

December 7, 2022

Economy

Govt seeks major IMF shareholders' help for \$7bn plan

Economy | Neutral

Pakistan on Tuesday engaged three major International Monetary Fund (IMF) shareholders for support in seeking \$7 billion economic bailout package and quashed rumours about any imminent financial emergency in an attempt to pacify jittery markets. (Dawn) | [Click for more info.](#)

IMF programme; Govt remains committed, Dar tells Nong

Economy | Neutral

Pakistan is committed to completing the Inter-national Monetary Fund programme while meeting external debt repayments on time, the finance minister said on Tuesday during a meeting with the ambassador of its top bilateral lender China. An IMF review for the release of its next tranche of funding has been pending since September, leaving Pakistan in dire need of external financing. (BR) | [Click for more info.](#)

WB puts country's external debt stock by end-2021 at \$130.433bn

Economy | Negative

The World Bank has estimated Pakistan's total external debt stocks at \$130.433 billion by end-2021 compared to \$115.695 billion by end-2020. (BR) | [Click for more info.](#)

Chinese firm to invest \$100m in digital payments sector

Economy | Positive

Opay, a Chinese company present in various countries including Nigeria, plans to invest \$100 million in Pakistan's digital payments sector by increasing points of sale (POS) from 10,000 to 100,000, its country president told. (Dawn) | [Click for more info.](#)

Govt plans to borrow Rs5.52tr domestic debt in Dec-Feb

Economy | Negative

The government is set to borrow Rs5.52 trillion through treasury bills and bonds in December 2022-February 2023 to help finance the country's chronic budget deficit. The majority of the planned borrowing for the months of December to February would be done through Market Treasury Bills with maturities of three, six, and 12 months. (The News) | [Click for more info.](#)

Power

Energy-efficient projects; WB ready to extend \$300m financing

Power | Positive

World Bank (WB) has shown willingness to extend over \$ 300 million financing for solarisation of government buildings, water and space heating, shifting from more expensive fuels to electricity and improve efficiency, well informed sources told. (BR) | [Click for more info.](#)

No power distribution firm being privatized, NA body told

Power | Neutral

The Privatization Commission has informed the National Assembly's Standing Committee on Privatisation that presently no power distribution company (Disco) was being privatized, as the management contract or concession agreement model had been approved by the cabinet and its relevant committee. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,214.6	28,085.0	-129.6	-0.5%
KSE100	41,612.7	41,539.9	-72.7	-0.2%
KSE30	15,360.3	15,365.3	5.0	0.0%
KMI30	70,035.0	69,828.4	-206.6	-0.3%

Top Five Gainers

	Open	Close	Chg.	%
PSEL	926.3	975.6	49.3	5.3%
SCL	294.6	316.0	21.4	7.3%
TICL	253.1	272.0	18.9	7.5%
ARPL	526.1	536.9	10.9	2.1%
SURC	150.5	160.0	9.4	6.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
DCL	5.2	5.5	0.3	11.28
WTL	1.4	1.4	0.0	9.87
DFML	14.0	15.0	1.0	9.87
TPLP	18.3	19.1	0.8	8.59
KOSM	2.8	2.7	0.0	7.25

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	1.45	-0.94	0.51
O/S Pakistanies	2.68	-1.03	1.66
Net	4.13	-1.96	2.17
LIPI			
Individuals	15.14	-15.13	0.01
Companies	3.00	-3.21	-0.21
Comm. Banks	0.65	-1.35	-0.71
NBFC	0.01	-0.01	0.00
Mutual Funds	0.45	-1.63	-1.18
Other	0.27	-0.35	-0.09
Brokers Proprietary	3.47	-3.44	0.03
Insurance	0.14	-0.17	-0.03
Net	23.12	-25.28	-2.17

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	74.47	-3.8%
Brent oil	USD/bbl.	79.72	-3.9%
Gold	USD/t oz.	1770.91	0.1%
Silver	USD/t oz.	22.16	-0.4%
Coal	USD/ton	249.50	0.5%
Steel Scrap (LME)	USD/ton	385.00	-0.3%
Steel Rebar (LME)	USD/ton	674.00	0.1%
USD/PKR	Interbank	6.38	-1.1%

News Source: Local / Int'l Newspapers and websites

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MORNING BRIEFING

SHC grants stay in HUBCO's case

HUBC | Neutral

In a major breakthrough, the Sindh High Court (SHC) has granted a stay order on the instant high court appeal filed by Hub Power Company Limited (HUBCO) seeking a restraining order against the encashment notice served by China Power Hub Generation Company (CPHGC). (Mettis) | [Click for more info.](#)

Miscellaneous

Unity Foods to invest nearly Rs2bn in Sunridge Foods subsidiary

UNITY | Positive

Unity Foods Limited (Unity) will make an equity investment of almost Rs2 billion in its subsidiary, Sunridge Foods (Private) Limited, which makes sugar and rice among other products. (BR) | [Click for more info.](#)

Domestic PFY industry on the ropes amid dumping allegations

Textile Weaving | Negative

At a time when the country is going through a balance of payments crisis, the government has failed to curtail Polyester Filament Yarn (PFY) being dumped on the international trade market. (PT) | [Click for more info.](#)

Ecneec okays Rs333.6bn for flood-hit projects

Economy | Positive

The Executive Committee of the National Economic Council (Ecneec) on Tuesday approved about Rs333.6 billion worth of 10 development projects for flood-related recovery, rehabilitation and reconstruction across the country. (Dawn) | [Click for more info.](#)

Subscription for Globe Residency REIT (GRR) on Dec 14-15

PSX | Neutral

General subscription for Globe Residency REIT (GRR), Pakistan's first developmental REIT being listed on the Pakistan Stock Exchange, will take place on December 14 and 15. (BR) | [Click for more info.](#)

Political News

Nawaz to get back home next month: Ayaz Sadiq

Economic Affairs Minister Sardar Ayaz Sadiq Tuesday said the party Quaid Muhammad Nawaz Sharif would get back home in January 2023. (The News) | [Click for more info.](#)

International News

Asia Stocks Mirror US Declines, Dollar Holds Gains: Markets Wrap

Asian stocks fell Wednesday following declines in US shares after downbeat outlook comments from bank chiefs. (Bloomberg) | [Click for more info.](#)

Oil prices slump to pre-Ukraine crisis levels on economic jitters

U.S. oil prices fell in frenzied trading on Tuesday to their lowest settlement levels this year, with Brent finishing below \$80 per barrel for the second time in 2022, as investors fled the volatile market in an uncertain economy. (Reuters) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PHILP - PSEI	6,674.4	232.25	3.61%
KSA - Tadawul	10,444.3	25.12	0.24%
CHINA - Shanghai	3,212.5	0.72	0.02%
US - S&P 500	3,941.3	-57.58	-1.44%
PAK (KSE-100)	41,539.9	-72.73	-0.17%
HK - Hang Seng	19,441.2	-77.11	-0.40%
INDONESIA - IDX	6,892.6	-94.76	-1.36%
INDIA - SENSEX	62,626.4	-208.24	-0.33%
Taiwan - TWII	14,728.9	-251.86	-1.68%
US - Dow 30	33,596.3	-350.76	-1.03%

Board Meetings

Scrp	Day	Agenda	Time
FFL	Wednesday	Other Matters	10:30 AM
MCB	Wednesday	Other Matters	11:00 AM
FFBL	Thursday	Other Matters	11:00 AM
SILK	Thursday	Other Matters	11:00 AM
IDYM	Thursday	Ann A/c as at 30-Jun-22	12:00 PM
NICL	Friday	Other Matters	11:00 AM
EWIC	Friday	Other Matters	3:00 PM

Source: PSX

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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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