



MONTHLY BULLETIN

June 2024

📞 021-34916144

✉ info@srca.com.pk

📞 0309-5551161

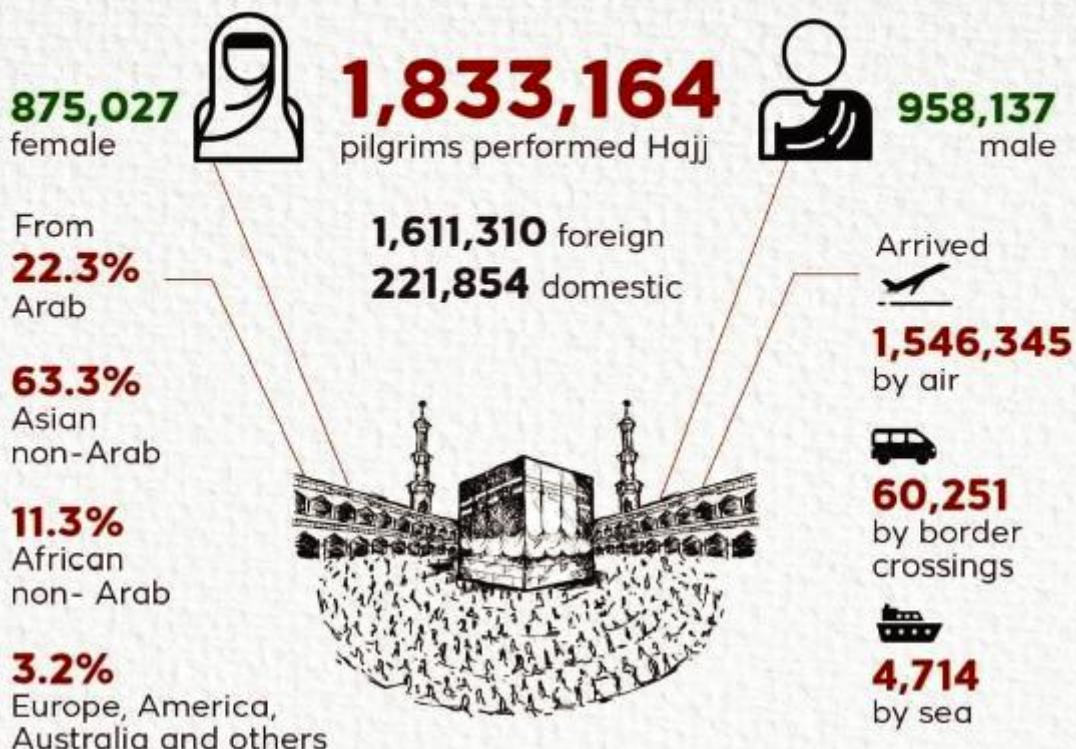
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Introduction

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

Hajj Brief

HAJJ 2024 IN NUMBERS





Economic Events

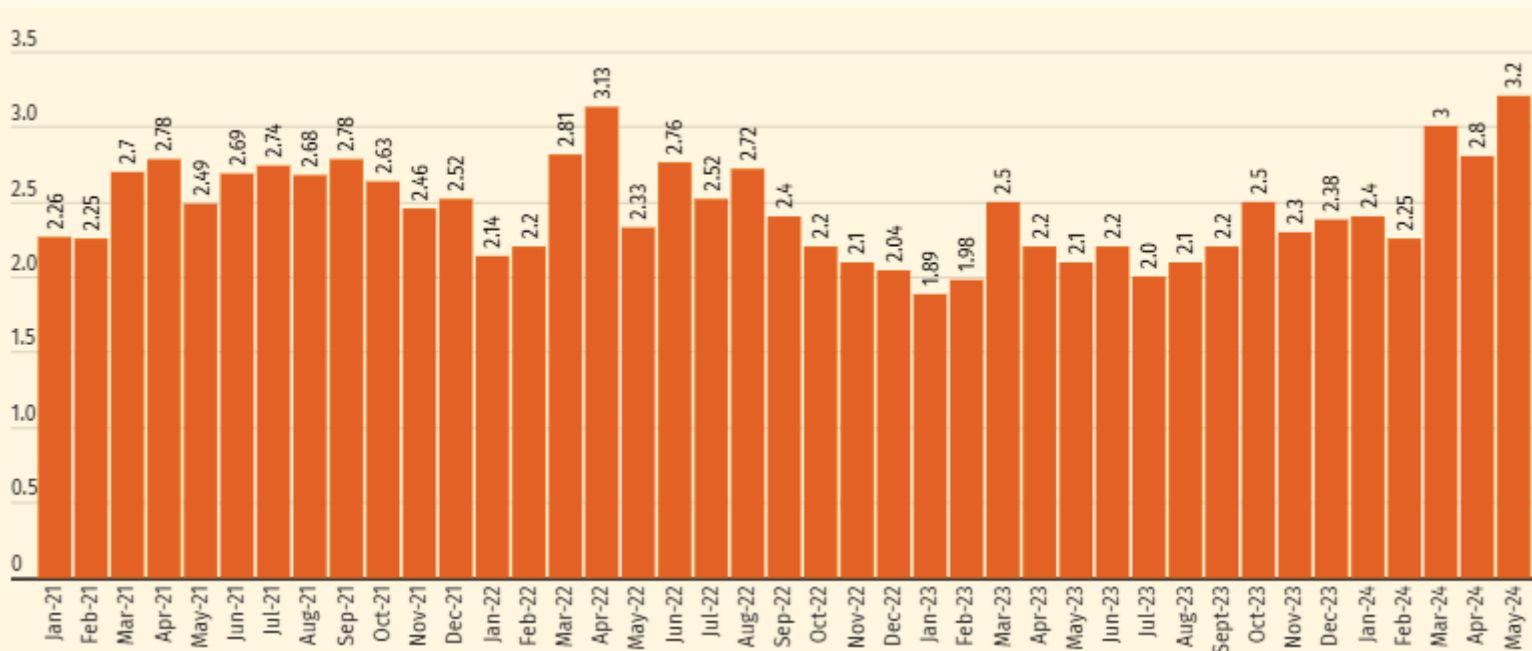
- As of 21-June-2024, the foreign exchange reserves with SBP increased by \$555.3 million from last month May'24. The reserves held with SBP are \$8.896 billion and reserves with commercial banks stood at \$5.312 billion.

LIQUID FOREIGN EXCHANGE RESERVES (MILLION US\$)

END PERIOD	NET RESERVES WITH SBP	NET RESERVES WITH BANKS	TOTAL LIQUID FX RESERVES
07-Jun-24	9,103.3	5,280.5	14,383.8
14-Jun-24	8,134.7	5,279.9	14,414.6
21-Jun-24	8,895.8	5,311.5	14,207.3

- The Pakistan stock market recorded its best yearly return in over two decades in FY24. Its benchmark Index climbed 94.4% in USD terms to become the best-performing market among more than 80 global equity indexes tracked by MG Link.
- For the first time in Pakistan, workers' remittances inflow hit a record high of \$3.24 billion in May-2024. It is an increase of 15.3% compared to April-2024, where the remittance stood at \$2.81 billion.

Remittance inflow from Jan-2021 – May-2024



- In FY'24, the trade deficit contracted over 12% to \$24.09 billion from \$27.47 billion as compared to FY'23.
- Similarly, the import in FY'24 was recorded at \$54.73 billion, a decrease of 0.84% from the FY'23, which stood at \$55.19 billion.
- The export in FY'24 by 10.54% to \$30.65 billion as compared to the FY'23, where it was recorded at \$27.72 billion.
- Pakistan's state-owned enterprises (SOEs) incurred total losses of Rs905 billion for the fiscal year 2022-23, reflecting a 23% increase from the previous fiscal year, according to the "Aggregate Annual Report on Federal State-Owned Enterprises (SOEs) for Financial Year 2023" released by the Central Monitoring Unit (CMU) of the Finance Division.
- Pakistan earned \$2.593 billion by providing various Information Technology (IT) services to different countries during the 10MFY2024.
- In Eid-ul-Azha, more than 500 billion rupees worth of animals sacrificed across the Pakistan.
- The Excise Department of Sindh Government has successfully conducted the first-ever auction of number plates in Pakistan, collecting a total of Rs. 675.4 million from the sale of 40 number plates.

Products	Prices as 1st Jun (A)	Prices as of 15th Jun (B)	Prices as of 1st Jul (C)	Increase / Decrease
MS (Petrol)	268.36	258.16	265.61	-2.75
High-Speed Diesel (HSD)	270.22	267.89	277.45	7.23



Political Front

- The Government of Pakistan has decided to appoint Additional Foreign Secretary (Middle East and SIFC) Ambassador Rizwan Saeed Sheikh as the new ambassador to the United States (US).
- The federal budget was approved by the National Assembly on 28-June-2024 and it was also signed by President Zardari. (Detailed document available on our page)
- On 28-June-2024, the National Assembly passed a counter-resolution to condemn the resolution passed by the United States House of Representatives to probe into the February-8 elections
- PM Shehbaz Sharif during the meeting of Apex Committee on National Action Plan in Islamabad, approved the national counter-terrorism campaign through launching of Operation Azm-e-Istehkam.
- Before the above decision, the consent of all stakeholders including all Provinces, Gilgit Baltistan and Azad Jammu and Kashmir.
- PM Shehbaz Sharif said "I have decided to close institutions that have become a burden instead of offering assistance".
- The Government approves to settle the circular debt of OGDC. As per notice of OGDC, payment of Rs82 billion to OGDC, representing the principal amount of the company's investment in Privately Placed Term Finance Certificates (PPTFC) issued by Power Holding (Private) Limited (PHL).
- To boost industrial activity and create more job opportunities, Power Minister Sardar Awais Leghari announced the government's decision to reduce the electricity rates for industries by 10.69 rupees.



World Updates

PALESTINE UNDER ATTACK

Latest casualty figures as of June 30

PALESTINE	KILLED	INJURED	PRISONERS FREED
	38,430	92,269	240
ISRAEL	KILLED	INJURED	HOSTAGES RELEASED
	1,139	8,730	110









- On 06-Jun-2024, the subsidiary of China’s energy giant Sinopec signed a \$1.3-billion deal with Saudi Aramco to procure and build pipelines for an expansion of the Kingdom’s natural gas distribution network.
- Demand for gas seen increasing significantly amid a global energy transition, the Saudi state oil giant Aramco is now poised to boost natural gas output by 60% by 2030.
- Nvidia Corporation is an American multinational technology company becoming the world’s most valuable company with a share value of \$135.58/share, after that the total valuation of the company reached \$3.34 trillion. Nvidia surpasses Microsoft Corporation, which holds the 2nd position with a valuation of \$3.32 trillion, followed by Apple Inc. with a \$3.28 trillion valuation.
- The Indian Auto industry grew 19% from 8.6 trillion Indian Rupee to 10.2 trillion in FY’24.
- A week-long, Kenya’s citizens' protest on Finance Bill 2024 forced Kenya’s President to say, he would not sign a finance bill.
- On 15-June-2024, US Vice President Kamala Harris attending a two-day peace summit in Switzerland’s luxury Burgenstock mountain resort, announced more than \$1.5 billion in new aid for Ukraine, mainly for its energy sector and in humanitarian assistance, after more than two years of Russia’s invasion.
- In Bric, After Jan 01, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates joined BRICS, making it a 10-member bloc. However, for adding 10 more countries, Russia wants to create a partner-country group. Each country has been asked to give a list of 10 countries out of the 33 countries that have applied to join BRICS. The common 10 countries may become the partner countries.



Financial World Forex Update

- The Inter Bank rate of PKR depreciated by Rs 0.15 in Jun'24 and closed at 278.85.
- The closing rate of major currencies on 30th June 2024 were;

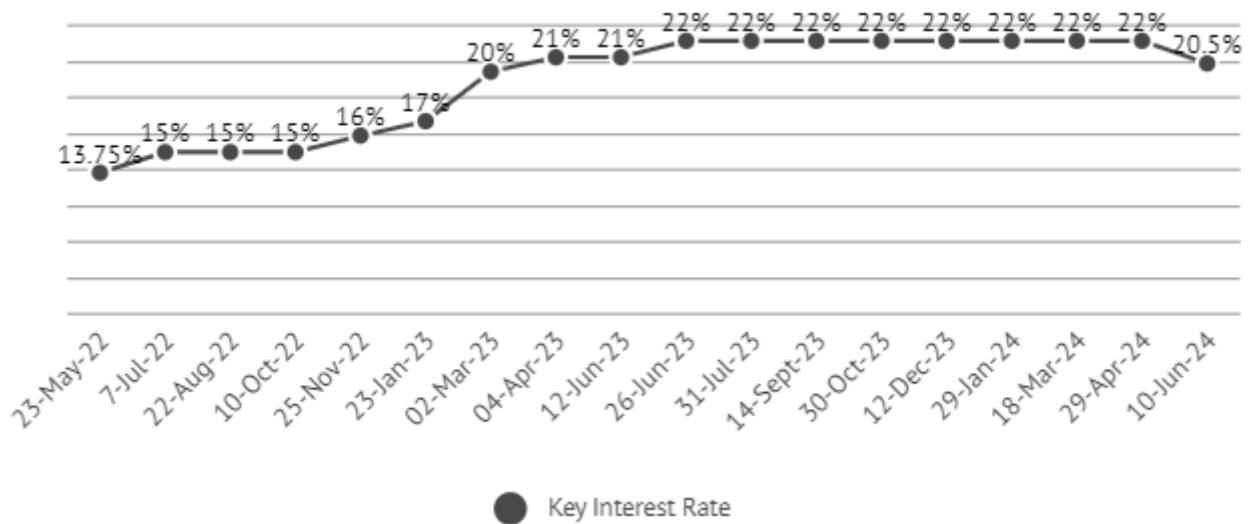
INTER BANK RATES

Currency	Symbol	Bank Buying TT Clean	Bank Selling TT & OD
 Australian Dollar	<u>AUD</u>	184.44	184.7
 Canadian Dollar	<u>CAD</u>	202.69	203.05
 China Yuan	<u>CNY</u>	38.47	38.53
 Danish Krone	<u>DKK</u>	39.86	39.93
 Euro	<u>EUR</u>	297.88	298.41
 Hong Kong Dollar	<u>HKD</u>	35.76	35.83
 Japanese Yen	<u>JPY</u>	1.74	1.74
 Saudi Riyal	<u>SAR</u>	74.12	74.25
 Singapore Dollar	<u>SGD</u>	204.76	205.13
 Swedish Korona	<u>SEK</u>	26.59	26.64
 Swiss Franc	<u>CHF</u>	311.86	312.42
 Thai Bhat	<u>THB</u>	7.57	7.58
 U.A.E Dirham	<u>AED</u>	76.23	76.37
 UK Pound Sterling	<u>GBP</u>	351.53	352.16
 US Dollar	<u>USD</u>	278.35	278.85

Capital Market



- On June 10, 2024, the Monetary Policy Committee (MPC) decided to reduce the policy rate by 150 bps to 20.5 percent. The significant decline in inflation since February was broadly in line with expectations.



- The KSE-100 index closed at 78,444.96 points after an increase of 2,566.49 points, the index closed at 75,878.47 points last month.
- In the last six months, the KSE-100 index increased by more than 13,785.18 points, which shows growth of 21.3%.



Important Economic Indicators as of 30th June 2024

Currency (PKR to USD) Rs. 278.85

Stock Market (KSE-100 Index) 78,444.96

Unemployment Rate 6.9% (E)

Inflation Rate 12.6%

Interest Rate 20.5%

Corporate Tax Rate 29%

Personal Income Tax Rate 35%

GDP Annual Growth 2.1% (E)

Consumer Confidence 39 (E)

Brent Crude Oil \$ 86.40/Bbl

WTI Crude Oil \$ 81.47/Bbl

Gold per Tola Rs. 242,469



Tax World

- In TY-2023-24, the FBR collected Rs 9,306 billion against the revenue collection target of Rs 9,252 billion, exceeding the yearly target by a significant margin of Rs. 54 billion.

The break-up of tax collected is as follows;

Head of Tax	Collection TY-2024	Collection TY-2023	Impact
Income Tax	4528	3270	38%
Sale Tax	3098	2593	19%
FED	576	370	56%
Custom Duty	1104	931	19%
Total	9306	7164	30%

- In Jun'24, FBR collected a huge amount of Rs. 1,183 billion in taxes which is 12.71% of the overall tax collection of TY-2024.
- FBR takes the initiative to conduct the audit of fertilizer and Urea dealers, to ensure the correct amount of tax must be paid on earnings.



CONTACT US

Call:

021-34916144
0309-5551161

E-Mail:

info@srca.com.pk

Web:

www.srca.com.pk

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