



March 21,
2019

Economy News

Economy in bad shape, no option of subsidies: Razak

Economy | Negative

Adviser to Prime Minister on Commerce, Textile, Industry and Production and Investment Abdul Razak Dawood has said that the economy is in a bad shape due to ill-planning and ill-conceived policies of past government, therefore there is no option of subsidies. | [Click for more info.](#)

World Bank suggests involvement of more countries in CPEC

Economy | Neutral

A new World Bank report has stated that multi-country involvement in the China Pakistan Economic Corridor (CPEC) can help achieve greater regional integration. Suggesting various steps to be taken towards greater regional integration to liberalize trade and improve logistics, a WB report titled "Pakistan@100: Shaping the Future" said CPEC can be used to improve relations with other countries that could benefit from it, including Iran, India, Afghanistan and those in Central Asia. | [Click for more info.](#)

Oil & Gas

Govt reshuffles SNGPL's top management on overbilling inquiry

SNGP | Positive

Government has reshuffled top management of Sui Northern Gas Pipelines Limited (SNGPL), including removing the utility's acting managing director, on what sources said ongoing overbilling inquiry; although its official termed this as a routine reorganisation. | [Click for more info.](#)

Power

Wapda asked to seek financing in RMB

Power | Neutral

The federal government has directed Water and Power Development Authority (Wapda) to seek Chinese financing for water sector projects in RMB (Yuan) rather than US dollars. | [Click for more info.](#)

Wrangling erupts over Dasu power project meeting

Power | Neutral

The Dasu Hydropower Project, funded by the World Bank, now runs the risk of further delays as bureaucratic wrangling has broken out between the Ministry of Water Resources and other members of the steering committee that is empowered to make critical decisions regarding the project. | [Click for more info.](#)

Autos

1700cc and above: FED imposed on locally-made cars and SUVs

Power | Negative

The Federal Board of Revenue (FBR) has imposed federal excise duty (FED) on locally manufactured cars and SUVs, etc, of engine capacity exceeding 1700cc and above. | [Click for more info.](#)

Banks

Meezan Bank to implement new remittance processing system

MEBL | Positive

Meezan Bank has signed a landmark agreement with Computer Research Private Limited (CR-PL) for implementation of a new remittance processing system. Under the said agreement, CR-PL has implemented a new remittance processing system that will enable the Bank's Cash Over the Counter (CoC) customers to authenticate their remittance via biometric verification. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,314.3	28,246.3	-68.0	-0.2%
KSE100	38,612.4	38,547.8	-64.6	-0.2%
KSE30	18,240.1	18,193.2	-46.9	-0.3%
KMI30	63,111.4	62,938.8	-172.6	-0.3%

Top Five Gainers

	Open	Close	Chg.	%
UPFL	7,400.0	7,499.0	99.0	1.3%
SRVI	750.0	764.7	14.7	2.0%
JDWS	302.8	316.3	13.5	4.5%
HINO	449.9	462.0	12.1	2.7%
BATA	1,698.7	1,710.0	11.3	0.7%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
PTC	9.7	9.4	-0.3	11.18
BOP	13.2	13.2	0.0	7.37
WTL	1.3	1.2	-0.1	6.46
PAEL	25.2	24.5	-0.7	4.86
DCL	11.6	12.2	0.6	3.90

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.02	0.00	0.02
F-Corp.	4.98	-2.38	2.60
O/S Pak	1.03	-0.70	0.33
Net	6.04	-3.08	2.96
LIPI			
Indv.	17.42	-18.17	-0.76
Cos.	0.97	-1.90	-0.93
Banks	2.19	-0.75	1.43
NBFC	0.08	-0.01	0.08
M-Funds	3.56	-2.97	0.58
Other	0.34	-1.01	-0.67
Broker	4.37	-6.16	-1.79
Insur.	1.07	-1.98	-0.91
Net	30.00	-32.95	-2.96

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	59.83	0.1%
Brent oil	USD/bbl.	68.54	0.1%
Gold	USD/t oz.	1318.08	0.4%
Silver	USD/t oz.	15.57	0.6%
Coal	USD/ton	77.70	-0.3%
Steel Scrap (LME)	USD/ton	321.00	0.0%
Steel Rebar (LME)	USD/ton	480.00	0.2%
USD/PKR	Interbank	140.14	0.0%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106

MORNING BRIEFING

NBP opens counter for workforce

NBP | **Positive**

National Bank of Pakistan (NBP) on Wednesday opened a special counter at Protectorate of Emigrants Office in Karachi to facilitate Pakistanis going abroad for work. | [Click for more info.](#)

Miscellaneous

Govt freezes Rs96bn PIA liabilities to CAA

PIAA | **Neutral**

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday approved Rs17 billion supplementary grants and decided to treat Azad Jammu & Kashmir (AJK) at par with provinces for payment of dues on hydropower generation. | [Click for more info.](#)

Paper industry seeks relief

Paper | **Positive**

The Lahore Chamber of Commerce and Industry (LCCI) has urged the government to resolve the issues of paper and packaging industry, as high utility prices and increase in paper prices are posing challenges. | [Click for more info.](#)

Renewal of three mobile firms' licences to yield \$1.3 billion: NA body told

Telecom | **Positive**

The government has finally unveiled its plan to generate \$1.3 billion from the renewal of three mobile licences, which are going to expire this year. | [Click for more info.](#)

FBR issues instructions for measures introduced in Finance Supplementary Act

Economy | **Neutral**

The government, in order to liquidate huge amounts of sales tax refunds which have accumulated over a long period of time, has decided to issue bonds with a maturity period of three years, the circular explained. | [Click for more info.](#)

Political News

NAB interrogates Bilawal, Zardari in three cases

PPP Chairman Bilawal Bhutto Zardari and former president Asif Ali Zardari appeared before Combined Investigation Team of the NAB Rawalpindi to record their statements in three cases against them. | [Click for more info.](#)

PML-N asks govt to discuss NAP in parliament

The government has called a meeting of parliamentary leaders to discuss the National Action Plan (NAP) but the Pakistan Muslim League-Nawaz (PML-N) has asked it to discuss the issue in parliament while the Jamiat Ulema-e-Islam (JUI-F) has refused to attend the moot scheduled for March 28. | [Click for more info.](#)

International News

Oil eases from four-month high on global growth worries

Oil prices edged lower on Thursday, retreating from a four-month peak, as fears of a slowing global economy weighed on market sentiment. | [Click for more info.](#)

Global Markets: Dovish Fed shift lifts Asian shares, dollar nurses losses

Shares in Asia rose on Thursday after the U.S. Federal Reserve took a more accommodative stance at its policy meeting, but concerns over slowing global growth and U.S.-China trade talks are expected to limit gains. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	38,547.8	-64.61	-0.17%
INDIA - SENSEX	38,386.8	23.28	0.06%
HK - Hang Seng	29,351.0	30.01	0.10%
CHINA - Shanghai	3,095.2	4.58	0.15%
Taiwan - TWII	10,582.0	30.39	0.29%
INDONESIA - IDX	6,490.1	7.36	0.11%
PHILP - PSEi	7,918.3	60.12	0.77%
KSA - Tadawul	8,640.5	-18.43	-0.21%
US - Dow 30	25,745.7	-141.71	-0.55%
US - S&P 500	2,824.2	-8.34	-0.29%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
EFUL	THURSDAY	A/c Dec-31, CY'18	10:00 AM
LPL	THURSDAY	A/c Dec-31, CY'18	11:00 AM
PKGP	THURSDAY	A/c Dec-31, CY'18	12 NOON
EFUG	THURSDAY	A/c Dec-31, CY'18	12:30 PM

Source: PSX Announcement



Disclaimer

This report has been prepared by Aba Ali Habib Securities and is provided for information purposes only. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Aba Ali Habib Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Aba Ali Habib Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents.

In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Aba Ali Habib Securities' Research Department and do not necessarily reflect those of the company or its directors. Aba Ali Habib as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. Aba Ali Habib Securities or any of its officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by Aba Ali Habib Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Aba Ali Habib Securities. Action could be taken for unauthorized reproduction, distribution or publication.

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 FCF based DCF methodology.

Analyst Certification ^{AC}

The research Analyst(s) hereby certify that the views about the company/companies and the security/securities discussed in this report accurately reflect his or her or their personal views and that s/he has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendation or views in this report. The analyst(s) is/are principally responsible for preparation of this research report and that s/he or his/her close relative/family member doesn't own 1% or more of a class of common equity securities of the following company/companies covered in this report.

THE TEAM

CEO

Zahid Ali Habib
Zahid@abaalihabib.com
(021) 32425022

RESEARCH TEAM

Contact: (021) 32429665, Ext. 106

Mohammad Zubair - Research Analyst
zubair@abaalihabib.com

Zoha Amjad – Research Analyst
Zoha.amjad@abaalihabib.com

Ayesha Abid – Research Analyst
ayesha.abid@abaalihabib.com

SALES TEAM

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

Hafsa Kamani- Assistant Manager Equity Sales
Hafsa.Kamani@abaalihabib.com
(021) 32431925

Syed Khalid Ahmed - Equity Trader
Syedkhalid@abaalihabib.com
(021) 32429664

Muhammad Faisal - Equity Trader
faisal@abaalihabib.com
(021) 32464835

Office (PSX Building)

Room # 419, 419 A & 421, 4th Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi

Contact: 021-32429665

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



https://twitter.com/Aba_Ali_Habib



<https://www.facebook.com/aah162>



<https://www.linkedin.com/company/aba-ali-habib-securities/>