

December 13, 2022

Economy

Pakistan expects multibillion-dollar support from Saudi Arabia: sources

Economy | Neutral

Pakistan will likely secure a multibillion-dollar financial support package from long-time ally Saudi Arabia this month, two sources said, as the country awaits the ninth review of a \$7 billion IMF bailout package. The two finance ministry officials said the Saudi package would include deposits boosting the country's foreign reserves and oil on deferred payments. (BR) | [Click for more info.](#)

ADB approves \$554m flood assistance package for Pakistan

Economy | Neutral

The Asian Development Bank (ADB) announced on Monday that a \$554 million financing package, including new and reallocated funds, had been approved to support recovery and reconstruction efforts in Pakistan following in the aftermath of devastating floods, and to strengthen the country's disaster and climate resilience. (Dawn) | [Click for more info.](#)

NA passes foreign investment protection bill

Economy | Neutral

Despite strong protests by treasury lawmakers including a sitting federal minister, the National Assembly did not waste a single minute and passed Foreign Investment (Promotion and Protection) Bill, 2022 on Monday without referring it to the committee concerned for further deliberation. (BR) | [Click for more info.](#)

Oil & Gas

Fuel requirement for summer discussed

Oil | Neutral

Ministry of Energy (Petroleum Division and Power Division) on Monday held a meeting to discuss fuel requirement for the summer months 2023. Total requirement of HSFO (RFO) for November 2022 at 34,773 MTs, for December 163,215 MTs and 117,742 MTs in January 2023. According to General Manager, Sajjad Akhtar System Operator (NPCC) policy load management of two hours is considered as per the direction of the Power Division (MoE). (BR) | [Click for more info.](#)

Sindh to face massive gas loadshedding

SSGC | Neutral, Gas | Negative

The Sui Southern Gas Company (SSGC) Monday announced that under a new load management plan, gas will be supplied to consumers in Sindh from 6-9am, 12-2pm, and 6-9pm — for a total of eight hours. (The News) | [Click for more info.](#)

Major sectors owe govt Rs448bn in gas cess

Gas, Economy | Negative

Several sectors owe the government some Rs448.86 billion to the federal government under Gas Infrastructure Development Cess (GIDC) over half of the total amount charge. A document of the money charged, recovered and outstanding balance showed that a whopping sum of Rs795 billion was charged from sectors including industry (captive power), Compressed Natural Gas (CNG), Fertilizer (feed), Fertilizer (fuel), Industry (general), Industry (textile), Independent Power Producers, Water and Power Development Authority (Wapda), Genco, K-Electric and Pakistan Steel Mills. (The News) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,128.3	28,000.4	-127.9	-0.5%
KSE100	41,698.3	41,540.6	-157.7	-0.4%
KSE30	15,402.4	15,353.5	-48.9	-0.3%
KMI30	69,951.0	69,801.4	-149.5	-0.2%

Top Five Gainers

	Open	Close	Chg.	%
PRET	624.9	668.9	44.0	7.0%
INDU	975.9	995.0	19.1	2.0%
SCL	263.6	281.9	18.3	7.0%
ABOT	489.9	498.0	8.1	1.7%
EWIC	77.1	82.9	5.8	7.5%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
DFML	15.6	16.7	1.1	8.52
WTL	1.4	1.4	0.0	7.26
DFSM	4.3	4.6	0.2	6.51
GCIL	17.2	16.8	-0.4	6.47
MDTL	2.3	2.3	0.0	6.29

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.01	0.00	0.01
F-Corporates	1.45	-5.14	-3.70
O/S Pakistanies	0.65	-0.59	0.05
Net	2.10	-5.73	-3.64
LIPI			
Individuals	10.14	-10.55	-0.41
Companies	4.62	-1.09	3.53
Comm. Banks	1.52	-0.87	0.65
NBFC	0.00	-0.01	-0.01
Mutual Funds	0.77	-1.02	-0.25
Other	0.45	-0.14	0.32
Brokers Proprietary	2.61	-2.33	0.27
Insurance	0.39	-0.85	-0.46
Net	20.50	-16.86	3.64

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	73.44	3.4%
Brent oil	USD/bbl.	78.17	2.7%
Gold	USD/t oz.	1781.15	-0.9%
Silver	USD/t oz.	23.30	-0.7%
Coal	USD/ton	229.00	-4.3%
Steel Scrap (LME)	USD/ton	391.50	-0.6%
Steel Rebar (LME)	USD/ton	671.00	-0.8%
USD/PKR	Interbank	6.47	-0.3%

News Source: Local / Int'l Newspapers and websites

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MORNING BRIEFING

December 13, 2022

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Draft for local refineries' upgrade finalized Refinery | Neutral

The government has finalized the draft of the refining policy for upgradation of local refineries under which a protective tariff of 10 per cent each on petrol and diesel would be extended to the existing refineries in the shape of IEFM (inland equalisation freight margin) for six years. (The News) | [Click for more info.](#)

Autos

Passenger car sales up in Nov; down 39pc in five months Autos | Negative

Passenger car sales of Pakistan Automotive Manufacturers Association (PAMA) members increased slightly in November 2022 compared with November 2021, while five-month sales dropped by 39 percent. (The News) | [Click for more info.](#)

Banks

Bugis sells 65,020,947 ordinary shares to 7 MCB shareholders MCB | Positive

Bugis Investments (Mauritius) Pte Ltd, a wholly-owned subsidiary of Fullerton Financial Holdings Pte Ltd has transferred and sold all the 65,020,947 ordinary shares held by it in MCB, equivalent to 5.49 percent of MCB's issued share capital, to seven existing MCB shareholders, comprising three companies and four individuals. (BR) | [Click for more info.](#)

Summit Bank shareholding; Lootah proposes to amend share subscription agreement SMBL | Neutral

Nasser Abdulla Hussain Lootah has proposed to amend the share subscription agreement to reflect that he shall subscribe to 3,984,063,745 new ordinary shares of the Summit Bank Limited by way of other than rights at the unchanged subscription price of Rs 2.51 per share subject to requisite corporate and regulatory approvals. (BR) | [Click for more info.](#)

PM's youth loan scheme relaunched Banks | Positive

The government has relaunched the Prime Minister's Youth Loan Scheme with revised features including interest-free microloans and agriculture loans. Under the revised scheme titled Prime Minister's Youth Business & Agriculture Loan Scheme (PMYB&ALS), eligible borrowers can avail financing up to Rs 0.5 million at zero interest rate. (BR) | [Click for more info.](#)

Miscellaneous

TPL Properties completes Rs7bn strategic investment in REIT Fund TPLP | Positive

TPL Properties Limited (TPLP) has successfully completed a strategic investment of Rs7.1 billion in TPL REIT Fund, after the latter completed land acquisition for its 'Tech Park' project. TPL REIT is the first and largest Shariah-compliant Development Impact real estate investment trust Fund in Pakistan and its eventual size is envisaged at Rs80 billion, which will be raised from local and international investors. (ET) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - Dow 30	34,005.0	528.58	1.58%
US - S&P 500	3,990.6	56.18	1.43%
INDONESIA - IDX	6,734.5	19.33	0.29%
PHILP - PSEi	6,585.2	5.08	0.08%
CHINA - Shanghai	3,179.0	-27.91	-0.87%
INDIA - SENSEX	62,130.6	-51.10	-0.08%
Taiwan - TWII	14,612.6	-92.84	-0.63%
KSA - Tadawul	10,033.2	-105.12	-1.04%
PAK (KSE-100)	41,540.6	-157.73	-0.38%
HK - Hang Seng	19,463.6	-437.24	-2.20%

Board Meetings

Scrip	Day	Agenda	Time
NGRO	Tuesday	Other Matters	9:30 AM
FFBL	Tuesday	Other Matters	11:00 AM
THALL	Tuesday	Other Matters	3:30 PM
SGABL	Wednesday	1st Quarter	10:30 AM
TPLI	Wednesday	Other Matters	11:00 AM
ZIL	Wednesday	Other Matters	11:00 AM
BIPL	Wednesday	Other Matters	11:30 AM
RUBY	Wednesday	Other Matters	2:00 PM
AMBL	Thursday	3rd Qtr A/c for 30-Sep-22	2:30 PM
AGP	Thursday	Other Matters	2:30 PM
HBL	Friday	Other Matters	10:00 AM
MIRKS	Friday	Ann A/c for 30-Sep-22	2:30 PM

Source: PSX

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MORNING BRIEFING

Frontier Ceramics closes floor tile production**FRCL | Negative**

Amid the ongoing energy crisis another company on the bourse, Frontier Ceramics Limited (FRCL) has decided to shut down its floor tile production plant for an uncertain period. The company in its notification issued to PSX stated, "The unforeseen devaluation of rupee coupled with the government's restrictions, including letter of credit (LC) approval constraints and general economic instability are also the reasons behind the decision." (Mettis) | [Click for more info.](#)

Political News**We did not put our political capital at stake for early elections: PM Shehbaz**

Prime Minister Shehbaz Sharif said on Monday that the ruling coalition did not put its political capital at stake just "so that it could hold early elections", but rather to steer the country's economy on the right track by putting in the hard work required for it. (BR) | [Click for more info.](#)

International News**Oil Extends Gains as China Signals Further Easing of Covid Rules**

Oil rose for a second day on signs of further easing of China's Covid-19 restrictions and as a key North American pipeline remained shut. (Bloomberg) | [Click for more info.](#)

Asia Stocks Take Positive Lead from US Before CPI: Markets Wrap

Stocks were mixed while the dollar edged down on Tuesday amid cautious trading ahead of US inflation data that may shape the outlook for interest-rate hikes into next year. (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 FCF based DCF methodology.

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