

Market Today (September 5, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD /bbl.
	40,958.65	45,148.00	6,692.00	49.07

(Source: Web)

Exchange rates issued by the Treasury Management Division of National Bank of Pakistan. September 07, 2017

Country	Currency	Selling TT & OD	Buying TT Clear
USA	USD	105.5	105.3
UK	GBP	137.66	137.4
Euro	EUR	125.81	125.58
Canada	CAD	86.28	86.12
Switzerland	CHF	110.3	110.09
Australia	AUD	84.28	84.12
Sweden	SEK	13.37	13.34
Japan	JPY	0.9674	0.9656
Norway	NOK	13.53	13.51
Singapore	SGD	78.24	78.09
Denmark	DKK	16.91	16.88
Saudi Arabia	SAR	28.13	28.08
Hong Kong	HKD	13.62	13.6
China	CNY	16.53	16.5
Kuwait	KWD	350.03	349.37
Malaysia	MYR	25.02	24.97
New Zealand	NZD	76.02	75.88
Qatar	QAR	28.6	28.55
UAE	AED	28.72	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)

IT Can Help Support Weakening Exports: LCCI

The information technology (IT) sector of Pakistan can play an instrumental role in boosting declining exports of the country as it can align export-based industries on modern lines, suggested Lahore Chamber of Commerce and Industry (LCCI) President Abdul Basit. He was speaking at a seminar on IT growth opportunities at the LCCI. The LCCI chief said IT services contributed 17% to services sector exports of USD 5 billion in 2016. At present, about 2,000 software houses and call centers are running in the country. Basit decried that despite providing services to globally renowned entities, the country IT sector contributed hardly 0.2% to the global IT trade of around USD 500 billion. He heaped praise on young IT experts Arfa Karim and Ayan Qureshi as signs of the enormous potential Pakistan had in the IT sector. He said the Pakistan Software Export Board and private sector should join hands to give much-needed boost to the national exports. **(The Express Tribune)**

No load shedding from November, says Abid

The government is increasing the power generation capacity and is formally going to announce an end to load shedding across the country in November this year, Minister of State for Power Abid Sher Ali claimed. The state minister for power said that when the Pakistan Muslim League-Nawaz came into power four years ago, the country was facing 18 hours of load shedding. We have restricted power cuts to two or three hours and in some areas there is zero load shedding already, he said. For the first time in Pakistan history, the threshold of 20,000 megawatt electricity generation has been crossed, he said. The government will bring an additional 4,000MW generation capacity in the system within next three or four months, he added. **(Dawn)**

HBL fined \$225m, ordered to shut New York branch

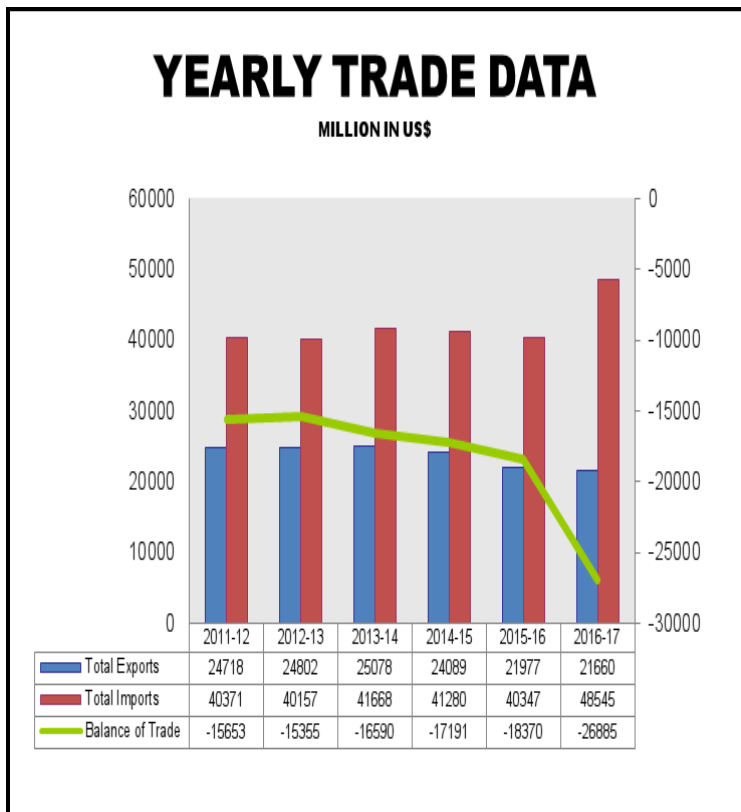
United States (US) banking regulators slapped a USD 225 million fine and Habib Bank Limited (HBL) to shutter its New York office, for repeatedly failing to heed concerns over possible terrorist financing and money laundering. HBL, Pakistan largest private bank, neglected to watch for compliance problems and red flags on transactions that potentially could have promoted terrorism, money laundering or other illicit ends, New York banking officials said. The state Department of Financial Services, which regulates foreign banks, had initially proposed a USD 629.6m penalty. HBL has operated in the US since 1978, and in 2006 was ordered to tighten its oversight of potentially illegal transactions but failed to comply. New York regulators said it facilitated billions of dollars of transactions with Saudi private bank, Al Rajhi Bank, which reportedly has links to Al Qaeda, and failed to do enough to ensure that the funds were not laundered or used for terrorism. **(Dawn)**

Debt servicing stood at 65pc of FY17 deficit

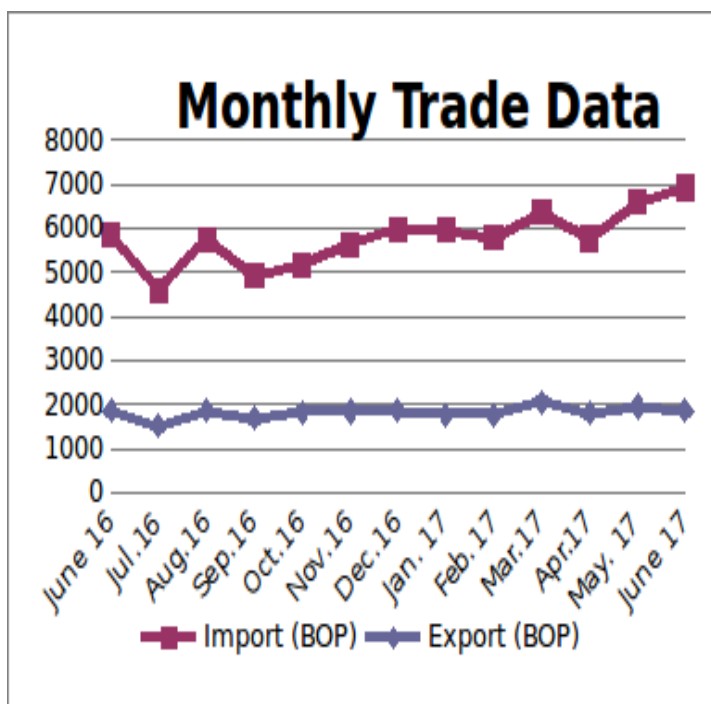
Domestic debt servicing played a key role in the record high fiscal deficit in 2016-17 as its share in the deficit was 65.4 per cent. The latest data of Ministry of Finance revealed that domestic debt servicing reached Rs 1,220 billion in FY17, higher by Rs70bn compared to FY16. Despite low interest rates prevailing for more than a year, the rising debt servicing suggests increased government borrowing from domestic sources. The government raised Rs 1,087bn for budgetary support in FY17 from banking sources, mainly from the central bank. Borrowing from the banking sector is relatively cheaper than other sources like bonds and National Savings Schemes.

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)



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However, the government preference for Pakistan Investment Bonds (PIBs) proved very costly as the high-yielding PIBs still constitute the largest share in the stock of government borrowing from the banking system. The data shows the government held PIBs worth Rs4,391bn including Rs3,173.6bn by banks and Rs1,218.2bn by non-banks till end June 2017. Debt servicing in FY17 was 30.7pc of the tax revenue and 90.8pc of the direct taxes (Rs1,343bn). The debt servicing in terms of percentage against GDP slightly decreased to 3.8pc while it was 3.9pc in FY16. **(Dawn)**

Reserves rise by \$386m

Pakistan total liquid foreign exchange reserves amounted to USD 20.38 billion on Aug 31, up USD 386 million or 1.9 per cent from a week ago, the State Bank of Pakistan (SBP) said. Net foreign exchange reserves held by commercial banks amounted to USD 5.7bn on Aug 31, up USD 48m from the preceding week. **(Dawn)**

PM Briefed About Growth of Sugar Industry

Prime Minister Shahid Khaqan Abbasi chaired a meeting on matters pertaining to sugar industry of the country. The meeting was briefed on the growth of sugar industry in Pakistan, government role in the development of this industry, issues concerning the sugar industry and support of the industry from the government. Office bearers of Pakistan Sugar Mills Association apprised the Prime Minister that total sugar production per million tons has witnessed a 125% increase in 2016-17 as compared to 2009-10 while the increase in sugarcane area per hectares over the same period was 29%. According to Pakistan Sugar Mills Association, the economic impact of this growth was an increase in farmers revenues from roughly Rs 95 billion to roughly Rs 325 billion annually. The Prime Minister was further apprised that sugarcane has consistently been a viable crop for farmers. The provincial governments have made tireless efforts in this regard by providing the minimum support price of sugarcane and making payments to growers in a timely manner. Subsidies to growers in the form of fertilizers and other inputs under Prime Minister Kissan Package have increased per acre yield tremendously. In addition, the hard work by the sugar industry, farmers and government research institutes has led to propagation of superior varieties and better farm practices. **(Business Recorder)**

Punjab Earmarks 1,750 Acres of Land for Industries

The Punjab government has allocated 1750 acres of land in Sunder Industrial Estate, Lahore, to strengthen and boost the industry across the province. Provincial Minister for Industry and Trade Sheikh Allau-Din has said that 70,000 to 80,000 workers are working in 400 different factories located at Sunder Industrial Estate. All these factories have been issued allotment letters from the government of Punjab over assurance of transparency. The Minister expressed these views during a departmental meeting in the Industries Department Committee. Secretary Industries Mujtaba Paracha and other concerned officers attended the meeting. The officials briefed the Minister about the government policy that if any factory in Sunder Industrial Estate could not continue its manufacturing process in six months time or if the factory is closed for any reason then it would be sealed. There are some factories in the Sunder Industrial Estate which requires an action to be initiated against them. The Minister directed the industries department to seal those factories found violating terms of agreement or have failed to produce goods in six months period. He also asked the concerned authorities to serve those violating companies show cause notice prior to taking any action against them. **(Business Recorder)**