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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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FBR TRANSFORMATION PLAN, DIGITISATION: BUSINESS GROUPS, TAX COMPLIANT COS TAKEN ON BOARD

Sohail Sarfraz Published about an hour ago

ISLAMABAD: Chairman Federal Board of Revenue (FBR) Rashid Mahmood Tuesday took into confidence leading business groups and tax compliant companies on FBR transformation plan, digitization and action against non-filers and limitations on non-compliant taxpayers and existing filers, involved in mis-declarations or under-declarations.

In this regard, FBR Charmin gave a detailed presentation to leading business and trade groups at the FBR Headquarters on measures to convert the cash economy into the documented economy. The measures would also reduce the existing tax gap of Rs7.1 trillion. However, there was no discussion on agriculture tax or improving taxation from agriculture sector during this special meeting of the FBR.

The FBR has invited businessmen from all main industries to a briefing on the planned FBR transformation plan. Ali Pervez, the State Minister for Finance and Revenue, attended the meeting with senior tax managers and FBR Members. FBR Chairman Rashid Mahmood Langrial and Member Inland Revenue (Policy) Dr. Hamid Ateeq Sarwar gave presentation to the business community.

FBR Chairman said that FBR has no choice, but to end the menace of non-filling or nil-filing of returns. “Non-filer will not exist in our books or non-filers would be non-existent in future. There would be no concept of non-filers in future”, he added.

He categorically said that if the situation did not improve, it would be impossible for the government to collect taxes even with new tax measures. To increase tax-to-GDP ratio, drastic steps are being taken to reduce burden on existing taxpayers.

On the smuggling side, Chairman FBR said that the FBR will setup special focal points to check smuggling of non-customs duty paid vehicles and other smuggling-prone items at provincial borders. All provincial points would be linked with the digital databases of excise and taxation.

He said that the high tax rates would dissuade enterprises from staying in Pakistan, as has happened in the textile industry. He went on to say that high tax rates for the salaried class will force highly skilled individuals to leave Pakistan.

The FBR would establish disincentives for non-compliant taxpayers, beginning with registration and tying the availability of facilities such as investments and the creation of bank accounts to the filing of tax returns. There will be no monetary transactions, and the source will have to be established via different digital interventions.

The FBR chairman stated that non-filing is a fraud method that was established domestically. "We must do away with the concept of non-filers. There is agreement to eliminate this idea," the chairman stated, adding that the FBR will create extra facts to assess people's financial transactions. At the registrar's office, property transactions will be linked to two categories: eligible and ineligible.

In 2023, non-filers paid out Rs20 billion in tax. Moreover, FBR got more than Rs423 billion under withholding taxes which was unclaimed by any persons. This is a grey area which need to be traced and identified such people.

A presentation slide of FBR revealed Tiers of taxpayers based on the filed amounts, earning income more than Rs 10 million or income less than Rs 10 million etc. Based on these filed amounts, taxpayers would be able to purchase motor vehicles, purchase immovable properties or make investment in securities, mutual funds and money market instruments or operate bank account except Assan Account and also specified per person annual cash deposit/withdrawal limit (Rs 30 million per year).

The reforms will include a cap on cash cheques issuance. The FBR will provide information to all banks based on people's declared incomes in tax returns and construct a specific limit; any crossing of that red line for financing transactions will be reported to FBR. This system will be in place in a few months.

Tax authorities informed the business community that the existing situation has resulted in an Rs7.1 trillion tax gap in fiscal year 2004, which has become chronic and must be reduced.

During the special meeting of business leaders at the FBR headquarters, FBR Chairman further said that the main difficulty for customs enforcement is smuggling, which has surpassed Rs750 billion in volumes. Smuggled petroleum goods alone account for Rs500 billion of this total smuggling in the country. A comparable cost arises from the pilferage of Afghan transit trade cargos in the domestic market.

He said that the FBR is engaging in data mining and using artificial intelligence for broadening the tax base.

Patron-in-Chief Khurram Mukhtar suggested that a comprehensive mapping of the manufacturing landscape across the country and all sectors should be conducted through both digital and desktop surveys. This process will enable us to gather sectoral data on capacities, output, and the nature of businesses, which is essential for informed decision-making and accurate assessment of tax potential.

There is a need to distinguish between compliant and non-compliant taxpayers. Compliant taxpayers will get all benefits, and the compliance base will expand, resulting in rate decreases.

The meeting was informed about the potential tax gap in 20 sectors. The biggest tax gap was reported about textile at Rs700 billion, followed by Rs100 billion in cement sector. However, the textile association representatives did not agree with the calculations of the FBR regarding tax gaps.

One of the participants recommended to FBR the proper implementation of current legislation. However, many businesspeople attributed the majority of the suggested actions in the FBR reform plan to the government's political determination to lower the cash economy and tax gap.

A textile representative has advised the FBR to adequately educate the public about the proposed measures. He stated that the FBR should not act hastily and that any changes should be adequately communicated to citizens.

EXEMPTION OF LOCAL SCRAP FROM SALES TAX: DELAY IN IMPLEMENTATION CAUSING OVER RS 5BN REVENUE LOSS PER MONTH

Sohail Sarfraz Published September 25, 2024 Updated about an hour ago

ISLAMABAD: The delay in implementation of a key budgetary measure (2024-25) to exempt local scrap from sales tax has resulted in the practice of flying invoices, causing revenue loss of over Rs 5 billion per month.

In a communication to Senator Saleem Mandviwalla, Chairman Senate’s Standing Committee on Finance, Pakistan Association of Large Steel Producers have highlighted inordinate delays in resolving critical issues of steel industry resulting in huge revenue loss to the national kitty.

Pakistan Association of Large Steel Producers (PALSP) is struggling and knocking every door for the resolution of the most critical issues of the steel industry. However, due to inordinate delays on the part of the concerned authorities, not only steel industry is bleeding but also the government is losing billions and billions in revenue.

As a result of PALSP’s struggle spread at over one year, the government took excellent decision through budgetary amendment and exempted the local scrap from levy of sale tax. The amendment was proposed by the steel sector to curb the menace of flying invoices in steel sector. The expected benefit of the said amendment for the national exchequer is to net an additional revenue of Rs 40 to Rs 50 billion annually. As a result of the inordinate delay in enforcement of this budgetary decision the practice of flying invoices is still not under control and government is losing nearly over 5 billion per month.

The documented steel sector has also highlighted an enabling amendment made in Export Facilitation Scheme- (Draft Amendments SRO 1069 (I)/2024). As a result of association’s working/ struggle of 20 months with FBR the amendment in EFS rules to exclude value of wastage/iron and steel remeltable scrap from value of input goods for value addition purpose was issued by FBR vide SRO1069(I)/2024. However, it was disappointing that the draft or the proposed amendments were not in line with the protracted discussions held between steel industry and FBR/Customs authorities.

The leading players of steel industry players have diversified into exports of copper to China and this segment has emerged as the 5th largest exporting sector in few years. Unfortunately, due to long delays in resolving this issue, exports of copper crashed last year from US$1,113 million in 2022-23 to US$713 million in 2023-24 (Massive 36% reduction in just one year). In case of better facilitation; fast pace resolution of irritants, exports of copper to China could be increased to several billion US$ in a short span of time. This is an opportunity for our country to boost exports of copper to China. If this situation continues due to indecision; delays on the part of FBR authorities, this will result in loss of a big exporting opportunity for the country which is badly in need of increasing exports.

The steel industry has requested the committee to summon all relevant authorities/departments/ministries for the earliest resolution of the said issue. This will not only help the struggling steel industry but would also help in massive increase of our exports as well as in government revenues, it added.

SRB SEALS POPULAR EATERY FOR 'TAX EVASION'

Recorder Report Published 36 minutes ago

KARACHI: The Sindh Revenue Board (SRB) has taken decisive action against a popular eatery in Karachi's upscale Clifton area for alleged tax evasion and non-compliance with e-invoicing regulations.

On Tuesday, SRB officials sealed the premises of Alaska Restaurant, located in Clifton Block-4, citing persistent violations of sales tax laws and e-invoicing rules. The restaurant, which had been integrated into SRB's Point of Sale (POS) e-invoicing system, reportedly failed to utilise the system properly and suppressed sales information, resulting in significant losses to the provincial exchequer.

According to the SRB, the restaurant had been issued multiple warnings to adhere to the prescribed tax regulations. Despite repeated directives to comply with the law, Alaska Restaurant continued to engage in non-compliant activities, including failure to file mandatory tax returns, which led to

the restaurant's sealing, it stated.

The Board has warned that similar enforcement actions will be taken against other establishments found violating tax laws, particularly those failing to issue SRB-prescribed POS tax invoices to customers.

FBR INTRODUCES NEW REFUND SYSTEM FOR EXPORTERS FROM OCT 1

September 25, 2024

ISLAMABAD: September 26, 2024 — To boost the export industry, the Federal Board of Revenue (FBR) has officially introduced a new, fast-tracked sales tax refund system for exporters, effective from October 1, 2024.

According to a notification issued by the FBR, the updated “FASTER” system will allow all categories of exporters to receive their sales tax refunds within 72 hours, providing much-needed liquidity to the sector.

Previously, the FASTER system was limited to five leading export-oriented sectors, namely textiles, carpets, leather, sports goods, and surgical instruments. However, this restriction has now been lifted, enabling all exporters to benefit from this accelerated refund process. The decision marks a major step forward in facilitating the broader export community in Pakistan and enhancing the ease of doing business.

The change was enacted through Statutory Regulatory Order (SRO) 1507 (I)/2024, which amends the Sales Tax Rules, 2006. Under the new regulations, exporters can now expect prompt payment of refunds for tax periods starting from July 2019 onward, and for all refund claims submitted from October 1, 2024. This broadening of scope will likely ease cash flow concerns for businesses across a range of industries by ensuring faster access to their due refunds.

The new procedure extends to all types of exporters, encompassing both manufacturers and commercial exporters. A key feature of the update is that commercial exporters will need to provide an export proceeds realization certificate or bank credit advice to process their refund claims.

While the FASTER system remains the primary channel for quick refunds, claims that do not meet the necessary criteria will be processed through the Sales Tax Automated Refund Repository (STARR) system. This dual mechanism is designed to ensure that all legitimate refund claims are processed efficiently, even if they are not eligible for the expedited FASTER channel.

Another notable amendment involves the treatment of refunds for goods supplied at zero-rate. According to the FBR, the refund in such cases will be restricted to the input tax paid on purchases or imports that are actually consumed in the manufacturing of the goods. This move aims to streamline and clarify the refund process for zero-rated supplies, offering greater transparency and precision in the tax system.

This expansion of the FASTER system to all exporters is expected to provide a significant boost to Pakistan’s export sector, improving cash flow and enhancing competitiveness in international markets. The FBR’s focus on improving tax refund processes reflects its commitment to supporting the country’s economic growth and bolstering its export potential.

SRB SEALS RENOWNED RESTAURANT IN CLIFTON FOR NON-COMPLIANCE

September 24, 2024

Karachi, September 24, 2024 – The Sindh Revenue Board (SRB) has taken decisive action against a prominent restaurant in Karachi for its continued non-compliance with Sindh sales tax laws.

The SRB has sealed the premises of M/s Alaska Restaurant, located in Clifton Block-4, citing violations of the rules related to e-invoicing and tax filing obligations.

In a statement released on Tuesday, the SRB confirmed that Alaska Restaurant had been found persistently failing to adhere to the regulations surrounding the Sindh Sales Tax (SST) despite its integration with the SRB's Point of Sale (POS) e-invoicing system. The restaurant allegedly failed to file the prescribed tax returns and was involved in suppressing sales, leading to a significant loss in SST revenue.

The SRB highlighted that it had issued multiple warnings to the restaurant, urging it to comply with the tax laws and avoid penalties. However, despite these repeated warnings, Alaska Restaurant continued its non-compliant behavior, leaving the SRB with no choice but to take enforcement action. The restaurant's non-compliance constitutes offenses punishable under Sindh sales tax laws.

As a result, the SRB officers sealed the premises of the restaurant, and further actions are expected to be taken in accordance with the legal provisions. The SRB emphasized that this step was necessary to enforce tax compliance and prevent revenue loss that directly impacts the provincial economy.

This sealing action serves as a reminder of the SRB's ongoing efforts to ensure that businesses, especially those in the hospitality sector, comply with the legal requirements to issue proper SRB-prescribed POS tax invoices to their customers. These invoices are crucial for ensuring transparency and accurate reporting of sales, which in turn contributes to the collection of the SST.

The SRB has warned that similar enforcement actions will continue against other restaurants and businesses that fail to meet their legal tax obligations. The Board has stressed the importance of compliance in maintaining a fair and transparent business environment, especially as it pertains to the hospitality sector, which is a key contributor to provincial revenue.

This action underscores the SRB's commitment to upholding tax laws and ensuring that businesses operate within the legal framework, thus contributing their fair share to the Sindh treasury.

FBR ISSUES REVISED TAX GUIDELINES FOR AOPS IN TAX YEAR 2024-25

September 24, 2024

Karachi, September 24, 2024 – The Federal Board of Revenue (FBR) has introduced revised tax guidelines for Associations of Persons (AOPs) for the tax year 2024-25, aimed at clarifying the principles of taxation under Section 92 of the Income Tax Ordinance, 2001.

The updated guidelines focus on how AOPs will be taxed separately from their members and provide important details regarding exemptions and company-specific rules.

According to the FBR, Section 92 outlines that an AOP will be liable to tax independently from its members. If the AOP pays tax, the income received by its members from the AOP will be exempt from further taxation. However, this exemption comes with several important conditions and exclusions.

One significant provision is that if any member of the AOP is a company, the company's share in the AOP's income will not be included in the total income of the AOP for tax purposes. Instead, the company will be taxed separately according to the corporate tax rate applicable to its share of income. This ensures that companies participating in AOPs are taxed fairly and according to corporate tax structures, while other AOP members can still benefit from the tax exemptions.

Another key update in the guidelines addresses AOPs with large turnovers. Specifically, if an AOP has a turnover of 300 million rupees or more during the current tax year or any of the preceding tax years, the income received by the members will not be exempt unless the AOP submits audited financial statements. These financial statements must be filed by a firm of Chartered Accountants or Cost and Management Accountants, as defined under their respective ordinances.

The FBR further clarified that if the AOP's income is fully exempt from tax under other provisions of the Income Tax Ordinance, the share received by the members in their capacity as AOP members will also remain exempt, reinforcing the principle of no double taxation on the same income.

These revised guidelines for AOPs seek to streamline the tax filing process and ensure greater transparency, especially for large-scale AOPs and those involving corporate entities. The FBR has emphasized the importance of timely submission of financial statements to avoid any loss of exemptions and to remain compliant with the new regulations.

By issuing these updated tax rules, the FBR aims to foster a more structured approach to AOP taxation while maintaining fairness and clarity in the taxation of both individuals and corporate members involved in such associations.

FBR, IRANIAN AMBASSADOR DISCUSS MEASURES TO BOOST TRADE

September 24, 2024

Islamabad, September 24, 2024 – In a significant move to enhance trade relations between Pakistan and Iran, the Ambassador of Iran to Pakistan, H.E. Dr. Reza Amiri Moghaddam, met with Chairman Federal Board of Revenue (FBR), Rashid Mahmood Langrial, at the FBR headquarters Tuesday.

The meeting focused on discussing various matters concerning customs, cross-border trade, and the management of trade flows to ensure the smooth facilitation of economic activities between the two neighboring countries.

During the meeting, both sides underscored the need to resolve key issues hindering the growth of bilateral trade, with particular emphasis on removing trade “irritants” that have impeded the full realization of economic potential. The officials expressed optimism about boosting economic cooperation through collaborative efforts, which will not only strengthen ties between Iran and Pakistan but also enhance regional economic integration.

The discussion revolved around the vital role that customs procedures play in promoting or hindering cross-border trade. Both Pakistan and Iran are keen to simplify these processes and eliminate bottlenecks that slow down the movement of goods and services across their shared border. To this end, the two sides agreed to form a joint sub-committee, which will be tasked with delving deeper into customs-related issues and proposing solutions aimed at streamlining procedures for traders on both sides.

This sub-committee will comprise technical experts from both countries, who will work collaboratively to identify and address the key challenges that businesses face. The sub-committee will focus on modernizing customs protocols, improving infrastructure at border crossings, and ensuring transparency and efficiency in trade transactions. The objective is to ensure a smoother, faster flow of goods, which could stimulate greater economic activity and open new avenues for trade between the two countries.

Both officials expressed their commitment to building upon the strong foundation of brotherly relations that already exist between Pakistan and Iran. They reiterated the importance of bilateral trade in fostering mutual economic growth and agreed that concerted efforts were needed to address challenges and maximize trade potential.

This meeting comes at a critical juncture as both countries seek to expand their economic ties. The agreed-upon measures, if implemented, could not only address longstanding customs issues but also serve as a catalyst for boosting regional trade and cooperation.

FBR EXTENDS COLLECTION TIMINGS FOR PAKISTAN CUSTOMS TO BOOST REVENUE

September 24, 2024

Karachi, September 24, 2024 – In a strategic move to address revenue shortfalls, the Federal Board of Revenue (FBR) has extended collection timings for Pakistan Customs, aiming to generate additional revenue through enhanced duty and tax collection.

This decision comes as the FBR ramps up efforts to meet its targets for the first quarter of the fiscal year, which ends on September 30, 2024.

In an official communication circulated to all customs stations across the country, the FBR directed that Pakistan Customs' field formations will remain open on Saturday and Sunday, September 28 and 29, 2024, ensuring uninterrupted collection of duties and taxes over the last three days of the quarter. Additionally, the working hours have been extended for these days, with offices remaining open until 10 PM on September 28 and 29, and extending further until midnight on September 30.

The FBR's decision is seen as part of its broader strategy to plug revenue gaps as it faces a critical shortfall in collections. By allowing Pakistan Customs to operate beyond standard hours, the government hopes to tap into the significant amounts of customs duties and taxes that are typically collected at the end of each quarter, especially from the import and export sectors.

In tandem with the extended hours, the FBR has also directed customs officials to ensure the same-day transfer of collected revenue to the State Bank of Pakistan (SBP). To facilitate this, the chief collectors of Pakistan Customs have been instructed to establish a direct liaison with the SBP and authorized branches of the National Bank of Pakistan (NBP), ensuring the swift transfer of funds. This coordination is crucial for streamlining the process and ensuring that the collected revenue is deposited into government accounts without delay.

The move reflects the FBR's focus on accelerating revenue collection to meet the national fiscal targets, which are critical for maintaining economic stability. The extension of collection hours is likely to benefit industries that rely heavily on import and export activities, as it ensures that their goods can be cleared without delays over the weekend. Businesses have also welcomed the decision, as it provides them with additional flexibility to complete customs procedures before the quarter ends.

With the extended operating hours, the FBR hopes to maximize collections and make significant headway in addressing the revenue shortfall, while ensuring smooth and efficient tax administration through Pakistan Customs.

Markets » Cotton & Textile

COTTON SPOT RATES

Recorder Report Published about an hour ago

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Tuesday, (September 24, 2024)

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===========================================================================
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    Upcountry    Spot rate    Spot rate     Difference
                       for       price      Ex-Karachi  ex. Khi. as    Ex-karachi
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				on 23-09-2024	
37.324 KG	18,700	235	18,935	18,935	NIL
Equivalent					
40 KGS	20,041	252	20,293	20,293	NIL

HECTIC TRADING ACTIVITY ON COTTON MARKET

Recorder Report Published about an hour ago

LAHORE: The local cotton market on Tuesday remained bearish and the trading volume remained satisfactory.

Cotton Analyst Naseem Usman told Business Recorder that the rate of cotton in Sindh is in between Rs 17,900 to Rs 18,200 per maund. The rate of Phutti in Sindh is in between Rs 7,000 to Rs 8,200 per 40 kg.

The rate of cotton in Punjab is in between Rs 18,800 to Rs 19,200 per maund. The rate of Phutti in Punjab is in between Rs 7,000 to Rs 9,000 per 40 kg.

The rate of cotton in Balochistan is in between Rs 17,900 to Rs 18,100 per maund. The rate of Phutti in Balochistan is in between Rs 7,200 to Rs 8,700 per 40 kg. The rate of Balochi Cotton is in between Rs 19,900 to Rs 20,200 per maund.

Naseem also said that buyers seem to be more active in Sindh as the quality is improving gradually whereas the rate difference is Rs 1000/- compared to Punjab. A few buyers are buying from Punjab as per their quality requirements yet the market appears to be soft in Punjab as the prevalent prices are not feasible for the mills. The arrival is getting better day by day.

5200 bales of Tando Adam were sold in between Rs 18,200 to Rs 18,500 per maund, 3200 bales of Shahdad Pur were sold in between Rs 18,300 to Rs 18,500 per maund, 3600 bales of Sanghar were sold in between Rs 18,100 to Rs 18,500 per maund, 1200 bales of Shah Pur Chakar were sold in between Rs 18,300 to Es 18,500 per maund, 800 bales of Khadro were sold in between Rs 18,400 to Rs 18,500 per maund, 800 bales of Hyderabad were sold in between Rs 18,000 to Rs 18,350 per maund, 800 bales of Mir Pur Khas were sold in between Rs 18,000 to Rs 18,300 per maund, 400 bales of Kotri were sold at Rs 18,000 per maund, 200 bales of Jhole were sold at Rs 18,050 per maund, 2200 bales of Khair Pur were sold in between Rs 18,200 to Rs 18,300 per maund, 1200 bales of Rohri were sold in between Rs 18,200 to Rs 18,300 per maund, 2200 bales of Saleh Pat were sold in between Rs 18,000 to Rs 18,400 per maund, 1400 bales if Fort Abbas were sold in between Rs 19,400 to Rs 19,500 per maund, 600 bales of Chistian were sold at Rs 19,500 per maund, 600 bales of Shujaabad were sold in between Rs 19,200 to Rs 19,500 per maund, 800 bales of Khanewal were sold at Rs 19,500 per maund, 1600 bales of Lodhran, 1200 bales of Yazman Mandi, 600 bales of Mianchannu 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, 800 bales of Layyah were sold in between Rs 18,700 to Rs 19,000 per maund, 400 bales of Burewala were sold in between Rs 19,300 to Rs 19,500 per maund, 600 bales of Vehari were sold in between Rs 18,800 to Rs 19,200 per maund, 400 bales of Hasil Pur, 200 bales of Muridwala, 200 bales of Gojra and 200 bales of Pir Mehal were sold at Rs 19,200 per maund.

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

Stock & Commodity

KSE-100 POSTS HIGHEST-EVER EARNINGS OF RS1.7TRN

Recorder Report Published about an hour ago

KARACHI: The KSE-100 index companies posted highest-ever earnings of Rs 1.7 trillion up 25 percent on year-on-year basis in FY24 as compared to Rs 1.3 trillion in FY23.

In the USD terms, the profit after tax (PAT) of these companies increased by 10 percent YoY to $5.8 billion in FY24.

This growth in earnings is majorly contributed to by Banking Sector (35 percent YoY), Fertilizer sector (75 percent YoY), and Cements (38 percent) in FY24, a research report of Topline Securities said.

Banking sector’s earnings increased by 35 percent YoY to Rs 591 billion (36 percent of the total KSE-100 index profitability) in FY24, primarily driven by higher Net Interest Income (NII) amid higher interest rates, the report said.

Similarly profitability of the Fertilizer sector increased by 75 percent YoY to Rs 168 billion (10 percent of total KSE-100 index profitability) in FY24, amid higher Urea and DAP offtake by 2.0 percent and 40 percent along increased Urea and DAP prices by 59 percent and 9.0 percent, respectively, it added.

Cement sector’s earnings surged to Rs 115 billion up 38 percent YoY in FY24 mainly due to higher retention prices along with lower coal cost despite lower local offtake.

Other sectors like Chemicals, Engineering, Refinery, and recorded decline in earnings during FY24 with profitability decline of 38 percent YoY, 27 percent YoY, and 25 percent YoY, respectively. Technology Sector reported loss of Rs 5.7 billion in FY24 primarily led by losses of Pakistan Telecommunication Company (PTC).

Pharmaceutical sector witnessed a 71 percent YoY growth in profitability to Rs 10 billion, compared to Rs 6.0 billion in FY23, primarily due to an improvement in margins following the deregulation of non-essential products and a decline in finance costs.

In the fourth quarter of FY24, profitability of KSE-100 companies increased by 8.0 percent YoY to Rs 367 billion. "For our analysis, we have taken 86 companies out of the total 100 companies (that have announced their results), which represents 95 percent of KSE-100 market capitalization. We estimate that adding remaining companies of Index would not materially impact profitability growth trend," the report said.

The KSE-100 index companies announced cash dividend of Rs 666 billion (up 30 percent YoY) in FY24 compared to Rs 512 billion in FY23.

This translates into 40 percent dividend payout in FY24 against 39 percent last year in FY23. Payout ratio of the E&Ps sector increased to 27 percent in FY24, compared to 21 percent in FY23, following an improvement in cash recovery of companies due to the increase in gas prices. Banking Sector's payout ratio also rose from 42 percent in FY23 to 47 percent in FY24, amid record profitability.

Banking sector remained the largest contributor with dividend announced of Rs 278 billion in FY24 followed by E&Ps (Rs 118 billion), and Fertilizers (Rs 90 billion).

United Bank (UBL) remained the largest contributor in Baking sector with contribution of Rs 54 billion followed by Meezan Bank (MEBL) of Rs 48 billion and MCB Bank (MCB) of Rs 41 billion.

Within E&P sector, Oil & Gas Development Company (OGDC) announced dividend of Rs 43 billion, followed by Pakistan Oil Fields (POL) of Rs 27 billion, Mari Petroleum (MARI) of Rs 31 billion and Pakistan Petroleum (PPL) of Rs 16 billion.

In Fertilizer sector, Engro Fertilizers (EFERT) remained the largest contributor of Rs 33 billion followed by Fauji Fertilizer (FFC) of Rs 30 billion, Engro Corporation (ENGRO) of Rs 13 billion, Fatima Fertilizer (FATIMA) of Rs 11.5 billion and Fauji Fertilizer Bin Qasim (FFBL) of Rs 1.3 billion.

In Power sector, Hub Power (HUBC) announced cash dividend of Rs 26 billion followed by Kot Addu Power (KAPCO) of Rs 7.5 billion FY24. In Food & Personal Care, Colgate-Palmolive (COLG) remained the largest contributor of Rs 14 billion followed by Nestle Pakistan (NESTLE) declared dividend of Rs 8.3 billion. Unilever Pakistan Foods (UPFL) also announced the dividend of Rs 7.0 billion in FY24.

In Chemical sector, Lucky Core Industries (LCI) declared a dividend of Rs 5.5 billion followed by Engro Polymer (EPCL) of Rs 3.0 billion and Lotte Chemical (LOTCHEM) of Rs 2.3 billion.

WALL ST INCHES HIGHER AS MINERS SHINE

Reuters Published about an hour ago

NEW YORK: Wall Street's main indexes inched higher on Tuesday, with mining stocks in the lead after China unveiled a sweeping stimulus package, while concerns of a weaker economy and uncertainty over the Federal Reserve's next policy move limited gains.

The indexes initially pared gains after a Conference Board report showed US consumer confidence unexpectedly fell in September amid mounting worries over the health of the labor market.

Market pricing for the Fed's November decision now favors another 50 basis point cut, from a coin toss earlier, as per the CME Group's FedWatch Tool.

"We got a little bit of cold water with the consumer confidence number this morning that might add to concerns the Fed may have been a little late," said Michael James, senior vice president of equity trading at Wedbush Securities.

The S&P 500 and the blue-chip Dow were hovering near record highs, and were set for monthly gains after the Fed's outsized rate cut sparked a market rally, and was backed by a number of Fed policymakers.

The Dow Jones Industrial Average rose 9.72 points, or 0.02%, to 42,134.37, the S&P 500 gained 6.16 points, or 0.12%, to 5,725.17 and the Nasdaq Composite gained 76.13 points, or 0.42%, to 18,050.40.

Six out of the 11 S&P 500 sectors trended downwards, although material stocks outperformed peers with a 1.1% rise.

Metal prices got a boost after the world's second-largest economy, China, unveiled its biggest stimulus since the pandemic to pull the economy out of its deflationary funk.

Copper and lithium miners rose. Freeport-McMoRan added 7%, Southern Copper rose 6.5%, Albemarle advanced 3% and Arcadium climbed 3.8%.

US-listed shares of Chinese firms such as Alibaba rose 6.7%, PDD Holdings added 10.2% and Li Auto advanced 8.4%, tracking gains in the domestic market.

"China's moves to stimulate their economy are going to add optimism to companies doing extensive business in China and you're seeing that reflected in some of those stocks," James said.

Megacap stocks were mixed, with Nvidia gaining 3.5%, while Microsoft lost over 1%. The broader technology sector rose 0.9%.

The Philadelphia SE Semiconductor was up 1.7% as most chip stocks such as Qualcomm and Intel rose 1.8% each.

Meanwhile, Fed Governor Michelle Bowman cautioned that key inflation measures remained “uncomfortably above” the Fed’s 2% target, warranting caution as the Fed proceeds with cutting interest rates.

For the week, weekly jobless claims and personal consumption expenditure data will remain in focus.

Among stocks, Visa lost 4% after a report showed the US Department of Justice plans to file a lawsuit against the payments network operator, alleging that it illegally monopolized the country’s debit card market.

It weighed on the financial sector that slipped 1%.

Advancing issues outnumbered decliners by a 1.38-to-1 ratio on the NYSE and by a 1.13-to-1 ratio on the Nasdaq.

The S&P 500 posted 52 new 52-week highs and no new lows, while the Nasdaq Composite recorded 76 new highs and 69 new lows.

EUROPEAN SHARES END HIGHER AS MARKETS CHEER CHINA’S STIMULUS PLANS

Reuters Published about an hour ago

FRANKFURT: European shares ended higher on Tuesday, with China-exposed firms such as luxury giants and automakers at the helm of gains after China’s central bank unveiled broad stimulus measures to aid its ailing economy.

The pan-European STOXX 600 index closed 0.7% higher. The stand out regional performer with a 1.3% jump was France, which is home to a host of luxury brands.

China’s central bank announced broad monetary stimulus and property market support measures to revive an economy grappling with strong deflationary pressures and in danger of missing this year’s growth target.

“Today’s announcement has helped lift confidence, it will also support household consumption and ease debt servicing pain,” economists at TS Lombard wrote in a note led by chief China economist Rory Green.

“But (it’s) insufficient to put a floor under the property market and wider economy. A substantial nominal growth slump is baked in.” A gauge of European luxury firms, which rely heavily on Chinese consumer spending, were the biggest boost on the index, rising 2.5%.

LVMH added 3.2%, while Cartier-owner Richemont also gained 4.1%. Basic resources led gains amongst the major STOXX sectors, jumping 4.4%, its biggest single-day gain in over 22 months, as base metal prices advanced on improving China demand prospects.

Other China-exposed sectors such as autos and industrials also gained 1.1% and 0.6%, respectively.

Most local bourses ended higher, though UK's FTSE 250 midcap index slipped 0.4%, bogged down by a 6.3% fall in homeware retailer Dunelm after its top shareholder, and his private investment firm sold a 4.9% stake in the company.

On the data front, German business morale fell for a fourth straight month in September and by more than expected, a survey showed, adding to signs that the euro zone's biggest economy may have tipped into recession.

Germany's leading economic institutes have downgraded their forecast for 2024 and now see the economy shrinking by 0.1%, people familiar with the figures from the autumn joint economic forecast told Reuters.

Later this week, rate decisions in Switzerland and Sweden will also be on investors' radar.

Among individual stock moves, UK engineering firm Smiths Group lost 5.2% after its annual profit missed estimates.

Saab dipped 9.3% after BofA Global Research cut its rating on the Swedish defence firm to "neutral" from "buy".

CHINESE MARKETS RALLY AFTER BEIJING PLEDGES TO SLASH RATES

Reuters Published about an hour ago

SINGAPORE: Chinese stocks posted their best day in years on Tuesday, the yuan jumped and bonds rallied briefly after Beijing announced a slate of support measures including rate cuts and fresh funding for equity purchases, in a bid to prop up the ailing economy.

In a closely watched press conference on Tuesday, the People's Bank of China (PBOC) unveiled its biggest stimulus since the pandemic - a move which breathed new life into beaten-down Chinese stocks and boosted the yuan to a 16-month high.

China's CSI300 blue-chip index ended the day 4.3% higher, its largest daily percentage gain since March 2022, while the Shanghai Composite Index surged 4.2%, the most since July 2020.

Hong Kong's Hang Seng Index topped the 19,000 level for the first time since May 28 and closed up 4.1%.

The gains came after PBOC Governor Pan Gongsheng said earlier in the day that the central bank will cut banks' reserve requirement ratio (RRR) by 50 basis points and the seven-day reverse repo rate by 0.2 percentage point to 1.5%, to inject more liquidity into the economy and lower borrowing costs.

That would in turn see the country's medium-term lending facility (MLF) lowered by 0.3 percentage point. The loan prime rate (LPR) is also set to be reduced by about 0.2 to 0.25 percentage point, though Pan did not specify when the moves will take effect.

"The market reaction so far, I think is positive," said Khoon Goh, head of Asia research at ANZ, "The package of measures so far, I would say, is probably larger than what market was expecting."

Cuts to existing mortgage rates also lifted shares of property firms, as mainland-listed property stocks climbed 1.7%. Hong Kong's Hang Seng Mainland Properties Index closed up more than 5%.

Elsewhere, Chinese bonds rallied in an initial knee-jerk reaction to the larger-than-expected rate cuts, though pared gains over the course of the day as investors took profits.

The benchmark 10-year government bond yield dropped to a low of 2%, before trading roughly 6 basis points higher at 2.065%. Bond yields move inversely to prices.

Treasury futures on 30-year bonds for December delivery hit a record high early in the session and were last down roughly 1%.

Also fuelling the surge in stocks was news that China will roll out two structural monetary policy tools for the first time to boost the country's capital market.

NIKKEI POSTS 3-WEEK CLOSING HIGH ON WALL ST STRENGTH

Reuters Published about an hour ago

TOKYO: Japan's Nikkei share average rose on Tuesday to a three-week closing high as markets resumed trade after a long holiday weekend, with Wall Street's overnight gains and the Bank of Japan's dovish comments last week lifting investor sentiment.

The Nikkei ended 0.57% higher at 37,940.59, its highest close since Sept. 3. The index rose as much as 1.9% to 38,427.15 earlier in the session, crossing the 38,000 level for the first time since Sept. 4.

Japanese markets were closed on Monday for a holiday.

US stocks closed modestly higher on Monday as investors assessed whether a trend would develop in the week following the Federal Reserve's rate cut.

The BOJ kept interest rates steady on Friday and its governor said the central bank could afford to spend time eyeing the fallout from global economic uncertainties, signalling it was in no rush to raise borrowing costs further.

"Expectations that the US economy will make a soft landing have risen after the Fed's 50 basis-point rate cut," said Shuutarou Yasuda, a market analyst at Tokai Tokyo Research Institute.

"And, BOJ Governor (Kazuo) Ueda sounded more dovish on Friday than his remarks after the previous policy meeting, which was positive for the stock market." Ueda reiterated his stance on Tuesday that the central bank was in no rush to raise interest rates further.

US STOCKS OPEN HIGHER AFTER CHINA STIMULUS

AFP Published September 24, 2024

NEW YORK: Wall Street stocks opened higher Tuesday, lifting major indices to fresh record territory after China announced steps to stimulate its economy.

China said it would cut the reserve requirement ratio, which dictates the amount of cash banks must hold in reserve, and lower the interest rate of existing mortgage loans.

The moves are the latest stimulative measure by central bankers following interest rate cuts by the Federal Reserve, the European Central Bank and others.

About 10 minutes into trading, the Dow Jones Industrial Average was up 0.1 percent at 42,167.41.

Wall Street edges higher with focus on Fed speakers, economic data

The broad-based S&P 500 also added 0.1 percent at 5,723.56, while the tech-rich Nasdaq Composite Index advanced 0.3 percent to 18,030.63.

Both the Dow and S&P 500 finished at fresh records on Monday, extending a buoyant period anticipating and applauding the Fed's policy pivot.

The Conference Board is set to release consumer confidence data later Tuesday, offering a fresh reading of the economic health of the US population.

MOST GULF MARKETS GAIN IN LINE WITH OIL, ASIAN SHARES

Reuters Published September 24, 2024

Most major stock markets in the Gulf rose in early trade on Tuesday in line with oil prices and Asian shares buoyed by broad stimulus measures from China, although geopolitical tensions in the region limited gains.

Oil prices - a catalyst for the Gulf's financial markets -rose on news of monetary stimulus from top importer China and concerns that tensions in the Middle East could hit regional supply, while a major hurricane loomed over the United States, the world's biggest crude producer.

China's central bank unveiled its biggest stimulus since the pandemic to pull the economy out of its deflationary funk and back towards the government's growth target, but analysts warned more fiscal help was vital to hit these goals.

Saudi Arabia's benchmark index advanced 0.7%, with aluminium products manufacturer Al Taiseer Group rising 0.9%.

Elsewhere, oil giant Saudi Aramco gained 0.4%.

Most Gulf markets extend gains on rate cuts; regional tensions weigh

Dubai's main share index added 0.6%, with toll operator Salik Co jumping 3.5%.

In Abu Dhabi, the index edged 0.1% higher.

Israel's military said on Tuesday it struck dozens of Hezbollah targets in southern Lebanon overnight, a day after it launched a wave of airstrikes against the Iran-backed group's sites in Lebanon's deadliest day in decades.

Hezbollah on Tuesday morning said it had attacked several Israeli military targets, including an explosives factory 60 km (37 miles) into Israel, with the Fadi series of rockets.

The Qatari benchmark fell 0.2%, hit by a 0.3% fall in the Gulf's biggest lender Qatar National Bank.

LONDON SHARES JUMP AS CHINA STIMULUS LIFTS MINING, LUXURY STOCKS

Reuters Published September 24, 2024

UK stocks rose on Tuesday tracking global gains, as markets cheered fresh stimulus measures in China that lifted shares of miners and luxury-focused retailers.

At 0715 GMT, the blue-chip FTSE 100 was up 0.5%, while the more domestically-focused FTSE 250 midcap index advanced 0.3%.

Regulators in China unveiled broad stimulus measures, including rate cuts and moves aimed at reviving the stock market, in an attempt to spark growth in the country's faltering economy.

Equities rose globally following the announcement, soothing some concerns about the impact of a slowdown in the world's second-largest economy.

London-listed industrial miners jumped 5% to a nearly one-month high, as metal prices rose on expectations of higher demand.

Shares of miners Anglo American, Antofagasta and Glencore rose between 4.5% and 5.8%.

London stocks jump after Fed rate cut; BoE policy verdict eyed

Burberry gained 3.7%, rising along with other European luxury companies, buoyed by hopes of demand revival in the Chinese market.

Elsewhere, Bank of England Governor Andrew Bailey said in an interview published Tuesday that he was “very encouraged” by the downwards path of inflation and that interest rates were gradually heading lower.

Smiths Group fell 6.3% after the engineering group announced acquisitions of two North American companies, while posting a slight miss in its annual profit.

Dunelm dipped 6%, after top shareholder Will Adderley and his private investment firm sold a nearly 5% stake in the homeware retailer, according to bookrunner Barclays.

Investors’ focus would also be on UK Prime Minister Keir Starmer speaking to a Labour Party annual conference, a day after Finance Minister Rachel Reeves ruled out a return to economic austerity.

EUROPEAN SHARES JUMP ON CHINA STIMULUS; LUXURY STOCKS SHINE

Reuters Published September 24, 2024

European shares opened higher on Tuesday, as China’s sweeping stimulus measures boosted stocks of luxury companies and miners.

The pan-European STOXX 600 index gained 0.8% to 520.40 points by 0711 GMT, and France’s CAC 40 rose 1.4%, outperforming its peers.

China’s top financial regulators unveiled their biggest stimulus since the pandemic, saying they would cut bank reserves by 50 basis points while reducing mortgage rates.

Luxury companies, which rely heavily on Chinese consumer spending, were the biggest boost on the index.

LVMH, Hermes, Kering, and Dior gained between 3.8% and 4%.

Basic resources led sectoral gains, jumping 4.4% as copper prices hit a two-month high supported by China’s measures and improving demand in the region.

European shares end higher, Commerzbank dips

Britain's FTSE gained 0.4%, as stocks of metal miners rose on China's stimulus plans.

The markets will also keep an eye out for comments from the European Central Bank's board member, Elizabeth McCaul, set to speak later in the day.

Data on German business morale is set to be released at 0800 GMT.

Among individual stock moves, UK engineering firm Smiths Group lost 6.7% after its annual profit missed estimates.

KSE-100 SEES SELLING PRESSURE, CLOSES 367 POINTS LOWER

BR Web Desk Published September 24, 2024

Selling pressure was seen at the Pakistan Stock Exchange (PSX) on Tuesday as the benchmark KSE-100 Index closed lower by 367 points.

The KSE-100 started the session positive, hitting an intra-day high of 82,010.10. However, selling pressure dominated the market in the latter hours and pushed the index to an intra-low of 81,107.39.

At close, after some late-session buying, the benchmark index settled at 81,483.64, down by 366.86 points or 0.45%.

"The downward shift was largely driven by profit-taking, particularly in key stocks such as HUBC and EFERT, which reshaped the market sentiment," brokerage house Topline Securities said.

A broad sell-off was seen in HUBC, EFERT, MCB, PPL, and BAFL, it added.

Experts said investors resorted to profit-taking after days of a bullish trend.

Investors are also awaiting the release of funds from the International Monetary Fund (IMF), as its Executive Board is scheduled to take Pakistan's 37-month Extended Fund Facility (EFF) of about $7 billion on its agenda on September 25.

On Monday, PSX's benchmark KSE-100 Index witnessed some profit-taking and closed the day below 82,000 after losing 224 points to settle at 81,850.50.

In company news, the Board of Directors of Mari Petroleum Company Limited (MARI), one of Pakistan's largest E&P companies, approved an investment of Rs10 billion (approximately $36 million) to establish a wholly-owned subsidiary focused on technology-driven ventures.

Citing economic hardships, the Board of Directors (BoD) of Amreli Steels Limited (ASTL) decided to temporarily suspend operations at the SITE Rolling Mill (SRM) in Karachi.

In another development, The Organic Meat Company Limited (TOMCL) said it had secured a $12-million contract from China for the supply of frozen cooked beef.

Globally, Asian stocks rose on Tuesday to their highest in more than two and half years, boosted by a slew of Chinese stimulus measures while expectations for more U.S. rate cuts kept risk sentiment aloft and the dollar under pressure.

In an eagerly awaited press conference, China's top financial regulators unveiled a slate of measures, saying it would cut bank reserves by 50 basis points while reducing mortgage rates to try to spur sluggish economic growth.

The moves sent Chinese stocks higher, with the blue-chip CSI300 Index opening 1% higher, while the broader Shanghai Composite index was also up 1% at the open.

That pushed MSCI's broadest index of Asia-Pacific shares outside Japan 0.41% higher to 588.43, levels last seen in April 2022.

Meanwhile, the Pakistani rupee recorded marginal improvement against the US dollar on Tuesday, appreciating 0.03% in the inter-bank market. At close, the currency settled at 277.80, a gain of Re0.07 against the US dollar.

Volume on the all-share index decreased to 369.62 million from 400.31 million on Monday.

The value of shares declined to Rs17.06 billion from Rs18.69 billion in the previous session.

WorldCall Telecom was the volume leader with 39.36 million shares, followed by Pace (Pak) Ltd with 22.59 million shares, and Hub Power Co.XD with 21.24 million shares.

Shares of 427 companies were traded on Tuesday, of which 127 registered an increase, 246 recorded a fall, while 54 remained unchanged.

Editor's Picks

Business & Finance » Money & Banking

INDIAN RUPEE ENDS WEAKER

Reuters Published about an hour ago

MUMBAI: The Indian rupee weakened on Tuesday as outflows related to the rebalancing of some global equity indexes, coupled with dollar demand from importers, pressured the currency even as most of its Asian peers gained.

The rupee closed at 83.67 against the US dollar, down 0.1% from its close at 83.5525 in the previous session.

Outflows related to a rejig of the FTSE equity indexes, dollar bids from a large Indian conglomerate and routine importer dollar demand pressured the currency on Tuesday, traders said.

The pressure snapped the currency's six-day winning streak which had lifted the currency by about 0.5%.

YUAN BOOSTED AS CHINA UNLEASHES STIMULUS

Reuters Published about an hour ago

NEW YORK: China's yuan hit a 16-month high against the US dollar on Tuesday, after the central bank of the world's second-largest economy revealed new stimulus measures, while the greenback extended declines after soft data on the consumer.

Beijing's new plan includes a planned 50 basis point cut to banks' reserve requirement ratios, injecting more funds into the economy and an easing of mortgage repayments for households.

The Chinese yuan strengthened 0.61% against the greenback to 7.018 per dollar after reaching 7.0179 on the session.

"It hit all the things that people wanted to see - more support for the housing market, lower interest rates, reserve rate cut and that support for the stock market," said Marc Chandler, chief market strategist at Bannockburn Global Forex in New York.

"At least initially the market is giving Beijing the benefit of the doubt ... I'm not convinced that the underlying problems, the underlying challenges are really being addressed."

The dollar index extended declines after economic data from the Conference Board showed US consumer confidence unexpectedly fell in September to 98.7 from an upwardly revised 105.6 in August and below the 104.0 estimate of economists polled by Reuters as worries over the health of the labor market grew.

The dollar index, which measures the greenback against a basket of currencies including the yen and the euro, fell 0.36% to 100.58. The dollar had fallen for three straight weeks on expectations for a rate cut from the Federal Reserve, which delivered an upsized 50 basis point cut last week.

The euro climbed 0.39% at $1.1155.

Multiple Fed officials are scheduled to speak this week including, Fed Chair Jerome Powell, as well as Governors Lisa Cook and Adriana Kugler.

Governor Michelle Bowman, the lone dissenter in last week's Fed move in calling for a 25 basis point cut, said on Tuesday that key measures of inflation remain "uncomfortably above" the Fed's 2% target, warranting caution as the Fed proceeds with its easing cycle.

The Australian dollar strengthened 0.48% versus the dollar to $0.6871, touching a 14-month high of $0.6878 after the country's central bank reiterated that interest rate cuts were unlikely in the near term as it held policy steady, but softened its hawkish stance by saying monetary tightening was not discussed.

Analysts at Goldman Sachs said that they consider the RBA's decision not to explicitly consider a rate cut "as a mini pivot in the dovish direction." Policy announcements are also expected from the Swiss National Bank, which is expected to cut by 25 bps, and Riksbank, also seen cutting by 25 bps, this week.

Against the Japanese yen, the dollar weakened 0.08% to 143.49 after Bank of Japan Governor Kazuo Ueda reiterated in a speech on Tuesday the central bank can "afford to spend time" scrutinizing developments in markets and overseas economies before tightening policy further.Sterling strengthened 0.34% to $1.339.

ASIAN CURRENCIES: MALAYSIA'S RINGGIT AT NEARLY 3-YEAR HIGH

Reuters Published about an hour ago

BENGALURU: Equities in emerging Asian markets rose modestly on Tuesday after China announced broad stimulus measures to boost its economy, while the ringgit climbed to a near three-year high.

The ringgit rose 0.8%, its highest since late December 2021. The currency, the best performer in the region since the start of 2024 owing to strong foreign investor inflows and political stability, is eyeing its best year since 2017.

Chinese equities rallied, while the yuan jumped to its highest level since May 2023 after China unveiled plans to lower borrowing costs and inject more funds into the economy.

"The currencies which are more linked economically together with China will certainly benefit... that's sort of in the broader context of why the ringgit has done well today," said Michael Wan, senior currency analyst at MUFG.

Other emerging currencies were mostly range-bound except the Philippine peso, which slipped around 0.4%.

Emerging Asian equities chalked up modest gains, with stocks in Manila rising as much as 0.8% to a 2-1/2-year-high on the back of the banking and real estate sectors, which rose 0.8% and 1%, respectively.

Philippine's finance secretary said the monetary authority could slash rates to even match the size of the US Federal Reserve's reductions.

Singapore's Straits Times index traded 0.2% higher after scaling a fresh 17-year high earlier in the session.

The MSCI's broadest index of Asia-Pacific shares outside Japan rose to its highest since early April 2022.

The start of the Fed's easing cycle has benefited risk-sensitive emerging market assets over the past few weeks.

However, uncertainties over the coming quarter, particularly from the US election on Nov. 5, have traders on edge over the impact on emerging market assets.

JGB YIELDS FALL AS BETS EASE FOR NEAR-TERM RATE HIKE AFTER DOVISH BOJ

Reuters Published September 24, 2024

TOKYO: Japanese government bond (JGB) yields slumped on Tuesday, as investors digested the Bank of Japan's (BOJ) dovish comments at the conclusion of its two-day policy meeting on Friday.

The 10-year JGB yield fell 4 basis points (bps) to 0.82%, while 10-year JGB futures rose 0.52 points to 144.99 yen. Bond yields move inversely to prices.

The BOJ kept interest rates steady on Friday and its governor said the central bank could afford to spend time eyeing the fallout from global economic uncertainties, signalling it was in no rush to raise borrowing costs further.

Japanese markets were closed on Monday for a public holiday.

While the decision to stand pat was widely expected, BOJ Governor Kazuo Ueda's remarks at a press conference following the meeting were "more dovish than expected," said Katsutoshi Inadome, a senior strategist at Sumitomo Mitsui Trust Asset Management.

"I think a rate hike at the end of the year or the beginning of (next) year is still the main scenario for many people. However, watching Friday's press conference, those expectations may have weakened," he said.

Ueda said the central bank was ready to raise rates if its economic and price forecasts were achieved but that the timing would depend partly on whether the U.S. economy achieved a soft landing, or suffered a bigger-than-expected downturn.

The two-year JGB yield, which corresponds more closely with monetary policy expectations, slid 3.5 bps to a one-month low of 0.355%.

The five-year yield was down 4 bps at 0.465%, its lowest since Aug. 15.

Ueda is scheduled to speak at an event later in the day, and market players will scrutinise his comments to confirm their current dovish interpretation.

On the superlong end, the 20-year JGB yield dropped 3.5 bps to 1.66%, while the 30-year JGB yield edged down 1.5 bps to 2.065%.

SENATE PANEL TO RECOMMEND ACTIONS AGAINST BANKS' CURRENCY MANIPULATION

September 24, 2024

Islamabad—In a significant development, the Senate Standing Committee on Economic Affairs has called for strict measures against commercial banks allegedly involved in currency manipulation and over-invoicing while opening Letters of Credit (LCs).

These practices allowed the banks to reportedly pocket Rs65 billion in 2022 by selling US dollars at exorbitant rates, sparking outrage over their role in destabilizing the country's economy.

During a recent session, the Senate Committee directed relevant chambers to provide a comprehensive report within two weeks, addressing the controversial overpricing of LCs. The meeting's central focus was to investigate how commercial banks generated extraordinary profits from the manipulation of exchange rates, selling dollars at inflated prices amid a weakening currency and economic distress.

Senator Saifullah Abro, the Senate Committee Chairman, emphasized that the money made from these manipulative practices belongs to the people of Pakistan and should be recovered from the banks. He further criticized the lack of progress in previous meetings, noting that relevant authorities, including the State Bank of Pakistan (SBP), had failed to provide the necessary information despite repeated requests.

"This money belongs to the people and should be returned. We've been asking for this information for months, and the delay is unacceptable," Senator Abro stated.

The Senate Committee engaged in a thorough discussion about the practice of over-invoicing, in which banks manipulated exchange rates to make undue profits. Senator Abro pointed to past statements from the former finance minister acknowledging this issue and directing a full investigation into the matter.

SBP officials presented some details of their actions against regulatory violations but failed to provide a satisfactory explanation of how the Rs65 billion was earned by the banks. Senator Kamran Murtaza pressed officials on whether any punitive measures had been taken, to which they responded that commercial banks had been fined Rs1.4 billion.

However, Murtaza questioned the effectiveness of the fines, saying, "How does a Rs1.4 billion fine hold up against Rs65 billion in illicit earnings? This response is entirely inadequate."

The Chairman expressed dissatisfaction with the State Bank's response and made it clear that the investigation would not be concluded without retrieving the full amount. He demanded detailed data on LCs issued between April and September 2022, including specifics on the banks involved, the dollar rates applied, and any corrective actions taken by the SBP.

The Committee's frustration extended to the Ministry of Economic Affairs and the Federal Board of Revenue (FBR), who have been slow in providing detailed reports regarding the foreign exchange market and the impact of tax policies on forex income. The FBR had imposed a 10% tax on forex income last year, but the matter is currently being contested in court, adding further delays to any resolution.

Senator Abro reiterated that the SBP must provide a comprehensive report on all LCs issued by commercial banks and demanded answers regarding why regulatory actions had been delayed for months. SBP officials requested an extension to provide the data, but the Committee refused to grant more than two weeks.

In addition to scrutinizing currency manipulation, the Committee turned its attention to the usage of loans received from the International Monetary Fund (IMF). The Committee expressed concern over the lack of transparency on how these funds were being used to manage balance-of-payments issues, with Senator Abro stressing the need for clarity on this matter.

The Senate panel also discussed ongoing water sector projects under the Water and Power Development Authority (WAPDA), including the Tarbela 5th Extension Hydropower Project. The project is part of a broader effort to improve Pakistan's water infrastructure, with significant funding coming from international lenders such as the Asian Development Bank.

The Committee instructed the Economic Affairs Division to establish a monitoring desk to ensure better oversight of projects funded by multilateral development partners, bilateral donors, and UN agencies.

The Senate Committee has vowed to continue investigating the over-invoicing scandal and recover the Rs65 billion from commercial banks, asserting that this is a national issue. With both the Ministry of Economic Affairs and the State Bank of Pakistan under scrutiny, the next session is expected to bring further revelations as the committee pushes for greater accountability and financial discipline in the banking sector.

RUPEE RECOVERS 7 PAISAS AGAINST DOLLAR IN INTERBANK MARKET

September 24, 2024

Karachi, September 24, 2024 – The Pakistani rupee saw a modest recovery in the interbank foreign exchange market on Tuesday, appreciating by 7 paisas against the US dollar. At the close of trading, the rupee was valued at PKR 277.80 per dollar, compared to the previous day's closing rate of PKR 277.87.

Currency market analysts attribute this slight recovery to renewed optimism surrounding Pakistan's prospects of securing a $7 billion loan from the International Monetary Fund (IMF). The IMF's executive board is set to meet on September 25, 2024, to review Pakistan's request, with many experts predicting that a favorable decision could provide much-needed financial support and instill greater confidence in the market.

The prospect of IMF assistance comes at a critical juncture for Pakistan, which has been grappling with economic challenges, including inflation, mounting debt, and a widening fiscal deficit. A successful agreement with the IMF could lead to an inflow of funds that would help stabilize the economy and shore up the country's foreign exchange reserves.

In the lead-up to the IMF's decision, Pakistan's economic indicators have shown signs of improvement. Data from the State Bank of Pakistan (SBP) revealed that the nation's foreign exchange reserves grew by $31 million in the week ending September 13, 2024. The reserves now stand at $14.827 billion, up from $14.796 billion a week earlier. While the increase in reserves is relatively small, it is nonetheless viewed as a positive signal for the rupee, contributing to its recent resilience in the face of global and domestic economic pressures.

Additionally, the significant reduction in Pakistan's current account deficit (CAD) has also contributed to the stabilization of the currency. According to the SBP, the CAD contracted by 81% during the July-August 2024 period, narrowing to $171 million from $893 million during the same period in the previous year. The sharp reduction in the deficit is being hailed as a positive development for Pakistan's economic outlook, as it indicates an improved balance of payments position and alleviates pressure on the rupee.

"The shrinking current account deficit is a major factor supporting the rupee," remarked a leading currency expert. "It indicates a healthier trade balance, which reduces the strain on foreign exchange reserves and provides support for the local currency."

Investor sentiment remains optimistic as the market eagerly awaits the IMF's decision. Should the $7 billion loan be approved, Pakistan's foreign reserves would receive a crucial boost, potentially leading to further gains for the rupee and enhancing overall market stability.

Trade & Industry

BUSINESSMAN PANEL WINS ELECTIONS OF PST&SI

Recorder Report Published about an hour ago

PESHAWAR: The Businessmen Panel, led by Malik Mehr Elahi, achieved a historic victory in the elections of the Peshawar Chamber of Small Traders and Small Industry (PST&SI), completely defeating the opposing group.

Through this significant victory, the business community of Peshawar has once again demonstrated their full confidence in Malik Mehr Elahi's leadership and selfless services, according to a press release issued here on Tuesday.

Out of 26 candidates from the Businessmen Panel, 22 emerged victorious, which is a clear testament to the group's public popularity and strong support for its policies. This remarkable victory reflects the unwavering trust of the business community in the leadership of the Businessmen Panel and indicates that the traders stand firmly with their leadership.

The successful candidates include Shakeel Ahmad Khan, Haji Tila Muhammad, Muhammad Ehtisham, Muhammad Israr Lodhi, Sheikh Fazal Mola, Humayun Khan, Haris Siddiqui, Imran Khan, Kamran Mahmood, Malik Zohaib Arif, Abid Hussain, Muhammad Faheem Niazi, Muhammad Rafeeullah, Rehmatullah, Shehzad Abdul Rehman, Shaukat Durrani, Sohail Ahmad, Abdul Rauf, Sohail Akhtar, Umar Elahi Malik, Faizan Sartaj, and Muhammad Ashfaq, along with two women on reserved seats.

The success of the Peshawar Businessmen Panel also foreshadows the victory of the Sarhad Business Alliance Group in the upcoming Sarhad Chamber of Commerce elections.

TOMCL SECURES $12MN BEEF EXPORT DEAL WITH CHINA

BR Web Desk Published September 24, 2024

In a major development, The Organic Meat Company Limited (TOMCL) has secured a $12-million contract from China for the supply of frozen cooked beef.

The company, engaged in the processing, sale and export of halal meat and allied products, shared the development in its notice to the Pakistan Stock Exchange (PSX) on Tuesday.

“The company has successfully secured a significant contract for the supply of frozen cooked beef meat to the People's Republic of China,” read the notice.

“This contract, valued at USD 12 million, is expected to be a major milestone in the company's business operations, expanding its international footprint in the growing Chinese market for frozen cooked beef meat products,” added the company.

TOMCL informed that the contract involves the supply of high-quality frozen cooked beef meat over the agreed period, with shipments scheduled to commence soon.

“This partnership aligns with the company's strategy of enhancing export operations and entering new markets, particularly in Asia, it said.

TOMCL believes that the execution of this contract will have a favourable impact on its revenue and profitability for FY25.

Earlier this month, TOMCL completed the second phase of operational expansion as it aims to cater to growing demand from China.

"This phase adds capacity of 300 Metric Tons (MT) per month for the production of frozen cooked beef meat," TOMCL said in its notice back then.

Earlier this year, TOMCL became the first company in South Asia to successfully export heat-treated frozen beef meat products to China.

In 2021, the Chinese customs authorities approved TOMCL to export heat-treated beef to China.

Apart from China, Middle Eastern countries are TOMCL's major export market. The company also has significant business in the Far East, Commonwealth of Independent States and South Asian markets.

BELARUSSIAN BUSINESSMEN URGED TO INVEST IN COUNTRY

Recorder Report Published about an hour ago

ISLAMABAD: Pakistan on Tuesday extended an invitation to Belarusian investors to explore opportunities in the country through the Special Investment Facilitation Council (SIFC), assuring them of a secure investment environment.

In a significant meeting, Belarusian Minister for Energy Aleksei Kushnarenko was welcomed by Minister for Economic Affairs Ahad Cheema.

The meeting aimed to strengthen economic ties and enhance collaboration between the two nations.

Minister Cheema expressed his gratitude to Minister Kushnarenko for participating in the 7th Session of the Joint Ministerial Commission (JMC), emphasising Pakistan's commitment to implementing the decisions made during the session. He highlighted the advantages of Belarusian agricultural technology for Pakistan's agriculture-dependent economy and welcomed the Belarusian delegation's assurance of full support in this sector.

In a promising development, the Belarusian delegates offered electric buses to Pakistan. Minister Cheema responded positively, expressing keen interest in the project, which aligns with Pakistan's goals for sustainable transport solutions.

Both ministers also commended the recent signing of memorandums of understanding (MOUs) related to the textile industry, marking a pivotal step in fostering the bilateral cooperation.

Minister Cheema extended an invitation to Belarusian investors to explore opportunities in Pakistan through the SIFC, assuring them of a secure investment environment.

Looking ahead, Minister Cheema noted the upcoming visits of Prime Minister Shehbaz Sharif and President Asif Ali Zardari to Belarus, indicating that these visits would further enhance economic cooperation between the two nations. This meeting underscores the growing partnership between Pakistan and Belarus, with a shared commitment to mutual development and prosperity.

MINISTER CALLS FOR JVS IN INDUSTRIAL, AGRI SECTORS WITH BELARUS

Recorder Report Published about an hour ago

ISLAMABAD: Minister for Commerce Jam Kamal has called for the establishment of joint ventures between Pakistan and Belarus in the industrial and agricultural sectors.

Speaking at the Pakistan-Belarus Joint Ministerial Commission on Tuesday, he emphasised that these partnerships aim to strengthen the industrial base, generate new employment opportunities, and facilitate technology transfer.

The Commerce minister invited Belarusian investors to explore the abundant investment opportunities in Pakistan, highlighting that the Special Investment Facilitation Council (SIFC) has been established to streamline and promote foreign investment across key sectors, including agriculture, energy, technology, and infrastructure.

Kamal noted that building partnerships will drive economic growth and mutual prosperity.

He stressed the importance of finalising the draft memorandum on cooperation in environmental protection and called for increased people-to-people contacts, cultural exchanges, and educational partnerships to further strengthen bilateral relations.

The minister highlighted that the Pakistan-Belarus Joint Ministerial Commission serves as a vital platform for reinforcing longstanding ties.

He noted that significant progress has been made since its establishment.

During the last financial year (2023-24), the trade volume between Pakistan and Belarus was recorded at $34.88 million, with Pakistan exporting goods valued at $0.39 million to Belarus and importing goods worth $34.49 million.

He noted that agricultural mechanisation presents significant opportunities for collaboration, and Belarus’s expertise in this area can greatly support Pakistan’s efforts to modernise its agriculture sector.

The Joint Working Group on Agriculture can facilitate cooperation in technology exchange, expertise sharing, and best practices, which have become increasingly vital in light of global food security challenges.

“Our countries have a tremendous opportunity to share knowledge, technologies, and best practices to enhance agricultural productivity and sustainability,” he said, adding that Pakistan is eager to explore opportunities for technology transfer and the establishment of joint ventures tailored to local needs in industrial and agricultural sectors.

The minister urged Minsk Tractor, Minsk Automobile Plant, and other engineering companies to establish joint ventures with their Pakistani counterparts, while also exploring small enterprises and entrepreneurial collaborations through the Small and Medium Enterprise Development Authority of Pakistan and the Belarusian Fund for Financial Support for Entrepreneurs.

Kamal invited Belarusian investors to explore the trade and investment opportunities in Pakistan through the SIFC, which serves as a one-stop forum to streamline foreign investment across key sectors. He remarked that with investor-friendly policies, incentives, and a commitment to easing the business process, Pakistan offers a promising environment for Belarusian businesses seeking to expand and collaborate.

Belarusian Minister of Energy Aleksei Kushnarenko addressed the forum, stating that the joint ministerial commission represents a potential game changer for both economies. He expressed commitment to fostering Belarus's cooperation with Pakistan across all sectors, highlighting the significance of this partnership. He suggested that establishing joint working groups would facilitate deeper collaboration and focused efforts on mutual interests. Kushnarenko commended Pakistan for organising the session of the Joint Ministerial Commission, noting that such initiatives are essential for strengthening bilateral ties.

ABDULLAH ZAKI APPOINTED AS MEMBER OF KPT BOARD OF TRUSTEES

Recorder Report Published about an hour ago

KARACHI: Former president Karachi Chamber of Commerce & Industry (KCCI) Abdullah Zaki has been appointed as Member of Board of Trustees of Karachi Port Trust (KPT).

According to a notification issued by the Ministry of Maritime Affairs, the federal government has approved reconstitution of KPT's Board of Trustees in terms of Section 5 read with Section 7 of Karachi Port Trust (KPT) Act 1886 with immediate effect, hence, Karachi Chamber's will now be represented by Abdullah Zaki on KPT's Board of Trustees for a period of two years.

While congratulating Abdullah Zaki on his appointment as Member of KPT's Board of Trustees, President KCCI Iftikhar Ahmed Sheikh was confident that Abdullah Zaki will certainly be able to play a vibrant role in KPT's Board for dealing with all port and shipping related issues being faced by business community because of his huge experience and excellent know-how about issues.

In addition to being the Former President of Karachi Chamber, Abdullah Zaki is also discharging his duties as Honorary Consul General of Republic of Malawi in Karachi. He has also offered his services as FPCCI Executive Committee Member and as Chairman of Pakistan Soap

Manufacturers Association, Pakistan Yarn Merchants Association, Chairman KCCI's Customs & Valuation Subcommittee and Import, Anti-Smuggling, Quarantine & Certification Subcommittee.

Furthermore, Abdullah Zaki, being a veteran businessman and industrialist, has also contributed as Member of Advisory Committee of Ministry of Commerce, Advisory Committee of Ministry of Finance, Board of Administrator of Export Development Fund (EDF), Sindh Board of Investment, Sindh Public Procurement Regulatory Authority (SPPRA), Karachi Water & Sewerage Corporation (KWSC), Executive Committee of COMMECS, Karachi Centre of Dispute Resolution (KCDR), Board of Director, Gujranwala Tools, Dies & Moulds Centre, (GTDMC) and Technology Upgradation & Skill Development Company (TUSDEC) in addition to extending prudent advises to the government via Budget Proposals and also playing a role in the Advisory Committee of Free Trade Agreements between Pakistan and other countries.

PIAF PPA WINS ALL 15 SEATS IN LCCI CORPORATE ELECTIONS 2024

Recorder Report Published about an hour ago

LAHORE: PIAF Pioneers Progressive Alliance has won all 15 seats in the Corporate Elections 2024 of the Lahore Chamber of Commerce and Industry.

PIAF Pioneers Progressive Alliance candidates Tanveer Ahmed got 1416 votes, Muhammad Muneeb Monnoo 1398, Asif Malik 1387, Khalid Usman 1380, Ehtishamul Haq 1367, Syed Hasan Raza 1355, Asif Khan 1351, Waqas Aslam 1347, Irfan Ahmad Qureshi 1346, Abdul Majeed 1343, Iftikhar Ahmad 1340, Amer Saeed Mian 1331, Manzoor Hussain Jaffry 1285, Shuban Akhtar 1275 and Syed Salman Ali got 1271 votes.

PIAF Founders LBF Front candidate Kashif Elahi Khawaja got 1124 votes, Dr. Faisal Qadeer Khokhar 1085, Mian Adil Mahmood 1079, Sheikh Moazzam Rasheed 1068, Sanaullah Chaudhry 1041, Salman Tariq 1036, Adeeb Iqbal Sheikh 1024, Mujahid Ali sheikh 1017, Syed Zain Abbas Naqvi 1000, Muhammad Ali Afzal 996, Waseem Raja 995, Asif Sharif 969, Muhammad Umer Farooq 945, Zulfiqar Ali Chaudhry 941 and Muhammad Amjad Chaudhry got 910 votes.

The Annual General Meeting of the LCCI is scheduled for September 30, 2024, after which the newly elected office bearers will officially assume their responsibilities starting October 1, 2024.

SCCI ELECTIONS: TOUGH CONTEST IN SIGHT

Amjad Ali Shah Published about an hour ago

PESHAWAR: There is all set to hold the Sarhad Chamber of Commerce and Industry (SCCI) election for 2024-26. Polling will be held today (Wednesday) from 8:00 AM to 5:00 PM in the premises of the Chamber House.

A neck-to-neck contest is expected between three groups: Businessman Forum (former senator Ilyas Ahmad Bilour), Sarhad Business Alliance (Haji Ghulam Ali Group) and Pakistan Business Community (Sharafat Ali Mubarak Group).

A total of 46 candidates are vying for 10 corporate and 10 associate group seats. Later, electoral college will elect two women members of the executive committee on served seats while an executive member from BF Group on Bannu Town Association has already been elected unopposed.

The total corporate voters are 500 while the number of associate voters is 3,000, who will elect members of the executive members for the next two years.

The Directorate General of Trade Organisation (DGTO) has appointed an observer for the holding of the transparent and smooth conduct of the election.

The candidates of the BF on 10 executive committee seats for Corporate Group include Zia-ul-Haq Sarhadi, Fazal Muqeem, Hassan Zahideen, Adnan Nasir, Abbas Fuad Bilal Azeem, Junaid Altaf, Sabir Ahmad Bangash, Sajjad Zaheer, Ashfaq Ahmad and Aftab Iqbal.

These candidates will face Dr Yousaf Sarwar, Abidullah Khan Yousafzai, Atif Shehzad, Imtiaz Ahmad, Engineer Manzoor-ul-Haq, Abdul Hameed Gurwara, Deen Akbar, Dr Mohibullah Afridi, Malik Mohsin Sajjad and Mohammad Luqman Shah of the Sarhad Business Alliance.

On the executive committee seats of the Associate Group, the ruling group has fielded Abdul Jalil Jan, Mujeeb-ur-Rehman, Muhammad Nadeem Rauf, Shams-ur-Rehman, Saddam Hussain, Shehryar Khan, Sultan Muhammad, Gul Zaman Khan, Naeem-ur-Rehman and Saifullah.

The candidates of SBA on Associate Group included Ghulam Bilal Javed, Shehzad Rauf, Mohammad Ikram Mohmand, Ikramullah Khan, Mohammad Shahrukh Khan, Sher Zaman, Ashiq Muhammad, Arshad Mahmood, Riaz Hussain and Bakht Mir Jan Durrani respectively.

Earlier, an election commission was formed for the election and its members include Malik Niaz Ahmad, Zarak Khan and Abdul Hakeem Shinwari.

On Tuesday, the leaders of all three groups held separate meetings to set strategy for tomorrow's (Wednesday) election.

An important huddle of the Businessman Forum was held in the Chamber House wherein leaders review the preparations for the election.

Similarly, the leaders of SBA including Haji Ghulam Ali, Syed Zahir Shah and Pakistan Business Community leader Sharafat Ali Mubarak visited the Chamber House and witnessed the arrangements for the election.

The contest this time has evoked interest after the launching of a new alliance of the business community under the banner of Sarhad Business Alliance. This alliance is headed by Ghulam Ali and Syed Zahir Ali Shah, former a Jamiat Ulema-e-Islam-Fazl leader and the latter belonging to the Pakistan People's Party. Ghulam Ali has already served as KP governor while Syed Zahir Ali Shah was a provincial minister in the past.

This new alliance is challenging the Businessman Forum which is headed by Awami National Party leader Ilyas Ahmad Bilour, the younger brother of elderly politician Ghulam Ahmad Bilour. The Businessman Forum chief has remained a member of the Senate for multiple times.

Meanwhile, the SCCI administration made all arrangements to conduct smooth, transparent and fair elections.

TOMCL SECURES $12 MILLION FROZEN BEEF EXPORT DEAL WITH CHINA

September 24, 2024

Karachi, September 24, 2024 – The Organic Meat Company Limited (TOMCL) has announced a major breakthrough in its international operations, securing a significant contract worth $12 million to supply frozen cooked beef meat to China.

This deal is set to expand the company's footprint in the rapidly growing Chinese market for high-quality meat products, marking a pivotal moment in TOMCL's export strategy.

In a communication shared with the Pakistan Stock Exchange (PSX) on Tuesday, TOMCL revealed that the contract involves the supply of premium-grade frozen cooked beef meat, with shipments scheduled to begin in the coming days. The agreement is seen as a testament to the company's commitment to enhancing its export capabilities and strengthening its presence in new markets, particularly in Asia.

The $12 million deal is expected to significantly boost TOMCL's business prospects and contribute to the company's revenue and profitability in the fiscal year 2024-25. As China continues to show increasing demand for imported beef products, TOMCL's entry into the market positions it to capitalize on the expanding consumer base and meet the demand for high-quality meat.

This contract aligns with TOMCL's long-term strategy of diversifying its product portfolio and tapping into lucrative international markets. The company has been focusing on expanding its global presence by catering to the rising demand for organic and ethically sourced meat, and this partnership with China is a key milestone in that journey.

Speaking on the development, a company official highlighted that the deal reflects TOMCL's ability to meet global standards in food safety and quality, which has become an essential factor for securing such international contracts. "This contract is not just about expanding our business; it's about demonstrating our commitment to delivering high-quality products to our customers while growing our presence in key global markets," the official said.

Analysts view this contract as a strategic win for TOMCL, as it will help the company gain a foothold in one of the largest consumer markets in the world. The Chinese market for frozen and processed beef products is growing rapidly, driven by rising incomes and shifting dietary preferences toward higher-protein foods.

With the shipments about to commence, TOMCL is optimistic about the positive impact this deal will have on its financial performance in the upcoming fiscal year. The company expects the contract to serve as a springboard for further international ventures, solidifying its role as a key player in the global meat industry.

Business & Finance » Companies

PACRA ASSIGNS ASSET MANAGER RATING TO PQFTL AS PENSION FUND MANAGER

Recorder Report Published about an hour ago

KARACHI: The Pakistan Credit Rating Agency Limited (Pacra) has assigned the Asset Manager rating of AM2 to the Pak-Qatar Family Takaful Limited (PQFTL) as Pension Fund Manager.

The PQFTL had expanded its services by acquiring a Pension Fund Manager licence from the SECP, launching the Pak-Qatar Islamic Pension Fund (PQIPF) in December 2022. It has consistently maintained its market share in the Takaful sector, leveraging its substantial investment portfolio and stable income streams.

PQFTL CEO Waqas Ahmad said, "We are pleased to receive the Asset Manager rating of AM2 as Pension Fund Managers from the Pacra, which reflects our commitment to providing technologically innovative Takaful solutions to our customers. This not only validates our strong market position as the first Takaful operator to introduce pension fund in Pakistan but also reinforces our dedication to providing Shariah-compliant financial solutions."

The Islamic Pension Fund industry in Pakistan has shown significant growth potential, with an AUM of PKR 39 billion as of December 2023. The PQFTL is well-positioned to capitalize on this expanding market, supported by favourable government policies.

The company has implemented a comprehensive risk management framework integrated across all operations, ensuring strong internal controls and compliance.

INNOVATIVE WINS P@SHA ICT AWARDS 2024

Recorder Report Published about an hour ago

KARACHI: Innovative Pvt Ltd (IPL), Pakistan's leading provider of Self-Service Banking and Currency Technology Solutions, has won P@SHA ICT Award 2024 in the Business Services-FinTech category.

This marks the second time in a row IPL has secured this coveted honour, solidifying its position as a trailblazer in financial technology and innovation.

Recognized for its groundbreaking contributions, IPL's cutting-edge FinTech solutions, particularly its flagship product iEngage, continue to revolutionize the banking landscape. IPL has enabled financial institutions to offer superior, customer-centric services, such as the Smarter Cash Withdrawals feature, which allows users to withdraw cash in their preferred denominations along with modern UI / UX and Omnichannel experience on ATMs.

The company's CEO Naveed Ali Baig received the award in a ceremony and said that this award is a testament to the relentless efforts of our team and our unwavering commitment to delivering the best-in-class solutions to our clients.

STANDARD CHARTERED LAUNCHES GOAL ACCELERATOR PROGRAMME FOR WOMEN

Recorder Report Published about an hour ago

KARACHI: Standard Chartered Bank on Monday launched the Goal Accelerator Programme in collaboration with Right To Play International Pakistan at the SC Pakistan Head Office.

The Goal Accelerator Programme is an evolution of the deeply impactful Goal Programme that was first launched in Karachi in 2016.

It is a sport-powered, gender-responsive economic resilience initiative with the aim to create concrete pathways and steps for disadvantaged girls and young women to obtain decent employment, earn an income and become economically resilient.

In Pakistan, Goal Accelerator will support 450 young women between the ages of 17-35 years old who will be recruited from urban slums in Lahore, Karachi, and Islamabad.

For entrepreneurship participants, the minimum level of education required is 8th Grade. For employability participants, the education threshold will be higher, at 12th Grade.

On the occasion, Rehan Shaikh, Chief Executive Officer, Standard Chartered Pakistan said that today marks a significant milestone, not just for the Bank, but for the countless women who will benefit from the Goal Accelerator Programme.

"Since 2016, we have partnered with 140 schools across Pakistan, equipping young girls and women with the skills needed to become economically independent", he added.

Currently, there are over 90,000 Goal beneficiaries who have benefitted from this programme and can now work towards shaping their own futures, he informed.

"We know that investing in girls' futures and closing the gender inequality gap will increase women's labour force participation rates, which is a matter of critical importance for Pakistan's economic growth", Rehan said.

At 24.5 percent, Pakistan's workforce participation rate for women is one of the lowest both in South Asia and globally. Programmes such as Goal Accelerator will aid in bridging this gap, impacting not just the intended beneficiary but entire communities, he said.

Ali Khayam, Country Director Right To Play Pakistan said that this partnership between Right To Play and Standard Chartered has benefitted thousands of young girls over the last 08 years. Goal programme has empowered these girls teaching them core life skills and financial literacy, giving them agency over their life decisions, he added.

NEWAGE CABLES AND CHINA ELECTRIC POWER EQUIPMENT & TECHNOLOGY (CET) SIGN AGREEMENT WORTH RMB75 MILLION

Press Release Published September 24, 2024

Newage Cables and China Electric Power Equipment & Technology (CET) have signed an agreement through their respective representatives, Alman Jalil Azam, Sales & Finance Director, and Yousaf Dshang, Chief Operating Officer of CET.

The press release added that the agreement valued at RMB75 million (Chinese Yuan) entails the manufacturing and supply of control cables for three major grid stations which are Lahore North, Lahore Nokhar and Maira, with Lahore North being the largest grid station to be built in Pakistan.

"This significant collaboration highlights the commitment of both companies to advancing Pakistan's energy infrastructure, supporting the nation's growing demand for reliable power solutions," the press release added.

"Earlier, Newage Cables achieved a significant milestone in the energy sector by securing three international tenders worth 45 million USD. Newage holds the distinction of being the only company in Pakistan to operate two Copper Plants, two Aluminium Plants, and one Steel Plant.

Since 2021, the company has continued its exceptional track record by becoming the only firm in Pakistan with Fire-Rated Certifications from prestigious European and UK laboratories. Additionally, Newage is the first company to introduce World's No.1 Mailefer CCV Line in the country.

"With a legacy of 68 years, Newage Cables continues to uphold its reputation for excellence, innovation, safety, and reliability."

CCP APPROVES INTERNAL RESTRUCTURING OF NISHAT CHUNIAN GROUP

Recorder Report Published about an hour ago

ISLAMABAD: The Competition Commission of Pakistan (CCP) has approved internal restructuring involving M/s Nishat Chunian Limited (NCL), M/s Nishat Chunian Power Limited (NCPL), M/s Nishat Mills Limited (NML), and the CEO of NCL, Shahzad Saleem. This internal restructuring, undertaken as part of the Scheme of Arrangement, aims to streamline the corporate structure of the Nishat Chunian Group.

The CCP's Phase-1 competition assessment has revealed the primary business activities of each undertaking involved in the transaction. Nishat Chunian Limited (NCL), a publicly listed company, engages in textile-related operations, including spinning, weaving, dyeing, fabric processing, and the generation and sale of electricity.

Nishat Chunian Power Limited (NCPL), a public listed company, specializes in building, owning, and operating fuel-fired power stations. It functions as an Independent Power Producer (IPP) and has a Power Purchase Agreement with the Central Power Purchasing Agency (Guarantee) Ltd (CPPA-G).

Similarly, Nishat Mills Limited (NML), another publicly listed company, focuses on textile manufacturing with activities spanning spinning, weaving, and the production of various fabrics, while also engaging in electricity generation.

In its assessment, the CCP has identified the relevant product markets as 'spinning, weaving, home textile, and thermal power generation- CPPA-G'. The restructuring will lead to a nominal increase in Shahzad's shareholding in NCL, while NML will experience a slight rise in its shareholding in NCPL.

Despite these changes, the CCP has confirmed that the transaction will not result in any market dominance by the merger parties.

AMRELI STEELS TEMPORARILY HALTS OPERATIONS AT KARACHI FACILITY AMID ECONOMIC ISSUES

BR Web Desk Published September 24, 2024

Due to economic hardships, the Board of Directors (BoD) of Amreli Steels Limited (ASTL) has decided to temporarily suspend operations at the SITE Rolling Mill (SRM) in Karachi.

The site represents 30% of the company's production capacity, the listed company stated in its notice to the Pakistan Stock Exchange (PSX) on Tuesday.

"In today's meeting, the BoD discussed the significant economic challenges facing the documented steel sector.

"These challenges have been aggravated by various economic and political factors, including declining demand for steel rebars, rising utility costs (particularly electricity), high interest rates, an unbalanced tariff structure, heavy tax burdens, smuggling, and increased undocumented activities, all of which contribute to unfair competition and severely disrupt market equilibrium," read the notice.

The company stated that considering macroeconomic conditions, the board has "decided to temporarily suspend operations at its oldest Karachi-based manufacturing facility, SITE Rolling Mill (SRM), which represents 30% of the company's total production capacity".

"The situation will be reviewed in six months, and the facility may reopen if conditions improve," Amreli Steel stated.

During this period, ASTL will continue operating its Dhabeji facility, which accounts for 70% of its production capacity, to meet current and future steel demand, it informed.

The development come a day after Amreli Steels reported a massive loss 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, the steel maker saw its gross profit drop to Rs2.4 billion in FY24, down 60 percent as compared to Rs5.95 billion in the previous year.

Its share price dropped further on Tuesday and was at Rs18.9 towards the final leg of the trading session.

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.

QATAR AIRWAYS SUSPENDS BEIRUT FLIGHTS UNTIL WEDNESDAY

AFP Published September 24, 2024

DOHA: Qatar Airways said Tuesday it had suspended flights to Beirut until Wednesday as tensions escalated between Israel and Hezbollah in the deadliest bombardment in nearly a year of cross-border clashes.

"Due to the ongoing situation in Lebanon, Qatar Airways has temporarily suspended flights to and from Beirut Rafic Hariri International Airport until September 25," the Qatari national carrier said in a statement.

"The safety of our passengers remains our highest priority," it added.

Israeli air strikes on Lebanon killed at least 492 people on Monday, including 35 children, Lebanon's health ministry said.

The cross-border exchanges between Israel and Hezbollah began last October after Hamas and other Palestinian militants launched an unprecedented attack on Israel.

Lebanon says Israeli airstrikes kill at least 492, residents flee from south

Last week, Qatar Airways announced a ban on pagers and walkie-talkies on its Beirut flights after communications device explosions, blamed on Israel, killed 37 people and wounded thousands over two days.

Germany's Lufthansa, Air France and Delta Air Lines of the United States have also suspended flights to Beirut in recent days with some carriers' services to Israel and Iran also affected.

YOUTUBE PREMIUM PRICES INCREASE IN EUROPE, GLOBAL HIKES COMING

September 24, 2024

YouTube Premium subscribers across Europe are experiencing significant price hikes in their individual and family plans.

While initial reports of these increases primarily come from European countries, YouTube has quietly announced that the price adjustment will soon extend globally. Subscribers are already receiving emails informing them of the new pricing structure, set to take effect in November.

For instance, in Belgium, the Netherlands, and Italy, YouTube Premium's family plan will now cost €26 per month, up from €18.

Individual plans will increase from €12 to €14. In Switzerland, the price for the family plan will rise to CHF 34, up from CHF 24, while in Sweden, subscribers will see their monthly fees jump from SEK 179 to SEK 279.

Although YouTube has not yet released a comprehensive list of countries affected by this price change, it is anticipated that more regions will follow. Subscribers are advised to check their email inboxes for updates on the upcoming pricing changes.

The steep price increase has raised concerns, particularly among users who rely on YouTube Premium primarily for its YouTube Music service. Some Reddit users have expressed frustration, pointing out that YouTube Premium is now becoming one of the most expensive streaming platforms.

Comparatively, Spotify's family plan costs around €18 per month on average across Europe, while its individual plan is priced at approximately €11. Apple Music also offers a more affordable alternative, with pricing similar to Spotify, charging €1 less for family plans.

As YouTube Premium prices continue to rise, it remains to be seen how subscribers will respond to these changes, especially with more affordable music streaming options available. Keep an eye on your email for further updates regarding YouTube Premium's pricing.

The global price hike for YouTube Premium, particularly in Europe, is drawing significant attention and concern from subscribers, especially those using the service mainly for YouTube Music. With prices surpassing competitors like Spotify and Apple Music, users may start reconsidering their subscriptions.

As the changes roll out, it will be interesting to see how YouTube addresses these concerns and whether subscribers will stay loyal despite more affordable alternatives. Keep an eye on updates and emails from YouTube for any additional pricing details.

Technology

'FRAMEWORK FOR WLAN-2024 FACILITATES MORE ACCESSIBLE CONNECTIVITY IN LINE WITH GLOBAL STANDARDS'

Sohail Sarfraz Published about an hour ago

ISLAMABAD: In an era where digital connectivity shapes the backbone of national progress, Pakistan's latest, "Framework for Wireless Local Area Network (WLAN) – 2024" presents a crucial regulatory shift.

Shahzad Arshad, chairman of the Wireless and Internet Service Providers Association of Pakistan (WISPAP.org), said this on Tuesday, adding the framework's potential to reshape the local internet landscape emerges as both promising and complex.

The primary objective of the framework is clear: democratize access to spectrum through unlicensed bands like 2.4GHz, 5GHz, and 6GHz, fostering technological growth without the burden of exorbitant licensing fees. This regulatory relaxation allows service providers, including smaller players, to expand wireless connectivity across the country.

According to Arshad, “By exempting these frequency bands from licensing fees and FAB, PTA is encouraging innovation and creating opportunities for service providers to grow.”

The framework not only facilitates more accessible connectivity but also positions Pakistan in line with global standards, aligning its policy direction with international trends in unlicensed spectrum usage, especially as Wi-Fi and IoT demand escalate.

However, the framework’s promise comes with significant operational caveats. Its insistence on the “Non-Interference Basis” for unlicensed spectrum use implies that service providers cannot cause or expect protection from interference by other users, particularly primary services. This provision places the onus on smaller ISPs to ensure seamless operations in congested or contested frequency bands, a challenge that could become a roadblock, especially in urban areas.

Arshad highlighted the potential consequences of this. “In urban centres, where spectrum congestion is already a challenge, the risk of interference remains high. Without protection, service providers are at the mercy of more powerful primary users, which could undermine the benefits that the unlicensed spectrum bands offer.”

Moreover, the framework’s prohibition of Point-to-Point (P2P) and Point-to-Multipoint (P2MP) backhaul links in the 6GHz band adds to these concerns. These backhaul links are critical for extending connectivity to rural areas where wired infrastructure is limited. “Restricting the use of these bands for backhaul is a significant limitation, particularly when we talk about rural expansion efforts,” Arshad explains. “We are in constant dialogue with PTA to reconsider this aspect, as the rural broadband expansion is vital for Pakistan’s digital growth.”

Another essential component of the framework is the PTA’s stringent Type Approval requirements, ensuring that all WLAN equipment complies with technical standards laid out in previous regulations. While this ensures a baseline of quality and security, it could slow down the rollout of new technologies, as companies navigate the lengthy approval processes. For Arshad, this is a double-edged sword. “While the Type Approval process ensures equipment quality and compatibility, it must be balanced against the need for timely access to new technologies. A delay in approval could hinder ISPs’ ability to meet the growing demand for next-generation connectivity,” he added.—TAHIR AMIN

GOOGLE, VOLKSWAGEN PARTNER ON SMARTPHONE AI ASSISTANT

Reuters Published September 24, 2024

SAN FRANCISCO: Alphabet’s Google is providing key capabilities for an artificial intelligence assistant for Volkswagen drivers in a smartphone app, part of Google’s strategy to win business by offering tools to build enterprise AI applications.

Consumers can ask Volkswagen’s in-app assistant questions like “How do I change a flat tire?” or point their phone cameras at vehicle dashboards to receive relevant information.

The AI assistant draws on Google's Gemini large language models, programs that can understand and generate predictive responses to human language, and cloud computing capacity.

The VW tool was designed by adding data such as Volkswagen owner's manuals and YouTube videos on vehicle maintenance to Gemini.

Meta and Spotify blast EU decisions on AI

Google Cloud CEO Thomas Kurian told REUTERS that the product required overcoming technical hurdles to multimodality, the ability to process different data types such as text, images and videos.

"The problem looks superficially simple, but it's technically very complex," Kurian said. "Most people think what we built is a speech-to-text translation system that then looks up a manual. Absolutely not."

The AI assistant is free and available to about 120,000 owners of Volkswagen's Atlas and Atlas Cross Sport models. It will roll out by early next year to other cars from model year 2020 and later.

Corporate adoption of generative AI could alter the lucrative cloud computing market, where Google places third in terms of market share behind Amazon and Microsoft . Most companies are still searching for applications that users will find practical.

Cloud computing is a growing business segment for Google, accounting for $33 billion of the firm's $307 billion in overall revenue in 2023.

AI solutions have driven billions in revenue this year, the company has said, though it declined to disclose more precise figures.

Volkswagen declined to give details about usage for its AI assistant so far.

Economic distress

$7BN IMF EFF: BOARD LIKELY TO DO THE NEEDFUL

Tahir Amin Published about an hour ago

ISLAMABAD: Amid high expectations, the International Monetary Fund (IMF) Executive Board is all set to consider Pakistan's 37-month Extended Fund Facility Arrangement (EFF) of about $7 billion on Wednesday (today).

According to the Fund's Executive Board's calendar available on its website, the Board would consider "Pakistan - 2024 Article IV Consultation and Request for an Extended Arrangement under the Extended Fund Facility".

The Pakistani authorities and the IMF team reached a staff-level agreement on a 37-month EFF in the amount equivalent to SDR 5,320 million (or about USD 7 billion) on July 12.

Executive Board meeting notified: IMF to take $7bn EFF on its agenda on 25th

This agreement was subject to approval by the IMF's Executive Board and the timely confirmation of necessary financing assurances from Pakistan's development and bilateral partners.

Officials revealed that Pakistan has met all prior conditions and there are high chances that the IMF Executive Board would approve the 37-month EFF of about $7 billion.

The Finance Division, while giving an in-camera briefing to the National Assembly Standing Committee on Finance last week informed that the IMF has been informed about assurances from friendly countries to roll over existing loans. Sources said these assurances convinced the IMF to schedule a meeting to further discuss Pakistan's program. Additionally, the IMF has been taken into confidence on reforms in Pakistan's power sector.

The committee was also informed that Pakistan's financial requirements are more than the current IMF bailout package. It was further revealed that $7 billion would come from the IMF, while an additional $5 billion will need to be secured from commercial banks and other lenders.

Fuel & Energy

OPEC ROLLS OUT GLOBAL OIL OUTLOOK TO 2050

Reuters Published about an hour ago

LONDON: OPEC raised its forecasts for world oil demand for the medium and long term in an annual outlook, citing growth led by India, Africa and the Middle East and a slower shift to electric vehicles and cleaner fuels.

The Organization of the Petroleum Exporting Countries, in its 2024 World Oil Outlook published on Tuesday, sees demand growing for a longer period than other forecasters like BP and the International Energy Agency, which see oil use peaking this decade.

A longer period of rising consumption would be a boost for OPEC, whose 12 members depend on oil income. In support of its view, OPEC said it expected more push back on "ambitious" clean energy targets, and cited plans by several global carmakers to scale down electrification goals.

"There is no peak oil demand on the horizon," OPEC Secretary General Haitham Al Ghais wrote in the foreword to the report being launched in Brazil, a non-member of OPEC with which the group is seeking to form closer ties.

"Over the past year, there has been further recognition that the world can only phase in new energy sources at scale when they are genuinely ready."

OPEC expects world oil demand to reach 118.9 million barrels a day (bpd) by 2045, around 2.9 million bpd higher than expected in last year's report. The report rolled out its timeline to 2050 and expects demand to hit 120.1 million bpd by then.

That's far above other 2050 forecasts from the industry. BP projects oil use will peak in 2025 and decline to 75 million bpd in 2050. Exxon Mobil expects oil demand to stay above 100 million bpd through 2050, similar to today's level.

'PAKISTAN SHOULD SEEK ASSISTANCE FROM UN, IMF & WEF ON CLEAN RENEWABLE ENERGY'

Press Release Published about an hour ago

FAISALABAD: Pakistan should seek financial and technical assistance from world organizations including UN, IMF and WEF to switch over from fossil fuel to clean renewable energy in order to contribute its productive role in minimizing ill impacts of Greenhouse Gases (GHG) emission, said Hassan Abul-Enein Associate Director World Economic Forum (WEF).

He was addressing an online meeting with the R&D department of the Faisalabad Chamber of Commerce & Industry (FCCI).

He said that WEF has already chalked out a comprehensive strategy to phase out hazardous fuel which has posed serious threat to the earth and environment. He mentioned climate changes and increase in global warming which has become a key threat to life and may cause the extinction of a large number of endangered species of animals and plants.

He appreciated the research work conducted by the R&D department of the FCCI on environment preservation and said that we could collaborate to carve out a workable strategy to promote renewable energy in Pakistan.

Engineer Ahmad Hassan Convener FCCI Standing Committee on R&D and former Vice President FCCI said that WEF, UN, IMF and other global organizations have already given a plan to cut use of fossil fuel by 50% by the year 2030.

He said that Pakistan is trapped by IPPs which are producing costly electricity by using fossil fuel. "We should exploit the global agreements including UN sustainable development goals and Paris agreement to get rid of the harsh conditionality's of the IPPs which have become an unbearable burden on the national kitty", he said and added that Pakistan has potential to produce 2.9 million MW electricity through solar but we are dwindling at only 1000MW.

He mentioned a white paper published by the R&D department of the FCCI which has given a comprehensive solution to get rid of fossil fuel by promoting clean and renewable energy resources in the country.

He said that during the last one century global warming has recorded an alarming increase of 1.2 centigrade which is perpetrating unpredicted rains, floods, storms and earthquakes badly affecting the cropping patron in addition to inflicting colossal loss to the infrastructure. He urged upon the WEF and other global organizations to divert maximum funding towards the production of clean energy so that the carbon emission could be reduced to the minimum level.

He said that Pakistan was bearing a huge loss of $3.8bn while the floods of 2022 also caused staggering losses to the tune of $15bn. He said that the business community must pressurize the government to renegotiate with the IPPs so that the UN objective of reducing fossil fuel to 50% by 2030 could be achieved without any hassle. Amjad Khawaja of PHMA, Engineer Asim Munir, Abdullah Qadri, Dr. Muhammad Arif and Muhammad Faizan also participated in the meeting.

RS8.9189 PER UNIT: KE SAYS RECEIVES LOWEST TARIFF BID FOR 220MW HYBRID PROJECT

Press Release Published about an hour ago

KARACHI: Earlier this month, K-Electric (KE), Pakistan's only private utility firm, announced the receipt of seven bids for Pakistan's first 220 MW hybrid wind/solar project in Dhabeji Sindh. Building up on the momentum, the company marked another important milestone with the opening of the financial bids at a private event in Karachi. With Rs 8.9189 per unit, JCM Power, a Canadian-based renewable energy company, has emerged as the bidder with the lowest proposed tariff, establishing a new precedent in the country's renewable space.

KE is pioneering the competitive bidding process in the renewable energy space, following an approval from NEPRA in the first half of 2024. With the launch of these projects, KE is sprinting ahead towards a sustainable and promising future, in line with an aim to enhance share of renewable energy to 30 percent in its mix by 2030. As a next step, KE will submit the bid evaluation report to NEPRA for it's approval.

Sharing his views on the achievement, Moonis Alvi CEO KE said, "Alhamdulillah! We are very happy to see such a bid, which has been driven from a very transparent bidding process. Many congratulation to the qualifying bidder. We are grateful to the investors for their continued confidence in KE as a brand and in Pakistan's economic potential."

"We deeply appreciate NEPRA supporting us for competitive bidding process on such a complex and innovative project. It aligns seamlessly with KE's vision to induct renewables, reduce generation costs, and gradually reduce dependence on expensive imported fuel sources. With this kind of tariff, we anticipate that the government will have the capacity to pass on the relief to customers as well."

Shahab Qader, Chief Strategy Officer KE, also added, "This is a momentous occasion as KE breaks the barrier yet again. This project is the first in Pakistan to integrate solar and wind energy for improved operational and financial efficiency. These unique specifications also made this project technically demanding requiring deeper expertise. These renewable energy projects at Winder and Bela in Balochistan, and the latest one in Dhabeji, Sindh, totaling to 370 MW, have received a resounding 2960 MW in offers. This response serves as an affirmation of the utility's long-term strategy to make cheapest cost of generation possible."

RS8.92 PER UNIT: KE SAYS RECEIVED 'PAKISTAN'S LOWEST TARIFF BID' FOR 220MW HYBRID PROJECT

BR Web Desk Published September 24, 2024

Power utility K-Electric (KE) on Tuesday said it had received the "country's lowest tariff bid" of Rs8.9189 per unit from a Canadian-based renewable energy company for the KE's 220 megawatts (MW) hybrid project.

The development comes after KE received seven bids for its 220MW site neutral hybrid project in Dhabeji, Sindh.

"Building up on the momentum, the company marked another important milestone with the opening of the financial bids at a private event in Karachi. With PKR 8.9189 per unit, JCM Power, a Canadian-based renewable energy company, has emerged as the bidder with the lowest proposed tariff, establishing a new precedent in the country's renewable space," KE said on Tuesday.

The company said it was working on a competitive bidding process in the renewable energy space, following an approval from the National Electric Power Regulatory Authority (NEPRA) in the first half of 2024.

K-Electric says will introduce low-cost renewable energy solutions for Karachi citizens

"With the launch of these projects, KE is sprinting ahead towards a sustainable and promising future, in line with an aim to enhance share of renewable energy to 30% in its mix by 2030.

"As a next step, KE will submit the bid evaluation report to NEPRA for its approval," the utility said.

Sharing his views, Chief Executive Officer (CEO) of KE Moonis Alvi congratulated the qualifying bidder, saying "we are grateful to the investors for their continued confidence in KE as a brand and in Pakistan's economic potential".

OIL PRICES CLIMB 2% ON CHINA STIMULUS, MIDDLE EAST CONFLICT

Reuters Published September 24, 2024

Oil prices climbed about 2% to a three-week high on Tuesday on news of monetary stimulus from China, the world's top importer, and concerns that conflict in the Middle East could hit regional supply while another hurricane threatened supply in the U.S., the world's biggest crude producer.

Brent futures were up $1.14, or 1.5%, to $75.04 a barrel by 11:09 a.m. EDT (1509 GMT), while U.S. West Texas Intermediate (WTI) crude rose $1.16, or 1.7%, to $71.53.

That put Brent on track for its highest close since Sept. 2.

"The Chinese government's announcement of its largest stimulus package since the pandemic, combined with the sudden rise of geopolitical tension in the Middle East … has dealt a blow to the bearish sentiment that dominated the oil markets in the past three weeks," Claudio Galimberti, global market analysis director at Rystad Energy, said in a note.

China's central bank unveiled its biggest stimulus since the COVID-19 pandemic to pull the economy out of its deflationary funk and back towards the government's growth target, but analysts warned more fiscal help was vital to hit these goals.

Oil edges higher on Middle East tensions, storm worries

In the Middle East, a key oil-producing region, an Israeli airstrike on the southern suburbs of Beirut killed a Hezbollah commander as fears of a full-fledged war in the region mounted.

The strikes risk pulling Iran, a member of the Organization of the Petroleum Exporting Countries (OPEC), closer to a conflict with Israel. Iran supports the Lebanese group.

"The Israeli military chief stated that attacks on Hezbollah would continue to accelerate. This has struck new fears of the possibility an all-out war in the Middle East, which could completely destabilize the region," said Alex Hodes, an oil analyst at brokerage StoneX.

Jake Sullivan, the White House national security adviser, said U.S. President Joe Biden is determined to bring about a Gaza ceasefire and hostage deal with the Palestinian group Hamas while also seeking to de-escalate tensions on Israel's border with Lebanon.

U.S. oil producers, meanwhile, were scrambling to evacuate staff from oil production platforms in the Gulf of Mexico as a second hurricane in two weeks could tear through offshore oilfields.

Several oil companies paused some of their production even though Tropical Storm Helene is currently on track to miss most of the producing regions in the western and central Gulf of Mexico and hit the Florida Panhandle as a hurricane late on Thursday.

U.S. oil inventories

Weekly U.S. oil storage data is due from the American Petroleum Institute (API) trade group later on Tuesday and the U.S. Energy Information Administration (EIA) on Wednesday.

Analysts projected U.S. energy firms pulled about 1.2 million barrels of crude out of storage during the week ended Sept. 20.

If correct, that would be the fifth time in six weeks that U.S. crude stocks have declined and compares with a withdrawal of 2.2 million barrels during the same week last year and an average decrease of 1.0 million barrels over the past five years (2019-2023).

Markets – Rates

KIBOR INTERBANK OFFERED RATES

KARACHI: Kibor interbank offered rates on Tuesday (September 24, 2024).
========================== KIBOR...

Published about 2 hours ago

KARACHI: Kibor interbank offered rates on Tuesday (September 24, 2024).

KIBOR		
Tenor	BID	OFFER
1-Week	17.32	17.82
2-Week	17.34	17.84
1-Month	17.24	17.74
3-Month	16.62	16.87
6-Month	15.93	16.18
9-Month	15.48	15.98
1-Year	15.01	15.51

Data source: SBP

BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Tuesday (September 24, 2024).
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Recorder Report Published about 2 hours ago

KARACHI: BRIndex100 and BR Sectoral Indices on Tuesday (September 24, 2024).

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BR INDICASE AT A GLANCE
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             BRINDEX100
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Day Close:                 81,483.64
High:                      82,010.10
Low:                       81,107.39
Net Change:                   366.86
Volume (000):                148,623
Value (000):              12,282,661
Makt Cap (000)         2,519,159,000
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BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                 17,053.23
NET CH                     (+) 30.53
------------------------------------
BR CEMENT
------------------------------------
Day Close:                  7,879.47
NET CH                     (-) 29.34
------------------------------------
BR COMMERCIAL BANKS
------------------------------------
Day Close:                 23,167.77
NET CH                     (-) 63.18
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                 17,060.67
NET CH                    (-) 655.94
------------------------------------
BR OIL AND GAS
------------------------------------
Day Close:                  7,436.45
NET CH                     (-) 30.87
------------------------------------
BR TECH & COMM
------------------------------------
Day Close:                  3,972.01
NET CH                     (-) 28.40
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As on:             24-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

STOCKS CLOSE IN RED

Recorder Report Published about 2 hours ago

KARACHI: Bearish trend continued on the second consecutive day on Tuesday due to selling pressure and the Pakistan Stock Exchange closed in red zone as the investors opted to offload their holdings on available margins. The benchmark KSE-100 index declined by 366.86 points or 0.45 percent and closed at 81,483.64 points.

The market opened on positive note and the index hit 82,010.10 points intra-day high, however due to selling pressure dropped into negative to hit 81,107.39 points intra-day low level.

Trading activities also remained low as total daily volumes on ready counter decreased to 369.620 million shares as compared to 400.309 million shares traded on Monday while total daily traded value on the ready counter declined to Rs 17.062 billion against previous session's Rs 18.690 billion.

BRIndex100 lost 23.48 points or 0.27 percent to close at 8,592.11 points with total daily turnover of 289.192 million shares.

BRIndex30 plunged by 335.74 points or 1.28 percent to close at 25,896.57 points with total daily trading volumes of 169.332 million shares.

The foreign investors also remained net sellers of shares worth $1.111 million. Total market capitalization declined by Rs 23 billion to stand at Rs 10.685 trillion. Out of total 427 active scrips, 246 closed in negative and 127 in positive while the value of 54 stocks remained unchanged.

WorldCall Telecom was the volume leader with 39.357 million shares however inched down by Re 0.03 to close at Rs 1.25 followed by Pace (Pak) Limited that lost Re 0.16 to close at Rs 5.23 with 22.589 million shares. Hub Power Company declined by Rs 5.72 to close at Rs 129.09 with 21.241 million shares.

Ismail Industries and Rafhan Maize Products Company were the top gainers increasing by Rs 146.54 and Rs 57.50 respectively to close at Rs 1,896.67 and Rs 7,300.00 while Nestle Pakistan and Service Industries were the top losers declining by Rs 52.05 and Rs 36.23 respectively to close at Rs 6,906.02 and Rs 1,112.80.

An analyst at Topline Securities said that the market witnessed another bearish session, as the KSE-100 index, despite opening on a positive note and gaining 159 points (0.19 percent), succumbed to selling pressure. The index plunged to an intraday low of 743 points, eventually closing at 81,483, marking a 366 point (0.45 percent) decline.

This downward shift was largely driven by profit-taking, particularly in key stocks such as HUBC (down 4.25 percent) and EFERT (down 1.99 percent), which reshaped the market sentiment. A broad sell-off in HUBC, EFERT, MCB, PPL, and BAFL collectively dragged the index down by 400 points.

BR Automobile Assembler Index gained 30.53 points or 0.18 percent to close at 17,053.23 points with total turnover of 6.755 million shares.

BR Cement Index lost 29.34 points or 0.37 percent to close at 7,879.47 points with 23.587 million shares.

BR Commercial Banks Index declined by 63.18 points or 0.27 percent to close at 23,167.77 points with 22.687 million shares.

BR Power Generation and Distribution Index plunged by 655.94 points or 3.7 percent to close at 17,060.67 points with 48.499 million shares.

BR Oil and Gas Index fell by 30.87 points or 0.41 percent to close at 7,436.45 points with 23.133 million shares.

BR Tech & Comm Index decreased by 28.4 points or 0.71 percent to close at 3,972.01 points with 68.201 million shares.

Mubashir Anis Naviwala at JS Global Capital said that profit-taking dominated the PSX, pushing the market down by 367 points to close at 81,484.

After a positive start and reaching an intraday high of 82,010 (up 160 points), the momentum shifted. The traded volume stood at 370 million shares, with WTL, PACE, HUBC, PIAHCLA, and FFBL leading the activity.

LME OFFICIAL PRICES

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

Recorder Report Published about 2 hours ago

LONDON: The following were Monday official prices.

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ALUMINIUM
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CONTRACT	BID	OFFER
Cash	2454.00	2455.00

3-month	2471.00	2472.00

COPPER

CONTRACT	BID	OFFER
Cash	9324.00	9329.00
3-month	9461.00	9462.00

ZINC

CONTRACT	BID	OFFER
Cash	2837.00	2839.00
3-month	2871.00	2872.00

NICKEL

CONTRACT	BID	OFFER
Cash	16325.00	16350.00
3-month	16500.00	16525.00

LEAD

CONTRACT	BID	OFFER
Cash	2010.50	2011.50
3-month	2050.00	2052.00

Source: London Metals Exchange.

OPEN MARKET FOREX RATES

Updated at: 25/9/2024 7:38 AM (PST)

Currency	Buying	Selling
Australian Dollar	185.25	187.50
Bahrain Dinar	732.30	740.30
Canadian Dollar	207.10	209.50
China Yuan	38.25	38.65
Danish Krone	40.03	40.43
Euro	308.85	311.60
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	73.85	74.40
Singapore Dollar	201.85	203.85
Swedish Korona	26.15	26.45
Swiss Franc	325.95	328.75
Thai Bhat	7.55	7.7
U.A.E Dirham	75.55	76.20
UK Pound Sterling	366.60	370.10
US Dollar	279.1	280.70

INTER BANK RATES

Updated at: 25/9/2024 7:38 AM (PST)

Currency	Bank Buying TT Clean	Bank Selling TT & OD
Australian Dollar	190.25	190.59
Canadian Dollar	205.52	205.89
China Yuan	39.87	39.94
Danish Krone	41.40	41.47
Euro	309.30	309.86
Hong Kong Dollar	35.82	35.89
Japanese Yen	1.9326	1.9361
Saudi Riyal	74.04	74.17
Singapore Dollar	215.40	215.79
Swedish Korona	27.42	27.47
Swiss Franc	328.02	328.61
Thai Bhat	8.44	8.46
UK Pound Sterling	371.02	371.69
US Dollar	277.75	278.25

GOLD RATE

Bullion / Gold Price Today

As on Wed, Sep 25 2024, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	235,090	273,918	731,225	
Palladium	XPD	93,165	108,552	289,780	
Platinum	XPT	85,914	100,103	267,226	
Silver	XAG	2,749	3,203	8,551	

Gold Price in Pakistan

As on Wed, Sep 25 2024, 02:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 273900	Rs. 251073	Rs. 239663	Rs. 205425
per 10 Gram	Rs. 234800	Rs. 215232	Rs. 205450	Rs. 176100
per Gram Gold	Rs. 23480	Rs. 21523	Rs. 20545	Rs. 17610
per Ounce	Rs. 665600	Rs. 610129	Rs. 582400	Rs. 499200

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	5,962	6,947	18,545	
Euro	EUR	760	885	2,363	
Japanese Yen	JPY	121,393	141,443	377,581	
Saudi Riyal	SAR	3,170	3,694	9,860	
U.A.E Dirham	AED	3,104	3,617	9,656	
UK Pound Sterling	GBP	633	738	1,970	
US Dollar	USD	845	985	2,629	