



The dynamics of pre-Eid withdrawals have evolved

As banking transactions become digitalised and the documentation drive gains steam, pre-Eid withdrawals from bank accounts no longer remain the hassle they were in the past. Back in 1990s and 2000s, there would be a substantial time lag between net pre-Eid withdrawals and their eventual return into the banking system. "The time lag still exists but it has narrowed. Whatever goes around comes around, a bit more speedily now. Prolonged cash holding is no longer an easy option as parking money in the parallel economy has become riskier.

GB presents Rs63.64bn budget

The Gilgit-Baltistan (GB) government on Thursday presented an annual budget of over Rs63.64 billion for 2018-19, allocating Rs31.64bn for non-development and Rs32.26bn for development schemes. The budget was presented by Senior Minister Akbar Taban in the GB Legislative Assembly session chaired by Deputy Speaker Jafarullah Khan. The overall budget has increased by 11 per cent from Rs54bn. Taban said that the Public Sector Development Programme has an outlay of more than Rs7.9bn and the development budget includes Rs6.59bn for education.

World Bank sees Pakistan growth slowing down next year

The World Bank has forecast Pakistan's economic growth in next fiscal year to slow down owing to higher than expected oil prices. Growth in the Pakistani economy is expected to slow to 5pc in 2018-19 from expected growth of 5.8pc in the outgoing fiscal year, reflecting tighter policies to improve macroeconomic stability, says the World Bank's Global Economic Prospects Report for 2018. Pakistan's GDP growth rose in 2017-18, supported by infrastructure projects funded by the China-Pakistan Economic Corridor (CPEC), improvements in energy supply, and persistent private consumption growth. The forecast for the next two years shows that growth in economy will remain at 5.4pc in 2019-20 and 2020-21.

Abraaj receives \$125m acquisition bid

Embattled Dubai-based private equity fund, Abraaj Capital, has received a bid of \$125 million from Cerebrus Capital Management to acquire its private equity business, according to a Wall Street Journal (WSJ) report. Earlier reports had said the deal "could be worth up to \$600m", but the final offer has reportedly come in much lower.

Digital banking growing at a rapid clip: SBP

Digital channels have been rapidly replacing paper based transactions as payments through Pakistan Real Time Interbank Settlement Mechanism in the third quarter of FY18 stood at Rs90.1 trillion against Rs38.8tr in paper based. The State Bank of Pakistan (SBP) on Monday issued Payment Systems Review January-March, 2018 providing details about the fast growth of digital transactions in the country. "Banking through digital channels has been gaining increasing popularity in the country in recent years," said the report. Commercial banks in Pakistan are expanding their infrastructure for supporting e-payment due to SBP's supportive policies. In January-March there were 14,850 bank branches reported by 45 banks and microfinance banks.

Profit repatriation from Pakistan rises to \$1.77bn in 10 months

Outflow of profits and dividends from the country has increased to \$1.773 billion in the first 10 months of FY18, State Bank of Pakistan (SBP) reported on Friday. The inflow of foreign investments is not much higher than the payments being made on them, thus creating a serious problem for the country as it struggles to contain its reserves.

Argentina and IMF agree on \$50bn loan

The International Monetary Fund (IMF) agreed with Argentina to a standby loan of \$50 billion over a three-year period, Finance Minister Nicolas Dujovne said on Thursday. "We have looked to the IMF to avoid a crisis," the minister told a news conference in Buenos Aires, adding there would be an "immediate" payment of \$15bn. "We are engaged in the construction of a normal country. It is support for our programme, with the goal of growing the economy and decreasing inflation and poverty," he said. The Argentine economy climbed 2.8 per cent in 2017, but growth slowed after a crisis of confidence that resulted in the loss of over \$10bn of central bank reserves and saw the peso plunge by nearly 20pc.

China pushes state banks into home rental market at their own risk

As property prices rocket across China, Beijing has appealed to the country's banks and insurers to help accelerate the development of rental markets as a way of making homes more affordable and rein in speculative sale markets. The big state banks have responded by pledging more than 3 trillion yuan (\$467 billion) in rental housing financing, including for real estate developers, leasing firms and tenants, according to Reuters calculations. The total value of the rental market was 1.3tr yuan last year. China Construction Bank Corp (CCB), the second-largest lender, is the most visible example of this trend, giving loans to renters at ultra-low interest rates with long repayment periods.

British taxpayer set to lose in \$3.5bn RBS sale

Britain is selling some of its stake in Royal Bank of Scotland for about 2.6 billion pounds (\$3.5bn), although it will realize a significant loss as it unwinds its holding and returns the bailed-out lender to private hands. The government said on Monday it would sell about 7.7 per cent of RBS, which was rescued in a 45.5bn pound bailout at the height of the 2008 financial crisis, reducing its overall stake to 62pc. Britain will make a loss on that investment, since the same number of shares was worth around 2bn pounds more when the government made its initial and largest capital injection into RBS, at a price of 502 pence.

Indian Prime Minister calls for unimpeded trade, access in Indo-Pacific, cautious on China

Indian Prime Minister Narendra Modi called for equal access at sea and in the air for all Asian countries at a major defence conference on Friday, but avoided singling out China's claims to the hotly contested South China Sea. Modi outlined his regional vision at the annual Shangri-la Dialogue in Singapore, attended by defence chiefs from over 40 countries, including US Defense Secretary Jim Mattis. The Indian leader's visit to Southeast Asia, which he described as the centre of a new era of cooperation in a region that spanned the coast of Africa to the US West Coast, comes amid growing unease about China's growing naval assertiveness.

Russia, Abu Dhabi agree to help balance energy market

Russia and Abu Dhabi on Friday signed a cooperation agreement to stabilise energy markets amid a rising trend in oil prices, the Kremlin said. The deal, signed by Russian President Vladimir Putin and Abu Dhabi Crown Prince Mohammed bin Zayed Al Nahyan, calls for both countries to maintain contacts "to ensure balance and stability on the world hydrocarbon market, taking into account the interests of producers and consumers". High oil prices are usually seen to be in the interest of producer countries, and lower prices in the interest of consumers. Russia and the Opec cartel of oil producers including the United Arab Emirates at the end of 2016 reached a deal to cut production following a glut that had sent prices crashing and the crude sector into disarray.

EU trade chief expects US import caps even if no tariffs

European Trade Commissioner Cecilia Malmström said on Tuesday she expected the United States to set a limit on steel and aluminum coming from Europe even if it decides not to impose import duties. US President Trump has set import tariffs of 25 per cent on steel and 10 percent on aluminum, but granted temporary exemptions to the European Union, as well as Canada and Mexico.

International News

Up-Coming Events Pakistan

Pakistan Poultry Dairy & Livestock Expo 2018

Date: 20th July, 2018

Venue: Karachi

Pakistan National Youth Conference & Educational Exhibition

Date: 11th August, 2018

Venue: Expo Center, Karachi

Up-Coming Events UAE

Invest Summit

Date: 24th July, 2018

Venue: Dubai

Business Development Training

Date: 19th August, 2018

Venue: Dubai



PAKISTAN STOCK EXCHANGE

as on 08th June, 2018

Company Name	Closing Value	Volume
Adamjee Insurance	50.45	797,000
EFU General Insurance	125.00	10,600
IGI Insurance	305.38	1,000
Jubilee Gen Ins.	79.00	1,500
Pak Reinsurance	33.00	5,000



CURRENCY EXCHANGE RATES

as on 11th June, 2018

Currency	Current Week	Last Week
U.S.Dollar	118.80	118.10
Euro	139.95	139.40
UK Pound Sterling	160.05	159.90
UAE Dirham	32.35	31.25



WEATHER FORECAST

as on 11th June, 2018

Karachi	33/29 ^o C	FAIR	
Islamabad	38/27 ^o C	FAIR	
Lahore	39/29 ^o C	FAIR	