

April 2,
2019

Economy News

Talks with IMF enter final stage: minister

Economy | **Positive**

Finance Minister Asad Umar on Monday said negotiations with the International Monetary Fund (IMF) had entered the final stage with settlement of almost all the issues relating to the signing of an agreement. | [Click for more info.](#)

"Regulations for EMIs" launched: Government sees higher growth in last half of tenure

Economy | **Positive**

Finance Minister Asad Umar said on Monday the government would require minimum two years from now onward to handle the economic challenges in an effective and meaningful manner and the country will move on growth trajectory in the third year to provide relief to people. | [Click for more info.](#)

Govt steps causing inflation surge, admits Asad

Economy | **Negative**

Finance Minister Asad Umar on Monday admitted that the inflation rate is increasing due to the government's measures taken for the economic stability of the country. He said that the government is considering to present the budget for next fiscal year 2019-20 on May 24. "There is a proposal to announce the budget on May 24. | [Click for more info.](#)

CPI reaches 9.41 percent in March on YoY basis

Economy | **Negative**

The Consumer Price Index (CPI) on year-on-year (YoY) basis has reached 9.41 percent in March 2019 over March 2018, Pakistan Bureau of Statistic (PBS) said. | [Click for more info.](#)

State Bank eyes issuance of digital currency by 2025

Economy | **Neutral**

As the State Bank of Pakistan (SBP) promised issuing digital currency by 2025, Finance Minister Asad Umar on Monday asked the central bank and the Federal Investigation Agency (FIA) to ensure top-class cyber-security in the banking system to extend emerging benefits of digitalization to the people. | [Click for more info.](#)

Oil & Gas

Oil sales plunge 25pc

Oil | **Negative**

Oil sales plunged by 25 per cent to 13.635 million tonnes in the first nine months of the current fiscal year (9MFY19) due to a steep 58.7pc fall in furnace oil (FO) sales. Total FO sales stood at 2.173m tonnes as compared to 5.265m tonnes in 9MFY18. Petrol sales slightly went up by 1.6pc to 5.525m tonnes in 9MFY19. | [Click for more info.](#)

POL price change implies downward adjustment in tax

OMCs | **Positive**

The government's decision not to raise rates by as much as recommended by Oil and Gas Regulatory Authority implies that there has been some downward adjustment in tax. Whether sales tax and/or petroleum levy has been adjusted downward would become clear after the notification has been issued. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,279.3	28,015.2	-264.2	-0.9%
KSE100	38,649.3	38,354.9	-294.5	-0.8%
KSE30	18,259.5	18,132.5	-127.0	-0.7%
KMI30	63,314.0	62,710.3	-603.7	-1.0%

Top Five Gainers

	Open	Close	Chg.	%
PSEL	902.5	947.6	45.1	5.0%
MUREB	781.0	796.0	15.0	1.9%
SHEZ	428.4	436.7	8.2	1.9%
PICT	212.0	218.0	6.0	2.8%
WYETH	966.5	972.0	5.5	0.6%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
UNITYR1	902.5	947.6	45.1	14.22
BOP	13.0	13.0	-0.1	5.43
SNGP	75.1	75.3	0.2	4.53
KEL	5.6	5.4	-0.2	3.82
MLCF	37.5	36.1	-1.3	2.95

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.01	0.00	0.01
F-Corp.	2.68	-4.54	-1.87
O/S Pak	3.09	-0.78	2.31
Net	5.78	-5.33	0.45
LIPI			
Indv.	16.00	-13.66	2.34
Cos.	0.95	-1.32	-0.38
Banks	0.83	-0.11	0.73
NBFC	0.02	-0.08	-0.06
M-Funds	0.69	-3.06	-2.37
Other	0.18	-0.14	0.04
Broker	4.86	-4.93	-0.07
Insur.	0.83	-1.50	-0.67
Net	24.36	-24.81	-0.45

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	61.88	0.5%
Brent oil	USD/bbl.	69.32	0.4%
Gold	USD/t oz.	1288.02	0.0%
Silver	USD/t oz.	15.09	-0.1%
Coal	USD/ton	69.95	-4.5%
Steel Scrap (LME)	USD/ton	320.74	0.0%
Steel Rebar (LME)	USD/ton	481.64	0.0%
USD/PKR	Interbank	141.00	0.1%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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LPG price raised by Rs 3/kg

Gas | Positive

The Oil and Gas Regulatory Authority (Ogra) has increased the price of liquefied petroleum gas (LPG) by Rs 3 per kilogram. Following an increase of up to 12 percent in the prices of the petroleum products on Monday, LPG prices were also hiked by Rs 3 per kilogram. | [Click for more info.](#)

Key oil & gas companies: Government all set to appoint new boards of directors

OMCs | Neutral

The federal government is all set to appoint new Boards of Directors of five key oil and gas companies i.e. OGDCL, SSGCL, SNGPL, PPL and PMDC. | [Click for more info.](#)

Banks

Afghanistan cancels operating license of Pakistan's Habib Bank Limited

HBL | Negative

The governor of Central Bank of Afghanistan Khalil Sediq told Khaama Press that the audits of Central Bank of Afghanistan revealed numerous violations committed by Habib Bank were observed during the past ten years. Sediq further added that the bank has also paid fines for the violations it had committed in the past ten years. | [Click for more info.](#)

Miscellaneous

Jubilee Life Insurance signs MOA with Malaysian company

JLICL | Positive

Jubilee Life Insurance Company Limited, the country's leading life insurance provider in the private sector, recently signed a Memorandum of Agreement with AETINS SDN BHD for the 'Implementation of JLPISF TAKAFUL System' in Islamabad. | [Click for more info.](#)

All set to renew licences of cellular companies for 15 years

Telecom | Positive

The federal government is all set to renew licences of cellular companies for another 15 years against millions of dollars fee. | [Click for more info.](#)

High-rises to be built in Islamabad to house slum dwellers: PM

Economy | Positive

Prime Minister Imran Khan Monday said high-rise buildings would be built in the federal capital to provide efficient housing to the slum dwellers, under Naya Pakistan Housing project. | [Click for more info.](#)

Qatar urged to make investment in Gwadar's industrial zone

Economy | Positive

Federal Minister for Planning, Development & Reform Makhdoom Khusro Bakhtyar Monday offered Qatar to invest in energy and infrastructure sectors and Gwadar Industrial Zone. | [Click for more info.](#)

Political News

US asks Pakistan to help clinch 'final Afghan deal'

The United States has asked Pakistan to help Washington in clinching a 'final deal' with the Afghan Taliban as the US and Taliban remain in contact for peace. | [Click for more info.](#)

Pakistan, Iran relations 'back on track'

Pakistan and Iran have overcome a major hiccup in their relations after the two neighbours agreed not to allow 'third parties' to derail their longstanding ties, officials and diplomats said on Monday. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
HK - Hang Seng	29,562.0	510.66	1.76%
US - Dow 30	26,258.4	329.74	1.27%
INDIA - SENSEX	38,871.9	198.96	0.51%
CHINA - Shanghai	3,170.4	79.60	2.58%
KSA - Tadawul	8,896.6	77.11	0.87%
US - S&P 500	2,867.2	32.79	1.16%
Taiwan - TWII	10,642.6	1.59	0.01%
INDONESIA - IDX	6,452.6	-16.15	-0.25%
PHILP - PSEI	7,840.3	-80.62	-1.02%
PAK (KSE-100)	38,354.9	-294.49	-0.76%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
PAKRI	WEDNESDAY	Ann. A/c Dec-31, CY'18	10:00 AM
HASCOL	WEDNESDAY	Ann. A/c Dec-31, CY'18	11:00 AM
SRVI	WEDNESDAY	Ann. A/c Dec-31, CY'18	11:30 AM
AICL	WEDNESDAY	Ann. A/c Dec-31, CY'18	12:00 PM
PKGI	THURSDAY	Ann. A/c Dec-31, CY'18	10:00 AM
PAEL	THURSDAY	Ann. A/c Dec-31, CY'18	11:30 AM
PINL	FRIDAY	Ann. A/c Dec-31, CY'18	11:00 AM
WAVES	FRIDAY	Ann. A/c Dec-31, CY'18	11:00 AM
CSIL	FRIDAY	Ann. A/c Dec-31, CY'18	4:30 PM
PIL	FRIDAY	Ann. A/c Dec-31, CY'18	4:30 PM

Source: PSX Announcement



International News

Asia Stocks Gain as Global Slowdown Worries Ebb: Markets Wrap

The global stocks rally continued in Asia Tuesday after U.S. shares advanced in wake of a rebound in American manufacturing. Treasury yields pared gains. | [Click for more info.](#)

Oil rises on Iran sanctions threat, Venezuela shutdown

Oil prices rose to fresh highs for the year on Tuesday, after a U.S. official said Washington is considering more sanctions on Iran and a key Venezuelan export terminal halted operations. Price were also underpinned by a Reuters survey showing OPEC oil supply sank to a four-year low in March, and positive data from the world's biggest economies, the United States and China. | [Click for more info.](#)



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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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