



### China lends \$1bn to Pakistan to boost plummeting forex reserves

China has lent Pakistan \$1 billion to boost the South Asian country's plummeting foreign currency reserves, two sources in Pakistan's finance ministry told Reuters, amid growing speculation of another International Monetary Fund bailout. The latest loan highlights Islamabad's growing dependence on Chinese loans to buffer its foreign currency reserves, which plunged to \$9.66bn last week from \$16.4bn in May 2017. The lending is the outcome of negotiations for loans worth \$1-\$2bn that was first reported by Reuters in late May, the two sources told Reuters.

### Auto sector JV with \$100m Chinese investment signed

Changan Automobiles, China and Master Motors Ltd (MML) on Friday entered into a joint venture (JV) for the indigenisation of local automobile industry with a Chinese investment of \$100 million. Assistant President Changan Automobile and General Manager of Overseas Business Development Department, Wang Huanran and Chairman MML, Nadeem Malik signed the agreement. Mr Huanran said the company is excited to see the market potential in Pakistan as well as export opportunities.

### Government signs financial close for 660MW Lucky Power

The government on Monday declared the financial closing of the 660MW Lucky Electric Power Project on Thar coal with targeted commercial operations by end of March 2021. The documents of the financial closing were formally signed by Private Power & Infrastructure Board (PPIB) Managing Director Shah Jahan Mirza and Lucky Electric Coal Power Chief Executive Officer I. H. Haqqi. The signing ceremony was also witnessed by caretaker Minister for Energy, Barrister Syed Ali Zafar. The project will be located at Port Qasim near Karachi, and based on local coal from Thar.

### Government unveils draft policy for steel sector

The Ministry of Industries and Production has evolved a draft policy for steel sector development and sought feedback from relevant stakeholders before submitting to the cabinet for approval. The policy, which is considered to be the first one for the sector, was shared with all leading ministries including Federal Board of Revenue for seeking their input on the proposed measures to be offered to new players in the sector.

### Amnesty pulls in Rs80bn tax amid massive

With the curtain set to drop on the amnesty scheme by the end of the day (Saturday), nearly 5,000 people have filed returns declaring their foreign assets and deposited approximately Rs80 billion in taxes till June 28, Dawn has learnt through knowledgeable sources. However, the final amount is going to be much higher, since the sources confirm that more funds are in the pipeline based on payment slips issued. Multiple sources in the Federal Board of Revenue (FBR) revealed that the tax amnesty scheme announced by the Pakistan Muslim League-Nawaz government, which got off to a lackluster start, saw a surge of interest since the last hearing in the case.

### Devising new business rules for privatization

The Asian Development Bank (ADB) announced on June 20 that it had cancelled a loan of \$20 million approved primarily for the restructuring and privatization of state-owned enterprises (SOEs). Unable to manage the strategic sale of any major SOE and given the balance-of-payments' position, Islamabad probably thought it wise to save financial charges paid to the lender on the loan committed for it.

## International News

### Malaysia, Indonesia should repel EU pressure

Malaysian Prime Minister Mahathir Mohamad said on Friday Indonesia should join forces with his country to oppose pressure from Europe on the palm oil industry in the world's top two producers of the edible oil. Mahathir, speaking during a state visit to Indonesia, said the neighbors faced "similar problems" in the industry. "Our palm oil is threatened by Europe and we need to oppose them together," Mahathir told a joint news conference with Indonesian President Joko Widodo. The European Union is among the two countries' largest export markets for palm oil, but it has moved to curb its use to meet climate goals.

### Bahrain says Gulf allies to boost financial support

Bahrain said on Wednesday that its Gulf allies are to unveil a new support package to shore up its finances, which have been strained by seven years of persistent civil unrest. The kingdom's central bank intervened on Tuesday to defend the value of the dinar, promising to maintain its peg to the dollar against pressure on spot markets, London-based Capital Economics said. Investor confidence has been hit by the kingdom's difficulties in finding new creditors to finance its large budget deficit.

### Iran's leaders seek ways to defend economy from US sanctions

Iran is studying ways to keep exporting oil and other measures to counter US economic sanctions, state news agency IRNA reported on Saturday. Since last month, when US President Donald Trump pulled out of the nuclear which lifted most sanctions in 2015, the rial currency has dropped up to 40 per cent in value, prompting angry protests by bazaar traders usually loyal to the Islamist rulers. Speaking after three days of protests, Supreme leader Ayatollah Ali Khamenei said the US sanctions were aimed at turning Iranians against their government.

### Energy giant BP bets on electric car boom

British energy major BP on Thursday bought the nation's largest electric vehicle charging firm, as it bets on booming demand in the coming decades. The announcement mirrors similar moves by Anglo-Dutch rival Shell and France's Total to expand into the charging of electric vehicles (EVs) which experts forecast will surge in popularity. "BP announced that it has entered into an agreement to purchase Charge master, the UK's largest EV charging company," the London-listed group said in a statement, adding it would focus on ultra-fast charging that lasts ten minutes for a 100-mile (161-kilometre) range. The deal for an undisclosed amount will see BP expand its rapid charging network at the company's 1,200 petrol stations across Britain.

### Indian businessman seeks to sell \$2bn worth assets to repay creditors

Businessman Vijay Mallya, who is being pursued by Indian authorities over unpaid loans tied to his defunct Kingfisher Airlines, said on Tuesday he was trying to sell assets worth about 139bn rupees (\$2.04bn) to repay creditors. India has asked Britain to extradite Mallya to face trial after the liquor and aviation tycoon fled there in March 2016. The businessman said in a statement he and his UB Holdings Ltd filed an application on June 22 before a regional high court in India seeking permission to sell the assets that are under judicial supervision.

### Citigroup to refund \$335m to credit card customers

Citigroup is agreeing to refund \$335 million to a group of customers who may have been overpaying interest on their credit cards. In a settlement with the Consumer Financial Protection Bureau, Citi will refund 1.75m customers in overpaid interest by year-end. Earlier this year, Citi disclosed that it had used a flawed methodology in determining whether credit card customers were eligible for an interest rate reduction on their cards.

## 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



## PAKISTAN STOCK EXCHANGE

as on 29<sup>th</sup> June, 2018

Company Name	Closing Value	Volume
Adamjee Insurance	49.50	179,000
EFU General Insurance	144.13	30,200
IGI Insurance	305.38	1,000
Jubilee Gen Ins.	79.00	1,500
Pak Reinsurance	33.24	53,500



## CURRENCY EXCHANGE RATES

as on 02<sup>nd</sup> July, 2018

Currency	Current Week	Last Week
U.S.Dollar	124.50	122.50
Euro	144.00	142.00
UK Pound Sterling	164.00	162.00
UAE Dirham	33.90	32.25

## Up-Coming Events UAE

### Invest Summit

Date: 24th July, 2018

Venue: Dubai

### Business Development Training

Date: 19th August, 2018

Venue: Dubai



## WEATHER FORECAST

as on 02<sup>nd</sup> July, 2018

Karachi	33/29 <sup>o</sup> C	FAIR	
Islamabad	38/25 <sup>o</sup> C	FAIR	
Lahore	37/26 <sup>o</sup> C	FAIR	