

Market Today (July 28, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD /bbl.
	45,912.00	43,028.00	6,835.00	48.66

(Source: Express Tribune)

Exchange rates issued by the Treasury Management Division of National Bank of Pakistan. July 28, 2017

Country	Currency	Selling TT & OD	Buying TT Clear
USA	USD	105.5	105.3
UK	GBP	137.98	137.72
Euro	EUR	123.26	123.03
Canada	CAD	83.97	83.81
Switzerland	CHF	108.85	108.65
Australia	AUD	83.98	83.82
Sweden	SEK	12.97	12.95
Japan	JPY	0.9496	0.9478
Norway	NOK	13.26	13.24
Singapore	SGD	77.49	77.35
Denmark	DKK	16.58	16.55
Saudi Arabia	SAR	28.13	28.08
Hong Kong	HKD	13.65	13.62
China	CNY	16	15.96
Kuwait	KWD	349.29	348.62
Malaysia	MYR	24.65	24.6
New Zealand	NZD	78.86	78.71
Qatar	QAR	28.75	28.7
UAE	AED	28.73	28.67

(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)

No panic among business circles, but caution urged

The disqualification of Prime Minister Nawaz Sharif came as a major blow to the elected party. Despite the setback, representatives of major chambers of the country are confident that this government will continue its economic policies until the next general elections in 2018. Business community leaders also urged the ruling party to accept the Supreme Court decision and complete all major infrastructure projects on time for the sake of the country's economy. "We hope the ruling party passes on the economy in good shape to the next government," said Tufail. Lahore Chamber of Commerce and Industry (LCCI) President Abdul Basit said that he wants the country to continue achieving higher economic growth in coming years. However, he said that he is concerned about the negative repercussions of disqualification of the prime minister on ongoing major infrastructure projects. (Express Tribune)

All development projects to be completed before next elections: Musadik

Senior Leader of Pakistan Muslim League Nawaz (PML-N), Dr Musadik Malik Friday said that all development projects launched by the government would be completed before next elections. Talking to PTV, he said that Pakistan Muslim League Nawaz would fulfill all the promises made with the people in 2013 elections and continue the welfare work to facilitate them. PML-N would contest 2018 elections on the basis of performance, he added. Commenting on the decision of the apex court, he said that his party had accepted the verdict for supremacy of law and stability of the country. To a question about finding new candidate for running the affairs of the government, he said that parliamentary party meeting would be held on Saturday to nominate the suitable person who could continue the development projects for the welfare of the people of this country. He, however said that Shahbaz Sharif had a good track record for the development of Punjab. (Business Recorder)

Neelum-Jhelum project: First unit to start power production by Feb 2018

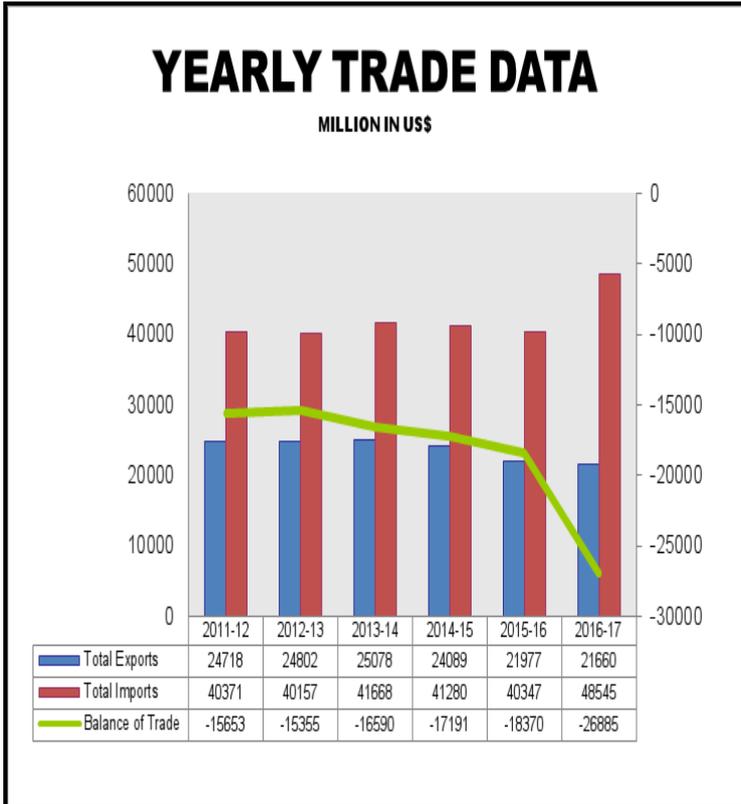
The strategically important Neelum-Jhelum hydroelectric power project is fast heading towards completion and is scheduled to start electricity generation with the commissioning of the first production unit by February 2018. The project's board of management briefed Water and Power Development Authority (Wapda) Chairman Lieutenant General (Retired) Muzammil Hussain about the progress during a meeting. Board Chairman Peter Mason and its members attended the meeting, says a statement issued on Friday. The strategically important Neelum-Jhelum hydroelectric power project is fast heading towards completion and is scheduled to start electricity generation with the commissioning of the first production unit by February 2018. The project's board of management briefed Water and Power Development Authority (Wapda) Chairman Lieutenant General (Retired) Muzammil Hussain about the progress during a meeting. Board Chairman Peter Mason and its members attended the meeting, says a statement issued. Speaking on the occasion, the Wapda chairman expressed satisfaction over the progress on the hydroelectric power project, adding despite the delay of years and cost overrun, the project would finally see the light of the day because of extraordinary commitment and professional excellence on the part of Wapda and project team members. (Express Tribune)

Ontex seeks tax incentives for foreign investors

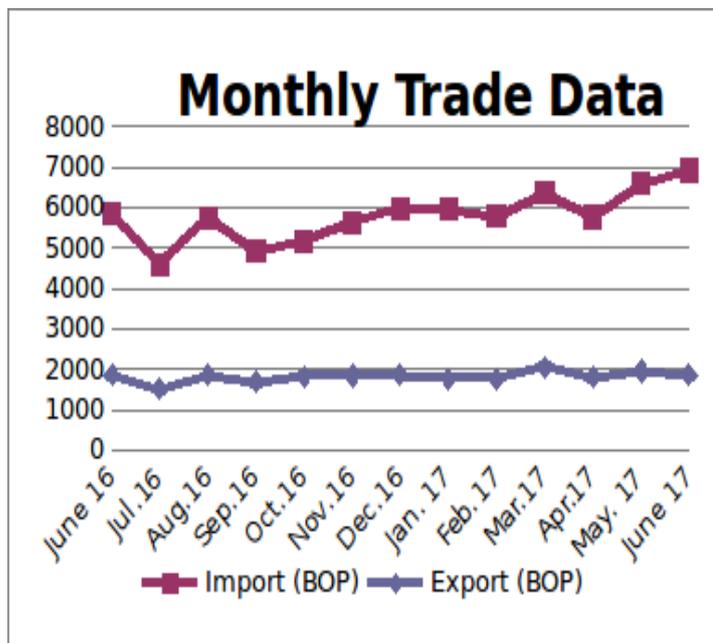
Ontex Pakistan has urged the government to focus on reducing customs duties on the import of raw material, machinery and technology instead of finished goods as this will promote more investment in the country. "Foreign investors that have established manufacturing operations in Pakistan should be supported through

Economic Indicators	
Annual (2015/16)	
Foreign Debt	\$62.649bn
Per Capita Income	\$1,512
GDP Growth	4.24%
Average CPI	8.6%
Monthly (June, 2017)	
Trade Balance	\$-3,189 mln
Exports	\$1,865 mln
Imports	\$5,054 mln
Weekly (July 14, 2017)	
Reserves	\$20.830 mln

(Source: SBP)



(Source: SBP)



(Source: SBP)

incentives such as reduction in customs duties on raw material and machinery. Tax incentives should also be considered for export-oriented firms. Haroon Rashid, General Manager of Ontex Pakistan, said while briefing a group of journalists during a visit to the company's plant on Wednesday. He emphasised that duties on the import of finished products should not be brought down, which would serve as a disincentive to shifting manufacturing units to Pakistan and would contribute to the country's already large and growing trade gap. If government policies remained favourable for investment, Rashid said Ontex would look to expand its domestic manufacturing capability for exports to regional markets as well. Ontex Pakistan has invested over \$18 million over the past five years in its Pakistan operations. The company says it is the first multinational in the category of baby diapers that has established a manufacturing facility in Pakistan. "Pakistan is a key market for Ontex and our success here in recent years now positions us to consider making Pakistan an export hub for regional countries," he remarked. In 2016, Ontex contributed around Rs1 billion to the national exchequer in the form of taxes. In the first half of 2017, it has contributed over Rs600 million in taxes. (*Express Tribune*)

In P M's absence, decision to cut petroleum prices in limbo

Oil consumers could get reasonable relief at the start of next month as the industry regulator has proposed a reduction of up to 6.3% in prices of petroleum products, taking cue from the global market trend. The price cut has been recommended for major petroleum products – petrol and diesel – that are mostly consumed in Pakistan. However, the regulator has proposed an increase of up to 29.5% in prices of kerosene oil and light diesel oil. In the absence of the premier, there seems to be no competent authority to decide on the price revision. In a summary prepared and sent by the Oil and Gas Regulatory Authority (Ogra) to the ministries of petroleum and finance on Friday, it has been proposed that petrol and diesel should be somewhat cheaper from the beginning of August. According to the Ogra summary, high-speed diesel, which is mostly consumed in transport vehicles and the agriculture sector, should be cheaper by Rs5.07, or 6.3%, per litre. This will take its price down to Rs74.83 per litre from the existing Rs79.90. Apart from farmers and transporters, the price cut could have a favourable impact on the rate of inflation in the country. "If the government is able to force the transporters to cut down their fares, it will bring down the inflation rate," the official said. Petrol price is likely to come down by Rs3.67, or 5.1%, to Rs67.63 per litre compared to the current price of Rs71.30 per litre. (*Express Tribune*)

Market closes flat after wild roller-coaster triggered by Panamagate verdict

Considerable volatility was observed at the Pakistan Stock Exchange (PSX) right before and after the Panamagate verdict, with the benchmark KSE-100 Index plunging sharply twice before inviting support from investors to close nearly flat for the third consecutive session. After falling 719 points in the first session of trading on Friday, the index saw another sharp fall in the opening moments of the second session. However, investors soon started buying into the oversold market, helping the index recover to 45,912. Some analysts said the possibility of the prime minister's ouster had already been priced into the market, explaining the support on selling pressure. A JS Global report said noted that after witnessing a rebound in the first four sessions of the week, the market nosedived by more than 1,600 points during the first of half of Friday ahead of the Supreme Court's decision regarding the disqualification of the prime minister. However, the market recovered sharply to close six points up after the apex court announced the disqualification of the premier and value hunters saw it as an end to longstanding uncertainty. Analyst Ahsan Mehnati said stocks had closed flat as uncertainty subsided after the PM's resignation. "Rising global crude prices, upbeat financial results in the energy and auto sectors played a catalyst role in major recovery at market close," he added. Close to 161 million shares worth around Rs16.6 billion changed hands—the highest volume witnessed since June 21. Engineering stocks led the activity at the bourse with 42.3 million shares traded. The textile and the cement sectors followed with 32.5mn and 32.4mn shares respectively. (*Dawn*)