



CPDI BUDGET WATCH

Govt's sell-off agenda attracts WB's attention

Business Recorder (October 12, 2023)

ISLAMABAD: Simon Stolp, South Asia Practice Manager for Energy at the World Bank, and his team met with Fawad Hasan Fawad, the Federal Minister for Privatisation in Islamabad. The primary focus was to discuss the government's agenda for privatisation, with a specific emphasis on the performance of distribution companies (Discos) in Pakistan's power sector. Minister Fawad explained the government's privatisation agenda, taking into account the legal mandate of the ... [Read More](#)

Haveli Bahadur Shah, Balloki power plants' privatisation 'halted'

Arynews.tv (October 12, 2023)

The caretaker government has decided against privatising Haveli Bahadur Shah and Balloki RLNG plants on the International Monetary Fund's (IMF) demand, ARY News reported on Thursday, citing sources. The Pakistan Democratic Movement (PDM) government had assured IMF about the privatisation of both power plants in the Stand By Agreement (SBA), earlier this year. Sources within the power division have said the process of privatisation has been halted as it cannot be completed with ... [Read More](#)

IMF sticks to 2.5% growth forecast for Pakistan

Tribune.com.pk (October 11, 2023)

ISLAMABAD: The International Monetary Fund (IMF) on Tuesday kept Pakistan's economic growth forecast unchanged at 2.5% but slashed inflation rate to 23.6% for the current fiscal year, in a move that is largely in line with official projections. The global lender released its flagship report, the World Economic Outlook, at the start of annual meetings in Morocco. It left Pakistan's economic growth projection unchanged at 2.5%, which is lower than the official target by 1%. But it is ... [Read More](#)

Govt to borrow over Rs10 trn to meet financial obligations

Profit.pakistantoday.com.pk (October 11, 2023)

The federal government has unveiled its borrowing strategy for the second quarter (October to December) of fiscal year 2024, aiming to secure more than Rs10 trillion from the domestic market to meet its financial obligations and bridge the fiscal gap. As per reports, the State Bank of Pakistan (SBP) issued an auction calendar on behalf of the federal government. The government's borrowing plan includes the auction of various types of security papers, encompassing ... [Read More](#)

IMF demands utility stores' privatization across Pakistan

Arynews.tv (October 10, 2023)

As part of recommendations to improve the economic situation, the International Monetary Fund (IMF) on Tuesday called upon Pakistan's government, to demand the privatization of Utility Stores and state-owned entities, ARY News reported, citing sources. In its recommendations, the IMF proposed transferring Utility Stores to the private sector, which could lead to generating greater efficiency and profitability. Furthermore, the international mo ... [Read More](#)

PSO explores \$10bn investment partnership with Bank of China

Profit.pakistantoday.com.pk (October 10, 2023)

Pakistan State Oil (PSO) is reportedly engaged in high-level discussions with the Bank of China and Sinopec for a groundbreaking investment partnership exceeding \$10 billion. Well-informed sources have revealed that the collaboration could potentially lead to the establishment of a significant oil refinery or petrochemical facility within Pakistan's borders. According to insiders, Secretary Petroleum recently updated the Executive Committee of the Special Invest [Read More](#)

High financial charges, costs: profit of Pakistan's listed textile sector plunges 24% in FY23

Business Recorder (October 09, 2023)

High cost of financing and rising input costs took their toll on Pakistan's listed textile sector, which saw its profitability plunge 24% in fiscal year 2023, said brokerage house Topline Securities in a report on Monday. "Profitability Pakistan textile sector's (listed companies) declined by 24% year-on-year to Rs72.6 billion in FY23 primarily due to increase in finance cost, high cotton and energy costs and global slowdown," said the brokerage house ... [Read More](#)

Political nuisance, judicial activism hinder Pakistan's SOEs privatization strategy: World Bank

Profit.pakistantoday.com.pk (October 09, 2023)

The World Bank has raised concerns regarding Pakistan's strategy for privatizing its state-owned entities (SOEs). It has expressed reservations about the declining profitability of SOEs over the past decade, which has resulted in financial losses and placed Pakistan's federal SOEs among the least profitable in the South Asian region. As per a report by a local media outlet, the global financial institution has recommended that the government consider public offerings through.... [Read More](#)

\$250m RISE-II loan: Negotiations with AIIB next week likely

Business Recorder (October 08, 2023)

ISLAMABAD: Pakistan and Asian Infrastructure Investment Bank (AIIB) are likely to hold negotiations for \$250 million loan on Resilient Institutions for Sustainable Economy (RISE-II) next week, official sources told Business Recorder. The objectives of the proposed programme are to (i) enhance the policy and institutional framework to improve fiscal management, and (ii) improve the regulatory framework to foster growth and competitiveness. These objectives will pr... [Read More](#)

Index posts 2.7pc weekly gain amid positive indicators

The Dawn (October 08, 2023)

KARACHI: Trading on the stock exchange commenced on a positive note in the outgoing week fuelled by the contraction of the trade deficit by 42 per cent on a year-on-year basis to \$5.3 billion in the first quarter of 2023-24. Arif Habib Ltd said the expectation of robust financial results for the first quarter of the ongoing fiscal year kept the stock market participants' interest alive. Urea and DAP sales witnessed a jump of 11pc and 68pc, respectively, in September on a year-on-year basis. Furt ... [Read More](#)

PBS data shows short-term inflation soars by 37pc

Profit.pakistantoday.com.pk (October 07, 2023)

Short-term inflation, as measured by the Sensitive Price Index (SPI), has recorded a startling year-on-year surge of 37.07 percent for the week ending October 5, according to official data released recently by the Pakistan Bureau of Statistics (PBS). This marks the fourth consecutive week of rising inflation, casting a shadow of concern over the nation's economic stability. Several factors contribute to this inflationary trend, including the depreciation of the national curren ... [Read More](#)

PSX closes on positive note

Business Recorder (October 07, 2023)

KARACHI: Pakistan Stock Exchange managed to close on positive note on the fifth consecutive session on the back of fresh buying mainly in auto and technology sector stocks. The benchmark KSE-100 index hit 47,619.26 points intra-day high and 47,402.58 points intra-day low level before closing at 47,493.57 points up 41.19 points or 0.09 percent. Trading activities however remained low as total daily volumes on ready counter decreased to 246.382 million shares as comp ... [Read More](#)

Centre warns Punjab, Sindh govts over expenses to avoid slippages in IMF prog

Geo.tv (October 06, 2023)

The federal government has warned against excessive expenditures in Punjab and Sindh in the first two months of the ongoing fiscal year — July and August — which pose

a risk of slippages under the International Monetary Fund (IMF) programme, The News reported on Friday. It was reported that two potential slippage risks exist

for Pakistan on the fiscal front for the ongoing fiscal year in line with the deal made with the financial institution. One of the risk pertains to the rising debt servi ... [Read More](#)

Dollar shortage traps multinationals' profits inside Pakistan

The News (October 06, 2023)

KARACHI: Multinational companies face a problem in Pakistan: They can't send profits back home from a country that's running low on dollars, Bloomberg reported.

Between \$1 billion and \$2 billion in earnings from firms including Nestlé SA, Unilever Plc and Philip Morris have been stuck in Pakistan's banks for almost 18 months,

according to a Karachi-based chamber of commerce for multinationals. Central bank data showed that repatriation of profits and dividends fell by 88 percent to \$3... [Read More](#)

K-Electric pins massive net loss of Rs 30.9bn in 2023 to macroeconomic hurdles

Profit.pakistantoday.com.pk (October 05, 2023)

ISLAMABAD: K-Electric (KE) has reported a staggering net loss of Rs 30.9 billion during the financial year (FY) 2023 which is a stark contrast to Rs 8.5 billion profit the company

(KE) earned in FY 2022. The company reported in their annual financial report that they had earned revenue worth Rs 519,471 million in FY 2023 compared to Rs

518,777 million worth revenue in FY 2022 (0.13percent). Similarly, the gross profit of the KE was Rs 52,812 million in FY 2023 which stood at [Read More](#)

Bank deposits in Pakistan are perfectly safe, clarifies SBP

Business Recorder (October 05, 2023)

The State Bank of Pakistan (SBP) on Thursday refuted reports suggesting that bank deposits above Rs500,000 in the banking system are unsafe. In a statement, the

central bank said that "certain sections of the media, on the basis of a statement given by Deputy Governor of SBP, Dr Inayat Hussain during the meeting of Senate Standing

Committee on Finance and Revenue, are implying as if bank deposits above Rs500,000 in the banking system in Pakistan are unsafe". "It is cat [Read More](#)

World Bank slashes Pakistan's GDP projection to 1.7% for ongoing year

Geo.tv (October 04, 2023)

ISLAMABAD: The World Bank (WB) has projected that Pakistan's GDP growth will be at 1.7% in the current fiscal compared to the official target of 3.5% while inflation may climb to 26.5% as compared to the official estimates of 21.5%, The News reported on Wednesday. The WB also estimates a higher primary deficit of negative 0.4% of GDP against the official target of positive 0.4% agreed with the IMF. The global lender has also ruled out the possibility of debt restructuring or changing the defi... [Read More](#)

Dubai launches family business support program

Arabnews.pk (October 04, 2023)

RIYADH: Dubai local economy. The announcement was made by Sheikh Maktoum bin Mohammed, first deputy ruler of Dubai, deputy prime minister and minister of finance of the UAE, on Tuesday. The Dubai Family Business Management Program is designed to empower the future leaders within family bus... [Read More](#)

'Digital payments can boost economy'

The Dawn (October 03, 2023)

KARACHI: Nationwide adoption of digital payments by 2025 can boost the size of the economy by seven per cent, create four million jobs and generate \$263 billion in deposits. Speaking to a group of journalists at a recent press briefing, UN-backed Better Than Cash Alliance Pakistan Lead Raza Matin said digital payments adoption by micro and small and medium enterprises (MSMEs) will improve their cash flows and reduce costs while letting them gain new customers, transact remote ... [Read More](#)

Pakistan needs 'careful' economic management to get macroeconomic stability: WB

Tribune.com.pk (October 03, 2023)

ISLAMABAD: The World Bank (WB) on Tuesday suggested Pakistan to undertake the much-needed fiscal reforms including a reduction in tax exemptions and a broadening of the tax base, terming them "critical" for economic stability and sustainable economic growth. "Careful economic management and deep structural reforms will be required to ensure macroeconomic stability and growth," WB Country Director for Pakistan Najy Benhassine said while launch... [Read More](#)

Pakistan's headline inflation reading clocks in at 31.4% in September

Business Recorder (October 02, 2023)

Pakistan's headline inflation than the reading in in 1QFY23. In a note, clocked in at 31.4% on a year- August when it stood at brokerage house Topline on-year basis in September, 27.4%. On a month-on-month Securities said the reading is the Pakistan Bureau of basis, it was up 2%. This takes in line with market Statistics (PBS) said on 1QFY24's average inflation to expectations. The PBS said Monday, significantly higher 29.04% compared to 25.11% CPDI inflation Ur... [Read More](#)

Pakistan emerges as top International Development Association borrower

The Dawn (October 02, 2023)

ISLAMABAD: Pakistan was the top borrower of the International Development Association (IDA) in fiscal year 2023, securing \$2.3 billion in funding, the World Bank said in its annual report. The bank helped Pakistan respond to devastating floods with nearly \$1.7bn for five projects in the worst-affected Sindh province to build resilient housing, restore crop production, provide health services for mothers and children, and strengthen social protection and the local government's di ... [Read More](#)

Caretakers mull imposing wealth tax on moveable assets

Geo.tv (October 01, 2023)

ISLAMABAD/ KARACHI: The caretaker government is mulling amending the taxation regime for retail, agriculture, and real estate sectors and imposing a wealth tax on moveable assets, reported The News citing sources. "The caretaker government has plans for materialising the FBR's tax collection target of Rs9.2 trillion and increase tax-to-GDP ratio to 15%, equivalent to Rs13 trillion, over the next two years," sources told the publication. The Cabinet Committee on Ec ... [Read More](#)

Minister, Huawei team for enhancing digital economy

The Dawn (October 01, 2023)

ISLAMABAD: Huawei and creating new digital economy of Pakistan. Pakistan Chief Executive Officer (CEO) Ethan Sun on Saturday said company played a crucial role in advancing financial access opportunities. In a meeting with caretaker Minister for IT and Telecom Dr Umer Saif, the two sides discussed the importance of enhancing the digital economy of Pakistan. The Huawei delegation comprised senior representatives and sector experts, including Ian Ravenscroft, VP ... [Read More](#)

Pakistani rupee emerges as world's best-performing currency in September

Business Recorder (September 30, 2023)

On the back of a crackdown on smuggling and illegal exchanges, the Pakistani rupee emerged as the best-performing currency in the world in September. The currency appreciated from Rs305.54 against the US dollar on August 31 to Rs287.74 on September 28 against the greenback, an increase of Rs17.8 or 6.2%. The rupee is currently also on a winning run of 17 sessions, in which it has gained nearly 7% after it hit a record low of 307.1 on September 5. The currency market.... [Read More](#)

Finance minister consults with financial markets about bringing investment through Private Funds

Profit.pakistantoday.com.pk (September 30, 2023)

KARACHI: The caretaker Federal Minister for Finance, Revenue, and Economic Affairs, Dr. Shamshad Akhtar, chaired a meeting with the chairman of the Securities Exchange Commission of Pakistan (SECP), bankers and heads of development finance. The meeting was held by the Securities and Exchange Commission of Pakistan (SECP) to discuss proposals for establishing financial institutions backed by private funds. In the meeting, she stated that capital market reforms are a cri ... [Read More](#)

Market wary of rupee rally despite September surge

The Dawn (September 29, 2023)

KARACHI: Despite the rupee's dramatic rise this month, market analysts remain sceptical about its long-term performance, underscoring the need for substantial inflows in the upcoming months to maintain the favourable exchange rate. The rupee has gained 6.1 per cent against the dollar so far in September, following an official clampdown on illegal foreign exchange trade in grey and black markets by security agencies. September's gains have almost made up for all of the rupee's loss [Read More](#)

Sept inflation seen at 29-31pc

Business Recorder (September 29, 2023)

KARACHI: Inflation in Pakistan is expected to clock in around 29-31% in September, the Ministry of Finance said in its monthly report on Thursday. Pakistan's headline inflation reading clocks in at 27.4% in August. It added that oil price pressures and adjustment in energy prices meant the inflation outlook would remain uncertain, but was expected to be on a downward trajectory, especially from second half of the current fiscal year..... [Read More](#)

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