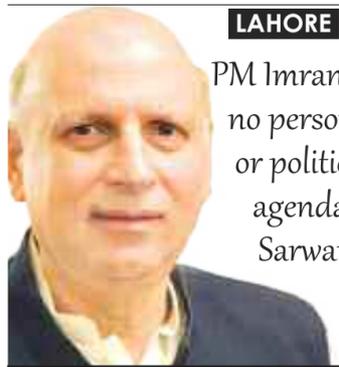


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PM Imran has no personal or political agenda: Sarwar

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100m US vaccines target will be met this week



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India should review its 'no talks policy': FM

From Our Staff Correspondent

ISLAMABAD: Foreign Minister Shah Mahmood Qureshi laid on Friday the responsibility to create an enabling environment for dialogue with Pakistan squarely on India.

In a statement issued, the foreign minister stated that, "Pakistan will not shy away from dialogue if India reviews its policy and expresses readiness for peaceful solution of all issues including [the] Kashmir dispute." The top diplomat also recalled that soon after Prime Minister Imran Khan took office, he offered to take two steps forward for peace with the neighbouring country if it [India] took one.

Qureshi further said that the re-enforcement of ceasefire agreement after

talks between the director generals of military operations of both the countries was a positive development. On Thursday, Chief of Army Staff (COAS) General Qamar Javed Bajwa spoke at the first-ever Islamabad Security Dialogue, talking about a wide range of internal and external issues.

During his address, the army chief said that stable Indo-Pak relations were a key to unlock the untapped potential of South and Central Asia by ensuring connectivity between East and West Asia. "This potential, however, has forever remained hostage to disputes and issues between two nuclear neighbours.

Kashmir dispute is obviously at the head of this problem," the Chief of the Army Staff (COAS) said, adding that.



MALAKAND: Prime Minister Imran Khan offers dua after inaugurating 3 tunnels on Swat Expressway.

■ Increase in electricity tariffs, sugar and wheat prices accounts for about 1½ percentage points increase in inflation

SBP keeps interest rate at seven percent

From Our Staff Correspondent

KARACHI: The State Bank of Pakistan (SBP) on Friday announced its bi-monthly monetary policy and decided to maintain its policy rate at seven percent, according to a statement issued by the SBP.

At its meeting on March 19, 2021, the Monetary Policy Committee (MPC) decided to maintain the policy rate at seven percent. The MPC noted that since the last meeting in January, growth and employment have continued to recover and business sentiment has further improved. While still modest, at around three percent, growth in FY21 is now projected to be higher than previously anticipated due to improved prospects for manufacturing and reflecting in part the monetary and fiscal stimulus provided during Covid.

Recent inflation out-turns have been volatile, with the lowest reading on headline inflation in more than two years in January 2021 followed by a sharp rise in February. According to SBP estimates, the recent increase in electricity tariffs and sugar and wheat prices accounts for about 1½ percentage points of three percentage point increase in inflation between the January and February out-turns. The recent increase in electricity prices will continue to manifest in headline numbers in com-

ing months, keeping average inflation in FY21 close to the upper end of the previously announced range of 7-9 percent

While noting that the recent increase in inflation is primarily due to supply-side factors, the MPC also highlighted that the output gap is still estimated to be negative, core inflation continues to be relatively subdued, and inflation expectations—while drifting up somewhat due to the recent increase in headline inflation numbers—are still well-anchored. Looking ahead, as the temporary increase in inflation from administered prices wanes, inflation should fall to the 5-7 percent target range over the medium-term.

Given this underlying inflation trajectory, the MPC felt that the existing accommodative stance of monetary policy remained appropriate to support the recovery while keeping inflation expectations well-anchored and maintaining financial stability. From a policy mix perspective as well, given that fiscal policy is expected to remain contractionary to reduce public debt, the MPC noted that it was important for monetary policy to be supportive as long as second-round effects of recent increases in administered prices and other one-off supply shocks do not materialize and inflation expectations remain well anchored.

The MPC also took note of the uncer-

tainty around the inflation and growth outlook. On the growth front, the MPC noted that despite recent momentum, risks remain due to the emergence of a third, more virulent wave of Covid in Pakistan just as the vaccine roll-out is beginning. In terms of the inflation outlook, this summer's wage negotiations and any new tax measures in the next year's budget could add further supply-side shocks.

In addition, optimism about a stronger US-led world recovery this year is translating into higher international commodity prices, including both food and oil, which could continue to feed into domestic inflation. These trends in the outlook for inflation and growth will need to be carefully monitored. In the absence of unforeseen developments, the MPC expects monetary policy settings to remain broadly unchanged in the near term. As the recovery becomes more durable and the economy returns to full capacity, the MPC expects any adjustments in the policy rate to be measured and gradual to achieve mildly positive real interest rates.

The MPC considered key trends and prospects in the real, external and fiscal sectors, and the resulting outlook for monetary conditions and inflation.

Real sector: The economic recovery underway since last summer continues,

Continued on Back Page

PSX buoyant amid SBP status quo bets

From Our Staff Correspondent

KARACHI: The Pakistan Stock Exchange (PSX) shed the gloom of previous session as the index rose to 177 points on bets of status quo in the monetary policy and closed near the 45,000-point mark.

The market kicked off trading on a positive note as investors looked for those shares for value buying that had turned pretty attractive after massive selling on Thursday.

The State Bank of Pakistan (SBP) was set to announce the monetary policy towards the end of the session, where most believed the policy rate would be kept unchanged at seven percent.

Later, in line with market expectations, the central bank maintained the status quo and left the benchmark interest rate unchanged at 7% for the next two months. The market, however, saw choppy trading due to rising coronavirus cases and political noise in the country. There was also nervousness over the decline in oil prices in the international market, which fell by the most since 2020 on growing worries about rising Covid-19 cases in Europe and the strengthening dollar.

The stock market kicked off trading on a positive note and remained in the green for most of the first session. However, it receded after trading resumed in the second half, and the

Cement export down over 5pc, at \$183.198m

ISLAMABAD: The exports of cement from the country witnessed a decrease of 5.53 percent during the eight months of financial year 2020-21, against the exports of the corresponding period of last year.

The cement exports from the country were recorded at \$183.198m during July-Feb (2020-21) against the exports of \$193.924m during July-Feb (2019-20), according to the PBS. In terms of quantity, the exports of cement however increased by 6.09 percent by going up from 5,156,063 metric tons to 5,469,953 metric tons, according to the data.

Meanwhile, on year-to-year basis, the exports of cement also decreased by 17.93 percent during the

month of February 2021 as compared to the same month of last year. The exports of cement from the country during February 2021 were recorded at \$19.525 million against the exports of \$23.791 million in February 2020.

On month-on-month basis, the exports of cement dipped by 5.90 percent during February 2021 when compared to the exports of \$20.749 million in January 2021, the PBS data revealed. It is pertinent to mention here that the overall merchandise exports from the country increased by 4.29 percent during the first eight months of the current fiscal year (2020-21) as compared to the corresponding period of last year. —APP

Govt to withdraw income tax exemption of Rs140b

The Business Report

ISLAMABAD: Fulfilling yet another condition of the International Monetary Fund (IMF), Pakistan Tehreek-e-Insaf (PTI) gov't on Friday decided to abolish income tax exemption of Rs 140 billion.

The government has decided to abolish 140 billion income tax exemptions for which a presidential ordinance has also been approved. The federal cabinet has approved to bring the ordinance through summary circulation. According to sources, the procedure for bringing the Presidential Ordinance has been completed while the bill was not passed by the Parliament due to lack of time.

FPCCI 'No' end to tax exemption from Modaraba sector

The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) President, Mian Nasser Hyatt Magoos has said that end to tax exemp-

tions available to the non-banking finance institutions (NBFI) and Modaraba will badly affect them.

The FPCCI chief was referring to the bill submitted by the Federal Board of Revenue (FBR) to the National Assembly Secretariat suggesting amendments in the Income Tax for withdrawal of tax exemptions available under clause 100 of Second Schedule of Income Tax Ordinance, 2001 to the NBFI and Modaraba. The tax exemption is provided in Section 37 of the Modaraba Companies and Modaraba (Floatation and Control), Ordinance 1980. He further informed that NBFIs and Modaraba sector have vast outreach, facilitating SMEs where the commercial sector seems weak.

While the incentives and various concessionary schemes of SBP that are available to other sectors, the NBFI and Modaraba sector may not receive them

being regulated by the SECP. He said that NBFI and Modaraba Association is also opposing proposed amendments in the Second Schedule of Income Tax Ordinance 2001. The amendment will not bring any upward change in the revenue collection but will disturb the services and development of this sector, he suggested.

The president FPCCI said the exemptions available to the Modaraba sector are granted through the law for which this sector is opposing and may not be changed or over-ridden by any subsequent finance bill. He informed that at present nearly 26 Modaraba, other than one manufacturing Modaraba, are operational with equity of about Rs20 billion and assets base of over Rs40 billion, facilitating nearly 90,000 small and medium shareholders. Magoos said that the proposed withdrawal of tax exemption of clause 100 will damage the progress of NBFIs and

Gold price up by Rs600 to Rs107,200 per tola

From Our Staff Correspondent

KARACHI: The price of 24 karat per tola gold increased by Rs600 on Friday and was traded at Rs107,200 against its sale at Rs106,600, Karachi Sarafa Association reported.

The price of 10 gram 24 karat gold also increased by Rs515 and was traded at Rs91,907 against Rs91,392 whereas the prices of ten gram 22 karat gold went up to Rs84,248 from Rs83,776. The price of per tola and ten gram silver remained constant at Rs1370 and Rs1174.55 respectively. The gold price in the international market increased by Rs2 and was traded at Rs1737 against its sale at \$1735, the association added.

Air Marshal Zaheer Babar takes charge

From Our Staff Correspondent

ISLAMABAD: Air Marshal Zaheer Ahmed Babar Sidhu on Friday has taken charge as the new Air Chief of Pakistan Air Force (PAF) at an impressive change of command ceremony in Islamabad.

On the occasion, outgoing Air Chief Mujahid Anwar Khan pinned badges on the new air chief and presented him the command sword. The outgoing air chief also reviewed guard of honor while a formation of JF-17 fighter jets presented salute to him.

In his farewell address, outgoing Air Chief Mujahid Anwar Khan said serving Pakistan Air Force over four decades has been a privilege, honor and a matter of immense satisfaction for him. He said the PAF is a strong element of national defense and pride of the nation. The outgoing Air Chief said the air force once again lived up to the expectations of the nation and proved to be guardians of blue skies in the operation Swift Retort. He said our response was timely and well calibrated which kept the adversary at bay.

Mujahid Anwar Khan said despite testing times, the PAF has made great strides on its journey to excellence and continued transformation for the Next Generation Air Force 2047. He said our vision requires relentless pursuit in the years and decades to come.

Congratulating Zaheer Ahmed Babar Sidhu on his appointment as the Air Chief, Mujahid Anwar Khan said his successor is a sound professional with extraordinary leadership qualities. He expressed the confidence that during his tenure, the PAF will scale to new heights of excellence.

If we had to fight in House, why PDM formed: Fazl

From Our Staff Correspondent

ISLAMABAD: JUI-F chief Maulana Fazlur Rehman on Friday said that a choice has to be made; the Opposition has to either choose the masses or the assemblies.

The PDM chief was referring to the deadlock between nine Opposition parties of the PDM and the PPP over the issue of resignations from assemblies. "Allah has made us sensible. If we are unable to understand what is beneficial or harmful for us, then we should not do politics," said Fazl.

The JUI-F chief said he is expecting a "positive response" from the PPP when its Central Executive Committee (CEC) meeting takes place to decide on the issue of resignations. Fazl said he had suggested — during the PDM meeting held on Tuesday — that during the first phase, Opposition lawmakers should resign from the National Assembly.

"I recommended resigning from the provincial assemblies in the second phase [of the movement]," he said. "The recommendation was for [Opposition lawmakers] to resign from the Sindh Assembly in the very end," he added. The JUI-F chief stressed there was no other option other than a protest movement against the gov't.



ISLAMABAD: SAPM Dr Sania Nishtar and Federal Minister Muhammad Hammad Azhar witness the deployment of Ehsaas targeted subsidy pilot at the Sector G-9 Utility Store.

Govt promoting tech edu, IT sector for growth, jobs: PM

PESHAWAR: Prime Minister Imran Khan here Friday said the government was working for the promotion of technical education and information technology to ensure sustainable economic growth which would ultimately help generate more jobs and empower country's youth.

Addressing the inauguration function of new block at Malakand University, the Prime Minister said developed nations' success was attributed to their priorities they accorded to quality education, research and knowledge based economy and that is why his government was investing on human resource development for rapid economic growth and

generate more employment opportunities.

He said NUML University was providing quality education to thousands of aspiring students and hoped it would soon become on a par with the Oxford University. Al Qadir University would be completed by this September and it would also become a hub of quality education and research works, he added. The Prime Minister said the country's wealth had been stolen for the past 30 years and its plunderers had either taken shelter in hospitals or fled away abroad to escape accountability.

Happiness, he remarked, could only be achieved by following the

right path and serving people with dedication and commitment.

PM visits Swat Expressway; inaugurates three new tunnels

Prime Minister Imran Khan on Friday visited state-of-the-art Swat Expressway where he inaugurated three newly constructed tunnels in it.

Flanked by Federal Minister for Communication and Works Murad Saeed, the Prime Minister was welcomed by Governor Khyber Pakhtunkhwa Shah Farman, Chief Minister Mahmood Khan and Director General FWO Maj Gen Kamal Azfar. DG FWO briefed the PM about salient features of the project and said that the 80 kilometers long express-