

February 14, 2023

Economy

IMF, govt look to reach deal
Economy | Neutral

Talks between the International Monetary Fund and Pakistan will resume virtually on Monday, a Pakistani official said, as the two sides look to reach a deal to unlock funding critical to keep the cash-strapped south Asian country afloat. (BR) | [Click for more info.](#)

Remittances hit 32-month low at \$1.89b in January
Economy | Negative

Workers' remittances to Pakistan fell to a 32-month low in January 2023, slipping below the \$2 billion mark, according to the State Bank of Pakistan (SBP). The remittances recorded at \$1.89 billion, a decrease of 13% compared to the same month in the previous year and a drop of 10% compared to December 2022. (ET) | [Click for more info.](#)

Rupee registers marginal dip against US dollar
Economy | Neutral

As per the State Bank of Pakistan (SBP), the currency closed at 269.44 against the US dollar, a decrease of Re0.16. In the open market, the PKR remained unchanged for buying and selling against USD, closing at 270 and 273, respectively. (BR) | [Click for more info.](#)

Oil & Gas

Petrol may jump by Rs20/litre in next review
Oil | Neutral

Petrol price could witness a steep rise of around Rs20/litre in the next fortnightly review scheduled on February 15, 2023, sources in the oil sector said on Monday. (The News) | [Click for more info.](#)

Up to 124% gas price hike approved
SSGC, SNGP | Positive

In order to implement a major prior condition, set by the International Monetary Fund (IMF) for striking a staff-level agreement with Pakistan, the Economic Coordination Committee (ECC) of the Cabinet Monday approved up to 124% hike in the tariff of gas across the board for six months — January to June. (The News) | [Click for more info.](#)

Ogra reduces prices of imported LNG for Feb
SSGC, SNGP | Neutral

The Oil and Gas Regulatory Authority (Ogra) on Monday announced a little reduction in imported LNG prices for the consumers of both gas companies - the Sui Northern Gas Pipeline Limited (SNGPL) and the Sui Southern Gas Company (SSGC) for February. (BR) | [Click for more info.](#)

Power

K-Electric files Rs484bn investment plan for FY 2024-2030 with NEPRA
KEL | Neutral

K-Electric (KE) has planned to invest Rs484 billion in its transmission and distribution system in the next seven years to add to the city's development, progress and sustainability, the power utility said in a statement. (The News) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	27,866.7	27,852.1	-14.6	-0.1%
KSE100	41,741.8	41,717.0	-24.8	-0.1%
KSE30	15,682.3	15,651.1	-31.1	-0.2%
KMI30	72,189.5	71,788.9	-400.6	-0.6%

Top Five Gainers

	Open	Close	Chg.	%
SAPT	1,026.6	1,100.0	73.4	7.1%
RCML	647.5	690.4	42.9	6.6%
JDWS	310.0	333.2	23.2	7.5%
INDU	855.0	875.6	20.6	2.4%
THALL	176.0	189.2	13.2	7.5%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
SSGC	11.2	12.2	0.9	22.25
WTL	1.3	1.3	0.0	16.39
OGDC	101.1	98.8	-2.3	15.13
SNGP	44.1	47.4	3.3	13.67
PPL	80.0	80.0	0.0	12.58

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.25	-0.26	-0.01
O/S Pakistanies	2.09	-1.64	0.45
Net	2.34	-1.90	0.44
LIPI			
Individuals	25.97	-25.07	0.91
Companies	0.97	-0.53	0.43
Comm. Banks	1.34	-1.17	0.17
NBFC	0.02	-0.01	0.00
Mutual Funds	1.72	-3.36	-1.64
Other	0.08	-0.27	-0.19
Brokers Proprietary	6.96	-6.96	0.01
Insurance	0.20	-0.34	-0.14
Net	37.26	-37.70	-0.44

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	79.23	-0.6%
Brent oil	USD/bbl.	85.80	-0.7%
Gold	USD/t oz.	1853.39	-0.7%
Silver	USD/t oz.	21.97	-0.1%
Coal	USD/ton	142.50	-2.0%
Steel Scrap (LME)	USD/ton	427.00	-0.7%
Steel Rebar (LME)	USD/ton	709.50	0.4%
USD/PKR	Interbank	7.95	-1.5%

News Source: Local / Int'l Newspapers and websites

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Autos

Car sales plunge 65pc in January

Autos | Negative

Passenger car sales of Pakistan Automotive Manufacturers Association (PAMA) members plunged by 65 percent in January 2023 compared with January 2022 on the back of non-production days and a decline in purchasing power. With the exception of Suzuki's Swift, Hyundai cars and jeeps, sales of all other variants of cars, trucks, buses, tractors, pick-ups and three-wheelers as well as two-wheelers witnessed a decline in January 2023 compared with January 2022. The decline was also witnessed in seven-month sales data, which was 43 percent down compared to the same period last year. (The News) | [Click for more info.](#)

Miscellaneous

Pak-UK trade surplus hits £1.1 billion: FPCCI

Economy | Positive

Pakistan's trade with the United Kingdom witnessed a surplus of £1.1 billion (approx. \$1.3 billion) in four quarters ending Q3 2022, Federation of Pakistan Chambers of Commerce and Industry (FPCCI) stated on Monday. Pakistan's trade with the UK had increased by 38.6 percent to £2.5 billion in four quarters (Q4 2021 to Q3 2022), he added, quoting the numbers from a factsheet by the UK's Department for International Trade. (The News) | [Click for more info.](#)

Rising panic over blocked imports

Steel | Negative

Pakistan business chiefs are clamouring for the cash-strapped government to allow manufacturing materials stuck at the key port of Karachi into the country, warning that a failure to lift a ban on imports will leave millions jobless. (The News) | [Click for more info.](#)

NBF industry's assets stand at Rs2562.8bn: SECP

Economy | Neutral

Total assets of the non-banking finance industry now stood at Rs2,562.83 billion as on January 1, 2023, including Modarabas, mutual funds, Asset Management Companies, pension funds, leasing companies, Real Estate Investment Trust, and Private Fund Managers. (BR) | [Click for more info.](#)

Virgin Atlantic to suspend Pakistan operations after network review

PIAA | Neutral

Virgin Atlantic will stop flying to Pakistan from mid-July March after launching services to the country less than three years ago. (The News) | [Click for more info.](#)

Political News

Election date; ECP requests Punjab governor to hold meeting today

Following the Lahore High Court's verdict which directed to hold the provincial assembly of Punjab's elections within 90 days, the Election Commission of Pakistan (ECP) Monday requested the Punjab governor for a meeting to discuss the matter in order to finalise election date. (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - Dow 30	34,245.9	376.66	1.11%
KSA - Tadawul	10,519.7	100.30	0.96%
US - S&P 500	4,137.3	46.83	1.14%
CHINA - Shanghai	3,284.2	23.49	0.72%
INDONESIA - IDX	6,900.1	19.81	0.29%
PAK (KSE-100)	41,717.0	-24.83	-0.06%
HK - Hang Seng	21,164.4	-26.00	-0.12%
PHILP - PSEI	6,838.8	-38.03	-0.55%
Taiwan - TWII	15,544.3	-42.37	-0.27%
INDIA - SENSEX	60,431.8	-250.86	-0.41%

Board Meetings

Scrp	Day	Agenda	Time
ILP	Tuesday	HY. A/c as of 31-Dec-22	9:30 AM
FCCL	Tuesday	HY. A/c as of 31-Dec-22	10:30 AM
NETSOL	Tuesday	HY. A/c as of 31-Dec-22	12:00 PM
FTMM	Tuesday	HY. A/c as of 31-Dec-22	2:00 PM
TREET	Tuesday	HY. A/c as of 31-Dec-22	2:30 PM
DINT	Wednesday	HY. A/c as of 31-Dec-22	10:30 AM
AKBL	Wednesday	Ann. A/c as of 31-Dec-22	11:00 AM
CHCC	Wednesday	HY. A/c as of 31-Dec-22	11:00 AM
ISIL	Wednesday	HY. A/c as of 31-Dec-22	11:00 AM
PTC	Wednesday	Ann. A/c as of 31-Dec-22	11:45 AM
BAHL	Wednesday	Ann. A/c as of 31-Dec-22	12:00 PM
ENGRO	Wednesday	Ann. A/c as of 31-Dec-22	2:30 PM
SPLC	Wednesday	HY. A/c as of 31-Dec-22	4:00 PM
MEBL	Thursday	Ann. A/c as of 31-Dec-22	9:30 AM
HUBC	Thursday	HY. A/c as of 31-Dec-22	10:00 AM
ABL	Thursday	Ann. A/c as of 31-Dec-22	11:00 AM
BWHL	Thursday	HY. A/c as of 31-Dec-22	11:00 AM
KOHC	Thursday	HY. A/c as of 31-Dec-22	11:00 AM
PPP	Thursday	HY. A/c as of 31-Dec-22	11:00 AM
ICL	Thursday	HY. A/c as of 31-Dec-22	11:30 AM
ALTN	Thursday	HY. A/c as of 31-Dec-22	2:30 PM
CPPL	Thursday	HY. A/c as of 31-Dec-22	2:30 PM
SCBPL	Thursday	Ann. A/c as of 31-Dec-22	3:00 PM
MACFL	Thursday	HY. A/c as of 31-Dec-22	4:00 PM
PSO	Friday	HY. A/c as of 31-Dec-22	9:30 AM
ATBA	Friday	HY. A/c as of 31-Dec-22	10:30 AM
BOP	Friday	Ann. A/c as of 31-Dec-22	11:30 AM
MTL	Friday	HY. A/c as of 31-Dec-22	12:00 PM
TATM	Friday	HY. A/c as of 31-Dec-22	2:30 PM
KOHE	Friday	HY. A/c as of 31-Dec-22	3:00 PM
SPEL	Friday	HY. A/c as of 31-Dec-22	4:30 PM

Source: PSX

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MORNING BRIEFING

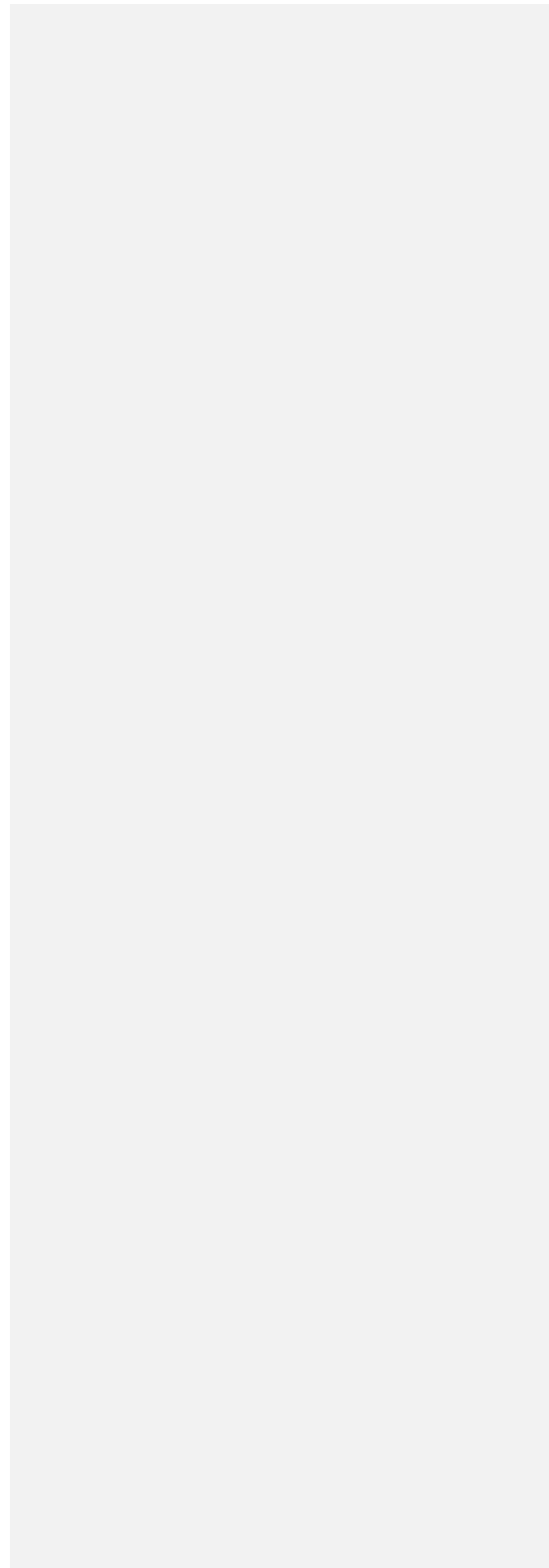
International News

Oil edges higher as market weighs Russian supply cuts amid demand fears

Oil prices edged higher on Monday, rebounding from early losses, as investors weighed Russia's plans to cut crude production and short-term demand concerns ahead of U.S. inflation data this week. (Reuters) | [Click for more info.](#)

Asian Shares track Wall Street's inflation optimism, yen recoups losses

Asian shares tracked the bounce on Wall Street on Tuesday, as investors remained sanguine that key U.S. economic data due later would show an easing in inflation, while the yen recouped losses ahead of the nomination of a new central bank governor. (Reuters) | [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.

Analyst Certification ^{AC}

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