

Tuesday, July 11, 2017 | 16 Shawal 1438 Hijri

Market Today (July 10, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD /bbl.
	46,277.81	43,028.00	6,835.00	44.56

(Source: Business Recorder)

Exchange rates issued by the Treasury Management Division of National Bank of Pakistan. July 10, 2017

Country	Currency	Selling TT & OD	Buying TT Clear
USA	USD	105.9	105.7
UK	GBP	136.54	136.28
Euro	EUR	120.77	120.54
Canada	CAD	82.18	82.02
Switzerland	CHF	109.84	109.64
Australia	AUD	80.58	80.43
Sweden	SEK	12.69	12.67
Japan	JPY	0.9278	0.9261
Norway	NOK	12.69	12.67
Singapore	SGD	76.61	76.46
Denmark	DKK	16.24	16.21
Saudi Arabia	SAR	28.24	28.19
Hong Kong	HKD	13.69	13.67
China	CNY	15.78	15.75
Kuwait	KWD	349.22	348.56
Malaysia	MYR	24.63	24.58
New Zealand	NZD	77.04	76.89
Qatar	QAR	29.08	29.03
UAE	AED	28.83	28.78

(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)

LCCI holds condolence reference for ex-president

Former LCCI president (late) Sheikh Muhammad Arshad was a good personality who has left behind various success stories. His achievements would be remembered for always. These views were expressed at a condolence reference here at the Lahore Chamber of Commerce & Industry held to acknowledge the services of Arshad. LCCI President Abdul Basit, Senior Vice President Amjad Ali Jawa, Vice President Muhammad Nasir Hameed Khan and others spoke on the occasion. Basit spoke about Arshad's contribution to the trade and industry and recalled that he always preferred work over his health and always given priority to his commitment. *(The Nation)*

Dollar surge can reignite high inflation, halt growth: LCCI

Lahore Chamber of Commerce and Industry (LCCI) has feared that dollar surge could reignite high inflation and halt growth by hitting all the important sectors of economy. Talking to APP here Monday, LCCI Vice President Muhammad Nasir Hameed Khan said the recent surge in the prices of the greenback would not only jackup the input cost but also erode the profit margins. The LCCI Vice President said the State Bank of Pakistan needed to ascertain the factors weakening the value of rupee and check the possibilities of undue speculations and malpractices in the operation of foreign exchange markets in Pakistan. "This will help stabilize rupee against dollar and restore the confidence of the business community as well," he maintained. He said that an unchecked increase in the dollar rates was multiplying the cost of doing business and badly affecting the industrial, manufacturing and agriculture sectors as Pakistan had to import fertilizers, food items, oil, machinery and industrial raw material. Nasir Hameed Khan urged the government to take immediate measures to arrest further devaluation of rupee to avoid more damaging consequences for the economy. To a question, he said though the weaker rupee benefited the exporters by giving them more rupees per dollar, but this benefit was neutralized by the costly imported inputs of manufacturing sector including textiles, thus eroding the financial advantage of a weaker rupee.—APP *(Pakistan Observer)*

Govt re-approves four projects due to 464% increase in cost

The federal government approved on Monday a dozen development schemes at a total cost of Rs279.5 billion including four projects that were approved again due to escalation of up to 464% in their construction cost that highlights serious flaws in projects' scrutiny process. Headed by Finance Minister Ishaq Dar, the Executive Committee of National Economic Council (Ecneec) endorsed these schemes in the meeting that lasted hardly an hour, indicating the committee took, on an average, five minutes to approve each project. The original cost of four projects, which the Ecneec approved on Monday at an upward revised cost of Rs120 billion, was only Rs68.3 billion. There was also thin presence of members in the meeting as the finance minister had called the meeting on Saturday in unusual haste. Ecneec is the highest project approval authority of the country having representation of federal and provincial governments. *(Express Tribune)*

Pakistan should focus on digitalising, revolutionising SMEs

Pakistan should adopt a new SME policy of digitalising and revolutionising small industries, said Pakistan China Joint Chamber of Commerce and Industry (PCJCCI) Founder President Shah Faisal Afridi. During a meeting with PCJCCI President Wang Zihai and Vice President Moazzam Ghurki, Afridi maintained that innovation and entrepreneurship can take place in domestic markets and small industries. This will eventually lead to higher exports and increased foreign exchange earnings, he added. "The small shopkeeper, the unskilled labourer contains the largest number of small and medium enterprises and if we make this sector boom we will have a more egalitarian development," said Afridi. He suggested that trade policy should not only be for promoting

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)

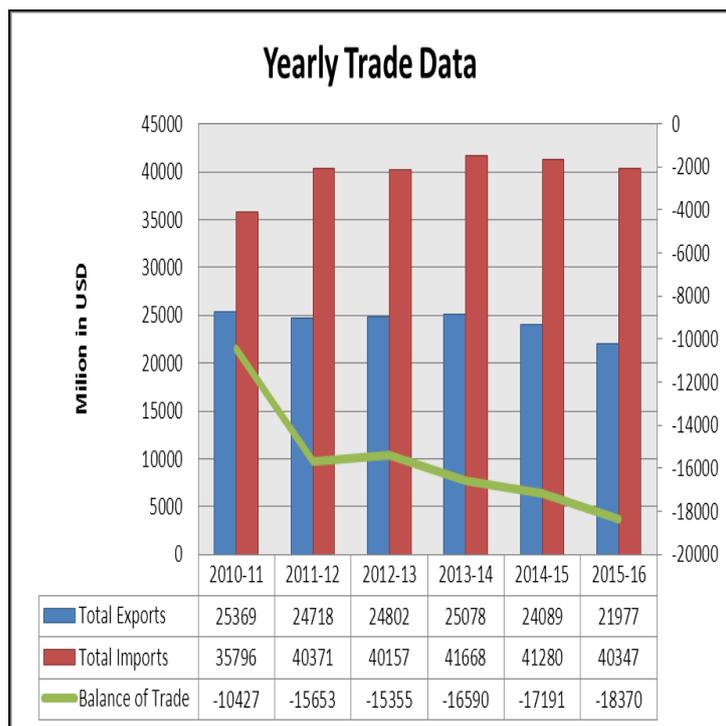
Trade Balance	-\$2,682 mln
Exports	\$1,944mln
Imports	\$4,572mln

Weekly (June 23, 2017)

Reserves	\$21.36 mln
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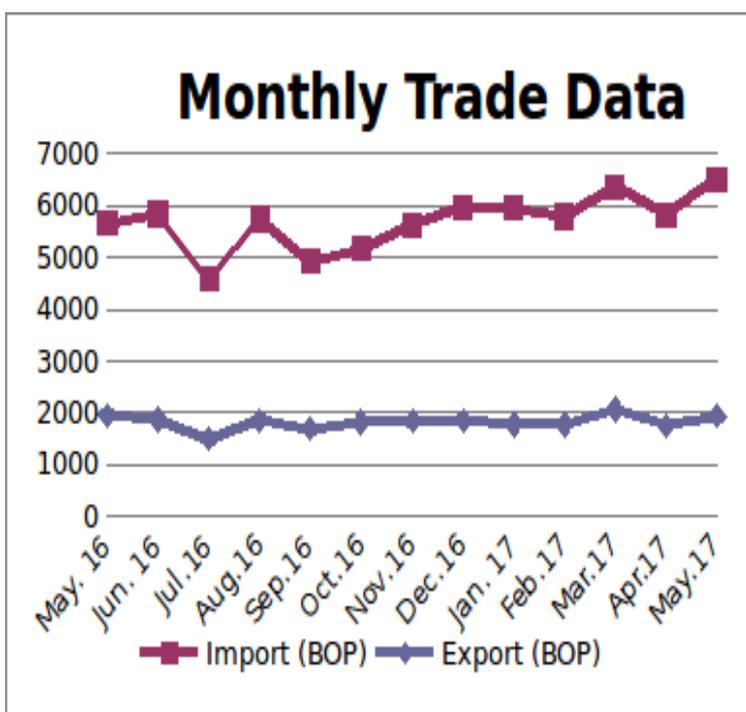
(Source: Business Recorder)

Yearly Trade Data



(Source: SBP)

Monthly Trade Data



(Source: SBP)

exports but for promoting all trade both at home and abroad. According to Afridi, domestic markets and small industries are sectors where the poor and the middle class are hidden. Wang said that in several East Asian countries including Malaysia, Thailand, Hong Kong, Singapore and China, spaces are allocated for temporary stalls to be set up resulting in the now famous night markets. These vibrant markets are one of the biggest tourist attractions in their cities, he added. (*Express Tribune*)

Analysing the composition of CPEC-related imports

With the advent of the China-Pakistan Economic Corridor (CPEC), it was expected that there will be a surge in the import of goods into Pakistan. It is essential to determine the changing composition of the flow into Pakistan as result of the recent increase in imports. The data on trade from the State Bank of Pakistan (SBP) indicates that imports were at their highest level ever reported, at \$48.5 billion, in the period between July and May in FY17. The imports into Pakistan increased by more than 20%, while exports declined by more than 3%. The imports between January and May in 2017 were 30% higher than the imports between January and May in 2016. The trade deficit in FY17 is expected to surpass \$30 billion. This is an increase of more than 40% over FY16. The inflow of remittances, which has over the recent years been crucial in reducing the current account deficit, is decreasing. The negative current account balance is expected to breach \$9 billion in FY17, which is almost 200% more than that reported in FY16. World Integrated Trade Solutions (WITS) classifies the imports not only according to the basis of different stages of production, such as raw materials, intermediate goods, consumer goods and capital goods, but also according to the major sectors of the economy, which are agricultural, industrial and petroleum goods. The trade data is borrowed from UN COMTRADE and the data spans the calendar year. In 2016, 43% of the goods imported into Pakistan were in the form of raw materials and intermediate goods, which require further processing before being sold as finished goods, 31% were consumer goods and 25% were capital goods. Considering the major sectors, 12% of the total imports into Pakistan were petroleum goods, 14% were agricultural goods and 74% were industrial goods. (*Express Tribune*)

Remittances record first annual dip in 13 years

For the first time in 13 years, remittances recorded a year-on-year drop in 2016-17, data released by the State Bank of Pakistan (SBP) showed on Monday. Remittances declined 3.08 per cent to \$19.3 billion in the last fiscal year, sending a warning signal to the government that already faces tough challenges on the external front. In absolute terms, the decline of \$613 million does not seem to be significant. But the year-on-year drop marks a change in the long-term trend as remittances kept increasing for well over a decade. Inflows recorded a growth of 6.36pc in 2015-16 even though the oil price crisis was at its peak. Thousands of Pakistanis lost their jobs in the oil-rich Gulf region when oil prices nosedived and led to low remittances. In 2016-17, the share of remittances from the Gulf region in total inflows fell to 62.6pc from 64pc a year ago. (*Dawn*)

Pakistan to become major LNG importer by 2022

Pakistan says it could become one of the world's top-five buyers of liquefied natural gas (LNG), with Petroleum Minister Shahid Abbasi predicting imports could jump more than five-fold as private firms build new LNG terminals. Outlining Pakistan's ambitious plans — which, if fully implemented, could shake up the global LNG market — Mr Abbasi said that imports could top 30 million tonnes by 2022, up from just 4.5m tonnes currently. Cheaper than fuel oil and cleaner burning than coal, LNG suits emerging economies seeking to bridge electricity shortfalls and support growth on tight budgets. “Within five years, I don't see any reason why we should not be beyond 30m tonnes (in annual LNG imports). We will be one of the top five markets in the world,” Mr Abbasi said. That kind of jump would represent one of the fastest growth stories in the energy industry, comparable to what China has done in many commodities but there are doubts whether Pakistan can achieve its ambitions, given the complexity and cost of expansion projects. Mr Abbasi said no one took Pakistan seriously after a decade of botched attempts to bring LNG to the country, but this has changed with the construction of new LNG terminals and gas plants. (*Dawn*)