



February
27, 2019

Economy News

Joint parliamentary sitting tomorrow

Economy | Neutral

A joint session of the Parliament is convened tomorrow (Thursday) to discuss violation of Line of Control (LoC), or the de facto border between India and Pakistan, by Indian jets in the wee hours of Tuesday. | [Click for more info.](#)

IMF, Pakistan to soon reach \$12bln bailout deal: Fitch

Economy | Positive

Pakistan and the International Monetary Fund (IMF) will soon reach a bailout deal with a potential size of \$12 billion, but the south Asian country is expected to have an increasing pressure to improve fiscal consolidation through austerity measures, Fitch Solutions said. | [Click for more info.](#)

PM approves National Challenger Bank for remittances

Economy | Positive

Prime Minister Imran Khan on Tuesday principally approved the country's first National Challenger Bank to facilitate digital transfer of remittances from across the world. | [Click for more info.](#)

Stabilization to lower growth rate to 4.2 percent

Economy | Negative

The government on Tuesday acknowledged that GDP growth target for the current fiscal year will be missed by a whopping 2 percent and would remain 4.2 percent and attributed the slowdown to stabilisation. "The GDP growth would remain 4.2 percent for the current fiscal year," said Minister of State for Revenue. | [Click for more info.](#)

Oil & Gas

ECC okays SNGPL as RLNG supplier to power plant

SNGP | Positive

Government on Tuesday gave an edge to Sui Northern Gas Pipelines Limited (SNGPL) over another state-owned Pakistan LNG Limited (PLL) to supply re-gasified liquefied natural gas (RLNG) to 1,263 megawatts power plant in the Punjab. | [Click for more info.](#)

PM orders reimbursement of whopping gas bills to consumers

SNGP | Neutral

Prime Minister (PM) Imran Khan on Tuesday ordered the authorities concerned to reimburse the amount charged from gas consumers through inflated bills and act against those responsible. | [Click for more info.](#)

Power

Senate panel for higher hydel profit payments to AJK

Power | Neutral

The Senate Standing Committee on Water Resources on Tuesday supported a report of the special committee recommending payment of Rs1.15 per unit charges to Azad Jammu and Kashmir (AJK) on hydropower generation on the pattern of net hydel profit (NHP) to the provinces and sought an early resolution of the matter to the satisfaction of the people of AJK. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,792.2	28,342.2	-450.0	-1.6%
KSE100	39,606.8	38,821.7	-785.1	-2.0%
KSE30	19,090.7	18,703.2	-387.5	-2.0%
KMI30	66,957.3	65,268.2	-1689.1	-2.5%

Top Five Gainers

	Open	Close	Chg.	%
PAKT	2,300.0	2,415.0	115.0	5.0%
ARPL	566.4	585.0	18.6	3.3%
ATLH	380.0	395.0	15.0	3.9%
GATI	347.0	359.0	12.0	3.4%
AGIL	234.6	246.3	11.7	5.0%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
BOP	12.8	12.4	-0.4	23.39
KEL	6.2	6.0	-0.2	8.59
EPCL	36.4	36.5	0.1	7.91
PIBTL	11.0	10.3	-0.7	6.21
MLCF	43.3	41.2	-2.1	6.00

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.14	-0.07	0.07
F-Corp.	4.20	-2.85	1.35
O/S Pak	1.78	-1.64	0.14
Net	6.12	-4.57	1.56
LIPI			
Indv.	35.63	-43.22	-7.59
Cos.	2.86	-2.66	0.20
Banks	2.67	-1.72	0.95
NBFC	0.25	0.00	0.25
M-Funds	5.12	-5.19	-0.06
Other	1.19	-0.54	0.65
Broker	8.06	-9.47	-1.40
Insur.	6.69	-1.24	5.44
Net	62.48	-64.04	-1.56

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	56.02	0.9%
Brent oil	USD/bbl.	65.60	0.6%
Gold	USD/t oz.	1328.60	0.0%
Silver	USD/t oz.	15.87	-0.4%
Coal	USD/ton	83.80	-0.7%
Steel Scrap (LME)	USD/ton	327.00	0.0%
Steel Rebar (LME)	USD/ton	477.00	-0.5%
USD/PKR	Interbank	138.94	0.1%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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Miscellaneous

Commerce, textile div: NA panel endorses budget proposals of Rs10.58 billion under PSDP

Textile | **Positive**

A parliamentary panel has endorsed budget proposals of Commerce and Textile Divisions to the tune of Rs 10.58 billion for the next financial year 2019-20 under the Public Sector Development Programme (PSDP). | [Click for more info.](#)

Pakistan & Belgium Sign MoU for Cooperation in Business & Investment Economy | Positive

A historic memorandum of understanding for cooperation in business and investment has been signed by the Trade Development Authority of Pakistan (TDAP) jointly with trade and investment bodies of three regions of Belgium, namely the Flanders Investment and Trade; Wallonia Export Investment Agency and Brussels Agency for Business Support. | [Click for more info.](#)

French trade delegation to visit Pakistan in April Economy | Positive

A high-level business delegation of the Mouvement des Entreprises de France (MEDEF International) would visit Pakistan in April this year to forge business and investment ties. | [Click for more info.](#)

Tax, audit issues to be resolved soon Economy | Neutral

The environment of fear among traders and industrialists would be put to an end and all problems of the business community relating to tax and audit would be resolved on priority basis. | [Click for more info.](#)

SECP's directive to brokers, insurers and NBFCs Brokers | Neutral

The securities brokers, futures brokers, insurers, Takaful operators, non-banking finance companies (NBFCs) and Modarabas would be required to submit annual compliance assessment checklist to the Securities and Exchange Commission of Pakistan (SECP) to demonstrate adequacy and effectiveness of Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) compliance framework. | [Click for more info.](#)

Political News

OIC, China, EU, UN chief urge India, Pakistan to exercise restraint

The Organisation of Islamic Cooperation (OIC) condemned on Tuesday the aerial violation and dropping of four bombs by India across the Line of Control (LoC). | [Click for more info.](#)

International News

Asia Stocks Post Modest Gains; Dollar Steadies: Markets Wrap

Asian stocks edged higher Wednesday, with positive sentiment kept in check after a Wall Street advance fizzled as investors found little in Federal Reserve Chairman Jerome Powell's Congress testimony to extend the recent rally. The dollar held overnight losses and Treasuries steadied. | [Click for more info.](#)

Oil rises on OPEC-led supply cuts, report of falling U.S. crude inventories

Oil prices rose on Wednesday after a report of declining crude inventories in the country and as producer club OPEC seemed to stick to its supply cuts despite pressure from U.S. President Donald Trump. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	38,821.7	-785.12	-2.0%
INDIA - SENSEX	35,973.7	-239.67	-0.7%
HK - Hang Seng	28,772.1	-187.24	-0.7%
CHINA - Shanghai	2,941.5	-19.77	-0.7%
Taiwan - TWII	10,391.6	12.12	0.3%
INDONESIA - IDX	6,541.0	15.59	0.2%
PHILP - PSEi	7,988.2	26.03	0.3%
KSA - Tadawul	8,456.2	23.13	0.3%
US - Dow 30	26,058.0	-33.97	-0.1%
US - S&P 500	2,793.9	-2.21	-0.1%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
AKDCL	WEDNESDAY	HY A/c Dec-31, FY'19	10:00 AM
AKZO	WEDNESDAY	Ann. A/c Dec-31, CY'18	10:00 AM
NSRM	WEDNESDAY	HY A/c Dec-31, FY'19	10:00 AM
UNITY	WEDNESDAY	HY A/c Dec-31, FY'19	10:00 AM
NCPL	WEDNESDAY	HY A/c Dec-31, FY'19	10:15 AM
DCTL	WEDNESDAY	HY A/c Dec-31, FY'19	10:30 AM
ICIBL	WEDNESDAY	HY A/c Dec-31, FY'19	10:30 AM
MERIT	WEDNESDAY	HY A/c Dec-31, FY'19	10:30 AM
NCL	WEDNESDAY	HY A/c Dec-31, FY'19	10:45 AM
AEL	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
ATIL	WEDNESDAY	Ann. A/c Dec-31, CY'18	11:00 AM
FIBLM	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
FUDLM	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
GAIL	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
PAKD	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
SSOM	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
TGL	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
TELE	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
TPL	WEDNESDAY	HY A/c Dec-31, FY'19	11:00 AM
CCM	WEDNESDAY	HY A/c Dec-31, FY'19	11:30 AM
BFMOD	WEDNESDAY	HY A/c Dec-31, FY'19	12:00 NOON
BPBL	WEDNESDAY	HY A/c Dec-31, FY'19	12:00 NOON
PRET	WEDNESDAY	HY A/c Dec-31, FY'19	12:00 NOON
MSCL	WEDNESDAY	HY A/c Dec-31, FY'19	02:00 PM
HUMNL	WEDNESDAY	HY A/c Dec-31, FY'19	02:30 PM
LOADS	WEDNESDAY	HY A/c Dec-31, FY'19	02:30 PM
MACFL	WEDNESDAY	HY A/c Dec-31, FY'19	03:00 PM
DSL	WEDNESDAY	HY A/c Dec-31, FY'19	03:30 PM
FNBM	WEDNESDAY	HY A/c Dec-31, FY'19	03:30 PM
ILTM	WEDNESDAY	HY A/c Dec-31, FY'19	03:30 PM
FNEL	WEDNESDAY	HY A/c Dec-31, FY'19	04:00 PM
FPJM	WEDNESDAY	HY A/c Dec-31, FY'19	04:00 PM
BGL	WEDNESDAY	HY A/c Dec-31, FY'19	04:30 PM
SALT	WEDNESDAY	HY A/c Dec-31, FY'19	04:30 PM
ASTL	WEDNESDAY	HY A/c Dec-31, FY'19	05:00 PM

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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