

Market Today (May 09, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD /bbl.
	49,963.77	42,600.00	6,600.00	53.16

(Source: Business Recorder)

Exchange rates issued by the Treasury Management Division of National Bank of Pakistan. May 09, 2017

Country	Currency	Selling TT & OD	Buying TT Clear	Buying OD/T.C HQ
USA	USD	104.7	104.5	104.29
UK	GBP	135.61	135.35	135.08
Euro	EUR	114.43	114.21	113.97
Canada	CAD	76.47	76.32	76.12
Switzerland	CHF	104.86	104.66	104.38
Australia	AUD	77.04	76.9	76.69
Sweden	SEK	11.84	11.82	11.79
Japan	JPY	0.9245	0.9228	0.9204
Norway	NOK	12.12	12.1	12.07
Singapore	SGD	74.42	74.28	74.09
Denmark	DKK	15.38	15.35	15.31
Saudi Arabia	SAR	27.92	27.86	27.79
Hong Kong	HKD	13.61	13.58	13.55
China	CNY	15.51	15.48	15.44
Kuwait	KWD	344.07	343.41	342.51
Malaysia	MYR	24.12	24.08	24.01
New Zealand	NZD	72.33	72.19	72
Qatar	QAR	28.75	28.7	28.62
UAE	AED	28.51	28.45	28.38

(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)

Halal food can take Pakistan's exports to new heights

Halal food can take the country's exports to new heights, but the government continues to ignore it. Halal food, particularly beef and meat is another potential where Pakistan enjoys huge advantage. The global trade of halal food has exceeded \$300 billion. Halal beef, mutton and chicken markets are dominated by non-Muslim economies, as most of the Middle Eastern Muslim economies import halal food from Australia, Brazil and other non-Muslim countries. Abdul Basit, president of the Lahore Chamber of Commerce and Industry (LCCI) said that halal food has substantial market in non-Muslim regions, as well. Europe, for instance, imports halal meat worth \$66 billion. France with the imports worth \$17 billion is the largest importer of halal meat among European countries. Punjab Halal Food Board chairman former justice Khalilur Rehman said that global halal food market is up for grab for Pakistan. Halal food and Pakistan are synonymous, as only pure halal meat and other foods are consumed by its entire population. (The News)

SBP, Iranian counterpart come up with transaction settlement mechanism

The central banks of Pakistan and Iran have finally devised a detailed mechanism to settle trade transactions between the two countries through banking channels. Pakistan's trade with Iran has been nominal for more than a decade. No banking channel existed between the two countries as Iran remained under international sanctions imposed by the United States and United Nations. Hopes for better bilateral trade relations grew when the sanctions were lifted about two years ago. The State Bank of Pakistan (SBP) said on Tuesday it has devised a payment settlement mechanism with the Bank Markazi Jomhuri Islami Iran (BMJII) to settle trade transactions between the two countries.

<http://www.sbp.org.pk/epd/2017/FEC4.htm> (Dawn)

Finance Minister reviews budget preparations

Finance Minister Senator Ishaq Dar chaired a high level meeting to review the budget preparations by the Federal Board of Revenue (FBR). The finance minister while appreciating the efforts of the FBR, emphasized that the Board's officials must focus all their energies to achieve the revenue target during the remainder of the fiscal year, said a press release issued by the ministry. He directed the FBR to ensure that the policy of a friendly and cooperative attitude towards tax payers must continue and maximum facilitation should be ensured. He also directed the FBR to ensure that such a policy was also embedded in tax proposals for the next fiscal year i.e.2017-18. Earlier, Chairman FBR, Dr. Muhammad Irshad briefed the meeting that budget exercise, which had been initiated on 1st of February 2017 was now in full swing. He said in line with the finance minister's directions, extensive interaction had been carried out with stakeholders from all sectors of the economy. He said the tax related proposals and suggestions collected from these stakeholders were being examined in detail for inclusion in the budget, adding work in this regard was in the final stages. (Business Recorder)

Punjab proposes abolishing sales tax on all types of fertilizer

In a bid to provide meaningful relief to the farming community in the upcoming budget, Punjab government has proposed to abolish sales tax on all kinds of fertiliser, terming the existing regimes of sales tax collection and subsidy prone to leakages. However, getting its proposal approved will be an uphill task for the provincial government, as the Federal Board of Revenue (FBR) is not in the mood to accept the demand. Not only that, the FBR is collecting sales tax even on the subsidy amount the federal government is paying to lower the prices. (Express Tribune)

Federal govt concedes provinces' right to produce power

In return for greater control of the National Electric Power Regu-latory

Economic Indicators

Annual (2015/16)

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

Monthly (Feb. 2017)

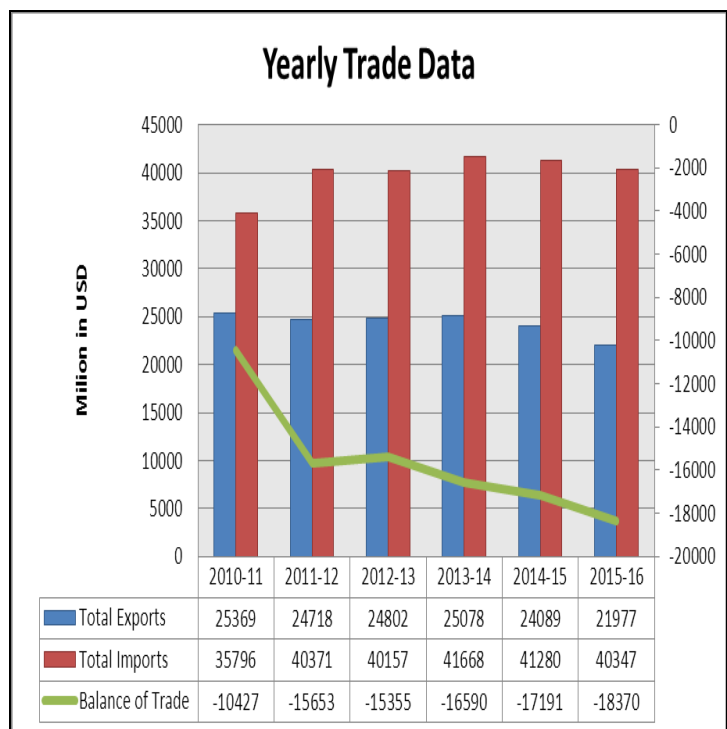
Trade Balance	\$-1,852 mln
Exports	\$1,742mln
Imports	\$3,594mln

Weekly (March 31, 2017)

Reserves	\$21,550.5 mln
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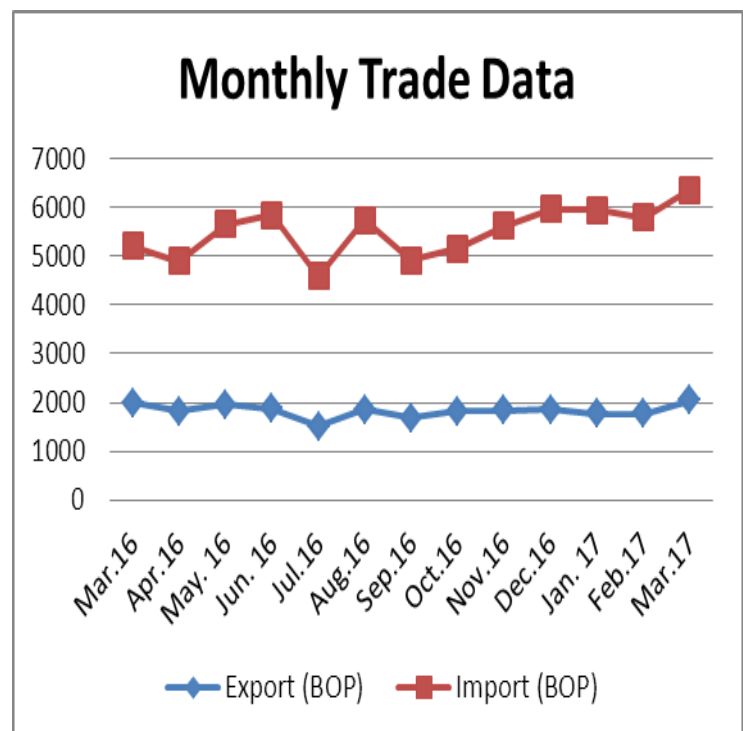
(Source: Business Recorder)

Yearly Trade Data



(Source: SBP)

Monthly Trade Data



(Source: SBP)

Authority under an amended Nepra law, the federal government conceded on that the right to generate electricity, transmit and distribute it be devolved to the provinces. The agreement was reached at a meeting presided over by Water and Power Minister Khawaja Mohammad Asif and attended by chief ministers of Sindh and Khyber Pakhtunkhwa and chief secretaries of Punjab and Balochistan. (Dawn)

Over 92pc work completed on 969 MW Neelum-Jhelum project

Over 92 per cent work has already been completed on the ongoing 969 MW Neelum-Jhelum Hydropower Project (NJHP) and its first unit will start supplying power to the national grid system in February 2018. 2nd unit would start generating in March followed by third and fourth unit in April. (Business Recorder)

BOI to hold road shows for increasing foreign investment in country

The Board of Investment (BOI) on Monday said the government would hold road shows in China, Singapore and Gulf countries in coming few months aiming at increasing Pakistan's Foreign Direct Investment. Under its new work plan, BOI would hold road shows in collaboration with chambers of industries and All Pakistan Textile Mills Association (APTMA) for focusing on textile and steel industry, said a Spokesman of Board of Investment (BOI) Shah Jahan while talking to APP here. He said that, "We have been mainly focusing to achieve the FDI target US\$ 15 billion by 2025. Pakistan's Foreign Direct Investment (FDI) had increased by 12.4 percent in third quarter of current fiscal year from 1st January to end of March. (Business Recorder)

Pakistan shows strong growth, reduction in fiscal deficits: Moody's report

Strong growth performance, fiscal deficit reduction and improved inflation dynamics underpin the Government of Pakistan's B3 rating with a stable outlook, says Moody's Investors Service. The credit rating agency Moody's maintained that, the government's very narrow revenue base weighs on debt affordability. Meanwhile, the Moody further claimed that exports and remittance inflows have slowed and capital goods imports have risen, resulting in renewed pressure on the external account. (Business Recorder)

Soyabean worth \$150.72mn, palm oil \$1.384bn imported

Soyabean oil worth US\$ 72.456 million were imported into the country during last three quarters of current financial year as compared the imports of US\$ 150.72 million of the corresponding period of last year. (Business Recorder)

Rs480bn circular debt case referred to FIA, NAB

The Senate Standing Committee on Finance on decided to refer the case of payment of Rs480 billion to settle circular debt to Federal Investigation Agency and National Accountability Bureau (NAB). (Dawn)

Ogra issues show-cause notices to top oil companies for overcharging

The Oil and Gas Regulatory Authority (Ogra) has issued show-cause notices to seven top oil marketing companies (OMCs) for alleged overcharging and substandard sale of petroleum products in Azad Jammu and Kashmir (AJK). (Dawn)

China helped Pakistan avert currency crisis with \$1.2bn loans: FT

China helped Pakistan stave off a currency crisis with \$1.2bn loans, the Financial Times. State-backed Chinese banks have twice come to the rescue of the nuclear-armed state with \$900m in 2016 and \$300m in the first three months of this year, the newspaper quoted officials as saying. The loans demonstrate the perilous fragility of Pakistan's stocks of foreign currency, depleted in recent months by rising imports and falls in exports and remittances from Pakistanis abroad, it said. Commenting on the geopolitical importance of the loan, the report said Beijing is preparing to invest at least \$52bn in Pakistan to build a highway, energy pipelines, power-generation facilities and industrial parks from the western port of Gwadar on the Gulf to the Chinese border to the north. (The News)