

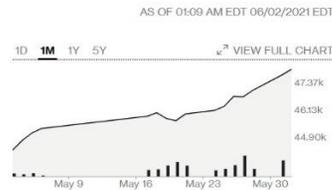
Daily Economic Update – 15th June, 2021

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



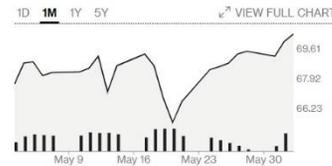
Commodities

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 USD/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

Leather garments exports increase by 7.41pc

Leather Garments exports during first ten months of FY 2020-21 grew by 7.41 per cent as compared to the exports of the corresponding period of last year. During the period from July-April 20-21, Leather Garments worth US\$ 238,924 thousand exported as compared to worth US\$ 222,445 thousand of same period of last year. Complete Story: <https://pakobserver.net/leather-garments-exports-increase-by-7-41pc/>

SBP moves to help sale via digital marketplaces

The State Bank of Pakistan (SBP) has made some key amendments to its foreign exchange regulations to facilitate exporters to sell their products through international digital marketplaces. Complete Story: <https://www.dawn.com/news/1629400/sbp-moves-to-help-sale-via-digital-marketplaces>

Power subsidies: High yet adequate

Electricity tariffs are not going to go up in FY22. This is the loud and clear message from the budget document. The budgeted subsidy for the upcoming fiscal year has been earmarked at a mammoth Rs596 billion. For context, the 5-year average power sector subsidy (actual, not budgeted) is Rs213 billion. Stretch it 13 years back to FY09, and power subsidy averages Rs247 billion a year. By all accounts, Rs596 billion is unprecedented.

Complete Story: <https://www.brecorder.com/news/40100047/power-subsidies-high-yet-adequate>

Pakistan outperforms India in manpower exports

Pakistan Economic Survey 2020-21 revealed that Pakistan's exports of skilled manpower had reached 224,705 against India and Bangladesh who could only manage to export 94,145 and 217,699 workers respectively. Complete Story: <https://www.globalvillagespace.com/pakistan-outperforms-india-in-manpower-exports/>

Charges of concealment of income: IR officers empowered to arrest any person

Through the Finance Bill 2021, the FBR has proposed Section 203A (Power to arrest and prosecute) in the Income Tax Ordinance, 2001. Tax experts told Business Recorder that the FBR could not arrest or prosecute the taxpayers, who had availed the tax amnesty schemes in the past.

Complete Story: <https://www.brecorder.com/news/40100216/charges-of-concealment-of-income-ir-officers-empowered-to-arrest-any-person>

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Currency Parity

PKR-USD	Selling	Buying
	156.6	155.8



PKR-GBP	Selling	Buying
	221	219



PKR-EURO	Selling	Buying
	189	187



PKR-YEN	Selling	Buying
	1.44	1.41



New York Cotton	Open	Last	Volume
Jul '21	84.90	84.64	617
Oct '21	87.56	86.88s	32
Dec '21	86.13	85.70	1,152

GENERAL NEWS

State of IKonomy

PTI supporters say the economy is better off now than before and on to durable growth, although some have used iffy data. Many cheer an all-time high tax revenue of Rs4.1 trillion. New highs mean little. Even if revenue grows by 0.001 per cent, it hits highs annually. It should have hit Rs4.1tr in 2019 and be near Rs6tr now at 2013-18 growth rates.

Complete Story: <https://www.dawn.com/news/1629432/state-of-ikonomy>

Debating the budget

If the 2002 government made wrong policies which created problems in the long run, it is no longer around to be questioned, and no one is being forced to confront its mistakes. But the PML-N is, perhaps the PTI will be also (if it makes it to the opposition benches as a unified force).

Complete Story: <https://www.dawn.com/news/1629434/debating-the-budget>

Budget Special: The forgotten middle class

The economic growth excluded average households. The Pakistan Economic Survey 2020-21 is silent on poverty and joblessness levels, but private projections suggest some 50pc of middle-class families were pushed to the edge amidst high inflation and falling incomes. Complete Story: <https://www.dawn.com/news/1629289>

\$16b to be borrowed to retire debts in FY22

The government has planned to take nearly \$16 billion gross foreign loans in next fiscal year to meet requirements of maturing external public debt and finance the budget deficit. Complete Story: <https://tribune.com.pk/story/2304234/16b-to-be-borrowed-to-retire-debts-in-fy22>

Total public debt stands at Rs38tr

Total public debt was recorded at Rs38 trillion at end March 2021, registering an increase of Rs1.607 trillion during the first nine months of current fiscal year 2020-21. Complete Story: <https://tribune.com.pk/story/2304583/total-public-debt-stands-at-rs38tr>

Not by words alone

THERE have been a series of official pronouncements that the government is shifting the focus of Pakistan's foreign policy from geopolitics to geoeconomics. This 'shift' was first announced in March during the 'Islamabad Policy Dialogue' organised by the National Security Division and addressed by Pakistan's political and military leaders. Complete Story: <https://www.dawn.com/news/1629274/not-by-words-alone>