

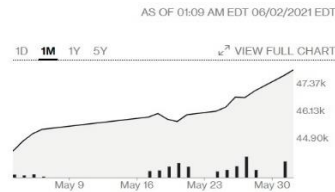
Daily Economic Update – 12th June, 2021

KSE-100

48,160.91 PKR

-30.35 -0.06% ▼

OPEN	PREV CLOSE	1 YEAR RETURN
48,191.26	48,191.26	39.72%
YTD RETURN	DAY RANGE	52 WEEK RANGE
10.07%	47,960.46 – 48,286.46	33,071.36 – 48,286.46



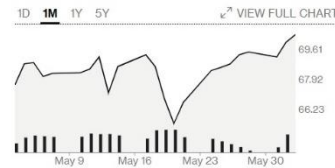
Commodities

Brent (\$/bbl.)

70.50 USD/bbl.

+0.25 +0.36% ▲

OPEN	PREV CLOSE	VOLUME
70.55	70.25	10,554
DAY RANGE	52 WEEK RANGE	
70.35 – 70.95	38.85 – 71.34	



US WTI

67.94 USD/bbl.

+0.22 +0.32% ▲

OPEN	PREV CLOSE	VOLUME
67.99	67.72	21,525
DAY RANGE	52 WEEK RANGE	
67.78 – 68.31	36.69 – 68.87	



Cotton #2 (ICE)

84.60 US\$/lb.

-0.21 -0.25% ▼

OPEN	PREV CLOSE	VOLUME
84.77	84.81	243
DAY RANGE	52 WEEK RANGE	
84.18 – 84.79	58.00 – 89.28	



TOP NEWS

A positive 'Make-in-Pakistan' budget

This is a "Make-in-Pakistan" budget. "Make-in-Pakistan," which the Pakistan Business Council has been advocating, is not just about manufacturing. It covers maximizing agriculture yields, now more relevant for food security and affordability. Complete Story: <https://www.thenews.com.pk/print/848509-a-positive-make-in-pakistan-budget>

Businessmen praise budget 2021-22, but warn of long-term impact on trade

Pakistan's business community believes the government's budget for 2021-22 "seems balanced", but has warned of possible long-term effects of it on the trade industry. They said the effects on trade would be clear after a close analysis of the complete finance bill document. Federal Finance Minister Shaukat Tarin presented the federal budget 2021-22 in the National Assembly a day earlier amid a racket from the Opposition benches. Complete Story: <https://www.geo.tv/latest/354706-businessmen-praise-budget-2021-22-but-warn-of-long-term-impact-on-trade>

Growth-focused budget: IMF acquiescence, not consent?

Finance Minister Shaukat Tarin, on Friday, presented a Rs8.495 trillion spending-led outlay for the fiscal year 2021-22 designed to achieve six to seven percent GDP growth in next two to three years 4.8 percent for FY2021-22 by facilitating auto, telecom, agriculture as well small and medium enterprises for job creation amid roaring protest from the opposition.

Complete Story: <https://www.brecorder.com/news/40099653/growth-focused-budget-imf-acquiescence-not-consent>

The Budget

The guiding principles of the budget have been to streamline customs duties in a manner so as to remove anomalies from the cascading structure of tariff, promote and protect through interventions, enhance import substitution through rationalization of tariff on industrial raw materials and intermediate materials and promote export oriented manufacturing.

Complete Story: <https://www.brecorder.com/news/40099628/the-budget>

Power subsidies raised by over 300pc

The federal government has increased power sector subsidies by over 300 percent to Rs 510 billion for fiscal year 2021-22 as compared to Rs 124 billion allocated in budget for 2020-21, which was later revised upward to Rs 350 billion.

Complete Story: <https://www.brecorder.com/news/40099642/power-subsidies->

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Currency Parity

PKR-USD	Selling	Buying
	156.5	155.5



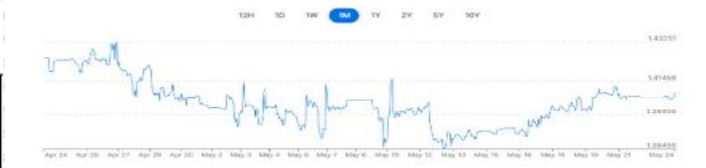
PKR-GBP	Selling	Buying
	222	219



PKR-EURO	Selling	Buying
	190.5	188.5



PKR-YEN	Selling	Buying
	1.44	1.41



New York Cotton	Open	Last	Volume
Jul '21	87.20	87.00s	17,975
Oct '21	89.16	89.34s	19
Dec '21	88.21	87.92s	20,512

GENERAL NEWS

Around Rs506bn taxation measures unveiled

The government has taken measures of around Rs506 billion, including taxation measures of Rs264 billion and enforcement measures of Rs242 billion in the budget (2021-22) to meet annual target of Rs5,829 billion including 17 percent sales tax on crude oil, Federal Excise Duty (FED) on phone calls/SMS messages/internet data usage, 17 percent sales tax on silver/gold jewellery, and 7.5 percent withholding tax on monthly electricity bill of above Rs25,000 of domestic users not appearing on the Active Taxpayers List.

Complete Story: <https://www.brecorder.com/news/40099648/around-rs506bn-taxation-measures-unveiled>

Annual growth clocks in at 4%

The government missed its annual targets of inflation and investment-to-GDP ratio -- two critical areas that point out the suffering of the people and the susceptibility of attaining high economic growth rate in the absence of investment in the economy. Complete Story: <https://tribune.com.pk/story/2304506/annual-growth-clocks-in-at-4>

Proposal to tax internet data usage criticised as reactions to budget pour in

Apart from all the figures and analysis, the budget is also a day that allows Pakistanis to give their two cents on the country's economic conditions. Presented by the newly-seated Finance Minister Shaukat Tarin, the budget started off with usual sloganeering from the opposition members, much to the annoyance of many but something that has become a part of the speech in recent years. Complete Story: <https://www.brecorder.com/news/40099489/proposal-to-tax-internet-data-usage-criticised-as-reactions-to-budget-pour-in>

Allocation for defence raised by 6.2percent

Allocation for defence for Fiscal Year 2021-22 has been raised by 6.2 percent, from Rs1.292 trillion in the original estimates of 2019-20 to Rs1.373 trillion for 2021-22. The defence budget is 16.19 percent of the total budgetary outlay and 2.87 percent of next year's projected GDP of 47.7 trillion rupees. The nominal GDP for FY 2021 is projected to increase from Rs45,567 billion to Rs47,709 billion.

Complete Story: <https://www.brecorder.com/news/40099631/allocation-for-defence-raised-by-62percent>