

Market	Current	Change	Volume
KSE- 100	39,733.0	155.40	61,049,551
Commodities	Current		
Brent (\$/bbl.)	44.36		
US WTI	41.58		
Cotton	64.03		
New York Cotton	Open	Close	Volume
Oct 20	63.90	63.96	2
Dec 20	64.00	64.03	624
Mar 21	64.63	64.71	347
Currency Parity	Selling	Buying	
PKR-USD	167.5	167.3	
PKR-GBP	218	212	
PKR-EURO	197	194	
PKR-YEN	1.58	1.55	

Investor sentiment turned bearish on Tuesday and pulled the KSE-100 index down by 294 points following six successive sessions in the green. Encouraging trade data, released by the Ministry of Commerce during the trading session, failed to woo investors to make fresh stock purchases.

Pakistan's garment sector has a limited product line due to non-availability of latest fabric at the local level, adding that foreign buyers demanded new garment based on G3, G4 and technical fabric material and there is a great need for product diversification.

TOP MOST

July exports post 5.8 percent growth YoY

The country's exports have posted 5.8 percent growth in July 2020-21 to \$ 1.998 billion as compared to \$ 1.889 billion during the corresponding month in 2019-20. However, growth in exports in July 2020 was far less than the growth in July 2019 when exports recorded an increase of 15.65 per cent to \$ 1.90 billion against exports of \$ 1.63 billion in July 2018. Complete Story: <https://www.brecorder.com/news/40009911/july-exports-post-58-percent-growth-yoy>

Exports rebound after four months of decline

Pakistan's exports bounced back in July following a steep fall for four consecutive months since March when the government imposed lockdowns to contain the spread of coronavirus. The new fiscal year started with a positive note as export proceeds grew 5.8 per cent to \$1.998 billion in July, from \$1.889bn in the corresponding month of last year. Complete Story: <https://www.dawn.com/news/1572676/exports-rebound-after-four-months-of-decline>

Pakistan could capture big share in textile market: PRGMEA

The Regional President of International Apparel Federation (IAF) and Chief Coordinator Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) Ijaz A. Khokhar has said that Pakistan could capture large share in the global market of value-added textile. Complete Story: <https://nation.com.pk/05-Aug-2020/pakistan-could-capture-big-share-in-textile-market-prgmea>

Garments association: Call to restore zero-rated regime

Ijaz A Khokhar stressed that in order to enhance exports, the government should revise its policies for facilitating the export sector, adding that without due support from the government, the exporters were unable to grab a big share in the global market.

Complete Story: <https://tribune.com.pk/story/2258033/garments-association-call-to-restore-zero-rated-regime>

Inflation rate rises to 9.30pc in July

Pakistan's inflation rate touched 9.30 percent in July, which is highest since March 2020, mainly due to increase in fuel and vegetables prices. The country's overall inflation reached 9.30 per cent year-on-year in July, increasing from 8.59 percent in June, according to the latest data of Pakistan Bureau of Statistics (PBS). Complete Story: <https://nation.com.pk/04-Aug-2020/inflation-rate-rises-to-9-30pc-in-july>

Low savings invite larger foreign funds

Savings and investment data for 2019-20 will become with the release of the State Bank of Pakistan's (SBP) annual report for the fiscal year. But heavy foreign funding obtained during the year proves that the country's domestic savings that had been in decline for several years could not pick up enough pace. Complete Story: <https://www.dawn.com/news/1572554/low-savings-invite-larger-foreign-funds>

CM tells chambers' teams: Economic issues top priority of government

Reforms in the State Bank of Pakistan (SBP) and the Federal Board of Revenue (FBR) would take time due to non-resolution of issues pertaining to the extent of autonomy to the central bank and a new structure of the tax machinery, the federal cabinet was informed on Tuesday. Complete Story: <https://www.brecorder.com/news/40009875/cm-tells-chambers-teams->

GENERAL NEWS

Hike in POL products' prices: FBR estimates Rs4bn more revenue this month

The Federal Board of Revenue (FBR) has estimated additional revenue of Rs 3-4 billion in August 2020 as a result of increase in the price of petroleum products by up to 11.8 percent. A senior FBR official told Business Recorder here on Tuesday that the federal government has raised the ex-refinery price of all petroleum products across the board to generate additional revenue under general sales tax (GST) which has been maintained at the standard rate of 17 percent for the month of August. Complete Story: <https://www.brecorder.com/news/40009907/hike-in-pol-products-prices-fbr-estimates-rs4bn-more-revenue-this-month>

Integrated plan devised to generate 100,000MW by indigenous resources

The incumbent government has devised an integrated plan to generate 100,000MW by 2047 through indigenous resources to ensure energy security and boost industries. Under the devised plan, share of indigenous energy would be enhanced to 80 percent to get rid of expensive energy based on imported fuel. Complete Story: <https://nation.com.pk/05-Aug-2020/integrated-plan-devised-to-generate-100-000mw-by-indigenous-resources>

COVID-19: IMF says remittances inflows to be hit by 2pc of GDP

The International Monetary Fund (IMF) has estimated that the remittances inflows would be severely hit by around 2 percent of GDP on Pakistan's net current account impact because of COVID-19 pandemic. According to the IMF's latest report titled "Global Imbalances and the COVID-19 Crisis" remittances are highly vulnerable to the COVID-19 crisis because migrant workers are typically more exposed to the risk of unemployment and wage losses during recessions than are native workers. Complete Story: <https://www.thenews.com.pk/print/696269-covid-19-imf-says-remittances-inflows-to-be-hit-by-2pc-of-gdp>

Cabinet told: Economy recovering from virus effects

The federal cabinet was told on Tuesday that there was a positive trend of recovery in the economic process, affected by the coronavirus, and the financial indicators were showing improvement. In terms of investment, foreign direct investment (FDI) in the country increased by \$3 billion, and has seen an increase of 7%. The cabinet was informed that out of Rs701 billion, allocated for Public Sector Development Programme (PSDP), Rs586 billion has been spent so far which will improve the economic activities. Complete Story: <https://www.thenews.com.pk/print/696314-cabinet-told-economy-recovering-from-virus-effects>

Pending solutions: SBP, FBR reforms to take time

Pakistan had paid \$8.976 billion as servicing of external public debt in eleven months (July to May) of the previous fiscal year. The country had paid \$7.361 billion as principal and \$1.615 billion as interest on the outstanding stock of external public debt in July to May period of the year 2019-20. Complete Story: <https://tribune.com.pk/story/2258024/pending-solutions-sbp-fbr-reforms-to-take-time>

FBR top guns reject proposed reforms

The FBR's top hierarchy has rejected the proposed reforms introduced by Dr Ishrat Hussain-led Institutional Reforms Body and proposed its own roadmap for undertaking minor but substantial changes having a far-reaching impact on revenue generation. In background discussions with the FBR's top guns on Tuesday, they rejected the proposed reforms introduced through the PM Office letter written in October last year where the FBR's structure was proposed to be autonomous putting it outside the control of the government. Complete Story: <https://www.thenews.com.pk/print/696313-fbr-top-guns-reject-proposed-reforms>

LNG Regasification Terminals: Unused capacity of government to be auctioned

The government has decided, in principle, to auction unused capacity of government in LNG Regasification Terminals, well-informed sources told Business Recorder. A committee comprising Ali Zaidi, Minister for Maritime Affairs and Nadeem Babar, SAPM on Petroleum has been tasked to look into the commercial terms of the proposal. Complete Story: <https://www.brecorder.com/news/40009912/lng-regasification-terminals-unused-capacity-of-government-to-be-auctioned>

Probing Rs20 bn financial crime: FIA begins crackdown on three sugar millers

The federal government has formed a high powered combined investigation team to probe an alleged financial crime of over Rs20 billion involving three biggest groups running sugar mills in the country. Complete Story: <https://www.thenews.com.pk/print/696307-probing-rs20-bn-financial-crime-fia-begins-crackdown-on-three-sugar-millers>

Pakistan's falling productivity

That Pakistan's economic growth has been driven mainly by factor accumulation rather than labour productivity over the last few decades has been a subject of discussion among policy wonks for a few years. A recent paper by PIDE's Omer Siddique (WP 2020:11) also shows that "whenever attempts were made to deregulate and liberalize Pakistan's economy, it resulted in higher growth in the country's total factor productivity and consequently in higher GDP growth." Complete Story: <https://www.brecorder.com/news/40009433/pakistans-falling-productivity>

