

April 11, 2023

Morning Briefing

Economy

Finance secretary to attend WB, IMF spring meetings

Economy | Neutral

A high-level Pakistani delegation led by Finance Secretary Hamed Yaqoob Sheikh has arrived in Washington to attend the World Bank and the International Monetary Fund's spring meetings as concerns mount that a combination of sticky high interest rates and lacklustre global growth could push a number of economies that are facing soaring refinancing needs into debt difficulties next year. (ET) | [Click for more info.](#)

Remittances hit seven-month high of \$2.5 billion in March

Economy | Neutral

The amount of money sent home by Pakistani citizens working abroad increased to a seven-month high of \$2.5 billion in March, the central bank data showed on Monday, helping improve the country's balance of payments. (The News) | [Click for more info.](#)

PKR: significant decline

Economy | Negative

As per the State Bank of Pakistan (SBP), the local currency closed at 287.09, down 2.44 or 0.85%. In the open market, the PKR lost 1.50 rupee for both buying and selling against USD, closing at 290 and 293, respectively. (BR) | [Click for more info.](#)

Oil & Gas

PSO defers import of 2 diesel cargoes from Kuwait Petroleum

PSO, Oil | Negative

Pakistan State Oil (PSO) has deferred the import of two cargoes of diesel from Kuwait Petroleum Corporation (KPC) after its sale from legal channel dropped massively. (The News) | [Click for more info.](#)

Power

ST through power bills; Only 0.133m retailers file tax returns

Power | Neutral

Only 0.133 million retailers filed their income tax returns out of 2.3 million retailers who paid sales tax of Rs6 billion during 2021-22 under the fixed sales tax scheme through electricity bills. (BR) | [Click for more info.](#)

Planned 600MW solar power plant

Power | Neutral

The Prime Minister Office (PMO) has reportedly compelled the Ministry of Planning, Development and Special Initiatives (PD&SI) to make Rs 930 million available through re-appropriation for land acquisition in connection with the planned 600 MW solar power plant at Muzaffargarh, well-informed sources told. (BR) | [Click for more info.](#)

Dollar crunch also hits Chinese IPPs

IPPs | Negative

The ongoing liquidity crunch for dollars in Pakistan has exacerbated the financial difficulties faced by Chinese Independent Power Producers (IPPs), as the government deducts capacity charges due to their inability to generate the desired amount of electricity production. (The News) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	26,401.7	26,279.5	-122.2	-0.5%
KSE100	40,049.7	39,835.9	-213.8	-0.5%
KSE30	14,915.0	14,833.2	-81.8	-0.5%
KMI30	69,760.0	69,358.2	-401.8	-0.6%

Top Five Gainers

	Open	Close	Chg.	%
KHYT	530.7	570.5	39.8	7.5%
MUREB	320.0	334.9	14.9	4.6%
FASM	340.0	354.0	14.0	4.1%
LCI	517.5	531.1	13.6	2.6%
SIEM	560.0	570.0	10.0	1.8%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.2	1.2	0.0	34.13
JSBL	4.1	4.5	0.4	10.40
KEL	2.1	2.0	0.0	5.62
TELE	8.0	8.1	0.1	5.51
FCCL	11.8	11.5	-0.3	2.87

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.13	-0.09	0.04
O/S Pakistanies	0.77	-0.85	-0.08
Net	0.90	-0.94	-0.04
LIPI			
Individuals	5.38	-6.74	-1.36
Companies	2.15	-0.59	1.56
Comm. Banks	0.30	-0.70	-0.39
NBFC	0.01	-0.04	-0.03
Mutual Funds	0.30	-0.54	-0.24
Other	0.42	-0.18	0.24
Brokers Proprietary	1.44	-1.43	0.01
Insurance	0.45	-0.20	0.25
Net	10.45	-10.41	0.04

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	79.86	-1.0%
Brent oil	USD/bbl.	84.34	-0.9%
Gold	USD/t oz.	1992.46	-0.8%
Silver	USD/t oz.	24.89	-0.4%
Coal	USD/ton	131.85	-3.1%
Steel Scrap (LME)	USD/ton	428.50	-1.5%
Steel Rebar (LME)	USD/ton	674.00	-2.0%
USD/PKR	Interbank	8.36	0.6%

News Source: Local / Int'l Newspapers and websites

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Autos

Suzuki Sees Massive Recovery in Sales After Two Terrible Months PSMC | Positive

2023 has been a difficult year for the local auto industry. However, for Pak Suzuki Motor Company (PSMC), January and February have been particularly unforgiving. That changed in March, as the company sold more than 5,600 units, observing a massive Month on Month (MoM) jump of 476% in overall sales. (Propakistani) | [Click for more info.](#)

Miscellaneous

Banks' deposits increase by 15% YoY to Rs23.56tr: SBP Banks | Positive

The total deposits held by scheduled banks have moved up by 15% YoY to Rs23.56 trillion in March 2023 compared to Rs20.46tr in March 2022, data issued by State Bank showed today. Similarly, on monthly basis, local banks' deposits have edged higher by 2.8% MoM, compared to Rs22.92bn in February 2023. (Mettis) | [Click for more info.](#)

Court grants stay against Tri-Star Power takeover TSPL | Positive

The Sindh High Court has ordered that the status quo be maintained with respect to the attempt by a Turkish investor to buy more than 51 per cent shares and control of Tri-Star Power Ltd, a publicly listed electricity producer. (Dawn) | [Click for more info.](#)

Trade and industry warn of unsustainable financial burden Economy | Negative

The export-oriented businesses of Pakistan are unlikely to sustain the burden of additional billions of rupees amid the withdrawal of subsidised electricity, restricted imports, all-time high-interest rates, and the rupee's devaluation against the US dollar. (Dawn) | [Click for more info.](#)

Political News

Funds not released for Punjab polls

The Rs21 billion funds for holding elections in Punjab could not be released on Monday to the Election Commission of Pakistan as per the directions of the Supreme Court. April 10 was the last day to release the funds. (The News) | [Click for more info.](#)

International News

Asian Stocks Climb After Wall Street Ekes Out Gain: Markets Wrap

Asian equities opened higher Tuesday, building on a late recovery that saw US stocks catch bids into the close amid holiday-thinned trading. The dollar edged down after gaining for three days and Treasury yields were slightly lower. (BR) | [Click for more info.](#)

Oil Holds Loss as Stronger US Dollar, Slowdown Concerns Weigh

Oil held a loss as a stronger US dollar and concerns over an economic slowdown that would sap energy demand weighed on sentiment. (Bloomberg) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - Dow 30	33,586.5	101.23	0.30%
HK - Hang Seng	20,331.2	56.61	0.28%
Taiwan - TWII	15,876.2	39.67	0.25%
PHILP - PSEi	6,488.5	16.47	0.25%
INDIA - SENSEX	59,846.5	13.54	0.02%
US - S&P 500	4,109.1	4.09	0.10%
CHINA - Shanghai	3,315.4	-12.29	-0.37%
INDONESIA - IDX	6,771.2	-26.91	-0.39%
KSA - Tadawul	10,905.5	-60.30	-0.55%
PAK (KSE-100)	39,835.9	-213.75	-0.53%

Board Meetings

Scrip	Day	Agenda	Time
EPQL	Tuesday	1Q A/c as of 31-Mar-23	10:00 AM
EFERT	Tuesday	1Q A/c as of 31-Mar-23	10:30 AM
NITG-ETF	Tuesday	3Q A/c as of 31-Mar-23	11:30 AM
786	Tuesday	3Q A/c as of 31-Mar-23	2:00 PM
MZNPETF	Wednesday	3Q A/c as of 31-Mar-23	10:00 AM
PTL	Wednesday	3Q A/c as of 31-Mar-23	12:30 PM
HCL	Wednesday	3Q A/c as of 31-Mar-23	3:00 PM
SSGC	Thursday	1Q A/c as of 31-Mar-23	11:30 AM
LOTCHEM	Thursday	1Q A/c as of 31-Mar-23	1:30 PM
EPCL	Friday	1Q A/c as of 31-Mar-23	10:00 AM
PIM	Friday	3Q A/c as of 31-Mar-23	10:00 AM
GAMON	Monday	3Q A/c as of 31-Mar-23	11:00 AM
PSX	Monday	3Q A/c as of 31-Mar-23	12:00 PM
GIL	Tuesday	3Q A/c as of 31-Mar-23	11:00 AM
MEBL	Tuesday	1Q A/c as of 31-Mar-23	2:30 PM
BERG	Wednesday	3Q A/c as of 31-Mar-23	10:00 AM
ISL	Wednesday	3Q A/c as of 31-Mar-23	10:00 AM
ENGRO	Wednesday	1Q A/c as of 31-Mar-23	10:30 AM
FCCL	Wednesday	3Q A/c as of 31-Mar-23	10:30 AM
UPFL	Tuesday	3Q A/c as of 31-Mar-23	2:30 PM
OML	Thursday	3Q A/c as of 31-Mar-23	11:00 AM
HAFI	Thursday	3Q A/c as of 31-Mar-23	11:30 AM

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.

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