

April 19, 2023

# Morning Briefing

## Economy

**Pakistan shares revised financing plan with IMF**

**Economy | Neutral**

Pakistan has shared its revised external financing plan to bridge the gap of \$5 to \$6 billion by the end of June 2023 and requested the IMF to strike a staff-level agreement as early as possible. (The News) | [Click for more info.](#)

**Trade deficit decreases by 60.22% YoY in March**

**Economy | Positive**

Pakistan's merchandise trade deficit for the month of March 2023 clocked in at \$1.44 billion compared to a deficit of \$3.63bn in March 2022, plummeting by 60.22% YoY while on a sequential basis, the deficit shrank by 21.65% MoM from \$1.84bn in February 2023, the revised data for March issued by Pakistan Bureau of Statistics (PBS) showed. (Mettis) | [Click for more info.](#)

**Rupee gains ground against dollar**

**Economy | Neutral**

In the interbank market, the local unit ended at 283.90 per dollar, compared with Monday's close of 284.71. It appreciated by 81 paisas or 0.29 percent during the day. The domestic currency rose 1 rupee to close at 288 per dollar in the open market. (The News) | [Click for more info.](#)

## Oil & Gas

**Oil import bill drops by over 11 percent to \$13.08 billion in nine months**

**Economy | Neutral**

Pakistan's oil import bill has dropped by over 11 percent in nine months (July to March) of the current fiscal year mainly due to the slowdown in economic activities in the country. (Nation) | [Click for more info.](#)

## Power

**Imported coal-fired IPPs; PMO seeks update on capacity payment deduction issue**

**IPPs | Neutral**

Prime Minister Office (PMO) has sought update on capacity payments deduction issue between Chinese coal-fired IPPs and Central Power Purchasing Agency-Guaranteed (CCPA-G), well informed sources told. (BR) | [Click for more info.](#)

**Nepra bars Discos from imposing Rs6.385bn additional charges**

**Discos | Neutral**

The National Electric Power Regulatory Authority (Nepra) has barred state-run power distribution companies (Discos) from passing on a burden of Rs6.385 billion to consumers through their April bills. (The News) | [Click for more info.](#)

**Power firms ignore govt call to utilise locally produced furnace oil**

**Power | Neutral**

Domestically produced stocks of furnace oil (FO) in the country have surpassed 480,000 tonnes, as power generation companies remain hesitant to utilise them, despite government instructions to reduce reliance on imported fuel by using the domestic stockpile. (The News) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	26,556.3	26,678.5	122.2	0.5%
KSE100	40,246.7	40,448.1	201.4	0.5%
KSE30	14,992.4	15,080.4	88.1	0.6%
KMI30	70,042.2	70,384.8	342.6	0.5%

### Top Five Gainers

	Open	Close	Chg.	%
NESTLE	5,250.0	5,350.0	100.0	1.9%
SFL	968.9	1,040.6	71.8	7.4%
PAKT	622.6	650.0	27.4	4.4%
BATA	1,760.0	1,780.0	20.0	1.1%
ENGRO	275.8	285.2	9.4	3.4%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
KEL	2.0	2.0	0.0	3.53
WTL	1.2	1.2	0.0	3.32
HASCOL	5.7	5.6	-0.2	2.76
AGHA	11.8	11.9	0.1	2.72
DATM	4.4	5.0	0.6	2.60

### Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.46	-0.06	0.41
O/S Pakistanies	0.43	-0.37	0.06
<b>Net</b>	<b>0.90</b>	<b>-0.43</b>	<b>0.47</b>
LIPI			
Individuals	8.62	-6.26	2.36
Companies	1.02	-3.38	-2.35
Comm. Banks	0.88	-0.55	0.32
NBFC	0.01	0.00	0.01
Mutual Funds	0.26	-1.14	-0.88
Other	0.28	-0.01	0.27
Brokers Proprietary	2.11	-2.22	-0.11
Insurance	0.04	-0.12	-0.07
<b>Net</b>	<b>13.22</b>	<b>-13.68</b>	<b>-0.47</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	80.90	0.1%
Brent oil	USD/bbl.	84.45	-0.5%
Gold	USD/t oz.	2004.93	0.5%
Silver	USD/t oz.	25.21	0.8%
Coal	USD/ton	126.50	-0.1%
Steel Scrap (LME)	USD/ton	427.00	-0.7%
Steel Rebar (LME)	USD/ton	684.00	0.4%
USD/PKR	Interbank	8.26	-0.5%

News Source: Local / Int'l Newspapers and websites

Research Team

[research@abaalihabib.com](mailto:research@abaalihabib.com)

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## Miscellaneous

**Pakistan-Iran trade volume exceeds \$2bn mark**

**Economy | Positive**

For the first time in the history of Pakistan-Iran economic relations, the volume of bilateral trade exceeded \$2 billion. (BR) | [Click for more info.](#)

**TOMCL to export pet food to Canada**

**TOMCL | Positive**

The Organic Meat Company Ltd (TOMCL) on Tuesday successfully secured the required approvals to export “pet chews” to Canada and meat products to Uzbekistan. According to the Pakistan Bureau of Statistics (PBS), the country’s overall meat and meat preparation exports soared to 69,072 tonnes (\$302 million) during 9MFY23 as compared to 56,397 tonnes (\$249m) in the same period last fiscal year. (Dawn) | [Click for more info.](#)

**Exports of textiles dip 22.61pc in March**

**Textile | Negative**

Textiles and clothing exports fell 12.42 per cent year-on-year to \$12.47 billion in the first nine months of the current fiscal year. The exports recorded a steep decline of 22.61pc to \$1.26bn in March from \$1.62bn in the corresponding month of last year. However, on a month-on-month basis, textile exports rose 6.6pc. (Dawn) | [Click for more info.](#)

**Cigarette industry; FBR seeks to generate extra Rs185bn revenue thru FED, GST**

**PAKT, KHTC | Neutral**

The Federal Board of Revenue (FBR) has estimated to generate additional revenue of around Rs185 billion through federal excise duty/sales tax from cigarette industry during 2023. (BR) | [Click for more info.](#)

**Wheat production estimated to fall short by 2m tonnes**

**Food | Negative**

Pakistan is estimated to produce 26.81 million tonnes of wheat during the ongoing Rabi season against the target of 28.4 million tonnes. While production will be below the target, the area under wheat cultivation also reduced from 9.3 million hectares to 9.1 million hectares. (Dawn) | [Click for more info.](#)

## Political News

**Petition filed in SC for Alvi’s removal**

A petition was filed in the Supreme Court on Tuesday to dismiss President Arif Alvi from office, stating the president was no longer “eligible for the post” as he toed PTI’s line. (The News) | [Click for more info.](#)

**Defence ministry moves SC for polls across country on same date**

In a fresh development, the Ministry of Defence Tuesday moved the Supreme Court seeking elections across the country on the same date. (The News) | [Click for more info.](#)

## World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	40,448.1	201.39	0.50%
KSA - Tadawul	11,163.6	131.00	1.19%
INDONESIA - IDX	6,821.8	34.23	0.50%
CHINA - Shanghai	3,393.3	7.72	0.23%
US - S&P 500	4,154.9	3.55	0.09%
US - Dow 30	33,976.6	-10.55	-0.03%
PHILP - PSEi	6,464.7	-40.90	-0.63%
Taiwan - TWII	15,869.4	-94.11	-0.59%
HK - Hang Seng	20,650.5	-131.94	-0.63%
INDIA - SENSEX	59,727.0	-183.74	-0.31%

## Board Meetings

Scrp	Day	Agenda	Time
JSGCL	Wednesday	1Q A/c as of 31-Mar-23	9:30 AM
BERG	Wednesday	3Q A/c as of 31-Mar-23	10:00 AM
ISL	Wednesday	3Q A/c as of 31-Mar-23	10:00 AM
SILK	Wednesday	Multiple Periods	10:00 AM
DINT	Wednesday	3Q A/c as of 31-Mar-23	10:30 AM
ENGRO	Wednesday	1Q A/c as of 31-Mar-23	10:30 AM
FCCL	Wednesday	3Q A/c as of 31-Mar-23	10:30 AM
DGKC	Wednesday	3Q A/c as of 31-Mar-23	11:00 AM
ISIL	Wednesday	3Q A/c as of 31-Mar-23	11:00 AM
KHYT	Wednesday	3Q A/c as of 31-Mar-23	11:00 AM
MDTL	Wednesday	3Q A/c as of 31-Mar-23	11:00 AM
PRL	Wednesday	3Q A/c as of 31-Mar-23	11:00 AM
RUBY	Wednesday	3Q A/c as of 31-Mar-23	11:00 AM
BCL	Wednesday	3Q A/c as of 31-Mar-23	11:15 AM
BNWM	Wednesday	3Q A/c as of 31-Mar-23	11:30 AM
BATA	Wednesday	1Q A/c as of 31-Mar-23	11:30 AM
INKL	Wednesday	3Q A/c as of 31-Mar-23	12:00 PM
SAPL	Wednesday	Ann A/c as of 31-Dec-22	12:00 PM
BAHL	Wednesday	1Q A/c as of 31-Mar-23	12:30 PM
SPLC	Wednesday	3Q A/c as of 31-Mar-23	2:00 PM
HMB	Wednesday	1Q A/c as of 31-Mar-23	2:30 PM
HTL	Wednesday	3Q A/c as of 31-Mar-23	2:30 PM
PSYL	Wednesday	3Q A/c as of 31-Mar-23	3:00 PM
COLG	Wednesday	3Q A/c as of 31-Mar-23	5:00 PM
PPVC	Thursday	3Q A/c as of 31-Mar-23	9:30 AM
GRYL	Thursday	3Q A/c as of 31-Mar-23	10:00 AM
AKBL	Thursday	1Q A/c as of 31-Mar-23	11:00 AM
MUREB	Thursday	3Q A/c as of 31-Mar-23	11:00 AM
MTL	Thursday	3Q A/c as of 31-Mar-23	11:30 AM
SGF	Thursday	3Q A/c as of 31-Mar-23	12:00 PM
PMPK	Thursday	1Q A/c as of 31-Mar-23	12:30 PM
INDU	Thursday	3Q A/c as of 31-Mar-23	3:00 PM

Source: PSX

Research Team

[research@abaalihabib.com](mailto:research@abaalihabib.com)

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## International News

### Oil prices edge higher on falling US inventories, China data

Oil prices rose in early Asian trade on Wednesday as U.S. crude inventories were seen falling and on strong Chinese economic data, signalling strengthening fuel demand. (Reuters) | [Click for more info.](#)

### Asian Stocks Slip Amid Declining Global Volatility: Markets Wrap

A gauge of Asian equities traded slightly lower Wednesday after stocks were little changed on Wall Street as investors weighed earnings and comments from Federal Reserve officials who favor continued rate hikes. (Bloomberg) | [Click for more info.](#)

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Research Team

[research@abaalihabib.com](mailto:research@abaalihabib.com)

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## Rating Criteria

**Rating** - Expected Total Return

**Buy** - Greater than 10%

**Hold** - Neither Buy nor Sell

**Sell** - Less than and equal to -10%

## Valuation Methodology

To arrive at our 12-months Price Target, ABA Ali Habib Research uses different valuation methods which include: 1). DCF methodology, 2). Relative valuation methodology, and 3). Asset-based valuation methodology. In this report, our PT is founded on FCFF based DCF methodology.

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## THE TEAM

### CEO

Zahid Ali Habib  
[Zahid@abaalihabib.com](mailto:Zahid@abaalihabib.com)  
(021) 32425022

### RESEARCH TEAM

**Contact:** (021) 32429665, Ext. 106

Ayesha Abid – Research Analyst  
[ayesha.abid@abaalihabib.com](mailto:ayesha.abid@abaalihabib.com)

### SALES TEAM

Zaheer Ahmed - Head of Equity Sales & Business Dev.  
[Zaheer.ahmed@abaalihabib.com](mailto:Zaheer.ahmed@abaalihabib.com)  
(021) 32418693-94

Mr. Salman Naqvi - Head of Retail Sales  
(021) 32431925

Fahed Fazal- Manager Equity Sales  
[Fahedfazal@abaalihabib.com](mailto:Fahedfazal@abaalihabib.com)  
(021) 32431925

Syed Khalid Ahmed - Equity Trader  
[Syedkhalid@abaalihabib.com](mailto:Syedkhalid@abaalihabib.com)  
(021) 32429664

Shoaib- Equity Trader  
[shoibgadri@abaalihabib.com](mailto:shoibgadri@abaalihabib.com)  
(021) 32429664

Muhammad Faisal - Equity Trader  
[faisal@abaalihabib.com](mailto:faisal@abaalihabib.com)  
(021) 32464835

### Karachi Office

Suite# 505, 5<sup>th</sup> Floor, Business Plaza,  
Mumtaz Hussan Road, Off I.I. Chundrigar  
Road, Karachi

Contact: 021-32429664-7

Cell: [+92 3312766771](tel:+923312766771)