2024

SHAHID LEGAL GROUP

SLD NEWS UPDATES

Tuesday, September 24,

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OFFICIALS EXERTING PRESSURE TO GET CHOICE POSTINGS: FBR CHAIRMAN ASKS HEADS OF FIELD FORMATIONS TO CERTIFY/ENDORSE ACTION

Sohail Sarfraz Published about 5 hours ago

ISLAMABAD: Federal Board of Revenue (FBR) Chairman Rashid Mahmood has directed all heads of field formations to certify/endorse action against tax officials, trying to exert pressure for seeking choice postings in field formations.

In this regard, the FBR has issued new instructions to the heads of the field formations on Monday.

Refer to the instructions issued by the secretary Revenue Division/chairman FBR on the said subject and to say that it may be ensured that instructions conveyed by aforesaid letter are duly received and acknowledged by each officer/official/staff (BS-I & above) working under your respective jurisdiction.

Following certificate, duly signed by all directors general/chief commissioners IR/chief collectors Customs should reach FBR latest by October 1, 2024 positively: “Certified that the instructions of the Secretary Revenue Division /Chairman, FBR contained in letter No. 16(t)/S-MIR-I/2008 dated 20.08.2024 have been duly received and acknowledged by each officer/official/staff (BS-I & above) working in the respective field formations,” the FBR said.

The FBR has observed with grave concern that there is a rampant sub-culture of using extraneous influence for “choice postings” by the officers/officials of FBR, particularly, those seeking field assignments.

Moreover, mid-level officers seeking choice postings through their influence/network are creating a poor model of career choices for junior officers.

Use of extraneous influence constitutes “misconduct” under the Government Servants (Conduct) Rules, 1964 and the Civil Servants (E&D) Rules, 2020.

INCREASE IN SALES TAX FROM 10PC TO 18PC ON TRACTORS CRITICIZED

Sohail Sarfraz Published September 23, 2024

ISLAMABAD: The poor farmers and agriculturists have expressed serious concern over the Federal Board of Revenue’s (FBR) new revenue measure to raise sales tax on tractors from 10 to 18 percent, which would be a disaster for the entire farming community.

In an urgent communication to Chairman FBR, Nabi Bux Sathio, Senior Vice President Sindh Chamber of Agriculture Hyderabad, Sindh has strongly proposed rationalization of tax structure and abolishment of levy of sales tax on tractors to support the agriculture sector.

The farmers have shared negative implications of FBR's proposed raise in sales tax on tractors on the farmers' community.

The tax rationalization package proposed by Sindh Chamber of Agriculture covers reduction of import duty/sales tax on imported tractors and continuation or reduction in existing sales tax rate on locally manufactured tractors.

Sindh Chamber of Agriculture has informed FBR that the chamber, as representatives of the farming and agricultural community in Sindh, feel compelled to shed light on the significant challenges and hardships faced by our fellow farmers and agriculturists in recent times.

The agricultural sector plays a pivotal role in Pakistan's economy, contributing 24% to the gross domestic product (GDP) and employing 37.4% of the workforce. However, the sector is currently grappling with a myriad of complex issues. These include the lack of investment and support, the adverse effects of climate change, and the dwindling availability of water, exacerbating the challenges faced by farmers and agriculturists.

Moreover, farmers have been severely impacted by the inability to secure fair prices for their produce. The government's announcement of support prices for wheat and cotton has not translated into actual purchases at the stipulated rates, leaving farmers with no choice but to sell their crops at significantly lower prices. The situation is further compounded by the low prices offered for rice and the potential delay in the sugar cane crushing season, which has added to the woes of the farming community, it stated.

In addition to these hardships, the reported news is that the FBR has proposed increase in the sales tax on locally manufactured tractors only serves to burden the already struggling farmers.

Despite a notable surge in the domestic tractor industry, there remains a substantial gap between the actual availability of tractors and the required horsepower per acre, further underscoring the challenges faced by farmers in accessing essential agricultural machinery.

To address these pressing issues, Sindh Chamber of Agriculture has urged the FBR Chairman to consider the said recommendations:

Firstly, the government should maintain or reduce the existing sales tax rate on locally manufactured tractors from 10% to 5%.

Secondly, the government should reduce the custom duty on imported tractors from 15 percent to 5 percent.

Thirdly, Lower the sales tax on imported tractors from 10 percent to 5 percent and eliminate the additional advance sales tax of 3 percent on imports.

Implementing these recommendations will not only provide immediate relief to farmers but will also act as a catalyst for revitalizing Pakistan's agricultural sector. By supporting the backbone of our economy, we can ensure a prosperous and self-reliant future for the nation.

The said measures will secure the livelihoods of millions and bolster national growth.

The Sindh Chamber of Agriculture remained hopeful that the Federal Board of Revenue will prioritize these crucial reforms and stand with the farming community during this challenging time, it added.

PTBA RAISES VOICE FOR TAXPAYERS IN RETURN FILING DEADLINE RELIEF

September 24, 2024

Karachi, September 24, 2024 – The Pakistan Tax Bar Association (PTBA) has taken a stand for taxpayers by formally requesting Prime Minister Shehbaz Sharif to extend the deadline for filing tax returns. In a letter to the Prime Minister, the PTBA expressed concerns about the challenges faced by taxpayers in meeting the September 30 deadline, citing technical issues with the Federal Board of Revenue's (FBR) online system and the increasing financial strain on tax filers.

The PTBA highlighted ongoing issues with the FBR's online platform, which is essential for filing tax returns. According to the tax association, users frequently experience technical problems, such as the system freezing or malfunctioning. Worse, when users attempt to restart the filing process, the data they have entered disappears, leading to frustration and delays. The association also noted that the system's functionality is particularly unreliable during weekends, further limiting taxpayers' ability to file their returns on time.

In addition to these technical challenges, the PTBA brought attention to the government's inability to implement the Tajir Dost Scheme effectively. The scheme was aimed at bringing more traders into the tax net by requiring them to register with the FBR. However, many individuals who should have registered under the scheme have not done so, openly challenging the government's authority. The PTBA criticized the fact that non-filers continue to operate without consequences, while tax-compliant individuals face increasing pressure.

The PTBA expressed concern that taxpayers who have long been filing their returns in compliance with the law are now being unfairly penalized. The association emphasized that these individuals are already burdened with multiple forms of taxation, including income tax, super tax, tax on deemed income, and capital value tax, in addition to paying sales tax on almost every item they purchase. Despite contributing their fair share, the PTBA argued that taxpayers receive little in return from the government in terms of basic services and fundamental rights.

The PTBA warned that threatening tax filers with punitive measures, such as blocking their SIM cards or disconnecting utilities, could damage the social contract between the government and the people. "These measures will weaken the social contract," the PTBA stated in its letter. It argued that such actions target those who are already complying with the law, while non-filers continue to evade accountability.

Historically, the deadline for filing tax returns has been extended to accommodate various challenges. However, the PTBA pointed out that this year, businesses and individuals are facing particularly severe financial difficulties. The association estimated that by the current deadline of September 30, only about 40% of returns will be filed, with another 25% in progress and 35% still in preparation. With such a large portion of returns incomplete, the PTBA stressed that more time is needed to ensure that all taxpayers can file their returns accurately and on time.

The PTBA suggested that the Prime Minister recognize the contributions of taxpayers who are already listed in the Active Taxpayers List (ATL) for 2023 by offering them an extension. It recommended allowing tax filers to submit their returns without penalties or surcharges until October 25, 2024. Such a gesture, the PTBA argued, would boost taxpayer confidence in the government and help bridge the trust gap between the two parties.

In conclusion, the PTBA urged the government to consider this relief as a way to acknowledge the sacrifices made by taxpayers, who continue to meet their obligations despite financial hardships. Providing an extension would strengthen the relationship between the government and its tax base, encouraging greater compliance and reinforcing the commitment of taxpayers to the country's economic well-being.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published about 5 hours ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Monday, (September 23, 2024)

The kca official spot rate for local dealings in Pakistan rupees

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

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 21-09-2024	Difference Ex-karachi
37.324 KG	18,700	235	18,935	18,935	NIL
Equivalent 40 KGS	20,041	252	20,293	20,293	NIL

MODERATE BUSINESS ON COTTON MARKET

Recorder Report Published about 5 hours ago

LAHORE: The local cotton market on Monday remained firm and the trading volume remained satisfactory.

Cotton Analyst Naseem Usman told BUSINESS RECORDER that the rate of cotton in Sindh is in between Rs18,300 to Rs18,500 per maund. The rate of Phutti in Sindh is in between Rs7,300 to Rs8,200 per 40 kg.

The rate of cotton in Punjab is in between Rs19,400 to Rs19,500 per maund. The rate of Phutti in Punjab is in between Rs7,300 to Rs9,000 per 40 kg.

The rate of cotton in Balochistan is in between Rs18,300 to Rs18,500 per maund. The rate of Phutti in Balochistan is in between Rs7,400 to Rs 8,800 per 40 kg. The rate of Balochi Cotton is in between Rs 19,900 to Rs 20,200 per maund.

600 bales of Sanghar were sold in between Rs 18,300 to Rs 18,400 per maund, 1000 bales of Shahdad Pur were sold in between Rs 18,300 to Rs 18,500 per maund, 1200 bales of Tando Adam were sold in between Rs 18,400 to Rs 18,500 per maund, 400 bales of Hyderabad were sold in between Rs 18,100 to Rs 18,350 per maund, 200 bales of Mir Pur Khas, 200 bales of Shah Pur were sold at Rs 18,500 per maund, 1000 bales of Saleh Pat were sold at Rs 18,400 per maund, 400 bales of Lodhran, 400 bales of Fort Abbas were sold at Rs 19,500 per maund, 600 bales of Yazman Mandi were sold in between Rs 19,400 to Rs 19,500 per maund, 200 bales of Samundri were sold at Rs 19,300 per maund and 200 bales of Chichawatni were sold at Rs 19,300 per maund.

The Spot Rate remained unchanged at Rs 18,700 per maund. Polyester Fiber was available at Rs 357 per kg.

Stock & Commodity

STOCKS WITNESS DRAWDOWN

Recorder Report Published about 5 hours ago

KARACHI: Pakistan Stock Exchange on Monday witnessed a bearish trend and closed in negative zone as investors opted to book profits on available margins.

The benchmark KSE-100 Index declined by 223.95 points or 0.27 percent and closed at 81,850.50 points. The index hit 82,463.05 points intraday high and 81,548.65 points intraday low.

Trading activity also remained low as daily volumes on ready counter decreased to 400.309 million shares as compared to 482.373 million shares traded on last Friday. The daily traded value on the ready counter declined to Rs 18.690 billion against previous session's Rs 30.188 billion.

BRIndex100 closed at 8,615.59 points, up 0.27 points with total daily turnover of 321.159 million shares.

BRIndex30 plunged by 667.56 points or 2.48 percent to close at 26,232.31 points with total daily trading volumes of 182.001 million shares.

Foreign investors also remained on the selling side and withdrew $3.204 million from the local equity market. Total market capitalization declined by Rs 15 billion to stand at Rs 10.708 trillion. Out of total 439 active scrips, 237 closed in negative and 143 in positive while the value of 59 stocks remained unchanged.

Pace (Pak) Limited was the volume leader with 30.381 million shares however decreased by Rs 0.89 to close at Rs 5.39 followed by WorldCall Telecom that lost Rs 0.03 to close at Rs 1.28 with 29.117 million shares. OGDC declined by Rs 2.68 to close at Rs 138.61 with 23.080 million shares.

Sapphire Fibres and Ismail Industries were the top gainers increasing by Rs 129.80 and Rs 124.19 respectively to close at Rs 1,429.90 and Rs 1,750.13 while Unilever Pakistan Foods and Sazgar Engineering Works were the top losers declining by Rs 228.70 and Rs 45.88 respectively to close at Rs 17,387.55 and Rs 973.75.

An analyst at Topline Securities said that the benchmark KSE-100 Index closed the trading session at 81,850, reflecting a decrease of 224 points, or 0.27 percent.

The profit-taking was largely seen in HUBC, MARI, PPL, OGDC, and BAFL, which collectively contributed to a decline of 634 points in the index.

BR Automobile Assembler Index decreased by 176.05 points or 1.02 percent to close at 17,022.70 points with total turnover of 5.796 million shares.

BR Cement Index fell by 77.91 points or 0.98 percent to close at 7,908.81 points with 21.792 million shares

BR Commercial Banks Index increased by 204.97 points or 0.89 percent to close at 23,230.95 points with 20.609 million shares.

BR Power Generation and Distribution Index plunged by 910.68 points or 4.89 percent to close at 17,716.61 points with 44.247 million shares.

BR Oil and Gas Index declined by 184.4 points or 2.41 percent to close at 7,467.32 points with 32.195 million shares.

BR Tech. & Comm. Index lost 21.48 points or 0.53 percent to close at 4,000.41 points with 76.984 million shares.

Ahsan Mehanti at Arif Habib Corporation said stocks closed lower on political uncertainty after SC backs opposition bid for reserved seats in its detailed judgment and concerns for foreign selling.

He said uncertainty over privatisation of SOEs, government action on IPPs capacity payment issue to terminate PPA and concerns over terms of new IMF program played a catalyrole in bearish close.

BMMC RECEIVES APPROVAL FROM PSX FOR LISTING BCEM ON GEM

Press Release Published about 5 hours ago

KARACHI: Burj Modaraba Management Company (BMMC) has received approval from the Pakistan Stock Exchange (PSX) for listing Burj Clean Energy Modaraba (BCEM) on the Growth Enterprise Market (GEM), Pakistan's First Green Energy Fund.

This approval is a big step for Pakistan's Capital Markets, BMMC's ability to access direct investments through the Stock Exchange for sustainable energy investments will lead the way for clean energy project developers and investors to come together through BCEM.

The Initial Offering (IO) of Burj Clean Energy Modaraba (BCEM) will take place on the 25th and 26th of September 2024, marking the official launch of this groundbreaking fund.

The offering will consist of 10 percent, amounting to Rs 100 million out of a total issue size of Rs 1.0 billion. BCEM/ Green Energy Fund is Pakistan's first renewable energy investment fund to be listed on the GEM Board. This move highlights BMMC's commitment to offering profitable, Shariah-compliant investment opportunities through capital markets while advancing the growth of renewable energy projects across Pakistan.

BCEM is proud of its partners and Investors like Meezan Bank Limited and Habib Bank Limited who are equally committed and leading the way to promote the use of renewable energy in the country and helping reduce the cost of energy production. Arif Habib Corporation Limited, along with AKD Securities are the underwriters to the issue. Arif Habib Limited (AHL) is the financial advisor to BMMC, Usmani & Company Shariah Advisors (Pvt) Limited is the Shariah advisor.

BCEM is well positioned to capitalize on the growing demand for clean energy in Pakistan by offering a fund that delivers sustainable value for its certificate holders. A diversified portfolio of investments including solar, wind, energy storage, and energy efficiency solutions, all underpinned by a strong commitment to sustainability while helping deliver reduced electricity costs.

By contributing to the renewable energy mix, BCEM aims to alleviate the country's reliance on conventional fuel sources while easing the financial burden of high electricity costs on end consumers.

BCEM aims to be a leading green Islamic fund and aggregator, delivering renewable energy as a service to all sectors while upholding the highest standards of Environmental, Social, and Governance (ESG) principles.

The approval from PSX for GEMS listing is a first step to attracting investment in the renewable energy sector through capital markets.

WALL ST CREEPS HIGHER AFTER FED POLICYMAKERS BACK RATE CUTS

Reuters Published about 5 hours ago

NEW YORK: Wall Street's main indexes trended higher in choppy trading on Monday as investors focused on comments from Federal Reserve policymakers and steady factory activity data, following the central bank's decision to commence monetary policy easing.

The Fed's pivotal move on monetary policy in the previous week propped up the main indexes for monthly gains, bucking a historical trend where September has been a weak month for equities on average.

Comments from a number of policymakers were the main focus on the day as investors scoured for clues on why the central bank kicked off its easing cycle with an outsized 50 basis points cut.

Fed presidents such as Raphael Bostic, Neel Kashkari and Austan Goolsbee supported the central bank's last rate cut and voiced support for more cuts in the rest of the year.

Trader bets, as per the CME Group's FedWatch tool, initially favored a larger Fed move at its upcoming November meeting, after Governor Christopher Waller on Friday flagged that upcoming inflation data could undershoot the Fed's 2% target.

However, the bets have since then swayed and now appear to be a coin toss, with markets expecting a total of 74 bps reduction by year-end as per LSEG data.

On the data front, US business activity was steady in September, but average prices charged for goods and services rose at the fastest pace in six months, potentially hinting at a pickup in inflation in the coming months.

"It was good enough ... and continues to drive the assumption that while the labor market is softening a bit, the economy still remains relatively robust," said Art Hogan, chief market strategist at B Riley Wealth.

"Embedded in the soft landing scenario would be a Fed that's able to tackle inflation without causing a recession. And thus far, that remains the case," Hogan added.

At 11:44 a.m. the Dow Jones Industrial Average rose 40.40 points, or 0.10%, to 42,103.76, the S&P 500 gained 18.37 points, or 0.32%, to 5,720.92 and the Nasdaq Composite gained 54.95 points, or 0.31%, to 18,003.27.

Ten out of the 11 S&P 500 sectors were higher. Real estate stocks lead gains with a 0.9% rise, while healthcare stocks declined 0.1%.

Having rallied for much of the year, the S&P 500 is a whisker away from an all-time high and the blue-chip Dow hit another intraday record high.

Among rate-sensitive growth stocks, Tesla jumped 4.8%, while Meta rose 1% after Citigroup lifted its price target on the stock.

The Russell 2000 index, tracking small caps, was off 0.3%.

Analysts said Friday's personal consumption expenditure figure for August - the Fed's preferred inflation gauge - will be the most important catalyst for the week.

Among top movers, Intel rose 2.2% after a report showed Apollo offered to make an investment of as much as $5 billion in the chipmaker.

General Motors slipped 3.1% after Bernstein downgraded the carmaker's stock to "market perform" from "outperform".

EUROPEAN SHARES END HIGHER, COMMERZBANK DIPS

Reuters Published about 5 hours ago

PARIS: European shares closed higher on Monday as a soft business activity reading strengthened the case for more monetary policy easing by the European Central Bank this year, with rate-sensitive sectors such as real estate and utilities rising.

The pan-European STOXX 600 index closed 0.4% higher, recouping some losses following its biggest one-day drop since August in the last session.

Autos led gains among major STOXX sectors with a 1.9% advance while retail also gained 1.2%.

A survey showed euro zone business activity contracted sharply and unexpectedly this month, as the bloc's dominant services industry flatlined while a downturn in manufacturing accelerated.

“A payback from the Paris Olympics was largely expected. But today’s release was much worse than many had anticipated, suggesting a rather gloomy underlying growth picture for the eurozone,” said Fabio Balboni, senior economist, eurozone at HSBC.

The downturn appeared broad-based with Germany, Europe’s largest economy, seeing its decline deepen while France - the currency union’s second biggest - returned to contraction following August’s Olympics boost.

Germany’s DAX closed 0.7% up while France’s benchmark ended near flat, bogged down by falling bank stocks.

French banks including Credit Agricole, SocGen and BNP Paribas were among top declines on the STOXX index with the euro zone banks index sliding 1.8%.

The euro slipped against the dollar while the yield on the German two-year bond, which reflects near-term rate expectations, slipped to 2.149%.

Rate-sensitive real estate rose 1.3% while utilities, often traded as a bond proxy, gained 1.1%.

The ECB cut interest rates in June and also earlier this month.

Global equities rallied last week after the US Federal Reserve opted for jumbo rate cut on Wednesday. Focus will now shift to commentary from policymakers to gauge the rate cut outlook.

Rate decisions in Switzerland and Sweden later this week will also be on investors’ radar.

Among individual stock moves, Germany’s Commerzbank slid 5.7% after Berlin said it does not support a takeover by Italy’s UniCredit. UniCredit shares closed 3.3% lower.

AstraZeneca lost 1.7% after its experimental precision drug developed with Daiichi Sankyo did not significantly improve overall survival for patients with a type of breast cancer in a late-stage trial.

Aurubis dropped 10.1% after Europe’s largest copper producer guided for lower earnings next financial year as it expects metal prices to fall, and after hurdles with a production ramp-up hit its fourth-quarter earnings.

CHINA STOCKS RISE FOR 4TH DAY AMID STIMULUS HOPES

Reuters Published about 5 hours ago

SHANGHAI: China stocks rose on Monday for a fourth straight session, with the country’s 30-year treasury yield hitting a record low amid heightened expectations that Beijing will unveil fresh economic stimulus.

Hong Kong shares, which are more sensitive to the US rate-cutting cycle that started last week, hit a three-month high, before surrendering gains in afternoon trading.

Both China's blue-chip CSI 300 index and the Shanghai Composite Index rose 0.4%. The Hang Seng Index ended flat.

US rate cuts will herald further easing by global central banks, potentially benefiting Chinese exports this year, said Yang Chao, analyst at Galaxy Securities.

"China's A-shares are relatively cheap by history standards," and are worthy buying for long-term investors.

Hong Kong stocks will likely benefit more from US rate cuts, as the market is more affected by global money flows than China, where regulators keep tight capital controls, said brokerage CICC.

The yield on China's benchmark 30-year government bond fell to a record low of 2.13%, after China's central bank supplied 14-day cash to its banking system at a lower interest rate.

Expectations of fresh stimulus were also fuelled by announcement that China's top financial regulators including the central bank will jointly hold a press conference on Tuesday.

Coal, energy and banking stocks lead gains in China.

The smaller Shenzhen index ended up 0.15% and the start-up board ChiNext Composite index was weaker by 0.397%.

In Hong Kong, the sub-index of the Hang Seng tracking energy shares rose 1.1%, while the IT sector rose 0.41%, the financial sector ended 0.45% higher and the property sector dipped 0.33%.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.29% while Japan's Nikkei index was up 1.53%.

MOST GULF MARKETS IN RED ON RISING TENSIONS IN THE REGION

Reuters Published about 5 hours ago

DUBAI: Most stock markets in the Gulf ended lower on Monday amid rising tensions in the region, with the Dubai index snapping two sessions of gains.

The Israeli military launched its most widespread wave of airstrikes against Iran-backed Hezbollah, targeting Lebanon's south, eastern Bekaa Valley and northern region near Syria simultaneously after nearly a year of conflict.

Another round of attacks was expected. Israeli aircraft are preparing to attack Hezbollah strategic weapons stashed in houses in Lebanon's Bekaa valley, the Israeli military spokesperson said, calling on civilians to evacuate immediately.

Dubai's main share index eased 0.1%, hit by a 1.5% fall in blue-chip developer Emaar Properties.

The Qatari benchmark index finished flat.

In Abu Dhabi, the index edged 0.2% higher, supported by a 0.7% rise in conglomerate International Holding .

The Abu Dhabi stock market was under pressure, while uncertainty limited its potential for gains, said George Khoury Global Head of Education and Research at CFI.

INDIAN SHARES CONTINUE TO SCALE NEW PEAKS AFTER US RATE CUT

Reuters Published about 5 hours ago

BENGALURU: Indian shares hit record highs for the third straight session on Monday as the outsized US rate cut last week boosted investors' risk appetite.

The Nifty 50 index rose 0.57% to 25,939.05, while the S&P BSE Sensex gained 0.45% to 84,928.61, notching record closing highs. They also hit all-time highs in the session.

The broader, more domestically focussed small- and mid-caps rose 1.1% and 0.8%, respectively.

The rally has pushed the benchmark indexes into "overbought" territory, with the relative strength index above 70, according to LSEG data.

But that has not deterred investors.

"India remains the best long-term opportunity for equity investors globally," Christopher Wood, global head of equity strategy at Jefferies, said in a note.

Even if there is a "meaningful" correction at these elevated valuations, it is only likely to result in increased foreign buying, Wood said

WALL STREET EDGES HIGHER WITH FOCUS ON FED SPEAKERS, ECONOMIC DATA

Reuters Published September 23, 2024

Wall Street's main indexes inched higher in choppy trading on Monday as investors focused on comments from Federal Reserve policymakers and factory activity data, following the central bank's decision to commence monetary policy easing.

The Fed's pivotal move on monetary policy in the previous week propped up the main indexes for monthly gains, bucking a historical trend where September has been a weak month for equities on average.

Having rallied for much of the year, the S&P 500 is a whisker away from an all-time high and the blue-chip Dow hit another intraday record high.

The Dow Jones Industrial Average rose 8.63 points, or 0.01%, to 42,068.84, the S&P 500 gained 11.07 points, or 0.19%, to 5,713.62 and the Nasdaq Composite gained 46.64 points, or 0.27%, to 17,995.97.

Wall St pulls back as investors pause after rate cut-fuelled rally

Eight out of the 11 S&P 500 sectors traded higher, with energy stocks leading gains with a 1.4% rise, while healthcare stocks declined 0.3%.

Among rate-sensitive growth stocks, Tesla jumped 3.6%, Meta rose 1.2%, while Apple lost 0.5%.

The Russell 2000 index, tracking small caps, gained 0.2%.

Comments from a number of policymakers were the main focus on the day as investors scoured for clues on why the central bank kicked off its easing cycle with an outsized 50 basis points cut.

Atlanta Fed President and voting member Raphael Bostic said inflation and unemployment were nearing normal rates, suggesting an openness to a quick pace of upcoming cuts, while a report showed

Minneapolis Fed President Neel Kashkari was eying around a further 50 bps reduction in rates by year-end.

Trader bets, as per the CME Group's FedWatch tool, initially favored a larger Fed move at its upcoming November meeting, after Governor Christopher Waller on Friday flagged that upcoming inflation data could undershoot the Fed's 2% target.

However, the bets now appear to be a coin toss, with markets expecting a total of 74.3 bps reduction by year-end as per LSEG data.

"The market is anticipating a lot more than the Fed is going to provide and for that reason, the market's going to be volatile," said Phil Blancato, chief executive officer of Ladenburg Thalmann Asset Management.

"It's a little bit of a pause considering the exuberance of last week. There's nothing economic right now that's spooking the market other than the Fed going a little further than anyone expected."

On the data front, a preliminary survey showed September manufacturing and services activity stood at 47 and 55.4 respectively, compared with estimates of 48.5 and 55.2.

But the spotlight will be on Friday's personal consumption expenditure figure for the month of August - the Fed's preferred inflation gauge.

Among top movers, Intel rose 2.3% after a report showed Apollo offered to make an investment of as much as $5 billion in the chipmaker.

General Motors slipped 3.2% after Bernstein downgraded the carmaker's stock to "market perform" from "outperform".

Advancing issues outnumbered decliners by a 1.86-to-1 ratio on the NYSE and by a 1.01-to-1 ratio on the Nasdaq.

The S&P 500 posted 43 new 52-week highs and one new low, while the Nasdaq Composite recorded 50 new highs and 43 new lows.

KSE-100 LOSES 224 POINTS ON PROFIT-TAKING, CLOSES BELOW 82,000

BR Web Desk Published September 23, 2024

After closing at a record high in the previous session, the Pakistan Stock Exchange's (PSX) benchmark KSE-100 Index witnessed some profit-taking on Monday and closed the day below 82,000 after losing 224 points.

The KSE-100 Index started the session with some buying, hitting an 82,463.05.

However, profit-taking in the latter hours pushed the index into the negative territory as it hit an intra-low of 81,548.65.

At close, after some buying in the final hour, the benchmark index settled at 81,850.50, down by 223.95 points or 0.27%.

On Friday, the bulls had continued to make further inroads at the PSX, as the KSE-100 Index, led by buying activity in index-heavy shares, closed 615 points higher.

Profit-taking was largely seen in HUBC, MARI, PPL, OGDC, and BAFL, which collectively contributed to a decline of 634 points in the index on Monday, brokerage house Topline Securities in its post-market report.

Sazgar Engineering Works Limited (SAZEW), a Pakistani auto manufacturer, on Monday announced its plans to launch New Energy Vehicles (NEVs) in the country.

The listed company also plans to roll out the CKD [Completely Knocked Down] models of NEVs before the end of December 31, 2025, it informed in a notice to the PSX.

Oil and Gas Development Company Limited (OGDCL), the country's largest exploration and production (E&P) company, reported a profit-after-tax (PAT) of Rs208.98 billion for fiscal-year ended June 30, 2024.

Earnings registered a decline of nearly 7% as compared to Rs224.62 billion in the same period of the previous year (SPLY), showed the E&P's latest financial results provided to the bourse.

Meanwhile, Amreli Steels Limited sustained massive losses to the tune of Rs6.1 billion amid a drop in sales and high expenses during the year that ended June 30, 2024.

As per the company's latest financial results provided to the PSX, Amreli registered a loss of Rs697.2 million in the same period of the previous year.

Globally, Asian stocks firmed on Monday ahead of central bank meetings that are widely expected to deliver two more rate cuts and key U.S. inflation figures that should flash a green light for more easing there.

China's central bank surprised many by lowering its 14-day repo rate by 10 basis points, a couple of days after disappointing markets by not cutting longer-term rates. That helped nudge Chinese blue chips up 0.5%.

A holiday in Japan made for thin trading and MSCI's broadest index of Asia-Pacific shares outside Japan added 0.2%, after bouncing 2.7% last week.

Tokyo's Nikkei was shut but futures were trading at 38,530 compared to a cash close of 37,723. The index rallied 3.1% last week as the yen eased from its highs and the Bank of Japan (BOJ) signalled it was in no rush to tighten policy further.

EURO STOXX 50 futures added 0.3% and FTSE futures 0.1%.

S&P 500 futures firmed 0.3% and Nasdaq futures added 0.5%. The S&P is up 1% so far in September, historically the weakest month for stocks, and has gained 19% year-to-date to reach all-time highs.

Meanwhile, the Pakistani rupee remained largely stable against the US dollar on Monday, depreciating 0.01% in the inter-bank market. At close, the currency settled at 277.87, a loss of Re0.03 against the US dollar.

Volume on the all-share index decreased to 400.31 million from 482.37 million on Friday.

The value of shares declined to Rs18.69 billion from Rs30.19 billion in the previous session.

Pace (Pak) Ltd was the volume leader with 30.38 million shares, followed by WorldCall Telecom with 29.18 million shares, and Oil & Gas Dev with 23.08 million shares.

Shares of 439 companies were traded on Monday, of which 143 registered an increase, 237 recorded a fall, while 59 remained unchanged.

AMRELI STEELS BLEEDS, LOSS FOR FY24 STANDS AT RS6.1BN AS SALES DROP

BR Web Desk Published September 23, 2024

Amreli Steels Limited sustained massive losses to the tune of Rs6.1 billion amid a drop in sales and high expenses during the year that ended June 30, 2024.

As per the company's latest financial results provided to the Pakistan Stock Exchange (PSX) on Monday, Amreli registered a loss of Rs697.2 million in the same period of the previous year.

Resultantly, loss per share (LPS) clocked in at Rs20.56 in the period under review compared to LPS of Rs2.35 in SPLY.

The steel manufacturer's net sales lowered by 15% to Rs38.8 billion during FY24, compared to Rs45.5 billion recorded in the prior year.

FY23: Amreli Steels posts loss of Rs678.4mn amid drop in sales, higher finance cost

It also saw its gross profit drop to Rs2.4 billion in FY24, down 60% as compared to Rs5.95 billion in the previous year.

The steel maker saw its expenses rise to Rs2.54 billion in FY24, as compared to Rs1.96 billion in FY23, up nearly 30%.

During the period, the company's other income also plunged to a mere Rs3.2 million, down over 63% year-on-year.

Meanwhile, the company's cost of finance jumped to Rs4.8 billion in FY23, an increase of 18%. The increase comes as interest rate increased significantly during the year.

Its share price also plummeted during the session, closing at Rs20.64 after hitting the lower limit with a decrease of Rs2.29 or 10%.

Amreli Steels Limited was established as a private limited company in 1984. It was converted into a public unquoted company in 2009.

The company manufactures and sells steel bars and billets at its production plants located in Shershah, Karachi and District Thatta, Sindh.

MOST GULF MARKETS EXTEND GAINS ON RATE CUTS; REGIONAL TENSIONS WEIGH

Reuters Published September 23, 2024

Most major stock markets in the Gulf rose in early trade on Monday, continuing a rally sparked by interest rate cuts enacted by regional central banks, although the gains were limited by ongoing geopolitical tensions.

Last week, most Gulf central banks cut their key interest rates after the U.S. Federal Reserve decreased rates by half a percentage point citing “greater confidence” on inflation.

The Fed projected a further half-point rate cut by the year-end, a full point next year and a half-point trim in 2026.

Monetary policy in the Gulf Cooperation Council often aligns with the Fed’s decisions as most regional currencies are pegged to the U.S. dollar.

Saudi Arabia’s benchmark index gained 0.4%, with aluminium products manufacturer Al Taiseer Group rising 1% and ACWA Power Company advancing 3.9%.

Gulf bourses mixed on regional tensions

Qatar’s benchmark index rose 0.3%, led by a 0.7% increase in the Gulf’s biggest lender Qatar National Bank.

Dubai’s main share index added 0.3%, with MashreqBank climbing 6.3%.

The Israeli military launched a new wave of attacks against Hezbollah in southern Lebanon on Monday, it said in a statement.

In Abu Dhabi, the ADX General index was flat.

CHINA STOCKS RISE FOR 4TH DAY AMID STIMULUS HOPES; HANG SENG HITS 3-MONTH HIGH

Reuters Published September 23, 2024

SHANGHAI: China stocks rose on Monday for a fourth straight session, with the country’s 30-year treasury yield hitting a record low amid heightened expectations that Beijing will unveil fresh economic stimulus.

Hong Kong shares, which are more sensitive to the U.S. rate-cutting cycle that started last week, hit a three-month high, before surrendering gains in afternoon trading.

Both China’s blue-chip CSI 300 index and the Shanghai Composite Index rose 0.4%. the Hang Seng Index ended flat.

U.S. rate cuts will herald further easing by global central banks, potentially benefiting Chinese exports this year, said Yang Chao, analyst at Galaxy Securities.

"China's A-shares are relatively cheap by history standards," and are worthy buying for long-term investors.

Hong Kong stocks will likely benefit more from U.S. rate cuts, as the market is more affected by global money flows than China, where regulators keep tight capital controls, said brokerage CICC.

The yield on China's benchmark 30-year government bond fell to a record low of 2.13%, after China's central bank supplied 14-day cash to its banking system at a lower interest rate.

Asia stocks, Wall St futures edge up; China trims repo rate

Expectations of fresh stimulus were also fuelled by announcement that China's top financial regulators including the central bank will jointly hold a press conference on Tuesday.

Coal, energy and banking stocks lead gains in China.

The smaller Shenzhen index ended up 0.15% and the start-up board ChiNext Composite index was weaker by 0.397%.

In Hong Kong, the sub-index of the Hang Seng tracking energy shares rose 1.1%, while the IT sector rose 0.41%, the financial sector ended 0.45% higher and the property sector dipped 0.33%.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.29% while Japan's Nikkei index was up 1.53%.

Business & Finance » Money & Banking

YUAN SLOWS UPTICK AMID RISING TRADE TENSIONS

Reuters Published about 5 hours ago

SHANGHAI: China's yuan was little changed on Monday following a six-session rising streak, as the dollar stabilized and growing trade tensions added to concerns that the local currency's recent surge is overdone.

Moreover, Monday's reduction in China's 14-day policy loan rate strengthens expectations of further monetary easing, pushing down the 30-year yield to a record low - a reminder for traders of China's yield disadvantage despite the outsized U.S rate cut last week.

The yuan changed hands at 7.0469 around midday, barely moved from the prevision session's close.

It has gained more than 3% since late July against a slumping dollar, and is now hovering near 16-month highs.

"This round of yuan appreciation was mainly driven by the dollar's weakness," Cai Shaoli, analyst at Huaitai Futures, said in a note.

Despite short-term improvement in corporate yuan demand, the longer-term trend of the currency will be still determined by fundamentals, and the risks of global trade is rising, he said.

"This means after the recent gains, the yuan will likely see two-way fluctuation in future."

DOLLAR GAINS WHILE EURO WEAKENS AFTER PMI DATA

Reuters Published about 5 hours ago

NEW YORK: The euro fell against the dollar on Monday as business activity reports for the euro zone economy disappointed, briefly extending declines after US data showed activity there held steady.

The soft euro zone data supported expectations for more interest rate cuts by the European Central Bank this year, with markets currently pricing in a roughly 77% chance for a cut of at least 25 basis points (bps) at the central bank's October meeting.

A survey compiled by S&P Global showed euro zone business activity sharply contracted this month as the bloc's dominant services industry flat-lined, while a downturn in manufacturing accelerated.

The contractions appeared broad-based, with Germany's decline deepening, while France returned to contraction following August's boost from the Olympic Games.

In contrast, US business activity was steady in September, but average prices charged for goods and services rose at the fastest pace in six months, possibly pointing to an acceleration in inflation in coming months.

S&P Global said its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, was little changed at 54.4 this month compared to a final figure of 54.6 in August, with a reading above 50 signaling expansion.

The dollar index, which tracks its performance against a basket of currencies, including the yen and the euro, rose 0.04% to 100.82 after rising as high as 101.23 on the session. The euro was down 0.28% at $1.1131 and on track for its biggest daily decline since Sept. 9.

"What we're largely looking at is interest rate expectations, most expect the Fed to lead and to be relatively more aggressive in terms of cutting interest rates, historically that's been a reasonable interpretation," said Michael Green, portfolio manager and chief strategist at Simplify Asset Management in New York.

"Anything that would cause the market to reprice closer to where the Fed is, is likely to provide at least some benefit to the US dollar." The dollar fell for a third straight week last week, after the Fed cut interest rates by larger than usual 50 basis points.

Several Fed officials spoke on Monday, with Minneapolis Federal Reserve President Neel Kashkari calling the cut the "right decision" while Bank of Chicago President Austan Goolsbee said he expected "many more rate cuts over the next year." Atlanta Federal Reserve president Raphael Bostic said the Fed is not in a "mad dash" to a neutral rate of interest as policymakers debate how far and fast rates need to come down.

Sterling strengthened 0.17% to $1.3343 after climbing to $1.3356, the highest since March 4, 2022, after a similar survey showed British businesses reported a slowdown in growth this month, though it was less severe than the euro zone numbers.

The Bank of England kept rates unchanged last Thursday, with its governor saying the central bank had to be "careful not to cut too fast or by too much".

Against the Japanese yen, the dollar weakened 0.1% to 143.76 after a holiday in Japan. The US currency touched a two-week high at 144.50 yen last week after the Bank of Japan (BOJ) left interest rates unchanged and indicated it was in no hurry to hike them again.

For the yen, a ruling party vote later this week to choose a new prime minister makes the BOJ's job challenging in the coming months, with frontrunners showing varying views on monetary policy. A snap election is regarded as likely in late October.

Policy announcements are expected from the Swiss National Bank and Riksbank later in the week.

ASIAN CURRENCIES SLIP

Reuters Published about 5 hours ago

BENGALURU: Singapore shares scaled a near 17-year peak on Monday and were among stock markets to gain in emerging Asia, as the city-state's biggest banks touched all-time highs on strong investor inflows owing to their attractive dividend yields.

Currencies in emerging Asia were rangebound, slipping against the US dollar, which remained above the one-year low it hit last week after the US Federal Reserve's super-sized rate cut.

Indonesia's rupiah and the Philippine peso were the top losers of the day.

Singapore's bank and property heavy Straits Times index advanced 0.7% to its highest level since early November 2007, with top banks DBS Group, OCBC, and UOB trading at their record-high levels.

"Given potential market volatilities ahead, such as the upcoming US Presidential election, it is possible that investors may be seeking refuge in stocks with qualities such as attractive dividend yields and defensive earnings," said research analysts at RHB Singapore.

"We believe the Singapore banks possess these qualities."

The Singapore dollar, which hit a near 10-year high last week, shed as much as 0.3% to 1.293 per US dollar.

Singapore's key consumer price gauge rose 2.7% in August from a year earlier, data showed on Monday, exceeding economists' expectations.

Analysts at Barclays do not expect the Monetary Authority of Singapore (MAS) to turn "materially dovish" and predict its foreign exchange policy settings to remain unchanged through 2025.

In the Philippines, stocks rose as much as 2.3% to top their February 2022 level, helped by a broad-based rally across sectors. The peso slipped 0.4%, coming off a near six-month high scaled in the previous session.

Thai stocks slipped 0.5% while the baht was down 0.2%.

Thailand's stock index is set to break a six-quarter losing streak, rising almost 11% so far in the September quarter, and is on track to clock its best quarter since December 2020, helmed by strong foreign inflows partly aided by the establishment of government-backed mutual fund Vayupak.

The Thai baht is also likely to outperform in the near term, driven by equity inflows and elevated gold prices, Goldman Sachs said in a note.

Malaysia's ringgit was flat on Monday but was set for a blockbuster quarter, appreciating around 12% so far in the September quarter, making it the currency's best three months since January 1973, if the trend continues.

"Malaysia remains in pole position to attract investors and that is generating significant support for the MYR," analysts at Maybank said in a note.

Elsewhere, the South Korean won fell around 0.2%. Stocks in Indonesia were largely flat, while those in Malaysia were down 0.2%.

BIG RATE CUT WAS 'APPROPRIATE' FIRST STEP: FED OFFICIAL

AFP Published September 23, 2024

WASHINGTON: The US Federal Reserve's decision to cut interest rates by half a percentage-point was "an appropriate and necessary first step," given progress on reducing inflation, a senior bank official said Monday.

The central bank surprised some analysts by choosing a more aggressive rate cut last Wednesday, as the Fed looked to support the cooling US labor market after making progress toward the bank's long-term inflation target of two percent.

The US central bank has a dual mandate to act independently of Congress in tackling both inflation and employment.

Among the policymakers who joined the Fed's 11-to-1 vote to cut its key lending rate by 50 basis points was Raphael Bostic, the president of the Atlanta Fed.

Fed cuts rates by half a percentage point, cites 'greater confidence' about inflation

"Commencing the process of reducing the policy rate is an appropriate and necessary first step in recalibrating monetary policy in light of evolving economic conditions," Bostic told the European Economics & Financial Centre in London on Monday, speaking from Atlanta.

"In my judgment, we have made sufficient progress on inflation, and the labor market has exhibited enough cooling, that the time has come to shift the direction of monetary policy," added Bostic, one of 12 voting members on the Fed's 19-person rate-setting committee this year.

Bostic said he backed a larger cut because "progress on inflation and the cooling of the labor market have emerged much more quickly than I imagined at the beginning of the summer."

He added that the Fed's decision leaves it in a good position, regardless of whether inflation continues to ease toward the bank's two percent target.

"In my view, the 50-basis-point adjustment at the meeting last week positions us well should the risks to our mandates turn out to be less balanced than I am thinking," he said, adding that policy remained "restrictive."

"If my optimism about inflation is unsatisfied, then the Committee can slow or even halt the pace of further reductions," he said.

On the other hand, if the labor markets turn out to be less healthy than they appear at this moment, "the half percentage-point reduction puts us in a better position to adjust than a more modest cut would have," he added.

Looking ahead, Bostic said the Fed was not in a "mad dash" to lower rates, adding that he supported moving patiently given uncertainty that exists in the world's largest economy.

SBP'S PROFIT HITS RECORD RS3.4TN IN FY24, GOVT SET FOR WINDFALL

- Higher interest rates, exchange gain help central bank post record earnings

Ali Ahmed Published September 23, 2024

The State Bank of Pakistan (SBP) posted a massive profit of Rs3.42 trillion in FY24, a nearly 200% jump from last year's Rs1.142 trillion as higher interest rates and exchange gain helped the central bank post record earnings.

"Higher interest rates and stable Pakistani Rupee helped SBP post these huge profits," Mohammed Sohail, CEO of Topline Securities, said in a note.

The market expert noted that as 80% of these profits are given to the government, the overall government liquidity has improved.

Therefore, the central bank's latest profit of Rs3.42 trillion translates into an earning of Rs2.74 trillion for the government, well above its budgeted amount.

In the budget, the government estimated a surplus profit from the SBP at a record Rs2.5 trillion (roughly $9 billion) during 2024-25.

Despite Rs2.5tr expected surplus profit from SBP: 'Fiscal space' continues to elude Pakistan

Meanwhile, due to the government's improved liquidity, "we are seeing a rally in local currency bonds recently," Sohail added.

Last week, following the federal government's directives, the SBP rejected all bids of Pakistan Market Treasury Bills (MTBs) received in the auction.

In the consolidated profit and loss account, the SBP also showed a massive increase in share of profit from associates, which clocked in at Rs1.72 billion from Rs726 million in the previous year.

But its most significant improvement came in the exchange gain that stood at Rs186.1 billion, a stark contrast from a loss of Rs875 billion in FY23.

The SBP's banknotes' and prize bond printing charges increased from Rs17.8 billion in FY23 to Rs26.6 billion in FY24. Similarly, the central bank's general administrative and other expenses also shot up to Rs56.1 billion from Rs42.7 billion.

SBP through the years

When taking a closer look, the SBP's financial performance over the last ten years indicates a significant upward trajectory.

In FY2022-23, the central bank saw its profit increase from Rs749 billion in FY2021-22 to Rs1.14 trillion, signalling recovery after two years of stagnation.

During FY2020-21 and FY2021-22, the central bank registered steady profits, with Rs760 billion and Rs749 billion respectively, as Pakistan grappled with a fluctuating economic environment during the COVID-19 pandemic.

However, in FY2018-19, the central bank's profits registered a rare downturn, as SBP posted a loss of Rs1.04 billion as the country faced a challenging economic outlook.

In FY2017-18, the SBP registered a profit after tax of Rs175 billion.

RUPEE SLIGHTLY DIPS TO PKR 277.87 AGAINST DOLLAR

September 23, 2024

Karachi, September 23, 2024 – The Pakistani rupee experienced a minor dip on Monday, closing at PKR 277.87 against the US dollar in the interbank market, slipping by just 3 paisas from last Friday's rate of PKR 277.84.

The slight depreciation was attributed to a rise in demand for the dollar due to import payments, which often increase at the beginning of the trading week.

Currency market experts pointed to the surge in demand for dollars from importers as the primary reason for the rupee's soft decline. However, analysts remain optimistic that the rupee will maintain stability in the near future, citing positive macroeconomic factors and Pakistan's ongoing negotiations with the International Monetary Fund (IMF).

On September 25, 2024, the IMF's executive board is expected to meet to review Pakistan's request for a $7 billion loan program. Many believe that approval of this loan will provide much-needed financial relief and reinforce market confidence, helping to stabilize the rupee.

Further supporting this optimistic outlook are Pakistan's improving economic indicators. Data from the State Bank of Pakistan (SBP) revealed that the country's foreign exchange reserves grew by $31 million in the week ending September 13, 2024. Reserves now stand at $14.827 billion, up from $14.796 billion recorded a week earlier. This increase in reserves, while modest, is seen as a key factor contributing to the rupee's relative resilience despite recent pressures.

Another major positive development has been the sharp reduction in Pakistan's current account deficit (CAD). According to the SBP, the CAD contracted by 81% in the July-August 2024 period, narrowing to just $171 million compared to $893 million during the same period last year. This significant improvement in the balance of payments is seen as a stabilizing factor for the rupee.

"The shrinking CAD is a major win for the rupee. It signals a healthier balance of payments, which reduces pressure on the currency," explained one currency expert, highlighting how a more balanced trade environment strengthens Pakistan's foreign exchange market.

Investor sentiment remains buoyant as markets await the IMF decision. Approval of the $7 billion loan would bolster Pakistan's reserves, providing a vital lifeline for its economy, which has struggled with inflation, rising debt, and external payment pressures.

In light of these positive trends, analysts believe the rupee could see greater stability in the coming months if economic fundamentals continue to improve and foreign financial support materializes.

SBP EXTENDS VALIDITY OF CASH DOLLAR IMPORTS FOR EXCHANGE COMPANIES UNTIL JUNE 2025

September 23, 2024

Karachi, September 23, 2024 – The State Bank of Pakistan (SBP) has announced an extension in the validity period for the import of cash US dollars by exchange companies until June 30, 2025. This decision comes as a continuation of the SBP's earlier facility, which allowed exchange companies to import up to 50% of the value of their export consignments in cash US dollars.

Initially, the SBP had introduced this facility in 2023 to help stabilize the foreign exchange market and facilitate exchange companies in meeting the increasing demand for cash dollars. The arrangement was extended into 2024, and the latest announcement ensures its continuation through mid-2025.

Guidelines for Dollar Imports

According to the SBP's guidelines, issued on July 25, 2023, exchange companies are permitted to import cash US dollars, on a need basis, against the value of their foreign currency export consignments. This import must be carried out within five working days through reputed cargo or security companies. The key condition remains that the imported cash US dollars cannot exceed 50% of the total value of their export consignments during the specified period.

The system ensures that each exchange company includes this arrangement in their deal with the overseas entity. To ensure transparency, the deal ticket must clearly specify the amount of cash US dollars being imported, alongside the details of the total export consignment.

Reporting and Verification Procedures

The SBP has put in place a strict verification and reporting mechanism for exchange companies involved in importing cash dollars. At the time of import, exchange companies must provide prior written notice to the Director of the Foreign Exchange Operations Department (FEOD) at SBP Banking Services Corporation (SBP-BSC) in Karachi. Additionally, copies of the intimation must be sent to SBP-BSC staff at the SBP-Customs Joint Booth located at designated airports.

The companies must also submit original documentation, including the deal ticket and any foreign government customs or export documents, to SBP-BSC officials. These documents must be verified, stamped, and retained by both the exchange company and SBP for potential on-site inspections by the SBP's regulatory teams.

Compliance with Regulations

The SBP has emphasized that exchange companies must ensure full compliance with all relevant laws, both domestic and those of the jurisdiction from which the US dollars are being imported. Furthermore, all transactions related to the import of cash must be accurately reflected in the exchange company's books of accounts.

This extension in the cash dollar import facility is expected to provide greater flexibility for exchange companies in managing their foreign currency operations, while ensuring compliance with the SBP's strict regulatory framework. The move comes amid ongoing efforts to stabilize Pakistan's foreign exchange reserves and ensure smooth operations within the exchange market.

Trade & Industry

HBL-P@SHA AWARDS GIVEN AWAY TO EXCEPTIONAL IT COMPANIES

Tahir Amin Published about 5 hours ago

ISLAMABAD: Pakistan Software Houses Association (P@SHA), the representative body of Pakistan's IT industry, hosted the HBL-P@SHA ICT Awards 2024, here on Monday.

The event promoting #MakeInPakistan, recognised and honoured companies that have demonstrated exceptional service and innovation in Pakistan's IT sector.

Minister of State for Information Technology and Telecommunication Shaza Fatima Khawaja attended the event as chief guest.

Other attendees included the SIFC and government officials, diplomats, top IT industry representatives, startups, and prominent personalities.

The HBL-P@SHA ICT Awards 2024 recognized and honored the most innovative solutions in Pakistan's IT industry, presenting 33 Gold Awards and 47 Merit Awards across various top-tier categories, including Consumer, Business Services, Inclusion and Community, and Student Innovation. This year, P@SHA received an overwhelming response, with more than 1,198 applications for these esteemed awards. Over the course of 15 rigorous judging cycles, industry veterans served as judges to identify the best talent in the country.

Khawaja extended lauded P@SHA and HBL for organising this event and for their continued efforts to promote the IT industry in Pakistan.

"The HBL-P@SHA ICT Awards highlight the creativity and excellence of our software and service companies, providing local, regional, and international visibility. These awards empower our innovators, startups, and students to showcase their talents globally, including at the Asia-Pacific ICT Alliance (APICTA) Awards."

Highlighting the role of P@SHA and the importance of the awards, Minister of State said that P@SHA plays an instrumental role in shaping Pakistan's digital future, driving innovation and progress in the IT and telecom sectors.

Recognising and supporting our software and service companies is critical for sustaining growth and positioning Pakistan on the global technology map. The HBL-P@SHA ICT Awards are vital in this mission, celebrating innovation and promoting #MakeInPakistan, she added.

Khawaja congratulated all the nominees and winners and said that their dedication and innovation are setting new standards in technology and inspiring future generations of leaders. "Together, we are building a brighter, more innovative future for Pakistan's IT sector."

Khawaja specially informed the participants about the government's initiatives for the IT sector.

Speaking at the event, P@SHA Chairman Muhammad Zohaib Khan said, "It has always been our effort to reach every forum of the government to fulfill the legitimate demands of the IT companies in the country. SIFC's full support was received, which is the reason why IT export graphs are constantly rising and setting new records these days."

Zohaib further said that P@SHA is driving Pakistan's digital economy forward, cultivating trust and facilitating growth within the digital landscape. By generating thousands of employment opportunities and advocating for a more efficient and transparent government, P@SHA has proven instrumental in shaping the nation's technological future.

The association's initiatives have directly contributed to a significant and sustained surge in Pakistan's IT exports over several quarters, reaching $3.22 billion this year and continuing to grow – a compelling indicator of the industry's resilience and potential.

Chairman P@SHA, extended congratulations to the winners, recognizing their outstanding contributions. "Today, we celebrate the best of Pakistan's IT industry, honoring, recognizing, and empowering growth, and proudly promoting the 'Made in Pakistan' brand."

Commenting on this, Abrar Ahmed Mir, Chief Innovation and Financial Inclusion Officer – HBL, said, “HBL's partnership with P@SHA has been a catalyst for the growth of Pakistan's IT industry. Through collaborative efforts, we've not only nurtured local talent but also provided a global platform for Pakistani IT companies to showcase their capabilities. The HBL P@SHA ICT awards stand as a testament to the exceptional innovation and dedication of our industry, inspiring future generations to contribute to Pakistan's digital revolution."

Nadeem Aslam, the Secretary General of P@SHA, expressed his gratitude to all participants for attending and reaffirmed P@SHA's commitment to driving growth in Pakistan's IT sector and digital economy.

These award-winning companies have showcased exceptional talent and will now represent Pakistan on the global stage at the Asia Pacific ICT Alliance (APICTA) Awards in Brunei Darussalam later this year, making the nation proud with their achievements.

The ceremony concluded with a musical performance by Pakistan's renowned singer Aima Baig.

INSURANCE SECTOR: CCP CONCERNED AT PREFERENTIAL TREATMENT TO SOES

Sohail Sarfraz Published about 5 hours ago

ISLAMABAD: The Competition Commission of Pakistan (CCP) has expressed concern over the preferential treatment given to State-Owned Enterprises (SOEs) within the insurance sector, creating a distorted competitive market for insurance companies.

According to the CCP, in its 2023 Public Investment Management Assessment Report, the International Monetary Fund (IMF) highlighted the need for detailed analysis of competition in key sectors dominated by State-Owned Enterprises (SOEs) in Pakistan. Acting on these recommendations, Finance Division tasked the Competition Commission of Pakistan (CCP) with this responsibility.

Among the four major studies conducted by CCP, a critical one delves into the country’s insurance sector—a vital part of the economy that has lagged behind its regional counterparts.

According to a reliable source, the CCP’s study emphasizes the essential role insurance plays in fostering economic stability by mitigating risks from adverse events.

A key area of concern raised by the CCP involves the preferential treatment given to SOEs, creating a distorted competitive landscape. The National Insurance Company Ltd. (NICL) holds a monopoly on insuring public sector assets, while the Pakistan Reinsurance Company Ltd. (PRCL) enjoys

Protection under SRO 771 (1)/2007. This SRO grants PRCL the ‘exclusive first right of refusal’ to acquire at least 35% of all reinsurance business in Pakistan.

Similarly, the State Life Insurance Corporation (SLIC) benefits from the federal government guarantee under the Life Insurance (Nationalization) Order 1972, giving it a significant advantage over private competitors.

These regulatory barriers not only limit market access for private insurers but also constrain the entire industry’s growth potential. For instance, the Insurance Ordinance, 2000 grants NICL exclusive rights to insure public property, effectively closing off this lucrative market to private competition. This preferential treatment extends to restrictions on procuring reinsurance from foreign companies, further limiting the industry's ability to manage risk efficiently and driving up operational costs.

The study also highlights concerns in the bancassurance market, where banks often impose arbitrary limits on insurance companies; market access, even if these companies meet Regulatory standards set by the Securities and Exchange Commission of Pakistan (SECP) which creates an uneven playing field. Banks usually have large clientage, which the insurance provider targets. The banks sell insurance products to its customers on behalf of the insurance company. The bank/insurer staff do not properly guide the customers about the details of the insurance products, and the terms and conditions applicable and customers are often misinformed or misled about product details, further eroding trust in the insurance system.

The Federal Insurance Ombudsman (FIO) is created under the Insurance Ordinance and it should have mandate over all life and non-life insurance companies (private or public) operating in Pakistan. However, the jurisdiction of the FIO has been restricted to only the private sector insurance companies, while the jurisdiction over the government owned insurance companies remains with the Wafaqi Mohtasib.

While on the one hand this jurisdictional issue between FIO and Wafaqi Mohtasib leads to confusion among the policyholders about where to file a complaint regarding insurance. On the other hand, the vast jurisdiction of the later results in filing of huge number of complaints and long time for disposal of the cases creating a barrier for the insurance sector's growth and penetration.

To address these challenges, the CCP has put forth several key recommendations aimed at fostering a competitive insurance market. One of the most pressing suggestions is the amendment of SRO 771 (1)/2007 to fully open the reinsurance market to the private sector.

The CCP also recommended changes to the Insurance Ordinance, 2000 to allow private companies to compete with NICL in the public property insurance market. This would ensure a more equitable market environment and potentially lower costs for the public sector.

Other critical recommendations included:- Revising Rule 18 of the Insurance Rules, 2017, which would allow insurers the freedom to choose between domestic and foreign reinsurers, and removing the federal government guarantee on the policies sold by SLIC to create a level playing field for all players, where they may compete based on their services. It is recommended that the Pakistani insurance market may transition towards an Insurance Guarantee Scheme (IGS), as operational in several other countries. This will not only reduce the government's fiscal burden but also bring efficiency and innovation in the insurance industry.

Additionally, the CCP calls for the State Bank of Pakistan to issue guidelines to prevent restrictive and misleading practices in bancassurance, ensuring that banks provide accurate information and fair access to insurance products.

To improve insurance penetration, the study emphasizes enforcing Section 94 of the Motor Vehicles Act, 1939, which mandates Motor Third Party (MTP) insurance for all vehicles.

Alarmingly, only 3% of vehicles in Pakistan are insured, highlighting a significant gap in compliance that needs to be addressed.

Finally, the CCP recommended that, since FIO was created with the specialized mandate to resolve disputes between insurance companies and policyholders, it may cover all insurance companies both public and private operating in Pakistan.

A single ombudsman could streamline the complaint resolution process and ensure a consistent approach to handling issues across the country. Additionally, rationalizing tax policies, particularly addressing double taxation on insurance and reinsurance premiums due to provincial sales tax, may also require reassessment, the CCP added.

NAQI BARI MADE TMA CHAIRMAN

Recorder Report Published about 5 hours ago

KARACHI: The Towel Manufacturers Association of Pakistan (TMA) has elected Ather Muhammad Naqi Bari as Chairman for 2024-26.

Ahsan Javaid Qureshi has been elected as Senior Vice Chairman, Aamir Hassan Lari as Vice Chairman, according to the official statement from the TMA on Monday. During the annual general meeting of the association held on September 21, the Central Executive Committee and senior members congratulated Naqi Bari on his election. They assured the newly-elected chairman and other office-bearers of their full support and cooperation in tackling the challenges and expressed confidence that growth will be achieved under the new leadership.

Nagi Bari expressed his commitment to serving the export-oriented sector.

SINDH ASSEMBLY TOLD: POWER ‘CRISIS’ SEVERELY IMPACTING INDUSTRY

Recorder Report Published about 5 hours ago

KARACHI: In a Sindh Assembly session on Monday, a parliamentary secretary admitted that the present electricity crisis has severely impacted the industrial sector, pushing cement and textile mills into a deep recession.

Between 2018 and 2023, 10 textile mills and one cement factory were closed down in Sindh, parliamentary secretary on industries and commerce, Ali Ahmed told the house, while replying to the questions by the lawmakers.

The industry is facing a severe depression from the continuing power crisis, which has also left the industry output highly disturbed, he acknowledged while answering to a question of MQM's Abdul Basit on what has led to the closures of textiles and cement units.

Another MQM legislator, Rashid Khan said that investors have not yet been handed over possession rights of the small industrial plots over the past 10 years in Hyderabad, despite getting full payments from them. He feared that the plots status is being changed. The parliamentary secretary told the house that the development work on these plots is under way.

Opposition leader Ali Khurshidi angered over not getting replies on his questions. He inquired about the number of industries established and those shut down between 2018 and 2023.

In response, Sindh Local Government Minister Saeed Ghani said that the opposition leader has placed his query with an irrelevant department, as he should have asked this question from Sindh Labour Department instead.

Ali Ahmed; however, replied that some 10 textile mills and a cement factory were shut down because of the power crisis in Sindh between 2018 and 2023. He informed the legislature that the government is founding an industrial zone in Larkana.

He added that the government also works on a public private partnership to establish industrial zones in the province in a bid to scale up the industrial growth. A 30 percent ownership quota has been allocated for women in the industrial zone being developed at the Northern Bypass, he said.

The house also voted to an anti-narcotics bill, which Sindh Excise Minister, Sharjeel Inam Memon had presented. The legislation, he said, is aimed to curb the spread of the drugs menace especially amongst the young generation. The house now stands adjourned till Tuesday afternoon.

NEW ENERGY VEHICLES: SAZGAR ENGINEERING GEARS UP FOR LOCAL ASSEMBLY IN PAKISTAN BY DEC 2025

BR Web Desk Published September 23, 2024

Sazgar Engineering Works Limited (SAZEW), a Pakistani auto manufacturer, on Monday announced its plans to launch New Energy Vehicles (NEVs) in the country.

The listed company also plans to roll out the CKD [Completely Knocked Down] models of NEVs before the end of December 31, 2025, it informed in a notice to the Pakistan Stock Exchange (PSX).

“The Board of Directors (BoD) of the company has approved an expansion plan of the company which includes the expansion of existing paint shop, construction of new warehousing facilities, installation of solar system of 4-megawatt and construction, erection, installation of new manufacturing facilities for the local assembly of NEVs subject to the approval of relevant government regulatory authorities,” read the notice.

NEVs refer to vehicles that are powered by alternative energy sources instead of traditional internal combustion engines (ICE) that run on fossil fuels like gasoline or diesel. They can be divided into three main categories i.e. hybrid electric vehicles (HEVs), fuel cell electric vehicles (FCEVs), and battery electric vehicles (BEVs).

Sazgar, engaged in the manufacture and sale of automobiles and three-wheelers, automotive parts and household electric appliances, informed that its board has also approved an estimated cost of the expansion amounting to Rs4.5 billion, without cost of land, which shall be financed from the internal cash resources of the company.

In its notice, the company also shared its latest financial results according to which Sazgar’s profit increased to Rs7.94 billion in FY24, an exponential increase of 697%, as compared to Rs995 million in the same period of the previous year.

The BoD of the company also recommended a final cash dividend of Rs12 per share i.e. 120%. This is in addition to interim cash dividend already paid at Rs8 per share.

Despite the results, the company’s share price plummeted during Monday’s session, closing at Rs973.75 after a fall of Rs45.88.

In recent weeks, several developments have been making rounds in Pakistan’s auto sector, with Electric Vehicles (EVs) emerging as a growing sector with significant potential to transform the country’s automotive landscape.

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

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

Additionally, Master Changan Motors Limited also unveiled its electric vehicle brand in Pakistan, launching the Deepal L07 sedan and Deepal S07 SUV in Karachi last month.

The government also claimed that Pakistan’s first locally produced four-wheeled EV would hit the market in December.

Business & Finance » Companies

'SERIES A' FUNDING ROUND: QIST BAZAAR RAISES $3.2M

Recorder Report Published about 5 hours ago

KARACHI: Qist Bazaar, Pakistan's Buy Now Pay Later (BNPL) fintech startup, has secured $3.2 million in its Series A funding round.

Qist Bazaar, licensed by the Securities and Exchange Commission of Pakistan (SECP) as a Non-bank Financial Company (NBFC), provides installment-based payment solutions to unbanked and under-banked segments of the population.

BADIUDDIN ELECTED ACG CHIEF FOR 2024-27 TERM

Recorder Report Published about 5 hours ago

KARACHI: Badiuddin Akber CEO-Central Depository Company of Pakistan Limited has been elected as the Chairman of Asia-Pacific Central Securities Depositories Group (ACG) for the three year term of 2024-2027 during the proceedings of the ACG's 26th Annual General Meeting held in Almaty, Kazakhstan.

Accordingly, Central Depository Company of Pakistan Limited has also become the ACG Secretariat for the same term. The ACG currently consists of 41 member institutions from 27 countries in the Asia-Pacific region.

This marks a significant achievement for CDC and represents a major milestone for Pakistan in the global securities market.

During its term as the ACG Secretariat, CDC will work closely with regional and global partners to foster collaboration, innovation, and the exchange of best practices within the securities and financial sectors.

With this appointment, Badiuddin Akber will also be representing the Asia-Pacific Region on the Executive Board of World Forum of CSDs (WFC), the global body of five regional CSD associations including Americas' Central Securities Depositories Association (ACSDA), Association of Eurasian Central Securities Depositories (AECSD), European Central Securities Depositories Association (ECSDA), Africa and Middle East Depositories Association (AMEDA) and ACG.

Fuel & Energy

US NATGAS PRICES CLIMB ON OUTPUT REDUCTIONS

Reuters Published about 5 hours ago

NEW YORK: US natural gas futures climbed about 2% to a 12-week high on Monday as oil and gas producers continued to reduce output after months of relatively low prices.

Front-month gas futures for October delivery on the New York Mercantile Exchange were up 5.9 cents, or 2.4%, to $2.493 per million British thermal units (mmBtu) at 9:18 a.m. EDT (1318 GMT), putting the contract on track for its highest close since June 28.

That price increase pushed the front-month into technically overbought territory for the first time since the middle of June.

With gas futures up about 20% over the past four weeks, speculators boosted their net long futures and options positions on the New York Mercantile and Intercontinental Exchanges for a third week in a row to their highest since early July, according to the US Commodity Futures Trading Commission's Commitments of Traders report.

Despite recent price gains, analysts forecast gas at the US Henry Hub benchmark in Louisiana would only average around $2.41 per mmBtu in 2024, a four-year low.

Analysts said those low prices were the biggest reason producers were on track to cut output this year for the first time since 2020, when the COVID-19 pandemic cut demand for the fuel.

In the Atlantic basin, the US National Hurricane Center (NHC) forecast a disturbance in the Caribbean Sea had an 80% chance of strengthening into a tropical cyclone as it moves into the eastern Gulf of Mexico over the next week or so.

Analysts have said that hurricanes and other storms were more likely to reduce gas prices by cutting demand through power outages and knocking liquefied natural gas (LNG) export plants out of service.

That's because over 75% of US gas production comes from big inland shale basins like Appalachia in Pennsylvania, West Virginia and Ohio and the Permian in West Texas and eastern New Mexico.

That is very different from 20 years ago when roughly 20% of the nation's gas came from wells in the federal offshore part of the Gulf of Mexico. Back then Gulf Coast hurricanes usually caused gas prices to spike higher.

OIL PRICES DIP

Reuters Published about 5 hours ago

HOUSTON: Oil prices eased more than $1 on Monday as disappointing euro zone business activity added to worries about weak demand.

Brent crude futures for November were down $1.36, or 1.8%, to $73.13 a barrel by 12:27 p.m. EDT (1627 GMT). US crude futures for November fell $1.50, or 2%, to $69.50.

Euro zone business activity contracted sharply and unexpectedly this month as the bloc's dominant services industry flatlined while a downturn in manufacturing accelerated. US business activity was steady in September, but average prices charged for goods and services rose at the fastest pace in six months, potentially hinting at a pickup in inflation in the coming months. China, the world's top oil importer, is meanwhile battling deflationary pressures, and struggling to lift growth despite a series of policy measures aimed at spurring domestic spending.

"Disappointing economic numbers flowing from China along with a surprise slowdown in European manufacturing is placing crude demand at the lowest levels so far this year," said Dennis Kissler, senior vice president of trading at BOK Financial.

Supply concerns stemming from Israel's airstrikes on Hezbollah targets on Monday helped support oil prices. After almost a year of war in Gaza, Israel is shifting its focus to its northern border, across which Hezbollah has been firing rockets in support of its ally Hamas.

"More attacks from Israel on Lebanon spawn fear that Iran will become more involved, which raises the probability of oil exports being at risk," Kissler added.

A tropical disturbance near the Gulf of Mexico also is threatening oil supply. Shell said on Sunday it would shut production at its Stones and Appomattox facilities in the region as a precautionary measure.

Both oil benchmarks rose more than 4% last week, buoyed by the US Federal Reserve's decision to cut interest rates by 50 basis points and signal further reductions in borrowing costs by end of the year.

Chicago Fed President Austan Goolsbee on Monday said he expects "many more rate cuts over the next year" as the US central bank seeks a "soft landing" for the economy, where it controls inflation without crashing the labor market.

OGDC'S PROFIT DOWN 7% IN FY24 DESPITE HIGHER SALES

BR Web Desk Published September 23, 2024

Oil and Gas Development Company Limited (OGDCL), the country's largest exploration and production (E&P) company, reported a profit-after-tax (PAT) of Rs208.98 billion for fiscal-year ended June 30, 2024.

Earnings registered a decline of nearly 7% as compared to Rs224.62 billion in the same period of the previous year (SPLY), showed the E&P's latest financial results provided to the Pakistan Stock Exchange (PSX) on Monday.

The board of directors met on September 23 to review the company's financial and operational performance and also approved a final cash dividend of Rs4 per share i.e. 40%. This was in addition to interim cash dividend already paid at Rs6.1 per share or 61%.

OGDC's profit jumps 30% in 1HFY24

Earnings per share (EPS) were recorded at Rs48.59 in FY24 as compared to EPS of Rs52.23 in SPLY.

The results were lower than market expectations, which earlier projected earnings of Rs49.5 per share.

"Earnings (are) lower than expectations due to higher than expected operational expenses," said Topline Securities.

The decline in profit comes despite increased sales and lower taxation paid during the period.

ODGCL's revenue from contracts with customers rose to Rs463.69 billion compared to Rs413.59 billion in SPLY, which is up by over 12%.

The E&P's gross profit registered a gain of 5%, clocking in at Rs283.31 billion in FY24, compared to Rs269.73 billion in FY23.

However, despite higher earnings, the company's profit margin dropped to 61.1% in FY24, as compared to 65.2% in same period previous year

During the period, the E&P's saw a significant decline of over 73% in its other income, which stood at Rs41.34 billion in FY24, as compared to Rs154.69 billion in FY23.

On the other hand, the company's exploration and prospecting expenses reduced by nearly 34%.

However, its cost of finance increased to Rs7.14 billion in the year ended June 30, 2024, as compared to Rs4.72 billion in the same period last year, a jump of over 51%.

The higher finance cost during the period could be attributed to the rise in interest rates during the period.

OGDCL's share of profit in associates clocked in at Rs13.19 billion in FY24, compared to Rs10.54 billion in SPLY, an increase of over 25%.

OGDCL profit before tax clocked in at Rs293.79 billion in FY24, registering a decrease of over 23% year-on-year.

Consequently, the E&P paid lower taxes to the tune of Rs84.81 billion in FY24, as compared to Rs159.15 billion in SPLY, a decline of nearly 47%.

OGDCL was incorporated on 23 October 1997 under the Companies Ordinance, 1984. The company was established to undertake exploration and development of oil and gas resources, including production and sale of oil and gas and related activities formerly carried on by Oil and Gas Development Corporation, which was established in 1961.

OIL EDGES HIGHER ON MIDDLE EAST TENSIONS, STORM WORRIES

Reuters Published September 23, 2024

HOUSTON: Oil prices ticked up on Monday as investors worried about supply after tensions in the Middle East escalated and as the development of a tropical disturbance in the Gulf of Mexico shut in some production.

Brent crude futures for November were up 51 cents, or 0.6%, to $75 a barrel by 10:21 a.m. ET (1421 GMT). U.S. crude futures for November were up 65 cents, or 0.9%, at $71.65.

Israel attacked hundreds of Hezbollah targets on Monday in airstrikes which Lebanese health authorities said killed at least 182 people, making it the deadliest day in Lebanon in nearly a year of conflict between the Hezbollah and Israel.

After almost a year of war in Gaza, Israel is shifting its focus to its northern border, across which Hezbollah has been firing rockets in support of its ally Hamas.

Oil prices fall on mixed storage report

“More attacks from Israel on Lebanon spawn fear that Iran will become more involved which raises the probability of oil exports being at risk,” said Dennis Kissler, senior vice president of trading at BOK Financial.

Also threatening supply was a tropical disturbance near the Gulf of Mexico. Shell said on Sunday that it would shut production at its Stones and Appomattox facilities in the region as a precautionary measure.

Both oil benchmarks rose more than 4% last week, buoyed by the U.S. Federal Reserve’s decision to cut interest rates by 50 basis points and signal further cuts by end of the year.

Federal Reserve Bank of Chicago President Austan Goolsbee on Monday said he expects “many more rate cuts over the next year” as the U.S. central bank seeks a soft landing for the economy, where it controls inflation without crashing the labor market.

Keeping a lid on prices, however, was an unexpected and sharp contraction in euro zone business activity this month as the bloc’s dominant services industry flatlined while a downturn in manufacturing accelerated.

U.S. business activity was steady in September, but average prices charged for goods and services rose at the fastest pace in six months, potentially hinting at a pickup in inflation in the coming months.

China, the world's top oil importer, is meanwhile battling deflationary pressures, and struggling to lift growth despite a series of policy measures aimed at spurring domestic spending.

"Oil looks rangebound despite the uplift to risky asset prices from an outsized policy rate cut by the Fed last week," said Harry Tchilinguirian, head of research at Onyx Capital Group.

Markets – Rates

KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Monday (September 23, 2024).
========================== KIBOR...

Published about 5 hours ago

KARACHI: Kibor interbank offered rates on Monday (September 23, 2024).

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           KIBOR
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Tenor         BID      OFFER
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1-Week       17.34    17.84
2-Week       17.36    17.86
1-Month      17.28    17.78
3-Month      16.67    16.92
6-Month      15.96    16.21
9-Month      15.52    16.02
1-Year       15.09    15.59
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Data source: SBP

BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (September 23, 2024) .
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Recorder Report Published about 5 hours ago

KARACHI: BRIndex100 and BR Sectoral Indices on Monday (September 23, 2024) .

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BR INDICASE AT A GLANCE
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             BRINDEX100
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Day Close:                  81,850.50
High:                       82,463.05
Low:                        81,548.65
Net Change:                    223.95
Volume (000):                 162,999
Value (000):               13,868,201
Makt Cap (000)          2,530,775,000
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BR AUTOMOBILE ASSEMBLER
-------------------------------------
Day Close:                  17,022.70
NET CH                     (-) 176.05
-------------------------------------
BR CEMENT
-------------------------------------
Day Close:                   7,908.81
NET CH                      (-) 77.91
-------------------------------------
BR COMMERCIAL BANKS
-------------------------------------
Day Close:                  23,230.95
NET CH                     (+) 204.97
-------------------------------------
BR POWER GENERATION AND DISTRIBUTION
-------------------------------------
Day Close:                  17,716.61
NET CH                     (-) 910.68
-------------------------------------
BR OIL AND GAS
-------------------------------------
Day Close:                   7,467.32
NET CH                     (-) 184.40
-------------------------------------
BR TECH & COMM
-------------------------------------
Day Close:                   4,000.41
NET CH                      (-) 21.48
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As on:              23-September-2024
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These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

OPEN MARKET FOREX RATES

Updated at: 24/9/2024 8:03 AM (PST)

Currency	Buying	Selling
Australian Dollar	188	189.8
Bahrain Dinar	734.20	742.20
Canadian Dollar	207	209
China Yuan	38.25	38.65
Danish Krone	40.03	40.43
Euro	308.00	310.75
Hong Kong Dollar	35.68	36.03
Indian Rupee	3.34	3.45
Japanese Yen	1.93	1.99
Kuwaiti Dinar	900.65	910.15
Malaysian Ringgit	59.3	60.3
NewZealand $	169.34	171.34
Norwegians Krone	26.14	26.44
Omani Riyal	718.50	727.00
Qatari Riyal	76.44	77.14
Saudi Riyal	73.7	74.4
Singapore Dollar	201.85	203.85
Swedish Korona	26.15	26.45
Swiss Franc	328.70	331.50
Thai Bhat	7.55	7.7
U.A.E Dirham	75.45	76.2
UK Pound Sterling	368.25	371.9
US Dollar	279	280.7

INTER BANK RATES

Updated at: 24/9/2024 8:03 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	189.77	190.11
Canadian Dollar	204.88	205.25
China Yuan	39.83	39.90
Danish Krone	41.59	41.66
Euro	310.64	311.2
Hong Kong Dollar	35.80	35.86
Japanese Yen	1.9535	1.9571
Saudi Riyal	74.04	74.17
Singapore Dollar	215.07	215.46
Swedish Korona	27.51	27.56
Swiss Franc	328.34	328.93
Thai Bhat	8.40	8.42
UK Pound Sterling	369.34	370.01
US Dollar	277.75	278.25

GOLD RATE

Gold Price Today

As on Sun, Sep 22 2024, 21:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	234,365	273,074	728,970	
Palladium	XPD	85,802	99,974	266,880	
Platinum	XPT	87,499	101,950	272,156	
Silver	XAG	2,786	3,246	8,667	

Gold Price in Pakistan

As on Sun, Sep 22 2024, 21:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 273100	Rs. 250340	Rs. 238963	Rs. 204825
per 10 Gram	Rs. 234100	Rs. 214590	Rs. 204838	Rs. 175575
per Gram Gold	Rs. 23410	Rs. 21459	Rs. 20484	Rs. 17558
per Ounce	Rs. 663700	Rs. 608387	Rs. 580738	Rs. 497775

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	5,947	6,929	18,496	
Euro	EUR	755	880	2,348	
Japanese Yen	JPY	121,291	141,323	377,262	
Saudi Riyal	SAR	3,161	3,684	9,833	
U.A.E Dirham	AED	3,096	3,607	9,630	
UK Pound Sterling	GBP	633	738	1,969	
US Dollar	USD	843	982	2,622	