

March 7,
2019

Economy News

Saudi Foreign Minister due in Islamabad today: FM Qureshi

Economy | Neutral

Saudi Foreign Minister Adel al Jubeir is all set to visit Pakistan today (Thursday) to discuss the prevailing situation, FM Shah Mehmood Qureshi confirmed. Al Jubeir will hold comprehensive discussion on the Indo-Pak tensions with his Pakistani counterpart. The Saudi foreign minister would also meet Prime Minister Imran Khan during his visit. | [Click for more info.](#)

Govt. to privatize 49 public sector concerns

Economy | Positive

The federal government has decided to privatize 49 organizations within the next five years. During the session, Secretary for Privatization Rizwan Malik gave a briefing. The Privatization Ministry said that 15 companies had been taken out of the privatization list and eight had been added to it. | [Click for more info.](#)

Public debt swells 11.8pc to Rs27 trillion till January-end

Economy | Negative

Pakistan's public debt swelled around 12 percent to Rs27.070 trillion as of January 31 compared with Rs24.212 trillion in June-end last year, the central bank's data revealed on Wednesday. | [Click for more info.](#)

NA approves second mini-budget

Economy | Positive

The National Assembly Wednesday passed the Finance Supplementary (Second Amendment) Bill, 2019 amid strong protest by the opposition parties' members. | [Click for more info.](#)

Finance bill ushers in sweeping 'incentives' for banks, industry and greenfield investors

Banks | Positive

The PTI government in its second Finance Supplementary Bill, 2019 has agreed to introduce 10 major amendments to the Finance Act 2019 with most related to boosting investment. Of all the recommendations, five are related to income tax measures, one caters to sales tax, two to customs and one for federal excise duty. These amendments will come into effect retrospectively from July 1. | [Click for more info.](#)

PM approves national tariff policy to attract investment

Economy | Positive

Prime Minister Imran Khan on Wednesday approved the country's first national tariff policy to rationalise concessions and exemptions on trade and industry and attract investments. The first-ever national tariff policy aims at ensuring transparency, predictability and institutionalizing the entire structure of tariff regime of the country, an official statement said. | [Click for more info.](#)

Oil & Gas

POL prices fixation in paisas as per int'l practice: Senate told

Oil | Neutral

Minister for Finance, Revenue and Economic Affairs Asad Umar on Wednesday informed the Senate that the sale prices of petroleum products were fixed in paisas along with rupee as per standard international practice despite withdrawing legal status of decimal coins of five, ten, 25 and 50 paisas since 2013. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,969.2	28,839.8	-129.4	-0.4%
KSE100	39,688.5	39,568.1	-120.4	-0.3%
KSE30	19,021.8	18,944.1	-77.7	-0.4%
KMI30	66,183.2	65,943.5	-239.6	-0.4%

Top Five Gainers

	Open	Close	Chg.	%
WYETH	1,109.6	1,165.1	55.5	5.0%
ILTM	1,637.0	1,688.5	51.5	3.1%
PSEL	989.0	1,023.0	34.0	3.4%
GATI	291.8	306.0	14.2	4.9%
FASM	241.5	253.6	12.1	5.0%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
BOP	14.1	14.0	-0.1	18.10
UNITY	17.8	17.5	-0.3	5.98
KEL	6.3	6.2	-0.1	5.19
FCCL	21.1	21.5	0.4	3.39
MLCF	41.4	41.8	0.4	3.38

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.03	-0.09	-0.06
F-Corp.	1.46	-2.00	-0.54
O/S Pak	1.05	-1.13	-0.08
Net	2.53	-3.22	-0.69
LIPI			
Indv.	23.26	-21.13	2.13
Cos.	0.67	-0.97	-0.29
Banks	1.32	-0.74	0.58
NBFC	0.30	-0.34	-0.04
M-Funds	0.92	-4.33	-3.41
Other	0.52	-0.26	0.26
Broker	5.50	-5.68	-0.17
Insur.	3.65	-2.03	1.62
Net	36.16	-35.47	0.69

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	56.41	0.3%
Brent oil	USD/bbl.	66.30	0.5%
Gold	USD/t oz.	1287.03	0.1%
Silver	USD/t oz.	15.09	0.1%
Coal	USD/ton	81.80	-2.2%
Steel Scrap (LME)	USD/ton	321.00	1.6%
Steel Rebar (LME)	USD/ton	479.00	-0.2%
USD/PKR	Interbank	138.90	0.0%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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Industry demands separate gas lines

Gas | Neutral

The Site Association of Industry (SAI) on Wednesday urged the Sui Southern Gas Company Limited to end Sunday gas closure for industries, improve gas load management system and provide required gas pressure for industrial production to continue smoothly. | [Click for more info.](#)

LNG demand could triple over next 3-5 years: official

Gas | Positive

The country's demand for liquefied natural gas (LNG) could more than triple in the next three to five years, the chief executive of Pakistan LNG Ltd (PLL) said on Wednesday. Last year, the country imported nearly 7 million tonnes of LNG, data from Refinitiv Eikon show. This year, that could grow to as high as 15m and up to 25-30m tonnes over the next three to five years. | [Click for more info.](#)

Power

Discos facing Rs201.823 bn deficit: Govt set to pass on burden to end power consumers

IPPs | Negative

The electric power distribution companies (Discos) are facing deficit of Rs201.823 billion in first six months of the ongoing fiscal and to bailout them, the federal government has asked Nepra to increase the electricity tariff by Rs1.80 billion. The regulator has approved the petition of the government and to this effect has set the hearing date. | [Click for more info.](#)

ADB's \$1 billion stalled power project sees daylight

Power | Positive

The Asian Development Bank's (ADB) one billion dollar worth of stalled project to curb cash bleeding in the power sector is all set to commence on Thursday (today) after four years of quiet period, officials said on Wednesday. | [Click for more info.](#)

Miscellaneous

Siddiqsons plans \$110mln investment in solar power generation

STPL | Positive

Siddiqsons Limited has planned to set up two solar power plants of 50 megawatts each in Khyber Pakhtunkhwa with a cumulative investment of \$110 million, an industry official told this scribe. | [Click for more info.](#)

Govt working on laws to revive dairy sector

FFL, EFOODS | Positive

The government is working to rationalise taxes on milk supply chain to incentivise the sector in order to expand collection and processing units across the country, said Advisor to Prime Minister on Commerce and Investment Razak Dawood in a meeting with the delegation of International Finance Corporation. | [Click for more info.](#)

Two Chinese groups to invest \$2bn in housing sector

Economy | Positive

Xuzhou Construction Machinery Group (XCMG) and HSS Group of China on Wednesday expressed their commitment to invest \$2 billion in Pakistan's housing and manufacturing sectors. | [Click for more info.](#)

Pakistan Cables achieves KEMA gold certification for low smoke zero halogen power cables

PCAL | Positive

Pakistan Cables Limited awarded the prestigious KEMA Gold certification for its XLPE – Low Smoke Zero Halogen (LSZH) Power Cables in Pakistan by the KEMA Laboratories, Netherlands. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	39,688.5	-61.24	-0.2%
INDIA - SENSEX	36,442.5	378.73	1.1%
HK - Hang Seng	28,961.6	2.01	0.0%
CHINA - Shanghai	3,054.3	26.67	0.9%
Taiwan - TWII	10,305.3	12.12	0.3%
INDONESIA - IDX	6,441.3	-47.14	-0.7%
PHILP - PSEi	7,670.6	-4.85	-0.1%
KSA - Tadawul	8,561.4	-4.05	-0.1%
US - Dow 30	25,806.6	-13.02	-0.1%
US - S&P 500	2,789.7	-3.16	-0.1%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
PMPK	THURSDAY	Ann. A/c Dec-31, CY'18	2:00 PM
SKRS	THURSDAY	Ann. A/c Sep-30, MY'18	3:00 PM
AMBL	FRIDAY	Ann. A/c Dec-31, CY'18	11:00 AM
PRIC	FRIDAY	Ann. A/c Dec-31, CY'18	5:00 PM

Source: PSX Announcement

LHC issues notice to NAB on Mian Mansha plea

NML | **Positive**

A Lahore High Court (LHC) division bench on Wednesday issued notices to National Accountability Bureau (NAB) for March 25 on a petition filed by Chairman Nishat Group Mian Muhammad Mansha challenging bureau's notices issued to him in connection with Saint James Hotel inquiry. | [Click for more info.](#)

Political News

Up to India to move forward towards de-escalation: army

Pakistan Army Wednesday said the ball is in India's court now to de-escalate tensions between the two nuclear-armed rivals. | [Click for more info.](#)

International News

Oil prices dip as U.S. crude stocks swell amid record production

Oil prices eased on Thursday, dragged down by record U.S. crude output and rising commercial fuel inventories. | [Click for more info.](#)

Asian Stocks Trade Mixed; Yen Edges Higher: Markets Wrap

Asian stocks were mixed Thursday as global growth concerns resurfaced and U.S. equities fell back. The dollar steadied after six days of gains and the yen edged higher. | [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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