

May 12,
2022

Economy

PKR: historic low

Economy | **Negative**

As per the State Bank of Pakistan (SBP), the rupee closed at 190.02 after a day-on-day fall of Rs1.36, or 0.72%. On Tuesday, the rupee had closed at then-record low of 188.66. The rupee has now lost over 7% against the US dollar in the ongoing calendar year, and over 17% during the current fiscal year to date. In the open market, the PKR lost 2 rupees for buying and 2.50 rupees for selling against USD, closing at 191 and 192.50, respectively. (BR) | [Click for more info.](#)

Pakistan needs \$10-12bn inflows urgently

Economy | **Negative**

Pakistan is in a dire need of external finances to rebuild its foreign reserves amid fears of rising trade deficit that threatens to weaken the rupee further and deteriorate the country's economy, forex association said. (The News) | [Click for more info.](#)

Pakistan rules out trade with India

Economy | **Neutral**

With a change in the federal government, the Ministry of Commerce (MoC) has ruled out the possibility of a resumption of stalled bilateral trade with India. (Dawn) | [Click for more info.](#)

Oil & Gas

May oil subsidy to cost Rs118.60bn

Oil | **Negative**

The government will bleed Rs118.60 billion in oil subsidies to save the consumers from petroleum products price shocks for the month of May, compared to an early estimate of Rs102 billion, a new estimate showed on Wednesday. (The News) | [Click for more info.](#)

PetroChina offers lowest bid for two LNG cargoes for June

Gas | **Neutral**

Pakistan LNG Ltd (PLL) received the lowest spot price of \$23.968 per mmbtu and \$22.498 per mmbtu for two cargoes of LNG for the month of June. (BR) | [Click for more info.](#)

Power

Power outages to continue for next two months

Power | **Negative**

Power division has informed Prime Minister Shehbaz Sharif that currently giving an end to power cuts will not be possible owing to shortage of funds and high prices of fuel in the international market. Sources also said that the power division has made it dear to the Premier that power load-shedding should continue for two months in the better interest of nation and national exchequer. (PT) | [Click for more info.](#)

Fertilizer

Fertilizer price to be revised downward

Fertilizer | **Negative**

In a bid to provide relief to the farming community, the government has decided to revise downward the fertilizer price to Rs1,768 per bag from Rs1,917 per bag, Federal Minister for Industries and Production, Makhdoom Murtaza Mahmud said this while chairing a meeting of the Fertilizer Review Committee. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

| | Open | Close | Chg. | % |
|---------|----------|----------|---------|-------|
| KSE All | 29,636.9 | 29,203.2 | -433.7 | -1.5% |
| KSE100 | 43,504.4 | 42,863.2 | -641.2 | -1.5% |
| KSE30 | 16,514.0 | 16,303.9 | -210.1 | -1.3% |
| KMI30 | 70,081.1 | 69,006.7 | -1074.4 | -1.5% |

Top Five Gainers

| | Open | Close | Chg. | % |
|------|-------|-------|------|------|
| GATI | 356.1 | 382.8 | 26.7 | 7.5% |
| ISIL | 478.0 | 494.8 | 16.8 | 3.5% |
| PECO | 207.3 | 217.6 | 10.3 | 5.0% |
| TICL | 260.9 | 269.5 | 8.6 | 3.3% |
| DADX | 60.6 | 65.1 | 4.5 | 7.5% |

Top Five Volume Leaders

| | Open | Close | Chg. | Vol. |
|--------|------|-------|------|-------|
| WTL | 1.6 | 1.5 | -0.1 | 31.41 |
| CNERGY | 5.7 | 5.3 | -0.4 | 24.78 |
| PAEL | 16.5 | 15.7 | -0.8 | 16.77 |
| PRL | 15.0 | 14.4 | -0.7 | 13.59 |
| TRG | 77.1 | 77.0 | 0.0 | 12.62 |

Portfolio Investments – Net Position

| FIPI | Buy | Sell | Net |
|---------------------|--------------|---------------|--------------|
| F-Individuals | 5.99 | -9.94 | -3.95 |
| F-Corporates | 101.04 | -97.09 | 3.95 |
| O/S Pakistanies | 3.12 | -2.86 | 0.26 |
| Net | 5.54 | -4.78 | 0.76 |
| LIPI | | | |
| Individuals | 36.14 | -41.13 | -4.99 |
| Companies | 2.27 | -2.39 | -0.12 |
| Comm. Banks | 7.96 | -4.66 | 3.30 |
| NBFC | 0.01 | -0.45 | -0.44 |
| Mutual Funds | 3.80 | -4.15 | -0.35 |
| Other | 1.93 | -2.29 | -0.36 |
| Brokers Proprietary | 12.25 | -10.83 | 1.43 |
| Insurance | 1.40 | -0.61 | 0.79 |
| Net | 65.75 | -66.51 | -0.76 |

Commodity Outlook

| | Unit | Close | % chg. |
|-------------------|-----------|---------|--------|
| Crude oil | USD/bbl. | 105.71 | 6.0% |
| Brent oil | USD/bbl. | 107.51 | 4.9% |
| Gold | USD/t oz. | 1852.53 | 0.8% |
| Silver | USD/t oz. | 21.57 | 1.4% |
| Coal | USD/ton | 319.65 | 2.5% |
| Steel Scrap (LME) | USD/ton | 492.00 | 0.4% |
| Steel Rebar (LME) | USD/ton | 814.50 | -0.1% |
| USD/PKR | Interbank | 190.02 | 0.7% |

News Source: Local / Int'l Newspapers and websites

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REP-055

Tech. & Communication

TRGI subsidiary buyback 12.83% stake in TRG Pakistan

TRG | Neutral

Greentree Holdings Limited a subsidiary of TRG International have acquired on May 11, 2022, 2,393,400 at price of PKR 74.26 per share voting shares of TRG Pakistan, according to company filing to the exchange. (Augaf) | [Click for more info.](#)

Ceaus Solutions book building cancelled as participation remained dull

CEOUS | Neutral

With regards to Growth Enterprise Market (GEM) Board listing of Coeus Solutions Limited, the Book Runner of the Issue K-Trade, has intimated all concerned that participation in book building fell short of their expectations due to unprecedented market conditions on back of global economic situation and domestic political uncertainty. Hence, company has decided to cancel the book building process until further notice. (Augaf) | [Click for more info.](#)

Miscellaneous

TPL REIT Management entered into Unit Subscription Agreements for PKR 18.35 billion with investors

TPLP | Neutral

TPL REIT Management Company Ltd (TPL RMC) (a wholly owned subsidiary of TPL Properties Ltd) has successfully entered into Unit Subscription Agreements for its first funding round of PKR 18.35 Billion in its TPL REIT Fund I (Fund) with all initial investors. (Augaf) | [Click for more info.](#)

Country likely to miss 3.5pc agri growth target

Economy | Neutral

The country is likely to miss the agriculture growth target of 3.5 percent set for 2021-22, after missing the target of major crops including cotton and wheat production. (BR) | [Click for more info.](#)

Political News

No early elections, London huddle decides

Pakistan Muslim League's London huddle has decided that there will be no early elections and the main focus of the current government should be on providing economic relief to the masses and also taking tough but long-term economic decisions, according to insiders of the meeting. (The News) | [Click for more info.](#)

International News

Stocks Extend Drop on Worries Over High Inflation: Markets Wrap

Asian stocks fell Thursday after elevated US inflation bolstered the case for aggressive monetary tightening and sparked a slide on Wall Street. (Bloomberg) | [Click for more info.](#)

Oil up more than 5%, as Russia-EU energy quarrel intensifies

Oil prices rose more than 5% on Wednesday after flows of Russian gas to Europe fell and Russia sanctioned some European gas companies, adding to uncertainty in world energy markets. (Reuters) | [Click for more info.](#)

World Indices

| | Last | Chg. | Chg. % |
|------------------|----------|---------|--------|
| HK - Hang Seng | 19,824.6 | 190.88 | 0.97% |
| CHINA - Shanghai | 3,058.7 | 22.86 | 0.75% |
| INDONESIA - IDX | 6,816.2 | -3.59 | -0.05% |
| Taiwan - TWII | 16,006.3 | -55.45 | -0.35% |
| US - S&P 500 | 3,935.2 | -65.87 | -1.65% |
| PHILP - PSEI | 6,635.9 | -85.07 | -1.27% |
| KSA - Tadawul | 13,379.1 | -130.23 | -0.96% |
| INDIA - SENSEX | 54,088.4 | -276.46 | -0.51% |
| US - Dow 30 | 31,834.1 | -326.63 | -1.02% |
| PAK (KSE-100) | 42,863.2 | -641.21 | -1.47% |

Board Meetings

| Scrip | Day | Agenda | Time |
|-------|----------|-------------------|----------|
| AGTL | Tuesday | 1QA/C - 31-Mar-22 | 5:30 PM |
| SIEM | Thursday | HYA/C - 31-Mar-22 | 10:00 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 FCF based DCF methodology.

Analyst Certification ^{AC}

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