



June 23,
2022

Economy

\$2.3bn loan agreement signed with Chinese consortium

Economy | Positive

Minister for Finance and Revenue Miftah Ismail Wednesday said the Chinese consortium of banks on Tuesday signed an RMB 15 billion (\$2.3 billion) loan facility agreement. The minister, in a tweet, said the inflow was expected within a couple of days. "We thank the Chinese government for facilitating this transaction," he added. (BR) | [Click for more info.](#)

Progress made over FY23 budget: IMF

Economy | Neutral

Key progress has been made in talks on the revival of Pakistan's International Monetary Fund bailout programme, both sides said on Wednesday, with Islamabad expecting the lender to increase the size and duration of the 39-month, \$6 billion facility. "Discussions between the IMF staff and the authorities on policies to strengthen macroeconomic stability in the coming year continue, and important progress has been made over the FY23 budget," Esther Perez Ruiz. Pakistan unveiled a 9.5 trillion rupee (\$47 billion) budget for 2022-23 this month aimed at tight fiscal consolidation in a bid to convince the IMF to restart much-needed bailout payments. (BR) | [Click for more info.](#)

FBR achieves budgeted target of Rs5.829trn

Economy | Neutral

The Federal Board of Revenue (FBR) has achieved the budgeted target of Rs5,829 billion set for the whole fiscal year (2021-22) and is expected to amass an upward revised target of Rs6,100 billion by end June 2022. (BR) | [Click for more info.](#)

SBP raises Rs155bn through PIB auction

Economy | Neutral

The State Bank of Pakistan (SBP) raised Rs155 billion on Wednesday, against the target of Rs150bn by selling fixed-rate Pakistan Investment Bonds (PIBs). The cut-off yield for 3-year and 5-year PIBs dropped by 3bps and 1bps to 13.97% and 13.18, respectively. On the other hand, the cut-off yield for 10-year witnessed no change as it stood at 13.15%. Against the auction target of Rs150bn, SBP received total bids of Rs544.55bn. (Mettis) | [Click for more info.](#)

PKR declines further

Economy | Negative

After showing significant improvement throughout the day, the rupee closed lower in the inter-bank market, depreciating for the ninth consecutive session against the US dollar. The rupee closed at 211.93 against the US dollar, after a depreciation of 0.21% or Re0.45 on Wednesday. (BR) | [Click for more info.](#)

Oil & Gas

OGDCL discovers oil, gas reserves in Sindh and Punjab

OGDC | Positive

The Oil and Gas Development Limited (OGDCL) on Wednesday announced the discovery of oil and gas reserves from its exploratory wells located in Sindh and Punjab. The discoveries were made in Rajanpur, a tribal area in Punjab,, as well as district Tando Allah Yar, Sindh, announced the company in its notices to the Pakistan Stock Exchange (PSX). (BR) | [Click for more info.](#)

Power

ECC approves Rs149bn payments to IPPs, KE

IPPs, KEL | Positive

The Economic Coordination Committee (ECC) of the Cabinet has

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,004.1	28,967.7	-36.5	-0.1%
KSE100	42,526.0	42,458.1	-67.8	-0.2%
KSE30	16,255.8	16,258.7	2.9	0.0%
KMI30	70,474.5	70,117.1	-357.4	-0.5%

Top Five Gainers

	Open	Close	Chg.	%
PAKT	899.0	956.0	57.0	6.3%
NESTLE	5,880.0	5,900.1	20.1	0.3%
SCL	281.0	299.5	18.5	6.6%
HINO	303.4	320.0	16.6	5.5%
TICL	280.0	290.0	10.0	3.6%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
PRL	18.9	19.0	0.1	23.87
TPLP	21.2	22.0	0.7	23.15
CNERGY	5.7	5.6	-0.1	16.79
GGL	17.7	17.6	-0.2	11.79
UNITY	21.4	21.4	-0.1	11.48

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.	0.00	-100.0%
Brent oil	USD/bbl.	0.00	-100.0%
Gold	USD/t oz.	0.00	-100.0%
Silver	USD/t oz.	0.00	-100.0%
Coal	USD/ton	331.15	-0.1%
Steel Scrap (LME)	USD/ton	0.00	-100.0%
Steel Rebar (LME)	USD/ton	0.00	-100.0%
USD/PKR	Interbank	5.97	-0.4%

News Source: Local / Int'l Newspapers and websites

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REP-055



WB has messed up country's energy sector by backing gas: experts

Power | Neutral

Speakers at a seminar on Wednesday criticised the World Bank for messing up Pakistan's energy sector by supporting fossil gas and financing LNG infrastructure in recent years. (Dawn) | [Click for more info.](#)

Miscellaneous

FTA signing with GCC agreed

Economy | Positive

Pakistan and Gulf Cooperation Council (GCC) are said to have agreed on signing of Free Trade Agreements (FTA) for which tariff reduction modalities have been divided into five categories. (BR) | [Click for more info.](#)

NetSol completes buyback of shares

Netsol | Neutral

NetSol Technologies Limited has completed buyback of 2.0 million shares through the Pakistan Stock Exchange on June 21 2022. The number of total shares to Buy Back was 2.0 million. The shares was bought at the spot rate during the period from May 18,2022 to June 21,2022. (Augaf) | [Click for more info.](#)

Sindh government to resolve issues of rice exporters: Chief Secretary Sindh MATCO | Neutral

Chief Secretary Sindh, Dr. Sohail Rajput on Wednesday assured complete support of the Sindh government to rice exporters to resolve their issues at the earliest, said a press release issued today. (Mettis) | [Click for more info.](#)

Pakistan issues tender to buy 500,000 tonnes wheat

Economy | Neutral

A government agency in Pakistan has issued an international tender to purchase and import 500,000 tonnes of milling wheat, European traders said on Wednesday. (BR) | [Click for more info.](#)

Ban on import of luxury items; Around 600 to 900 containers stuck at Karachi ports

Economy | Negative

Around 600 to 900 containers are stuck at Karachi ports, following a ban imposed on import of luxury items vide SR0.598 (i)/2022 dated 19th May 2022. (BR) | [Click for more info.](#)

International News

Growth Worries Spur Bonds, Set to Restrain Stocks: Markets Wrap

Asian markets will open Thursday against the backdrop of a rally in Treasuries that was triggered by economic concerns after Federal Reserve Chair Jerome Powell acknowledged the risk of a recession. (Bloomberg) | [Click for more info.](#)

Oil falls around 3% as investors eye U.S. Fed rate hikes

Oil prices tumbled around 3% on Wednesday as investors worried that rate hikes by the Federal Reserve could push the U.S. economy into recession, dampening demand for fuel. (Reuters) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - S&P 500	3,759.9	-4.90	-0.13%
CHINA - Shanghai	3,267.2	-39.52	-1.20%
US - Dow 30	30,483.1	-47.12	-0.15%
INDONESIA - IDX	6,984.3	-59.76	-0.85%
PAK (KSE-100)	42,458.1	-67.81	-0.16%
PHILP - PSEi	6,168.0	-117.19	-1.86%
KSA - Tadawul	11,319.9	-339.76	-2.91%
Taiwan - TWII	15,347.8	-380.89	-2.42%
HK - Hang Seng	21,008.3	-551.25	-2.56%
INDIA - SENSEX	51,822.5	-709.54	-1.35%

Board Meetings

Scrip	Day	Agenda	Time
ASTL	Thursday	Other than fin. results	10:00 AM
KML	Thursday	Other than fin. results	10:30 AM
TATM	Thursday	Other than fin. results	10:30 AM
ATBA	Thursday	Other than fin. results	11:30 AM
ISL	Thursday	Other than fin. results	3:00 PM
PIAA	Friday	1QA/C 31MAR22	11:00 AM
CNERGY	Friday	Other than fin. results	3:00 PM
PRL	Saturday	Other than fin. results	10:00 AM
MACTER	Saturday	Other than fin. results	11:00 AM
GSPM	Saturday	Other than fin. results	12:00 PM
PASM	Saturday	Other than fin. results	12:30 PM
SHFA	Saturday	Other than fin. results	4:00 PM

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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