



Weekly Business Newsletter

27th February to 5th March, 2017

Business News

Pakistan, Iran central banks' deal on the cards

An agreement between the State Bank of Pakistan (SBP) and the Central Bank of Iran will be signed soon, allowing Pakistani and Iranian traders to settle their claims through the two central banks, SBP Governor Ashraf Mahmood Wathra said on Friday. Addressing the business community at the Lahore Chamber of Commerce and Industry (LCCI), Mr Wathra said trade with Iran is close to his heart, adding that he has been trying to promote it since his appointment. "The agreement between the SBP and the Central Bank of Iran will help boost the bilateral trade volume," he said. He noted that a cabinet committee has approved the agreement.

Foreign investment to help local vendors

The new auto policy has encouraged foreign carmakers to set up assembly plants in Pakistan which would help local vendors, Federal Minister for Industries Ghulam Murtaza Khan Jatoi said on Friday. Speaking at the inauguration ceremony of three-day Pakistan Auto Show (PAPS) 2017 at the Expo Centre, he said investors have shown their confidence in Pakistan. "Let me assure them that their confidence is not misplaced," he said.

Sustainable financing for infrastructure development

The China-Pakistan Eco-nomic Corridor and the mega project focus of the current government have brought infrastructure development into the forefront of media and public discourse. Justifiably, Pakistan faces a stern infrastructure challenge going forward. At the moment, there is an average 5,000MW power shortage with an obsolete transmission system while the country has the lowest kilometer per capita of metalled roads in the region at 0.0014km. Without overlooking the great rural urban divide, our biggest city still lacks a proper mass transit system while our social infrastructure is also dilapidated.

Rs10bn housing loans disbursed in six months

Banks and other financial institutions extended Rs10.1 billion housing loans during the first half of this fiscal year, said a report of the State Bank of Pakistan (SBP) issued on Saturday. The central bank in the half-yearly housing review reported that 1,775 borrowers were issued fresh loans of Rs10.1bn during the July-Dec 2016-17.

Nishat Group to introduce electric, hybrid cars

Nishat Group, which has recently entered into an agreement with Hyundai Motor Company to set up a car assembly plant in Pakistan, is planning to introduce electric and hybrid passenger cars. "The (South) Korean carmaker wants to first start the assembly of small cars that could compete with the existing (Japanese) assemblers already operating in this market," Nishat Group's chairman Mian Mansha told Dawn on Thursday. "We are discussing with them... trying to convince them to also bring electric and hybrid cars. I see (that) the future is in electric cars," he said. "We could import these cars in the beginning and later also start assembling them locally."

Pakistan to sign agreement with Azerbaijan to facilitate oil, gas import

Pakistan and Azerbaijan will sign an inter-governmental agreement (IGA) to facilitate import of oil and gas products from the former Soviet nation after arrival of President Ilham Eliyev on Tuesday, said Petroleum Minister Shahid Khaqan Abbasi.

Deutsche Bank announces 8b euro rights issue and structural shake-up

Deutsche Bank is planning to raise capital, list its asset management business and realign its divisions as it seeks to reinvent itself after spending about two years dealing with past misdeeds and massive losses. The strategic revamp decided at a supervisory board meeting on Sunday follows a net loss of 1.4 billion euros last year and is part of the lender's push to draw a line under a string of scandals that have hammered its balance sheet since 2012. Deutsche plans to launch an 8 billion euro (\$8.5 billion) rights issue of 687.5 million new shares on March 20, it said on Sunday. Chief Executive John Cryan said the shares are likely to be priced at 11.65 euros, representing a 39 per cent discount to Friday's closing price of 19.14 euros.

UAE Islamic banking assets reach Dh520b

Saif Hadeef Al Shamsi, Assistant Governor for Monetary Policy and Financial Stability at the UAE Central Bank, has said that total Islamic banking assets in the UAE have increased to approximately Dh520 billion in the past few years. Al Shamsi added that Islamic banking's assets account for around 20 per cent of Dh2.6 trillion of the total assets of the state's banks, noting that there are seven Islamic banking and financial institutions operating in the country.

Gold holds near 3½-month high

Gold steadied on Monday near to the 3-1/2 month highs hit last week as investors waited for US President Donald Trump to outline plans for tax cuts, infrastructure spending, levies on imports and foreign policy. Spot gold rose 0.2 per cent to \$1,258.5 an ounce at 1443 GMT, having touched its highest since Nov 11 at \$1,260.10 on Friday. US gold futures rose 0.1pc to \$1,259.3. Trump is due to address Congress on Tuesday. Analysts also expect nervousness ahead of elections in the Netherlands, France and Germany to help to buoy gold prices over the course of this year but say that US interest rates are also important.

ARAMCO to invest \$7bn in Malaysian oil hub

Malaysian Prime Minister Najib Razak said on Monday that oil major Saudi Aramco will invest \$7 billion in a mammoth oil processing hub in Malaysia, making it the single largest investor in the Southeast Asian country. The announcement came on the second day of a visit by Saudi King Salman, who is on a multi-nation tour to boost economic ties with Asia. Najib said Aramco and Malaysia's national oil company Petronas, which is leading the project, will sign the agreement on Tuesday.

\$100m World Bank loan for Nepal reform plan

The World Bank has approved a \$100-million loan to help Nepal accelerate its medium-term reform programme for the financial sector and to reduce the vulnerability of the banking sector and increase its transparency. Nepal's medium-term programme for the financial sector focuses on reforms designed to place the financial sector on a sound foundation for the future, the bank said in a statement. Building on past gains, the Third Financial Sector Stability Credit will support four main policy areas -enhancing financial sector development; restructuring and consolidating the financial system; strengthening the legal and regulatory framework for crisis management, banking and insurance supervision

In India, a new banking system to reach the masses

At a furniture store outside India's capital, a salesman scans the manager's ID and takes her fingerprint on a biometric device attached to his cell phone. Within minutes, Meenakshi Sharma becomes eligible for an account with Paytm, joining the hundreds of thousands who have signed up to a payments banking system that is revolutionizing India's retail sector.

International News

Up-Coming Events Pakistan

Social Media Summit 2017

Date: 21st March, 2017

Venue: Arts Auditorium, University of Karachi

All Pakistan CPEC Youth Conference

Date: 26th March, 2017

Venue: Beach Luxury Hotel, Karachi

Up-Coming Events UAE

SME World Summit 2017

Date: 22nd March, 2017

Venue: Jumeirah Beach Hotel, Dubai

Gulf Print and Pack Exhibition 2017

Date: 26th March, 2017

Venue: Dubai



PAKISTAN STOCK EXCHANGE

as on 03rd March, 2017

Company Name	Closing Value	Volume
Adamjee Insurance	76.07	657,500
EFU General Insurance	156.71	266,400
IGI Insurance	369.70	779,600
Premier Insurance	19.02	2,500
Pak Reinsurance	57.62	268,000



CURRENCY EXCHANGE RATES

as on 06th March, 2017

Currency	Current Week	Last Week
U.S.Dollar	107.50	107.30
Euro	113.70	114.30
UK Pound Sterling	133.25	134.70
UAE Dirham	29.45	29.40



WEATHER FORECAST

as on 06th March, 2017

Karachi	28/20 ^o C	FAIR	
Islamabad	24/12 ^o C	PARTLY CLOUDY	
Lahore	28/15 ^o C	HAZE	