

November 18, 2022

Economy

Market expects SBP to hold key interest rate

Economy | Neutral

Most experts believe the central bank will leave the interest rate unchanged at 15 per cent in its next monetary policy meeting scheduled for Nov 25, a survey showed on Thursday. (Dawn) | [Click for more info.](#)

Prior to dispatching review mission: IMF asks for details of \$16bn post-flood reconstruction plans

Economy | Negative

The International Monetary Fund (IMF) has asked Pakistan for sharing more details for undertaking the post-flood reconstruction at the cost of \$16 billion, prior to taking a decision to dispatch its review mission to accomplish the pending 9th Review under the Extended Fund Facility (EFF) programme. However, the IMF did not give any confirmed date for the completion of the 9th Review but the Pakistani side asked for kick-starting policy-level parleys within the ongoing month. (The News) | [Click for more info.](#)

Climate change may cut Pakistan's GDP by 18pc to 20pc: World Bank

Economy | Neutral

Pakistan's annual economic output could see a cut of 18 per cent to 20pc by 2050 due to climate change risks, according to a report recently published by the World Bank. (Dawn) | [Click for more info.](#)

SBP reserves inch up; rupee continues slide

Economy | Neutral

Foreign exchange reserves of the State Bank of Pakistan (SBP) increased by \$3 million during the week ending on Nov 11, a press release said on Thursday. The small increase in the central bank's foreign exchange reserves came after an outflow of \$955m in the preceding week that ended on Nov 4. (Dawn) | [Click for more info.](#)

Oil & Gas

Hubco-backed firm agrees to buy Eni business

HUBC | Positive

The Hub Power Company Ltd (Hubco) said on Thursday its joint-venture firm signed separate sale-purchase agreements with four Eni-related entities to fully acquire the Pakistan business of the global energy exploration giant. (Dawn) | [Click for more info.](#)

OGDCL, PPL, GHPL; CDMP turned down by finance ministry

OGDC, PPL | Neutral

Ministry of Finance (MoF) has reportedly turned down Circular Debt Management Plan (CDMP) of OGDCL, PPL and GHPL prepared by Petroleum Division on non-cash settlement basis. (BR) | [Click for more info.](#)

22-day cover for petrol, 19-day cover for HSD in hand: Ogra

Oil | Neutral

In response to the letter written by the Oil Companies Advisory Council (OCAC) regarding the oil supply issues, it is mentioned that the planning for the imports is done in the product review meeting which is held one month in advance to give ample time to the industry to manage and source the supplies. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,119.0	28,982.2	-136.7	-0.5%
KSE100	42,983.8	42,819.7	-164.0	-0.4%
KSE30	15,816.7	15,763.3	-53.5	-0.3%
KMI30	72,842.0	72,492.9	-349.1	-0.5%

Top Five Gainers

	Open	Close	Chg.	%
SFL	1,073.0	1,153.3	80.3	7.5%
SAPT	1,025.3	1,102.2	76.9	7.5%
SAPL	1,020.0	1,095.0	75.0	7.4%
RCML	626.3	673.2	47.0	7.5%
SCL	250.0	268.0	18.0	7.2%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
BIPL	13.2	13.9	0.7	17.13
UNITY	18.4	17.4	-1.0	11.59
TELE	10.1	10.2	0.1	11.55
GCIL	29.7	27.5	-2.2	11.06
WTL	1.5	1.5	0.0	10.65

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.99	-0.81	0.18
O/S Pakistanies	2.07	-1.97	0.10
Net	3.06	-2.78	0.27
LIPI			
Individuals	25.46	-26.58	-1.12
Companies	6.83	-6.86	-0.03
Comm. Banks	1.60	-1.04	0.55
NBFC	0.02	-0.22	-0.21
Mutual Funds	2.12	-1.74	0.37
Other	0.36	-0.10	0.26
Brokers Proprietary	6.83	-7.16	-0.34
Insurance	0.40	-0.18	0.22
Net	43.62	-43.89	-0.27

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	82.08	-5.6%
Brent oil	USD/bbl.	90.03	-2.8%
Gold	USD/t oz.	1760.22	-0.8%
Silver	USD/t oz.	20.95	-2.4%
Coal	USD/ton	195.00	0.7%
Steel Scrap (LME)	USD/ton	339.50	0.0%
Steel Rebar (LME)	USD/ton	363.50	-42.7%
USD/PKR	Interbank	6.22	0.0%

News Source: Local / Int'l Newspapers and websites

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited
 (021) 32429665, Ext. 106

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Load management plan for winter: Gas for three hours in morning, two hours for lunch, three

Gas | Negative

While people in various pockets of main cities of Punjab, KPK are getting either no gas or at low pressure, the government has decided to fine-tune the gas load management plan under which it will provide gas to domestic consumers only for cooking times in winter — three hours in the morning from 6 am to 9 am, two hours from 12 noon to 2 pm for lunch and three hours from 6 pm to 9 pm for dinner. (The News) | [Click for more info.](#)

Power

Saif Power urges CPPA-G to speed up payments

SPWL | Neutral

Saif Power Limited (SEL) has urged Central Power Purchasing Agency-Guaranteed (CPPA-G) to accelerate its payments as its liquidity position is critical. (BR) | [Click for more info.](#)

Banks

JS Bank, EXIM Bank & CRCC team up to enhance green export capacity

JSBL | Positive

JS Bank – one of the fastest-growing banks in Pakistan and the country's first private-sector institution to have been accredited by the Green Climate Fund (GCF), the world's largest climate fund – has partnered with CRCC (Specialized Business Unit of NRSP) and EXIM Bank (Export Import Bank of Pakistan) to enhance Pakistan's green export capacity through Green Financing. (BR) | [Click for more info.](#)

Govt markup rate on loans to provinces, SOEs raised

Banks | Neutral

The government has increased the markup on development loans and advances to the provincial, local bodies, state-owned enterprises (SOEs) and public sector financial institutions by almost one percentage point for the previous fiscal year, which ended on June 30. In a notification issued on Thursday, the finance ministry has fixed the markup rate for the 2021-22 fiscal year at 11.2 per cent, up from 10.30pc a year ago. (Dawn) | [Click for more info.](#)

Miscellaneous

Telecom sector seeks critically-needed fiscal space

Technology | Neutral

The telecom sector seeks urgent policy interventions from the government to provide critically-needed fiscal space to ensure its survival including denominating spectrum payments in rupees and extending the payment terms to 10 years instead of five, suspension of industry's annual contribution to the Universal Service Fund (USF) and Ignite for two years and reduction in withholding tax from 15 percent to eight percent on essential telecom services. (BR) | [Click for more info.](#)

Jul-Oct textile group exports down 1.34pc YoY

Textile | Negative

The country's textile group exports declined by 1.34 percent during the first four months (July-October) of the current fiscal year 2022-23 and remained at \$5.941 billion as compared to \$6.021 billion during the same period of last year. (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDONESIA - IDX	7,045.0	30.61	0.44%
PHILP - PSEI	6,403.7	11.65	0.18%
Taiwan - TWII	14,535.2	-2.12	-0.01%
CHINA - Shanghai	3,115.4	-4.54	-0.15%
US - Dow 30	33,546.3	-7.51	-0.02%
KSA - Tadawul	11,142.0	-9.22	-0.08%
US - S&P 500	3,946.6	-12.23	-0.31%
PAK (KSE-100)	42,819.7	-164.03	-0.38%
HK - Hang Seng	18,045.7	-210.82	-1.15%
INDIA - SENSEX	61,750.6	-230.12	-0.37%

Board Meetings

Script	Day	Agenda	Time
OBOY	Friday	1QA/c as at 30-Jun-22	11:00 AM
SKRS	Friday	HY A/c as at 30-Sep-22	5:00 PM
BAPL	Wednesday	1QA/c as at 30-Sep-22	2:00 PM
SIEM	Thursday	Ann A/c as at 30-Sep-22	11:00 AM
DADX	Friday	1QA/c as at 30-Jun-22	11:30 AM

Source: PSX

Research Team

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MORNING BRIEFING

Tug-of-war: Sugar mills want delay in crushing season**Sugar | Negative**

The Pakistan Sugar Mills Association (PSMA) has decided not to start the crushing season unless the government allows it to export surplus sugar. A summary on sugarcane support price and the new crushing season has been received by Punjab Chief Minister's Secretariat. (The News) | [Click for more info.](#)

Political News**Protest rights subject to limits: Supreme Court**

The Supreme Court refused to intervene in political matters on Thursday, dismissing a petition by a senator of the Jamiat Ulema-i-Islam-F opposing the Pakistan Tehreek-i-Insaf's long march. (The News) | [Click for more info.](#)

International News**Asian Equities Advance, Led by China Tech Stocks: Markets Wrap**

Asian equities rose Friday, with the biggest gains posted by technology stocks as investors looked past warnings by Federal Reserve officials of higher interest rates to fight inflation. (Bloomberg) | [Click for more info.](#)

Oil sinks as ominous demand signals gather on multiple fronts

Oil tumbled as everything from Wall Street sentiment to sagging demand for physical barrels of crude pointed toward an economy headed toward a slowdown. (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.

Analyst Certification ^{AC}

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THE TEAM

CEO

Zahid Ali Habib
Zahid@abaalihabib.com
(021) 32425022

RESEARCH TEAM

Contact: (021) 32429665, Ext. 106

Muhammad Ali - Research Analyst
Muhammadali@abaalihabib.com

Kainat Rohra- Research Analyst
Kainatrohra@abaalihabib.com

Ayesha Abid – Research Analyst
ayasha.abid@abaalihabib.com

SALES TEAM

Zaheer Ahmed - Head of Equity Sales & Business Dev.
Zaheer.ahmed@abaalihabib.com
(021) 32418693-94

Mr. Salman Naqvi - Head of Retail Sales
(021) 32431925

Fahed Fazal- Manager Equity Sales
Fahedfazal@abaalihabib.com
(021) 32431925

Syed Khalid Ahmed - Equity Trader
Syedkhalid@abaalihabib.com
(021) 32429664

Shoaib- Equity Trader
shoibqadri@abaalihabib.com
(021) 32429664

Muhammad Faisal - Equity Trader
faisal@abaalihabib.com
(021) 32464835

Karachi Office

Suite# 505, 5th Floor, Business Plaza,
Mumtaz Hussan Road, Off I.I. Chundrigar
Road, Karachi
Contact: 021-32429664-7
Cell: [+92 3312766771](tel:+923312766771)