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APTMA chief concerned over low-pressure gas supply to mills

RECORDER REPORT

The All Pakistan Textile Mills Association (APTMA) Punjab chairman Syed Ali Ahsan has expressed concerns over the low pressure gas supply to the Punjab-based textile mills, particularly those situated in Lahore, Faisalabad and Multan. He said the textile workers would have no option but to take to the streets in case the government failed to restore gas supply to mills immediately.

Already, he said, 35 percent of the production capacity has been closed down due to the high cost of doing business, particularly the high energy prices and unnecessary burdening of gas price by 40 to 50 percent for the industry. He lamented that the government was making false claims regarding resumption of energy supply to the industry and pointed out that a big number of textile mills have been closed down because of the low pressure gas supply. Chairman APTMA Punjab said the province has already become a graveyard of textile industry and a steep fall in exports and closing down of production capacity was a clear manifestation of the same. Majority of the industry was incurring huge losses out of exorbitant cost of doing business. He has appealed to the Minister for Petroleum and Natural Resources to take stock of the situation and direct the Sui Northern Gas Pipelines Limited (SNGPL) authorities to restore full pressure of gas supply to the textile mills without any further delay.

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Slowdown in GDP growth Projected

TAHIR AMIN

Pakistan""s growth rate is projected to slow considerably in 2017, reflecting "primarily a slowdown in activity in oil exporters before recovering in 2018," said the International Monetary Fund (IMF). The IMF report titled "World Economic Outlook update", states that growth would slow down also in the Middle East, North Africa, Afghanistan, and for the same reason as in Pakistan: a slowdown in activity in oil exporters.

The 2017-18 forecast is broadly unchanged relative to the April 2017 WEO, but the growth outcome in 2016 is estimated to have been considerably stronger in light of higher growth in Iran. The recent decline in oil prices, if sustained, could weigh further on the outlook for the region""s oil exporters. The IMF has projected regional growth at 2.6 percent for 2017 against five percent in 2016, but projected to rebound to 3.3 percent in 2018.

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IMF maintains global growth forecasts

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The International Monetary Fund kept its growth forecasts for the world economy unchanged for this year and next, although itrevised up growth expectations for the eurozone and China. In an updated World Economic Outlook published on Monday, the IMF said global gross domestic product would grow 3.5 percent in 2017 and 3.6 percent in 2018, unchanged from estimates issued in April.

"While risks around the global growth forecast appear broadly balanced in the near term, they remain skewed to the downside over the medium term," the IMF said in updated forecasts released in the Malaysian capital, Kuala Lumpur. The IMF shaved its forecasts for US growth to 2.1 percent for 2017 and 2018, slightly down from projections of 2.3 percent and 2.5 percent, respectively, just three months ago. The Fund reversed previous assumptions that the Trump administration""s planned stimulus measures would boost US growth, largely because no details of those plans have been made public. Maurice Obstfeld, the IMF""s economic counsellor and director of research, said the global economy has been the subject of considerable protectionist rhetoric, such as President Donald Trump""s proposed tariff on steel imported from China, but such talk had yet to translate into much action. "What will happen in the future, we don""t know. These threats are in our downside thinking. They""re not built into our baseline (forecast) because hopefully they don""t happen, but there are risks," Obstfeld told a news conference here.

The IMF said growth in the euro zone was now expected to be slightly stronger in 2018 and pointed to "solid momentum". It upgraded 2017 GDP growth projections for the eurozone to 1.9 percent, up 0.2 percentage point from April. The IMF said eurozone growth would be slightly stronger at 1.7 percent, a 0.1-percentage-point change from just three months ago.

It said the expected higher growth in the eurozone indicated "stronger momentum in domestic demand than previously expected". The IMF revised down its 2017 forecast for the United Kingdom by 0.3 percentage point to 1.7 percent, citing weaker-than-expected activity in the first quarter. It left its 2018 forecast unchanged at 1.5 percent. The IMF said it expected slightly higher growth in Japan this year of 1.3 percent, revised from a forecast of 1.2 percent in April. It cited stronger first-quarter growth buoyed by private consumption, investment and exports. Its forecast for Japan""s 2018 growth was unchanged at 0.6 percent. For China, the IMF expected stronger growth of 6.7 percent in 2017, up 0.1 percentage point from the April forecast.

It said China""s growth would still moderate in 2018 to 6.4 percent, but noted that estimate was up 0.2 percentage point from the April forecast on expectations that Beijing would maintain high levels of public investment. But Obstfeld expected China""s economic expansion to slow down over the second half of 2017 as Chinese authorities looked to manage rapid credit growth and non-performing loans. "In the first two quarters of this year, growth has come in very high. Part of this is the general upsurge in world growth and the upsurge in trade in Asia. But there is also a component that has been fuelled by expanding domestic credit, and that""s the part that worries us," Obstfeld said.

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Middle East growth to dive as Saudi economy stagnates: IMF

RECORDER REPORT

Economic growth in the Middle East and North Africa is forecast to slow considerably over oil prices as the Saudi economy slides, the International Monetary Fund said on Monday. After a better than expected performance with five percent growth in 2016, the economies of countries in the Middle East and North Africa as well as Pakistan and Afghanistan will subside to just 2.6 percent growth this year, it said.

Last year""s healthy regional economic performance was mainly attributed to Iran""s strong growth estimated at above 6.5 percent because of higher crude production, the IMF said. In its World Economic Outlook update, the IMF lowered economic growth of Saudi Arabia, the world""s top oil exporter, to just 0.1 percent in 2017, down 0.3 percent on its April projections. This will be Saudi Arabia""s worst growth since 2009 when its economy contracted by 2.0 percent on the slump of oil revenues following the global financial crisis. "The recent decline in oil prices, if sustained, could weigh further on the outlook for the region""s oil exporters," the IMF said.

After recovering to over $55 a barrel following a production reduction agreement by producers, oil prices receded on strong inventory levels and a pickup in supply. The IMF projected that regional growth will rebound to 3.3 percent in 2018, however. Saudi economic growth is also forecast to rebound to 1.1 percent next year, down 0.2 percentage points on April projections, it said. Saudi Arabia""s economy, the largest in the region, grew by 4.1 percent and 1.7 percent in 2015 and last year respectively.

MENA oil exporters have lost hundreds of billions of dollars since the mid-2014 crash in crude prices, transforming huge surpluses into shortfalls. They have since implemented some economic reforms that have included raising fuel and power prices. Gulf states, which earn more than 70 percent of their revenue from energy, have been posting budget deficits since oil prices fell.

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Fund could be based in Beijing in a decade: Lagarde

RECORDER REPORT

The International Monetary Fund could be based in Beijing in a decade if growth trends for China and other big emerging markets continue and these are reflected in the Fund''s voting structure, IMF Managing Director Christine Lagarde said on Monday.

Lagarde said at a Center for Global Development event in Washington that such a move was "a possibility" because the Fund will need to increase the representation of major emerging markets as their economies grow larger and more influential. "Which might very well mean, that if we have this conversation in 10 years'' time...we might not be sitting in Washington, D.C. We''ll do it in our Beijing head office," Lagarde said.

She added that the IMF''s bylaws call for the institution''s head office to be located in the largest member economy. Since the IMF was launched in 1945, that has always been the United States, which currently has an effective veto over IMF decisions with a 16.5 percent share of its board votes. But economists estimate that China, with growth rates forecast above 6 percent, will likely overtake US gross domestic product sometime over the next decade to become the world''s largest economy in nominal terms. Some, including the IMF, have argued that China already contributes more to global growth on a purchasing power parity basis, which adjusts for differences in prices. The IMF last revised its quota system, or voting structure in 2010, but is set to launch another review next year.

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SECP delegates powers, functions under Companies Act

SOHAIL SARFRAZ

The Securities and Exchange Commission of Pakistan (SECP) has delegated the powers and functions of the commission to its Commissioner and the officers of the Corporatisation and Compliance Department, Company Law Division under Companies Act, 2017. The SECP has issued SRO No 691(I)/2017 here on Monday. According to the notification, the SECP has granted powers and functions in respect of other than listed companies. The nature of powers and functions under Companies Act, 2017 granted to Corporatisation and Compliance Department, Company Law Division included allow extension in time for transfer of assets under section 43(1).

Powers included grant, renew or revoke license and impose terms and conditions in respect thereof and to grant any approval required pursuant to the said terms and condition including prior approval regarding investment in associated company.

The SECP has granted powers and functions to the Corporatisation and Compliance Department, Company Law Division to appoint administrator to manage the affairs of a company licensed under section 42 and initiate wingding up proceedings.

Others powers included to sanction issue of shares at discount on such terms and conditions as he thinks fit; allow extension in time to issue shares at discount; impose penalty for violation of provisions of section 82; allow extension in time for allotment of declined or not subscribed shares by the directors of a company and allow a company to issue further share capital to any person for cash or for a consideration other than cash.

The Commissioner and the officers of the Corporatisation and Compliance Department, Company Law Division, have also been empowered to impose penalty as provided for any offence, contravention of, or default in complying with provisions of the Companies Act, 2017 which fall within the jurisdiction of Commissioner through delegation of powers. They would be empowered to impose fine for non-compliance of the directive given or order passed in pursuance of the powers delegated. In addition to above, powers of the Commission under the rules or regulations made under a particular section are also delegated to the Commissioner or the officer concerned if powers and functions of the commission provided in the section relevant to the said rules or regulations have been delegated to him. This notification shall not affect anything done, order made, notification issued, show cause issued, circular made, proceedings commenced, penalties imposed and/or-collected, sanction granted, approval made fee directed or collected, directions given, investigation, inspection or inquiry conducted or any other action taken or done under or in pursuant to any previous notifications under the repealed Companies Ordinance, 1984 and shall be considered valid and under lawful authority.

Any pending proceedings under any previous notification shall stand transferred to the delegated authority provided in this notification forthwith who shall proceed with the matter as it stands prior to the coming into the effect of this notification. The SECP has also delegated powers and functions of the Commission to executive directors and other officer of the Corporatisation and Compliance Department under Companies Act, 2017.

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MoF initiates process:

Zafar to get ”look-after” charge of SECP

ZAHEER ABBASI

The Finance Ministry has initiated the process of giving look-after charge of Securities & Exchange Commission of Pakistan (SECP) to Zafar Abdullah. Sources said the Finance Division has routed a summary through Ministry of Law and Establishment Division to the Prime Minister Office for taking Prime Minister Nawaz Sharif"s approval to appoint Zafar Abdullah for a period of three months on a look-after charge of the SECP.

On condition of anonymity, they added that Prime Minister Sharif was requested that in the absence of incumbent chairman, the appointment of Zafar Abdullah as chairman of SECP on look after charge may be approved. Finance Division, sources stated, is waiting for the return of summary to issue notification. They added that the language of the summary and notification would be drafted in a way so that there is no need for issuance of the notification of the suspension of Zafar Hijazi. The new SECP chairman on acting basis or look after charge is being appointed following the arrest of Hijazi whom FIA team found guilty of record tampering.

An FIR was lodged against him and he was arrested on Friday last after his bail was cancelled by the court. An official of Finance Ministry said that his notification was taking time as entire attention of the government and the Prime Minister was focused on political front and the press conference of Interior Minister Chaudhry Nisar Ali Khan. Since the decision of Panama Papers Leak was reserved by the court, the Prime Minister has been heavily engaged with his legal team and cabinet ministers and may not have the time to see the summary. As soon as the approval from the Prime Minister is received, the notification for appointment of new SECP chairman would be issued. However, they maintained that notification for suspension of Zafar Hijazi has not been issued.

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Global use of trade restrictions slows: WTO

RECORDER REPORT

More steps to free up trade globally have been taken since Donald Trump was elected than measures to restrict it, the World Trade Organization said, despite concerns his administration would introduce a raft of punitive rules to protect US jobs. The WTO"s global monitoring report, debated at a trade policy review on Monday, covers October 2016 to May 2017. "The report shows an encouraging decrease in the rate of new trade-restrictive measures put in place - hitting the lowest monthly average since the financial crisis," WTO Director-General Roberto Azevedo said in a statement.

The semi-annual report, largely coinciding with the period since the election of US President Donald Trump, showed that the 164 WTO members put 74 new restrictive measures in place, including tariffs, customs regulations and quantitative restrictions, with an impact of $49 billion of trade.

At the same time, they took 80 steps to help trade, such as cutting tariffs or simplifying customs procedures, affecting a much bigger $183 billion of trade. Trade-restrictive steps peaked at 22 per month in 2011, roughly twice the level in the period of the latest report. During the period under review, the United States introduced new restrictions including a provisional duty on Canadian softwood lumber, suspecting it of being unfairly priced. It also brought in "Buy America" provisions to ensure that, subject to some conditions, state loan funds are not used for water infrastructure projects unless all the steel used in the project was produced in the United States, the WTO report said.

Trump had also liberalised trade by scrapping broadband privacy rules, allowing Internet service providers to commericalise user data without explicit permission from the US Federal Communications Commission, the report said. China, routinely the WTO member most often accused of unfair pricing and illegal subsidies, had introduced new restrictions with a cybersecurity law, requiring data generated in China to be stored in China, and a film production law, requiring Chinese movies get two-thirds of the screen time at Chinese cinemas. But it also eased approval requirements for foreign-owned banks to invest in Chinese banks and to supply some investment banking services in China, the WTO report said.

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Financial close:
PPIB grants six-month extension to two power projects

MUSHTAQ GHUMMAN

The Private Power Infrastructure Board (PPIB) has granted six month extension - up to December 7, 2017 - in the financial close date of two 660 MW each imported coal-fired power projects to be established by Hub Power Company (Hubco) at Hub (Balochistan), well-informed sources told *Business Recorder*. The Board, has also exempted the projects from doubling the amount of Performance Guarantee (PG) but after the required extension in its validity, subject to the condition that such extension in the FC date will not affect the synchronization date of the first unit (ie, December 31, 2018 and financial close date (ie, August 1, 2019) as per Power Purchase Agreement.

The sources said, the Board was briefed on the background and apprised that initially one project of 660 MW was included as actively promoted project of CPEC. However, later on the remaining project of 600 MW was included in the list of CPEC priority projects. Accordingly, financial close date was extended by five months till June 7, 2017.

It was revealed that the project company has already signed the Implementation Agreement (IA) with the GoP/PPIB on January 25, 2017. Further, the company conveyed few issues including pending jetty tariff with Nepra, delayed initialing of schedules of Power Purchase Agreement (PPA), non-finalisation of IA direct agreement, addressing the deficiencies highlighted by PPIB and has requested for another extension for a period of six months till December 7, 2017 in the financial close date on account of these issues.

The company has confirmed that the sponsors have undertaken many activities and also injected equity of $59,200,000 and sponsor loan amounting to $170,000,000 for the development of the project and that an extension in the financially close date shall not impact the synchronization date of the first unit ie December 31, 2018 and Commercial Operation Date of August 1, 2019 as agreed in PPA.

According to sources, pursuant to the MoU, the draft guidelines for coal/pet coke conversion of oil-fired IPPs were prepared in consultation with all the stakeholders and submitted for consideration of the ECC. However, the ECC advised Nepra to determine tariff for IPPs concerned in accordance with its prescribed procedure within a period of 45 days. Later on, all IPPs except Hubco submitted their tariff petitions to Nepra, while Hubco decided to suspend the coal conversion project and develop a new coal -based project. Prime Minister Nawaz Sharif had also directed the Ministry of Water and Power to hold an inquiry against Hubco for implementing the MoU signed with the GoP. However, the company took the stance that when it is establishing a new coal-fired power plant then there is no need to go for conversion of existing plant into coal-fired power plant. Water and Power Ministry initially was very active against M/s Hubco, however, later on, the Ministry also sided with the viewpoint of the company.

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Opposition seeks SBP governor"s removal:

MoF defends Tariq Bajwa"s appointment

RECORDER REPORT

With reference to the resolution reportedly tabled yesterday in the Senate of Pakistan regarding the appointment of Tariq Bajwa as Governor State Bank of Pakistan, it is clarified that his appointment is in no way in violation of the SBP Act 1956. Bajwa reached his superannuation and retired from civil service on 18th June 2017. He was appointed as Governor SBP by the President of Pakistan and he took charge of his office on 7th July 2017.

It would be pertinent to mention here that in addition to economists, bankers, chartered accountants, etc., several civil servants after retirement from service have also been appointed as Governor SBP in the past. A resolution seeking immediate removal of State Bank of Pakistan (SBP) Governor Tariq Bajwa, having signatures of 40 Senators, was submitted in the Senate on Monday.

The resolution claims the incumbent governor is not eligible to the post since the SBP rules have been "transgressed" for making this appointment. It asserts that section-10 of the State Bank of Pakistan Act 1956 has been violated with the appointment of Bajwa. "No person shall hold office as Governor, who is employed in any capacity in the public service of Pakistan or of any province of Pakistan or holds any office or position for which any salary or other remuneration is payable out of public funds," Section-10 of the act said.

Retiring as the secretary of Economic Affairs Division and Finance on June 18, Bajwa joined the Civil Services of Pakistan back in 1981. He was appointed as new governor of the SBP via a notification on July 7, preceding by Ashraf Wathra who retired on April 28. Riaz Riazuddin was serving as SBP"s acting governor till July 7 as the top slot of the central bank fell vacant following the retirement of preceding SBP governor Wathra.

Bajwa"s appointment came in the wake of a sudden depreciation and subsequent appreciation in the value of the rupee against the dollar. Finance Minister Ishaq Dar had termed the depreciation artificial. Previously, Bajwa was appointed as a director at the SBP and was also member Bank of Punjab"s board of directors.

He is the brother of Asif Bajwa, chief statistician in the Pakistan Bureau of Statistics (PBS) who conducted the recent population and housing census. Another brother Dr Rashid Bajwa is the CEO of the National Rural Support Programme. The resolution has signatures of 40 senators belonging to the PTI, PPP, ANP, and others excluding the members of the Senate from PML-N.

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THE RUPEE: minor changes

RECORDER REPORT

The rupee did not move sharply against the dollar on the money market on Monday in the process of trading activity, dealers said. The rupee did not move sharply against the dollar for buying and selling at Rs 105.39 and Rs 105.41 respectively, they said.

INTER-BANK MARKET RATES: OPEN MARKET RATES: The rupee-dollar parity rates were not issued on Monday.

In the first Asian trade, the dollar struggled near a 13-month low against a basket of major currencies on Monday as US political turmoil dampened hopes for quick passage of President Donald Trump's stimulus and tax reform agendas and the euro extended gains.

The Trump administration, already dogged by investigations into alleged Russian meddling in the US election, took a fresh hit on Friday after White House spokesman Sean Spicer resigned, highlighting the upheaval within the president's inner circle.

The dollar index, which tracks the greenback against six major currencies, was little changed at 93.887, after touching 93.823, its lowest since June 2016.

"For any chance of the dollar bouncing back in the near term, it will need a rebound in US yields," said Junichi Ishikawa, senior forex strategist at IG Securities in Tokyo.

"The current US political situation is weighing heavily on US yields. So we will need strong US data to dislodge US yields from their low levels," he said.

The dollar was trading against the Indian rupee at Rs 64.445, the greenback was at 4.282 in terms of the Malaysian ringgit and the US currency was at 6.760 versus the Chinese yuan.

Interbank Closing Rates: Interbank Closing Rates For Dollar on Monday.

Bid Rate	Rs. 105.39
Offer Rate	Rs. 105.41

RUPEE IN LAHORE: The Pakistani rupee remained under pressure against the foreign currencies including the US dollar and the British pound in local currency market on Monday.

According to the currency dealers, the short supply phenomenon of the US dollar in the currency market helped its appreciation at Rs 107.80 and Rs 108.30 on buying and selling side, respectively, as compared to the overnight closing trend of Rs 107.65 and Rs 107.70 respectively, they added.

Likewise, the local currency also followed the same suit versus the pound sterling. The pound's buying and selling rates rose from Saturday's closing rates of Rs 138.75 and Rs 139.50 to Rs 139.00 and Rs 139.80 respectively, they said.

RUPEE IN ISLAMABAD AND RAWALPINDI: The rupee remained firm against the dollar at the open currency markets of Islamabad and Rawalpindi here on Monday.

The dollar opened at Rs 106.40 (buying) and Rs 106.50 (selling) against same last rate. It closed at Rs 106.40 (buying) and Rs 10650 (selling).

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Shortage of POL products looms:

Ministry convenes meeting with OCAC today

WASIM IQBAL

To avert looming shortage of petroleum products in the country, the Ministry of Petroleum and Natural Resources has convened an emergency meeting with the office-bearers of Oil Companies Advisory Committee (OCAC) and All Pakistan Oil Tankers Association Tuesday (today). The Oil Tankers Association has given a countrywide strike call against the inspection of tankers by Oil and Gas Regulatory Authority (OGRA) and imposition of provincial taxes on transportation of petroleum products.

The Senate Standing Committee on Petroleum met here Monday. Secretary Petroleum and Natural Resources, Sikandar Sultan Raja informed the Senate panel that the government would not force the contractors of oil tankers to implement technical standards at once to avoid petroleum shortage within the country. He said if oil tankers go on strike, the petrol on OMCs outlets would dry down in three days. The committee meeting was chaired by Mir Israrullah Khan Zehri. He said the government has two options; either to ban all the unfit oil tankers from supplying fuel or to stop unfit oil tankers in different phases.

He said agenda of the meeting with stakeholders is to devise a mechanism to bind oil tankers to ensure compliance with the technical standards for road transport vehicles for transportation of petroleum products, as was earlier suggested by OGRA in 2009 on the advice of OCAC and Oil Marketing Companies (OMCs).

He said that the meeting would be attended by representatives of OGRA, National Highway Authority (NHA), Motorway Police and Explosive Department. According to Ministry of Petroleum, petroleum storage is 11 days with out the four ships at seaport while there is 18 days storage of diesel in the country. The government had empowered the OGRA for implementation of safety measures agreed with OCAC and OMCs but the regulator failed to ensure oversight. Chairperson OGRA Uzma Adil Khan admitted that the OGRA could not implement the technical standards framed for lorries carrying highly inflammable petroleum products. "We (OGRA) and other government departments showed relaxation in implementing relevant rules and regulation on transports carrying petroleum products," she added. She shifted the blame to OCAC for non-compliance with the safety rules and regulations proposed by the committee itself that have not been implemented in five years. Uzma further said that the OGRA"s main responsibility was to ensure oversight of the oil and gas pipelines and not of oil tankers. However, she explained, the task to oversee the transportation of petroleum product was also given to OGRA.

She said the authority carried out a survey by independent third-party inspectors and found that 11,704 oil tankers have been registered with OMCs but 4,650 vehicles were fit to carry the petroleum products. She said this presumed that only 40 percent oil tankers comply with the safety standards framed by OGRA. She further said that 38 percent oil tankers have road fitness certificates, while 44 percent comply with the rules and regulations of NHA. She said 99 percent of these oil tankers have certificates from explosive departments and she did not know about the criteria for issuance of these certificates. She disclosed that the oil tanker, which met an incident in Ahmadpur East, had a fake fitness certificate from explosive department.

Minister for Petroleum and Natural Resources Shahid Khaqan Abbasi informed the committee that provincial government of Punjab is investigating the incident of Ahmadpur and an FIR was registered. In addition, Lahore High Court also took suo motu notice of the incident. He said he was ready to give an in-camera briefing to parliamentarians about the government"s strategy to enforce required safety standards on transportation on petroleum products. Meanwhile, the secretary petroleum disclosed that the government has been working on two pipeline projects within the country which would reduce the dependence on oil transportation by road.

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Cotton prices rise on short supply

RECORDER REPORT

Prices went up on the cotton market on Monday in process of sizeable activity, dealers said. The official spot rate was up by Rs 50 to Rs 6350, they said. In the ready session around 4000 bales of cotton changed hands between Rs 6350-6500, they said. In Sindh, seed cotton rates were at Rs 2500-3000 per 40 kg, they said. In the Punjab, phutti prices were available at Rs 2800-3200 per 40 kg, they said.

Market sources said that slow phutti arrivals was the main reason behind the fresh increase in rates of cotton. Cotton Analyst, Naseem Usman said that some ginning mills have become operational in the Punjab but high content of moisture was affecting quality of lint. So, concerned department has warned farmers and growers to keep a watch over the condition of standing crop, because there is all possibility of pest attack due to moisture and stagnant water in the field, other brokers said.

They said that monsoon rains are good for the standing crop but if it prolonged, so it can damage the crop. The following deals reported: 400 bales of cotton from Mirpurkhas sold at Rs 6350, 100 bales from Jhole, 200 bales from Sinjoro, 600 bales from Sanghar all were finalised at the same rates, 400 bales from Tando Adam at Rs 6350/6400, 1200 bales from Shahdadpur at Rs 6375/6400, 300 bales from Chichawatni at Rs 6450/6500 and 400 bales from Burewala at Rs 6500, they said.

THE FOLLOWING ARE THE KCA OFFICIAL SPOT RATES FOR 2016-17 FOR LOCAL DEALINGS IN PAK RUPEES FOR BASE GRADE 3 STAPLE LENGTH 1-1/16" MICRONAIRE VALUE BETWEEN 3.8 TO 4.9 NCL

Rate For	Ex-Gin Price	Upcountry Expenses	Spot Rate Ex-Karachi	Spot Rate Ex-Karachi As on 22.07.2017	Difference Ex-Karachi in Rupees
37.324 Kgs Equivalent	6,350	135	**6,485**	**6,435**	+50/-
40 Kgs	6,805	145	**6.950**	**6.897**	+53/-

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New York cotton inches down

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ICE cotton futures edged slightly lower on Monday as speculative funds continued to liquidate their bullish positions in the natural fiber amid favorable rains in the US cotton regions. The December cotton contract on ICE Futures settled down 0.13 cent, or 0.19 percent, at 68.29 cents per lb. It traded within a range of 67.84 and 68.9 cents a lb.

"Spec liquidation is probably the reason we are down today," said Louis Rose, co-founder and director of research and analytics at Rose Commodity Group. "Also, had beneficial rains across much of US cotton belt yesterday (Sunday)." The speculators reduced their bullish stance in cotton by 5,761 contracts to 15,060 contracts, US Commodity Futures Trading Commission data showed on Friday. Since late May, they have been unwinding their net long position in the commodity to the smallest since April 2016. The prices eased ahead of the US Department of Agriculture's weekly crop progress report due after market close on Monday. Weakness in the grains market and a firmer dollar also weighed on the prices, traders said. US wheat futures fell to their lowest level in more than three weeks on Monday, led by a 4.4 percent drop in MGEX spring wheat, on profit-taking as traders said damage from a drought in the US Plains had been fully priced into the market.

The dollar index was up 0.17 percent. The Thomson Reuters CoreCommodity CRB Index, which tracks 19 commodities, was down 0.24 percent. China will prepare an additional batch of 410,000 tonnes of cotton for its daily state auctions, industry website Cncotton.com reported on Monday, lending weight to expectations that state sales would be extended to ease tight supplies. "China extension is bearish short-term and bullish medium- to longer-term," Rose said. Total futures market volume fell by 9,766 to 12,972 lots. Data showed total open interest fell 1,484 to 215,981 contracts in the previous session.

New York cotton

RECORDER REPORT

The fluctuations observed during the day:

	Current Session						Prior Day		
	Open	High	Low	Last	Time	Set	Chg	Vol	Set
Oct'17	69.35	69.35	69.00	69.00	14:45 Jul 24	69.00	-0.14	22	69.14
Dec'17	68.79	68.90	67.84	68.29	14:45 Jul 24	68.29	-0.13	17170	68.42
Mar'18	68.50	68.60	67.55	68.05	14:45 Jul 24	68.05	-0.06	4544	68.11

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Faisalabad yarn and fibre prices

RECORDER REPORT

FAISALABAD: Cotton yarn rates in rupees per 10 Lbs on Monday (July 24, 2017).

6-8/S Cone (Cotton)

ARY
510.00

Sher
400.00

Nelibar
650.00

Al-Falah
550.00

Chagi
400.00

Shaheen
400.00

Nelum
400.00

10/S Cone (Cotton)

Sufi
500.00

Model Soft
700.00

Adil
520.00

Neilum
560.00

Nelibar
690.00

Owais Karni
500.00

Gold Star
580.00

Urooj
620.00

Shaheen
510.00

Al-Falah
490.00

Zam Zam
500.00

A.T.M
540.00

Sun flower
510.00

Apple Soft
680.00

Apple Hard
660.00

Ton-Ton
620.00

10/S Cone (Soft)

Es Guard
1010.00

S.B.
990.00

Kinoo
990.00

Malta
1030.00

Ayesha
940.00

12-14/S Cone (Cotton)

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Super Motia
780.00

Model
760.00

Qadri
640.00

Adil
660.00

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16-18/S Cone (Cotton)

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Nova
700.00

Chagi
690.00

Adil
710.00

Model
800.00

Neeli Bar
1120.00

Super Motia
800.00

Prince
730.00

Prince W
1110.00

Acro
960.00

Apple
850.00

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20/S Cone (Cotton)

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Zahidjee
1270.00

Anmool
1260.00

J.K.
1250.00

Khalid Shafiq
1000.00

Acro
1190.00

Darulsalam
1190.00

Hadabia
1260.00

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22/S Cone (Cotton Warp)

--

Crescent
1260.00

Yahya
1250.00

HAR
1250.00

Tayyab
1260.00

Polo
1250.00

Ulfat
1250.00

--

24/S Cone (Cotton Warp)

--

Crescent
1340.00

Prince
1330.00

Acro
1270.00

H.A.R.
1300.00

BUSINESS RECORDER
Tuesday, 25th July, 2017

Silver Lines
1325.00

ATM
1330.00

Anmool
1350.00

--

30/S Cone (Cotton Warp)

--

Al Noor
1410.00

Crescent
1420.00

Acro
1380.00

Glamour
1340.00

Arain
1400.00

J.K.
1370.00

Gulistan
1475.00

Ujalla
1400.00

Khalid Shafique
1410.00

Shafi
1380.00

Chakwal
1475.00

Anmool
1410.00

Ittehad
1390.00

Hadabiya
1400.00

--

32/S Cone (Cotton)

--

Ahmad
1390.00

Malikwal
1400.00

Chand
1410.00

J.K.
1500.00

Target
1420.00

Hadabiya
1400.00

A Three
1390.00

Araian
1390.00

Acro
1400.00

Tophy
1500.00

H.H.
1400.00

--

40/S Cone (Combed Cotton)

--

JK
1700.00

JK Carded
1550.00

Acro
1700.00

Nishat
1750.00

Betray
1590.00

BUSINESS RECORDER

Tuesday, 25th July, 2017

Ittihad 1580.00	Azam 1490.00	Sultan 1775.00
Al-Nasar 1750.00	Wasal Kamal 1490.00	Diamond 1825.00
Ejaz 1725.00	Super Gold 1510.00	Koiyal 2025.00
Superior 1700.00	Jubilee 1450.00	Malikwal 1750.00
Nisar 1750.00	Babri 1490.00	Parado 1750.00
Three-G 1500.00	Sally 1520.00	Four Star 1975.00
Suraj 1800.00	------------------------------------- --	Nisar 1950.00
MKB 1435.00	52/S Cone (Combed Cotton)	Prime Plus 1675.00
Ramzan 1510.00	------------------------------------- --	Saif 1800.00
Ahmad 1490.00	Crescent 1975.00	Super Shaheen 1700.00
Super Shaheen 1480.00	Ittihad 1975.00	Alcott 1975.00
Darul Islam 1480.00	Suraj 2050.00	Habib 1925.00
Four-G 1530.00	Al-Nasar 1975.00	Colony 1750.00
A. Three 1490.00	Tanveer 2025.00	Umer auto 1675.00

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Two-G
1675.00

--

60/S Cone (Combed Cotton)

--

Nishat
2300.00

J.K.
2150.00

Mapal Leaf
2150.00

Koiyal
2275.00

Gujjar Khan
2225.00

Pagri
2175.00

Deen
2175.00

Alam
2150.00

--

72-74/S Cone (Cotton)

--

Prime
2450.00

Commander
2450.00

N.P.
2375.00

Tower
2425.00

--

80/S Cone (Cotton)

--

Gold King
2625.00

Super King
2650.00

Mapel Leef
2825.00

Amjad
2700.00

Khan Buhadur
2675.00

Admiral
2800.00

Commander
2700.00

Four Star
2850.00

Rolex
2850.00

Diamond Gate
2900.00

Al Falah
2800.00

Chairman
2775.00

Battery
2875.00

Shanshah
2700.00

--

30-31/S Cone (Polyester Cotton)

--

Gold Star
140.39

Sun
131.30

JK
112.00

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Bilal
104.00

Tahir Rafique
110.00

Zahidjee
107.00

Bashir
115.00

Shadman
104.00

Sarfraz
104.00

Cherry
105.00

Khalid Nazir
105.00

Wasal Kamal
106.00

North Star
107.00

Super Khuwaja
110.00

Anaar
114.00

Action
98.00

Marjan
109.00

Pak Panther-ll
104.00

Nayab
111.00

Kiran
110.00

NP
112.00

Mehtabi
105.00

H.T.M
109.00

K.K.
110.00

Ruby
112.00

Metro
100.00

--

38/S Cone (Polyester Cotton)

--

Gold Star
151.50

Shahpur
135.00

North Star
125.00

A.D.
114.00

Multan
113.00

Golden
118.00

Kirshma
113.00

Al-Azhar
124.00

Sarhad
114.00

Aslam
107.00

Corolla
116.00

Royal
109.00

Chairman (N)
112.00

--

40/S Cone (Polyester Cotton)

--

BUSINESS
RECORDER
Tuesday, 25th July, 2017

--

A.A.
161.60

Mehtabi
130.00

Shadab
136.00

Mazan
129.00

--

40/S Cone (AV)

--

Koiyal
178.00

Super LG
169.00

A.J.
173.00

Ahmad Fine
173.00

Asheana
202.00

--

40/2 Cone (AV)

Koiyal
193.00

Super LG
183.00

A.J.
184.00

Ahmad Fine
187.00

--

30/S Cone (CVC)

--

Ayesha
127.00

SUN
136.65

Mazan
137.00

--

26/S Cone (PV)

--

AA
121.20

Ashiana
120.18

MM
101.00

Blue Star
103.00

Super Jett
103.00

Shuttle
100.00

M-4
106.00

Bemisal
99.00

Ghouri
101.00

U-2
102.00

L.G.
103.00

U-7
95.00

Triple two
99.00

AJ Gold
102.00

Candle
100.00

BUSINESS

RECORDER

Tuesday, 25th July, 2017

Jaguar
102.00

--

34-36/S Cone (PV)

--

A.A.
143.42

Ashiana
142.40

Sapna
135.00

Blue Star
111.00

Super Jett
112.00

Shahzad-H
110.00

Shuttle
107.00

Bemisal
107.00

Shuttle less
112.00

Cheeta
104.00

Candle
109.00

Target
108.00

Dewan
102.00

Royal
100.00

Spin Cott
109.00

H.R.
109.00

S.S.
116.00

Tanveer
118.00

--

44-46/S Cone (PV)

--

A.A.
171.70

Ashiana
170.68

Sapna
154.00

Super Jet
125.00

Bemisal
125.00

Marghala
125.00

U-2
125.00

Cheeta
124.00

Target
125.00

S.S.
135.00

--

65/S Cone (PV)

--

Ashiana
224.22

U-2
175.00

Bemisal
175.00

Ghori
174.00

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Cheeta
172.00

A.J Gold
174.00

Tanveer
176.00

Maqbool
175.00

L.G.
176.00

--

34/S Cone PP

--

Zamin
104.00

Shadman
123.00

Ellahi
125.00

Dewan
108.00

U-2
108.00

--

60/S Cone PP

--

Zamin
129.00

Anwar
126.00

Taj Mahal
123.00

--

36-38/S Cone (Staple)

--

Diamond Gate
1620.00

Marghala
1560.00

Saif
1550.00

Four Star
1550.00

A.J.
1580.00

Fazal Cloth
1580.00

L.G.
1570.00

Super Gold
1555.00

Azam
1545.00

Best
1560.00

K.P.K.
1530.00

Colony
1510.00

Martial
1530.00

--

30/S Cone (Ecrylic)

--

Koial
174.00

Saif
177.00

Combine
165.00

--

40/S Cone (Ecrylic)

BUSINESS
RECORDER
Tuesday, 25th July, 2017

------------------------------------- --	Saif 187.00	Pagri 186.00
Koial 185.00	Combine 174.00	

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Karachi Yarn Market Rate

RECORDER REPORT

KARACHI: Karachi Yarn Market Rates on Monday (July 24, 2017).

CONES CARDED
10/1.

Popular Fibre
920.00

Diwan
950.00

Tritex
930.00

12/1

Nadeem Textile
1100.00

Indus
1140.00

Popular Fibre
1080.00

Bajwa
1150.00

16/1.

Nadeem Textile
1180.00

United
1180.00

Popular Fibre
1120.00

Abdullah Textile
1150.00

Indus
1220.00

A. A. Cotton
1200.00

Tritex
1170.00

Bajwa
1210.00

21/1.

Ishtiaq Tex
1240.00

Al-Karam (A.K)
1250.00

Suriya Tex
1250.00

United
1220.00

GulAhmed (G.Lite)
1260.00

Popular Fibre
1220.00

Shadman
1240.00

Indus Dyeing
1290.00

Abdullah Textile
1220.00

Lucky Cotton
1230.00

A. A. Cotton
1300.00

Diwan
1240.00

22/1.

Bajwa
1270.00

United
1260.00

24/1.

A. A. Cotton
1370.00

Tritex
1320.00

26/1.

AL-Karam
1370.00

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Dewan
1320.00

Amin Text
1350.00

Shadman Cotton
1350.00

Diamond Int'l
1320.00

Popular Spinning
1300.00

Ishtiaq Textile
1320.00

Lucky Cotton
1320.00

A. A. Cotton Hosiery
1450.00

28/1

Abdullah Textile
1350.00

30/1.

Amin Tex.
1450.00

Al-Karam
1430.00

Jubilee Spinning
1350.00

GulAhmed (G.Lite)
1430.00

Lucky Cotton
1350.00

Diamond Intl
1400.00

A. A. Cotton Hosiery
1480.00

32/1

Abdullah Textile
1380.00

40/1

Lucky Cotton
1650.00

52/1

Lucky Cotton
1700.00

--

COMBED CONE

--

40/1

Indus CF
1740.00

20/2.

GulAhmed
1340.00

Amin
1350.00

Indus Dyeing
1360.00

Bajwa
1350.00

Shadman Cotton
1340.00

42/1

Abdullah Textile
1650.00

52/1

Abdullah Textile
1750.00

20/1. SLUB

Abdullah Textile
1300.00

30/1 SLUB

Abdullah Textile
1520.00

60/1.

Abdullah Textile
1750.00

70/1

Abdullah Textile
1850.00

--

CHEES CONES

--

10/1.

Kasim Tex
700.00

Latif Tex. (Latif)
700.00

Super
690.00

Abdullah Textile (OE)
690.00

16/1. (O.E.)

Kasim Textile
880.00

Masal
870.00

--

RATES OF PAKISTANI/IMPORTED POLYESTER

YARN (PER LBS) + GST

--

Imported 50/36 FDY
90.00

Local Mill
130.00

Rupali 75/78 FDY
NA

Import 75/72 FDY
72.00

Local Mill
82.00

Rupali 75/36/0 & 75/24 DTY
90.00

Imported 75/36/0 DTY
84.00

Local Mill
83.00

Rupali 75/128 INT DTY
100.00

Local Mill
115.00

Imported 75/72 INT DTY
83.00

Local Mill
105.00

Imported 75/144 INT DTY
83.00

Local Mill
110.00

Rupali 300/96/INT DTY
80.00

Imported 300/96/INT DTY
70.00

Local Mill
66.00

Rupali 300/96/0 DTY
74.00

Imported 300/96 DTY
69.00

Local Mill
63.00

Rupali 75/24 INT DTY
100.00

Imported75/36 INT DTY
96.00

Local Mill
85.00

Rupali 150/48/0 DTY
76.00

Imported 150/48/0 DTY
71.00

Local Mill
70.00

BUSINESS

RECORDER

Tuesday, 25th July, 2017

Rupali 150/48 INT DTY
81.00

Imported 150/48 INT DTY
74.00

Local Mill
73.00

Imported 150/144 SIM
76.00

Local Mill
NIL

--

RATE OF BLANDED YARN
IN RUPEES PER LBS

--

P.V. CONES

--

18/1 PV

A.A. Textiles
108.00

20/1 PVB

A.A. Textile
111.00

A. A. Cotton
110.00

24/1 P.V. BRIGHT

A.A. Tex.
116.00

Sana
109.00

A. A. Cotton (80:20)
115.00

26/1.PV Bright

A.A. Tex.
121.00

Sana
111.00

30/1 PV

A.A. Tex."Z" Twist
127.00

Sana
120.00

A. A. Cotton
126.00

26/1 P.V. (S.D.)

A.A. Textile
121.00

A. A. COTTON
128.00

36/1 PV (SD)

A.A. Textile
143.00

40/1. (PVB)

Sana
138.00

A. A. Cotton
142.00

A. A. Textile
147.00

46/1 PVSD

Ibrahim Fibre
170.00

28/1 PV SLUB

A.A. Clock Tower
150.00

30/1 PV SLUB

A. A. Cotton (PVB)
150.00

A. A. Cotton (PC)
157.00

A. A. Cotton SLUB (PP)
150.00

Sana SLUB (PP)
145.00

Sana (PV)
150.00

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Sana SLUB (V)
165.00

40/1 SLUB

Sana (V)
180.00

SEWING THREAD YARN

Sana

21/1 PP
84.00

30/1 PP
96.00

40/1 PP
105.00

50/1 PP
122.00

20/1 PVT

Sana
118.00

30/1 PVT

Sana
128.00

10/1 PP

A. A. Cotton
95.00

12/1 PP

A. A. Cotton
100.00

16/1 PP

A. A. Cotton
105.00

20/1 PP

Sana
110.00

Diwan
98.00

A. A. Cotton
112.00

Agar
96.00

26/1 PP

A. A. Cotton
117.00

30/1 PP

Agar
101.00

Anwar
109.00

Sana
120.00

Diwan
103.00

A. A. Cotton
122.00

34/1. (PP)

A. A. Cotton
99.00

40/1 PP

A. A. Cotton
135.00

60/1. (P.P)

Agar
124.00

Diwan
125.00

Anwar
130.00

A. A. Cotton
148.00

8/.1.

A. A. Cotton (52 48)
95.00

BUSINESS

RECORDER

Tuesday, 25th July, 2017

10/.1.

Zainab
117.00

A. A. Cotton
95.00

Lucky Cotton
135.00

12/1

A. A. Cotton
100.00

14/1

Zainab Tex
120.00

A. A. Cotton
105.00

16/1

AA SML Carded (52 48)
116.00

IFL (52 48)
122.00

A. A. Cotton
105.00

--

P.C. COMBED

--

20/1. PC

A.A.SMLCARDED
125.00

Zainab (Combed)
125.00

A. A. Cotton (Carded)
112.00

A. A. Cotton CVC (65 : 35)
110.00

24/1. PC

A. A. SML Carded
125.00

Zainab (Combed)
130.00

A. A. Cotton
109.00

25/1

A.A. Cotton
117.00

30/1. PC (52 : 48)

Zainab Textile (combed)
140.00

Stallion
100.00

K. Nazir
112.00

Al-Karam
112.00

AA SML (Carded)
133.00

A. A. Cotton (Carded)
122.00

A. A. Cotton CVC (65 : 35)
114.00

36/1. PC

IFL Tex (Combed)
151.00

A. A. Cotton
140.00

40/1 PC

A.A. Textile (Combed)
161.00

45/1 PC

Zainab
174.00

10/1 CVC

A. A. Cotton (60:40)
100.00

12/1 CVC

BUSINESS
RECORDER
Tuesday, 25th July, 2017

A. A. Cotton (60:40)
107.00

16/1 CVC

A. A. Cotton (60:40)
112.00

20/1 CVC

A. A. Cotton (60:40)
117.00

AASML
114.00

24/1 CVC

A. A. Cotton (60:40)
123.00

Sana
146.00

AASML
111.00

30/1 CVC

A. A. Cotton
127.00

AASML
122.00

40/1 CVC

A. A. Cotton
140.00

40/.1. VISCOSE

Sana
160.00

Sana Acrylic
160.00

READY RATES OF STAPLE FIBER IN RUPEES

POLYESTER
K.G.

I.C.I. 1.D
127.00

I.C.I. 1.2 (SD)
127.00

I.C.I. Bright
129.00

Rupali 1.D
127.00

Rupali 1.2 (SD)
127.00

Ibrahim Fiber (SD)
127.00

Ibrahim 1.D
127.00

Ibrahim Fiber Bright
129.00

Ibrahim Trilobal Bright
129.00

VISCOSE
K.G.

FCFC 44 MM Taiwan
235.00

FCFC 51 MM Taiwan
235.00

Grysum India
235.00

Thai Reyon 51 MM
235.00

S.P.V. Ind. 51 MM
Indonesia 235.00

ACRYLIC FIBER
K.G.

BUSINESS
RECORDER
Tuesday, 25th July, 2017

Monty 1.2x51 Italy	Acelon Korea 1.2x51
210.00	210.00

DAWN
Tuesday, 25th July, 2017

Non-textile exports fall

The Newspaper's Staff Reporter

ISLAMABAD: Exports of non-textile products fell four per cent year-on-year to $7.99 billion in the outgoing fiscal year.

The exports of these products fell despite the government support, according to the data compiled by the Ministry of Commerce.

The share of these products also fell to 39pc in the outgoing fiscal year from 40pc in the previous year. It clearly reflects that reliance on exports of textile and clothing sectors increased over the past few years.

In the non-textile sector, cement exports dropped 26pc in value and 24pc in quantity due to declining exports to South Africa following the imposition of anti-dumping duties.

Exports of the food group registered a decline of 7pc. A break-up of the food group shows that rice exports fell 13.6pc. The decline in rice export was recorded of both basmati and others. Exports of fruits dipped 10.6pc, while proceeds of vegetable exports witnessed a decline of 12.48pc, meat and its products fell by 17.82pc.

Export earnings from fish and fish preparations increased 21pc, tobacco 35pc, wheat 512pc, spices 10pc, oil seeds and nuts 57pc, and sugar 21pc.

Exports of petroleum and coal groups edged up 18.3pc year-on-year on account of a 30pc increase in petroleum products and petroleum top naphta 3,721pc. However, exports of petroleum crude decline by 26pc and solid fuel by 100pc during the period under review.

Exports of carpets, rugs and mats dropped 19.63pc and sports goods 5.17pc. In the sports goods, the exports of football dropped by 11.77pc. Proceeds from tanned leather fell 4.73pc during the year under review. Exports of surgical goods and medical instruments decreased 5.50pc.

Footwear exports dropped 13pc in the outgoing fiscal year 2016-17. However, exports of leather footwear declined by 9.27pc during the period under review. Exports of leather manufactured products also fell 6.49pc.

Exports of pharmaceutical products witnessed a growth of 3.63pc in the outgoing fiscal year and those of plastic material surged by 14.48pc and guar and its products 19.77pc during the year under review. Exports of gems fell 23.73pc while those of furniture declined 15pc, jewellery 26pc in the outgoing fiscal year 2016-17. Exports of handicrafts rose 73pc and molasses 38pc during the period under review.

DAWN
Tuesday, 25th July, 2017

Oil output increased 3pc in FY17

The Newspaper's Staff Reporter

KARACHI: Pakistan's oil production grew three per cent to 88,189 barrels per day (bpd) in 2016-17, according to a research note issued by Topline Securities on Monday.

Temporary shutdowns suffered by some major oil companies affected production at the start of 2017. As a result, oil production averaged 95,000bpd initially.

Oil production went up 10pc year-on-year to about 91,000bpd during June. However, on a month-on-month basis, it was up 11pc, owing to the low-base effect. Nashpa field, which accounts for 26pc of Pakistan's total oil production, experienced a brief shutdown in May.

Although the country's oil production growth in 2016-17 was just 3pc, major listed exploration and production companies registered an increase of 9-11pc.

The research report said additional flows from developed fields and commissioning of some new projects lifted the oil production of Oil and Gas Development Company (OGDC), Pakistan Petroleum (PPL) and Pakistan Oilfields (POL).

While OGDC's oil production grew 9pc, POL and PPL posted an increase of 11pc each.

Pakistan's gas production remained flat in 2016-17 mainly because of the absence of any major additional flow and natural depletion of existing fields.

While OGDC's gas production numbers failed to bring any excitement, PPL and POL witnessed 5pc growth each. Additional flows from Kandhkot field, which accounts for 22pc of PPL's gas production, primarily supported growth in the company's gas production.

Additions from Mardankhel field, which accounts for 8pc of POL's gas production, lifted the company's gas flows.

In terms of barrels of oil equivalent (BOE), Pakistan's hydrocarbon production stood at 761,000 in 2016-17, almost flat on an annual basis. OGDC, PPL and POL registered 1pc, 7pc and 6pc growth, respectively, in their hydrocarbon production levels.

Arab Light Crude (benchmark for exploration and production companies) averaged $48.4 per barrel in 2016-17.

DAWN
Tuesday, 25th July, 2017

Sindh approves Rs17.8bn schemes

The Newspaper's Staff Reporter

KARACHI: The Sindh Provincial Development Working Party (PDWP) approved six schemes worth Rs17.8 billion in health, local government, work and services, universities and boards, and industries and commerce, a press release said on Monday.

Approved in a meeting presided over by Planning and Development Board Chairman Muhammad Waseem, these schemes include the establishment of a constituent college/campus of the Quaid-i-Awam University of Engineering, Science and Technology in Larkana worth Rs3.03bn.

In addition, the establishment of five combined effluent treatment plants (CETP) for the industrial areas of Karachi at a cost of Rs11.79bn was also approved.

The PDWP approved the improvement/rehabilitation of the sewerage system in Qasimabad Taluka and adjacent villages at Rs800 million.

The chair asked all administrative secretaries to ensure timely completion of the schemes for the benefit of ordinary people.

DAWN
Tuesday, 25th July, 2017

Lint prices rise on strong demand

The Newspaper's Staff Reporter

KARACHI: Steady conditions prevailed on the cotton market on Monday. Slight improvement in phutti (seed cotton) arrivals into ginneries helped revive buying from needy spinners as the current spell of rains subsided.

Buyers were vying for limited stocks offered for sale by the ginners.

Reports coming from cotton fields were encouraging as no damage had been caused to the crop by rains .According to estimates the spinning industry is expected to expected to intensify its buying from next month, brokers said.

The world leading cotton markets remained steady except China which came under pressure after the government released some stocks into the domestic market.

The Karachi Cotton Association (KCA) revised upwards it spot rates by Rs50 to Rs6,350 per maund.

The following deals were reported to have changed hands the on ready counter: 400 bales, Mirpurkhas, at Rs6350; 100 bales, Jhole, at Rs6350; 200 bales, Sinjoro, at Rs6,350; 600 bales, Sanghar, at Rs6,350; 400 bales, Tando Adam, at Rs6,350 to Rs6,400; 1,200 bales, Shahdadpur, at Rs6,375 to Rs6,400; 300 bales; Chichawatni, at Rs6,450 to Rs6,500; and 400 bales, Burewala, at Rs6,500.

THE FOLLOWING ARE THE KCA OFFICIAL SPOT RATES FOR 2015-16 FOR LOCAL DEALINGS IN PAK RUPEES FOR BASE GRADE 3 STAPLE LENGTH 1-1/32" MICRONAIRE VALUE BETWEEN 3.8 TO 4.9 NCL			
Rate For	Ex-Gin Price	Upcountry Expenses	Spot Rate Ex-Karachi
37.324 Kgs Equivalent	6,200	135	6,335
40 Kgs	6,645	145	6,790

DAWN
Tuesday, 25th July, 2017

MARKETS

FOREX

Exchange Rates for Currency Notes (Rs)

	Interbank market*		Open market**	
	Buying	Selling	Buying	Selling
USA	105.35	105.50	107.25	107.55
UK	137.05	137.31	139.00	140.75
Euro	122.92	123.15	124.75	125.95
S.Arabia	28.08	28.13	28.35	28.55
UAE	28.67	28.72	29.30	29.55
Japan	0.9492	0.9510	0.9300	0.9600

*forex.com.pk **ECAP

KIBOR

Karachi Interbank offered rates

	Bid	Offer
Three months	5.88	6.13
Six months	5.89	6.14
One year	5.95	6.45

LIBOR

Special US dollar bonds for July 22

Three months	1.31444 %
Six months	1.45306 %

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Pakistan's 2016 horticulture exports rank 68th globally

LAHORE: Pakistan's horticulture exports ranked 68th globally in 2016, which shows how apathetic as well myopic is the approach of the economic authorities in one of the best fruit producing countries in the world, a business leader said on Monday.

"In 2016, the country's horticulture exports stood at $20,533,793. However, they can be raised to $1 billion if with the support of the government," said Ahmad Jawad, in a statement.

Jawad, who is the regional chairman of Horticulture Exports Committee of Federation of Pakistan Chambers of Commerce & Industry (FPCCI), said if horticulture sector has been gaining importance internationally for the last two decades in world trade.

"The fact is that in the recent years, developing countries have created a space for themselves in this market," he said. Having said this, he added, despite all their efforts, these countries had not able to move beyond four to five percent of the world trade.

"In the light of Short-Term Export Enhancement Strategy, devised under Strategic Trade Policy Framework (STPF) 2015-18, ministry of commerce has identified four focus areas and horticulture is one of them but nothing serious has been done for the sector as yet," he said.

Jawad remarked the placement of this sector under STPF had proved the enormous potential of horticulture exports. "However, there is a growing need for the government to strengthen the sector and that can only be done by giving it more attention," the FPCCI official said. Moving ahead, he urged the government to support the exporters by developing hot water treatment (HWT) plants and controlled atmosphere (CA) stores under equity sharing arrangements and incentives on freight-on-board (FOB) value.

"Pakistan's geographical proximity to Middle East and Central Asia offer tremendous comparative advantage for the perishable horticulture products and meat due to short lead times," Jawad said adding that a cold supply chain for exports to Central Asia was much needed.

" Chile, China, and India reaped rich dividends through investment on value-addition in agriculture, and (especially in) horticulture products. Tanzania, a poor country, was able to make massive economic strides through investment on value-addition," he said. On the contrary, he added, Pakistan's horticulture sector, being a vulnerable sub-sector, where value-addition is critical, performed even worse as value-addition dropped from 14.50 percent, in 2005-06, to 11.30 percent, in 2015-16.

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Sindh approves Rs17.80 billion development schemes

KARACHI: Sindh Provincial Development Working Party (PDWP) has approved six schemes worth Rs17.80 billion in health, local government, works and services, universities and board, and industries and commerce.

A statement issued on Monday said these schemes were approved in the meeting of PDWP of current fiscal year 2017-18, presided by chairman for Planning and Development Board, Muhammad Waseem.

Schemes included establishment of Quaid-e-Awam University of Engineering, Science and Technology, constituent college/campus at Larkana worth Rs3.03 billion, the statement said.

Establishment of five combined effluent treatment plants (CETP) for industrial areas of Karachi, including lying of interceptor sewers (cost co shared between government of Sindh and government of Pakistan on 50:50 ratio) with an estimated amount of Rs11.79 billion, has also been approved.

In addition, improvement/rehabilitation of sewerage system at Taluka Qasimabad and adjacent villages of district Hyderabad at a cost of Rs800 million has also been approved by the PDWP, the statement said.

The chair during the discussions on the schemes asked all the administrative secretaries to ensure timely completion of the schemes with required quality as per approved scope so that benefits could reach the common man.

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CDWP approves Rs99.4 billion worth of development projects

ISLAMABAD: The Central Development Working Party (CDWP) on Monday approved 15 development projects with an estimated cost of Rs99.4 billion.

The projects include greater Karachi sewerage plan of Rs36.117 billion sponsored by Sindh government. Minister for Planning Ahsan Iqbal chaired the meeting, which also approved institutional strengthening and efficiency enhancement of Planning Commission with a cost of Rs350 million. The project would enhance the capacity and performance of regular staff of the commission through incentive schemes and by accommodating increased number of workforce hired under China-Pakistan Economic Corridor projects and vision 2025.

In addition, CDWP approved monitoring of public sector development programme-financed project worth Rs700 million. The project aims to improve and expand the existing monitoring system and to undertake external monitoring of development projects to ensure that investments made in the public sector are put to effective use as planned.

Further, the party approved procurement/manufacturing of 830 high capacity bogie freight wagons and 250 passenger coaches worth Rs31.1 billion. These passenger coaches fitted with modern bogies will be able to run at 160-kilometre an hour.

Minister Iqbal said bogies should be according to the platform and track. CDWP also approved construction of staff quarters for Pakistan Railways with a cost of Rs788 million.

It also recommended the Executive Committee of the National Economic Council (ECNEC) to consider approval of five mega projects in energy, transport, communication and physical planning and housing.

In energy sector, CDWP recommended a project worth Rs8.4 billion to ECNEC. The project envisages a new 200 kilo volts single circuit twin bundle rail conductor transmission line to be constructed from Guddu to Sibbi via Shikarpur and Uch power plants. It will serve as a substitute to the existing transmission line, which has been deteriorated due to completion of its useful life.

CDWP approved two projects in the health sector costing Rs4.7 billion to build Gilgit Institute of Nuclear Medicine, Oncology and Radiotherapy worth of Rs2.3 billion and Gujranwala Institute of Nuclear Medicine and Radiotherapy worth Rs2.39 billion. The projects will result in the establishment of a cancer facility in Gilgit, Gujranwala and surrounding areas.

Planning minister said patients should be facilitated without facing any inconvenience in the treatment process. CDWP also approved two projects of physical planning and housing sector, including greater Karachi sewerage Plan worth Rs36.117 and water distribution network for Rawalpindi and Chaklala cantonments worth Rs880.50 million.

The minister asked the officials to complete the project by December. He further directed the provincial administration to devise an institutional mechanism comprising of local government, stakeholders and citizens to efficiently utilise Rs36 billion earmarked for greater Karachi sewerage plan and timely complete the project.

He said the project is very important to take care of environment, reduce pollution and take care of fishing department. CDWP also approved four projects worth Rs43.8 billion under the transport and communication sector, which includes rehabilitation/up-gradation and widening of Quetta-Dadher section of N-65 against a cost of Rs7.3 billion.

The project will help in increasing inter-provincial access between Sindh and linking some major cities with the rest of the country. It will play a key role in economic development of the country.

CDWP also approved construction, rehabilitation, improvement and widening of Kalash Valley road of 47.93 kilometre with a cost of Rs4.7 billion. The project has been taken up as per an announcement of Prime Minister Nawaz Sharif during his visit to Chitral to promote tourism.

CDWP also approved three projects of Rs1.65 billion related to governance. It approved sustainable development goals (SDGs) unit in Khyber Pakhtunkhwa with a cost of Rs600 million. The project will translate the SDGs framework into concrete plans and interventions at provincial and district levels by establishing short- and medium-term goals

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rather than only having end point targets.

CDWP deferred the national pesticide residues monitoring system project worth Rs739 million. It also approved science talent farming scheme for undergraduate programme in education sector worth Rs2.9 billion. The project aims to groom and build capacity of young students in natural science and mathematics.

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Govt yet to settle Rs20bln fertiliser subsidy claims

KARACHI: Government is yet to settle subsidy claims worth more than Rs20 billion of the fertiliser makers, compelling them to refuse participation in a subsidy programme, a statement said on Monday.

Fertiliser industry resumed sales of a key agriculture input early this month after an assurance from the finance ministry that a subsidy notification will be issued very soon. “Unfortunately, till date, this notification has not been issued due to some unknown reasons or procedural delays,” said the statement.

Government promises financial assistance for fertilizer manufacturers to reduce prices of the commodity. Fertiliser prices remain capped in the country due to subsidy programme. The country is self-sufficient in fertiliser production with an annual capacity of six million tons – little over total demand.

The government, in budget 2017/18, announced a reduction in sales tax to Rs100 from Rs400 per bag of diammonium phosphate, which will have a subsidy impact of Rs13.8 billion. Besides, through reduction in tax rates and subsidy a urea bag price will be maintained up to Rs1,400/bag during the current fiscal year, which will have a subsidy impact of Rs11.6 billion.

The industry is already passing subsidy impact on to farmers. Earlier the government was clearing subsidy claims based on general sales tax (GST) returns submitted by the companies. In 2005 and 2008, the payments were released on the basis of audited financial statements of the companies.

Now, ministry of food also wants verification of sales by the provinces in order to settle the claims. “While the capacity of provinces was highly questionable, Khyber Pakhtunkhwa and Sindh governments did not display the will to support initiative of the federal government,” the statement said. “This led to highly sluggish processing of claims by food security ministry, which itself was not equipped with wherewithal to handle the subsidy disbursement in this complex manner.”

It added that fertiliser makers had also submitted indemnity bonds. The industry advised the concerned authorities to urgently resolve the matter by relying primarily on GST returns to simplify and expedite the process of claims verification.

“The provincial governments also need to be sympathetic to their farming community and must realise that there cannot be two prices of fertilisers, hence they have to cooperate with the federal government for the subsidy disbursement mechanism,” it said. “If the government continues to delay the promised notification, the country may face a bigger agricultural crisis. The ministries must act fast for a timely resolution of this matter to help the farmers get good crop yields and enrich the national economy.”

The industry said both ministries of food and finance seem to disown the subsidy scheme. “This apathy shown by the government may, once again, force the industry to stop the sale of urea to put some pressure on the government,” it added. “The crisis may even force the companies to refuse further participation in this important subsidy-programme.”

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Cotton improves

Karachi

Improved trading was witnessed at the Karachi Cotton Exchange on Monday, while spot rates increased Rs50/maund.

The spot rates rose to Rs6,350/maund (37.324kg) and Rs6,805/40kg. Ex-Karachi rates also increased to Rs6,485/maund and Rs6,950/40kg after an addition of Rs135 and Rs145 as upcountry expenses, respectively.

An analyst said cotton arrivals remained lower than demand in the market that resulted in an increase in prices. KCE recorded eight transactions of around 4,000 bales of the new crop from Sindh and Punjab at a price of Rs6,350 to Rs6,500/maund.

Of these, 400 bales of Mirpurkhas, 100 bales of Jhole, 200 bales of Sinjoro, 66 bales of Sanghar, 400 bales of Tando Adam, 1,200 bales of Shahdadpur, 300 bales of Chichawatni and 400 bales of Burewala were traded in the market.

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Punjab textile industry facing low gas pressure: Aptma

Our Staff Reporter

LAHORE - All Pakistan Textile Mills Association (APTMA) Punjab Chairman Syed Ali Ahsan has expressed concerns over the low pressure gas supply to the Punjab textile mills, particularly those situated in Lahore, Faisalabad and Multan.

He said the textile workers would have no option but to take to the streets in case the government failed to restore gas supply to mills immediately. Already, he said, 35 percent of the production capacity has been closed down due to the high cost of doing business, particularly the high energy price and unnecessary burdening of gas price by 40 to 50 percent for the industry.

He said that the government was making false claims regarding resumption of energy supply to the industry. He also claimed that a big number of textile mills have been closed down because of the low pressure gas supply. He said the province has already become a graveyard of textile industry and a steep fall in exports and closing down of production capacity was a clear manifestation of the same. Majority of the industry was incurring huge losses out of exorbitant cost of doing business. The textile workers were up in arms, demanding an immediate resumption of operations at mills, he added.

He appealed to the Minister for Petroleum and Natural Resources to address the situation and direct the Sui Northern Gas Pipelines Limited (SNGPL) authorities to restore full pressure of gas supply to the textile mills without any further delay.

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Oil tanker owners go on strike

INP

KARACH - All Pakistan Oil Tankers Association (APOTA) announced to go on a countrywide strike starting from Monday in protest of the safety rules imposed by the Oil and Gas Regulatory Authority (Ogra).

The decision has been taken to also protest the fines being levied by the Motorway police, APOTA Chairman Yousaf Shahwani said. “Ogra and the Motorway police are being unfair,” he said, adding that the owners of oil tankers pay advance tax for three months to the government, but it was not giving them any relief. “They’re instead exploiting us,” he added.

The Motorway police was bent on levying penalties, while the patrolling police was harassing the oil tanker owners in Punjab, Shahwani said. In Sindh, he added, the excise police was extorting them. There has been no meeting among the heads of Ogra, oil marketing companies and oil tankers owners association ever since the petroleum ministry handed over the matters of oil tankers to Ogra, Shahwani maintained. “Whatever decisions implemented are made behind closed doors,” he claimed.

The association members have decided not to supply oil to fuel stations in protest for an indefinite period, until their demands are met. On the other hand, Ogra will start checking the tankers being used by oil marketing companies. According to sources, it is feared many oil tankers do not fulfil the quality criteria. Ogra decided to implement the safety rules after the horrific incident in Ahmedpur East, which claimed lives of over 200 people.

On June 25, an oil tanker overturned in Bahawalpur’s Ahmedpur East. The oil that leaked from the toppled vehicle attracted people from the surrounding areas who rushed to collect oil. It was then that the spilled oil exploded in an inferno, killing several dozen on the spot.

According to Pakistan Petroleum Dealers Association Abdul Sami Khan, oil in sufficient quantity is present in reserves of fuel stations. He said that measures have been taken to avoid any inconvenience to the public. Another official of the association, Malik Khuda Baksh has advised the public to not get more fuel filled in their vehicles, than what is required.

According to an official in the Ministry of Petroleum, there is no shortage of oil in the country as the current stock of petrol stands at 210,000 metric tons. Moreover, he said there are four ships available with 1,106,000 metric tonnes of petrol and over 400,000 metric tons of diesel.

However, the supply of oil from Keamari and Port Qasim has been nearly suspended. At least 600 tankers at Port Qasim have been stopped from transporting oil to different parts of the country while 300 others have been put on a standstill, Oil Tanker Contractor Association’s Babar Ismail said.