

# MONTHLY BULLETIN

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# Introduction

This newsletter's efforts are meant to update the reader with a concise summary of the developments that influence the economic landscape of Pakistan.

## Eid-ul-Fitr (MAH-E-SHAWAL)

The majority of Muslims in the world celebrated the Eid-ul-Fitr on April 10, 2024, bringing Muslims together in joyful celebration and reflection.

The festivals not only reflect religious cohesion and harmony but also drive the economic benefits for any industry. This year, as per All Karachi Tajir Ittehad (AKTI), the Inflation & Law order situation reduced retail sales by 70%.



# Economic Events

- As of 19-Apr-2024, the foreign exchange reserves with SBP increased by \$514.5 million from last month Mar'24. The reserves held with SBP are \$7.981 billion and reserves with commercial banks stood at \$5.299 billion.

## LIQUID FOREIGN EXCHANGE RESERVES (MILLION US\$)

END PERIOD	NET RESERVES WITH SBP	NET RESERVES WITH BANKS	TOTAL LIQUID FX RESERVES
05-Apr-24	8,040.3	5,401.4	13,441.7
12-Apr-24	8,054.7	5,319.0	13,373.7
19-Apr-24	7,981.2	5,299.3	13,280.5

- Pakistan and Saudi Arabia agreed to increase Saudi deposits in the SBP by \$2 billion, raising it from \$3 billion to \$5 billion.
- Pakistan received \$1.1 billion from the IMF as a final tranche of the \$3 billion Stand-By Arrangement (SBA) on 30th April 2024.
- Pakistan successfully repaid a foreign debt of \$1 Billion (principal plus interest) on a 10-year Eurobond on 12 April 2024.
- Now, Pakistan's outstanding foreign debt on international bonds has decreased to \$6.8 billion, these seven bonds will mature between September 2025 and April 2051.
- The World Bank (WB) will provide a \$1 billion loan for the 2,160 megawatts Dasu hydropower project, to add cheaper electricity to National Grid System. The project has an estimated total cost of \$4.9 billion, a 13% increase from previous estimates of \$4.3 billion. The Board of Directors of the WB is set to approve the loan package in June'24 as per government officials.
- The SBP has imposed penalties of Rs 775.5 million on 08 banks and 01 foreign exchange company due to breaching the standards of non-compliance with foreign exchange transactions, customer due diligence, and general banking operations during the quarter ended March 31, 2024.



BANK	Amount In Million (Rs.)	BANK	Amount In Million (Rs.)
Bank Alfalah Limited	187.652	Habib Metropolitan Bank	70.915
Habib Bank Ltd	143.376	MCB Bank Ltd	52.9
Bank Al-Habib	117.239	MCB Islamic Bank	38.544
Meezan Bank Limited	106.2	Bank of Kyber	30.741
Royal Exchange Company			27.975

- The Pakistan created a history of exporting 4.55 million tons of rice in 9MFY24. Overall, \$2.94 billion in revenue was generated from rice exports, which was \$1.6 billion in the same period of the previous year.

- As compared to 15 April 2024, the price of petrol decreased by Rs 5.45 and the price of High-Speed Diesel decreased by Rs 8.42.

Products	Prices as 1st Apr (A)	Prices as of 15th Apr (B)	Prices as of 1st May (B)	Increase / Decrease
MS (Petrol)	289.41	293.94	288.49	-0.92
High-Speed Diesel (HSD)	282.24	290.38	281.96	-0.28

# Political Front

- PM Shehbaz Sharif went to Saudi Arabia to attend the two-day World Economic Forum's Special Meeting on Global Collaboration, Growth and Energy on 27 April 2024.
- He said, "We have a serious problem of inflation before us. And then we have a debt trap, I prefer calling it a death trap, which has crumbled our economy."
- He added, "Pakistan has smaller carbon footprints, yet sees the brunt of climate change disasters. Our contribution to emissions is not even a fraction of one percent."
- PM Shehbaz Sharif Appointed Ishaq Dar as Deputy Prime Minister with immediate effect.
- The Saudi delegation held meetings with the President, the Prime Minister, the foreign ministers, COAS, and the apex committee of the Special Investment Facilitation Council (SIFC).
- The visit was the development after Pakistan and Saudi Arabia affirmed their commitment to expediting the investment package worth \$5 billion.
- The understanding was reached during an official meeting of Prime Minister Shehbaz Sha with Saudi Crown Prince Mohammad bin Salman that took place at Al-Safa Palace in Makkah Al-Mukarramah on April 07, 2024.
- Iranian President Dr. Ebrahim Raisi with his delegation visited Pakistan from 22 April to 24 April. Dr. Raisi met with PM Shehbaz Sharif and both leaders agreed to increase the bilateral trade from \$2 billion to \$10 billion in the next 5 years.
- The Iranian President expressed to promote bilateral relations between the two countries including political, economic, trade, cultural and others as far as possible. The President also visited Lahore & Karachi and met with Chief Ministers of both provinces.





# World Updates
















- On 13 April 2024, two weeks after the Israeli strike on Iran's consulate in Syria, Iran's first-ever direct massive aerial attack on Israel's territory.
- Israel's chief military said there were 120 ballistic missiles, 170 drones, and more than 30 cruise missiles. The majority of the projectiles were intercepted outside Israel's borders, with the support of USA, UK and France
- More than 34,535 Palestinians were killed and 77,704 wounded in the Israeli military attack in Gaza since Oct-2023.
- The US Department of State announced sanctions against three Chinese companies and a Belarus-based firm for supplying missile-related items to Pakistan's ballistic missile program.
- The sanctioned entities include Xi'an Longde Technology Development Company Limited, Tianjin Creative Source International Trade Co Ltd, and Granpect Company Limited from China, along with Belarus-based Minsk Wheel Tractor Plant.
- The Japanese government has threatened to take Pakistan to the World Trade Organization (WTO) if it forces three car assembling companies to export their products. However, the Pakistan government has multiple ways to tighten the screws without involving in trade laws and legal matters.
- Oman & UAE signed a deal worth \$35.12 billion. Oman's Sultan Haitham bin Tariq was in UAE for a two-day state visit and met with UAE President Sheikh Mohammed bin Zayed Al Nahyan. The key areas, where the major share will be invested, are wind projects, solar projects and green metals production.
- Dubai's ruler Sheikh Mohammed approved \$34.85 billion for Al Maktoum International Airport, which will be the largest in the world with a capacity of up to 260 million passengers, and five times the size of Dubai International Airport.
- The airport, spread across 70 square kilometers, will feature 400 aircraft gates, five parallel runways, and new aviation technology. It will have the capacity to handle 12 million tons of cargo annually.

# Financial World

## Forex Update

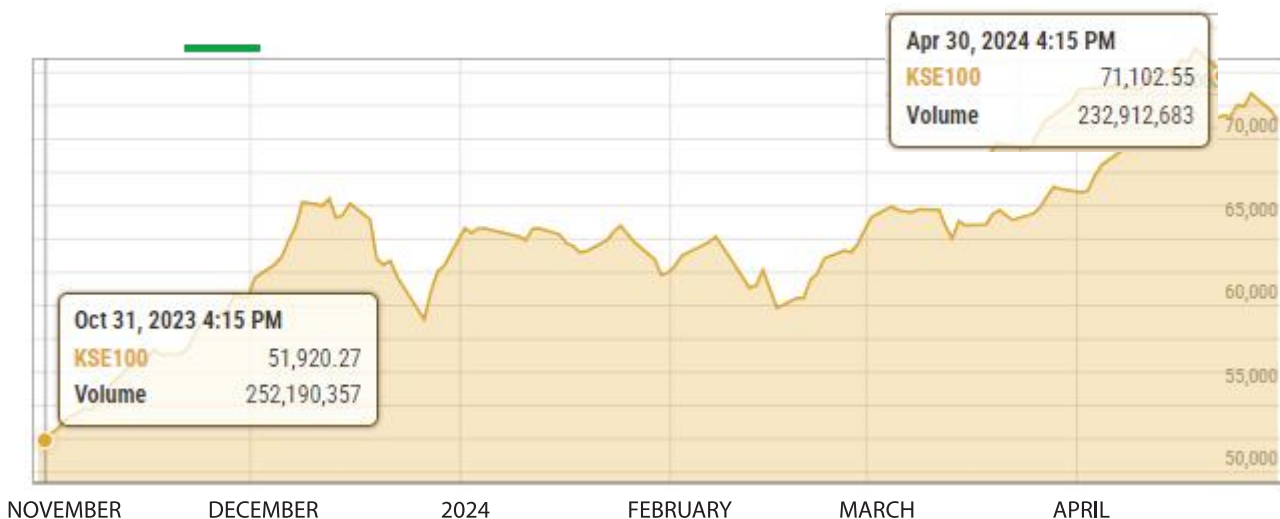
- The Inter Bank rate of PKR depreciated by Rs 1.07 in Apr'24 and closed at 278.60.
- The closing rate of major currencies on 30th Apr 2024 were;

### INTER BANK RATES

Currency	Symbol	Bank Buying TT Clean	Bank Selling TT & OD
 Australian Dollar	AUD	181.42	181.75
 Canadian Dollar	CAD	203.72	204.09
 China Yuan	CNY	38.69	38.75
 Danish Krone	DKK	40	40.07
 Euro	EUR	298.9	299.43
 Hong Kong Dollar	HKD	35.65	35.71
 Japanese Yen	JPY	1.7981	1.8013
 Saudi Riyal	SAR	74.18	74.32
 Singapore Dollar	SGD	204.46	204.83
 Swedish Korona	SEK	25.34	25.38
 Swiss Franc	CHF	304.72	305.27
 Thai Bhat	THB	7.52	7.53
 U.A.E Dirham	AED	76.28	76.42
 UK Pound Sterling	GBP	343.66	344.28
 US Dollar	USD	278.4	278.6



- The monetary policy committee on 29th-Apr-2024, announced to maintain the Policy rate at 22%.
- The KSE-100 index closed at 71,102.55 points after an increase of 4,097.44 points, the index closed at 67,005.11 points last month.
- In the last six months, the KSE-100 index increased by more than 19,100 points, which shows growth of 37%.



## Important Economic Indicators as of 30<sup>th</sup> Apr 2024

Currency (PKR to USD) Rs. 278.6

Stock Market (KSE-100 Index) 71,102.55

Unemployment Rate 6.9% (E)

Inflation Rate 19% (E)

Interest Rate 22%

Corporate Tax Rate 29%

Personal Income Tax Rate 35%

GDP Annual Growth 2.2% (E)

Consumer Confidence 32.8

Brent Crude Oil \$ 85.99/Bbl

WTI Crude Oil \$ 81.54/Bbl

Gold per Tola Rs. 243,808



# Consumer Confidence Index

## Pakistan Consumer Morale Falls in April

The consumer confidence indicator in Pakistan declined to 32.8 in April 2024, from 33.6 in March. Sentiments regarding expected economic conditions fell (33.9 vs 36.4 in March), concerns regarding unemployment in the next 6 months increased (73.1 vs 71.5) and the outlook for better financial conditions for households over the next 6 months declined (38.9 vs 42.5). Moreover, inflation expectations rose (74.5 vs 72.7), due to higher expected inflation for food (74.5 vs 73.4) and energy (76.9 vs 73.5).

Month	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	% change (April-24)
CCI	33.4	26.2	32.8	36.1	33.9	33.1	31.7	33.6	32.8	-2.4



- FBR has taken decisive action by issuing an order to disable mobile phone SIMs associated with 506,671 individuals, who failed to file their tax returns.
- It will remain blocked until restored by the FBR or the Commissioner of Inland Revenue having jurisdiction over the individual.
- Regional Tax Office, Peshawar, has made the biggest seizure of non-duty/non-TTS Cigarettes in history after seizing cigarettes worth Rs. 162.6 Million during a raid at a godown located at Yar Hussain, Swabi.
- Chairman FBR Malik Amjed Zubair held E-Kachehri at FBR Headquarters on 22 April 2024, to list to the issues of taxpayers. The E-Kachehri provides a platform to taxpayers to apprise their cocer directly to Chairman FBR and also give their suggestions regarding tax-related issues and matters. Chairman FBR directly received telephone calls from taxpayers and listened to their grievances and recommendations.

- Only 105 shopkeepers and retailers are registered with 'Tajir Dost App' in month of April-2024. FBR may launch enforcement action to increase the numbers in coming months.
- From Jul'23-Apr'24, the FBR collected Rs 7,366 billion against the revenue collection target of Rs 7,414 billion, reflecting a shortfall of Rs 48 billion.
- In Apr'24, FBR collected Rs. 654 billion against the target of Rs 707 billion, reflecting a shortfall of Rs 53 billion.
- FBR fails to add the builders & developers including new housing societies to the tax net. It is expected that FBR will announce new rates for the immovable properties and will notified in Jun'24 for the next financial year.

## Quote

- ❖ Opportunities come infrequently. When it rains gold, put out the bucket, not the thimble.
- ❖ Life is a journey that must be traveled no matter how bad the roads and accommodations.



your partner in success

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