



March 22,
2019

Economy News

RMB 15bn to be deposited in SBP account by March 25

Economy | Positive

Ministry of Finance has completed all procedural formalities with Chinese counterpart for facility of RMB 15 billion equivalent to \$2.1 billion, Spokesman of the ministry, Dr Khaqan Najeeb said on Thursday. He said the funds would be deposited in the State Bank of Pakistan (SBP) account by Monday (March 25). | [Click for more info.](#)

Mahathir Mohammad arrives, Rs120 bn accords to be signed

Economy | Positive

Malaysian Prime Minister Dr Mahathir Mohammad was accorded a red carpet welcome as he arrived on a three-day official visit to Pakistan on Thursday evening. | [Click for more info.](#)

Pakistani community in Canada donates US\$ 400,000 in dams fund

Economy | Positive

Pakistani community in Canada donated over 400,000 dollars for Dams fund, so-far 1.5 million dollars have been contributed by Diaspora in Canada. | [Click for more info.](#)

CDWP refers projects costing Rs96bn to Ecneec

Economy | Positive

The Central Development Working Party (CDWP) on Thursday approved two projects worth Rs913 million and recommended three projects costing Rs96 billion to the Executive Committee of National Economic Council (Ecneec). | [Click for more info.](#)

Forex reserves rise to \$15.709 billion

Economy | Positive

The total foreign exchange reserves of the country increased \$743 million to \$15.709 billion by the week ended March 15, 2019 from \$14.966 billion a week ago, the central bank said on Thursday. | [Click for more info.](#)

Oil & Gas

"Nation may hear a very good news" soon: PM

Oil | Positive

Prime Minister Imran Khan on Thursday said that good news about discovery of natural resources (gas and oil reservoirs) is expected in next three weeks as the US energy giant ExxonMobil has entered the final stage of offshore drilling. | [Click for more info.](#)

Amid surging gas demand, LNG to dominate next ECC meeting

Gas | Positive

Expecting an additional gas demand of over 1.2 billion cubic feet per day (bcfd) by 2020 winters, the government has called a meeting of the Economic Coordination Committee (ECC) of Cabinet next week for dedicated discussions on the gas sector. | [Click for more info.](#)

Autos

Auto industry, importers of used-cars term government's decisions unfriendly

Autos | Positive

The ad-hoc decisions taken by the government for auto sector are considered 'unfriendly' by both local auto industry and used cars importers. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,246.3	28,101.0	-145.3	-0.5%
KSE100	38,547.8	38,384.7	-163.0	-0.4%
KSE30	18,193.2	18,118.7	-74.5	-0.4%
KMI30	62,938.8	62,478.3	-460.5	-0.7%

Top Five Gainers

	Open	Close	Chg.	%
ILTM	1,799.0	1,860.0	61.0	3.4%
PAKOXY	237.0	248.9	11.9	5.0%
COLG	1,940.0	1,950.0	10.0	0.5%
POL	437.7	445.1	7.4	1.7%
EXIDE	170.4	177.5	7.1	4.2%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
BOP	13.2	13.0	-0.2	5.67
PAEL	24.5	24.0	-0.5	4.18
HUBC	79.6	78.0	-1.7	4.13
SSGC	20.9	20.4	-0.5	3.11
WTL	1.2	1.2	-0.1	2.83

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.00	-0.07	-0.07
F-Corp.	3.17	-3.67	-0.50
O/S Pak	2.30	-1.13	1.17
Net	5.48	-4.87	0.60
LIPI			
Indv.	23.34	-22.20	1.14
Cos.	1.24	-2.27	-1.03
Banks	1.66	-2.18	-0.52
NBFC	0.04	0.00	0.04
M-Funds	2.79	-2.71	0.07
Other	0.39	-0.79	-0.39
Broker	8.05	-5.81	2.24
Insur.	2.03	-4.18	-2.15
Net	39.54	-40.14	-0.60

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	59.87	-0.2%
Brent oil	USD/bbl.	67.72	-0.2%
Gold	USD/t oz.	1309.71	0.0%
Silver	USD/t oz.	15.48	0.0%
Coal	USD/ton	77.55	-0.2%
Steel Scrap (LME)	USD/ton	321.00	0.0%
Steel Rebar (LME)	USD/ton	480.00	0.0%
USD/PKR	Interbank	139.63	0.1%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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Banks

Gross advances of BoK up by 13 percent in 2018: report

BOK | Positive

Despite the micro-economic instability and geo-political uncertainty, the Bank of Khyber (BoK) has improved its gross advances, with showing a growth of 13 percent, while also increased the bank deposits by 7 percent during year 2018. | [Click for more info.](#)

Miscellaneous

Foreign investors' refund claims soar to Rs65bn

Economy | Neutral

The unpaid income tax and sales tax refund claims of some 74 companies owned fully or partially by foreign investors have increased by a whopping 38.7 per cent in last one year from Rs47 billion in February 2018 to Rs64.8bn. | [Click for more info.](#)

Govt committed to fully support textile sector

Textile | Positive

Advisor to Prime Minister on Commerce, Textile, and Investment Abdul Razzak Dawood Thursday said the country's textile sector was now picking up due to prudent policies of the government and hoped the sector would help surpassing the overall exports target of \$25 billion by end of current fiscal year. | [Click for more info.](#)

Pakistan gets \$1bn Chinese market access for rice, sugar, yarn

Sugar, Rice, Cotton | Positive

The Chinese government has finally offered Pakistan market access for three commodities — rice, sugar and yarn — worth \$1 billion for the current calendar year, an official in the Commerce Division confirmed to Dawn on Thursday. | [Click for more info.](#)

BoDs of five public sector companies to be restructured soon

SNGP, SSGC, OGDCL, PPL | Neutral

Federal Minister for Petroleum, Ghulam Sarwar Khan has announced that the board of directors of five public sector companies working under the aegis of the Ministry of Petroleum will be restructured soon. These include SNGPL, SSGCL, OGDCL, PPL and PMDC. Moreover, fresh appointments will be made on these BoDs strictly on the basis of merit. | [Click for more info.](#)

Higher tax urged for tobacco industry

Tobacco | Negative

The government should tighten the taxation regime for tobacco industry by plugging holes in the system as it was vital for not only driving the revenue collection up, but also discouraging the consumption. | [Click for more info.](#)

IHIG to invest \$118m in tourism, hospitality sectors

Economy | Positive

International Hospitality Investment Group (IHIG) is set to invest \$118 million in the country's tourism and hospitality sectors. | [Click for more info.](#)

Saudi Arab investments: PCMA urges government to hold consultations with local enterprises

Chemicals | Positive

Pakistan Chemical Manufacturers Association (PCMA) has urged the government to have active consultations with local enterprises for investing and developing Pakistan's petrochemical sector under the umbrella of Saudi Arabia's recently announced investments. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	38,384.7	-163.05	-0.42%
INDIA - SENSEX	38,386.8	23.28	0.06%
HK - Hang Seng	29,071.6	-249.41	-0.85%
CHINA - Shanghai	3,101.5	10.81	0.35%
Taiwan - TWII	10,609.6	57.99	0.55%
INDONESIA - IDX	6,501.8	19.07	0.29%
PHILP - PSEi	7,954.7	96.52	1.23%
KSA - Tadawul	8,708.7	68.14	0.79%
US - Dow 30	25,962.5	216.84	0.84%
US - S&P 500	2,854.9	30.65	1.09%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
EFUL	FRIDAY	Ann. A/c Dec-31, CY'18	10:00 AM
LPL	FRIDAY	Ann. A/c Dec-31, CY'18	11:00 AM
PKGP	FRIDAY	Ann. A/c Dec-31, CY'18	12 NOON
EFUG	FRIDAY	Ann. A/c Dec-31, CY'18	12:30 PM
PSMC	MONDAY	Ann. A/c Dec-31, CY'18	9:30 AM

Source: PSX Announcement

Bahria Town gets a clean slate after Rs460bn settlement

Cement, Steel | Positive

The Supreme Court (SC) on Thursday ordered the National Accountability Bureau (NAB) to seek its permission before filing a corruption reference against Bahria Town after the real estate company agreed to pay Rs460 billion for the land it acquired from the Malir Development Authority (MDA) in Karachi. | [Click for more info.](#)

Political News

US-Pakistan relations 'very good', says Trump

US President Donald Trump has said that Relations between the United States and Pakistan are "very good". Trump's remarks, regarding US-Pakistan relations, came on Thursday when he was depart for Ohio, where he's set to visit a tank factory and will meet with supporters. The Us president said his administration will soon be meeting with Pakistani officials. | [Click for more info.](#)

Pakistan should stay alert until polls in India: PM Khan

In the wake of previous experience, Prime Minister Imran Khan has said that Pakistan should stay alert until general elections in India are concluded. | [Click for more info.](#)

International News

Asia Stocks Mixed, Bond Yields Hit Lowest in Years: Markets Wrap

Asian stocks headed for a fresh five-month high, while bond yields slumped to multi-year lows as investors assess prospects for the end of monetary-policy normalization by major central banks. | [Click for more info.](#)

Oil prices near 2019 highs amid OPEC supply cuts, U.S. sanctions

Oil prices on Friday hovered close to 2019 peaks reached the previous day, propped up by supply cuts led by producer club OPEC and by U.S. sanctions against Iran and Venezuela. | [Click for more info.](#)

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Source: PSX Announcement



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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 FCF based DCF methodology.

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