

Market Today (September 20, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD /bbl.
	43,297.41	45,042.00	6,639.00	49.87

(Source: Web)

Exchange rates issued by the Treasury Management Division of National Bank of Pakistan.
September 20, 2017

Country	Currency	Selling TT & OD	Buying TT Clear
USA	USD	105.5	105.3
UK	GBP	142.63	142.36
Euro	EUR	126.27	126.03
Canada	CAD	85.75	85.59
Switzerland	CHF	109.79	109.58
Australia	AUD	84.1	83.94
Sweden	SEK	13.4	13.38
Japan	JPY	0.9461	0.9443
Norway	NOK	13.5	13.47
Singapore	SGD	78.31	78.16
Denmark	DKK	16.97	16.94
Saudi Arabia	SAR	28.13	28.08
Hong Kong	HKD	13.66	13.64
China	CNY	16.38	16.64
Kuwait	KWD	350.09	349.42
Malaysia	MYR	25.18	25.13
New Zealand	NZD	76.78	76.63
Qatar	QAR	28.51	28.46
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)

Govt must support pharma sector to spur growth

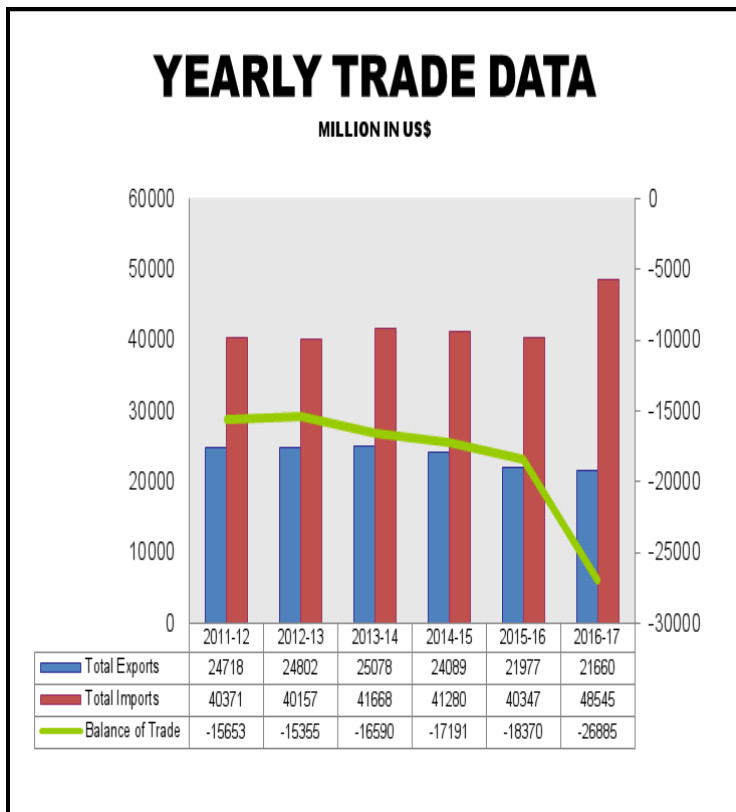
Pharmaceutical sector of Pakistan has the potential to contribute to the \$1.25 trillion global pharmaceutical market. Success of one company in the international market shows that with little government support, several local companies could become global players. These views were expressed by Lahore Chamber of Commerce and Industry (LCCI) president Abdul Basit while addressing a press conference on Tuesday. He said the accreditation of the national pharmaceutical firm and Lahore Chamber of Commerce and Industry member, Pacific Pharmaceuticals, by the British drug regulatory authority - Medicines and Healthcare Products Regulatory Authority (MHPR) - would open opportunities for drug exports to a large market in the UK, Europe, Australia, New Zealand, and Canada. The LCCI president said Pacific was the only Pakistani company which has obtained British certification to explore the market in the developed nations despite tough competition there from India, China and Germany. He said exports of pharmaceuticals were largely dependent on the capability of a manufacturer to obtain quality and GMP (Global Manufacturing Practices) certification from the regulatory agencies of the importing countries, like Food and Drug Administration (FDA) in the US and Medicines and Healthcare Products Regulatory Authority in the UK. "Pakistan can add billions of dollars to its exchequer if the regulators espouse acknowledged procedures. Regulation, the world over, is exercised to facilitate the producers and protect the consumers. In Pakistan it is usually used to unnecessarily hamper growth and hurt both the producers and the consumers," the chamber's president added. He said the drug regulator should concentrate on best manufacturing practices instead of devoting most of its energies on trivial matters like pricing, font size and colour. Controlling prices without economic logic has resulted in the withdrawal of many essential drugs from the market, paving the way for smuggled and spurious drugs, Basit said. Pacific Pharma CEO Muhammad Irfan said developed economies like the US, Canada, Britain, and European Union countries, Australia and New Zealand provide free or subsidised healthcare to their citizen. "They do not buy branded products but prefer generic medicines that are many times cheaper than their branded counterparts," he added. To procure these generic medicines they float global tenders in which only Food and Drug Administration and MHPR approved companies participate. "In most cases, Indian companies, approved as suppliers of specific medicines by these regulators, win the tenders after competitive bidding" the CEO added. Pacific Pharma vice president Dr Qurat ul Ain said Pacific Pharmaceuticals, which had recently been accredited by the Medicines and Healthcare Products Regulatory Authority and was the only Pakistani company that has competed against Indian pharmaceutical companies, won many orders. She said this was a great achievement that should be celebrated nationally. *(The News)*

SECP holds corporate law sections in abeyance

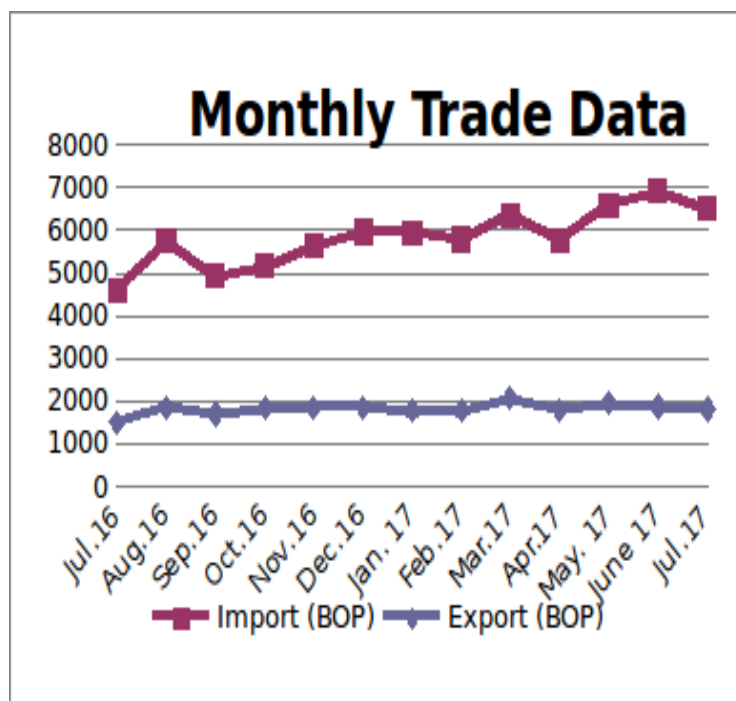
Securities and Exchange Commission of Pakistan (SECP) deferred the implementation of some controversial sections under the Companies Act 2017 till the end of December, a senior industry official said on Tuesday. Ehsan Malik, chief executive officer (CEO) of Pakistan Business Council (PBC) said the acting chairman and commissioner of SECP, during a meeting early this month, assured the PBC members that the commission would revisit certain sections of the Companies Act 2017. "In the meantime, the application of these sections would be deferred till December 31," Malik told a seminar at the Institute of Chartered Accountants of Pakistan. Malik said the new corporate law is an improved version of the previous law, "but there are sections that smell of mistrust and suspicion, certainly not of empowerment or encouragement." "The use of

Economic Indicators	
Annual (2015/16)	
Foreign Debt	\$62.649bn
Per Capita Income	\$1,512
GDP Growth	4.24%
Average CPI	8.6%
Monthly (July, 2017)	
Trade Balance	\$-2,887 mln
Exports	\$1,809 mln
Imports	\$4,696 mln
Weekly (July 14, 2017)	
Reserves	\$20.830 mln

(Source: SBP)



(Source: SBP)



(Source: SBP)

company law to encumber shareholders, officers and directors associated with generally well-regulated and tax-compliant corporations in the formal sector with further reporting responsibilities through Section 452 is highly regrettable, he added. PBC CEO said the section encourages businesses to remain in the informal and unincorporated sector. "Discriminating against the corporate sector cannot (and should not) be the government's objective," he added. "As it stands the so-called global register only applies to those in the corporate sector, not to the unincorporated entities, and then only to shareholdings abroad, not real estate which the informal sector is known to be investors in. Malik said it targets the very sector that produces jobs, exports and tax revenues. SECP wanted to retain power to enter premises to search and seize records without a search warrant from a magistrate, but agreed to make it subject to approval of all commissioners instead of a single commissioner. "The consequence is loss of scale, competitiveness, jobs and exports," he said. PBC CEO said the country is becoming hub of traders outsourcing jobs and it lacks industrialisation. "Today's trade imbalance with lowest exports in 8 years and record imports is a result of years of liberal import policy, poorly negotiated FTA (free trade agreement), unchecked smuggling, under-invoicing, tax evasion, misuse of the Afghan Transit Treaty and the list goes on." He said manufacturing sector, which represents 13.5 percent of GDP, is made to carry 58 percent of the tax burden. "There are 47 different types of taxes to contend with and Pakistan ranks very poorly in the ease of doing business ranking. (The News)

IMF says Pakistan can manage without its support

The International Monetary Fund (IMF) urged Pakistan to take immediate policy actions to tackle challenges to stability of the external sector and the budget, but was sceptical about success of the government's plan to increase customs duty for containing imports. "Despite a strengthening growth momentum, Pakistan's imbalances on both external and fiscal fronts increased in the last fiscal year and require attention of the policymakers," said Tokhir Mirzoev, IMF Resident Representative in Pakistan. "Economic policies take time to impact the economy. Therefore, taking corrective policy action early is important to address these rising challenges," advised the IMF representative. This is the first response of the IMF since the external sector has started unraveling. (Express Tribune)

Gensy KfW to continue to fund water, power projects in Pakistan

German financial institution KfW has emphasised that it will continue to support the development of water and hydroelectric power resources in Pakistan, which needs to step up efforts to conserve water and boost cheap electricity production in order to satisfy growing appetite of consumers. The assurance came during a meeting between a three-member delegation of KfW, headed by Dr Frank Albert, Division Chief, Infrastructure and Financial Sector, and Water and Power Development Authority (Wapda) Chairman Lieutenant General (Retired) Muzammil Hussain at the Wapda House. (Express Tribune)

KSE-100 index gains 411 points as volumes surge

Volumes surged at Pakistan Stock Exchange (PSX) on Tuesday, with the benchmark KSE-100 index gaining 412 points, or 0.96 per cent, to close at 43,253. KSE-100 index began higher than Monday but lost points in the middle only to recover and hit the day's high of 43,297.41 points towards the day's close. Volumes at the exchange saw a 100 million increase over Monday's volumes with 218.75m shares worth Rs11.3 billion being traded in the day. "Renewed foreign inflows, United Kingdom's announcement for support of GSP plus scheme and surging sales data in cement, oil, autos and fertilizer sectors played a catalyst role in higher close," Ahsan Mehanti of the Arif Habib Corporation said. A total of 360 symbols were traded, of which 236 advanced, 112 declined and 12 remained unchanged. Engineering and technology sectors dominated the session with 43m and 37m shares traded, respectively. (Dawn)