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SHAHID LEGAL GROUP

SLD NEWS UPDATES

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IN NEWS

Business & Finance » Taxes

MTBA asks ATIR chairman to transfer urgent cases back to Multan Bench

FBR Issues Tax Rates on Payments for Goods and Services

Stock & Commodity

Wall St slides to over 3-week low after payrolls data

Sri Lanka shares end lower as utilities, energy slip

European shares down as investors digest mixed US data

China stocks end at 7-month low

Nikkei falls on caution ahead of US jobs data

FTSE 100 clocks weekly decline; personal goods shares biggest drag

Wall St slides to over 3-week low after mixed payrolls data

UAE stocks muted as investors eye key US jobs data

Indian shares post worst week in three months, key US jobs data on tap

FTSE 100 slips as energy, miners weigh ahead of key US payrolls data

KSE-100 Index Makes Modest Gain in Range-Bound Trading

Business & Finance » Money & Banking

Yuan flat despite weak dollar

Dollar edges up after US payrolls data

Asian currencies: Indonesia’s rupiah, ringgit gains

India’s forex reserves hit record high

Trade & Industry

Paper, printing industries to get latest tech

PSQCA launches crackdown against illegal steel units

21st 3P Plas Print Pack Pakistan exhibition inaugurated

Business & Finance » Companies

Hashoo Group announces 25-year partnership to transform Royal Palm Golf

Electric vehicles will account for up to half of auto sales by 2030, BYD Pakistan says

Technology

Another Pakistani company to establish subsidiary in UAE: Symmetry Group announces plan

China’s Ant Group launches AI ‘life assistant’

Economic distress

Fuel & Energy

Markets – Rates

Business & Finance » Taxes

MTBA ASKS ATIR CHAIRMAN TO TRANSFER URGENT CASES BACK TO MULTAN BENCH

Sohail Sarfraz Published about an hour ago

ISLAMABAD: The Multan Tax Bar Association (MTBA) has formally requested the chairman of the Appellate Tribunal Inland Revenue (ATIR) to transfer urgent cases back to the Multan Bench, following its resumption of operations.

The matter is of significant importance regarding the functioning of the Appellate Tribunal Inland Revenue (ATIR) Multan Bench.

In a letter addressed to the Chairman, the General Secretary of the Multan Tax Bar Association, Muhammad Imran Ghazi, expressed concern over several urgent matters that were temporarily shifted to the ATIR Lahore Bench during the two-month non-functionality of the Multan Bench.

Multan Bench was non-functional for the past two months, during which urgent matters along with main appeals were temporarily transferred to the ATIR Lahore Bench as an interim arrangement.

He highlighted that despite the Multan Bench becoming operational on September 2, 2024, several urgent cases remain pending at the Lahore Bench, causing undue stress for applicants seeking relief and stays against coercive measures.

The Tax Bar Association has urged the ATIR chairman to take immediate action to ensure that these cases are transferred back to the Multan Bench for timely hearings, noting the critical importance of addressing these cases without further delay. The letter emphasized that the return of these files to their home jurisdiction is essential for applicants to obtain the relief they are seeking.

The Multan Tax Bar Association has placed its trust in the chairman’s commitment to ensuring efficient judicial proceedings, requesting his intervention in facilitating the swift transfer of these matters.

FBR ISSUES TAX RATES ON PAYMENTS FOR GOODS AND SERVICES

September 6, 2024

Karachi, September 6, 2024 – The Federal Board of Revenue (FBR) has announced updated income tax rates on payments made for goods and services under Section 153 of the Income Tax Ordinance, 2001.

These rates, which have been issued for the tax year 2024-25, differentiate between individuals and entities listed on the Active Taxpayers List (ATL) and those who are not.

The withholding tax card recently released by the FBR outlines specific rates based on the nature of the goods or services provided, with significantly higher taxes imposed on non-ATL individuals and companies.

Key Rates on Sales of Goods:

• For the sale of rice, cotton seed, or edible oils, the tax rate is 1.5% for ATL entities and 3% for non-ATL.

• On the sale of goods via toll manufacturing (companies), the rate is 9% for ATL and 18% for non-ATL.

• For the sale of goods (other than toll manufacturing for companies), ATL members face a 5% tax rate, while non-ATL pay 10%.

• In the case of toll manufacturing for non-company entities, the rate jumps to 11% for ATL and 22% for non-ATL.

• For the sale of goods not involving toll manufacturing for non-company entities, ATL taxpayers pay 5.5%, whereas non-ATL taxpayers face 11%.

Key Rates on Services:

• For certain services, the rate is 4% for ATL and 8% for non-ATL.

• For services other than those specifically listed, companies face a 9% rate for ATL and 18% for non-ATL. Non-company entities pay 11% if on the ATL and 22% if off it.

• Payments made to electronic and print media for advertising services are taxed at 1.5% for ATL and 3% for non-ATL.

Sportspersons are subject to a 10% tax rate if listed on the ATL, which rises to 20% for those who are not.

For companies, the tax on other types of payments is 7.5% for ATL members and 15% for non-ATL, while other cases face 8% for ATL and 16% for non-ATL.

Under Section 153(2), the tax rate for ATL taxpayers is set at 1%, while non-ATL individuals and entities must pay 2%.

These new tax rates aim to encourage compliance with tax regulations, especially by incentivizing taxpayers to remain on the ATL, ensuring they benefit from lower tax obligations.

Stock & Commodity

WALL ST SLIDES TO OVER 3-WEEK LOW AFTER PAYROLLS DATA

Reuters Published about an hour ago

NEW YORK: Wall Street's main indexes fell to their lowest in over three weeks on Friday after a crucial jobs report did little to clear the uncertainty around the magnitude of the Federal Reserve's interest rate cut expected at its meeting later this month.

A Labor Department report showed US employment increased less than expected in August, but a drop in the jobless rate to 4.2% suggested an orderly labor market slowdown continued.

Traders' bets for a 25-basis point rate cut in September stood at 73%, according to the CME Group's FedWatch Tool, while those for a 50-bps reduction in rates were at 27%, down from a brief rise to 51% after the data.

Rate-sensitive growth stocks such as Alphabet and Tesla fell 2.8% and 5.4%, respectively, while Nvidia lost 4.4%, nearing the level of $100 last seen in early August.

"There's uncertainty about what the Fed is going to do," said Melissa Brown, managing director of investment decision research at SimCorp.

"We certainly would like to see rates come down, but on the other hand could an aggressive move suggest that they see something that makes them think the economy is worse off than we thought?"

Meanwhile, some policymakers said they are ready to lower interest rates at the Fed's meeting in two weeks, with one of them saying he could support a bigger cut in borrowing costs, should the cooling labor market need support.

The labor market has come under scrutiny after an unexpected rise in the jobless rate sparked recession fears nearly a month ago and had sent the tech-heavy Nasdaq down more than 10% into correction territory and led to a selloff in global markets.

At 11:44 a.m. ET, the Dow Jones Industrial Average fell 329.57 points, or 0.81%, to 40,426.18, the S&P 500 lost 81.01 points, or 1.47%, to 5,422.40 and the Nasdaq Composite lost 393.51 points, or 2.30%, to 16,734.15.

All major sectors on the S&P 500 were trending lower, led by a 2.6% drop in tech stocks. Wall Street's three main indexes were on track for a weekly loss. The benchmark S&P 500 was on course for a weekly drop of more than 3%, its steepest decline in 18 months, led by a more than 6% slide in technology stocks.

September has been historically weak for US equities, with the S&P 500 down about 1.2% for the month on average since 1928.

Broadcom shed 9.2% after the chipmaker forecast fourth-quarter revenue slightly below estimates, hurt by sluggish spending in its broadband segment.

Other chip stocks such as Marvell Technology dropped 5.1% and Advanced Micro Devices shed 4.5%, sending the Philadelphia SE Semiconductor index down 4.2%.

The semiconductor index is set for its biggest weekly drop since March 2020.

Among others, Super Micro Computer dropped 6.4% after brokerage J.P. Morgan downgraded the AI server maker's shares to "neutral" from "overweight".

Declining issues outnumbered advancers by a 2.79-to-1 ratio on the NYSE and by a 3.37-to-1 ratio on the Nasdaq.

The S&P 500 posted 16 new 52-week highs and 12 new lows, while the Nasdaq Composite recorded 19 new highs and 134 new lows.

SRI LANKA SHARES END LOWER AS UTILITIES, ENERGY SLIP

COLOMBO: Sri Lankan shares closed lower on Friday, dragged by utilities and energy stocks. The CSE All-Share index...

Reuters Published about an hour ago

COLOMBO: Sri Lankan shares closed lower on Friday, dragged by utilities and energy stocks.

The CSE All-Share index settled 0.23% lower at 10,775.87.

The index logged its third straight weekly fall, declining 0.8%.

Ceylon Hospitals Plc and Malwatte Valley Plantations Plc were the top losers on the index, down 6.8% and 11%, respectively.

Trading volume on the index fell to 22.7 million shares from 62.3 million shares in the previous session.

The equity market's turnover fell to 449.5 million Sri Lankan rupees ($1.5 million) from 1.49 billion rupees in the previous session, according to exchange data.

Foreign investors were net sellers, offloading stocks worth 59.9 million rupees, while domestic investors were net buyers, purchasing shares worth 432.7 million rupees, the data showed.

EUROPEAN SHARES DOWN AS INVESTORS DIGEST MIXED US DATA

Reuters Published about an hour ago

PARIS: European shares fell for a fifth straight session on Friday in their worst day since early August, after a widely anticipated US jobs report offered mixed signals on the size of a potential Federal Reserve rate cut later this month.

The pan-European STOXX 600 index fell 1%. The index also snapped a four-week winning streak, losing 2.5% in its worst weekly performance since the week ending Aug. 2.

Data showed US employment increased less than expected in August, potentially decreasing the chance that the Fed might opt for a 50-basis-point (bp) - rather than a 25-bp - rate cut this month, though the unemployment rate slipped.

Investors saw just a 23% chance of a 50 bp rate cut as of 1611 GMT, though pricing briefly rose above 51% after the data, according to the CME's FedWatch tool.

"Over the next couple of weeks ... markets (will) continue to trade choppy, and volatility (will) remain high because it is genuinely a coin flip in the markets as to what's going to happen at that next Fed meeting," said Michael Brown, senior research strategist at Pepperstone.

In Europe, all major country indexes fell around 1%, with Germany's DAX index dropping 1.6% to a two-week low after data showed the country's industrial production fell by 2.4% in July, compared with analysts' prediction of a 0.3% drop.

The technology, basic materials, and energy sectors were the biggest drag on the STOXX 600, all falling over 2%. Chip stocks weighed on the tech sector, tracking declines in US peers after tepid results from Broadcom.

Declines in oil and metal prices weighed on commodity stocks, while the rate-sensitive bank sector fell 1.8%. On a brighter note, the rate-sensitive real estate sector rose 0.6% to its highest since August 2022.

Also on the data front, euro zone GDP growth was revised to 0.2% for the second quarter from an earlier estimate of 0.3% growth.

Next week, the European Central Bank is widely expected to ease rates by 25 bps. European markets, however, are likely to take their cues from overseas, with US inflation data expected to be the biggest mover.

"The Fed is absolutely the main driving force at the moment, with markets having already discounted that policy path for the ECB while you've got a very uncertain outlook for the Fed," Brown said.

Among individual stocks, Volvo Cars dropped 5.7%. The Swedish automaker slashed its margin and revenue ambitions for a second time in a year on Thursday at its capital market day.

CHINA STOCKS END AT 7-MONTH LOW

Reuters Published about an hour ago

SHANGHAI: China stocks finished at seven-month lows on Friday, as sharp falls in technology and property shares outweighed gains in brokerages fuelled by consolidation bets.

The Shanghai Composite index closed down 0.81% at 2,765.81 points, while the blue-chip CSI300 index ended 0.81% lower at 3,231.35 points. Both recorded their lowest closing levels since Feb 5.

For the week, the SSEC lost 2.69%, while the CSI300 slumped 2.71%.

China's former central bank governor Yi Gang said the country should focus on fighting deflationary pressure as the economy struggles to lift off despite a raft of policy support measures.

The central bank hinted at more easing on Thursday, but investors interpreted the signal as official recognition of economic weakness.

On the day, the consumer staples sector ended down 0.97%, the real estate index lost 1.45% and the healthcare sub-index dropped 1.76%. Bucking the trend, brokerages jumped after Guotai Junan Securities agreed to acquire rival Haitong Securities, fuelling expectations of further industry consolidations.

This includes potential deals between CICC and China Galaxy Securities, as well as Citic Securities and China Securities, Hua Chuang Securities said in a note.

CICC's Shanghai-listed shares jumped as much as 8% before finishing up 2.19%. Galaxy Securities soared 10% to hit a two-month high before easing to finish up 4.93%.

The smaller Shenzhen index ended down 1.61% and the start-up board ChiNext Composite index was weaker by 1.703%.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.31%, while Japan's Nikkei index closed down 0.72%.

The Hong Kong market was suspended from trading due to super typhoon Yagi.

NIKKEI FALLS ON CAUTION AHEAD OF US JOBS DATA

Reuters Published about an hour ago

TOKYO: Japan's Nikkei share average fell on Friday for a fourth straight session ahead of the release of the key US non-farm payrolls, while a stronger yen weighed on sentiment.

The Nikkei closed 0.72% lower at 36,391.47 points, after falling as much as 1.7%.

For the week, the index lost 5.15%, its worst week since July 26.

"Investors wanted to reduce risks as they braced for a weak outcome of the US jobs data, which prompted a sell-off of stocks," said Shingo Ide, chief equity strategist at NLI Research Institute.

The yen rose to a one-month high ahead of the key US jobs data due later in the day that could decide the size and speed of coming rate cuts in the world's largest economy.

A firmer yen hurts exporters as it decreases the value of overseas profits in yen terms when firms repatriate them to Japan.

Chip-making equipment maker Tokyo Electron fell 1.9% to drag the Nikkei the most. Chip-testing equipment maker Advantest lost 1.38% and technology investor SoftBank Group lost 1.76%.

FTSE 100 CLOCKS WEEKLY DECLINE; PERSONAL GOODS SHARES BIGGEST DRAG

Reuters Published September 6, 2024

UK's main stock index ended lower on Friday, dragged down by personal goods and automobile shares, while investors assessed U.S. jobs report data to determine the extent of expected interest rate cuts by the Federal Reserve.

The blue-chip index FTSE 100 fell 0.7%, marking its sixth straight daily decline and lost 2.5% for the week, its steepest weekly loss since mid-January.

However, it has fared better than its benchmark European and U.S. peers on a weekly basis, with the STOXX 600 and the S&P 500 down 3.6% and over 4%, respectively.

The domestically focused mid-cap FTSE 250 dropped 1.3%, while on a weekly basis the index clocked its biggest fall in six weeks, shedding 2.8%.

The personal goods index tumbled 3.7% as the top sectoral decliner, trading at its lowest levels since December 2009, following a 5.2% sell-off in luxury retailer Burberry.

The index is also the biggest loser on a weekly basis, off 8.2%.

The automobiles and parts index followed with a 3.1% slip, registering its biggest one-day losses in over a month, while industrial metal miners fell 2.7% on lower copper prices as a stronger dollar and mixed U.S. jobs data added to concerns about global economic growth.

FTSE 100 slips as energy, miners weigh ahead of key US payrolls data

U.S. employment increased less than expected in August, but a drop in the jobless rate to 4.2% suggested an orderly labour market slowdown continued and probably did not warrant a big interest rate cut from the Federal Reserve this month.

CME Group's FedWatch Tool showed 73% of traders now anticipate the U.S. central bank will deliver a 25 basis point in its September meeting.

The European Central Bank is also poised to cut rates while the Bank of England is likely to hold this month.

Meanwhile, data showed British house prices rose last month at the fastest annual pace since late 2022, while a report showed the nation needs an additional one trillion pounds in investment in the next decade to grow the economy.

WALL ST SLIDES TO OVER 3-WEEK LOW AFTER MIXED PAYROLLS DATA

Reuters Published September 6, 2024

Wall Street's main indexes fell to their lowest in over three weeks on Friday after a crucial jobs report did little to clear the uncertainty around the magnitude of the Federal Reserve's interest rate cut expected at its meeting later this month.

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"We certainly would like to see rates come down, but on the other hand could an aggressive move suggest that they see something that makes them think the economy is worse off than we thought?"

Wall Street edges lower as focus shifts to payrolls data

Meanwhile, some policymakers said they are ready to lower interest rates at the Fed's meeting in two weeks, with one of them saying he could support a bigger cut in borrowing costs, should the cooling labor market need support.

The labor market has come under scrutiny after an unexpected rise in the jobless rate sparked recession fears nearly a month ago and had sent the tech-heavy Nasdaq down more than 10% into correction territory and led to a selloff in global markets.

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The semiconductor index is set for its biggest weekly drop since March 2020.

Among others, Super Micro Computer dropped 6.4% after brokerage J.P. Morgan downgraded the AI server maker's shares to "neutral" from "overweight".

Declining issues outnumbered advancers by a 2.79-to-1 ratio on the NYSE and by a 3.37-to-1 ratio on the Nasdaq.

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UAE STOCKS MUTED AS INVESTORS EYE KEY US JOBS DATA

Reuters Published September 6, 2024

Stock markets in the United Arab Emirates ended mostly subdued on Friday as investors held a cautious stance ahead of a key U.S. jobs data, which could likely shape the size and pace of the Federal Reserve's interest rate cuts.

Monetary policy in the six-member Gulf Cooperation Council (GCC), including the UAE, is usually guided by the Fed's policy decision because most regional currencies are pegged to the U.S. dollar.

The U.S. non-farm payrolls data for August is due at 1230 GMT.

Abu Dhabi's main share index fell 0.3%, fuelled by a sell-off across the board, including in the financial, telecoms and petrochemicals sectors.

First Abu Dhabi Bank, the country's largest lender, shed 0.4% and telecoms firm e&, formerly known as Emirates Telecommunications, lost 1.4%.

Petrochemical company Borouge fell more than 3% as shares traded ex-dividend.

Most Gulf markets edge higher ahead of US data

Meanwhile, the initial public offering (IPO) of NMDC Energy, part of Abu Dhabi-listed NMDC Group, was more than 31 times oversubscribed when the offer closed on Thursday, state news agency WAM reported.

NMDC Energy shares are scheduled to begin trading on Sept. 11 on the Abu Dhabi exchange.

The index, however, posted a weekly gain of 1.8%.

In Dubai, the main share index closed flat but logged a fourth consecutive weekly gain. The blue-chip developer Emaar Properties fell 0.8%, while Emirates NBD Bank was up 0.3%.

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 ABU DHABI     fell 0.3% to 9,448 points
 DUBAI         ended flat at 4,373 points
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INDIAN SHARES POST WORST WEEK IN THREE MONTHS, KEY US JOBS DATA ON TAP

Reuters Published September 6, 2024

BENGALURU: India's benchmark indexes logged their worst week in three months on Friday amid jitters ahead of a crucial U.S. jobs report that could determine the size and speed of the Federal Reserve's interest rate cuts.

The Nifty 50 index ended 1.17% lower at 24,852.15 points, while the S&P BSE Sensex lost 1.24% to 81,183.93.

The blue-chip indexes lost about 1.5% this week, snapping a three-week winning streak and easing off record high levels hit on Monday after latest U.S. economic data raised fears that the Fed has perhaps waited too long to lower rates.

"The overheated segments of the markets have seen some profit booking… From a global perspective the focus is now on the economic data coming from the U.S. to gauge the direction and the quantum of Fed fund rate movement in the upcoming FOMC (Federal Open Market Committee) meet," said Joseph Thomas, head of research at Emkay Wealth Management.

Worries over a slowdown in the U.S. labour market re-emerged after data showed soft job openings overall and fewer job gains in the private sector, raising expectations of a 50-basis-point rate cut this month.

Indian shares likely to open flat ahead of US jobs data

The U.S. non-farm payroll report for August, due at 6:00 p.m. IST (1230 GMT), will give clarity on the health of the labour market.

A weak report will raise the odds of a 50-bp cut, while a report showing a recovery in the labour market will bolster bets of a 25-bp cut.

For the week, state-owned banks, energy, metal and auto stocks were among the top sectoral losers by percentage, dropping between 2.5% and 5%.

All the 13 major sectors fell on Friday. The more domestically-focussed small- and mid-caps fell 1.25% and 1.59%, respectively.

Among individual stocks, State Bank of India, the country's largest state-owned lender, lost about 4.5% after Goldman Sachs downgraded the stock to "sell" from "neutral", citing rising headwinds to growth, margins and credit costs.

FTSE 100 SLIPS AS ENERGY, MINERS WEIGH AHEAD OF KEY US PAYROLLS DATA

Reuters Published September 6, 2024

UK's main stock index was lower on Friday, dragged down by energy and mining shares, as investors awaited a US jobs report that could determine the extent of expected interest rate cuts by the Federal Reserve.

The blue-chip index FTSE 100 fell 0.4% as of 0710 GMT, on track for its sixth straight daily decline and down 1.8% for the week, its steepest weekly loss since mid January.

However, it has fared better than its benchmark European and US peers on a weekly basis, with the STOXX 600 and the S&P 500 down around 3% each.

The domestically focused mid-cap FTSE 250 was up 0.1%, but set for its biggest weekly fall since late July.

Industrial metal miners and energy were among the worst hit sectors, while precious metal miners led gains tracking higher gold prices.

For the week, industrial metal miners and chemical stocks were the biggest laggards, while the real estate sector was the top performer.

UK shares kicked off September on a dour note, after recent weak economic data brought back concerns of a likely US economic slowdown, which had sparked a sharp selloff in risky assets globally in early August.

The US non-farm payrolls report, later in the day, will set expectations around the quantum and pace of US rate cuts ahead of this month's Fed policy decision.

UK's FTSE 100 hits three-week low as US economic worries dent risk sentiment

While the debate is on whether the US central bank will deliver a 25- or 50-basis point cut to rekindle growth, LSEG data shows the European Central Bank is poised to cut rates and the Bank of England is likely to hold this month.

Meanwhile, data showed British house prices rose last month at the fastest annual pace since late 2022, while a report showed the nation needs an additional one trillion pounds in investment in the next decade to grow the economy.

KSE-100 INDEX MAKES MODEST GAIN IN RANGE-BOUND TRADING

September 6, 2024

Karachi, September 6, 2024 – The benchmark KSE-100 index of the Pakistan Stock Exchange (PSX) closed with a modest gain of 35 points on Friday in a range-bound trading session. The index finished at 78,898 points, up from the previous day's close of 78,863 points.

According to analysts at Topline Securities Limited, the KSE-100 index saw a mixed performance, fluctuating between an intraday high of 391 points and an intraday low of 54 points in negative territory. Despite the swings, the index ended up gaining 0.04%, reflecting cautious investor sentiment amid limited triggers.

Key contributors to the positive movement in the index included companies like Kohat Cement (KOHC), Mari Petroleum (MARI), Bank Alfalah (BAFL), National Bank of Pakistan (NBP), and MCB Bank (MCB). These stocks collectively added 42 points to the KSE-100 index. On the flip side, companies like Meezan Bank (MEBL), Engro Corporation (ENGRO), Fauji Fertilizer Company (FFC), Habib Metropolitan Bank (HMB), and National Foods (NATF) saw declines, collectively dragging the index down by 30 points.

Trading volume for the day stood at 738 million shares, with a total trading value of Rs 12.8 billion. While activity remained steady, it lacked the momentum to drive any significant upward trend.

Market participants highlighted that the lack of major economic news and a wait-and-see approach by investors contributed to the range-bound session at the KSE-100 index. Investors are keeping a close eye on global market trends, particularly oil prices, and upcoming economic developments, including potential changes in the monetary policy and any signals from international financial institutions.

Despite the modest gain, analysts remain optimistic about the medium-term outlook for the PSX, citing improving corporate earnings in key sectors such as banking, cement, and oil. However, they cautioned that external factors, such as global market volatility and geopolitical tensions, could continue to influence investor sentiment in the near future.

Looking ahead, market experts expect trading in the KSE-100 index to remain cautious, with a focus on upcoming corporate results and any government policy announcements that could influence the broader economy.

For now, the market appears to be in consolidation mode, as investors weigh the impact of both domestic and international developments on future market performance.

Business & Finance » Money & Banking

YUAN FLAT DESPITE WEAK DOLLAR

Reuters Published about an hour ago

SHANGHAI: China's yuan was steady on Friday, as easing expectations offset the positive impact from a weaker dollar.

It changed hands at roughly 7.090 per dollar at midday, barely moving from the previous day's close.

The Chinese currency has strengthened more than 2.6% since the end of July, as the greenback weakened amid growing bets on a US rate cut in September, prompting some Chinese companies to sell the dollar for yuan.

On Friday, the dollar nursed losses, with investors on tenterhooks ahead of US jobs data that could decide the size and speed of coming US rate cuts.

But traders hesitated to push up the yuan, after China's central bank said on Thursday that policymakers still have room to lower the amount of cash banks must hold as reserves.

DOLLAR EDGES UP AFTER US PAYROLLS DATA

Reuters Published about an hour ago

NEW YORK: The dollar edged up in volatile trading on Friday after data showed US employment grew less than expected in August, but indicated a steady slowdown in the labor market, likely supporting gradual interest rate cuts by the Federal Reserve.

Nonfarm payrolls increased by 142,000 jobs last month after a downwardly revised 89,000 rise in July, the Labor Department's Bureau of Labor Statistics said on Friday. Economists polled by Reuters had forecast payrolls increasing by 160,000 jobs after a previously reported 114,000 gain in July.

The dollar, which initially fell against most major peers after the release of the jobs data, soon recovered ground to trade higher.

The euro was 0.3% lower against the dollar at $1.1078, jumping as high as $1.1155 right after the release of the payrolls report. The Dollar Index, which measures the US currency's strength against six major peers, was up 0.3% at 101.32.

"I think the market's really struggling with this one because it's really in the middle of what could be used as a justification for either a 25 or 50 basis point rate cut," Gennadiy Goldberg, head of US rates strategy at TD Securities, said.

Traders now see a 39% chance that the Fed will cut its policy rate, now in the 5.25% to 5.50% range, to a 4.75% to 5% range at its upcoming meeting on Sept 17-18, according to LSEG data. Before the report they had seen about a 43% chance of that outcome, favoring instead a quarter-point reduction.

"The US economy looks more likely to gouge the runway in the months ahead, justifying an increasingly aggressive response from officials at the Federal Reserve," said Karl Schamotta, chief market strategist at payments company Corpay in Toronto.

"A half-point rate cut at the central bank's September meeting remains unlikely, but today's release provided clear evidence of a sharp deterioration in labor market fundamentals, and will bolster bets on at least one jumbo-sized rate cut in the coming months," he said.

Against the Japanese yen, the dollar rose 0.2% to 143.75 yen, on pace to snap a three-session streak of daily losses.

Safe haven demand and expectations for imminent rate hikes from the Bank of Japan have helped support the Japanese currency in recent sessions.

Traders have sold the dollar against other currencies fairly consistently over the last couple of months, as concern has risen that a slowing US economy will require chunky rate cuts.

Federal Reserve Bank of New York President John Williams said Friday that a better balanced economy has opened the door to cutting rates, with the full course of action to be determined by how the economy performs.

Fed Chair Jerome Powell signaled that the central bank's focus was shifting from fighting inflation to preventing deterioration in the job market when he strongly endorsed an imminent start to the monetary easing cycle at the annual economic conference in Jackson Hole last month.

ASIAN CURRENCIES: INDONESIA'S RUPIAH, RINGGIT GAINS

Reuters Published about an hour ago

BENGALURU: Asian equities were poised to end a turbulent week on a steady note, with Thailand's stocks leading the charge on Friday, while currencies edged higher ahead of crucial US monthly payrolls data that could set the stage for outsized rate cuts.

The MSCI Emerging Markets index increased 0.4% on Friday, but was on track for a weekly decline of more than 2%.

Thailand's benchmark stock index gained 1.8% to its highest since Jan. 5 and was on track for its strongest weekly rise since January 2021 with a near 5% jump as a stabilising political environment and measures taken to boost capital flows improved risk appetite.

Taiwan's shares rose 1.1%, but were poised for their biggest weekly drop since mid-April. Stocks in Jakarta advanced 1% to a record high of 7,754.48.

Market focus was on the US nonfarm payrolls data due later in the day and the report is expected to influence the size of the interest rate cut that the US Federal Reserve will likely deliver on Sept. 18.

Traders view a quarter-point reduction as the more probable action, but they also assign about a 49% chance to a 50-basis-point cut, according to rate futures contracts.

"A much weaker report may further raise concerns about its cooling labour market," said Christopher Wong, a currency strategist at OCBC.

"Risk-off trades may pressure high-beta FX, including AUD, NZD, KRW, while JPY, CHF and to some extent, USD can benefit."

Asian currencies traded higher, with Thailand's baht, the Taiwanese dollar, and South Korea's won gaining 0.2%, 0.3%, and 0.4%, respectively.

Indonesia's rupiah and Malaysia's ringgit added 0.2% each.

Mixed US data has heightened concerns about economic growth in the world's largest economy and tarnished the dollar's allure.

The dollar index, a measure against six major peers, hovered near a one-week low after slipping about 0.2% overnight.

INDIA'S FOREX RESERVES HIT RECORD HIGH

Reuters Published September 6, 2024

MUMBAI: India's foreign exchange reserves rose for a third straight week to a record high of $683.99 billion as of Aug. 30, data from the Reserve Bank of India showed on Friday.

The reserves rose by $2.3 billion in the reporting week, after having risen by a total of $11.6 billion in the prior two weeks.

The RBI intervenes in the foreign exchange market to prevent undue volatility in the Indian rupee.

Over the last month, the central bank likely bought and sold dollars, according to traders.

This led to the rupee holding a narrow range for extended periods.

India's forex reserves hit record high

Changes in foreign currency assets are caused by the RBI's intervention as well as the appreciation or depreciation of foreign assets held in the reserves.

Foreign exchange reserves also include India's reserve tranche position in the International Monetary Fund.

In the week ending Aug. 30, the rupee had logged marginal weekly gains against the dollar.

The rupee settled at 83.9475 on Friday and was down 0.1% week-on-week.

Foreign exchange reserves (in million US dollars)

	Aug 30 2024	Aug 23 2024
Foreign currency assets	599,037	597,552
Gold	61,859	60,997
SDRs	18,468	18,459
Reserve Tranche Position	4,622	4,680
Total	683,987	681,688

Trade & Industry

PAPER, PRINTING INDUSTRIES TO GET LATEST TECH

Recorder Report Published about an hour ago

LAHORE: Pakistani investors are likely to get latest technology from Germany for paper manufacturing, converting, printing processes, publishing computer

technologies and ink manufacturing after their participation in DRUPA -2024 exhibition held in Germany.

This was stated by Salman Jameel, Director of Messe Dusseldorf which participated in this moot, which is World's biggest International Trade Expo for paper manufacturing, converting, printing processes, publishing computer technologies, ink manufacturing and all kind of other machineries related to this industry. This fair is held after every four years.

In DRUPA 2024 nearly 1,643 exhibitors from 52 countries displayed their products. As many as 680 visitors participated from Pakistan.

Salman Jameel claimed that the Pakistani got information about the latest products through this event which will help Pakistan's paper, printing and related industries.

PSQCA LAUNCHES CRACKDOWN AGAINST ILLEGAL STEEL UNITS

Recorder Report Published September 7, 2024 Updated about an hour ago

LAHORE: The Pakistan Standards and Quality Control Authority (PSQCA) on Friday launched a crackdown against substandard steel products and unlicensed units across Punjab following the directives from the Prime Minister's office.

PSQCA enforcement team and local police, multiple raids were conducted across various manufacturing sites in Lahore, resulting in the seizure of six illegal manufacturing units, with legal action also initiated against the involved traders, said a spokesman of the Authority.

Simultaneously, in Gujranwala, teams conducted similar raids and seized two steel manufacturing units that were found to be non-compliant with industry standards.

Before the action, multiple notices were issued to these units for compliance but failed to register. A huge quantity of steel products was also seized on the spots, the spokesman added.

21ST 3P PLAS PRINT PACK PAKISTAN EXHIBITION INAUGURATED

Press Release Published about an hour ago

LAHORE: 21st International 3P Plas Print Pack Pakistan - country's pioneer and biggest exhibition for plastic, printing and packaging industry organized by Fakt Exhibitions (Pvt.) Ltd. opened its doors on Thursday at Expo Centre, Lahore.

The exhibition was inaugurated by Chief Guest Kashif Anwar - President Lahore Chamber of Commerce and Industry, Saleem Khan Tanoli – CEO Fakt Exhibitions in the presence of other renowned industry names.

On the occasion, Kashif Anwar stated that "Fakt Exhibitions has taken a wonderful initiative by organizing 3P Plas Print Pack Pakistan Exhibition, which provides a rewarding opportunity for plastic, printing and packaging industry to demonstrate state-of-the-art machinery and technology."

Saleem Khan Tanoli said that "3P Plas Print Pack Pakistan Exhibition plays a crucial role in advancing the industry. It serves as an important platform for professionals to stay updated on the latest trends and technological developments, strengthening the ties between industry players and buyers.

3P Plas Print Pack Pakistan Exhibition will take place till 7th September 2024 providing the trade visitors an ideal opportunity to meet with the leading national and international companies of Plastic, Printing and Packaging industry.

Business & Finance » Companies

HASHOO GROUP ANNOUNCES 25-YEAR PARTNERSHIP TO TRANSFORM ROYAL PALM GOLF

Recorder Report Published about an hour ago

LAHORE: Pakistan Services Limited (PSL)-Hashoo Group, in collaboration with Warm Waters Advisory Group, Platinum Construction Limited and Golfscape LDA Portugal, has announced a 25-year strategic partnership to manage and transform the Royal Palm Golf and Country Club, Lahore, with a formal award of a contract by the competent authorities awaited subsequently.

This collaboration marks a significant milestone in Warm Waters Advisory and Hashoo Group's commitment to enhancing leisure, hospitality, tourism, and sporting experiences, making Royal Palm one of the best family entertainment, leisure, and golf destinations in Pakistan, said a Hashoo Group spokesperson here on Friday.

Royal Palm Golf and Country Club is renowned for its outstanding golf course, luxurious amenities and distinguished membership, which includes top industry leaders, businessmen, and dignitaries from across the country. Under the stewardship of Hashoo Group and its partners, the Club will undergo a comprehensive revitalisation to enhance its position as a premier destination for family entertainment and sporting activities, further promoting tourism in the region.

The transformation will feature significant investments to upgrade the golf course, expand sports facilities, enrich dining options and develop event spaces that cater to a diverse audience. A notable addition will be a five-star guest accommodation facility featuring over 100 rooms with views directly overlooking the golf course. To foster a vibrant golfing community and attract tourists, the Club will introduce high-profile golfing events, tournaments, and bespoke hospitality experiences tailored specifically for golf enthusiasts, further enhancing its appeal to both local and international players.

Commenting on the collaboration, Bastien Blanc, CEO, Hospitality Division, Hashoo Group, stated, “We are excited to join forces with our esteemed partners to redefine the Royal Palm Golf and Country Club experience. This project marks the second golf-centred property to join the Signature Collection by Pearl-Continental, designed to offer unique and memorable experiences beyond the typical hospitality stay. Our vision is to establish Royal Palm as the premier choice for families, leisure seekers, and golf enthusiasts in the region.”

Warm Waters Advisory Group, known for its strategic expertise in revitalising state assets, is playing a key role in this collaboration. Adeel Malik, General Partner of Warm Waters Advisory Group, said Warm Waters Advisory has consistently led innovative collaborations in this market to maximize the potential of opportunities and assets. “At Royal Palm Golf and Country Club, we have facilitated a strategic partnership between Hashoo Group and Portuguese Golf Company, bringing foreign direct investment (FDI) to Pakistan. We aim to revitalise and enhance Royal Palm, making it a national asset again,” he added.

With its extensive experience in modern construction and infrastructure development, Platinum Construction Limited will ensure the transformation is executed seamlessly. Qadeer Ashfaq, CEO of Platinum Construction Limited, added, “We are thrilled to introduce a state-of-the-art five-star guest facility, new banquet spaces, and a complete renovation of the existing clubhouse.”

Golfscape LDA Portugal, a global leader in golf course design and management, brings its expertise to elevate Royal Palm Golf and Country Club to new heights. Gil Zdanowski, CEO of Golfscape LDA Portugal and Asad Abbas, Partner Golfscape Pakistan, said that they see great potential in the Pakistan market and are committed to positioning Royal Palm as the premier golf course in the country. “By introducing modern infrastructure, including advanced drainage, maintenance, and landscaping, we aim to deliver a golfing experience that meets world-class standards. Together with our partners, we will ensure Royal Palm becomes a local and internationally standout golfing destination.”

ELECTRIC VEHICLES WILL ACCOUNT FOR UP TO HALF OF AUTO SALES BY 2030, BYD PAKISTAN SAYS

- BYD has plans to open an assembly plant in early 2026, but will introduce vehicles for sale later this year, after launching three models in August

Reuters Published September 6, 2024

KARACHI: Up to 50% of all vehicles bought in Pakistan by 2030 will be electrified in some form in line with global targets, BYD Pakistan, a partnership between China's BYD and Pakistani car group Mega Motors, said.

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

The partnership has announced plans to open an assembly plant in early 2026, but will introduce vehicles for sale later this year, after launching three models in August.

Aurangzeb wants BYD to export from Pakistan as Chinese automotive giant launches in country

"I see conversion to new energy vehicles NEV at up to 50%," Kamran Kamal, BYD's spokesperson in Pakistan, told REUTERS in an interview at his office on Thursday.

Kamal is also the CEO of Hub Power, which owns Mega Motors.

The target is an ambitious one for Pakistan's auto sector, which has been largely dominated by Japanese automakers Toyota, Honda and Suzuki, with vehicle sales hitting a multi-year low in the fiscal year that ended June 30, 2024.

Recently South Korea's KIA and Hyundai have begun challenging for market share along with Chinese companies Changan and MG, all of whom offer hybrid vehicles.

Hubco subsidiary ventures into EVs with China's BYD

BYD Pakistan is the first major new energy vehicle entrant in the Pakistani market. Hybrid electric vehicle sales in Pakistan have more than doubled in the past year.

While reaching 30% NEV adoption by 2030 is feasible, achieving 50% may be more challenging due to infrastructure hurdles, said Muhammad Abrar Polani, auto sector analyst at Arif Habib Limited.

Kamal said the challenge of charging infrastructure would be addressed by government plans to incentivise its construction.

Local media reported in August that standards for EV charging stations had been drafted by the power ministry, with the government considering offering them affordable electricity.

Kamal said BYD Pakistan is collaborating with two oil marketing companies to establish a charging infrastructure network and aims to establish 20 to 30 charging stations within the initial phases concurrent with the rollout of its cars.

BYD Pakistan will initially sell fully assembled vehicles, which are subject to higher import charges than vehicles shipped in parts and assembled locally.

BYD's global expansion push runs into stiff Japan test

"Our main focus is to have locally assembled cars on the roads as soon as possible," said Kamal, citing difficulties in importing and selling fully assembled units under Pakistan's current duty structure.

Kamran said BYD Pakistan is deciding on the size of a new plant, but details about the investment and partnership with power utility HUBCO will be disclosed later.

Technology

ANOTHER PAKISTANI COMPANY TO ESTABLISH SUBSIDIARY IN UAE: SYMMETRY GROUP ANNOUNCES PLAN

BR Web Desk Published September 6, 2024

Looking to take advantage of business-friendly environment in the UAE, another listed Pakistani company announced that it will establish its subsidiary in the Gulf country.

Symmetry Group, a digital technology company based in Pakistan, in its notice to the Pakistan Stock Exchange (PSX) shared the company's plans to set up a subsidiary in UAE.

"Symmetry Group Limited's Board of Directors has approved formation of the wholly owned subsidiary in UAE," read the notice on Friday.

"This subsidiary will pave the way for global launch and scaling of the intellectual properties (products), developed in-house," it added.

The company was of the view that this new entity will enhance Symmetry Group's "credibility and provide greater access to business opportunities across the GCC and international markets".

Pakistan's Symmetry Group says it has inked deal with US tech company

"It will also offer increased flexibility in forming partnerships, joint ventures, and securing international contracts.

"Moreover, this strategic move will enable more efficient financial structuring and operational optimization, while exploring innovative business opportunities and global strategic investments," it added.

At the time of this report, the share price of Symmetry Group stood at Rs10.84, an increase of Re0.53 or 5.14%. It closed Friday's session at Rs10.47.

The company was listed on the PSX just last year.

UAE's appeal

Back in June, Ismail Industries Limited, a manufacturer of confectionary items, announced it plans to set up a subsidiary in Abu Dhabi, UAE.

Similarly, Treet Corporation Limited announced that it has successfully incorporated a wholly-owned subsidiary, Treet Trading LLC, in Dubai, UAE.

UAE's appeal as the preferred destination for Pakistan's companies has a lot to do with the streamlined payment process, favourable business environment, and better enforcement of contracts among a number of other reasons.

The UAE is ranked a highly ninth – out of 190 – on enforcing contracts. It is also ranked the first on the metric of 'getting electricity'.

Experts believe incorporating an office in UAE offers Pakistani companies a strategic advantage, enabling them to leverage a global hub with required infrastructure and a proper legal framework.

CHINA'S ANT GROUP LAUNCHES AI 'LIFE ASSISTANT'

AFP Published September 6, 2024

HONG KONG: The fintech firm backed by Chinese e-commerce giant Alibaba has made a foray into products powered by artificial intelligence after announcing a "life assistant" mobile app.

Ant Group said its Zhixiaobao app can help users "order meals, hail taxis, book tickets, and discover local dining and entertainment options" as well as access services in the digital payment app Alipay.

Unveiled in Shanghai on Thursday, comes as tech giants such as Google, Meta and Microsoft ramp up investment in the AI market, with many firms touting tighter integration of chatbots.

"Alipay is committed to harnessing AI's potential to improve the user experience, ensuring that AI assistants like Zhixiaobao become valuable tools in everyday life for all," Ant Group president Cyril Han said in a news release.

Since Ant's initial public offering was scrapped by Chinese authorities in 2020, the firm has been forced to overhaul its business model to satisfy financial regulators.

Last year, it was fined 7.1 billion yuan (US$984 million) for "illegal" acts months after its billionaire founder Jack Ma relinquished control.

The Hangzhou-based company saw its profits fall 10 percent in the January-March quarter, Bloomberg News reported, adding that Ant's valuation has fallen more than 70 percent since the aborted IPO.

Ant on Thursday described its new product as an "AI-native application powered by Ant Group's BaiLing foundation model", referring to the company's large language model.

Ant Group quarterly profit falls 66% on year to 2.59bn yuan

The Chinese government gave the green light last year for Ant to offer products that used BaiLing.

At the Shanghai event, the firm also announced AI-powered products for merchants, healthcare service users and insurance companies.

Economic distress

HOW MUCH BORROWING IS ENVISAGED FROM WHERE?

Published September 7, 2024 Updated about an hour ago

EDITORIAL: On 21 August 2024 Finance Minister Aurangzeb in a text message to a foreign news agency said "we are making good progress with the International Monetary Fund Board approval in September", however during his interaction on 3 September with domestic media he refrained from giving a deadline fuelling speculation that "good progress" may take some more time to come to fruition.

Exactly a week earlier, on 27 August, Governor State Bank of Pakistan Jameel Ahmed gave an interview to the same foreign news agency during which he stated that the country was aiming to raise 4 billion dollars from Middle Eastern commercial banks to plug its external financing gap. This statement needs clarification for three reasons.

First, precisely which financing source that was budgeted requires to be plugged. Jameel Ahmed in the interview claimed that Pakistan was at an advanced stage of securing 2 billion dollars of additional external financing required for the IMF Board to approve the 7 billion dollars Extended Fund Facility programme on which the staff-level agreement was reached on 12 July.

Second, the budgeted amount for external commercial and Eurobond/sukuk for the current year was 676 billion rupees (which translates into 2.4 billion dollars at the budgeted rupee-dollar parity of 278). This doubling of reliance on a source of funds that are considerably more expensive than those that can be secured from multilaterals and bilaterals and with a much smaller amortisation period indicate a shortfall in another budgeted external inflow, and/or a shortfall in domestic tax collections (a 98 billion rupee shortfall was announced by the Federal Board of Revenue against what was targeted in the first two months of the current year) and/or a rise in expenditure, which does not form part of the Finance Division's Economic Update and

Outlook and therefore is not known at the present time; or what is more likely an amalgam of all three.

And finally, the rate on offer to secure the 4 billion dollar commercial loans is not yet clear.

True that Fitch and Moody's recently upgraded Pakistan's rating; however, there are two caveats, notably that the rating upgrade retains Pakistan in the high risk category and second it was in light of the staff-level agreement reached on the EFF that remains pending Board approval.

Be that as it may, reports indicate that Pakistani authorities held a virtual meeting with the top management of the Dubai Islamic Bank and Mashreq Bank in the second to third week of August, which no doubt prompted Governor SBP to inform the foreign news agency that the country was aiming to raise 4 billion dollars; however, it has been more than two weeks since and the silence on the issue is giving rise to speculation that no agreement has been reached on the rate on offer and/or perhaps the amortisation period is too short.

The Finance Minister together with the Power Minister visited China recently to no doubt discuss the rollovers and seek additional loans; however, reports indicate that the major stumbling block in the talks was the inability of the government to clear its contractual financial obligations to the Chinese Independent Power Producers (IPPs) established under the umbrella of the China Pakistan Economic Corridor (CPEC) in 2015.

To date there has been no report of a high-level visiting Dubai Islamic bank or Mashreq Bank team in Islamabad and no report of an impending visit by the Finance Minister to directly engage with these two banks. These are worrying indictors and one would hope that some sort of a deal is struck as without the IMF Board approval, the bilaterals will not extend rollovers or loans and the country would inch closer to default.

It is obvious that the economic managers are between a rock and a hard place and disturbingly while the rock reflects lender refusal to entertain any deviation from a rigid upfront conditions that are exacting a heavy price from the public yet the hard place implicates the elite capture of the country's resources (budgeted expenditure) as well as the source of these resources (taxes).

UBG FOR CUT IN INTEREST RATES IN UPCOMING MONETARY POLICY

Recorder Report Published about an hour ago

KARACHI Syed Mazhar Ali Nasir, Vice Chairman UBG Sindh Region has appealed to the government and the State Bank of Pakistan (SBP) to consider the long-standing demand of the business community for an immediate reduction in bank interest rates in the upcoming Monetary Policy.

With inflation rates already dropping to 9%, Syed Mazhar Ali Nasir emphasized that a 4% reduction in interest rates is crucial to provide relief to the business community, which is facing economic challenges due to exorbitant power and gas charges.

This has resulted in diminished economic activity, reduced exports, lower foreign direct investment, and increased unemployment.

Pakistan's economy is currently facing a critical juncture, with a slowing GDP growth rate, a widening trade deficit, and decreasing foreign exchange reserves. The country's economic growth has been hindered by high interest rates, which have increased the cost of doing business, reduced investment, and discouraged entrepreneurship.

A reduction in interest rates will help stimulate economic activity, increase investment, and promote entrepreneurship, ultimately leading to job creation and economic growth.

Small and Medium Enterprises (SMEs) and cottage industries, which are either closed or on the verge of closure, urgently need relief in the form of reduced bank interest rates to survive. A reduction in interest rates will increase demand and supply, keeping the economic wheel moving and giving momentum to Pakistan's economic recovery, Syed Mazhar Ali Nasir added.

ECONOMIC CHALLENGES, GST IMPOSITION BADLY HURT INDUSTRY OF TRANSPORT PARTS

Hassan Abbas Published about an hour ago

LAHORE: The tractor parts industry, a vital sector supporting the country’s agricultural backbone, is on the brink of a significant decline. Economic challenges, delayed refunds, and the GST imposition threatened to derail sales, impacting farmers’ livelihoods and national prosperity.

According to the details, the tractor parts industry is bracing for a downturn in sales after a stable year of tractor sales in the outgoing financial year. The previous financial year, i.e., 22/23, was also a year of low sales due to poor economic conditions in the country. Tractor sales this year are likely to touch 40,000 units, thanks to the government’s low markup tractor loan scheme.

Punjab government historically lifted substantial quantities of wheat at an announced support price; however, due to paucity of funds and lack of storage capacity due to heavy imports of grain from Ukraine, this has not happened this year.

This has forced the farmers to sell the bumper wheat crop in the market at lower prices. A drop in the farmer’s income directly affects the tractor parts industry, which prides itself on making a highly localized and, therefore, the most affordable agriculture tractor in the world. As the farmer’s income drops, so do tractor sales and the parts that go into these tractors.

Chairman of the Pakistan Association of Automotive Parts and Accessories Manufacturers (PAAPAM), Abdul Rehman Aizaz, while talking to Business Recorder said this year, sales are still 50% lower than the tractor production capacity in the country.

The tractor sector experienced significant financial losses throughout the refund processing procedure since the FBR had not disclosed the methodology. Refunds of more than Rs 10 billion, according to the MTL, have been delayed since April 2020.

Changes in the GST regime have historically affected the vendor industry. Natural disasters such as floods have also impacted the sector, and so has the withdrawal of subsidies. Rumours of the imposition of GST on the sale of tractors are further increasing apprehensions among farmers and the tractor and tractor parts sectors. If these rumors prove to be true, this will undoubtedly impact tractor sales volume in the coming year.

CEO Al Ghazi Tractors Sakib Eltaf in his comments regarding the issue said, “There are significant challenges facing our industry. The recent tax and policy changes have had a significant impact on the agriculture sector and AGTL supports the position taken by the industry. We are hopeful that the Government will address the challenges very soon. However, I want to assure our farmers and all other stakeholders that AGTL remains committed to the sector that is the backbone of Pakistan’s economy and we will continue to drive progress and innovation to support growth within the agriculture ecosystem.”

In the past, tractor subsidies by both federal and provincial governments and the zero-rated GST regime have resulted in tractor sales crossing 70,000 units in a year. These subsidies come and go, and so does the GST regime, resulting in a boom-and-bust cycle for the highly indigenous tractor and parts industry, and these policy shifts need to end, said Mumshad Ali, SVC PAAPAM.

Taufiq Sherwani, VC PAAPAM emphasized the sensitivity of the farming sector, noting its wide-reaching implications for the tractor and vending industries, as well as the livelihoods of thousands of families. He urged authorities to abandon plans for the imposition of GST on tractors. In fact the tractor loans scheme should continue in the coming budget as well, as a prosperous farming community is a key indicator of national prosperity.

Fuel & Energy

CM DIRECTS REMOVAL OF HURDLES TO BHPP

Recorder Report Published about an hour ago

PESHAWAR: Chief Minister Sardar Ali Amin Khan Gandapur has termed the 300 MW Balakot Hydro Power Project (BHPP) as of the vital importance to achieve self-

sufficiency in power production and directed the quarters concerned to take immediate steps on urgent basis to remove impediments in its fast-track execution.

Chairing a meeting of the Energy and Power Department here on Friday, he said that the provincial government would extend all out support for the fast track completion of this mega project.

The Chief Minister while stressing the need for on ground progress on different activities of the project as per the stipulated timelines directed the Pakhtunkhwa Energy Development Organization (PEDO) and concerned construction company to sit together and settle all issues once for all so that further progress could be made on the project without any delay.

Besides, the Additional Chief Secretary Home and Principal Secretary to CM Muhammad Abid Majeed, high ups of Energy and Power Department, PEDO and representatives of an international firm working on BHPP attended the meeting.

While briefing the participants of the meeting on 300 MW Balakot Hydro Power Project, it was told that the project would be completed in seven years at an estimated cost of Rs 95 billion adding a total of three each 100 MW power houses would produce electricity of 1143 GWH annually . He was further told that a receipt of Rs. 15 billion per annum is expected from BHPP.

During the briefing, the participants were apprised that construction of dams, power houses, tunnels, in take structures, residential colonies for staff and approach roads are the main components of the project. In addition to power generation BHPP would also create employment opportunities to overcome the pressing unemployment.

Touching upon the progress on BHPP, participants were informed that 11.5 percent physical and 22 percent financial progress has been made on the project so far while land acquisition has been completed.

BTPL LICENCE APPLICATION STILL PENDING: NEPRA DIRECTS IESCO TO PASS ON NET METERING BENEFIT TO BT CONSUMERS

Mushtaq Ghumman Published about an hour ago

ISLAMABAD: The National Electric Power Regulatory Authority (Nepra) has the directed Islamabad Electric Supply Company (IESCO) to pass on benefit of net metering to the consumers of Bharia Town, without considering that Bahria Town (Private) Limited (BTPL) is not a licencee.

The NEPRA received a complaint from Engr Muhammad Saleem on behalf of the BTPL, wherein, it was alleged that net metering units are being injected into the IESCO system at the 132kV BTPL grid station; however, in blatant disregard to the applicable laws, the IESCO is not compensating BTPL for the exported units.

Furthermore, the BTPL maintained that it is providing the net metering facility to its consumers, whereas, the exported units are recorded in the billing meter and added to BTPL's imported units from IESCO.

As a result, instead of benefiting from the exported units, the BTPL is incurring financial losses due to non-adjustment of these units and their addition to the imported units from IESCO.

In order to offset its financial losses, the BTPL began deducting 30 percent of the relief/exported units received from its consumers.

In light of the foregoing facts, the BTPL requested the installation of check/bidirectional meters for its connections and the netting off of the units exported to IESCO's system, as BTPL was providing the benefit of net metering units to its consumers.

After going through the record and other evidence the authority has decided that IESCO's blatant failure to comply with the directions of the authority has resulted in a highly concerning situation regarding power distribution and supply activities in Bahria Town.

According to the decision, the NEPRA is of the view that the authority reserves the right to initiate appropriate action in accordance with law against IESCO including but not limited to Section 28 of the NEPRA Act.

The regulator has further stated that since application of BTPL for grant of distribution licence is pending adjudication before NEPRA and till final decision of the matter, IESCO shall ensure that the electricity units exported from BTPL's net metering consumers to IESCO, whether directly at 132kV or through the NTDCL system at 220kV, shall be immediately adjusted against the electricity supplied by IESCO to BTPL. This adjustment will also be applicable on past transactions to be retrieved through data downloading of the impugned meters installed at 220kV and 132kV system of BTPL. The data downloading shall be carried out by IESCO in presence of representative(s) of BTPL.

The decision further says that BTPL shall ensure that the benefit is passed on to its net metering consumers in accordance with prudent utility practices, including benefit for any previous unjust deductions. The parties are directed to submit compliance reports within 60 days for consideration of the authority.

However, Mathar Niaz Rana, Member (Tariff and Finance) has given a separate decision stating that while BTPL draws electricity from IESCO at a single point, it does not consume this electricity itself nor does it generate the distributed electricity.

"I concur with IESCO's submission that BTPL is classified as a single power consumer under the C-3 tariff, with a load, exceeding 1 MW. Therefore, in my opinion, any net metering arrangement between BTPL and IESCO as decided by my learned colleagues; would be non-compliant with the existing regulations, he said adding that Authority may first consider developing a framework or amending the regulations, following the necessary legal procedures and stakeholders' consultations, including with Discos to address this issue. This would address issues relevant to all housing societies, rather than making exceptions for any particular entity without supporting regulatory and legal provisions.

He has proposed that in the interim BTPL may devise a scheme to compensate its residents for any excess power generated by them.

Consequently, given that the such decision is likely to impact the consumer-end tariff of IESCO. He has suggested that a public hearing be conducted after framing issues in the light of IESCO, BTPL and other parties' assertions to complete the due process before deciding the matter.

GLOBAL LNG: ASIA SPOT LNG PRICES DOWN ON MUTED DEMAND, COOLER WEATHER

Reuters Published September 6, 2024

LONDON: Asian spot liquefied natural gas (LNG) prices fell this week on signals of weak economic growth in China while above-average temperatures across China, Japan and South Korea are coming to an end, which would reduce cooling demand.

The average LNG price for October delivery into north-east Asia was at $13.40 per million British thermal units (mmBtu), industry sources estimated, down from $14.00/mmBtu last week.

"Poor industrial data from China put red flags on the industrial gas demand for the coming period, signalling weaker economic growth," said Klaas Dozeman, market analyst at Brainchild Commodity Intelligence.

"In addition, the warmest weather seems to come to an end in the coming weeks as temperatures start to sink on seasonal effects. This might decrease the cooling demand over the coming period," he said.

Dozeman said that while geopolitical tensions are still ongoing in gas sensitive markets, the risks did not materialize any disruptions so far.

In Japan, Major power utilities reported combined LNG storage levels of 1.83 million tonnes (Mt) for Sept. 1, down 11.2% week-on-week but 6.4% higher than at the end of August 2023. However, levels are 9.4% lower than the five-year average of 2.02 Mt for the end of August from 2019-23, said Masanori Odaka, senior analyst at Rystad Energy.

Global LNG: Asia spot prices rise on supply concerns, geopolitical tensions

"Japan could import additional spot LNG for 4Q 2024 delivery, but the volume depends on the duration of its current heatwave and the intensity of the upcoming winter," Odaka said.

In Europe, gas prices at the Dutch TTF hub shed much of the previous week's gains as forecasts of stronger renewables output in key European countries — especially Germany — together with adjustments to Norway's heavy late summer maintenance schedules helped to weigh on prices, said Samuel Good, head of LNG pricing at commodity pricing agency Argus.

"European gas price movements mostly occurred on the October contracts, with November prices falling less, with continued uncertainty surrounding October and the need for Europe to tread the fine line between maximised underground gas stocks heading into winter and the necessary system flexibility to deal with day-to-day demand and supply differences," Good said.

S&P Global Commodity Insights assessed its daily North West Europe LNG Marker (NWM) price benchmark for cargoes delivered in October on an ex-ship (DES) basis at $11.534/mmBtu on Sept. 5, a $0.20/mmBtu discount to the October gas price at the Dutch TTF hub.

Spark Commodities assessed the price at $11.607/mmBtu, while Argus assessed it at $11.550/mmBtu.

"Muted demand both in the Atlantic and Pacific basins, coupled with ample European gas storage levels, have offset previous supply side concerns during the summer maintenance period of the Norwegian Continental Shelf facilities," said Karim El Afany, managing editor of Atlantic LNG at S&P Global Commodity Insights.

Atlantic and Pacific LNG freight rates were down for the fourth week running, with the Atlantic rates falling to $59,250/day on Friday, and the Pacific rates down to $74,000/day, said Spark Commodities analyst Qasim Afghan.

OIL FALLS MORE THAN 2% AFTER US JOBS DATA, SET FOR WEEKLY DROP

- Brent crude futures down $1.62, or 2.23%, to $71.07 a barrel

Reuters Published September 6, 2024

NEW YORK: Oil fell more than 2% on Friday after data showed U.S. employment increased less than expected in August, and was on track for a heavy weekly loss as demand concerns outweighed a delay to supply increases by OPEC+ producers.

Brent crude futures were down $1.62, or 2.23%, to $71.07 a barrel by 12:05 p.m. EDT (1605 GMT). U.S. West Texas Intermediate crude futures were down $1.52, or 2.2%, at $67.63.

For the week, Brent was on course to register a 10% decline, while WTI was heading for a drop of around 8%.

U.S. government data on Friday showed employment increased less than expected in August, but a drop in the jobless rate to 4.2% suggested an orderly labor market slowdown continued and probably did not warrant a big interest rate cut from the Federal Reserve this month.

"The jobs report was a little soft and implied that the economy in the U.S. is on the slide," Bob Yawger, executive director of energy futures at Mizuho.

Concerns around Chinese demand also continued to pressure oil prices, Yawger said.

Oil prices up on big storage withdrawal

On Thursday, Brent settled at its lowest price since June 2023 despite a withdrawal from U.S. oil inventories and a decision by OPEC+ to delay planned oil output increases.

U.S. crude stockpiles fell by 6.9 million barrels to418.3 million barrels last week, compared with a projected decline of 993,000 barrels in a Reuters poll of analysts.

Signals that Libya's rival factions could be closer to an agreement to end the dispute that has halted the country's oil exports also pressured oil prices this week.

Exports remain mostly shut in but some loadings have been permitted from storage.

Bank of America lowered its Brent price forecast for the second half of 2024 to $75 a barrel from almost $90 previously, it said in a note on Friday, citing building global inventories, weaker demand growth and OPEC+ spare production capacity.

Markets – Rates

PSX POSTS MINOR GAINS

Recorder Report Published about an hour ago

KARACHI: Pakistan Stock Exchange (PSX) witnessed another rangebound session, but closed higher Friday. The benchmark KSE-100 Index gained 34.38 points or 0.04 percent to close at 78,897.73 points on Friday compared to 78,863.34 points on Thursday. During the trading session the KSE-100 Index also hit intraday high of points and intraday low of 54 points.

On Friday, BRIndex100 declined by 5.8 points or 0.07 percent to close at 8,340.03 points down from 8,345.83 points a day earlier. Total volume at BRIndex100 was 589.796 million shares.

BRIndex30 opened at 26,908.46 points and closed at 26,956.38 points which was 47.92 points or 0.18 percent higher than previous close. Total volume at BRIndex30 was 368.540 million shares.

Daily trading volumes on the ready counter decreased by 3.5 percent to 743.072 million shares on Friday as against 770.518 million shares on Thursday. Total daily traded value on the ready counter also declined from Rs 14.287 billion to Rs 12.9 billion.

The market capitalization increased by Rs 10 billion to reach Rs 10.477 trillion. Out of total 444 active scrips,185 closed in positive and 201 in negative while the value of 58 shares remained unchanged.

WorldCall Telecom was the volume leader with 133.25 million shares followed by Pace (Pak) Limited with 80.98 million shares. Fauji Foods ranked third with 46.7 million shares

Hallmark Company and Nestle Pakistan Limited were the top gainers increasing by Rs 98.21 and Rs 82.50 respectively to close at Rs 1,080.33 and Rs 6,997.50. While Unilever Food Pakistan Limited and First Imrooz Modaraba were the top losers declining by Rs 200 and Rs 17.22 respectively to close at Rs 17,300.00 and Rs155.78.

An analyst at Topline Securities said the rangebound session was observed during the trading session on Friday and the index finally settled at 78,898 level up by 0.04 percent.

Major positive contribution to the index came from KOHC, MARI, BAFL, NBP and MCB, as they cumulatively added 42 points to the index, on the other hand MEBL, ENGRO, FFC, HMB and NATF lost value to weigh down by -30 points.

Ahsan Mehanti at Arif Habib Corporation said stocks closed higher led by second and third-tier scrips amid speculations over SBP policy rate announcement on Sep 12. “The Supreme Court ruling in favor of government in the NAB amendment case and upbeat data on exports surging by 14pc YoY in Aug ‘24 played a catalytic role in positive close,” he added.

BR Automobile Assembler Index gained 50.77 points or 0.29 percent to close at 17,789.18 points with a total turnover of 5.718 million shares.

BR Cement Index increased by 52.91 points or 0.7 percent to reach 7,622.34 points with a total turnover of 19.412 million.

BR Commercial Banks Index closed at 21,970.00 points with a net positive change of 33.07 points or a percentage change of 0.15 and a total turnover of 27.073 million shares.

BR Power Generation and Distribution Index rose by 26.88 points or 0.14 percent to close at 18,676.10 points with a total turnover of 18.997 million shares.

BR Oil and Gas Index lost 7.74 points to close at 7,207.13 points with trading volume of 16.400 million shares.

BR Tech. & Comm. Index decreased 7.18 points or 0.18 percent to close at 4,001.89 points with a total turnover of 188.287 million.

BRINDEX100 AND BR SECTORAL INDICES

KARACHI: BRIndex100 and BR Sectoral Indices on Friday (September 06, 2024). ==================================== BR...

Recorder Report Published about an hour ago

KARACHI: BRIndex100 and BR Sectoral Indices on Friday (September 06, 2024).

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BR INDICASE AT A GLANCE
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             BRINDEX100
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Day Close:                 78,897.73
High:                      79,254.25
Low:                       78,917.29
Net Change:                    34.39
Volume (000):                141,866
Value (000):               6,059,862
Makt Cap (000)         2,454,847,000
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BR AUTOMOBILE ASSEMBLER
------------------------------------
Day Close:                 17,789.18
NET CH                     (+) 50.77
------------------------------------
BR CEMENT
------------------------------------
Day Close:                  7,622.34
NET CH                     (+) 52.91
------------------------------------
BR COMMERCIAL BANKS
------------------------------------
Day Close:                 21,970.00
NET CH                     (+) 33.07
------------------------------------
BR POWER GENERATION AND DISTRIBUTION
------------------------------------
Day Close:                 18,676.10
NET CH                     (+) 26.88
------------------------------------
BR OIL AND GAS
------------------------------------
Day Close:                  7,207.13
NET CH                      (-) 7.74
------------------------------------
BR TECH & COMM
------------------------------------
Day Close:                  4,001.89
NET CH                      (-) 7.18
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As on:             06- September-2024
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These indices are available Live on Aaj TV, www.brecorder.com and www.khistocks.com.

For further information please visit www.khistocks.com

OPEN MARKET FOREX RATES

Updated at: 7/9/2024 7:47 AM (PST)

Currency	Buying	Selling
Australian Dollar	188.25	190.50
Bahrain Dinar	731.10	739.10
Canadian Dollar	207.35	209.75
China Yuan	38.25	38.65
Danish Krone	40.03	40.43
Euro	307.75	310.50
Hong Kong Dollar	35.68	36.03
Indian Rupee	3.34	3.45
Japanese Yen	1.93	1.99
Kuwaiti Dinar	905.50	915.00
Malaysian Ringgit	59.25	60.25
NewZealand $	169.34	171.34
Norwegians Krone	26.14	26.44
Omani Riyal	722.40	730.90
Qatari Riyal	76.44	77.14
Saudi Riyal	74.00	74.55
Singapore Dollar	201.75	203.75
Swedish Korona	26.15	26.45
Swiss Franc	330.20	333.00
Thai Bhat	7.57	7.72
U.A.E Dirham	75.65	76.30
UK Pound Sterling	365.00	368.50
US Dollar	278.75	280.25

INTER BANK RATES

Updated at: 7/9/2024 7:47 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	186.93	187.27
Canadian Dollar	205.80	206.17
China Yuan	39.60	39.67
Danish Krone	41.39	41.47
Euro	309.31	309.87
Hong Kong Dollar	35.78	35.84
Japanese Yen	1.9114	1.9149
Saudi Riyal	74.01	74.14
Singapore Dollar	213.92	214.31
Swedish Korona	27.25	27.29
Swiss Franc	329.62	330.21
Thai Bhat	8.29	8.31
UK Pound Sterling	366.03	366.69
US Dollar	278.55	279.05

GOLD RATE

Bullion / Gold Price Today

As on Sat, Sep 07 2024, 02:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	224,424	261,490	698,047	
Palladium	XPD	82,934	96,632	257,958	
Platinum	XPT	82,354	95,956	256,154	
Silver	XAG	2,531	2,949	7,871	

Gold Price in Pakistan

As on Sat, Sep 07 2024, 02:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 261500	Rs. 239707	Rs. 228813	Rs. 196125
per 10 Gram	Rs. 224200	Rs. 205515	Rs. 196175	Rs. 168150
per Gram Gold	Rs. 22420	Rs. 20552	Rs. 19618	Rs. 16815
per Ounce	Rs. 635600	Rs. 582629	Rs. 556150	Rs. 476700

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	5,710	6,653	17,760	
Euro	EUR	727	847	2,260	
Japanese Yen	JPY	114,568	133,490	356,351	
Saudi Riyal	SAR	3,021	3,520	9,396	
U.A.E Dirham	AED	2,958	3,447	9,202	
UK Pound Sterling	GBP	613	715	1,908	
US Dollar	USD	806	939	2,506	