



**BUDGET 2018-19: A pleasant surprise for investors**

Stung by the federal budgets for the four preceding years, investors were overjoyed by the budget 2018-19, unveiled last Friday. Most listened with disbelief as the day old Finance Minister Miftah Ismail rolled out a long list of incentives and tax concessions for the capital markets. No one had really thought that the government would concede to some major demands such as the tapering off of the Corporate Income Tax Rate. Effective upcoming financial year 2018-19, the tax rate on companies, which currently stands at 30 percent, would be reduced by one per cent every year 25pc FY2023.

**Government earns Rs235bn from telecom in six months**

The government generated Rs235.5 billion revenue from the telecom sector during the first half of this fiscal year. Not only the heavy taxes on users of telecom services, the duty on rising imports of mobile phones also earned huge amount for the government during the period. The Economic Survey 2017-18, released recently, stated that imports of the telecom sector rose 13.8 per cent during first eight months of the outgoing fiscal year over the corresponding period last year.

**CPEC dominates transport sector**

Pakistan led South Asia in private infrastructure The 'transport and communication' (T&C) sector remained heavily influenced by projects related to China Pakistan Economic Corridor (CPEC) during the outgoing fiscal year with focus not only on building roads and improving the rail network but also on establishing new communication lines. Amongst the new initiatives in the sector includes the implementation of 820km long cross-border fibre optic project (Khunjerab-Rawalpindi) whose completion is expected in August 2018.

**Manufacturing powers on, autos lead the way**

The manufacturing sector witnessed 6.24 per cent growth on the back of stellar performance of large-scale manufacturing (LSM) during the first eight months of the current fiscal year as it touched its 11-year peak of 6.13pc. The industrial sector maintained its upward trajectory at 5.8pc the highest in last 10 years according to the Economic Survey 2017-2018 released on Thursday. The publication attributed growth in the manufacturing to ample liquidity in the banking system.

**SBP, forex dealers discuss steps to contain dollar's rise**

The State Bank of Pakistan (SBP) on Monday held an emergency meeting with the currency dealers to check rising dollar prices in the open market. The Exchange Companies Association of Pakistan (ECAP) in press statement state that it supported the SBP's the measures to improve dollar supplies to bring down dollar rates. Within a week, the dollar has appreciated by 2.2 per cent against the rupee. On Monday, the greenback traded between Rs118 and Rs118.30 in the kerb market. The dollar is selling around Rs2.70 higher compared to inter-bank market rates. High demand and short supply of dollar has been pushing up its rates in the open market. Dealers said general public is not selling their dollar holdings while the import of the currency has drastically reduced.

**US, China trade tensions a pressing concern for ASEAN: Singapore PM**

The International Monetary Fund urged central Singapore Prime Minister Lee Hsien Loong said on Saturday a mounting trade spat between the United States and China was one of the most pressing worries for Southeast Asian nations as their leaders echoed the concern over rising protectionism. Lee flagged his concerns in remarks made as he opened a summit of the 10-member Association of Southeast Asian Nations (ASEAN), for many of which the United States and China are the top two trading partners. "In particular, the recent trade tensions between the US and China are worrying concerns," he said. Singapore occupies the group's rotating chair for this year.

**Saudi Arabia issues new sukuk to finance budget**

Saudi Arabia said on Tuesday it has completed the issuance of a new Islamic sukuk sale to help finance its budget deficit as the kingdom accelerates borrowing despite rising oil prices. The finance ministry's debt management office said it raised \$1.3 billion from the sale of sukuk in three tranches maturing in five, seven and 10 years. This was the second sukuk sale this year following a \$4.8bn issue it completed last month. Last week, the kingdom also raised \$11bn in the sale of conventional bonds. In early March, it struck a deal to refinance a \$10bn loan and added another \$6bn to it.

**Merkel stresses free trade importance ahead of US visit**

German Chancellor Angela Merkel on Sunday stressed the importance of free trade and welcomed an agreement between the European Union and Mexico on a new trade pact just days before she heads to Washington for talks with President Donald Trump. US policy has become more protectionist under Trump, who during his election campaign blamed globalisation for ravaging American manufacturing jobs as companies sought to reduce labour costs by relocating elsewhere. In March he imposed tariffs on imports of steel and aluminium to protect US producers. Merkel is due to address contentious issues including trade when she meets Trump on Friday.

**Iran cryptocurrency project on track**

Pakistan is fast losing its investment-friendly image Iran has developed an experimental local cryptocurrency, a government minister said on Saturday, days after the country's central bank banned trading in digital currencies including bitcoin. Iran's central bank last week prohibited local banks from dealing in cryptocurrencies due to concerns about money-laundering as the country tries to halt a currency crisis ahead of a possible return of crippling sanctions. But Information and Com-munications Tech-nology Minister Mohammad Javad Azari Jahromi said the local project would not be affected.

**India to move WTO if US rejects tariff exemption**

The global economy is set to grow at a faster clip India would lodge a trade dispute against the United States at the World Trade Organi-sation if Washington does not grant it exemptions from higher tariffs on steel and aluminium, three government officials involved in trade talks told Reuters. India recently requested exemptions, arguing that its exports of these products to the United States did not create a security concern for a country with whom it has a strategic partnership that goes beyond trade. Three senior officials who did not want to be named said New Delhi would file a case citing discrimination with the WTO as a first course of action if the US did not grant the exemptions.

**Al Waleed's firm sells Movenpick Hotels to AccorHotels**

Prince Alwaleed Bin Talal's Kingdom Holding and its partners have agreed to sell Movenpick Hotels and Resorts to its associate firm AccorHotels. The deal is expected to close in the second half of 2018, Kingdom Holding said in a statement. Kingdom has a 5.7 per cent stake in Accor SA. AccorHotels said earlier it had agreed to buy rival Movenpick Hotels & Resorts for 560 million Swiss francs (\$567 million, Dh2,081 million), in a deal which Accor said would boost its earnings and marks the latest example of the French group's ambitious takeover strategy.

International News

## Up-Coming Events Pakistan

### Women's Achievement Award 2018

Date: 05th May, 2018

Venue: Karachi

### Digital Marketing Conference 2018

Date: 06th May, 2018

Venue: Arts Council, Karachi

## Up-Coming Events UAE

### Advanced Marketing Workshop

Date: 05th May, 2018

Venue: Ramada Jumeirah, Dubai

### The IIA's 2018 International Conference

Date: 06th May, 2018

Venue: Dubai



## PAKISTAN STOCK EXCHANGE

as on 27<sup>th</sup> April, 2018

Company Name	Closing Value	Volume
Adamjee Insurance	56.87	89,500
EFU General Insurance	134.62	100
IGI Insurance	305.38	1,000
Jubilee Gen Ins.	80.00	500
Pak Reinsurance	39.50	124,000



## CURRENCY EXCHANGE RATES

as on 30<sup>th</sup> April, 2018

Currency	Current Week	Last Week
U.S.Dollar	118.20	117.80
Euro	142.60	142.40
UK Pound Sterling	162.60	161.40
UAE Dirham	32.05	31.65



## WEATHER FORECAST

as on 30<sup>th</sup> April, 2018

Karachi	33/27 <sup>o</sup> C	FAIR	
Islamabad	38/24 <sup>o</sup> C	FAIR	
Lahore	42/26 <sup>o</sup> C	FAIR	