



CPDI BUDGET WATCH

Pakistan decides to reverse sales tax on sugar to ex-mill rate

Geo.tv (July 22, 2021)

ISLAMABAD: The government has decided to reverse the sales tax on sugar to the ex-mill rate till November 30 this year to ensure reasonable reduction in the price of sugar. The decision was taken during a meeting in Islamabad chaired by Prime Minister Imran Khan to review the prices of essential commodities. The meeting also decided that the ministries of industries and finance will review the future requirement of sugar and its import. The prime minister directed the [Read More](#)

Inflation increased in the world due to Covid-19 pandemic: Hammad

Dunyanews.tv (July 22, 2021)

LAHORE : Minister for Energy Hammad Azhar on Wednesday said that the inflation across the world has increased due to coronavirus pandemic. Talking to media in Lahore on Wednesday, he said that India has politicized the Financial Action Task Force (FATF), adding that Pakistan has fulfilled most of the requirements of the FATF. The minister said that the country's economic indicators are better and the coronavirus has affected Pakistan as much as other countries. Hamad Azhar appealed [Read More](#)

Placing Pakistan on grey list: Malik urges FATF president to probe Indian FM's confessional statement

The News (July 21, 2021)

ISLAMABAD: Former interior minister and chairman Institute of Research and Reforms (IRR) Rehman Malik urged Financial Action Task Force (FATF) President Dr Marcus Pleyer to investigate the confessional statement of Indian foreign minister by a special team of FATF to expose further truth. "I also requested to review the decision of placing Pakistan on FATF's Grey list which the Indian foreign minister has already termed to be taken under Indian political pressure and [Read More](#)

ADB lists factors behind Pakistan's 3.9pc growth estimates

Business Recorder (July 21, 2021)

ISLAMABAD: The government of Pakistan estimated growth at 3.9 percent in fiscal year 2021, and the improvement is underpinned by strong growth in industry and

services and steady remittance inflow, says the Asian Development Bank (ADB). The Bank in its latest report “Asian Development Outlook supplement” stated that inflation in Pakistan averaged 8.8 percent in the first 11 months of fiscal year 2021 on rising global commodity prices, especially for food and crude. [Read More](#)

Pakistan hopeful of another \$1bn in debt relief from G20

[Profit.Pakistantoday.com.pk](#) (July 20, 2021)

Pakistan is hopeful to get a third relief in debt payments from the G20 countries, seeking a suspension of over \$1 billion payments. According to a local media report on Monday, the country has sought an overall debt relief of \$3.78 billion from G20 countries which would be provided in three phases. The report states that Pakistan has already received relief in two phases, whereas in the first phase, debt payments of over \$1.6 billion have been suspended for the period between ... [Read More](#)

US says 'recognises, supports' Pakistan's efforts to meet FATF requirements

[The Dawn](#) (July 20, 2021)

The US has said it recognises and supports Pakistan's continued efforts to meet the Financial Action Task Force's (FATF) requirements, and acknowledges that the latter has made "significant progress" on the international watchdog's original action plan agreed in June 2018. US State Department spokesperson Ned Price made these remarks during a press briefing on Monday while answering a question about Foreign Minister Shah Mahmood accusing India of politicising the [Read More](#)

Private credit: Pakistan last in WB's emerging, developing economies index

[Samaa.tv](#) (July 19, 2021)

Based on the private sector credit to GDP ratio, Pakistan slipped to the bottom of the World Bank's developing and emerging economies Index (2019) that comprises 19 countries, down three notches from its position a decade ago. The central bank study revealed this in a special section as part of The State of Pakistan's Economy third quarterly report for the fiscal year 2021 .The authors argue that Pakistan has introduced reforms and regulations to increase access to finance, which helped [Read More](#)

Economy made encouraging recovery but structural vulnerabilities remain: SBP

[Profit.Pakistantoday.com.pk](#) (July 19, 2021)

The State Bank of Pakistan (SBP) on Monday noted that the economy made an “encouraging recovery” during the outgoing fiscal year (FY) 21 but warned that “certain structural vulnerabilities” continue to require the government's attention. The central bank issued the warning in its “Third Quarterly Report on

The State of Pakistan's 2020-21 which was issued today. "While the economy made an encouraging recovery during ... [Read More](#)

Punjab's food circular debt jumps to Rs560bn

The Dawn (July 18, 2021)

LAHORE: Punjab's food sector circular debt has risen to a staggering Rs560bn, equal to the Annual Development Programme for the year 2021-22, giving a nightmare to the finance wizards in the province. Punjab harvested a bumper wheat crop, about 22 million tonne this season and the department procured at least 3.5 million tonne of it at a rate of Rs1,800 per maund (40kg). The food debt was hovering around Rs400bn until the end of the last financial year (2019-20) but the recent wheat... [Read More](#)

Bank credit to private sector declines to lowest: SBP

The Dawn (July 18, 2021)

KARACHI: Formal credit to private sector in Pakistan has declined to one of the lowest among the emerging markets and developing economies (EMDEs), said a special report of the State Bank of Pakistan (SBP) issued on Friday. "Formal credit to the private sector in Pakistan has declined both in absolute and relative terms over the past few decades, and is currently one of the lowest among emerging markets and developing economies (EMDEs)," said the report. During FY21 [Read More](#)

SBP ties growth momentum to unhindered economic activities

The News (July 17, 2021)

KARACHI: The central bank on Friday linked the acceleration in growth momentum during the current fiscal year with unhindered economic activities despite the coronavirus outbreak. "The economic momentum is expected to accelerate further during FY22. The optimistic outlook is premised on the expanding vaccine roll-out and relatively unhindered continuation of economic activity despite Covid-19," the State Bank of Pakistan (SBP) said in a quarterly.. [Read More](#)

ECC approves massive rise in essential items' prices

Profit.Pakistantoday.com.pk (July 17, 2021)

ISLAMABAD: The Economic Coordination Committee (ECC) of the Cabinet on Friday gave approval to increase Ghee, Flour and Sugar prices. The meeting of the ECC was held under the chair of Federal Minister for Finance and Revenue Shaukat Tarin. The ECC on the summary of Ministry of Industries and Production approved the revision in prices of three essential commodities namely flour (20 kg bag) to Rs 950 from Rs820, Ghee (per kg) to Rs 260 from Rs170 and Sugar (per kg) to Rs 85 [Read More](#)

Housing, construction finance up 75pc in FY21: SBP

The Dawn (July 16, 2021)

KARACHI: The State Bank of Pakistan on Thursday said that housing and construction finance in FY21 saw a remarkable increase of Rs111 billion or 75 per cent to reach Rs259bn compared to FY20. The information was provided by SBP Governor Dr Reza Baqir during a meeting of the National Coordination Committee on Housing, Construction and Development (NCCHCD) chaired by Prime Minister Imran Khan. "About 97pc of the overall target set by State Bank for June 30 ... [Read More](#)

Pakistan, Russia sign pact for 1,100-km gas pipeline from Karachi to Lahore

Business-standard.com (July 16, 2021)

Pakistan and Russia have signed an agreement for the construction of about 1,100-km gas pipeline from Port Qasim in Karachi to Lahore at an estimated cost of USD 2.5-3 billion by the end of 2023, according to a media report on Friday. The Heads of Terms (HoTs) of shareholders' agreement was signed on Thursday after four days of talks, the Dawn News reported. The two sides also signed minutes of the third meeting of the Russia-Pakistan Joint Technical Committee (JTC) ... [Read More](#)

PTCL profit rises 38pc in 1HCY21

The Dawn (July 15, 2021)

ISLAMABAD: The Pakistan Telecommunication Company Ltd (PTCL) revenues rose 8 per cent to Rs38 billion mainly driven by broadband and corporate and wholesale business segments during the first half of calendar 2021, which is the highest half-year growth since 2014. Briefing the media after the company's board of directors meeting, Group Chief Financial Officer Nadeem Khan said improved customer service and introduction of better products helped the PTCL and the whole group[Read More](#)

Pakistan receives record \$29.4 billion remittances in 2021

Khaleej Times (July 15, 2021)

Dubai: Pakistan received record \$29.4 billion remittances during the financial year 2020-21 as non-resident Pakistanis continued to send over \$2 billion foreign exchange for the 13th consecutive month in June, latest data shows. State Bank of Pakistan, the central bank, said workers' remittances registered a substantial \$6.24 billion, or 27 per cent year-on-year growth, improving the country's external sector position despite the challenging global economic conditions. "This[Read More](#)

Bank deposits surge to all-time high

Tribune.com.pk (July 14, 2021)

KARACHI: Government, private sector and household deposits with banks in Pakistan grew 22% - the fastest pace in 14 years - to touch an all-time high of Rs19.8 trillion in fiscal year ended June 30, 2021 in the wake of a turnaround in the national economy. Bank deposits had stood at Rs16.2 trillion a year ago on June 30, 2020, according to Topline Research. "Acceleration in economic activities directly

supports deposit growth as businesses and people earn more," Arif Habib... [Read More](#)

Pakistan 'well-positioned for growth' but concerns remain, says Citi

Business Recorder (July 14, 2021)

ISLAMABAD Pakistan is well-positioned for growth but concerns around inflation, global protectionism, and US monetary tightening will continue to be concerns for the South Asian economy, said Citibank officials in a recent interview with Business Recorder. The remarks came on the sidelines of the virtual Citi Media Summit organised under the 'Finance, Innovation and the Economy in a Changing World' banner earlier this month. Rizwan Shaikh, head of EMEA Emerging Market... [Read More](#)

Pakistan's remittances reach historic high of \$29.4 billion in FY21

Business Recorder (July 13, 2021)

ISLAMABAD: Workers' remittances continued to stay above \$2 billion for a record 13th consecutive month, with an inflow of \$2.7 billion received in the last month of the fiscal year 2020-21, said the State Bank of Pakistan (SBP) on Tuesday. On a cumulative basis, remittances amounted to a historic high of \$29.4 billion during the fiscal year, a 27% year-on-year increase. The growth in FY21 is the highest since FY03. "This has helped improve the country's external sector position despite.... [Read More](#)

PM Repeats Call for Joint Global Fight against Covid

Tribune.com.pk (July 13, 2021)

ISLAMABAD Prime Minister Imran Khan called on Tuesday for a joint global action to fight the triple challenges posed by coronavirus pandemic through equitable vaccine supply, reallocation of International Monetary Fund (IMF) quotas by high-income states to the poor nations and adaptation of climate finance. In a virtual address to the UN High-Level Political Forum (HLPF) on Sustainable Development, held at the UN Headquarters in New York, Imran articulated his vision for dealing with..... [Read More](#)

Preferential trade deal with Uzbekistan likely

Tribune.com.pk (July 12, 2021)

ISLAMABAD: Prime Minister Imran Khan will leave for an official visit to Uzbekistan on July 15. Earlier, trade adviser Abdul Razzaq Dawood and Investment Board officials will leave for Tashkent, while Foreign Minister Shah Mehmood Qureshi is also expected to arrive in the Uzbek capital from Tajikistan. During his visit to Uzbekistan, Prime Minister Imran Khan will jointly inaugurate the session of the CASA Conference with the President of Uzbekistan. On this occasion, prefer..... [Read More](#)

PM approves new bilateral investment treaty template

Profit.Pakistantoday.com.pk (July 12, 2021)

ISLAMABAD: Prime Minister Imran Khan has approved the new Bilateral Investment Treaty (BIT) template whereby any dispute will now be remedied through local arbitration, disclosed Board of Investment (BoI) Secretary Fareena Mazhar while talking to a group of journalists on Sunday. She said the new BIT template has been developed in consultation with all the stakeholders and with the active assistance of law and justice division and the attorney general of Pakistan. She explained that..[Read More](#)

Pakistan, Uzbekistan all set to sign TTA

[Business Recorder](#) (July 11, 2021)

ISLAMABAD: Pakistan and Uzbekistan are all set to sign Transit Trade Agreement (TTA) on Thursday (July 15) in Tashkent, allowing each other to use their respective facilities for transshipment of their goods. Prime Minister Imran Khan, who is also In-charge Minister for Commerce, will witness the signing ceremony. The TTA will allow passage of goods, vehicles and drivers, in Uzbekistan and its border points with other Central Asian Republics (CARs) including rail and...[Read More](#)

Pakistan to export mobile phones from next year

[The News](#) (July 11, 2021)

FAISALABAD: Pakistan will start export of mobile phones from next year and exporters should focus on nontraditional sectors to increase exports, commerce adviser said on Saturday. Adviser to Prime Minister on Commerce, Textile, Industries, Production and Investment Razak Dawood said there is an acute dearth of manufacturing units for shirts, suits and ladies' garments. Dawood said exporters should focus on the sectors as the government would be more ... [Read More](#)

'Economic policy success lies in benefits to common man'

[Business Recorder](#) (July 10, 2021)

ISLAMABAD: Economic policy cannot be successful until and unless it benefits the common man. This was the conclusion of a discussion titled "Growth and Sustainability – Hand in hand or poles apart" hosted by the Islamabad Policy Institute, according to a press release issued on Friday. The discussion was participated by former finance minister, Dr Hafiz Pasha and former chairman FBR, Shabbar Zaidi. Equity market veteran and senior fellow at IPI Hussain Haider moderated the event. The panelists [Read More](#)

Hascol appoints foreign experts for restructuring plan

[The News](#) (July 10, 2021)

KARACHI: Oil company Hascol has hired a team of global professional services provider Alvarez & Marsal Europe LLP to overcome financial issues as it is engaged in tracing back possible false purchase entries in its balance sheet, it

was learnt on Friday. “In order to solve its current financial issues, Hascol is in discussions with its banking partners on a financial restructuring plan for the company, having appointed a team of renowned restructuring [Read More](#)

Rupee hits 5-month low in inter-bank market

[Trinune.com.pk](#) (July 09, 2021)

KARACHI: Pakistani rupee hit a five-month low of Rs159.33 against the US dollar in the inter-bank market on Thursday in the wake of renewed demand for the greenback for import payments and debt repayments, according to dealers. With a fresh drop of Rs0.41, the Pakistani currency has cumulatively depreciated by Rs7.06 (or 4.63%) since touching the 23-month high of Rs152.27 against... [Read More](#)

Talks with IMF going smoothly: SBP chief

[The Dawn](#) (July 09, 2021)

WASHINGTON: State Bank of Pakistan Governor Reza Baqir on Thursday said that negotiations with the International Monetary Fund (IMF) on the 6th review of its \$6 billion financial package were going smoothly. Last month, the IMF also said it was holding open and constructive discussions with Pakistan on the 6th review and stood ready to support the country in achieving its objectives of debt sustainability. In July 2019, the IMF had approved a 39-month \$6bn ... [Read More](#)

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