

Tuesday, July 04, 2017 | 10 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)
<b>Commodity Producing Sector (Agriculture + Industrial Sector)</b>	<b>41.4</b>	<b>40.8</b>
<b>Agriculture</b>	<b>20.80</b>	<b>19.82</b>
Crops	8.2	7.4
Livestock	11.7	11.6
Fishing	0.4	0.4
Forestry	0.4	0.4
<b>Industrial Sector</b>	<b>20.6</b>	<b>21.0</b>
Mining & Quarrying	2.9	2.9
Manufacturing	13.6	13.6
Construction	2.4	2.6
Electricity & Gas Distribution	1.7	1.9
<b>Services Sector</b>	<b>58.6</b>	<b>59.2</b>
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)

## LCCI official stresses on promoting research culture

All policies should be focused on an economic revival of the country to make it attractive for foreign investors, said Lahore Chamber of Commerce and Industry Acting President Muhammad Nasir Hameed Khan. Talking to a delegation of businessmen, he said that at this point the country is not where it should be despite having all kinds of resources. Citing lack of research culture as the major reason for economic ills of the country, Khan said that its promotion will help overcome various internal issues like decline in exports, energy crisis, lowest tax-to-GDP ratio, inefficiency of public sector entities, brain-drain, shortage of skilled human resources and low industrial production etc. He said that unavailability of authentic data is hindering Pakistan's external trade. "Our exports are falling short of target, which is not a good omen for the economy at all," said the LCCI official. "Our exports are limited to a few merchandise and dependent on a few countries, which was the biggest reason for the decline." He urged the government to conduct market research to find new destinations for Pakistani products, which are best in the world as far as quality and price is concerned. Pakistani Missions abroad should be duty bound to introduce Pakistani products to foreign buyers and also ensure dissemination of trade-related information so that Pakistan entrepreneurs could avail trade opportunities to the maximum, Khan added. "It is time to diversify our businesses to attract maximum foreign buyers for Pakistani products." He said that the government would have to introduce "knowledge & research" culture in all sectors of economy including energy. Promotion of research in energy sector would suggest best solution of power shortfall being experienced by the country since long, the acting president remarked. Developed countries are researching and finding new ways of power generation while we are playing the role of silent spectators, lamented the official. "Only public-private partnership could make a big breakthrough in the field of knowledge and research therefore the government should take business community onboard in all economic fields." (Express Tribune)

## Tariq Mahmood Pasha appointed new FBR Chairman

The federal government appointed Tariq Mahmood Pasha – a close confidant of Finance Minister Ishaq Dar – as the new chairman of the Federal Board of Revenue (FBR), further consolidating the control of Q Block over the tax department. His immediate challenge will be to win support of the top FBR hierarchy. Pasha is from the 12th Common batch of the Civil Service. (Express Tribune)

## Collection by excise dept increases 21pc

Revenue collection by the Sindh Excise and Taxation Department increased 20.8 per cent in 2016-17, according to official data. The department collected Rs52.54 billion in the last fiscal year, with most growth coming from the infrastructure cess. The cess is charged on all imports landing in the province by sea and the airport. Its purpose is to meet the cost incurred on the maintenance of roads as well as law and order arrangements for the safe passage of imported consignments. The department collected the infrastructure cess amounting to Rs40.6bn, up 25pc from the preceding fiscal year. According to department's director general Shoaib Siddiqui, the collection of infrastructure cess will soon go up by 50pc. Under a court order, he said, half of the cess has to be paid in cash while the rest is against bank guarantees. This will increase the total revenue collection to Rs56.92bn, he added. Despite overall growth, collection under the head of excise enactment declined 11.4pc to Rs3.46bn. Mr Siddiqui said the reason for its decline was the closure of wine shops on the order of the Sindh High Court during the last fiscal year. Major growth was witnessed in motor vehicle tax collection. It amounted to Rs6bn in 2016-17, up 16pc year-on-year. Revenue collection on account of property tax remained almost flat at Rs1.89bn in the last fiscal year. Entertainment duty recorded the growth of 22.8pc in 2016-17. It amounted to Rs57.26m, up Rs10.6m from a year ago. (Dawn)

## First energy project under CPEC completed: Khurram Dastgir

Federal Minister for Commerce, Engr. Khurram Dastgir Khan chaired a meeting as a guest of honor, between Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) & delegation of

## 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)

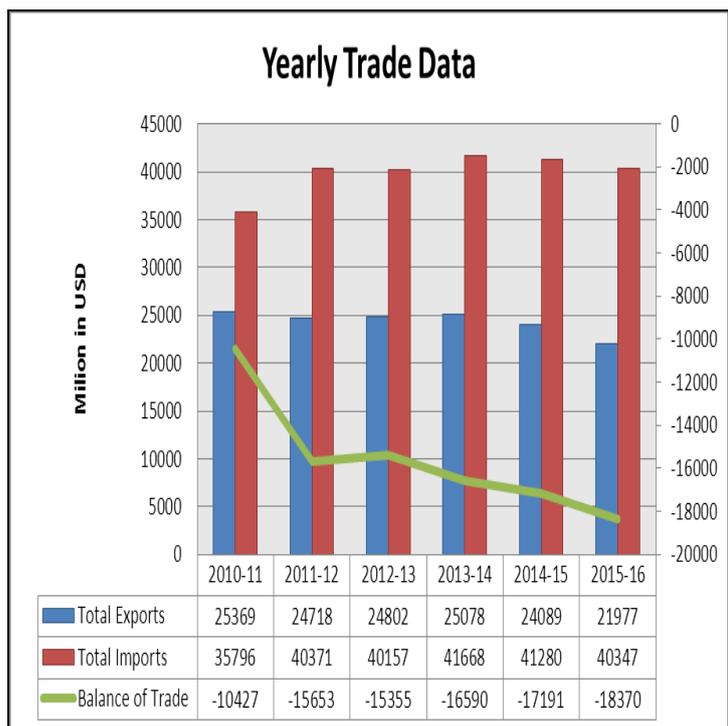
Trade Balance	\$-2,682 mln
Exports	\$1,944mln
Imports	\$4,572mln

### Weekly (June 23, 2017)

Reserves	\$21.36 mln
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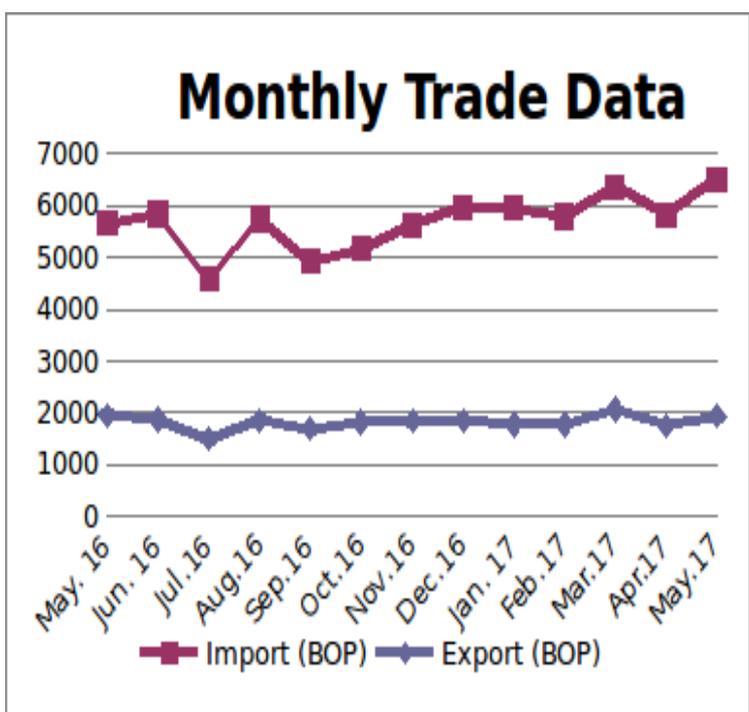
(Source: Business Recorder)

## Yearly Trade Data



(Source: SBP)

## Monthly Trade Data



(Source: SBP)

China Chamber of Commerce for Import and Export of Textile and Apparel (CCCT). The commerce minister welcomed Mr. Wangyu, Vice Chairman CCCT and the rest of the Chinese delegation to Pakistan, said a press release on Monday. The minister appreciated the MoU on the Cooperation between Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) & China Chamber of Commerce for Import and Export of Textile and Apparel that included Promotion of Trade and Investment cooperation, exchange of ideas for developing the sector, organizing and participating in Fairs, exchange of information and support in business partner search, visits and events participation, training and working group arrangements and said that the government of Pakistan & Commerce Ministry in particular will encourage and support the cooperation that has begun between the CCCT and PRGMEA. Speaking on the occasion, the commerce minister said that while FTA with china is still Pakistan's best and widest FTA but still we have noted that since 2006 china has done many more and wider FTAs with other regions and countries in which, china has offered deeper concessions to other regions compare to Pakistan. "On govt. to govt. level we are trying to restore the margin of preference that Pakistan originally had in 2006 and we urge through the, CCCT to also speak to the govt. of china that Pakistan- China FTA requires restoration of Preference", added Khurram Dastgir Khan. Khurram Dastgir Khan cited this as one of the reasons due to which Trade imbalance between Pakistan and China has increased. Commerce Minister suggested two major steps as way forward. "As govt. we are trying our best to address the trade imbalance through reducing trade barriers and Pakistani govt. will provide full support in reducing any barriers to the formation of joint ventures between Pakistani and Chinese companies", added the minister.

(Business Recorder)

### Currency: Rupee remains stable against dollar

The rupee remained stable against the dollar at 104.8/105 in the inter-bank market on Monday compared to Friday's close of 104.8/105. The currency market has fluctuated regularly in recent months with hefty rises and falls on some occasions. In the long run, however, the rupee has stood firm after experiencing extensive volatility, when it weakened from around Rs98 to a dollar to above Rs103 in the wake of political impasse over alleged election rigging. The central bank has imposed 100% cash margin on the import of certain consumer goods to restrict the demand for US dollars. The rupee has been one of the best performing currencies in Asia for over three years despite the dollar's sharp appreciation against other currencies. However, the International Monetary Fund has repeatedly said that Pakistan's rupee is overvalued by 5-20%. According to analysts, the artificial support for the rupee has adversely affected Pakistan's exports. (Express Tribune)

### Dar annoyed over poor tax collection, seeks answers

Finance Minister Ishaq Dar showed annoyance over the poor performance after his team missed the annual collection target by about Rs250 billion. However, tax authorities have refused to take the full responsibility. Dar called the taxmen in his office – situated in Q Block of Pak Secretariat – to review the performance for fiscal year 2016-17 that ended on Friday. Special Assistant to Prime Minister on Revenue Haroon Akhtar Khan and outgoing Federal Board of Revenue (FBR) Chairman Dr Mohammad Irshad attended the meeting along with senior officials of the Ministry of Finance. The FBR provisionally collected Rs3.352 trillion against the parliament-approved tax collection target of Rs3.621 trillion. The figure is still expected to improve by about Rs30 billion once final figures are available. Still, the FBR would miss its annual target by Rs250 billion. The finance ministry officials said that Dar grilled taxmen for their poor performance, as he was expecting tax collection of at least Rs3.421 trillion. The finance minister was informed that the final revenue figures were being compiled and a final position would emerge in the next few days, according to an official handout of the finance ministry. Dar instructed the FBR officials to expedite the process and ensure that all the amounts deposited up to June 30, 2017 were duly accounted for, it added. However, during the meeting the top FBR hierarchy refused to take the full responsibility, said the officials. They argued that "liberal tax concessions" given by the federal government after the announcement of the budget in June last year severely dented tax collection. The government changed the tax structure for fertiliser, textile and a couple of other sectors after setting the Rs3.621 trillion tax collection target. They said that the finance minister had high expectations from the FBR despite tax concessions worth almost Rs200 billion. The finance minister was also informed that the provinces did not pay due taxes particularly receipts from the contractors. (Express Tribune)