



Weekly Business Newsletter

21st to 26th March, 2017

Business News

SBP maintains policy rate at 5.75pc

The Monetary Policy Committee of the State Bank of Pakistan (SBP) decided on Saturday to keep the policy rate unchanged at 5.75 per cent, a press release said. Inflation expectations in the current fiscal year continue to remain well anchored. This has been largely due to the near absence of any major supply side pressures. However, rising real incomes in a low interest rate environment since 2013-14 are indicating signs of a pickup in domestic demand, which is broadly reflected in the core inflation measures.

CDNS attracts Rs163bn in fresh investment

The Central Directorate of National Savings (CDNS) attracted Rs163 billion during the first three quarters (up to March 15) of this fiscal year. The CDNS has projected to raise Rs228bn in 2016-17 compared with Rs218bn it generated in the preceding fiscal year, a CDNS official said on Friday. Applicable from Feb 1, 2017, CDNS had notified upward revision in profit rates for various saving certificates to benefit its investors, especially widows and pensioners, the official added.

Pak Suzuki may roll back its expansion plan

Pak Suzuki Motor Company Ltd (PSMCL) will review its decision to invest \$460 million if the government fails to respond to its request for incentives until April, PSMCL spokesperson Shafiq Ahmed Sheikh told Dawn on Friday. The proposed plant will generate 319,000 direct and indirect jobs, he added. The company has been waiting for the government's response for one year. Mr Ahmed said Finance Minister Ishaq Dar had assured PSMCL that the company would receive approval for incentives by January. Board of Investment (BoI) Chairman Dr Miftah Ismail had assured PSMCL of the same in a recent visit to its plant.

South Korean bank agrees to give \$76m for IT Park

A loan agreement to build Pakistan's first state of the art multipurpose Information Technology Park worth Rs9.2 billion was signed between the government and South Korea Eximbank (KEXIM) here on Tuesday. Secretary Economic Affairs Division (EAD) Tariq Mahmood Pasha and Executive Director of KEXIM Younghoon Chang signed the document.

PAEC signs MoU with China Power

Pakistan Atomic Energy Commission (PAEC) and China Power International Holding Ltd (CPIH) have signed a memorandum of understanding (MoU) for cooperation and collaboration in the power sector. CPIH is a core subsidiary of State Power Investment Corporation (SPIC), one of the top five public sector energy groups in China. The CPIH is investing in the energy sector of Pakistan which is not limited to a 2x660mw coal-fired power project under the CPEC in Hub, Balochistan. PAEC Member Syed Ziauddin and CPIH President Yu Bing signed the MoU on late Monday evening. SPIC Chairman Wang Binghua chairman, PAEC Chairman Muhammad Naeem and Commercial Counsellor of Consulate General of People's Republic of China Guo Chunshui witnessed the signing ceremony.



International News

China inks \$4.6bn deal for Australia mine project

A state-owned Chinese construction giant Friday sealed a deal to build a Aus\$6 billion (US\$4.6bn) mining infrastructure project to tap into resource rich north-western Australia. Sydney based BBI Group said the agreement with the China State Construction Engineering Corporation to develop the mine, port and rail project would create a new gateway to the Pilbara region for iron ore exporters. China the world's biggest commodities consumer is Australia's largest trading partner, with the signing taken place during a meeting between Prime Minister Malcolm Turnbull and Premier Li Keqiang in Canberra.

Saudi Aramco chooses hybrid sukuk structure for first debt issue

Saudi Aramco has chosen a commonly used hybrid structure for a domestic offer of riyal denominated Islamic bonds that will be the state-owned oil giant's first debt sale, the prospectus for the offer showed. The debt issue is part of the state-owned oil giant's plans to develop new sources of finance in an era of low oil prices. They include what could be the biggest ever stock market listing in history next year.

Japan PM pushes EU trade deal

Japanese Prime Minister Shinzo Abe pledged on Tuesday to seal an EU-Japan trade deal as early as possible in order to make an important stand against protectionism. Abe met with EU Council President Donald Tusk as well as European Commission head Jean Claude Juncker at EU headquarters in Brussels. "We shall try to aim for agreement in principle on the (EU-Japan trade deal) at the earliest possible date because it will give the world a symbol of free trade," Abe said as he entered the talks with Tusk and Juncker. Abe's comments came just days after the Trump administration irked its traditional allies at G20 talks by blocking a pledge to reject protectionism.

Egypt attracts \$3.1b foreign investment

Egypt attracted \$3.1 billion (Dh11.4 billion) of foreign investment in domestic debt instruments since the flotation of the pound in November up until mid-March, Deputy Finance Minister Ahmad Kojak said on Sunday. Kojak said the funds were invested in treasury bills and bonds. The Central Bank said earlier this month that foreign investment in treasury bills rose to a net purchase of \$686.7 million in the first half of the 2016/17 financial year, compared to net sales of \$38.3 million a year ago.

Nasdaq Dubai set to reinforce equity futures

Nasdaq Dubai wants to reinforce equity futures after it witnessed strong growth, its chief executive officer said on Sunday. Nasdaq Dubai plans to introduce futures in two names by the beginning of April, taking the total number of shares to 11 from the current nine. "We are looking at Dubai Investment Company, and Dubai Financial Market contracts to go live in the first week of April," Hamed Ali, chief executive officer of the bourse told Gulf News in an interview.

Bank known for Lehman gaffe moves over \$5.4bn in error

Germany's state-owned development bank KfW, which gained publicity for erroneously transferring hundreds of millions of euros to Lehman Brothers the day the US firm filed for bankruptcy, has done it again. KfW in February mistakenly transferred more than five billion euros (\$5.4bn) to four banks because of a technical glitch that repeated single payments multiple times, according to people familiar with the matter. The total amount transferred was as high as about 6bn euros, said one of the people, who like the others asked not to be identified because the matter is private.

Up-Coming Events Pakistan

International Conference on Information Communication Technology

Date: 07th May, 2017

Venue: Marriott Hotel, Karachi

Power of Social Media: The Inside Story - Workshop

Date: 13th May, 2017

Venue: Mehran Hotel, Karachi

Up-Coming Events UAE

Buildexpo Africa 2017

Date: 20th April, 2017

Venue: EXPOGROUP, 1910, 19th Floor, Monarch Office Tower, Dubai

2nd International Conference and Business Expo on Wireless & Telecommunication

Date: 21st April, 2017

Venue: Dubai



PAKISTAN STOCK EXCHANGE

as on 23rd March, 2017

Company Name	Closing Value	Volume
Adamjee Insurance	76.69	161,500
EFU General Insurance	161.58	31,400
IGI Insurance	360.08	138,800
Premier Insurance	19.10	7,000
Pak Reinsurance	54.00	8,500



CURRENCY EXCHANGE RATES

as on 27th March, 2017

Currency	Current Week	Last Week
U.S.Dollar	106.60	106.50
Euro	115.80	115.50
UK Pound Sterling	133.80	132.80
UAE Dirham	29.20	29.20



WEATHER FORECAST

as on 27th March, 2017

Karachi	35/23 ^o C	FAIR	
Islamabad	33/20 ^o C	HAZE	
Lahore	38/22 ^o C	FAIR	