

April 5,
2019

Economy News

FATF clearance must for IMF loan

Economy | **Negative**

Pakistan is on a tight rope, as unless the FATF (Financial Action Task Force) clears Pakistan, the International Monetary Fund (IMF) will not extend any bailout package to wriggle the country out of economic quagmire. (The News) | [Click for more info.](#)

Pakistan's GDP growth to fall behind Nepal, Maldives this year: UN

Economy | **Negative**

The annual Economic and Social Survey of Asia and the Pacific 2019 titled 'Ambitions beyond Growth', released by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) on Thursday, forecast Pakistan's GDP to remain lowest in the region at 4.2 per cent in 2019 and 4pc in 2020 compared to Bangladesh's 7.3pc, India 7.5pc, Maldives and Nepal 6.5pc each in 2019. (Dawn) | [Click for more info.](#)

SBP, dealers meet to contain rise in dollar rate

Economy | **Neutral**

The State Bank held another meeting with exchange companies on Thursday to check increase in dollar rate in the open market. The interbank rate on Thursday was quoted as Rs141.50 while the greenback disappeared in the kerb. (Dawn) | [Click for more info.](#)

Broadening tax base: Nadra data to be employed to carry out '360-degree' analysis

Economy | **Neutral**

Minister of State for Revenue Muhammad Hammad Azhar Thursday said the actionable data of National Database & Registration Authority (Nadra) would be used to carry out a '360-degree' analysis of the non-filers for bringing them into the tax net. (BR) | [Click for more info.](#)

Forex reserves rise to \$17.397 billion

Economy | **Positive**

Pakistan's foreign exchange reserves rose to \$17.397 billion in the week ended March 29 from \$15.473 billion in the previous week, the central bank said on Thursday. The reserves held by the State Bank of Pakistan (SBP) increased to \$10.492 billion, compared with \$8.560 billion in the preceding week. (The News) | [Click for more info.](#)

Oil & Gas

OGRA jacks wellhead gas price up to 34.9pc for Jan-July

SSGC, SNGP | **Positive**

The Oil and Gas Regulatory Authority (Ogra) has increased wellhead gas price up to 34.9 percent for 22 gas fields with effect from January 2019. On the basis of revised wellhead prices, gas utilities ie Sui Southern Gas Company (SSGC) and Sui Northern Gas Company have already filed request to OGRA. (The News) | [Click for more info.](#)

Power

Neptra approves power tariff hike by Re 0.81/unit

IPPs | **Positive**

National Electric Power Regulatory Authority (Neptra) on Thursday approved an increase of Re 0.81 per electricity unit for power Distribution Companies (Discos) for February 2019 under monthly fuel price adjustment mechanism. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	27,810.4	27,429.0	-381.4	-1.4%
KSE100	38,022.8	37,516.1	-506.7	-1.3%
KSE30	17,988.2	17,736.4	-251.8	-1.4%
KMI30	62,531.1	61,476.9	-1054.2	-1.7%

Top Five Gainers

	Open	Close	Chg.	%
SRVI	703.5	738.6	35.2	5.0%
SHEZ	462.4	480.0	17.6	3.8%
APL	389.1	394.2	5.1	1.3%
SIEM	725.0	729.9	4.9	0.7%
SHEL	258.4	262.4	4.1	1.6%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
UNITYR1	3.4	3.9	0.5	37.53
WTL	1.1	1.1	0.0	10.43
KEL	5.2	5.1	-0.1	8.77
BOP	12.8	12.9	0.0	7.62
MLCF	36.6	35.9	-0.6	6.85

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.04	0.00	0.04
F-Corp.	3.90	-5.34	-1.44
O/S Pak	1.42	-0.77	0.65
Net	5.36	-6.11	-0.75
LIPI			
Indv.	17.63	-17.65	-0.02
Cos.	1.77	-0.71	1.06
Banks	1.71	-0.51	1.20
NBFC	0.01	-0.47	-0.45
M-Funds	2.41	-1.86	0.55
Other	0.31	-0.43	-0.12
Broker	4.67	-5.24	-0.56
Insur.	1.47	-2.38	-0.91
Net	29.99	-29.24	0.75

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	62.05	-0.1%
Brent oil	USD/bbl.	69.16	-0.3%
Gold	USD/t oz.	1290.55	-0.1%
Silver	USD/t oz.	15.13	-0.1%
Coal	USD/ton	68.45	2.8%
Steel Scrap (LME)	USD/ton	316.00	-0.3%
Steel Rebar (LME)	USD/ton	486.00	0.7%
USD/PKR	Interbank	141.52	0.0%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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KE receivables surge to Rs 158.8 Bn: SSGC

KEL | Negative

The Sui Southern Gas Company (SSGC) issued a statement stating that the actual outstanding amounts KE owes to SSGC, 'a Public Sector Gas Utility Company' supplying gas to KE to meet energy needs of Karachi despite the fact that KE is one of the major defaulters of SSGC; the outstanding as of 31 March 2019 is Rs. 92 Billion (out of which Rs. 62 billion is Late Payment Surcharge). Out of 2.8 million customers, KE is the only customer in SSGC franchise area where no GSA exist with SSGC except for 10 MMCFD gas despite the fact that SSGC is supplying 180 MMCFD gas to KE. (Daily Times) | [Click for more info.](#)

Autos

Action to be taken against car assemblers charging premium

Autos | Negative

The federal cabinet has decided to take strict measures against local car assemblers for allegedly charging premium (on money) from customers over and above the invoiced price. (BR) | [Click for more info.](#)

Cement

Cement dispatches drop 6pc to 4.340mln tons in March

Cement | Negative

Total cement dispatches in March 2019 decreased to 4.340 million tons, as compared to 4.652 million tons in the same month last year, posting a decline of six percent year-on-year, owing to a drop in demand, a latest tally showed on Thursday. (The News) | [Click for more info.](#)

Miscellaneous

Shifa Int to issue 12pc shares to IFC

SHFA | Positive

Shifa International Hospitals Ltd informed the stock exchange that its board had recommended issue of 12 per cent company shares to the International Finance Corporation (IFC). (Dawn) | [Click for more info.](#)

PM calls meeting to review prices of food, pharmaceuticals

Economy | Positive

Prime Minister Imran Khan would chair a meeting on Monday to review the supply and prices of food commodities and pharmaceuticals in the country after inflation rate had touched five years highest level. (The Nation) | [Click for more info.](#)

Tax ratio to be reduced by equating property rates with market value

Economy | Neutral

Terming former finance minister Ishaq Dar an 'economic hitman', Minister of State for Revenue Hammad Azhar has said the government would not introduce fresh tax amnesty for declaration of foreign and domestic assets through promulgation of an ordinance. (The News) | [Click for more info.](#)

Govt to amend Foreign Exchange Regulations Act 1947

Economy | Neutral

The government is planning to amend Foreign Exchange Regulations Act (Fera) 1947 to regulate outflow of funds through foreign currency accounts and local transportation of foreign exchange through greater clarity to the legal system. (Dawn) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - Dow 30	26,384.6	166.50	0.64%
KSA - Tadawul	9,063.9	78.40	0.87%
CHINA - Shanghai	3,246.6	30.28	0.94%
INDONESIA - IDX	6,494.6	18.56	0.29%
Taiwan - TWII	10,704.4	14.08	0.13%
US - S&P 500	2,879.4	5.99	0.21%
PHILP - PSEi	7,854.1	-40.93	-0.52%
HK - Hang Seng	29,936.3	-50.07	-0.17%
INDIA - SENSEX	38,684.7	-192.40	-0.49%
PAK (KSE-100)	37,516.1	-506.69	-1.33%

Source: Investing.com

Board Meetings

Script	Day	Agenda	Time
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
SHNI	MONDAY	Ann. A/c Dec-31, CY'18	10:00 AM
UVIC	MONDAY	Ann. A/c Dec-31, CY'18	11:30 AM
WTL	TUESDAY	Ann. A/c Dec-31, CY'18	3:00 PM
NRL	THURSDAY	3Q. A/c Mar-31, FY'18	10:30 AM
ACPL	THURSDAY	3Q. A/c Mar-31, FY'18	12:00 PM
ATRL	THURSDAY	3Q. A/c Mar-31, FY'18	1:00 PM
POL	THURSDAY	3Q. A/c Mar-31, FY'18	3:00 PM
APL	THURSDAY	3Q. A/c Mar-31, FY'18	4:00 PM

Source: PSX Announcement



Political News

If Islamabad does not change policy towards Kabul, Pak-US ties won't improve: Khalilzad

The US Special Representative for Afghanistan Reconciliation, Zalmay Khalilzad, on Thursday warned Pakistan to change its policy towards Afghanistan; otherwise, "Islamabad and Washington's ties will not improve". (The News) | [Click for more info.](#)

India ready for another strike against Pakistan

Indian Prime Minister Narendra Modi on Tuesday held meetings with National Security Adviser Ajit Doval and other dignitaries from the defence ministry, over its readiness to initiate war against Pakistan. (The News) | [Click for more info.](#)

COAS holds important meeting with PM

Chief of Army Staff (COAS) General Qamar Javed Bajwa had an important meeting with Prime Minister Imran Khan here at the Prime Minister Office (PMO) Thursday. (The News) | [Click for more info.](#)

Zardari threatens protest against govt

Pakistan Peoples' Party (PPP) Co-Chairman Asif Ali Zardari said Thursday that he had already warned that they wanted to roll back the 18th amendment but some friends did not believe and some others considered it a joke. (BR) | [Click for more info.](#)

International News

Stocks Edge Up With Treasury Yields on Trade News: Markets Wrap

Japanese shares and American equity futures edged up alongside Treasury yields following remarks out of both the U.S. and China that progress is being made in trade talks. Asian trading volumes were muted, with China and Hong Kong shut for a holiday. (Bloomberg) | [Click for more info.](#)

Oil prices fall, Brent drops away from \$70

Oil prices fell on Friday, with Brent slipping away from the \$70 mark after briefly rising above that level in the previous session, as traders fretted about progress in U.S.-China talks to end a trade war. (Reuters) | [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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