

January 10, 2023

Economy

Geneva conference: Donors pledge over \$10.5bn for Pakistan

Economy | Positive

Pakistan has secured total pledges of \$10.57 billion from multilateral and bilateral creditors for reconstruction in flood-affected areas in Pakistan during the International Conference on Climate Resistant Pakistan held in Geneva on Monday. (The News) | [Click for more info.](#)

Flood recovery pledges to materialise in 3 phases

Economy | Positive

Pakistan's Resilient Recovery, Rehabilitation, and Reconstruction Framework (4RF) envisages that the donors' pledges of over \$10.5 billion for reconstruction in flood-affected areas of Pakistan would be materialised in three phases including short term up to one-year, medium-term up to three years and long term up to five to seven years period. (The News) | [Click for more info.](#)

COAS, Saudi crown prince discuss ways to strengthen ties

Economy | Positive

Chief of Army Staff (COAS) General Asim Munir on Monday met Saudi Crown Prince and Prime Minister Mohammed bin Salman at his winter camp in the Saudi city of Al Ula, around 1,000km northwest of the capital Riyadh, Dawn.com reported. According to the Saudi Press Agency (SPA), the COAS and the crown prince reviewed bilateral relations and ways to enhance them further. (Dawn) | [Click for more info.](#)

Meeting between Dar, IMF officials: Pakistan reaffirms commitment

Economy | Neutral

Pakistan reiterated its commitment to completing a programme with the International Monetary Fund in a meeting on the sidelines of a climate conference in Geneva on Monday, the finance ministry said in a statement. "It was a good meeting but I do not have any statements to make," Athanasios Arvanitis, deputy director of the IMF's Middle East and Central Asia Department, told Reuters immediately after it ended. (BR) | [Click for more info.](#)

Pakistan asks IMF for restructuring 'pause'

Economy | Neutral

Pakistan's prime minister on Monday asked the IMF for a pause in its demands for economic reforms before releasing more financial aid, as the country tries to rebuild after catastrophic floods. Shehbaz Sharif said he was trying to persuade the International Monetary Fund (IMF) to give Islamabad some breathing space as it tackles the "nightmarish" situation. The global lender wants Pakistan to withdraw remaining subsidies on petroleum products and electricity, aimed at helping the masses. (The News) | [Click for more info.](#)

Pakistan may dodge default in next 6 months: Bloomberg

Economy | Neutral

Pakistan is likely to dodge default in the next six months, but its troubles are not over, stated Bloomberg Economics in a report on Monday. Ankur Shukla, who covers South Asia at Bloomberg, stated that the International Monetary Fund (IMF) will help the country through the end of June. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	27,573.7	27,367.2	-206.5	-0.7%
KSE100	41,007.5	40,504.8	-502.8	-1.2%
KSE30	15,180.1	15,012.1	-168.1	-1.1%
KMI30	70,097.5	69,643.0	-454.4	-0.6%

Top Five Gainers

	Open	Close	Chg.	%
NESTLE	5,400.1	5,600.0	199.9	3.7%
PECO	309.5	332.7	23.2	7.5%
SCL	281.8	299.9	18.1	6.4%
TICL	218.3	234.7	16.4	7.5%
RCML	684.5	700.0	15.5	2.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
PRL	13.8	13.8	-0.1	17.57
PPL	76.1	79.0	2.9	13.97
CNERGY	4.1	3.9	-0.1	12.37
WTL	1.2	1.2	0.0	10.19
TRG	116.2	109.1	-7.1	9.84

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.47	-0.22	0.25
O/S Pakistanies	2.01	-1.75	0.26
Net	2.48	-1.97	0.51
LIPI			
Individuals	29.39	-28.90	0.49
Companies	1.65	-1.59	0.07
Comm. Banks	1.60	-1.04	0.56
NBFC	0.02	-0.02	0.00
Mutual Funds	2.35	-4.06	-1.71
Other	0.27	-0.16	0.11
Brokers Proprietary	8.73	-8.91	-0.18
Insurance	0.52	-0.37	0.16
Net	44.54	-45.05	-0.51

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	74.69	1.2%
Brent oil	USD/bbl.	79.89	1.7%
Gold	USD/t oz.	1871.59	0.3%
Silver	USD/t oz.	23.63	-0.9%
Coal	USD/ton	171.15	-0.8%
Steel Scrap (LME)	USD/ton	417.00	-0.2%
Steel Rebar (LME)	USD/ton	694.50	-0.6%
USD/PKR	Interbank	6.79	1.7%

News Source: Local / Int'l Newspapers and websites

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MORNING BRIEFING

14th successive loss: rupee falls yet again against US dollar

Economy | Negative

Pakistan's rupee registered a marginal loss against the US dollar for the 14th consecutive session, depreciating 0.12% in the inter-bank market on Monday. As per the State Bank of Pakistan (SBP), the rupee declined by Re0.27 to close at 227.41. During the ongoing fiscal year, the rupee has depreciated 9.93% against the greenback. In the open market, the PKR lost 25 paisas for both buying and selling against USD, closing at 234.50 and 236.75, respectively. (BR) | [Click for more info.](#)

FBR sees Rs1289bn tax gap for 2022

Economy | Negative

The Federal Board of Revenue (FBR) has worked out overall tax gap of Rs1,289 billion during 2022, which is, 26 percent of potential collectable tax under the current taxation regime. (BR) | [Click for more info.](#)

Oil & Gas

Mari finds gas
MARI | Positive

Mari Petroleum Company Ltd said on Monday it made a gas discovery at its exploratory well Mari Ghazij-1, located in Mari Development and Production Lease (D&PL) in Sindh. Mari Petroleum is the operator of Mari D&PL with 100 per cent working interest. (Dawn) | [Click for more info.](#)

Autos

Car making components: FBR to charge 15pc duty on import
Autos | Neutral

The Federal Board of Revenue (FBR) will charge 15 percent customs duty on the import of components for the assembly/ manufacture of new motorcars including station wagons and racing cars. (BR) | [Click for more info.](#)

Fertilizer

Ships loaded with urea dock at Gwadar port
Fertilizer | Positive

Three cargo ships carrying around 96,000 tonnes of urea anchored at the Gwadar port as the federal government has decided to increase the bulk of cargo imported through the port to make it more functional. According to official sources, the first of the three ships — all loaded with 32,000 tonnes of fertiliser each — arrived at the port. (Dawn) | [Click for more info.](#)

Technology

Telecom sector generates record Rs694bn revenues during FY 2021-22
Technology | Positive

Telecom sector generated record revenues of Rs 694 billion during the financial year 2021-22 compared to Rs 651 billion during the same period of 2020-21, however, economic slowdown and increased operational costs resulted in rather sluggish growth in the last quarter, says the Pakistan Tele-communication Authority (PTA). (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	60,747.3	846.94	1.41%
HK - Hang Seng	21,388.3	396.70	1.89%
Taiwan - TWII	14,752.2	378.87	2.64%
PHILP - PSEi	6,790.2	122.27	1.83%
KSA - Tadawul	10,647.2	110.27	1.05%
CHINA - Shanghai	3,176.1	18.44	0.58%
INDONESIA - IDX	6,688.3	3.71	0.06%
US - S&P 500	3,892.1	-2.99	-0.08%
US - Dow 30	33,517.7	-112.96	-0.34%
PAK (KSE-100)	40,504.8	-502.76	-1.23%

Board Meetings

Scrip	Day	Agenda	Time
JSIL	Wednesday	Other Matters	10:30 AM
DCR	Thursday	Other Matters	2:00 PM
NICL	Friday	Other Matters	10:30 AM
PNSC	Friday	Other Matters	11:00 AM
NRSL	Friday	Other Matters	11:30 AM

Source: PSX

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TRG forestalls another attempt at hostile takeover**TRG | Neutral**

TRG Pakistan Ltd seems to have forestalled yet another alleged attempt at a hostile takeover by its former CEO and co-founder and a number of financial institutions. (Dawn) | [Click for more info.](#)

Miscellaneous**Export of services goes up 6pc in July-Nov****Economy | Positive**

The export of services grew nearly six per cent in the first five months of 2022-23 on a year-on-year basis mainly on the back of IT sales. The country achieved this growth at a time when the exports of commodities have been in decline for many months, according to the latest data compiled by the Pakistan Bureau of Statistics (PBS). In absolute terms, the value of export of services reached \$2.8 billion in July-November from \$2.74bn a year ago. (Dawn) | [Click for more info.](#)

Novatex withdraws PAI for acquisition of LOTCHEM's 75.01% shareholding**LOTCHEM | Neutral**

Lotte Chemical Pakistan Ltd (PSX: LOTCHEM) has received the notice to withdraw Public Announcement of Intention (PAI) from Novatex Limited through its manager to offer Arif Habib Limited, the company's filing on PSX said. Earlier, on July 13, 2023, Novatex Limited submitted PAI to acquire control of 75.01% shares of LOTCHEM. (Mettis) | [Click for more info.](#)

7m people laid off in textile industry, associations claim**Textile | Negative**

About seven million people in textile and textile-related industries have been laid off due to dwindling exports and the government's failure to end the economic crisis, representatives of the value-added textile associations said in a joint press conference on Monday. (Dawn) | [Click for more info.](#)

Political News**Elahi reiterates support to IK**

Punjab Chief Minister Chaudhary Pervaiz Elahi reiterated his support for Pakistan Tehreek-e-Insaf (PTI) Chairman Imran Khan; "he is our leader and we will stand together in every decision". (BR) | [Click for more info.](#)

International News**Oil rises over 1% on demand optimism as China reopens borders**

Oil prices rose over 1% on Monday after China's reopened borders boosted the outlook for fuel demand and overshadowed global recession concerns. (Reuters) | [Click for more info.](#)

Stocks Give Up Rally Above Key Mark After Fed'speak: Markets Wrap

A rally in stocks fizzled out after two Federal Reserve officials signaled that interest rates could top 5%, throwing some cold water on traders who saw a peak below that mark. (Bloomberg) | [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.

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