consequences for the economy, consumers, and rural fruit farmers, claimed the industry sources.

They said once projected to exceed PKR 72 billion in annual sales in FY 2022-23, the formal juice sector has witnessed a 45% decline, with current sales slumping to around PKR 42 billion. The contraction has resulted in shrinking business activity, rising unemployment, and underutilization of production capacity. No new investments have flowed into the sector over the past two years, industry stakeholders said.

More concerning, the price hikes triggered by these taxes, where up to 42% of a juice pack's cost now goes toward taxes — have driven many consumers towards cheaper, unregulated alternatives. These low-cost, low-quality beverages, often lacking any real fruit content, are flooding the market through the mushrooming informal sector which evades taxation entirely.

The consequence has been lose-lose scenario. Government revenue projections have fallen short due to plummeting sales volumes in the formal sector. Meanwhile, rural fruit farmers are also facing severe setbacks. The industry, once a major purchaser of local produce, has significantly reduced its procurement. For instance, mango purchases dropped to 20,233 tons last year, down from 31,000 tons in 2017-18, said the sources.

This decline in demand has led to increased fruit wastage as Pakistan's high perish ability rates and lack of post-harvest infrastructure already make it difficult for farmers to sell at fair prices during peak seasons. The formal juice sector had historically mitigated this by purchasing large volumes and investing in farmer training and better handling practices — a support now rapidly diminishing.

Experts also warn that this taxation policy undermines public health. Packaged juices when produced with real fruit content offer essential vitamins, antioxidants, and hydration, particularly important in a country facing growing nutrition-related health issues. With formal, safe, and regulated products priced out of reach, consumers are left to choose from potentially unsafe and unregulated beverages with no nutritional value.

The undocumented sector, which has grown significantly in the past year, operates without oversight from food safety authorities. Not only does this compromise public health, but it also further erode government revenue that could have been collected had these players been part of the formal economy.

In light of the industry's current situation, a representative of the Fruit Juice Council said they are not asking for abolishing the FED or even halving it. "Realising the ground realities, we have requested the government to reduce the FED by 5%. That 5% reduction will give the industry space to grow again and as a result will also bring in more revenue for the government. If the current level is maintained, the sales will fall further with a further dip in government revenues," he added.

Stakeholders also call for a stronger crackdown on the undocumented sector, recommending the formation of a joint task force of government officials and industry representatives. Such a body, they believe, could help identify and regulate illicit manufacturers, ensuring product safety and fair competition.

WORLD BANK-FUNDED EXPERTS REVIEWING FY26 BUDGET PROPOSALS

May 19, 2025

Pakistan is receiving support from top tax experts, financed by the World Bank, to review and evaluate proposals for the upcoming fiscal year 2025-26 budget.

This initiative is part of broader reforms aimed at strengthening the country's tax policy and administration systems ahead of the next budget cycle.

According to official documents, the Ministry of Finance established the Tax Policy Office (TPO) in September 2024, marking a significant milestone in the country's evolving tax reform agenda. The TPO was created to enhance analytical capacity and provide a dedicated structure for tax policy formulation, especially during critical phases like budget preparation. The World Bank has played a key role in supporting this transition by funding seven highly qualified experts who are now actively assisting in the evaluation of tax measures and revenue strategies for the FY26 budget.

These World Bank-financed experts are not only helping to assess new tax proposals but are also contributing to the development of long-term strategies aimed at expanding Pakistan's revenue base. Their work is expected to improve the quality and impact of fiscal decisions reflected in the final budget document.

In addition, the Ministry of Finance is finalizing arrangements for data-sharing between the TPO and the Federal Board of Revenue (FBR). This is intended to ensure smooth coordination and better utilization of data for budget formulation and forecasting. Recognizing potential overlaps, the government also plans to establish a collaboration framework between the TPO and the FBR's International Centre of Tax Excellence (ICTE), to avoid duplication and promote synergy between the two entities.

Moreover, with technical assistance from the International Monetary Fund (IMF), the ministry will formulate short- and medium-term work plans for the TPO by the end of July 2025. These plans will outline staffing needs, engagement strategies with stakeholders, and the operational setup for the TPO Advisory Board.

These reforms, backed by both the World Bank and the IMF, aim to modernize Pakistan's tax policy process and ensure that future budget decisions are data-driven, transparent, and growth-oriented.

LTO KARACHI SIGNALS POSSIBLE SALARY TAX RELIEF IN BUDGET 2025–26

May 19, 2025

Karachi, May 19, 2025 – The Large Taxpayers Office (LTO) Karachi has indicated that the salaried class may receive some much-needed relief in the forthcoming federal budget 2025–26.

This announcement came during a dialogue between senior tax officials and industrial leaders at the Korangi Association of Trade and Industry (KATI).

Chief Commissioner Inland Revenue, LTO Karachi, Zubair Bilal, shared these remarks while addressing businessmen and KATI members. He acknowledged the financial strain faced by the salaried segment and assured that salary taxpayers remain on the government's radar for targeted relief measures. He emphasized that the Federal Board of Revenue (FBR) is committed to reforms, maintaining a zero-tolerance policy against corruption.

The LTO Karachi is the primary revenue-collecting unit of the FBR, and its signals regarding relief carry significant weight in shaping expectations for the federal budget. During his speech, Bilal urged KATI and other business stakeholders to compile detailed budget proposals. "We encourage collaboration. Proposals will be reviewed, endorsed by LTO Karachi, and forwarded to senior policymakers for inclusion in the budget," he said. He also proposed monthly consultative meetings to address sector-specific issues.

Zubair Bilal highlighted that a fair and growth-oriented tax policy benefits all, stating, "A thriving industry increases profits, generates employment, and raises tax revenues." He also acknowledged that industries are burdened by compliance with numerous regulations imposed by over 50 federal and provincial bodies.

KATI President Junaid Naqi strongly advocated for fairness in the tax system, especially for salary earners and legitimate businesses. He raised concerns about the misuse of authority by some FBR officers, who issue excessive notices and freeze accounts unjustly. Naqi also opposed recent tax ordinance amendments, particularly those allowing FBR officials to be stationed inside industrial units, calling it unconstitutional.

Standing Committee Chairman Tariq Malik demanded digitization of the tax process to protect law-abiding taxpayers, including salary earners. He emphasized that only a small minority evade taxes, while compliant contributors should be treated with respect and support.

The meeting concluded with strong representation from KATI leadership and LTO Karachi, reinforcing hopes that salary earners could benefit from reforms in the 2025–26 budget.

OICCI WANTS LOWER TAXES ON PAKISTANI-MADE VEHICLES IN BUDGET

May 19, 2025

Karachi, May 19, 2025 – The Overseas Investors Chamber of Commerce and Industry (OICCI) has recommended the government take urgent steps to rationalize the Federal Excise Duty (FED) and sales tax imposed on locally manufactured vehicles in the upcoming 2025-26 federal budget.

In its official tax proposals submitted to the Ministry of Finance, the OICCI emphasized the pressing need to reduce or abolish FED on locally produced vehicles. It urged that this should be done through amendments to Serial No. 55B and 55D of Table I in the First Schedule of the Federal Excise Act, 2005. The chamber highlighted that the current structure of FED significantly increases the retail price of vehicles assembled in Pakistan, making them unaffordable for a large segment of local consumers when compared to imported used cars.

The OICCI stressed that the continuation of such duties not only hampers the competitiveness of locally manufactured vehicles but also discourages fresh investment in the domestic automotive industry. “The high FED results in lower demand for locally made vehicles, thereby slowing down industrial activity and reducing government revenue,” the chamber noted.

Additionally, the OICCI raised concerns about the elevated sales tax rates being applied to locally manufactured vehicles. At present, these vehicles are subject to an increased sales tax rate of 25%, a significant jump from the standard 18%. The chamber proposed that the government restore the standard sales tax rate of 18% by eliminating the distortionary Table II of SRO 297(I)/2023.

According to the OICCI, the local auto industry is already grappling with reduced production levels, operating at only 40% to 50% of its installed capacity. The imposition of high taxes, especially on locally produced vehicles, has led to a steep drop in demand, pushing many assemblers and manufacturers toward operational shutdowns and financial losses.

Restoring the standard tax regime for vehicles will help stabilize the industry, allowing it to sustain production near the 50% capacity mark. The OICCI believes that such reforms would lead to increased economic activity, enhanced investor confidence, and eventually higher government revenue.

The OICCI reiterated its commitment to working closely with policymakers to ensure that the automotive sector — and the broader economy — benefits from rational and growth-oriented tax policies, particularly concerning the production and sale of locally manufactured vehicles.

Markets » Cotton & Textile

COTTON SPOT RATES

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Monday, (May 19, 2025)...

Recorder Report Published about 2 hours ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Monday, (May 19, 2025)

The kca official spot rate for local dealings in Pakistan rupees

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

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 17-05-2025	Difference Ex-karachi
37.324 KG	16,700	285	16,985	16,985	NIL
Equivalent 40 KGS	17,897	305	18,202	18,202	NIL

WAIT-AND-SEE MOOD PREVAILS ON COTTON MARKET

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

Recorder Report Published about 2 hours ago

LAHORE: The local cotton market on Monday 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.

The Spot Rate remained unchanged at Rs 16,900 per maund. Polyester Fiber was available at Rs 333 per kg.

Stock & Commodity

PSX POSTS MODEST GAIN

Recorder Report Published May 20, 2025 Updated about 2 hours ago

KARACHI: The Pakistan Stock Exchange (PSX) closed flat on Monday, entering a consolidation phase as it hovered near record highs, with investors adopting a cautious approach ahead of the upcoming budget announcement.

The benchmark KSE-100 Index reached an intraday high of 120,285.55 points before closing at 119,689.63 on Monday, marking a modest gain of 40 points or 0.03 percent. Overall, trading volume declined, with approximately 425 million shares changing hands, compared to 527 million shares traded on the last session of the previous week.

On Monday, BRIndex 100 opened at 12,827.18 points and finally closed at 12,785.75 points which was 41.43 points or 0.32 percent lower than the previous close. Total volume at BRIndex100 remained 337.509 million shares. Meanwhile, BRInedx30 also lost 49 points or 0.13 percent to settle at 37,782.89 points with a total volume of 60.601 million shares.

Analysts at the Topline said that local bourse witnessed a consolidation phase in Monday's trading session as the market hovered close to its all-time high levels. The steady upward bias was supported by investor optimism following the release of a detailed IMF report, which offered a clearer picture of the country's macroeconomic trajectory and policy direction, they added. Adding to the positive sentiment, fresh developments on resolving the circular debt issue once again made headlines, drawing investor interest to key energy and gas sector players including PPL, OGDC, PSO, SNGPL, and SSGC.

The share trading value decreased to Rs.22.27 billion on Monday as compared to Rs29.026 billion on last Friday. Moreover, with aRs 2 billion increase, the market capitalization surged to Rs.14.391 trillion as compared to Rs.14.389 billion in the last session. Out of the total 465 companies, share value of 222 companies went up, while 199 companies' share value moved down though 44 companies' share value remained unchanged.

Key contributors to the index's performance included ENGROH, PPL, and PSO that collectively contributed 246 points to the index. On the flipside, MARI, UBL, and LUCK collectively erased 224 points from the KSE-100 index benchmark.

Fauji Foods Ltd topped the list with a turnover of 60.60 million shares, closing at Rs 16.28. Cres-Star Insurance ranked second with turnovers of 20.056 million and closed at Rs 3.15. In addition, some 18.28 million shares of At-Tahur Ltd were traded with closing price of Rs 46.13.

Moreover, PIA Holding Company LimitedB along with Rafhan Maize Products Company Limited remain the top gainers increasing by Rs 1,245.77 and Rs 926.69 respectively to close at Rs 13,703.44 and Rs 10,193.54, while Bhanero Textile Mills Limited and Hoechst Pakistan Limited were the top losers declining by Rs 59.74 and Rs 50.96 respectively to close at Rs700.26 and Rs 3,198.04.

BR Automobile Assembler Index Closed at 22,162.05 points with a net negative change of 21.47 points or 0.1 percent with a total turnover of 3.746 million. BR Cement Index ended at 10,045.52 points with a net negative change of 146.52 points or 1.44 percent, on a turnover of 21.94 million shares.

Meanwhile, BR Commercial Banks Index closed at 34,841.76 points down by 73.3 points or 0.21 percent with a total turnover of 14.67 million shares. On the other hand, BR Power Generation and Distribution Index ended at 19,788.10 points with a net positive change of 67.38 points or 0.34 percent and total turnover remain 13.486 million shares.

BR Oil & Gas Index closed at 11,755.58 points with a net negative change of 11.86 points or 0.1 percent on 30.33 million shares turnover. Meanwhile, BR Technology & Communication Index finished at 4,940.04 points marking a negative change of 48.16 points or 0.97 percent, with total turnover of 29.25 million shares traded.

Analysts view that the market is consolidating ahead of the budget as participants evaluate the IMF review report, with the federal budget expected on 2nd June. The IMF's recognition of Pakistan's achievement in meeting all quantitative performance criteria and most indicative targets is also viewed positively by the investors.

However, shareholders remain cautious about the IMF's push for a higher revenue target for the upcoming fiscal year, they added. On Macro level, a strong external position, supported by a current account surplus and easing inflation, is expected to revive economic activity and create room for further monetary easing, enhancing the appeal of equities relative to fixed-income instruments.

PSX HOLIDAY

Recorder Report Published about 2 hours ago

KARACHI: The Pakistan Stock Exchange (PSX) will remain closed on Wednesday, May 28, 2025, in observance of Youm-e-Takbeer, a significant national day commemorating Pakistan's nuclear tests in 1998. This public holiday has been declared by the Government of Pakistan. In its official announcement, the PSX has informed all

stakeholders, including investors, brokers, and market participants, to take note of the closure and plan their activities accordingly. During this time, trading activities will be suspended, and the exchange's operations will be halted.

WALL ST FALLS AFTER MOODY'S SURPRISE DOWNGRADE

Reuters Published about 2 hours ago

NEW YORK: Wall Street's main indexes slipped on Monday and Treasury yields spiked after Moody's surprise downgrade of the US sovereign credit rating due to mounting debt sparked anxiety about the fiscal outlook.

Moody's cut the US sovereign credit rating to "Aa1" from "Aaa" late on Friday due to concerns about its ballooning $36-trillion debt, becoming the last of the three major credit rating agencies to downgrade the country. It had first given the United States its pristine "Aaa" rating in 1919.

Worries about the ever-increasing US deficit were front and center as President Donald Trump's sweeping tax-cut bill - which Republican infighting over spending cuts had stalled for days - won approval from a key congressional committee on Sunday.

"The overall mood across markets is not of panic but of re-rating the same risks that started with the new Trump administration," said Bob Savage, head of markets macro strategy at BNY.

"The equity market moves are likely to focus on leverage in companies and what the debt downgrade could mean to borrowers."

At 11:32 a.m. ET, the Dow Jones Industrial Average fell 65.05 points, or 0.15%, to 42,589.69, the S&P 500 lost 18.10 points, or 0.30%, to 5,940.18 and the Nasdaq Composite lost 92.68 points, or 0.48%, to 19,118.42.

Six of the 11 S&P sub-sectors fell, with consumer discretionary and energy being the worst performers.

Most megacap and growth stocks recouped some of their losses around noon, though Tesla lagged with a 3.1% fall.

Highly valued tech stocks were pressured as rising rates tend to discount the present value of future profits.

Chip stocks also sold off, with a gauge for semiconductor stocks losing 0.9%.

Still, stocks were off their lows, with yields on US government bonds, which move inversely to prices, also easing from highs.

The 10-year note rose 5 basis points to 4.49% and the 30-year note touched 4.96%.

The S&P 500 had registered its fifth straight day of gains on Friday, closing out the week with firm gains as markets took heart from a temporary tariff truce between the US and China, along with tame inflation data.

US Treasury Secretary Scott Bessent said in television interviews over the weekend that Trump would impose tariffs at the rates he had threatened last month on trading partners that did not negotiate deals in "good faith".

The US Federal Reserve might only be able to cut interest rates by a quarter point through the rest of the year, Atlanta Fed president Raphael Bostic said, while New York Fed President John Williams said that the interest-rate policy was well placed to deal with an uncertain economic outlook.

TXNM Energy jumped 7.3% after the utility said it would be acquired by the infrastructure unit of Blackstone in an $11.5-billion deal.

Declining issues outnumbered advancers by a 2.24-to-1 ratio on the NYSE and by a 1.86-to-1 ratio on the Nasdaq.

The S&P 500 posted 22 new 52-week highs and no new lows, while the Nasdaq Composite recorded 36 new highs and 45 new lows.

EUROPEAN STOCKS SUBDUED AS CORPORATE NEWS OUTWEIGHS US CREDIT DOWNGRADE

Reuters Published about 2 hours ago

FRANKFURT: European stocks closed flat on Monday, following a five-week winning streak, as declines from a surprise US credit rating downgrade were offset by upbeat corporate updates.

The pan-European STOXX 600 index pared earlier declines to close 0.1% higher, hovering around the seven-week intraday high it touched on Friday.

Credit rating agency Moody's cut its ratings on US debt on Friday, citing concerns about the nation's growing $36 trillion debt pile, which sent jitters across global markets earlier in the day.

"The downgrade reflects what markets already know: we're in a new fiscal regime defined by austerity via tariffs and caps... Don't overreact to the downgrade itself as history shows these calls often lag the fundamentals," said Lale Akoner, global market analyst at eToro.

Wall Street's main indexes were lower, and longer-dated US Treasury yields rose, though were off their session peaks.

Meanwhile, US President Donald Trump's sweeping tax-cut bill, which had been stalled for days, won approval from a key congressional committee on Sunday, while Treasury Secretary Scott Bessent said in television interviews that President Donald Trump will carry out tariff threats if trading partners do not negotiate in "good faith" on deals.

"There's some issues around the tariffs coming back and reminding everyone that while we've seen some de-escalation, it's not kind of all over and done with," said Richard Flax, chief investment officer at Moneyfarm.

De-escalation in US-China tariff war and hopes of interest rate cuts from the European Central Bank have helped regional markets recover from the early April slump when Trump announced "reciprocal" tariffs, with Germany's DAX touching a record high on Monday.

CHINA, HK STOCKS FLAT AS SOFT DATA OFFSETS TARIFF TRUCE LIFT

Reuters Published about 2 hours ago

SHANGHAI: China and Hong Kong stocks ended roughly flat on Monday as weak data on China industrial and retail sales highlighted ongoing economic challenges, although the Sino-US tariff reprieve continued to lift shares of port operators.

China's blue-chip CSI300 Index dipped 0.3%, while the Shanghai Composite Index was barely changed. Hong Kong's benchmark Hang Seng was little moved.

China and Hong Kong markets have recovered ground lost since Donald Trump's tariff announcement in early April, after Beijing and Washington later agreed a 90-day tariff pause last week. But the rally appears to be losing steam.

Official data showed on Monday that growth in China's industrial output and retail sales slowed in April, curbing risk appetite.

Guosheng Securities cautioned investors against chasing stocks "before concrete evidence points to a better-than-expected economy."

"Fluctuation within a wide range remains our base case scenario," the brokerage wrote.

But shares of Chinese port operators continued to surge, as investors doubled down on bets that the 90-day tariff pause will spur a rush in shipments.

Lianyungang Port, Ningbo Port and Zhuhai Port all hit their daily upward limit of 10%. Shares of other major port operators such as China Merchants Port Group and Shanghai International Port also rose sharply.

"Exporters may continue to boost production and delivery in the next few months in case tariffs are hiked again down the road," said Zhiwei Zhang, president at Pinpoint Asset Management.

NIKKEI FALLS AS US CREDIT DOWNGRADE SPURS ASSET JITTERS

Reuters Published about 2 hours ago

TOKYO: Japan's Nikkei share average fell on Monday after Moody's downgrade of the US government credit rating raised concerns about a potential flight from US assets, leading to a stronger yen.

The Nikkei index ended 0.68% lower at 37,498.63. The broader Topix inched down 0.08% to 2,738.39.

"The market is cautious about the impact of the Moody's downgrade of the United States. They are worried this could drive a sell-off of US assets," said Shuutarou Yasuda, a market analyst at Tokai Tokyo Intelligence Laboratory.

"The timing of the downgrade was bad. It came at a time now when domestic stock markets recouped losses from (US President Donald) Trump's tariff announcement," he said.

Moody's downgraded the US sovereign credit rating on Friday due to concerns about the nation's growing, $36 trillion debt pile, in a move that could complicate Trump's efforts to cut taxes and send ripples through global markets.

US assets saw a sell-off last month following Trump's decision on April 2 to slap sweeping tariffs on trading partners, including key strategic allies such as Japan.

WALL ST DROPS, TREASURY YIELDS RISE AFTER MOODY'S DOWNGRADE

Reuters Published May 19, 2025

Wall Street's main indexes slipped on Monday, with technology stocks falling as Treasury yields spiked after Moody's downgraded the U.S. sovereign rating, sharpening focus on its mounting debt.

Moody's cut the United States' sovereign credit rating to "Aa1" from "Aaa" late on Friday owing to concerns about its ballooning $36-trillion debt, becoming the last of the three major credit rating agencies to downgrade the country. It had first given the U.S. its pristine "Aaa" rating in 1919.

"Nothing new, but it's putting a lot of things that the market has worried about rightfully back into focus," said Ross Mayfield, investment strategist at Baird.

"The trade headwinds keep markets volatile, but this morning in particular, it's about the Moody's downgrade."

Worries about the ever-increasing U.S. deficit were front and center as U.S. President Donald Trump's sweeping tax-cut bill - which Republican infighting over spending cuts had stalled for days - won approval from a key congressional committee on Sunday.

At 09:35 a.m. ET, the Dow Jones Industrial Average fell 222.40 points, or 0.52%, to 42,432.34, the S&P 500 lost 55.42 points, or 0.93%, to 5,902.96, and the Nasdaq Composite lost 257.49 points, or 1.34%, to 18,953.61.

Ten of the 11 S&P sub-sectors fell, with consumer discretionary and energy being the worst performers.

Wall Street Week Ahead: Retailers set to give tariff view as US stock market roars back

Highly valued technology stocks took a hit as rising rates tend to discount the present value of future profits. Tesla led losses among megacap and growth stocks with a 4.1% fall.

Chip stocks also sold off. Nvidia was down 1.4% and a gauge for semiconductor stocks shed 1.9%.

Yields on U.S. government bonds - which move inversely to prices - ticked higher, with the 10-year note rising 9 basis points to 4.526% and the 30-year note touching 4.998%.

The S&P 500 had registered its fifth straight day of gains on Friday, closing out the week with firm gains as markets took heart from a temporary tariff truce between the U.S. and China along with tame inflation data.

U.S. Treasury Secretary Scott Bessent said in television interviews over the weekend that Trump would impose tariffs at the rates he had threatened last month on trading partners that do not negotiate deals in "good faith".

The U.S. Federal Reserve might only be able to cut interest rates by a quarter point through the rest of the year, Atlanta Fed president Raphael Bostic said, while New York Fed President John Williams said that the interest-rate policy was in the right place to deal with an uncertain economic outlook.

In other moves, Netflix fell almost 1% after J.P.Morgan removed the stock from its U.S. analyst focus list.

TXNM Energy jumped 7.6% after the utility said it would be acquired by the infrastructure unit of Blackstone in an $11.5-billion deal.

Declining issues outnumbered advancers by a 5.98-to-1 ratio on the NYSE, and by a 2.91-to-1 ratio on the Nasdaq.

The S&P 500 posted three new 52-week highs and no new lows, while the Nasdaq Composite recorded 10 new highs and 23 new lows.

US STOCKS DECLINE AFTER MOODY'S DOWNGRADE

AFP Published May 19, 2025

NEW YORK: Wall Street stocks fell early Monday after Moody's slashed the United States' credit rating as markets awaited further action on President Donald Trump's sweeping tax cut measure.

Monday's session was the first since Moody's late Friday announced the downgrade, citing rising levels of US government debt and interest payment ratios "to levels that are significantly higher than similarly rated sovereigns."

About 15 minutes into trading, the Dow Jones Industrial Average was down 0.4 percent at 42,490.30.

The broad-based S&P 500 declined 0.7 percent to 5,914.20, while the tech-rich Nasdaq Composite shed 1.0 percent to 19,027.87.

Wall Street Week Ahead: Retailers set to give tariff view as US stock market roars back

The Moody's downgrade "probably weighs on markets a bit here this morning," Art Hogan of B. Riley Wealth Management.

Markets are closely watching Congress, where the full House is expected to vote this week on Trump's fiscal legislation, which pairs tax reductions with cuts to health coverage for low-income Americans.

A House panel narrowly approved the measure on Sunday.

"The attention of markets has shifted a bit from everything being about trade to everything being about getting a budget passed," Hogan said. "And in that light, there's probably a bit of caution coming into a new week."

Among individual companies, Walmart fell 2.3 percent after Trump slammed the company for warning of price increases due to his tariffs. Trump called on the retail giant to "EAT THE TARIFFS" on social media, adding, "I'll be watching."

COMMUNICATION SERVICES LIFT SRI LANKA SHARES

- CSE All Share index settled up 0.11% at 16,397.68

Reuters Published May 19, 2025

Sri Lankan shares closed higher on Monday, aided by gains in communication services stocks.

The CSE All Share index settled up 0.11% at 16,397.68, rising for the sixth straight session.

Shares in wireless telecom services gained 1.32% while diversified telecom services stocks advanced 2.15%.

Lake House Printers and Publishers and SMB Finance were the top two percentage gainers on the CSE All Share, rising 18.15% and 16.67%, respectively.

Sri Lankan shares gain for the sixth straight week

Trading volume on the CSE All Share index fell to 91.4 million shares from 153.9 million shares in the previous session.

The equity market's turnover dropped to 2.61 billion Sri Lankan rupees ($8.70 million) from 3.11 billion rupees in the previous session, according to exchange data.

Foreign investors were net buyers, purchasing stocks worth 178.5 million rupees, while domestic investors were net sellers, offloading shares worth 2.51 billion rupees, the data showed.

INDIAN BENCHMARK INDEXES DROP AS US DOWNGRADE HITS IT STOCKS; BROADER MARKET UP ON RATE CUT HOPES

Reuters Published May 19, 2025

India's equity benchmark indexes inched lower on Monday, in tandem with global stocks, after Moody's lowered its rating on the United States, although the broader mid-cap and small-cap stocks continued to rally on rising bets of a domestic rate cut.

The Nifty 50 fell 0.3% to end at 24,945.45 and the 30-member BSE Sensex closed 0.33% lower at 82,059.42. They swung between 0.2% gains and 0.4% losses during the session.

Global stocks dropped and U.S. Treasury yields rose as Moody's downgrade of the U.S. government's credit rating to "AA1" from "AAA" raised concerns about the country's debt and rising deficits.

Domestically, IT companies, which get a major portion of their revenue from the U.S., dropped 1.3% and were the biggest drag on benchmarks.

However, the broader, more-domestically focused, small-caps and mid-caps added 0.5% and 0.1%, respectively.

They have risen for six straight sessions, with the mid-cap index almost erasing its year-to-date losses. The Nifty and Sensex are up 5.5% and 5%, respectively, so far this year.

The resilience in the broader market is likely due to sectoral churn as investors are buying infrastructure, real estate and other rate-sensitive stocks on the prospects of a rate cut, said Sunny Agrawal, head of fundamental equity research at SBICAPS Securities.

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

Strong earnings from select companies in the broader markets have also aided sentiment, Agrawal said.

India's retail inflation remained below the central bank's 4% target for the third consecutive month in April, raising expectations of aggressive rate cuts to support economic growth.

The realty index jumped 2.3% on the day, to take its total gains to 7.7% in the four sessions since the inflation data was released.

Among individual stocks, Vodafone Idea slumped 8.8% after the Supreme Court rejected the telecom company's plea to waive its dues to the government.

Divi's Laboratories jumped 4.8% after the pharma company reported a bigger fourth-quarter profit.

EUROPEAN STOCKS SLIP AS US CREDIT DOWNGRADE, CHINA DATA WEIGH

Reuters Published May 19, 2025

European stocks dipped on Monday, snapping a five-week winning streak, as a surprise US credit rating downgrade and weak economic data from China weighed on investor sentiment.

The pan-European STOXX 600 index was down 0.5% by 0725 GMT, retreating from seven-week highs touched on Friday.

US stock index futures fell more than 1% and longer-dated US Treasury yields rose after credit rating agency Moody's cut its ratings on the country's debt, citing concerns about the nation's growing $36 trillion debt pile.

Euro zone government bond yields also edged higher. Meanwhile, luxury stocks declined after April retail sales data from China missed expectations.

Europe's STOXX 600 set for fifth straight weekly rise

Hermes, Burberry and Moncler each dropped about 2% as European luxury firms count on China as a big market for their products.

Shares of BNP Paribas rose 2.4% after the French bank announced a share buyback plan worth 1.08 billion euros ($1.21 billion). Volkswagen tumbled 3.1% as the German automaker traded ex-dividend.

SOUTH KOREAN SHARES FALL ON MARKET VOLATILITY SPARKED BY US CREDIT DOWNGRADE

SEOUL: Round-up of South Korean financial markets: South Korean shares fell 1% on Monday as a downgrade in US credit...

Reuters Published May 19, 2025

SEOUL: Round-up of South Korean financial markets:

- South Korean shares fell 1% on Monday as a downgrade in US credit ratings weakened risk appetite.
- The benchmark KOSPI was down 26.91 points, or 1.02%, to 2,599.96 as of 0120 GMT.
- Moody's downgraded the US sovereign credit rating on Friday due to concerns about the nation's $36 trillion debt pile, in a move that could complicate President Donald Trump's efforts to cut taxes and send ripples through global markets.
- South Korea's finance ministry said it would closely monitor domestic and global financial and foreign exchange markets as the Moody's downgrade could add to market volatility.
- Among index heavyweights, chipmaker Samsung Electronics fell 1.76%, while peer SK Hynix lost 3.13%. Battery maker LG Energy Solution climbed 1.55%.
- Hyundai Motor and sister automaker Kia lost 1.81% and 1.20%, respectively. Steelmaker POSCO Holdings shed 1.41%. Drugmaker Samsung Biologics rose 1.8%.
- Of the total 934 traded issues, 251 advanced and 639 declined.
- Foreigners were net sellers of shares worth 52.5 billion won ($37.6 million).
- The won was quoted at 1,395.2 per dollar on the onshore settlement platform, 0.34% higher than Friday's close at 1,400.0.
- In the money and debt markets, June futures on three-year treasury bonds lost 0.04 point to 107.62.
- The most liquid three-year Korean treasury bond yield added 1.5 basis points to 2.328%, while the benchmark 10-year yield rose 0.6 basis point to 2.696%.

CHINA, HONG KONG STOCKS SAG ON SOFT DATA DESPITE TARIFF TRUCE LIFT

Reuters Published May 19, 2025

SHANGHAI: China and Hong Kong stocks sagged on Monday, as weak local data on industrial and retail sales highlighted ongoing economic challenges, although the Sino-US tariff reprieve continued to lift shares of port operators.

China, HK stocks dip with earnings

- China's blue-chip CSI300 Index dropped 0.4% by the lunch break, while the Shanghai Composite Index lost 0.1%. Hong Kong benchmark Hang Seng traded 0.5% lower.
- China and Hong Kong markets have recovered ground lost since Donald Trump's "Liberation Day" tariffs in early April, as Beijing and Washington announced a 90-day tariff pause last week. But the rally appears to be losing steam.
- Official data showed on Monday that growth in China's industrial output and retail sales slowed in April, curbing risk appetite.
- Guosheng Securities cautioned investors against chasing stocks "before concrete evidence points to a better-than-expected economy."
- "Fluctuation within a wide range remains our base case scenario," the brokerage wrote. ** But shares of Chinese port operators continued to surge, as investors doubled down on bets that the 90-day tariff pause will spur a rush in shipment.
- Lianyungang Port, Ningbo Port and Zhuhai Port all hit their daily upward limit of 10%. Shares of other major port operators such as China Merchants Port Group and Shanghai International Port also rose sharply.
- "Exporters may continue to boost production and delivery in the next few months in case tariffs are hiked again down the road," said Zhiwei Zhang, president, Pinpoint Asset Management.
- China Securities Co analysts said the tariff reprieve may "spur a shipment rush that leads to a burst of businesses" for port operators.
- Hong Kong-listed shares of Midea Group and ZTO Express jumped after the Hang Seng Indexes Co said they would be added to the Hang Seng Index early next month.
- Shares of China Literature plunged more than 8%, on announcement it would be removed from the Hang Seng Tech Index.

JAPAN'S NIKKEI FALLS AS US CREDIT DOWNGRADE SPURS ASSET JITTERS, LIFTS YEN

Reuters Published May 19, 2025

TOKYO: Japan's Nikkei share average dropped on Monday after Moody's downgrade of the US government credit rating raised concerns about a potential flight from US assets, leading to a stronger yen.

The Nikkei index was down 0.36% at 37,617.63 by the midday break, while the broader Topix erased early losses to edge 0.14% higher to 2,744.16.

"The market is cautious about the impact of the Moody's downgrade of the United States. They are worried this could drive sell-off of US assets," said Shuutarou Yasuda, a market analyst at Tokai Tokyo Intelligence Laboratory.

"The timing of the downgrade was bad. It came at a time domestic stock markets recouped losses from (US President Donald) Trump's tariff announcement," he said.

Moody's downgraded the US sovereign credit rating on Friday due to concerns about the nation's growing, $36 trillion debt pile, in a move that could complicate Trump's efforts to cut taxes and send ripples through global markets.

US assets saw a global sell-off last month following Trump's decision on April 2 to slap sweeping tariffs on trading partners, including key strategic allies such as Japan.

"If US dollars are sold, that would push the yen higher, which is bad for Japanese exporters," said Shoichi Arisawa, general manager of the investment research department at IwaiCosmo Securities.

The yen strengthened 0.3% to 145.24 in Asian trade on Monday.

Japan's Nikkei bounces as US tariff fears ease, yen softens

A stronger yen typically weighs on exporter shares by reducing the value of overseas earnings when converted back into Japanese currency. Shares of Fast Retailing, the owner of Uniqlo brand, slipped 1.06% - the biggest drag in the Nikkei index.

Chip-related Advantest and Tokyo Electron lost 1.68% and 1.21%, respectively.

Drugmaker Daiichi Sankyo jumped 7.38%, topping the Nikkei's percentage gainers and providing the index's biggest boost.

KSE-100 INDEX CLOSES FLAT AFTER MIXED TRADING

BR Web Desk Published May 19, 2025

The Pakistan Stock Exchange (PSX) witnessed mixed trading on Monday, as its benchmark KSE-100 Index swayed in both directions before closing the day flat.

The KSE-100 started the first session of the week positive, hitting an intra-day high of 120,285.55, followed by selling pressure that pushed the index to an intra-day low of 119,250.68.

Later, buying returned in the final hours and helped the KSE-100 erase the earlier losses.

At close, the benchmark index settled at 119,689.63, marginally up by 40.49 points or 0.03%.

"The steady upward bias was supported by investor optimism following the release of a detailed International Monetary Fund (IMF) report, which offered a clearer picture of the country's macroeconomic trajectory and policy direction," brokerage house Topline Securities said in its post-market report.

Adding to the positive sentiment, fresh developments on resolving the circular debt issue once again made headlines, drawing investor interest to key energy and gas sector players including PPL, OGDC, PSO, SNGP, and SSGC, it added.

On the upside, heavyweights such as ENGROH, PPL, and PSO led the charge, collectively contributing 246 points to the index. On the flipside, MARI, UBL, and LUCK collectively erased 224 points from the benchmark, Topline said.

The IMF, in its latest report, has revised downward GDP growth for Pakistan to 2.6% for the outgoing fiscal year 2024-25 from the October projection of 3.2%, based on the weaker activity in the first half (H1) and broader global uncertainty.

During the previous week, the 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. The KSE-100 surged by 12,474 points, or 11.6% week-on-week (WoW), closing at 119,649 points up from 107,174.64 points in the previous week.

Internationally, Asian shares slipped on Monday as a mixed bag of Chinese economic data showed the domestic economy was struggling even as US 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 US 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.

US 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 US Vice President JD Vance and European Commission President Ursula von der Leyen met on Sunday to discuss trade.

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.

Meanwhile, the Pakistani rupee saw a marginal decline against the US dollar, depreciating 0.04% in the inter-bank market on Monday. At close, the local currency settled at 281.77, a loss of Re0.11 against the greenback.

Volume on the all-share index decreased to 425.37 million from 572.29 million recorded in the previous close.

The value of shares declined to Rs22.27 billion from Rs29.03 billion in the previous session.

Fauji Foods Ltd was the volume leader with 60.60 million shares, followed by Cres.Star Ins. with 32.29 million shares, and At-Tahur Ltd. with 18.29 million shares.

Shares of 465 companies were traded on Monday, of which 222 registered an increase, 199 recorded a fall, while 44 remained unchanged.

KSE-100 INDEX CLOSES SLIGHTLY HIGHER AMID CONSOLIDATION PHASE

May 19, 2025

Karachi, May 19, 2025 – The benchmark KSE-100 index of the Pakistan Stock Exchange (PSX) closed with a modest gain of 40 points on Monday, as the market continued to hover around its record highs in what analysts described as a consolidation phase.

The KSE-100 index settled at 119,689 points, up from the previous close of 119,649 points recorded on Friday. The index came close to its historic peak of 119,962 points, achieved just last week on May 15, 2025.

Analysts at Topline Securities Limited noted that the market remained range-bound during the session, as investors appeared to adopt a cautious approach near all-time highs. The KSE-100 index experienced significant intraday volatility, recording a wide range with a high of 636 points and a low of 398 points, before eventually posting a mild increase of 0.03%.

The consolidation was underpinned by investor confidence following the release of a comprehensive report from the International Monetary Fund (IMF), which clarified the country's macroeconomic outlook and policy framework. The report helped anchor expectations and encouraged selective buying.

Adding further momentum, news surrounding renewed efforts to resolve the longstanding circular debt issue helped attract investor interest in key energy and utility stocks. Among the major gainers were Pakistan Petroleum Limited (PPL), Oil and Gas Development Company (OGDC), and Pakistan State Oil (PSO), along with gas sector giants SNGPL and SSGC.

Heavyweights such as ENGROH, PPL, and PSO added a combined 246 points to the KSE-100 index, while losses in MARI, United Bank Limited (UBL), and Lucky Cement (LUCK) collectively shaved off 224 points from the benchmark.

Overall market activity showed signs of cooling, with total traded volume declining to 424 million shares and a traded value of PKR 22.2 billion. Fauji Foods Limited (FFL) led the volume charts with 60.6 million shares traded.

As the KSE-100 index consolidates just below its all-time high, analysts suggest the market may be preparing for a fresh rally, provided that stronger economic triggers or policy signals emerge. The index's resilience reflects continued investor confidence in Pakistan's equity market outlook.

PSX ANNOUNCES HOLIDAY ON MAY 28, 2025 FOR YOUM-E-TAKBEER

May 19, 2025

Karachi, May 19, 2025 – The Pakistan Stock Exchange (PSX) on Monday officially announced a scheduled trading holiday for Wednesday, May 28, 2025, in observance of Youm-e-Takbeer.

In a formal notice issued to all stakeholders, the PSX stated that all trading operations will remain suspended for the day, following the federal government's declaration of a public holiday.

The holiday marks Youm-e-Takbeer, a significant day in Pakistan's national history commemorating the successful nuclear tests conducted on May 28, 1998, in the Chagai district of Balochistan. These nuclear tests elevated Pakistan to the status of the seventh nuclear-armed state in the world and the first Islamic country to achieve this milestone.

The PSX highlighted the importance of this national holiday, which symbolizes Pakistan's achievement of credible minimum deterrence and its commitment to regional stability. For many, Youm-e-Takbeer is not only a celebration of scientific and military progress but also a reminder of national sovereignty and resilience.

This year's commemoration holds even deeper national significance amid heightened tensions and recent conflict with India. According to reports, the Pakistan Army responded firmly and effectively during the clashes, defending national borders and targeting key Indian military installations. The PSX acknowledged that these recent developments have reinforced the symbolic value of Youm-e-Takbeer as a day of strength, unity, and national pride.

The holiday closure at the PSX is part of a nationwide observance, with financial institutions, government offices, and markets expected to follow suit. The PSX urged market participants, traders, and investors to plan their activities accordingly, as no transactions will be processed on May 28.

This marks the fifth time in the current fiscal year that the PSX will observe a full-day holiday. The exchange will resume normal trading operations on Thursday, May 29, 2025. Investors are encouraged to stay informed via official PSX channels regarding any further updates or schedule changes.

Money & Banking

NBP ADVANCES TECHNOLOGY TO POWER SMARTER BANKING SOLUTIONS

Recorder Report Published May 20, 2025 Updated about an hour ago

KARACHI: In pursuit of innovation and excellence in customer service, National Bank of Pakistan (NBP) has successfully completed a major upgrade of its banking

technology platform. This strategic enhancement demonstrates NBP's ongoing commitment to harnessing modern innovations to streamline operations.

The improved banking platform introduces a suite of enhancements, including accelerated transaction processing, significantly reduced system downtime, and greater operational efficiency across branches and digital channels. The modern infrastructure enables NBP to offer faster, smarter, and more secure banking services to millions of customers nationwide and internationally.

In addition to performance improvements, the system advancement brings state-of-the-art security features, offering stronger data protection while minimizing potential vulnerabilities. Customers will also benefit from more intuitive mobile and digital banking services, powered by technology-driven insights and personalized financial tools.

NBP's investment in modernizing its banking infrastructure reflects our long-term vision of transforming NBP into a tech-enabled, customer-centric institution. With this transformation, the bank has positioned itself to serve its customers with enhanced agility, reliability, and convenience, while aligning with global best practices in digital banking and regulatory compliance.

The platform is designed with scalability in mind, supporting future growth, new branch integrations, and expansion across digital touchpoints. It is also optimized for seamless integration with fintech platforms and third-party services, promoting a more connected and innovative banking ecosystem, laying the foundation for future digital and advanced banking services.

NBP extends its sincere appreciation to its valued customers for their continued support and trust during this critical transformation. This achievement marks a significant step forward in the Bank's mission to deliver world-class banking experiences, both in Pakistan and globally.

INDIAN RUPEE ENDS TAD HIGHER

Reuters Published about 2 hours ago

MUMBAI: The Indian rupee ended modestly higher on Monday, hoisted by a weaker dollar, hurt by concerns over US debt and deficits following a Moody's downgrade of the country's sovereign credit rating late last week.

The rupee closed at 85.40 against the US dollar, up 0.1% on the day. The currency had dipped to a low of 85.61 in early trading but reversed course as the dollar declined by about 0.6% against major peers.

Asian currencies were mostly stronger on the day with the Thai baht leading gains with a 0.8% rise. Safe havens like the Japanese yen and Swiss franc, meanwhile, rose alongside the price of gold.

A broadly weaker greenback and foreign banks' dollar sales helped the rupee nudge higher on the day but the gains were limited by routine dollar bids from local companies, traders said.

Meanwhile, dollar-rupee forward premiums dipped on the back of a rise in US bond yields spurred by the same concerns that weighed the dollar down on Monday.

The 10-year US Treasury yield rose 10 basis points to above 4.50% while 1-year Treasury yield rose by 3 basis points to 4.15%.

"The link between US sovereign risk, Treasuries, and the dollar is one of capital flight," ING Bank said in a note.

"Expect a risk premium to stay in the dollar this week," the note added. Equity futures indicated that US stocks would open in the red on Monday with the S&P 500 futures sliding by over 1%.

DOLLAR RETREATS ON US RATINGS DOWNGRADE

Reuters Published about 2 hours ago

NEW YORK: The US dollar weakened broadly on Monday, hitting a more than one-week low against the safe-haven yen, Swiss franc and euro as markets digested a surprise downgrade of the US government's credit rating, while trade tensions also weighed.

US Treasury Secretary Scott Bessent said in television interviews on Sunday that President Donald Trump will impose tariffs at the rate he threatened last month on trading partners that do not negotiate in "good faith".

But Moody's action to cut the United States' top sovereign credit rating by one notch on Friday started the ball rolling downward for the dollar. Moody's cited concerns about the US government's growing $36 trillion debt pile.

The move followed similar actions by Fitch in the summer of 2023, and S&P's downgrade in 2011.

The news saw the dollar lose ground against its major rivals following four straight winning weeks when it was boosted by rising optimism for US trade deals and a thaw in relations with China that eased fears of a global recession.

"Credit ratings matter and the fact that the US sees itself downgraded so early into the year is indicative of how negative analysts and economists feel the impact of this new approach to trade will be," said Juan Perez, director of trading at Monex USA in Washington.

"The overall financial environment remains cautious, perplexed and on a trend of 'Sell America' which this development on credit could further exacerbate, reflecting poorly on the dollar value going forward."

The greenback fell to 144.665 yen, its lowest since May 8 on Monday, and was last down 0.4% at 145.07. It also fell to its weakest level in more than a week at 0.8317 Swiss francs.

The euro, meanwhile, rose 0.7% to $1.1248, after earlier rising to its highest since May 9.

Sterling also gained versus the dollar, adding 0.6% to $1.3363. Earlier in the session the pound climbed to its highest since April 30 as Britain agreed the most significant reset of defense and trade ties with the European Union since Brexit on Monday.

Despite the dollar's losses on Monday, New York Federal Reserve President John Williams said that he has seen no large-scale move away from US assets, and noted that the greenback remains the world's reserve currency.

China on Monday meanwhile called on the US to take responsible policy measures to maintain the stability of the international financial and economic system and safeguard the interests of investors.

That followed Bessent's stern warning on Sunday to countries not negotiating in good faith with the US on trade.

However, a Financial Times report that the US had begun serious trade talks with the EU brightened the mood a bit. Those talks broke a long deadlock, offering some hope for additional deals after Washington inked a framework agreement with Britain earlier this month.

Trump has previously said he has potential deals with India, Japan and South Korea as well, although talks with Tokyo seem to be stumbling over car tariffs.

In the market, "there's a lot of complacency about the ability to pull off deals," said Ray Attrill, head of FX strategy at National Australia Bank. "Confidence that the US economy is going to weather this is very much open to question."

ASIA FX MIXED AGAINST SOFT DOLLAR

Reuters Published about 2 hours ago

BENGALURU: Most emerging Asia stock markets tumbled on Monday, led by Taiwan, Malaysia and South Korea, as underwhelming economic data from China and a downgrade of United States' credit rating dented sentiment.

In Southeast Asia, stocks in Kuala Lumpur fell 1.1% after a mixed bag of economic data from Asia's largest economy, China, pressurised risk appetite.

China has been Malaysia's biggest trade and investment partner for nearly two decades.

Trade-reliant South Korea's benchmark KOSPI fell as much as 1.3%. The country's financial authorities said they were watching domestic and international markets closely, warning that the US downgrade could exacerbate market volatility.

Moody's downgraded the credit rating of the United States on Friday by a notch, citing ballooning debt and interest that it deemed higher than similarly rated sovereigns.

"The downgrade gave investors an excuse to book profit from the stock market near its previous peak," said Huh Jae-hwan, an analyst at Eugene Investment Securities, referring to the benchmark index in Seoul.

The won was 0.9% higher against the dollar, which dropped 0.4%.

Taiwan also came under pressure, with its shares falling 1.5%. Taiwan Semiconductor Manufacturing Co, the world's largest chipmaker, fell 1.4%, reflecting broader concerns over the prospects of the global technology sector.

Taiwan, a key player in the global semiconductor supply chain, has been increasingly seen by Washington as crucial in its efforts to shift global supply chains away from China, especially for technology and chip companies.

The strategic importance of Taiwanese chip firms was underscored during the pandemic, when supply constraints disrupted the global electronics industry.

Other equity markets in Asia were downbeat, with shares in Thailand, Philippines and Singapore lower by 0.6%, 0.2% and 0.5%, respectively.

Currencies were mixed against a softer US dollar.

The Thai baht led gains among its regional peers, adding 0.6% after first quarter economic growth beat market expectations.

Elsewhere, the Malaysian ringgit extended losses after the domestic central bank trimmed annual economic growth forecasts. The currency was last trading unchanged.

The Indonesian rupiah was steady ahead of a Bank Indonesia meeting later in the week, prefaced by growing expectations of a rate cut.

"While a rate cut could support equities, it may cap any near-term strength in the currency, especially with US yields still elevated and the Federal Reserve in no rush to ease," said Mohit Mirpuri, an equity fund manager with SGMC Capital.

INDIA CENTRAL BANK GIVES EMIRATES NBD 'IN-PRINCIPLE' NOD TO SET UP LOCAL UNIT

Reuters Published May 19, 2025

The Reserve Bank of India has given “in-principle” approval to Emirates NBD Bank PJSC to set up a wholly owned unit in India, the central bank said on Monday.

Emirates NBD, Dubai’s biggest bank by assets, currently operates in India through branches located in Chennai, Gurugram and Mumbai. RBI’s approval will allow the bank to set up a unit by converting its existing branches in India.

India central bank proposes easier rules for lenders’ investments in AIFs

Setting up a wholly owned unit ring-fences a foreign bank’s local operations and allows the unit to be treated on par withlocal banks.

Reuters reported last year that the RBI had approved Emirates NBD, among other lenders, as bidders for a majority stake in state-run IDBI Bank.

SBP LAUNCHES NATIONWIDE ‘GO CASHLESS’ CAMPAIGN FOR EID-UL-ADHA

BR Web Desk Published May 19, 2025

The State Bank of Pakistan (SBP) has initiated a nationwide “Go Cashless” campaign to promote digital payments and reduce reliance on cash transactions within cattle markets during the upcoming Eid-ul-Adha.

This strategic initiative, in line with SBP’s goal of fostering digital financial inclusion throughout Pakistan, was officially launched today, May 20, 2025, and will run until June 6, 2025, or Eid night.

In partnership with the banking industry, the campaign aims to streamline the sale and purchase of sacrificial animals in 54 designated cattle markets across the country.

Raast processes over 892m transactions

Following the success of last year’s digitalization efforts, this year’s campaign seeks to further expand digital adoption among market participants.

Within these cattle markets, digital payment solutions can be utilized for various transactions, including the purchase of sacrificial animals, payment for necessities such as water and feed, and settlement of parking fees.

To support both merchants and buyers during this period, the SBP has temporarily raised transaction limits, effective from May 19 to June 15, 2025:

- Branchless Banking Level-1 Accounts, Asaan Account/Asaan Digital Account, and Merchant Accounts: Daily transaction limits have been eliminated, and the per-month limit has been increased to PKR 5,000,000.

The public is strongly encouraged to take advantage of these convenient and secure digital financial services during the Eid-ul-Adha period. By participating in the "Go Cashless" campaign, individuals can contribute to a more efficient and inclusive financial ecosystem in Pakistan.

SIX OFFICIALS OF INDIA'S INDUSIND BANK UNDER INVESTIGATION FOR INSIDER TRADING, SOURCES SAY

Reuters Published May 19, 2025

MUMBAI: India's markets regulator is investigating six IndusInd Bank officials for insider trading to determine if they sold stock options while being aware of accounting lapses at the bank before these were publicly disclosed, two sources with direct knowledge of the matter said.

The Securities and Exchange Board of India (SEBI) is examining the timing of trades by these six officials to ascertain whether the sales violated regulations and the internal code of conduct of India's fifth-largest lender, they said.

Investigations are in preliminary stages and show cause notices to the individuals and to the bank, a formal request from the regulator for a response, have not yet been sent, the sources said.

The sources declined to be identified as the investigations are confidential. IndusInd and SEBI did not immediately respond to e-mail queries.

Reuters reported earlier this month that a forensic review by audit and advisory firm Grant Thornton found two bank executives traded in its shares while they were aware of accounting lapses at the bank but before those were made public.

SEBI has sought a copy of the report from the bank, the sources said.

IndusInd Bank CEO quits as accounting lapse triggers management shakeup

The bank had disclosed in March that years of incorrect accounting of internal derivative trades had led to a $230 million hole in its $60.8 billion balance sheet.

Its chief executive Sumant Kathpalia and deputy Arun Khurana stepped down last month.

Encashing employee stock options when aware of unpublished price sensitive information can be a violation of the regulator's rules, one of the sources said.

Insider trading in India can lead to criminal and civil proceedings, however there hasn't been a criminal conviction for insider trading so far. A SEBI order typically involves a monetary penalty and directives such as a market ban for a specific period of time.

Under the bank's code of conduct, such a violation can also allow for a claw-back of bonuses and employee stock options, sources added.

The bank has also been asked to explain the delay in disclosing accounting lapses, when the management was made aware of them in September 2024 or even earlier, the sources added.

RUSSIA CENTRAL BANK SAYS CURRENT ACCOUNT SURPLUS IN JANUARY-APRIL AT $21.1BN

Reuters Published May 19, 2025

MOSCOW: Russia's central bank said on Monday that the current account surplus in January to April stood at $21.1 billion, compared with $30.8 billion in the same period of last year.

Exports shrunk to $128.7 billion from $136 billion last year, reflecting the lower price of oil, Russia's main export commodity.

Imports, at $89.6 billion in January-April, were almost unchanged from $89.4 billion in the same period of last year.

Russian central bank warns US tariff hikes may slow global growth

On a monthly basis, imports rebounded slightly in April to $24.2 billion from $22.8 billion in March.

Lower imports are seen by analysts and officials as one of the reasons for the rouble's recent strength.

REVOLUT PLANS $1.1 BILLION FRENCH EXPANSION

Reuters Published May 19, 2025

PARIS: British finance company Revolut said on Monday it plans to invest 1 billion euros ($1.1 billion) over the next three years on expanding in France and will soon apply for a French banking licence.

In an announcement as part of the "Choose France" investment summit, hosted by French President Emmanuel Macron at Versailles Palace near Paris, Revolut said it would open a new office in Paris for its operations in Western Europe and create at least 200 new jobs in France.

Revolut is the biggest of a number of European financial services apps founded in the past decade, with more than 55 million customers but no physical branches. It gained a banking licence in Britain in 2024, after a three-year wait.

Revolut already has around 300 employees in France.

The company said that Lithuania would still be a "key base" for Revolut's growth in Europe.

Revolut already has a Lithuanian banking licence, which it can use as a passport into the European Union, and enables it to sell products to French customers. A spokesperson for Revolut said that having a second banking licence in the bloc would allow it to build closer relationships with regulators and offer services that are more tailored for its customers in France.

This year's "Choose France" business summit is expected to secure 20 billion euros of new investment, Macron's office said on Monday, announcing projects in the defence, energy and industrial sectors.

JPMORGAN SAYS INTEREST INCOME COULD RISE THIS YEAR EVEN AS UNCERTAINTY PERSISTS

Reuters Published May 19, 2025

NEW YORK: JPMorgan Chase said on Monday that it could earn more from interest payments this year despite significant economic uncertainty.

Chief Financial Officer Jeremy Barnum told investors that net interest income – the difference between what the bank pays customers on deposits and earns from interest payments – could rise by $1 billion this year.

Still, the biggest U.S. lender said it was too early to change its NII outlook of $94.5 billion for the full year. It also maintained its expense forecast for 2025 and said it was asking managers to keep a lid on headcount.

The bank's shares were down about 1% in premarket trading.

"The evolving tariff environment, combined with the preexisting geopolitical tensions, adds significant uncertainty into the economic outlook," Barnum told

shareholders and analysts gathered at the bank's New York headquarters for an annual presentation. "The combination of inflation and large fiscal deficits may constrain the available policy responses in ways that further increase the risk."

Separately, Barnum said that the bank is open to acquisitions, or "inorganic growth," at a time when it is flush with cash. The largest U.S. lender will be "appropriately cautious" with any acquisitions because of the challenges of integrating businesses, Barnum said.

JPMorgan lifts China growth forecasts after 'surprisingly positive' US deal

Credit card repayments still remained high, but were likely to "normalize" next year as consumers fall behind on payments, Barnum said. The bank estimated its net charge-off rate, or the percentage of credit card debt that will not be repaid, to be between 3.6% and 3.9% for 2026.

That is higher than the 3.6% net charge-off rate the bank is expecting for 2025.

Although trade negotiations have helped ease some jitters, corporate executives remain wary about the economic outlook, with JPMorgan CEO Jamie Dimon warning last week that a recession could not be ruled out.

Dimon could also be asked to share his views on the widening fiscal deficits in the U.S., especially after Moody's downgraded the country's sovereign credit rating on Friday due to concerns about its $36 trillion debt pile.

He has consistently expressed worries that the deficits were not sustainable and could pose serious risks to the health of the U.S. economy.

Several top executives are set to join Dimon later in the day to outline the bank's strategy during the investor presentation.

While investors are not expecting a surprise succession announcement, they do expect that the company will showcase potential successors.

Dimon, 69, has run JPMorgan for more than 19 years, outlasting many other CEOs. He said at last year's investor day that the succession timeline was "not five years anymore."

Troy Rohrbaugh and Doug Petno, the co-CEOs of JPMorgan's commercial and investment bank, are candidates for the top job. Marianne Lake, CEO of consumer and community banking, and Mary Erdoes, CEO of asset and wealth management, are also in the running.

FED'S WILLIAMS SAYS MONETARY POLICY IS IN GOOD PLACE RIGHT NOW

Reuters Published May 19, 2025

NEW YORK: Federal Reserve Bank of New York President John Williams said on Monday that central bank interest rate policy is in the right place to deal with an uncertain economic outlook.

"The economy is doing very well," at the moment amid some signs in recent numbers there could be trouble ahead, Williams said in comments before a gathering in New York held by the Mortgage Bankers Association.

Trump calls US Fed chair 'fool' after pause in rate cuts

Fed interest rate policy is slightly restrictive of growth and is “well positioned” for what lies ahead, he added.

INDIA CENTRAL BANK PROPOSES EASIER RULES FOR LENDERS’ INVESTMENTS IN AIFS

Reuters Published May 19, 2025

MUMBAI: India’s central bank on Monday proposed more liberal rules governing investments by lenders in Alternative Investment Funds (AIFs), citing improved financial discipline after rules were tightened earlier.

In December 2023, the RBI barred banks and NBFCs from investing in AIFs that held exposures to their existing or recent borrowers. It later eased the rules in March 2024, requiring higher provisions only when lenders invest in AIFs that, in turn, have exposure to their borrowers.

The RBI on Monday proposed capping a single regulated entity’s investment in any AIF scheme at 10% of the scheme’s corpus, with total combined investment by all lenders limited to 15%, according to draft guidelines.

India’s forex reserves hit seven-month peak

Lenders would be allowed to invest up to 5% of an AIF’s corpus without restrictions. If this threshold is breached and the AIF makes downstream debt investments in companies that owe money to the lender, the lender would have to make a 100% provision on its proportionate exposure.

The RBI also proposed exemptions for AIFs set up for “strategic purposes,” subject to consultation with the central government. The norms would apply prospectively, with current investments governed by existing rules. It has invited stakeholder comments before finalising the guidelines.

SWEDISH FIRM VOPY TO ROLL OUT PAYMENT SERVICE FOR PAKISTANI FREELANCERS

BR Web Desk Published May 19, 2025

Vopy, a portfolio company of Swedish investment firm Front Ventures, has secured a verbal order from a major digital bank in Pakistan to provide a freelance payment service.

“The order comes from one of the major digital banks that Vopy’s management team visited in Pakistan, where the client wishes to launch the services as soon as possible,” read a press statement issued by Vopy on Monday.

The company said its freelance payments service is for payments to freelance consultants, usually in the IT industry, in Pakistan who carry out assignments for companies in Europe and the UK.

"Our customer in Pakistan is keen to launch this service quickly," says Sven Hattenhauer, CEO of Vopy AB.

"They have requested exclusive rights to the service, which we have agreed to, and this results in a higher remuneration for us. Our customer has received a cooperation agreement for freelance payments, which we expect to be signed shortly, after which we can start the service without delay.

"We are happy and honoured by this collaboration, we look forward to delivering an exciting service to a new target group, also with higher margins than our other offerings," Hattenhauer added.

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

According to the press statement, the total volume of freelance payments to Pakistan amounts to approximately $4 billion per year.

Vopy noted that its client in Pakistan already has extensive services for freelance consultants and is expanding rapidly, but cannot offer fast and affordable invoice payments.

"Vopy's solution means that every freelance consultant in Pakistan receives a personal European virtual IBAN account to which payments can be made in a simple way.

"Through this arrangement, the European sender avoids the hassle of sending money directly to Pakistan and can instead pay into the European IBAN account Vopy provides, which creates a simpler process for the sender, and the money reaches the freelance consultant faster."

The statement added that freelancers receive their payments to local Pakistani accounts within seconds after funds are received in the virtual IBAN account.

"The cost that the freelance consultant pays for the transfer is significantly lower than other available options. Thanks to this process, the freelance consultant increases his competitiveness by being able to offer his clients a very convenient payment option," added the company.

SBP LAUNCHES CASHLESS DRIVE FOR EID CATTLE MARKETS

May 20, 2025

Karachi, May 20, 2025 – The State Bank of Pakistan (SBP) has officially launched a comprehensive nationwide campaign titled "Go Cashless" aimed at promoting digital payments and significantly reducing reliance on cash transactions during the upcoming Eid-ul-Azha festivities.

This important initiative by the SBP reflects its continued commitment to enhancing digital financial inclusion and modernizing payment systems across the country.

The SBP's "Go Cashless" campaign, inaugurated today and set to continue until Eid night on June 6, 2025, is designed to facilitate seamless and secure digital payment methods in 54 major cattle markets nationwide. The State Bank of Pakistan said these markets traditionally see high volumes of cash-based transactions during Eid-ul-Azha, especially for the purchase of sacrificial animals.

Building on the momentum from last year's successful efforts to digitalize market payments, the SBP is intensifying its push to broaden the adoption of cashless solutions. Through collaboration with banks and financial institutions, the campaign initiated by the State Bank of Pakistan encourages both buyers and sellers to embrace digital wallets, branchless banking, and merchant accounts, making transactions safer, faster, and more transparent.

The SBP has also temporarily raised transaction limits from May 19 to June 15, 2025, to accommodate higher transaction volumes during this period. For instance, branchless banking Level-1 accounts, The State Bank of Pakistan said Asaan Account/Asaan Digital Account, and merchant accounts now have no daily transaction limits, and monthly limits have been increased up to PKR 5 million, enabling smoother cashless payments for animal purchases, feed, water, parking, and other essential services.

The public is urged to participate actively in the SBP's "Go Cashless" campaign, which not only supports hassle-free and secure payments but also contributes to building a more inclusive and efficient financial ecosystem in Pakistan. By going cashless this Eid-ul-Azha, Pakistanis can embrace a modern financial future championed by the SBP.

Business & Finance » Industry

JAM REITERATES COMMITMENT TO EXPAND TRADE TIES WITH BELARUS

Recorder Report Published about 2 hours ago

ISLAMABAD: Federal Minister for Commerce Jam Kamal Khan reiterated Pakistan's commitment to expanding bilateral trade and industrial cooperation with Belarus during a detailed meeting with the Belarusian Ambassador, A Metelitsa.

The meeting covered a wide-ranging agenda focused on reviving key industrial projects, enhancing textile collaboration, exploring cotton sourcing alternatives, and boosting workforce exchange between the two nations.

Central to the discussion was the reactivation of a Belarus-supported industrial plant in Balochistan— a project initially linked to DMV and Omni group.

Though previously delayed, the project has now regained momentum.

Minister Kamal emphasised that the government of Pakistan prefers utilising existing infrastructure to accelerate project timelines. "Efficiency comes from utilising what's already in place. We aim for speed and impact," he stated.

He welcomed Belarus's long-standing engagement in projects such as tractor manufacturing, and acknowledged active proposals from Pakistani companies like HIT and Shahzad Group. He encouraged initiatives that deliver fast results and align with Pakistan's strategic priorities.

A key highlight of the meeting was the proposed Pakistan-Belarus textile joint venture.

Minister Kamal emphasised its importance, stating that Belarus is expected to lead the initiative with investment and technology input. "Pakistani investment in this sector is challenging, but a joint venture with Belarusian financial and technical participation is both realistic and promising," he noted.

A Belarusian delegation and Pakistan's additional secretary have already visited the proposed site. Discussions also included potential collaboration with institutions such as Pakistan's National Textile University to support technical assessments and consultancy for spinning machinery.

The two sides also addressed Pakistan's growing cotton deficit, with current domestic production at just 5.5 million bales— far below the 13–15 million bales demand. While the US remains a major supplier, potential sanctions- related risks have prompted Pakistan to explore alternative sources such as Tajikistan and Kazakhstan.

Ambassador Metelitsa reaffirmed Belarus's commitment to deepening industrial and trade cooperation, particularly in sectors where Belarus has technical expertise and manufacturing capacity. He expressed Belarus's willingness to contribute to joint ventures through technology transfer, engineering support, and workforce training. The ambassador also emphasised enhancing business-to-business and people-to-people ties through trade exhibitions, collaborative forums, and institutional linkages.

Minister Kamal supported the idea of conducting an online Joint Working Group (JWG) meeting to review bilateral progress, adding that the Ministry of Economic Affairs Division (EAD) is already following up on related developments.

Labour cooperation was another key area of discussion. With Belarus facing labour shortages, the minister highlighted the opportunity for Pakistan to supply skilled workers.

Currently, around 200 Pakistani workers are employed in Belarus, with the potential to expand across manufacturing and services sectors.

Both sides also explored procurement possibilities involving Belarusian industrial equipment such as trucks, dumpers, excavators, and electric buses, which have performed effectively in Pakistan's coal and cement sectors.

Minister Kamal reaffirmed Pakistan's strong interest in deeper sectoral engagement, calling for timely follow-ups, active participation in trade exhibitions, and closer institutional partnerships. "We see Belarus not only as a strategic partner but also as a trusted collaborator in building industrial capacity and creating mutual economic opportunities," he said.

EXPORT GROWTH: PAKISTAN HAS STRENGTHENED ITS COMMITMENT TO GIS: MINISTER

Recorder Report Published about 2 hours ago

ISLAMABAD: Federal Minister for Commerce Jam Kamal Khan on Monday, reaffirmed Pakistan's strong commitment to promoting and institutionalizing its Geographical Indications (GIs) regime during the National Conference on Geographical Indications Awareness, jointly organized by the Ministry of Commerce and the Food and Agriculture Organization (FAO).

Delivering the keynote address, the minister stated that GIs are more than just intellectual property tools — they are powerful instruments for protecting cultural heritage, enabling rural development, and creating new export opportunities.

"We stand at a critical juncture where Pakistan can elevate its identity in global markets—not just as a producer of commodities, but as a custodian of quality and heritage," he said.

He highlighted that Pakistan has so far registered 20 GIs, including globally recognized products such as Basmati rice, Chilghoza pine nuts, Sindhri mangoes, and Multani blue pottery, while applications for international protection are underway in key markets such as the European Union. The minister emphasized the need to build robust value chains based on certification, product specifications, branding, and traceability to deliver meaningful economic returns to producers.

The conference was attended by a wide range of stakeholders from federal and provincial governments, development partners, registrants, chambers of commerce, academia, legal experts, and private sector end users.

The forum served to raise awareness on the role of GIs in national development and the Sustainable Development Goals (SDGs), enhance institutional coordination, and promote capacity building for GI identification, value addition, and marketing.

The minister noted that 200 products have already been identified as potential GIs in Pakistan, and appreciated FAO's continued support—particularly through the TRI-Chilgoza project—in identifying four potential GI zones for Chilghoza pine nuts across Gilgit-Baltistan, North and South Waziristan, Sherani (Balochistan), and Chitral.

He stressed that the GI system can contribute not only to economic growth but also to ecological sustainability and community resilience.

He also shared that the Ministry of Commerce is working to establish a dedicated GI Registry and is in the process of developing a National Geographical Indications Protection Strategy, which will serve as a guiding framework for expanding and protecting GI products domestically and internationally.

The minister called on all stakeholders to actively engage in the consultations and contribute to shaping an inclusive, effective GI ecosystem.

VOHRA URGES KCCI TO SHARE PROPOSALS FOR FEDERAL BUDGET

Recorder Report Published May 20, 2025 Updated about an hour ago

KARACHI: Member National Assembly (MNA) Arshad Abdullah Vohra has called on the Karachi Chamber of Commerce and Industry (KCCI) to share its comprehensive proposals for the upcoming Federal Budget 2025–26.

He also urged the Chamber to guide the Muttahida Business Forum (MBF) in formulating policies that align with the economic interests of Karachi, Sindh, and Pakistan as a whole.

Speaking during a visit of the MBF delegation to KCCI, MNA Vohra stated, “While the MQM has prepared and submitted its own set of budget proposals, this year we are specifically seeking strategic input from KCCI to ensure that critical and genuine issues are effectively raised at the national level. The National Assembly’s Finance Committee is scheduled to meet on May 22, and MQM intends to submit KCCI’s proposals as formal support to bolster our advocacy for inclusive and business-friendly reforms.”

The meeting was attended by Chairman BMG Zubair Motiwala, President KCCI Jawed Bilwani, Senior Vice President Zia ul Arfeen, Vice President Faisal Khalil Ahmed, former Presidents Junaid Makda, Muhammad Idrees, and Iftikhar Ahmed Sheikh, as well as members of the KCCI Managing Committee. The MBF delegation included MNA Arshad Vohra, MNA Syed Hafeezuddin, MNA Jawed Hanif, MNA Hassan Sabir, MPA Taha Haider, MPA Maaz Mehboob, MPA Shariq Jamal, and former KCCI President Saeed Shafiq.

MNA Arshad Vohra commended KCCI’s unwavering commitment to highlighting the city’s most urgent challenges. “KCCI has consistently raised a strong voice on critical issues, including shortages of electricity, gas, and water, as well as taxation, deteriorating infrastructure, and industrial decline.

We acknowledge both the scale and urgency of these problems and are determined to work together toward sustainable solutions.” He underscored Karachi’s immense contribution to the national economy, noting that the city accounts for over 67% of federal revenue, contributes more than 90% to Sindh's revenue, and is responsible for 54% of Pakistan's exports.

"Despite this, Karachi's business environment continues to decline. The SITE Area, Pakistan's largest industrial zone, has suffered from a persistent water crisis for over three decades, with similar conditions in other industrial zones", he noted.

US CONSULATE ECONOMIC UNIT CHIEF VISITS TDAP

Press Release Published May 20, 2025 Updated about an hour ago

KARACHI: The USA Consulate Karachi, Economic Unit Chief, Kevin Furey and Tyrell Walker, Economic Officer, along with their team, called on Faiz Ahmad Chadhar, the Chief Executive, Trade Development Authority of Pakistan to discuss multiple areas of trade and economic cooperation between the two countries.

Chadhar informed the visiting USA diplomats that the USA is a major trading partner of Pakistan. However, the volume of trade between two countries is significantly low which needs to be increased with bilateral cooperation and trade facilitation.

The Economic Unit Chief of USA, Kevin endorsed this point and ensured support and cooperation to enhance volume of bilateral trade between the two nations. The discussion focused on enhancing bilateral trade and investment, with key areas of collaboration suggested by TDAP including: Textile, leather and surgical products, IT & E-Commerce Services, Tourism, Logistics, and Construction, Workforce Development to strengthen capacity for the U.S. market, Agricultural Exports with complete value chain of value added and finished products, Facilitating trade delegations participating in Trade shows / Fairs of both countries.

The Chief Executive appreciated that historically, USA has played pivotal role in industrial development of Pakistan and providing opportunities for Pakistani businessmen in the USA and the western markets.

The USA team was briefed about TDAP's ongoing trade promotion initiatives, inviting the USA businesses to participate in key flagship events organized by TDAP under the umbrella of its annual Business Plan.

Both sides reaffirmed their commitment to strengthening trade ties and fostering future collaboration in economic development through enhancing productivity and competitiveness of Pakistani Industrial and agricultural sectors.

TEXTILE INDUSTRY DETERIORATION: GOVT HAS FAILED TO ADDRESS 'FATAL' ANOMALY IN EFS

Hassan Abbas Published May 20, 2025 Updated about an hour ago

LAHORE: Pakistan's textile industry is rapidly deteriorating as, for over 10 months now, the government has failed to address the fatal anomaly in the Export Facilitation Scheme (EFS). The result is a deeply distorted tax regime that has rendered domestic manufacturing uncompetitive, gutted local supply chains, and handed Pakistan's textile value chain over to foreign suppliers.

The Export Facilitation Scheme allows exporters to import raw materials and inputs at 0% sales tax but imposes 18% tax on the same inputs if they are made in Pakistan. It's an irrational, self-destructive policy that punishes domestic production and rewards imports.

While the sales tax is refundable, there are high time, administrative and liquidity costs associated with refunds. Sales tax is paid when an input is procured, and the claim for refunds can only be filed once the product has been manufactured and exported — a 6 to 10 month cycle at least. Add to that administrative costs associated with filing, follow-ups, and regular harassment by the FBR.

According to the data shared by All Pakistan Textile Mills Association there is a huge liquidity cost as capital becomes stuck in the sales tax regime during the 6-10 month production cycle. Once claims are filed, even though Sales Tax Rules mandate refund issuance within 72 hours, only partial refunds of 60-70% are issued once a month. The remaining amount is deferred for manual processing where there is already a backlog of over Rs 110 billion, and no progress on clearing it over the last 4-5 years.

As a result, exporters have switched to imported inputs. Monthly yarn imports are over twice the historic peak (figure 1), expected to hit 300 million kg in FY25—nearly triple the 108 million kg in FY24. In total, imports of just three key raw materials— cotton, yarn, and greige fabric — are expected to be $1.5 billion higher than last year (figure 2). Meanwhile, exports are only projected to increase by $1.14 billion. More dollars are flowing out of Pakistan than coming in.

The headline export figure is a facade; underneath, the industry is hollowing out. Over 800 ginning factories and 120 spinning mills have shut down, and millions of livelihoods lost. The crisis has reached the weaving sector, with looms shutting down and workers protesting on the streets.

While the government chases headline numbers, it ignores that the value added in exports is increasingly foreign, and Pakistan is effectively exporting imported goods while local industry, jobs, and investment vanish.

The crisis is not just limited to industry. Cotton season begins next month. Who will buy 10 million bales from farmers without a functional spinning industry?

Cotton output has already fallen from 15 million bales in the mid-2010s to around 5–10 million today. While commendable steps have been taken — such as lifting the cotton seed import ban and introducing modern farming techniques under the Green Pakistan Initiative — the single biggest obstacle to cotton revival remains the current sales tax regime.

Pakistani cotton is taxed at 18%, while imported cotton enjoys a sales tax-free path through EFS. Even cottonseed and cottonseed cake—basic agricultural byproducts — face an 18% sales tax, a practice unheard of globally. Given elastic demand, farmers must absorb the high tax burdens, pushing their incomes below cost of production.

As the spinning sector — the primary consumer of cotton — has largely been deindustrialized by the EFS anomaly, demand for cotton has severely plummeted. With uncertain demand and no support price, there is high uncertainty regarding profitability of cotton, and farmers are shifting towards alternate, water intensive crops with severe implications for Pakistan's already scarce water resources. Destruction of the cotton sector will put millions more livelihoods at risk, especially women in cotton picking, etc. who have very few alternative sources of employment.

The government has stood by — unmoved and indifferent — as the textile and cotton value chains bleed to their final demise. For nearly a year, it has failed to restore the EFS to its June 2024 form with zero-rating on local inputs. Despite repeated appeals, no action has been taken.

We repeat, clearly and unequivocally: The government must immediately remove yarn and fabric from the EFS import scheme. This is the only way to halt the destruction of Pakistan's textile industry.

Pakistan's export economy cannot be built on imported yarn and fabric. No country has industrialized by destroying its own supply chains, replacing them with imports. Uraan Pakistan will not happen on the grave of local industry.

GCSI-TDAP DELEGATION VISITS LCCI

Recorder Report Published May 20, 2025 Updated about an hour ago

LAHORE: A seven-member delegation from the UK Government Communication Service International (GCSI) and the Trade Development Authority of Pakistan (TDAP) visited the Lahore Chamber of Commerce and Industry to strengthen ties and explore strategies for improving government communication to support trade and economic development.

The delegation was led by Ms Jessie Beham, Head of Communications at GCSI while Communications Manager Benjamin Durston, Director General TDAP Ms Rafia Syed, LCCI President Mian Abuzar Shad, Senior Vice President Engineer Khalid Usman spoke on the occasion. LCCI Executive Committee Members Khurram Lodhi, Ahsan Shahid, Syed Salman

Ali, Firdous Nisar, Irfan Ahmad Qureshi, Waqas Aslam, Amina Randhawa, Amir Ali, Muhammad Muneeb Monnoo and Malik Asif were also present.

A detailed presentation was delivered by TDAP on the Pakistan Trade Portal, outlining its core objectives including increasing trade transparency, streamlining procedures and providing accessible trade data to boost confidence among international buyers.

LCCI President Mian Abuzar Shad expressed appreciation for the visit and said that the role of effective communication in today's economic landscape is critical. He said that it is a privilege to host the delegation from GCSI and TDAP. In a rapidly evolving global environment, the ability of governments to communicate clearly and strategically has become more important than ever.

TP-1, TP-3: SAI TEAM WITNESSES KWSC'S RECYCLED WATER INITIATIVE

Recorder Report Published May 20, 2025 Updated about an hour ago

KARACHI: A delegation from the SITE Association of Industry (SAI), led by its President Ahmed Azeem Alvi, visited the TP-1 and TP-3 recycled water treatment plants in the SITE industrial area to review the progress of the reclaimed water initiative spearheaded by the Karachi Water & Sewerage Corporation (KWSC).

The delegation included Chief Coordinator Saleem Parekh, Former President Muhammad Kamran Arbi, APTPMA Zonal Chairman Anwer Aziz, Executive Committee Members Ahmed Zulfiqar Chaudhry and Muhammad Kamran Lakhany, as well as Muhammad Altaf Sheikhani. Irshad Hussain of Pak-Oasis also joined the visit and Dr Muhammad Bashir Lakhany of Techno Consult International.

President SAI expressed strong appreciation for the leadership and vision of Mayor Karachi Barrister Murtaza Wahab, whose proactive approach to addressing the city's water challenges is beginning to bear fruit. He lauded the Mayor's commitment to transforming SITE into an environmentally responsible and water-resilient industrial zone.

During the visit to TP-3, the delegation observed that the plant is currently treating 35 Million Gallons per Day (MGD) of wastewater before safe discharge into the sea — a major step towards preserving marine and environmental health. The Mayor's vision to utilize recycled water for industrial use was recognized as a forward-looking strategy that will ensure both sustainability and self-sufficiency for industries in SITE.

Special commendation was also extended to KWSC CEO Ahmed Ali Siddiqui for his tireless efforts in implementing the Mayor's vision. His technical leadership and operational execution have been instrumental in driving the recycled water project forward.

The delegation was also briefed on the pilot project for producing industrial-grade treated water from discharged effluent. Discussions were held on the expected timeline, supply mechanisms, and future expansion plans.

The SITE Association also extends its deepest appreciation to Chief Minister Sindh, Murad Ali Shah, for his unwavering support and strategic leadership in driving this crucial initiative. His commitment to improving Karachi's infrastructure and addressing industrial needs through sustainable solutions has played a pivotal role in enabling projects like the recycled water initiative to take shape and deliver impact. Under his guidance, inter-agency coordination and long-term planning have received a much-needed boost, paving the way for a more resilient and eco-conscious industrial ecosystem.

Alvi remarked, "The future of the SITE industrial area is promising. Thanks to the recycled water initiative, we are moving toward long-term water security. We deeply appreciate the dynamic leadership of Barrister Murtaza Wahab and the capable stewardship of Ahmed Ali Siddiqui, along with the dedicated teams at KWSC, for turning this vision into reality."

SHARJEEL, NASIR VISIT CHERY HOLDINGS GROUP'S HQS

Press Release Published about 2 hours ago

WUHU, (China): Sindh Senior Minister Sharjeel Inam Memon and Provincial Minister for Energy, Planning, and Development Syed Nasir Hussain Shah visited the headquarters of the Chinese automobile company Chery Holdings Group in Wuhu, China.

Upon their arrival at Chery Holdings Group, they were warmly welcomed by the Chairman, Yin Tongyue.

In a meeting with Provincial Minister Syed Nasir Hussain Shah and Senior Minister Sharjeel Inam Memon, Chairman Yin Tongyue reiterated Chery Holdings' resolve for sustainable development of electric vehicles and alternative energy projects.

Senior Minister Sharjeel Inam Memon and Minister Syed Nasir Hussain Shah hailed Chery's initiative and once again expressed Pakistan's resolve to enhance such collaborations in a bid to meet the objectives of sustainable development. They termed such collaborations as imperative for driving energy efficiency and environmental sustainability in Pakistan. Due to the initiatives of Sindh Senior Minister Sharjeel Inam Memon, Chery Holdings Group has agreed to set up electric vehicle charging stations throughout Sindh.

Senior Minister Sharjeel Inam Memon stated that an EV charging station will be established every fifty kilometres across all districts of Sindh. He added that these charging stations will greatly benefit owners of electric motorcycles, cars, and trucks.

He said that the transport system in Sindh is being modernized and that their vision is to promote environmentally friendly electric vehicles. Chery Holdings Group has confirmed that EV charging stations will be built in Sindh. The construction of these stations will provide job opportunities to the people of Sindh as well. Apart from this, an assembly plant for EV mini trucks is being established in Karachi.

Sharjeel Inam Memon stated that the establishment of charging stations and assembly plants will create employment opportunities for the local population and make electric vehicles available at affordable prices.

Provincial Minister Syed Nasir Hussain Shah stated that Chinese investors have assured full cooperation on solar energy projects in rural areas of Sindh. The solarization of homes will help reduce the energy crisis and serve as a significant milestone in promoting environmentally friendly energy solutions.

He said that solar systems are being provided to poor families to help meet their daily energy needs. The solarization of homes will enable ordinary people to easily fulfil their electricity requirements.

Provincial Minister Syed Nasir Hussain Shah said that the solarization of homes will help the common man save on expensive electricity bills and significantly reduce problems like load shedding. It will also boost the local economy, create new employment opportunities, and contribute to the socio-economic development of rural areas.

PPMA SAYS PRICE DEREGULATION HELPS RESTORE MEDICINE AVAILABILITY

Mohammad Bilal Tahir Published about 2 hours ago

KARACHI: The government's decision to deregulate prices of non-essential medicines has helped restore the availability of critical drugs across Pakistan, ending months of shortages that had severely impacted public health, experts and industry officials said on Monday.

"The policy shift has addressed critical supply gaps. Medicines that had vanished due to unviable prices are now back, offering relief to patients who were left at the mercy of black markets or counterfeits," said Tauqeer-ul-Haq, Chairman of the Pakistan Pharmaceutical Manufacturers Association (PPMA), while speaking to reporters here.

For years, pharmaceutical firms were unable to produce dozens of drugs— ranging from painkillers to psychiatric treatments— because of outdated price controls. "When a tablet priced at Rs3 can't be produced at cost, it disappears. Deregulation allowed us to price it at Rs6 and bring it back to patients," Haq explained. "The most expensive medicine is the one that isn't available."

Under the new framework, pharmaceutical companies can adjust prices of non-essential medicines in line with inflation and production costs. However, essential and life-saving drugs— more than 460 in number— remain under strict price regulation. This hybrid model mirrors international best practices, allowing market forces to stabilize supply while keeping vital medicines affordable.

According to the PPMA chairman, the impact has been swift. Local manufacturers have resumed production, and multinational firms are reconsidering their plans to exit the market. “The intent is not to increase prices indiscriminately, but to ensure sustainable production and eliminate dangerous alternatives,” he said.

The resolution of long-pending hardship cases, some delayed for over three years, has also contributed to the supply revival. With bureaucratic hurdles removed, medicines like insulin, antibiotics, and cardiac treatments are once again accessible to patients.

Industry data supports these developments. IQVIA reports that Pakistan’s pharmaceutical market crossed the Rs1.049trillion mark by March 2025, reflecting 20.62 percent growth in rupee value. While the surge is largely attributed to price adjustments and the reintroduction of long-unavailable drugs, experts estimate, actual organic growth— excluding one- time recoveries— stands at 15 to 16 percent, indicating market stabilisation.

Beyond restoring availability, the policy shift is expected to attract investment in local Active Pharmaceutical Ingredient (API) manufacturing, reducing Pakistan’s 90 percent reliance on imports. Public-private partnerships, including ventures under CPEC, are being explored to build domestic resilience and reduce exposure to global supply shocks.

The industry also foresees job creation, particularly for young pharmacists, technicians, and quality assurance professionals. Improved pricing structures are expected to support infrastructure upgrades and pave the way for international certifications—potentially boosting Pakistan’s $700 million pharma exports.

While concerns over rising prices remain, experts and industry leaders argue that the broader gains—improved availability, reduced counterfeit risk and production sustainability—far outweigh the short-term impact. “This isn’t just about business,” Haq emphasized. “It’s a public health imperative.”

Clinical pharmacists and pharmacologists also noted that deregulation has helped restore the supply of previously unavailable medicines, with patients finally gaining access to treatments that had vanished due to price constraints.

They added that shortages have eased noticeably in recent months, and the availability of genuine medicines has reduced reliance on unsafe alternatives.

SENATE PASSES TRADE ORGANIZATIONS (2ND AMENDMENT) BILL, 2025

May 20, 2025

The Senate on Monday unanimously passed the Trade Organizations (Second Amendment) Bill, 2025, following its earlier approval by the National Assembly.

The legislation marks a significant development in the legal framework governing Pakistan's trade bodies and aims to ensure more consistent and effective governance within these organizations.

The bill was presented in the Senate by Senator Shahadat Awan. According to the proposed changes, the two-year tenure for office bearers, as outlined in sub-section (1) of Section 11, will now apply exclusively to those elected after the enactment of the Trade Organizations (Amendment) Act, 2025. This clarification is intended to eliminate confusion surrounding the terms of office and to uphold transparency in trade body elections.

The Senate proceedings highlighted the importance of aligning future elections with the provisions set out in the Trade Organizations (Amendment) Act, 2022. Lawmakers emphasized that doing so will help maintain the smooth functioning and institutional integrity of trade organizations across the country. These include major entities such as chambers of commerce, trade associations, and the national federation.

It was noted during the Senate session that the current provision—specifically sub-section (1A) of Section 11, inserted by the Trade Organizations (Amendment) Act, 2025—was proving disruptive to the operations of trade bodies. Concerns were raised about its adverse impact on the continuity and governance of these organizations.

As a result, the newly passed bill calls for the complete omission of sub-section (1A) from the Trade Organizations Act, 2013, effective from the date of the new amendment's enactment. This step, lawmakers argued, is necessary to restore clarity and enable smoother transitions during election cycles.

With the passage of this bill in the Senate, Pakistan's legal framework for trade organizations is set for improved coherence and functionality, reflecting Parliament's commitment to ensuring that such institutions operate under clear and fair rules.

PARLIAMENTARIANS SEEK KCCI INPUT FOR INCLUSIVE BUDGET 2025–26

May 19, 2025

Karachi, May 19, 2025 – A delegation of National Assembly members visited the Karachi Chamber of Commerce and Industry (KCCI) to gather key proposals and insights for the formulation of the Federal Budget 2025–26.

The visit marked a significant move to ensure the upcoming budget reflects the ground realities of Pakistan's economic powerhouse—Karachi.

Leading the delegation, MNA Arshad Abdullah Vohra urged KCCI to submit comprehensive budget proposals tailored to the city's challenges. He emphasized that while the Muttahida Qaumi Movement (MQM) has already submitted its initial recommendations, input from KCCI would be formally endorsed by the party to support Karachi's case at the national level. "The National Assembly's Finance Committee is convening on May 22, and KCCI's proposals will strengthen our demand for business-friendly reforms in the budget," Vohra stated.

The meeting brought together prominent figures including KCCI President Jawed Bilwani, Chairman BMG Zubair Motiwala, Senior Vice President Zia ul Arfeen, Vice President Faisal Khalil Ahmed, and former KCCI presidents. Parliamentarians in attendance included MNAs Arshad Vohra, Jawed Hanif, Syed Hafeezuddin, Hassan Sabir, and several MPAs, as well as former KCCI President Saeed Shafiq.

Vohra acknowledged Karachi's pivotal economic role, noting that the city contributes over 67% of federal taxes, more than 90% of Sindh's revenue, and accounts for 54% of Pakistan's exports. Despite this, he lamented the city's crumbling infrastructure and prolonged industrial neglect, especially in major zones like SITE, which has suffered from a water crisis for decades.

Highlighting the plight of the salaried class, Vohra criticized the disproportionate tax burden placed on them and called for fairer measures in the upcoming budget. He stressed the need for targeted taxation of undocumented sectors and retail businesses.

Addressing the meeting via Zoom, BMG Chairman Zubair Motiwala pointed to unemployment as Karachi's most pressing crisis, driven by deindustrialization and high energy costs. "Without a profitable industrial environment, no new investments will come," he warned.

KCCI President Bilwani praised the MBF's outreach efforts and reiterated KCCI's commitment to representing Karachi's interests in national policymaking. "Only through strong collaboration can we hope for a budget that addresses Karachi's long-standing issues and unlocks its economic potential," he concluded.

Business & Finance » Companies

FEROZSONS EXPLORES POTENTIAL ACQUISITION OF BARRETT HODGSON

Recorder Report Published about 2 hours ago

KARACHI: Ferozsons Laboratories Limited is exploring a potential acquisition of Barrett Hodgson Pakistan Pvt Limited, a pharmaceutical company, in collaboration with a consortium of leading Pakistani business groups.

This development follows a board meeting of Ferozsons held last week. During the meeting the company's Board of Directors reviewed the proposal, recommended by the Investment Committee.

The Board of Directors has authorized Chief Executive Officers and Chief Financial Officers to perform the due diligence, appoint advisor, sign all the documents in this respect and to do all other acts including giving bid money, security; etc., in connection with the potential acquisition.

The notice further said that the final purchase and equity investment will be approved by Board of Directors based on the outcomes of due diligence and other parameters, including relevant approvals.

Analysts say that the proposed acquisition is expected to have significant implications for Ferozsons Laboratories Limited, potentially expanding its market presence, product portfolio, and capabilities in the pharmaceutical sector.

INDRIVE RESHAPES RIDE-HAILING LANDSCAPE

Recorder Report Published about 2 hours ago

ISLAMABAD: inDrive, a global mobility and urban services platform, has reshaped the ride-hailing landscape in Pakistan with its pioneering "Set Your Fare and Choose Your Driver" model, giving passengers full control over their ride experience.

Unlike other ride-hailing apps where pricing is driven by automated algorithms, inDrive offers a fresh, human-centric approach. Passengers can propose their own fare and choose a driver based on key criteria such as ratings, vehicle type, estimated time of arrival, and distance. This unique model ensures greater freedom, transparency, and fairness – enabling both customers and drivers to make informed, mutually beneficial decisions.

Muhammad Awais, Country Lead at inDrive Pakistan, said: "Since its launch in Pakistan in 2021, inDrive has expanded to 20 cities for local rides. We were the first to introduce the 'Set Your Fare and Choose Your Driver' model in the country – and the response has been incredible. Pakistani users appreciate the flexibility to negotiate fares and personalize their ride options according to their preferences. This level of autonomy has helped build trust and foster a strong sense of community on our platform. It's one of the key reasons inDrive has become the second most downloaded ride-hailing app globally and the fifth most downloaded app in the travel category."

inDrive's commitment to fairness and inclusivity has earned it global recognition. According to leading market intelligence firm Sensor Tower, inDrive was ranked as the second-most downloaded ride-hailing app worldwide for the third consecutive year and secured the fifth spot in the global travel app category. In December 2024 alone, the app was downloaded over 6.1 million times globally, reflecting its growing appeal across diverse markets.

"inDrive is built on fairness, creating an ecosystem where both passengers and drivers thrive. They decide the price and choose their ride themselves. This is why our users – both passengers and drivers – love us. Every ride with inDrive is a happy ride," he added.

NIPPON STEEL TO INVEST $4 BILLION FOR NEW US STEEL MILL IN $14 BILLION PACKAGE, DOCUMENT SAYS

Reuters Published May 19, 2025

WASHINGTON: Nippon Steel plans to invest $14 billion in U.S. Steel's operations including up to $4 billion in a new steel mill if the Trump administration green lights its bid for the iconic U.S. company, according to a document and two people familiar with the matter.

Under details of the plan included in the document, the company will plow $11 billion into U.S. Steel's infrastructure through 2028. That includes $1 billion in a green field site, which is expected to grow by $3 billion over the following years and has not been previously reported. The total investment figure was previously reported by CTFN.

The super-charged investment pledge, up from an initial $1.4 billion, was pitched as part of a last ditch effort to win approval of the merger, which has drawn fire from both Presidents Donald Trump and Joe Biden.

The companies face a May 21 deadline for the completion of a fresh national security review of their proposed tie-up, which was blocked by Biden on national security grounds in January following a prior review. Trump would then have 15 days to decide the fate of the transaction, although the timeline could slip.

It is unclear if the billions in new investment will be enough to sway Trump, though two other sources said his administration sought the increased investment.

But the offer shows the lengths Nippon Steel is willing to go to to secure approval, with a looming $565 million breakup fee and current steep U.S. steel tariffs of 25% to access thriving American steel markets.

U.S. Steel declined to comment. Nippon Steel, the White House and the Treasury Department, which leads the committee overseeing the national security review, did not immediately respond to requests for comment. Nippon Steel offered $14.9 billion for U.S. Steel in December 2023, seeking to capitalize on an expected ramp up in steel purchases, thanks to the bipartisan infrastructure law.

But the tie-up faced headwinds from the start, with both then-President Biden and Trump asserting U.S. Steel should remain American owned as they sought to woo voters in the swing state of Pennsylvania, where the company is headquartered.

Nippon Steel added investment pledges to sweeten the deal from $1.4 billion to $2.7 billion in August 2024, as well as promises to maintain U.S. Steel's headquarters in Pennsylvania.

But Biden's January block of the deal on national security grounds prompted lawsuits by the companies alleging the national security review they received was biased, a charge the Biden White House disputed.

The steel giants saw a new opportunity in Trump administration, which began on January 20 and opened a fresh 45-day national security review into the proposed merger last month.

But Trump's public comments, ranging from welcoming a simple "investment" in U.S. Steel by the Japanese firm to floating a minority stake for Nippon Steel, have done little to shore up investor confidence in an eventual greenlight.

Nippon Steel Vice Chairman Takahiro Mori was in Washington last week to meet with U.S. officials to try to win approval of the deal, Reuters previously reported.

INDIA'S REDINGTON POSTS HIGHER QUARTERLY PROFIT ON STRONG CLOUD DEMAND

Reuters Published May 19, 2025

Redington, a distributor for Apple and Samsung in India, reported an increase in adjusted quarterly profit, driven by higher demand for cloud services and automation.

The Chennai, Tamil Nadu-based company reported a profit before exceptional items and tax of 5.22 billion rupees ($61.14 million) for the fourth-quarter ended March 31, compared to 3.81 billion rupees last year.

It recorded a one-time gain worth 6.26 billion rupees from divestment of its Turkey-based unit Paynet.

Redington primarily generates revenue from the sale of smartphones, computers, and other hardware products.

However, its cloud and automation businesses saw the fastest growth on back of increased adoption of the technology.

About 50% of total IT spending globally is now cloud-related and it is projected to increase to 58% by 2027, according to research firm Gartner.

Redington's revenue from operations rose nearly 18% to 264.40 billion rupees, driven by deeper penetration in the South Asian markets and expansion in African markets.

Revenue from Singapore, India and the rest of South Asia, which account for nearly half of the company's business, increased by 25%.

INDIA THREATENS TWO OFFSHORE FUNDS HOLDING ADANI SHARES WITH PENALTIES, DOCUMENT SHOWS

Reuters Published May 19, 2025

MUMBAI: India's markets regulator has threatened two Mauritus-based funds with investments in the Adani Group that they could face penalties and cancellation of licences for not sharing shareholding details despite repeated requests over two years, according to a document reviewed by REUTERS.

The Adani Group and its 13 offshore investors have been facing an investigation by the Securities and Exchange Board of India (SEBI) since Hindenburg Research in 2023 alleged improper use of tax havens by the group, triggering a stock sell-off. The group has repeatedly denied wrongdoing, and its shares have since recovered.

Indian regulations require that at least 25% of the shares of listed companies be held by public shareholders, but Hindenburg alleged the Adani Group breached those rules since some offshore funds with Adani company holdings were related to the conglomerate.

The two Mauritius-based Elara funds - Elara India Opportunities Fund and Vespera Fund - had been asked since 2023 to provide "granular disclosures" of all their shareholders since they had "concentrated positions" in the Adani Group, according to a SEBI document dated March 28, which was reviewed by REUTERS.

India's Adani Total Gas posts drop in quarterly profit on higher procurement charges

"To date, this has not been provided by these FPIs (foreign portfolio investors) to SEBI … They have also not provided any reasons," the document said, adding that such delays had "impeded the investigation into the Adani Group's compliance with minimum public shareholding norms."

India's Elara Capital and SEBI did not respond to REUTERS queries. The Adani Group also did not respond.

The SEBI document noted that Elara funds did not make disclosures about their acquisitions of certain Adani stocks exceeding 5% - as was required by Indian regulations. It did not specify the exact shareholding in question.

Even though the funds are Mauritius based, they are registered with SEBI as FPIs, bringing them under compliance norms and scrutiny of the Indian regulator.

The two funds have applied to SEBI to settle the matter without admitting guilt and by paying a monetary fine, said two sources with direct knowledge of the matter, who declined to be named as the investigation is confidential.

It was not clear what penalties could they face eventually.

In November, U.S. authorities indicted group chairman Gautam Adani and some other executives, alleging they paid bribes to secure Indian power supply contracts and misled U.S. investors during fund raising. Adani denies wrongdoing, and says the allegations are baseless.

At least two other offshore investors in Adani stocks - Mauritius-based Lotus Investment and LTS Investment - also did not supply information on Adani holdings when asked by SEBI, the two sources added.

P.R. Ramesh, a lawyer who represent Lotus and LTS in India, did not respond to repeated requests for comment.

INDIA PLANS STRICTER RULES FOR COMPANIES WITH FOREIGN OWNERSHIP, SOURCES SAY

Reuters Published May 19, 2025

NEW DELHI: India is planning to tighten foreign ownership rules, two sources said, in a move that may have significant implications for businesses ranging from e-commerce to pharmaceuticals.

The changes would redefine how India views foreign-owned companies, whether directly or indirectly, making them subject to foreign direct investment (FDI) regulations when it comes to share transfers or restructurings.

The discussions are close to being finalised, the sources, both government officials said. They declined to be identified as the discussion was not public.

The Finance Ministry and the Reserve Bank of India, which issues the final rules, did not respond to requests for comment.

India is reviewing its foreign investment laws to simplify them and plug any loopholes.

New Delhi plans to create a new category of “foreign-owned and controlled entities” (FOCE), which will also include Indian firms with “indirect foreign investment”, the first source said.

Indian boycott of Turkish coffee, chocolates and fashion grows

“What cannot be done directly should not be allowed indirectly either. That will now be clearly reflected in the rules,” the source said.

“Even a domestic restructuring or internal transfer could trigger FDI obligations for foreign-owned firms if the rule change is implemented,” the source said.

An FOCE will be defined as an Indian company or investment fund that is controlled by persons resident outside India. As well as covering indirect ownership, it will also make directly owned foreign firms subject to FDI rules when it comes to changes in structure or ownership.

In particular, any transfer of the indirect shareholding will need to be reported and will have to comply with sectoral foreign investment caps.

These transactions will also be subject to rules stating they be made at fair market value.

The proposed revision in the rules aims to ensure foreign investors cannot bypass the intent of India's FDI policy, sources said.

The central bank is in agreement on the matter, the second official said.

Since 2020, India has required prior government approval for investments from nations sharing its land borders, including China, after clashes between the two neighbours in the remote Himalayan border.

The new FOCE definition will make it harder for Chinese or other foreign investors to use indirect structures such as offshore investment funds or layered Indian entities to enter regulated sectors through the back door, the second source said.

AMD TO SELL ZT SYSTEMS' MANUFACTURING BUSINESS TO SANMINA IN $3 BILLION DEAL

Reuters Published May 19, 2025

Chipmaker AMD agreed on Monday to sell the data center infrastructure manufacturing business of recently acquired ZT Systems to Sanmina in a $3 billion deal, making the contract manufacturer its partner for building AI computing systems.

Under the terms of the agreement, Sanmina will pay $2.25 billion in cash, along with $300 million premium consisting of 50% cash and 50% equity.

The deal also includes a $450 million contingent consideration based on financial performance of the business over the next three years.

AMD announces new $6 billion share buyback plan

AMD closed its acquisition of ZT Systems for $4.9 billion in March and had announced plans to break off its server manufacturing business and sell it once the deal closes.

Shares of AMD were down 2.7% in premarket trading.

HUAWEI LAUNCHES FIRST LAPTOPS USING HOME-GROWN HARMONY OPERATING SYSTEM

Reuters Published May 19, 2025

BEIJING: Huawei launched two new laptop models on Monday, the first sold with its own Harmony operating system, in a bid to take on well established Western Big Tech rivals even as the United States seeks to limit its access to crucial chips.

Despite its emergence as the world's leading producer of tech hardware, China's development of computer operating systems has lagged behind Microsoft and Apple, whose Windows and macOS have cornered the global market for decades.

The new MateBook Fold and MateBook Pro both run on HarmonyOS 5, the latest version of an operating system Huawei Technologies began developing in 2015 and introduced five years later on its Mate series smartphones.

It began developing the laptop prototypes in 2021.

"The Harmony laptop gives the world a new choice," Yu Chengdong, head of Huawei's consumer business group, said during a livestreamed launch event. "We kept on doing the hard things but the right things."

The base model of the MateBook Fold, which does not have a physical keyboard and offers an 18-inch OLED double screen when fully extended, will sell for 23,999 yuan ($3,328).

The MateBook Pro model, which uses a conventional laptop keyboard, is priced from 7,999 yuan.

Washington began restricting Huawei's access to U.S. technology in 2019 over national security concerns, pushing the company to build its own capacity to develop and produce chips and operating systems.

Huawei said the HarmonyOS for computers currently offers over 150 applications, including WPS Office from Kingsoft - an alternative to Microsoft's Office - and photo editing app Meitu Xiu Xiu.

By the end of 2024, over 7.2 million individual developers were developing apps for HarmonyOS, which was installed on over a billion devices, including smartphones and TVs, according to Huawei's latest annual report.

Huawei did not disclose which processing chip it had used to power the newly-launched laptops. But it said the computers' relatively high prices were the result of the cost of new manufacturing technology for the chipset.

Huawei did not immediately respond to a request for comment on the chip.

Reuters reported last year that the U.S. revoked licences that had allowed companies including Intel and Qualcomm to ship chips used for laptops and handsets to Huawei.

Republican lawmakers had been angered by the launch of Huawei's first AI-enabled laptop, which was powered by an Intel processor.

VOLKSWAGEN WEIGHS PLAN TO SELL OR FIND PARTNER FOR ITALDESIGN

Reuters Published May 19, 2025

MILAN: Volkswagen is considering a plan to divest from its design and engineering unit Italdesign, union representatives told Reuters on Monday, as part of the German automaker's efforts to overhaul its European operations.

The group is assessing a possible sale of Turin-based Italdesign, but it could also consider alternative options, including finding a partner for it, representatives of the Fiom and FIM Cisl unions said after a meeting with Italdesign management earlier on Monday.

Volkswagen, which fully owns Italdesign through its premium Audi unit, is under pressure from increasing competition and a lacklustre European car market.

A spokesperson for Audi said it "continuously reviews its strategic alignment, including its holdings".

Italdesign employs some 1,350 people, including 1,100 in the northern Italian city of Turin, and generated turnover of 332 million euros ($374 million)last year.

Volkswagen has received preliminary expressions of interest from four or five counterparts, the union representatives said, adding the German company was not willing, at least for now, to consider offers from competitors or financial groups.

Volkswagen says trade tensions, EV costs to weigh on profits

"The management confirmed in the meeting that Audi is assessing a possible sale of Italdesign," Gianni Mannori of Fiom union told Reuters, adding Italdesign management has been tasked to find buyers.

The whole process could take a few months, Mannori said, adding that Italdesign is a profitable business.

Rocco Cutrì, the head of FIM Cisl union in Turin, said Audi was running a preliminary due diligence process at Italdesign, to prepare the unit for the plan.

Italdesign was founded in 1968 by Giorgetto Giugiaro, one of the world's most influential car designers, who sold it to Volkswagen in 2010. The German group took the full ownership in 2015.

Over its history, Italdesign created models for several brands including Volkswagen Golf, Fiat Grande Punto, Alfa Romeo 159 and, more recently, Audi Q2 compact SUV.

Volkswagen announced sweeping changes to its German operations in December, including job cuts and sharp capacity reductions. Measures included the end of production of Volkswagen-branded cars in Dresden and Osnabrueck, while the company is exploring alternative uses for the plants.

Audi has already closed its plant in Brussels after the search for a buyer ended without success.

SME BANK LIMITED APPROVES ACTION PLAN FOR WINDING DOWN SME LEASING

BR Web Desk Published May 19, 2025

The Board of Directors of SME Bank Limited has approved the action plan for winding down of SME Leasing.

"While approving the action plan for winding down SME Leasing with the option to sell it as an entity, the Board of SME Bank also advised the management to apprise the status regarding liquidation of SME Bank to the Securities and Exchange Commission of Pakistan (SECP) with a request to defer its scheduled hearing for SME Leasing to an appropriate time so that the incoming liquidator can assess SME Leasing's affairs," the company wrote to Pakistan Stock Exchange.

Moreover, the notice read that as per the Islamabad High Court's order, State Bank of Pakistan (SBP) has appointed Adnan Imran, Chief Manager, Islamabad Office, as the Liquidator of SME Bank Limited with immediate effect.

According to the information available on the company's website, SME Leasing Limited was incorporated in Pakistan in July 2002 and acquired the status of listed company in December 2006.

SLL is a subsidiary of SME Bank Limited, which holds 73.14% of the company's shares. The company is licensed to carry out leasing business as a Non Banking Finance Company (MBFC) under the Non-Banking Finance Companies Rules issued by the Securities and Exchange Commission of Pakistan.

Technology

SUBARU OF AMERICA INCREASES VEHICLE PRICES, CITING MARKET CONDITIONS

Reuters Published 25 minutes ago

DETROIT: Subaru of America is hiking prices on several models, the company said on Monday, the latest automaker to pass along cost increases to consumers as their expenses rise from the Trump administration's tariffs.

Subaru said in a statement that the increases were made in response to "current market conditions," without citing tariffs or specific price actions.

"The changes were made to offset increased costs while maintaining a solid value proposition for the customer. Subaru pricing is not based on the country of origin of its products," the company said in a statement.

Car company executives have recently shared with investors how much the levies will cost them this year, with some in Detroit saying they were expected to add up to $5 billion. While there has been some relief on duties imposed on foreign auto parts, U.S. President Donald Trump has maintained a 25% tariff on the 8 million vehicles the U.S. imports annually.

Ford Motor earlier this month raised prices on three models produced in Mexico by as much as $2,000, becoming one of the first major automakers to respond to Trump's tariffs.

The Subaru price increases will add between $750 and $2,055 to vehicles depending on the model and trim, according to a notice posted on a dealer website.

Subaru to nominate executive Osakti as next president, Nakamura as chairperson

The price increases are expected to hit vehicles on dealer lots starting in June, according to the notice.

Subaru imports 45% of its U.S.-sold vehicles, according to 2024 data from research firm S&P Global Mobility. Its affordable Forester model is one of a handful of lower-cost vehicles set to be most affected by tariffs, according to Cox Automotive executive analyst Erin Keating.

The SUV is getting a price hike of between $1,075 and $1,600 depending on the trim, the dealer notice said.

XIAOMI TO INVEST AT LEAST $6.9 BILLION IN CHIP DESIGN, FOUNDER SAYS

Reuters Published May 19, 2025

BEIJING: Chinese smartphone and electric vehicle maker Xiaomi said on Monday it plans to invest at least 50 billion yuan ($6.93 billion) in chip design over at least 10 years.

The investment sum was flagged by Xiaomi's founder Lei Jun in a post on social media platform Weibo. A Xiaomi representative told Reuters the 50 billion yuan investment timeline starts from 2025.

Xiaomi denies report of YU7 SUV launch delay, Lei Jun to skip Shanghai auto show

Xiaomi has invested 13.5 billion yuan to self-develop its advanced mobile chip XringO1, Lei said in the post, adding that the company's chip design unit employs more than 2,500 people.

Markets » Energy

OIL PRICES RISE ON SIGNS OF FALTERING US-IRAN NUCLEAR TALKS

Reuters Published 36 minutes ago

Oil prices edged up on Tuesday on a potential breakdown in talks between the U.S. and Iran over Tehran's nuclear program and the weakened prospects of more Iranian oil supplies entering the global market.

Brent futures rose 12 cents to $65.66 a barrel by 0008 GMT. U.S. West Texas Intermediate crude futures climbed 16 cents to $62.85.

Discussions between Iran and the U.S. over Tehran's nuclear program "will lead nowhere" if Washington insists that Tehran slashes its uranium enrichment activity entirely, Iran's Deputy Foreign Minister Majid Takhtravanchi was quoted saying in state media on Monday.

On Sunday, U.S. special envoy Steve Witkoff reiterated that Washington would require any new deal between the U.S. and Iran would include an agreement to refrain from enrichment, a precursor to the development of nuclear bombs.

An agreement between the two sides would have paved the way for the easing of U.S. sanctions and allowed Iran to raise its oil exports by 300,000 barrels to 400,000 barrels per day, StoneX analyst Alex Hodes said.

A U.S. sovereign downgrade by Moody's, meanwhile, dampened the economic outlook for the world's biggest energy consumer and kept oil prices from rising higher.

The ratings agency cut America's sovereign credit rating by one notch on Friday, citing concerns about the nation's growing $36 trillion in debt.

Oil steadies as US, China growth concerns weigh

Additional pressure on oil prices was exerted by data showing decelerating industrial output growth and retail sales in China, the world's top oil importer.

Prices could whipsaw in the near term on tariffs, U.S.-Iran talks, economic uncertainty and the war between Russia and Ukraine.

Russian President Vladimir Putin, after a call with Trump on Monday, said Moscow was ready to work with Ukraine on a memorandum about a future peace accord and that efforts to end the war were on the right track.

LESCO RECOVERS OVER RS1.3M FROM DEFAULTERS IN 24 HOURS

Recorder Report Published about 2 hours ago

LAHORE: The Lahore Electric Supply Company (LESCO) has intensified its recovery efforts against electricity defaulters across all circles, recovering over Rs. 1.3 million in the past 24 hours.

This crackdown is part of a broader initiative led by LESCO CEO Engineer Muhammad Ramzan Butt who has directed the Diskoo Support Unit (DSU) to accelerate recovery from defaulters.

The DSU, a collaborative effort between LESC, Rangers, and other law enforcement agencies, has been working tirelessly to ensure that electricity thieves and defaulters are held accountable. In a significant breakthrough, the unit recovered Rs. 1.3 million from 66 defaulters across various circles in Lahore.

So far as recovery breakdown is concerned, the Eastern Circle has recovered Rs. 300,000+ from 15 defaulters, South Circle Rs. 100,000+ from two defaulters, Nankana Circle Rs. 100,000+ from 14 defaulters, Sheikhupura Circle Rs. 30,000+ from 3 defaulters, Okara Circle Rs. 100,000+ from 6 defaulters and Kasur Circle Rs. 600,000+ from 26 defaulters.

OIL STEADIES AS US, CHINA GROWTH CONCERNS WEIGH

Reuters Published about 2 hours ago

NEW YORK: Oil prices steadied on Monday despite Moody's downgrade of the US sovereign credit rating, and official data that showed slowing growth in China's industrial output and retail sales.

Both developments raised concerns over the outlook for the world's two biggest economies and expectations oil demand could slow, after Beijing and Washington's agreement to roll back most tariffs on each other's goods pushed oil prices higher.

"The weaker-than-expected Chinese data is not helping crude oil, although I would describe the setback as modest," said UBS analyst Giovanni Staunovo. Brent crude futures fell 1 cent to $65.39 a barrel by 1438 GMT while US West Texas Intermediate crude inched up 9 cents, or 0.1%, to $62.58. The nearby June WTI contract expires on Tuesday.

Both contracts rose more than 1% last week. Comments from US Treasury Secretary Scott Bessent that President Donald Trump will impose tariffs at the rate he threatened last month on trading partners that do not negotiate in "good faith" added to pressure on the oil market.

"Today's weakness is simply a continuation of crude's wild ride going nowhere, with the latest move triggered by the Moody's downgrade and not least Scott Bessent's warning," said Ole Hansen of Saxo Bank.

The official Chinese data on Monday showed growth in industrial output slowed in April, though performance was still better than economists had expected.

Investors are monitoring progress in nuclear talks between the United States and oil producer Iran, with uncertainty over the outcome limiting losses in oil prices.

US NATURAL GAS PRICES UP

Reuters Published about 2 hours ago

NEW YORK: US natural gas prices for Monday in the Permian shale basin in West Texas turned negative as spring pipeline maintenance and other constraints trap gas in the nation's biggest oil-producing basin.

Financial firm LSEG said average gas output in the Lower 48 US states fell to 103.9 billion cubic feet per day (bcfd) so far in May, down from a monthly record of 105.8 bcfd in April.

Part of the reason for that output reduction 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 Waha Hub fall by over 260% from 94 cents per million British thermal units (mmBtu) for Friday to a six-month low of minus $1.52 for Monday.

That was the fourth time Waha prices averaged below zero in 2025 and compares with an average of $1.96 per mmBtu in 2025, 77 cents in 2024 and an average of $2.91 over the prior five years (2019-2023).

Waha prices first averaged below zero in 2019. It happened 17 times in 2019, six times in 2020, once in 2023 and a record 49 times in 2024.

INDIA'S LNG IMPORTS TO RISE ON HIGHER DEMAND FROM POWER COS, SAYS PETRONET

Reuters Published May 19, 2025

NEW DELHI: India's liquefied natural gas imports are expected to rise in the coming months to meet growing electricity demand in the country, said A. K. Singh, chief executive of the country's top gas importer Petronet LNG.

India last week invoked emergency measures asking companies to operate underutilised gas-based power plants at higher capacity from May 26-June 30 to meet electricity demand in the country, a notice posted on the ministry's website shows.

India's power demand has been subdued so far this month as rains tempered temperatures in the country.

"We expect LNG demand to rise similar to last year's levels. Demand for power is rising in last few days so we are expecting demand for LNG to rise in the third or fourth week of May and in June," he said.

Power plants running on gas have been more expensive than those operating on coal, solar and wind power, resulting in idling of about three-fifth of all gas-fired power stations in the country.

Global LNG: Asian spot LNG prices rise slightly on US-China tariff truce

The narrowing price gap between spot and long-term LNG prices is also pushing some companies to step up purchases, he said, adding Indian customers prefer LNG prices at below $10 per million British thermal units.

Petronet hopes to complete expansion of its 17.5 million tons per year (tpy) Dahaj terminal to 22.5 million tpy in the next three to four months, he said, adding his firm would maximise the utilisation of the terminal to meet demand in the summer season.

EU LIKELY TO PROPOSE TO G7 TO LOWER PRICE CAP ON RUSSIAN OIL TO $50 PER BARREL

Reuters Published May 19, 2025

BRUSSELS: The European Union will propose to G7 finance ministers this week to lower the current $60 per barrel price cap on Russian seaborne oil as part of the new sanctions package against Moscow, European Economic Commissioner Valdis Dombrovskis said.

"This is something which we flagged from the Commission's side in the context of the 18th sanctions package. I would expect some interest also from other G7 partners in this regard and some discussion," Dombrovskis told reporters on Monday.

Russia's oil price in roubles at two-year low, 40% below budgeted level, data shows

Asked if he would make the proposal at the G7 finance ministers' meeting in Canada this week, he said: "Yes."

Dombrovskis did not mention the level to which the EU would want the price cap lowered, but EU officials briefed on thediscussions said the EU would propose $50 per barrel.

FIRST LNG SHIP BUNKERING HUB IN US GULF COAST SECURES PERMITS TO START WORK

Reuters Published May 19, 2025

LONDON: A joint venture project developing the first marine fuel facility for liquefied natural gas in the US Gulf Coast has secured final permits and construction is expected to begin later this year, executives involved said on Monday.

The global shipping industry has been looking for fuel solutions to cut carbon emissions, with LNG seen as a cleaner alternative.

U.S. President Donald Trump's administration is seeking to expand LNG exports to help reduce Europe's dependency on Russian gas after Moscow's invasion of Ukraine three years ago.

U.S. LNG can be used as a marine fuel in U.S. ports and surrounding waters without export licences needed, which is emerging as a separate market that the project is looking to capitalise on.

The facility is located on the Texas City Ship Channel and the Galveston LNG Bunker Port (GLBP) company will supply LNG by fuel barge to the expanding fleet of LNG-fuelled vessels in the greater Houston-Galveston region, GLBP said.

GLBP is a joint venture between Houston based Pilot LNG and Seapath, a subsidiary of global business group Libra.

The total project's overall cost is estimated in the region of at least $300 million, Seapath said.

The project received the final authorisations from the U.S. Army Corps of Engineers and the U.S. Coast Guard.

Initial bunker deliveries are scheduled for the second half of 2027, Seapath said.

Global LNG: Asian spot LNG prices dip amid tepid demand

"After several years of challenging and complex work … we are now comfortably ahead in the marketplace to be the first dedicated LNG marine fuels supplier in the U.S. Gulf," Seapath's president Josh Lubarsky added in a statement.

"We have made a significant financial commitment to this project and, over the course of the last few years, have positioned GLBP to be the foremost clean fuel supply hub in the Galveston Bay/Gulf region."

The first phase of production at the 140-acre greenfield development will target 360,000 gallons per day (gpd), which will come online within approximately two years, with the second phase for a full production of 720,000 gpd, approximately eight to 12 months thereafter, Seapath said.

The GLBP project is the second dedicated LNG bunkering facility in the U.S. after Florida-headquartered joint venture JAX LNG, which operates a 360,000 gpd plant.

GLBP will also support Port Houston - the largest port for waterborne tonnage in the U.S., which has $906 billion in national economic value.

Libra Group, which has more than 50 years of maritime experience, also owns Lomar Shipping that operates a fleet of more than 40 vessels.

Libra's other maritime subsidiary, Americraft Marine, owns and operates a Jones Act shipyard in Florida - one of the few in the U.S. that is building crew transfer vessels to service the growing offshore wind industry, as well as tugboats and barges.

CHINA'S APRIL REFINERY OUTPUT FELL 1.4% YEAR-ON-YEAR

Reuters Published May 19, 2025

China's crude oil throughput fell in April from a year earlier, official data showed on Monday, due to maintenance at state-owned refineries and as independent plants curbed output amid poor margins.

The world's second-largest oil consumer processed 58.03 million metric tons of crude in April, or about 14.12 million barrels per day (bpd), according to data from the National Bureau of Statistics.

The daily processing rate in April declined by 4.9% compared with March, and was down 1.3% from a year earlier.

Independent refineries, also known as "teapots", in China's refining hub Shandong faced thinner profit margins during the month.

Overall, Chinese refineries operated at 73.83% capacity in April, the lowest since 2022, down 1.7 percentage points from March and down 5.35 percentage points from a year earlier, according to Chinese consultancy Sublime China.

The theoretical average profit for Shandong teapots was 270 yuan ($37.5) per metric ton, down 58 yuan per ton from March due to declining gasoline and diesel prices, the consultancy said. Weakened fuel demand weighed on margins.

Apparent domestic gasoline consumption fell 4% year-on-year during the first quarter and diesel dropped 6.1%, according to another consultancy JLC.

Still, for the first four months of the year, refiners processed 0.8% more crude than in the year-ago period - a total of 240.27 million tons, or 14.62 million bpd.

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

Two independent refineries recently sanctioned by the US faced supply disruptions such as having difficulties in receiving cargoes at ports and securing financing, Reuters has reported.

Worries about sanctions have also led to about five plants in Shandong halting purchases of Iranian crude since last month.

NBS data showed that China's domestic crude oil production in April rose 1.5% year on year to 17.72 million tons, or 4.31 million bpd.

Year-to-date crude output rose 1.2% at 71.81 million tons, or 4.37 million bpd.

Natural gas output increased 8.1% from a year earlier to 21.5 billion cubic meters, and production for the first four months grew 5.3%, the data showed. Reuters

OIL RETREATS AS US AND CHINA GROWTH CONCERNS WEIGH

Reuters Published May 19, 2025

LONDON: Oil slipped on Monday, weighed down by Moody's downgrade of the U.S. sovereign credit rating and official data that showed slowing growth in China's industrial output and retail sales.

Both developments raised concerns over the outlook for the world's two biggest economies and oil consumers a week after Beijing and Washington's agreement to roll back most tariffs on each other's goods pushed oil prices higher.

"The weaker than expected Chinese data is not helping crude oil, although I would describe the setback as modest," said UBS analyst Giovanni Staunovo.

Brent crude futures lost 57 cents, or 0.9%, to $64.84 a barrel by 1146 GMT while U.S. West Texas Intermediate crude slipped by 54 cents, or 0.9%, to $61.95. The nearby June WTI contract expires on Tuesday.

Both contracts rose more than 1% last week.

Also weighing on the market were comments from U.S. Treasury Secretary Scott Bessent that President Donald Trump will impose tariffs at the rate he threatened last month on trading partners that do not negotiate in "good faith".

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

"Today's weakness is simply a continuation of crude's wild ride going nowhere, with the latest move triggered by the Moody's downgrade and not least Scott Bessent's warning," said Ole Hansen of Saxo Bank.

The official Chinese data on Monday showed growth in industrial output slowed in April, though performance was still better than economists had expected.

Investors are keeping an eye on progress in the Iran-U.S. nuclear talks, with uncertainty over the outcome limiting losses in oil prices.

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

"The U.S.-Iran nuclear negotiations are not clear cut and may take many months," said John Evans of oil broker PVM.

Markets – Rates

ACTIVITIES OF KARACHI PORT TRUST, PORT QASIM

Recorder Report Published about 2 hours ago

KARACHI: The Karachi Port Trust handled 268,925 tonnes of cargo comprising 157,602 tonnes of import cargo and 111,323 tonnes of export cargo during last 48 hours ending at 0700 hours.

The total import cargo of 157,602 comprised of 81,636 tonnes of Containerized Cargo, 9,540 tonnes of Bulk Cargo, 785 of Dap, 15,350 tonnes of Roc Phosphate & 50,291 tonnes of Liquid Cargo.

The total export cargo of 111,323 comprised of 47,955 containerized Cargo, 5 75 tonnes of Bulk Cargo, 61,400 tonnes of Clinkers & 1,393 tonnes of rice.

Approximately, 10 ships namely, Pan Spirit, Seaspan Santos, Melbourne Bridge, Araya Bhum, Interlink Priority, MT Mardan, X-Press Kohima, Gfs Juno, Bow Titanium & Pera berthed at the Karachi Port Trust.

Around, 06 ships namely, Araya, MT Shalamar, Fsl Kelang, Seaspan Santos, Leopard 2 & Sandpiper sailed from Karachi Port Trust.

PORT QASIM

A total of seven ships were engaged at PQA berths during the last 24 hours, out of them two ships, Sunny Honor and Ivan-6 left the port on Monday morning, while two more ships, Sofia Express and Bam Bam are expected to sail on Monday.

Cargo volume of 140,487 tonnes, comprising 95,487 tonnes imports cargo and 45,000 export cargo carried in 3,100 Containers (760 TEUs Imports &2,340 TEUs Export) was handled at the port during last 24 hours.

There are three ships at Outer Anchorage of Port Qasim, out of them a gas carrier 'EM Zenith' & three more container ships, Hansa Africa, Seaspan Santos, MSC Martina are expected to take berths at FOTCO and QICT respectively on Monday 19th May, while four container ships, MSC Guernsey, MSC Falcon-III, GFS Juno and Xin Lian Chang are due to expected arrive at outer anchorage on Tuesday 20th May, 2025.

BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (May 19, 2025). ==================================== BR...

Recorder Report Published about 2 hours ago

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (May 19, 2025).

```
====================================
BR INDICASE AT A GLANCE
====================================
             BRINDEX100
====================================
Day Close:                 119,689.63
High:                      120,285.55
Low:                       119,250.68
Net Change:                     40.49
Volume (000):                 119,529
Value (000):               13,822,277
Makt Cap (000)          3,579,426,000
------------------------------------
BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                  22,162.05
NET CH                     (-) 21.47
------------------------------------
BR CEMENT
------------------------------------
Day Close:                  10,045.52
NET CH                    (-) 146.52
------------------------------------
BR COMMERCIAL BANKS
------------------------------------
Day Close:                  34,841.76
NET CH                      (-) 73.3
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                  19,788.10
NET CH                     (+) 67.38
------------------------------------
BR OIL AND GAS
------------------------------------
Day Close:                  11,755.58
NET CH                     (-) 11.86
------------------------------------
```

```
BR TECH & COMM
------------------------------------
Day Close:                  4,940.04
NET CH                     (-) 48.16
------------------------------------
As on:                   19-MAY-2025
====================================
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These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

SHIPPING INTELLIGENCE

Recorder Report Published about 2 hours ago

KARACHI: Karachi Shipping Intelligence report incorporating changes till 7 am on Monday (May 19, 2025).

PORT QASIM INTELLIGENCE

Berth No.	Ship	Working	Agent	Berthing Date
Op-1	M.T Mardan	Disc Crude Oil	Pakistan Nation Ship	18-05-2025
Op-2	Bow Titanium	Disc Chemical	Alpine Marine Services	19-05-2025
Op-3	Barve	Disc Mogas	Alpine Marine Services	18-05-2025
B-1	Salamah	Disc Chemical	Alpine Marine Services	17-05-2025
B-2	Om Shanghai	Disc Chemical	Alpine Marine Services	18-05-2025
B-9/B-8	Gfs Juno	Dis./Load Continers	Eastwind Shipping Co	18-05-2025
B-12/B-14	Belmont	Load Clinkers	Ocean Services	14-05-2025
B-13/B-14	Menomoee	Disc General Cargo	Legend Shipping &logistics	19-05-2025
B-14/B-15	Interlink Priority	Disc DAP	Bulk Shipping Agencies	18-05-2025
B-16/B-17	Paolo Topic	Load Clinkers	Bulk Shipping Agencies	17-05-2025
Nmb-1	Al Naeemi 2	Load Rice	N.S.shipping Line	21-05-2025
Nmb-1	Al Sulaiman	Load Rice	N.S.shipping Line	22-05-2025

Alongside WEST Wharf

B-20/B21	Pan Spirit	Disc Rock Phosphate	WmaShipcare Services	18-05-2025
B-24	Jasmin	Load Rice	Ocean World	14-05-2025
B-24/B-25	Pera	Load Defence Store	Gulf Maritime Services Pak	19-05-2025
B-29/B-30	X-Press Kohima	Dis./Load Containers	Xpress Feeders Shipping Agency Pakistan	18-05-2025

Alongside SOUTH Wharf

Sapt-2	Melbourne Bridge	Dis./Load Containers	Diamond Shippin Services	18-05-2025
Sapt-3	Seaspan Santos	Dis./Load Containers	Gac Pakistan	18-05-2025
Sapt-4	Hyundai Jupiter	Dis./Load Containers	United Marine Agencies	19-05-2025

Expected Sailing

Name of Vessel	Expected Date	Expected Arrival Cargo	Agent
Belmont	19-05-2025	Load Clinkers	Ocean Services

Expected Arrivals

Zhong Gu Ji Nan	19-05-2025	D/L Container	-
Sofia Express	19-05-2025	D/L Container	-
Xin Hang Zhou	19-05-2025	D/L Container	-
Nara	19-05-2025	D/L Container	-
Princess Wafya	19-05-2025	D/L Container	-
Gina Cheetah	20-05-2025	D/2000 Base Oil	-
Groton	20-05-2025	D/L Container	-
Jira Bhum	20-05-2025	D/L Container	-
One Maxim	20-05-2025	D/L Container	-
Zhong Gu Hang Zhou	20-05-2025	D/L Container	-
Dsi Pyxis	20-05-2025	L/58323 Clinkers	-
Adenture.	20-05-2025	Acid	-

Ship Sailed

Name of Vessel	Departure Date	Ships Departures Cargo	Agent
Araya	19-05-2025	Container ship	-
M.T Shalamar	19-05-2025	Tanker	-
Fsl Kelang	19-05-2025	Container ship	-
Seaspan Santos	19-05-2025	Container ship	-
Leopard 2	19-05-2025	Clinker	-
Sandpiper	19-05-2025	General Cargo	-

KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Monday (May 19, 2025). ========================== KIBOR...

Published about 2 hours ago

KARACHI: Kibor interbank offered rates on Monday (May 19, 2025).

```
==========================
           KIBOR
==========================
Tenor          BID      OFFER
==========================
1-Week       10.94    11.44
2-Week       10.94    11.44
1-Month      10.97    11.47
3-Month      11.12    11.37
6-Month      11.14    11.39
9-Month      11.15    11.65
1-Year       11.14    11.64
==========================
```

Data source: SBP

LME OFFICIAL PRICES

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

Recorder Report Published about 2 hours ago

LONDON: The following were Friday official prices.

```
=========================================
ALUMINIUM
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                2473.00        2473.50
3-month             2468.50        2469.00
=========================================
COPPER
=========================================
CONTRACT                BID          OFFER
-----------------------------------------
Cash                9533.00        9534.00
```

```
3-month           9513.00         9518.00
=========================================
ZINC
=========================================
CONTRACT              BID           OFFER
-----------------------------------------
Cash              2680.50         2681.00
3-month           2694.00         2695.00
=========================================
NICKEL
=========================================
CONTRACT              BID           OFFER
-----------------------------------------
Cash             15425.00        15435.00
3-month          15620.00        15625.00
=========================================
LEAD
=========================================
CONTRACT              BID           OFFER
-----------------------------------------
Cash              1994.00         1995.00
3-month           1996.00         1997.00
=========================================
```

Source: London Metals Exchange.

OPEN MARKET FOREX RATES

Updated at: 20/5/2025 7:46 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

INTER BANK RATES

Updated at: 20/5/2025 7:46 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	180.58	180.90
Canadian Dollar	201.57	201.92
China Yuan	39.18	39.25
Danish Krone	42.27	42.34
Euro	314.89	315.45
Hong Kong Dollar	35.99	36.06
Japanese Yen	1.9393	1.9427
Saudi Riyal	75.07	75.20
Singapore Dollar	216.87	217.25
Swedish Korona	28.99	29.04
Swiss Franc	336.91	337.51
Thai Bhat	8.47	8.48
UK Pound Sterling	374.39	375.06
US Dollar	281.55	282.05

GOLD RATE

Bullion / Gold Price Today

As on Tue, May 20 2025, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	289,753	337,609	901,248	
Palladium	XPD	87,802	102,303	273,098	
Platinum	XPT	89,656	104,464	278,867	
Silver	XAG	2,922	3,405	9,088	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Tue, May 20 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.

* 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	8,644	23,076	
Euro	EUR	922	1,074	2,868	
Japanese Yen	JPY	149,795	174,536	465,923	
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	2,411	
US Dollar	USD	1,029	1,199	3,201	