



Towel Manufacturers' Association of Pakistan

Wednesday
18th June 2025

NEWS TODAY

Latest News Updates

Zilhaj 21,
1446 A.H

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**BUSINESS
RECORDER**
— PAKISTAN'S PREMIER FINANCIAL DAILY —

SHORT ON COMMITMENT WITH SNGPL

ISLAMABAD: Pakistan's power sector consumed 28 percent less Regasified Liquefied Natural Gas (RLNG) in June 2025 compared to its committed volumes with Sui Northern Gas Pipelines Limited (SNGPL), creating operational and financial challenges for the gas supplier, sources told Business Recorder.

JULY-MAY C/A POSTS \$1.8BN SURPLUS

KARACHI: Pakistan's current account recorded a surplus of \$1.8 billion during the first 11 months of the current fiscal year (FY25), largely supported by robust inflows of workers' remittances.

APR LSMI OUTPUT GROWS 2.29PC YOY

ISLAMABAD: The large-scale manufacturing Industries (LSMI) of the country has registered an increase of 2.29 percent in April 2025 to 108.37 compared to last year's 105.93, the LSMI data released here on Tuesday by the Pakistan Bureau of Statistics (PBS) revealed.

GOVT UNVEILS REVISED TAX FRAUD PUNISHMENT PROCEDURE

ISLAMABAD: Finance Minister Muhammad Aurangzeb, Wednesday, presented revised procedure for penalty, arrest and imprisonment to the persons committing tax fraud with new safeguards for the business community to avoid misuse of powers by the Federal Board of Revenue (FBR).

WAR INSURANCE COSTS TO ISRAEL SOAR AFTER IRANIAN ATTACKS

LONDON: War risk insurance premiums for shipments to Israel are as much as three times higher than a week ago as the war between Israel and Iran entered its fifth day, industry sources said on Tuesday.

THE RUPEE PKR: MARGINAL DECLINE

KARACHI: The Pakistani rupee registered marginal decline against the US dollar, depreciating 0.08% in the interbank market on Tuesday.

PML-N SENATOR REJECTS FEDERAL BUDGET, SLAMS POWERS PROPOSED FOR FBR OFFICERS

ISLAMABAD: A treasury senator from Pakistan Muslim League Nawaz (PML-N) has handed an outright rejection to the proposed federal budget while slamming as coercive, the powers proposed for the officers of Federal Board of Revenue (FBR) in the budget draft, which, according to her, would lead to more corruption.

GOLD PRICES LOSE FURTHER GROUND

KARACHI: Gold prices declined further on Tuesday, reflecting the ongoing fall in the world bullion market that reached under \$3,400 per ounce, traders said..

FPCCI CONCERNED OVER NEW TAXATION STEPS

KARACHI: The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) has voiced serious concerns over the newly introduced taxation measures under the FBR framework, warning that the imbalanced reforms could erode business confidence and pose a threat to the country's economic growth.

MODEST ACTIVITY ON COTTON MARKET

LAHORE: The local cotton market on Tuesday remained steady and the trading volume remained satisfactory.

MARKETS.COTTON & TEXTILE

KARACHI: official KCA spot rates for local dealings in Pakistan rupees on Tuesday, (June 17, 2025)

RATE FOR	EX-GIN PRICE	UPCOUNTRY EXPENSES	SPOT RATE EX-KARACHI	SPOT RATE EX,KHI, AS ON 16.06.25	DIFFERENCE EX-KARACHI IN RUPEES
37.324 KG Equivalent	16,500	285	16,785	16,785	Nil
40 kgs	17,683	305	17,988	17,988	Nil

RECIPROCAL TARIFFS

Aurangzeb holds virtual meeting with US Commerce Secy

ISLAMABAD: Finance Minister Senator Muhammad Aurangzeb held a virtual meeting with US Commerce Secretary on US reciprocal tariffs



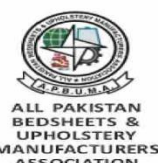
Rationalization of advance tax is must for boosting exports
**PREVIOUS BUDGETARY ANOMALY STILL
REMAINS UNADDRESSED**
2% advance tax on export proceeds is
discouraging the exporters

Currently, export proceeds are simultaneously
subjected to deduction of advance tax
u/s 154 and 147. Whereas, local
supplies are liable to payment
of 1% advance tax.

THIS DISCRIMINATORY TREATMENT
is against the principles of equity
and justice

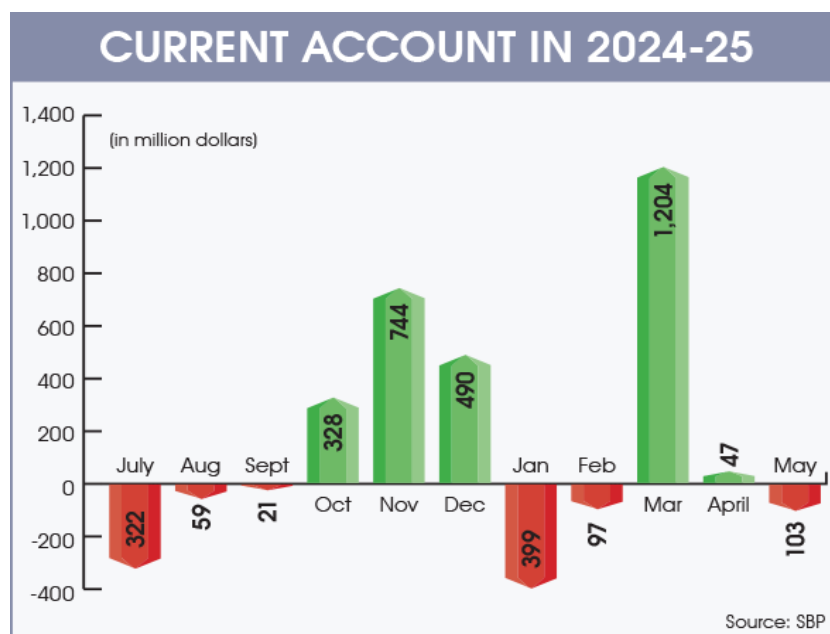
We humbly request
**IMMEDIATE ATTENTION AND RESOLUTION
OF THIS ANOMALY**
making exports at par with local supplies
in respect of income tax

**Unlock the export potential -
Maximize the export-led growth**



CURRENT ACCOUNT NEGATIVE AFTER TWO MONTHS

KARACHI: Due to the widening trade gap and higher external debt servicing, the country posted a current account deficit (CAD) of \$103 million in May compared to a \$47m surplus in the preceding month and \$1.2bn in March.



BIG INDUSTRY GROWS 2.3PC IN APRIL

ISLAMABAD: The Large-Scale Manufacturing (LSM) sector recorded a modest growth of 2.29 per cent in April compared to the same month last year, according to data released by the Pakistan Bureau of Statistics on Tuesday.

PAKISTAN, US HOLD ANOTHER ROUND OF TARIFF TALKS

ISLAMABAD: Pakistan and the United States held a second round of negotiations on reciprocal tariffs on Tuesday, seeking to finalise a trade deal amid American concerns over Pakistan's \$3 billion trade surplus.

SURVEY AGAIN RANKS KARACHI AMONG WORLD'S 'LEAST LIVEABLE' CITIES

KARACHI: The metropolis once again ranked in the bottom five of the world's 'least liveable cities' in a global survey, Dawn.com reported.

KARACHI CONTINUES TO SIMMER AT OVER 40°C

KARACHI: Persisting heat, high humidity and the absence of sea breeze kept citizens on the edge on Tuesday as mercury crossed 40-degree Celsius mark in parts of the metropolis.

INTERNATIONAL THE NEWS

NA BODY REJECTS 18% SOLAR PANEL TAX AMID IMF PRESSURE

Solar is not luxury, it's necessity, we won't allow taxation that discourages clean energy, says Naveed Qamar

ISLAMABAD: Pakistan's NA finance committee rejected a controversial proposal to impose an 18 percent sales tax on solar panels, the revenue drive by tax authorities attempting to meet IMF-backed fiscal targets.

PAKISTAN'S FACTORY OUTPUT RISES 2.3% IN APRIL, BUT 10-MONTH TREND STILL NEGATIVE

Textiles output surges by 7.9%, automobiles by 60.2%, leather products increased by 1.8%, and pharmaceuticals 7.5%

ISLAMABAD: Pakistan's large-scale manufacturing sector expanded by 2.29 per cent in April 2025 compared to the same month last year, according to official data released Tuesday, offering a glimmer of growth even as the broader industrial landscape remains under pressure.



EFP HOSTS 5TH WOMEN EMPOWERMENT AND GENDER EQUALITY AWARDS

To promote women's empowerment and gender equality in the workplace, the Employers' Federation of Pakistan (EFP) organised the 5th Women Empowerment and Gender Equality Awards at a local hotel on Tuesday.

CURRENT ACCOUNT TURNS NEGATIVE IN MAY AS IMPORTS RISE

KARACHI: Pakistan's current account fell into deficit in May, reversing the small surplus posted in the previous month as higher imports offset the rise in remittances. The current account turned into a \$103 million deficit in May from a \$47 million surplus in April, data released by the State Bank of Pakistan showed on Tuesday. The country reported a shortfall of \$235 million in May 2024.



PAKISTAN'S SOLAR SURGE LIFTS IT INTO RAREFIED 25% CLUB

LITTLETON: Pakistan is rapidly emerging as a key leader in solar power deployment, and not just within emerging economies. The South Asian country has boosted solar electricity generation by over three times the global average so far this year, fuelled by a more than fivefold rise in solar capacity imports since 2022, according to data from Ember.



FDI FALLS 8% TO \$1.97BN IN JULY-MAY



KARACHI: Pakistan's net foreign direct investment (FDI) dropped 8.0 per cent to \$1.979 billion in 11 months of the current fiscal year, the central bank data showed on Monday. The country saw an FDI inflow of \$193.9 million in May, marking a 37 per cent decrease compared to the same month last year. However, there was a significant increase of 38 per cent in investments compared to the previous month.

REER INDEX DEPRECIATES TO 97.8 IN MAY

KARACHI: Pakistan's real effective exchange rate (REER) fell to 97.8 in May, down from 99.3 in the previous month, data from the State Bank of Pakistan (SBP) showed on Tuesday. Both the Pakistani rupee's depreciation and lower inflation compared to trading partners have contributed to the decline in the REER index in recent months, according to Optimus Capital Management in a brief note.



SITE ASSOCIATION CRITICISES SBP'S DECISION TO HOLD POLICY RATE AT 11PC

KARACHI: The SITE Association of Industry has voiced strong disappointment over the State Bank of Pakistan's (SBP) decision to maintain the policy rate at 11 per cent in its latest monetary policy announcement.

EXPORTERS WARN BUDGET MEASURES THREATEN \$11BN VALUE-ADDED SECTOR

LAHORE: Pakistan's \$11 billion value-added export industry -- contributing nearly one-third of the country's total exports -- has issued an urgent appeal to Prime Minister Shehbaz Sharif, warning that recent budgetary measures risk derailing the sector at a critical juncture.



PROLONGED ISRAEL-IRAN CONFLICT COULD DERAIL PAKISTAN'S ECONOMIC STABILITY

LAHORE: If the Israel-Iran conflict continues and global oil and shipping prices remain elevated, Pakistan's economy could face significant external shocks.

GOLD PRICES DROP RS1,000 PER TOLA

KARACHI: Gold prices fell by Rs1,000 per tola on Tuesday in the local market following a decline in international rates.



TAXES ON HYBRID CARS, SOLAR PANELS BEING WITHDRAWN



ISLAMABAD: The National Assembly Standing Committee on Finance on Tuesday unanimously rejected the proposed 18% sales tax on the import of solar panels, while the government also announced the withdrawal of another controversial measure to increase sales tax on hybrid vehicles, reversing both the anti-environment initiatives.

KARACHI AMONG WORLD'S 'LEAST LIVEABLE CITIES' IN GLOBAL INDEX

Karachi has once again been ranked among the five least liveable cities in the world, according to the Economist Intelligence Unit (EIU), an affiliate of The Economist.

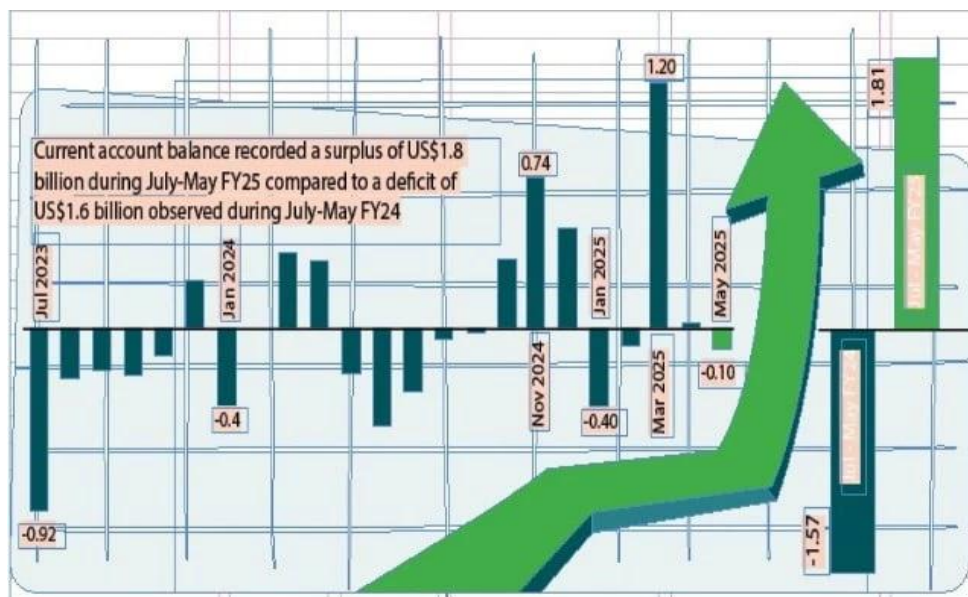
GST HIKE FEARED TO HIT AUTO SALES

ISLAMABAD: Pak Suzuki Motor Company has cautioned the government that the proposed increase in general sales tax (GST) in the budget for fiscal year 2025-26

C/A SLIPS BACK INTO \$103M DEFICIT

Remittances offset trade gap, but gains remain fragile amid FDI drop, oil risks

KARACHI: Pakistan recorded a current account deficit of \$103 million in May 2025, narrowing from a deficit of \$235 million in the same month last year but reversing the \$47 million surplus seen in April 2025.



SOLAR PANEL, HYBRID CAR TAX REJECTED

Finance body rejects 18% tax on solar imports; hybrid vehicle tax hike withdrawn

ISLAMABAD: A National Assembly panel on Tuesday unanimously rejected the 18% sales tax on solar panel imports, while the government announced it would withdraw another controversial proposal to increase in sales tax on hybrid vehicles

HCSTSI SLAMS FBR ARREST POWERS IN BUDGET

Hyderabad traders call new tax law clause 'draconian' and 'economic terrorism'

KARACHI: Hyderabad Chamber of Small Traders & Small Industry (HCSTSI) Acting President Ahmed Idrees Chohan has strongly condemned the inclusion of a new Section 37AA in the Sales Tax Act under the Federal Budget 2025-26.

PM ASKED TO SAVE VALUE-ADDED SECTOR

LAHORE: Pakistan's \$11 billion export-oriented value-added industry, which contributes nearly one-third of total exports, has issued a strong SOS appeal to Prime Minister Shehbaz Sharif, saying that recent budgetary measures are set to derail export-focused sectors at a critical time.

Thanks & Regards,

T.M.A