

June 21,
2022

Economy

PSX to acquire 1,949,995 shares in CDC from IGI

Capital Market | Neutral

Pakistan Stock Exchange (PSX) intends to acquire 1,949,995 ordinary shares of Rs 10.00 each in the Central Depository Company of Pakistan Limited (CDC), from IGI Investment (Private) Limited, a shareholder of CDC, at Rs 25.00 per share, amounting in aggregate to Rs 48,749,875.00. (BR) | [Click for more info.](#)

IMF will revive stalled bailout package in 'a day or two': Miftah

Economy | Neutral

Finance Minister Miftah Ismail has expressed hope that the government would reach an agreement with the International Monetary Fund (IMF) to revive the stalled \$6 billion programme within "a day or two". (ET) | [Click for more info.](#)

SBP tightens transaction limit to avoid dollar shortage

Economy | Negative

Commercial banks have been asked to seek State Bank of Pakistan's (SBP) permission before initiating import transactions worth \$100,000 in an attempt to ease dollar shortages and conserve eroding foreign exchange reserves amid IMF loan uncertainty, sources said on Monday. (The News) | [Click for more info.](#)

Dollar hits Rs210 amid rumours of stopping LCs

Economy | Negative

The US dollar kept pressing the local currency on Monday and appreciated Rs1.21 to close at Rs209.96 in the interbank market. However, the State Bank of Pakistan's (SBP) dollar price was lower than the one quoted by the exchange companies which sell 95 per cent of their dollars to the banks. (Dawn) | [Click for more info.](#)

Covid-19 positivity in Karachi, Hyderabad over 10pc

Economy | Negative

Covid-19 rears its ugly head again as the country has reported the highest number of cases over the past around 80 days, with the positivity ratio in Karachi and Hyderabad surpassing 10 per cent. (Dawn) | [Click for more info.](#)

Oil & Gas

Refineries' shutdown imminent as LC crisis deepens

Refineries | Negative

Refineries once again shook up the government to resolve their lingering trade credit issues as in the absence of crude oil imports the industry was facing a shutdown next month, resulting in an acute shortage of petroleum products. (The News) | [Click for more info.](#)

Power

Govt to import 100MW of power from Iran for Gwadar

Power | Neutral

Pakistan and Iran have discussed steps to expedite the electricity supply project aiming at the import of electrical energy to Pakistan's port city of Gwadar. (BR) | [Click for more info.](#)

Pakistan's electricity generation cost up 131% YoY

Power | Negative

The total cost of generating electricity in the country jumped 131%, hitting Rs13.15 kWh in May 2022 compared to Rs5.7 kWh in May last year. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,767.1	28,599.8	-167.3	-0.6%
KSE100	42,140.8	41,777.0	-363.8	-0.9%
KSE30	16,100.8	15,954.3	-146.5	-0.9%
KMI30	69,840.2	69,015.0	-825.2	-1.2%

Top Five Gainers

	Open	Close	Chg.	%
RMPL	9,900.0	10,359.7	459.7	4.6%
SAPL	837.0	880.0	43.0	5.1%
ISIL	500.0	537.5	37.5	7.5%
BHAT	1,460.0	1,490.0	30.0	2.1%
RCML	334.2	359.0	24.8	7.4%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
TPLP	19.5	19.8	0.3	19.50
WTL	1.5	1.4	0.0	15.35
PRL	17.9	17.7	-0.2	11.82
CENERGY	5.4	5.3	-0.1	11.14
UNITY	20.5	20.4	-0.1	7.11

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	1.77	-1.60	0.17
Net	2.45	-3.68	-1.23
LIPI			
Individuals	27.96	-26.94	1.01
Companies	1.66	-1.66	0.01
Comm. Banks	3.81	-1.09	2.72
NBFC	0.01	-0.01	0.00
Mutual Funds	0.95	-3.13	-2.17
Other	0.33	-0.42	-0.09
Brokers Proprietary	8.15	-8.16	-0.01
Insurance	0.06	-0.29	-0.23
Net	42.93	-41.70	1.23

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	107.99	-1.4%
Brent oil	USD/bbl.	114.13	0.9%
Gold	USD/t oz.	1838.09	-0.1%
Silver	USD/t oz.	21.60	-0.3%
Coal	USD/ton	329.15	0.9%
Steel Scrap (LME)	USD/ton	375.00	-2.1%
Steel Rebar (LME)	USD/ton	688.00	-0.6%
USD/PKR	Interbank	5.95	0.2%

News Source: Local / Int'l Newspapers and websites

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Cement

First cement consignment to sail off to US today

DGKC | Positive

The first cement consignment for the United States, exported by DG Khan Cement Company, will sail off on Tuesday (June 21) from Karachi Port Trust. DG Khan Cement has successfully obtained export order from a group in the US to supply 50,000 metric tons of cement every month for the next 12 months with a total 600,000 metric tons. (BR) | [Click for more info.](#)

Transport

PIBTL Completes Repayment of Outstanding Loans Worth Rs. 5.49 Billion

PIBTL | Positive

Pakistan International Bulk Terminal (PIBTL) has released its financial burden of huge loans to the tune of Rs. 5.490 billion. According to the stock filing, the company officially informed its shareholders that it made repayment of its loans to the local commercial banks while completing a refinancing arrangement at economical terms. (Propakistani) | [Click for more info.](#)

Food

Unity foods aims to complete imports of Refinery parts by the end of 2022

UNITY | Neutral

Unity has so far utilized PKR 1,900 million from proceeds of PKR 3,750 million raised through right issuance for establishment of edible oil refinery at Port Qasim and edible oil terminal. Company has spent an amount of PKR 1,900 million on establishment of Refinery out of total allocation of PKR 2,850 million from right issuance. It is expected that the remaining machinery additions to Port Qasim Refinery will be delivered by end of the year 2022. (Augaf) | [Click for more info.](#)

Miscellaneous

Non-textile exports soar to \$11.2bn

Economy | Positive

Pakistan's non-textile exports grew 27.40 per cent year-on-year to \$11.25 billion in the first 11 months of the outgoing fiscal year owing to a partial revival of international orders and the government's support schemes. (Dawn) | [Click for more info.](#)

Ghee and Cooking Oil Crisis Looms as Manufacturers Cut Production

Vanaspatti | Negative

Around half of the manufacturing units of ghee and cooking oil have halted or retarded their production in Pakistan due to the non-availability of raw materials. (Propakistani) | [Click for more info.](#)

Tax policies, SBP rules hindering IT exports

Technology | Neutral

Federal Minister for Information Technology and Telecommunications Syed Aminul Haque said on Monday that the Federal Board of Revenue's (FBR) policies and some rules of the State Bank of Pakistan (SBP) have been hindering the growth of IT exports. He demanded relaxation in these conditions, including tax enforcement. (Dawn) | [Click for more info.](#)

Changan's Warehouse in Karachi Catches Fire Causing Billions in Losses

Autos | Neutral

According to a report by Autojournal.pk, last week, Master Changan Motors Limited's (MCML) rented warehouse in Port Qasim, Karachi, went ablaze. The incident took place on June 16, 2022. Rumors suggest that the incident resulted in damages amounting to Rs. 2 billion. (Propakistani) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	51,597.8	237.42	0.46%
HK - Hang Seng	21,163.9	88.91	0.42%
KSA - Tadawul	11,361.5	62.35	0.55%
INDONESIA - IDX	6,976.4	39.41	0.57%
US - S&P 500	3,674.8	8.07	0.22%
PHILP - PSEi	6,333.9	2.38	0.04%
CHINA - Shanghai	3,315.4	-1.36	-0.04%
US - Dow 30	29,888.8	-38.29	-0.13%
Taiwan - TWII	15,367.6	-273.68	-1.75%
PAK (KSE-100)	41,777.0	-363.78	-0.86%

Board Meetings

Scrip	Day	Agenda	Time
RMPL	Tuesday	Other than fin. results	6:00 PM
BNWM	Wednesday	Other than fin. results	10:30 AM
NRL	Wednesday	Other than fin. results	10:30 AM
MARI	Wednesday	Other than fin. results	11:00 AM
APL	Wednesday	Other than fin. results	11:30 AM
BIFO	Wednesday	Other than fin. results	11:30 AM
CPPL	Wednesday	Other than fin. results	11:30 AM
ATRL	Wednesday	Other than fin. results	12:30 PM
POL	Wednesday	Other than fin. results	2:30 PM
ACPL	Wednesday	Other than fin. results	3:30 PM

Source: PSX



Russia-Ukraine war has caused fertilizer shortages

Fertilizer | **Negative**

The Minister for Commerce, Naveed Qamar Monday admitted that there is a shortage of fertilizer in the country due to the ongoing Ukraine-Russia war, for which the commodity is being imported from China to fulfil the domestic demand. (BR) | [Click for more info.](#)

International News

Worst is yet to come for food inflation in Asia, Nomura warns

Asia's red-hot food prices will likely heat up further in the coming months, with Singapore, South Korea and the Philippines set to see the sharpest price increases, according to Nomura Holdings Inc. (LiveMint) | [Click for more info.](#)

Stocks, US Futures Rise; Treasury Yields Advance: Markets Wrap

Stocks climbed in Asia on Tuesday, US equity futures pointed higher and Treasuries retreated amid steadier investor sentiment compared with last week's rout in global shares. (Bloomberg) | [Click for more info.](#)

Oil swings higher as tight supplies overshadow demand destruction

Oil prices rose 1% in early trade on Tuesday, clawing back more of last week's losses as the focus returned to tight supply of crude and fuel products versus concerns about a recession hitting demand down the track. (USNews) | [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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