

Monday, July 03, 2017 | 09 Shawal 1438 Hijri

Market Today (June 30, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD /bbl.
	46,825.29	42,942.00	6,835.00	46.04

(Source: Business Recorder)

Exchange rates issued by the Treasury Management Division of National Bank of Pakistan. June 30, 2017

Country	Currency	Selling TT & OD	Buying TT Clear
USA	USD	105	104.8
UK	GBP	136.68	136.42
Euro	EUR	120.14	119.91
Canada	CAD	80.87	80.72
Switzerland	CHF	109.75	109.54
Australia	AUD	80.86	80.7
Sweden	SEK	12.53	12.5
Japan	JPY	0.9392	0.9374
Norway	NOK	12.53	12.51
Singapore	SGD	76.26	76.11
Denmark	DKK	16.15	16.12
Saudi Arabia	SAR	28	27.95
Hong Kong	HKD	13.59	13.57
China	CNY	15.73	15.7
Kuwait	KWD	346.16	345.5
Malaysia	MYR	24.45	24.41
New Zealand	NZD	77	76.85
Qatar	QAR	28.11	28.06
UAE	AED	28.59	28.53

(Source: Business Recorder)

Sectoral Share in GDP %

Sectors/Sub-Sectors	2014-15	2015-16 (p)
Commodity Producing Sector (Agriculture + Industrial Sector)	41.4	40.8
Agriculture	20.80	19.82
Crops	8.2	7.4
Livestock	11.7	11.6
Fishing	0.4	0.4
Forestry	0.4	0.4
Industrial Sector	20.6	21.0
Mining & Quarrying	2.9	2.9
Manufacturing	13.6	13.6
Construction	2.4	2.6
Electricity & Gas Distribution	1.7	1.9
Services Sector	58.6	59.2
Transport, Storage & communication	13.4	13.3
Wholesale & Retail Trade	18.3	18.3
Finance & Insurance	3.2	3.3
Ownership of Dwellings	6.7	6.7
General Government Services	7.1	7.6
Other Services	9.9	10.1

(Source: Economic Survey of Pakistan 2015-16)

Punjab govt gave largest uplift programme for 2017-18: Shehbaz

Punjab Chief Minister Muhammad Shehbaz Sharif said the Punjab government had given the largest development programme in the history of province for the fiscal year 2017-18. He said that Rs 635 billion would be spent on development projects during current fiscal year and the programme was remarkable in the history of any province in Pakistan. The volume of this development programme was 15% more than the development programme of previous year and execution of this historic Annual Development Programme would usher in a new era of progress and prosperity in the province as well as change living style of masses. He expressed these views while talking to elected representatives. The Chief Minister said that development of social sector on sustainable basis was our utmost priority. Record funds of Rs 345 billion in current financial year had been earmarked for the promotion of education as we are well aware of the fact that only education was the key to development and prosperity, he added. He said the Punjab government had started unprecedented programmes to equip the children with education and likewise incorporated the students of other provinces in the educational projects to reinforce national solidarity. Five lacs girls from less privileged districts were being educated under Zewar-e-Taaleem Programme, he added. He said that through the programmes of Punjab Education Foundation, more than 25 lacs students had been educated besides new educational institutions, colleges and universities were being set up all over the province. The Chief Minister said that provision of best health facilities was also our priority and a huge sum of Rs 263.22 billion had been allocated for this purpose. He further said that mega project of Clean Drinking Water had been initiated from 37 districts of South Punjab and execution of this project would provide millions of people with potable water. Shehbaz Sharif said that agriculture had a key position in our economy and we had taken revolutionary steps to promote agriculture and livestock. First time in the history of Pakistan, interest free loans of 100 billion rupees were being given to small farmers while relief had been provided to them by cutting short the prices of fertilizers, he shared. The CM further said that these initiatives had brought a positive impact on agricultural sector resulting into an increase in agriculture production. (Business Recorder)

Without a Tax Overhaul, Pakistan Cannot Meet Tax Targets

Pakistan has yet again failed to meet its targets for tax collections, a shortcoming that has led to renewed outcry from across the country. Over the weekend members of the business community of Pakistan and a number of parliamentarians in opposition parties cried out for the government to thoroughly re-examine its tax policies, following another round of disappointing tax collections. Over the previous financial year, the Federal Board of Revenue collected PKR 3 392 billion, however, the target for collections for the year was PKR 3 621 billion. The shortfall of PKR 229 billion did not go unnoticed by the opposition Pakistan People's Party or the business community, which claims that the government is not doing enough to meet its revenue targets or to grow tax revenues each year. The Islamabad Chamber of Commerce and Industry is one of the main proponents behind the move towards tax reform, claiming that the government now needs to work in tangent with businesses to formulate new tax policy which would meet the revenue targets. (International News & Information)

ADB approves \$335m loan for Peshawar bus project

The Asian Development Bank (ADB) on Friday approved a \$335 million loan for building a sustainable urban transport system in Peshawar through the creation of the city's first integrated Bus Rapid Transit (BRT) corridor. The board of directors of the Manila-based lending agency approved the loan for the construction of Khyber-Pakhtunkhwa's first mass transit infrastructure at a total cost of \$587 million. In addition to the \$335 million ADB loan, the K-P government – led by the Pakistan

Economic Indicators

Annual (2015/16)

Foreign Debt	\$62.649bn
Per Capita Income	\$1,512
GDP Growth	4.24%
Average CPI	8.6%

Monthly (May, 2017)

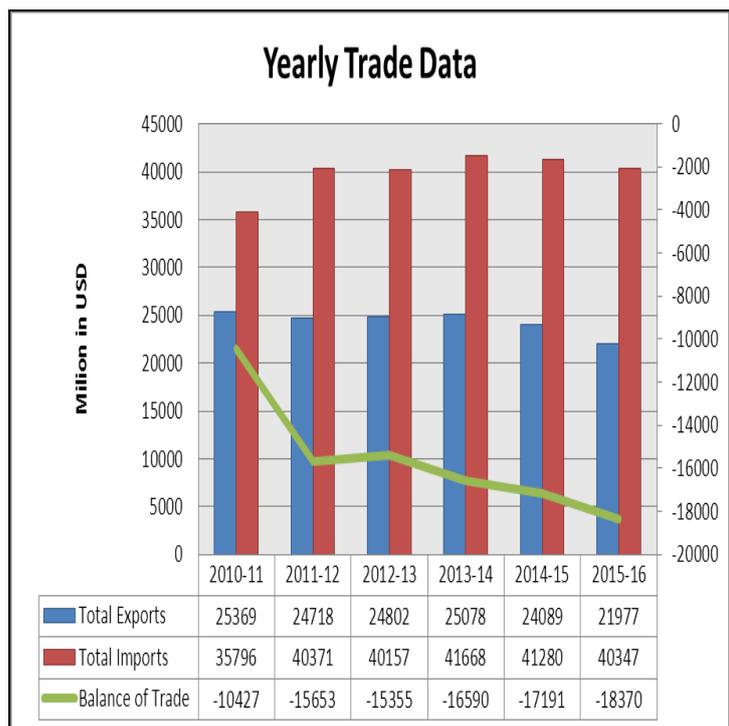
Trade Balance	-\$2,682 mln
Exports	\$1,944mln
Imports	\$4,572mln

Weekly (June 23, 2017)

Reserves	\$21.36 mln
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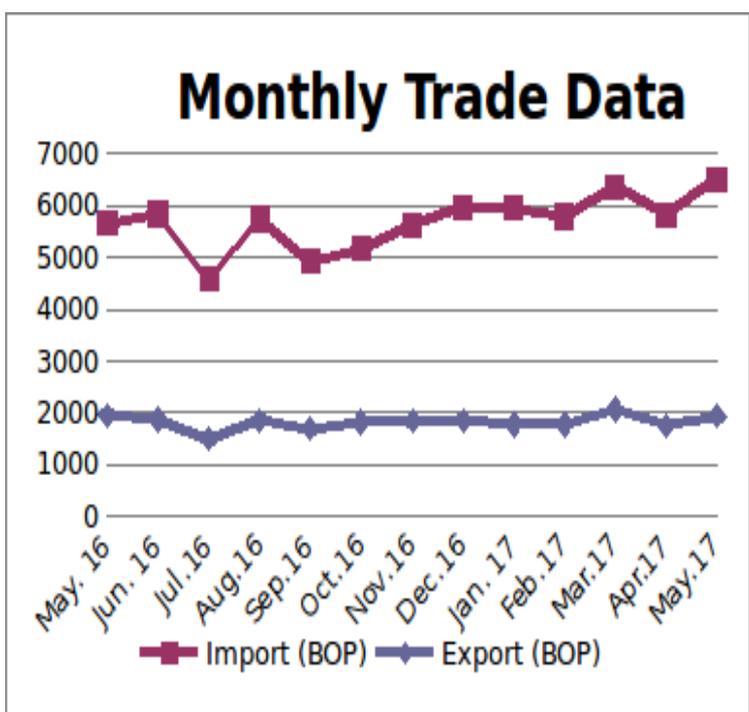
(Source: Business Recorder)

Yearly Trade Data



(Source: SBP)

Monthly Trade Data



(Source: SBP)

Tehreek-e-Insaf (PTI) – will obtain two other loans from two European financial institutions. The Agence Française de Développement (AFD) and the European Investment Bank are also expected to provide \$75 million each in co-financing. The ADB will administer the loan from the AFD, according to an official handout from the bank. The provincial government will arrange \$102 million from its own resources for the project which includes capacity building of the Khyber-Pakhtunkhwa Mobility Authority and the Trans-Peshawar Company. The company will be responsible for the BRT operations. In May, the Central Development Working Party of the federal government had approved the mass transit project at a downward revised cost of Rs56.8 billion. However, the provincial government and the lenders had prepared the plan at a cost of over Rs61 billion or \$587 million. The BRT corridor will consist of 31 stations and will run from Chamkani to Hayatabad. The project can be used as an opportunity to restructure the entire public transport industry – from minibus and Bedford bus, and from wagon and Suzuki to Qingqi, according to an environment assessment study of the project. Many positive impacts on the environment are expected from the proposed project due to the use of a cleaner and more fuel-efficient fleet as well as reduction in vehicular exhaust emissions owing to a decrease in kilometres travelled by private vehicles, according to the study. ADB Country Director for Pakistan Xiaohong Yang said: “A modern and safe urban transport system is essential for the growth and development of cities like Peshawar and in the improvement of quality of life of its residents.” (Express Tribune)

WAPDA confident of completing 4th extension by May 2018

Pakistan Water and Power Development Authority (Wapda) Chairman Muzammil Hussain visited the 1,410MW Tarbela 4th Extension Hydropower Project on Saturday and reviewed construction progress on various components including intake structure, power house, and switch yard among others. During the visit, Wapda project authorities and representatives of the consultants and the contractors briefed the chairman about the progress achieved so far on civil and electro-mechanical works. Detailed deliberations were also made about the steps to meet challenges faced by the project. Speaking on the occasion, Hussain said that he was satisfied with the pace of the under-construction projects of Wapda including Tarbela 4th Extension Hydropower Project in a phased manner from February 2018 to May 2018. However, steady efforts on part of the project management including the consultants and the contractors are needed to meet the timelines vis-à-vis implementation of the project. The chairman expressed hope that the project management would put in their maximum for the purpose. The 1410MW project is a component of least-cost energy generation plan, which is being implemented by Wapda on a priority basis. Under Tarbela 4th Extension Project, three generating units – each of them having a capacity of 470MW – are being installed at Tunnel 4 of the Tarbela Dam. With completion of the project, generation capacity of Tarbela hydel power station will increase to 4,888MW from the existing 3,478MW. (Express Tribune)

Bank profits dealt a blow on low bond yields

The banking industry's profits dropped 40 per cent to Rs137.8 billion during the nine months to March as yields on government bonds, heavily relied on by banks as they are risk-free, remained low. Moreover, the direct tax collection grew 10.2pc during the July-March period compared to a growth of 15.4pc a year earlier. The slowdown can be traced to a reduction in the corporate tax rate amid slower pace of increase in corporate profitability. Banks' interest in government securities, as evident from the bidding pattern in recent auctions, also revived during the quarter to March. However, the offer-to-target ratio was much higher for treasury bills than for Pakistan Investment Bonds (PIBs), according to the State Bank of Pakistan (SBP) third-quarterly report. Against a target of Rs2.5 trillion, commercial banks offered Rs4.3tr for treasury bill auctions held during the third quarter. Most offers were for three-month and six-month tenors. The government accepted significantly higher amount compared to the target to facilitate the retirement of maturing PIBs in the quarter. (Dawn)