

August 30,

Economy

IMF approves revival of Pakistan's EFF programme, to release \$1.17bn loan tranche: Miftah

Economy, Capital Market | Positive

The International Monetary Fund's (IMF) executive board has approved the revival of Pakistan's Extended Fund Facility (EFF) programme after which the country will receive the 7th and 8th tranche of \$1.17 billion, Finance Minister Miftah Ismail said on Monday. (Dawn) | [Click for more info.](#)

Pakistan to hold talks with IMF for additional loan on flash floods

Economy | Neutral

Pakistan will likely hold talks with the International Monetary Fund (IMF) for additional loans following the flash floods, Federal Minister for Finance and Revenue Mr Miftah Ismail said during the press conference on Monday. He said that there was no immediate assessment of how badly the various sectors of the economy had been affected and the damage may exceed \$10 billion. (Mettis) | [Click for more info.](#)

Zero foreign investment in domestic bonds in August

Economy | Neutral

The high returns on treasury bills and Pakistan Investment Bonds (PIBs) failed to attract a single dollar from foreign investors in the second month of the current fiscal year. The data released by the State Bank of Pakistan on Monday showed zero inflow of foreign investment in T-bills and PIBs during August, while an investment of just \$3 million was recorded in July against an outflow of \$31.085m in the first month of FY23. (Dawn) | [Click for more info.](#)

Total loans, grants hit \$185.6 million in July

Economy | Neutral

Pakistan received a total of \$185.6 million in July 2022 in the shape of loans and grants from all avenues including \$100 million from Saudi Arabia under the oil facility on deferred payment in the first month (July 2022) of fiscal year 2022-23. (The News) | [Click for more info.](#)

Floods inflict \$10bn losses across Pakistan

Economy | Negative

The federal government has estimated a loss of at least \$10 billion caused by weeks of torrential rains and subsequent floods, with Sindh, in particular, suffering damages of over \$1.6bn (Rs355bn) as all major crops have been destroyed. (Dawn) | [Click for more info.](#)

PKR falls by Rs1.26 in interbank market

Economy | Negative

The PKR remained under pressure on Monday, depreciating by Rs1.26 against the dollar in the interbank market. Data shared by the State Bank of Pakistan showed the local currency closed at Rs221.92 per dollar, down 0.57 per cent. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

| | Open | Close | Chg. | % |
|---------|----------|----------|--------|-------|
| KSE All | 29,321.6 | 29,191.0 | -130.7 | -0.4% |
| KSE100 | 42,591.5 | 42,504.3 | -87.2 | -0.2% |
| KSE30 | 16,115.1 | 16,089.6 | -25.5 | -0.2% |
| KMI30 | 70,399.5 | 70,290.0 | -109.5 | -0.2% |

Top Five Gainers

| | Open | Close | Chg. | % |
|-------|-------|-------|------|------|
| GATI | 346.0 | 372.0 | 26.0 | 7.5% |
| TICL | 251.0 | 269.8 | 18.8 | 7.5% |
| EXIDE | 262.8 | 280.9 | 18.1 | 6.9% |
| ATBA | 175.5 | 188.6 | 13.2 | 7.5% |
| AGTL | 384.1 | 395.0 | 10.9 | 2.8% |

Top Five Volume Leaders

| | Open | Close | Chg. | Vol. |
|--------|------|-------|------|-------|
| WTL | 1.3 | 1.3 | 0.0 | 23.82 |
| KEL | 3.5 | 3.5 | 0.0 | 15.84 |
| CNERGY | 5.5 | 5.4 | -0.1 | 12.24 |
| PRL | 19.1 | 19.0 | -0.1 | 10.34 |
| UNITY | 22.8 | 22.9 | 0.2 | 10.02 |

Portfolio Investments – Net Position

| FIPI | Buy | Sell | Net |
|---------------------|--------------|---------------|--------------|
| F-Individuals | 0.00 | 0.00 | 0.00 |
| F-Corporates | 0.75 | -0.31 | 0.43 |
| O/S Pakistanies | 2.58 | -1.84 | 0.74 |
| Net | 3.33 | -2.15 | 1.17 |
| LIPI | | | |
| Individuals | 27.57 | -27.96 | -0.39 |
| Companies | 2.83 | -2.25 | 0.58 |
| Comm. Banks | 1.27 | -0.89 | 0.38 |
| NBFC | 0.18 | -0.09 | 0.10 |
| Mutual Funds | 2.64 | -2.33 | 0.30 |
| Other | 1.31 | -1.19 | 0.12 |
| Brokers Proprietary | 7.44 | -7.53 | -0.08 |
| Insurance | 0.15 | -2.32 | -2.17 |
| Net | 43.38 | -44.56 | -1.17 |

Commodity Outlook

| | Unit | Close | % chg. |
|-------------------|-----------|---------|--------|
| Crude oil | USD/bbl. | 97.01 | 4.2% |
| Brent oil | USD/bbl. | 102.93 | 1.9% |
| Gold | USD/t oz. | 1737.59 | 0.0% |
| Silver | USD/t oz. | 18.78 | -0.6% |
| Coal | USD/ton | 348.50 | -1.0% |
| Steel Scrap (LME) | USD/ton | 390.00 | -0.3% |
| Steel Rebar (LME) | USD/ton | 643.00 | -0.3% |
| USD/PKR | Interbank | 6.09 | -0.7% |

News Source: Local / Int'l Newspapers and websites

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August 30,

MORNING BRIEFING

Oil & Gas

Petrol to stay dearer despite lower FOB price

Oil | Neutral

The petrol prices on free on board (FOB) basis reflect a Rs20/litre fall for consumers in the next fortnightly rate review, but it is unlikely to go cheaper as the government may pile taxes on this petroleum products along with exchange loss adjustment. (The News) | [Click for more info.](#)

Power

Power quarterly adjustment: Record high

Power | Negative

The biggest quarterly power tariff adjustment appears well on its way, as the regulator will be hearing 4QFY22 quarterly adjustment petition of the power distribution companies next week. (BR) | [Click for more info.](#)

Complaint of PMLTC: PPIB to discuss 17pc GST on transmission services

Power | Natural

Private Power & Infrastructure Board (PPIB) has convened a meeting on August 31, 2022 (tomorrow) to deliberate on 17 per cent GST on transmission services allegedly imposed in violation of agreement. (BR) | [Click for more info.](#)

Autos

Pak Suzuki announces further extension in automobile plant shutdown

PSMC | Negative

Pak Suzuki Motor Company (PSMC) on Monday said it has further extended the shutdown of its automobile production plant from August 29 to 31, citing import restrictions by the State Bank of Pakistan (SBP) that have "adversely impacted clearance of import consignments, which resultantly affected the inventory levels". (BR) | [Click for more info.](#)

Adamjee Insurance to invest up to Rs900mn in Hyundai Nishat Motor

NML, AICL | Positive

The board of directors of Adamjee Insurance Company Limited (PSX: AICL) in its meeting held on August 29, 2022, has decided to make an additional equity investment of up to Rs900 million in Hyundai Nishat Motor (Pvt) Limited (HNMPL). (Mettis) | [Click for more info.](#)

Banks

Faysal Bank will apply for Islamic Banking License this year, CEO says

FABL | Neutral

Subsequent to the period end, Faysal Bank has successfully converted 4 more branches; the Bank now has only one conventional branch left, according to the information disclosed by the Bank. (Augaf) | [Click for more info.](#)

World Indices

| | Last | Chg. | Chg. % |
|------------------|----------|---------|--------|
| PHILP - PSEI | 6,752.5 | 46.07 | 0.69% |
| KSA - Tadawul | 12,530.7 | 4.65 | 0.04% |
| CHINA - Shanghai | 3,240.7 | 4.51 | 0.14% |
| INDONESIA - IDX | 7,132.1 | -3.20 | -0.04% |
| US - S&P 500 | 4,030.6 | -27.05 | -0.67% |
| PAK (KSE-100) | 42,504.3 | -87.17 | -0.20% |
| HK - Hang Seng | 20,023.2 | -146.82 | -0.73% |
| US - Dow 30 | 32,099.0 | -184.41 | -0.57% |
| Taiwan - TWII | 14,926.2 | -352.25 | -2.31% |
| INDIA - SENSEX | 57,972.6 | -861.25 | -1.46% |

Board Meetings

| Scrip | Day | Agenda | Time |
|-------|-----------|---------------------|----------|
| EMCO | Tuesday | HY A/c for 30Jun22 | 11:30 AM |
| RICL | Tuesday | HY A/c for 30Jun22 | 12:00 PM |
| HICL | Tuesday | HY A/c for 30Jun22 | 1:30 PM |
| AGP | Tuesday | HY A/c for 30Jun22 | 2:00 PM |
| EWIC | Tuesday | HY A/c for 30Jun22 | 2:00 PM |
| KAPCO | Wednesday | ANN A/c for 30Jun22 | 10:30 AM |
| BWHL | Wednesday | ANN A/c for 30Jun22 | 11:30 AM |
| AMBL | Wednesday | HY A/c for 30Jun22 | 12:00 PM |
| FEROZ | Wednesday | ANN A/c for 30Jun22 | 12:00 PM |
| AHL | Wednesday | ANN A/c for 30Jun22 | 4:00 PM |
| GTYR | Thursday | ANN A/c for 30Jun22 | 11:00 AM |
| TSML | Thursday | 1QA/c for 31Dec22 | 3:00 PM |
| MLCF | Thursday | ANN A/c for 30Jun22 | 3:30 PM |
| KTML | Friday | ANN A/c for 30Jun22 | 3:30 PM |

Source: PSX

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MORNING BRIEFING

Miscellaneous

Number of 3G, 4G users increases by 3.07m to 118.57m countrywide

Technology | Positive

The number of 3G and 4G users in Pakistan increased by 3.07 million from 115.75 million by end-June 2022 to 118.57 million by the end of July 2022, according to the Pakistan Telecommunication Authority (PTA). (BR) | [Click for more info.](#)

UIC launches Life Insurance Company

UVIC | Positive

The United Insurance Company of Pakistan Ltd, a general insurance provider, announced on Monday it's going to launch a life insurance business. A regulatory filing said the proposed name of the entity will be The United Life Assurance Company Ltd. The parent company will invest up to Rs700 million in the proposed life insurance firm. (Dawn) | [Click for more info.](#)

Industries fear for survival amid surging power prices

Economy | Negative

Recent upsurge in electricity tariff has created a miserable situation not only for the public, but also for the business community wherein many businesses and industrial units fear for a shutdown. (The News) | [Click for more info.](#)

Govt likely to allow import of onion, tomato from 'any source'

Economy | Neutral

The Federal Cabinet is likely to allow import of onions and tomatoes from "any source" for a brief period to control soaring prices in the country, well informed sources told. (BR) | [Click for more info.](#)

Political News

IHC suspends PEMRA notification banning Imran's live speeches

The Islamabad High Court (IHC) suspended on Monday the Pakistan Electronic Media Regulatory Authority's (PEMRA) notification banning live telecast of former premier Imran Khan's speeches. (ET) | [Click for more info.](#)

International News

Stocks Up in Asia as Post-Powell Selloff Subsidies: Markets Wrap

Stocks in Asia climbed Tuesday as investor sentiment stabilized following a rout sparked by the Federal Reserve's commitment to a sustained period of restrictive monetary policy to quell inflation. (BR) | [Click for more info.](#)

Oil settles up more than 4% on prospect of OPEC+ supply cut

Oil prices settled up more than 4% on Monday, extending last week's gain, as potential OPEC+ output cuts and conflict in Libya helped to offset a strong U.S. dollar and a dire outlook for U.S. growth. (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 FCFF based DCF methodology.

Analyst Certification ^{AC}

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