



July 5,
2022

Economy

'It's on track': Miftah refutes report claiming postponement of IMF programme

Economy | Neutral

Finance Minister Miftah Ismail on Monday refuted reports claiming that the International Monetary Fund's (IMF) loan programme for Pakistan had been postponed, saying there was "no truth" to it. (Dawn) | [Click for more info.](#)

Agreements worth \$11.362bn signed in 3 quarters

Economy | Positive

The country has signed new agreements worth \$11.362 billion as commitments during the first three quarters of the fiscal year 2021-22 including \$2.484 billion with foreign commercial banks, says the Economic Affairs Division (EAD). (BR) | [Click for more info.](#)

Approval sought for \$188m WB-funded project

Economy | Positive

The National Coordination Committee on Foreign Funded Projects (NCC-FFP) reviewed the foreign-funded World Bank Project – "Hydro-Met and Climate Services Project worth \$ 188 million" and directed expediting the approval and implementation process of the project. (BR) | [Click for more info.](#)

Trade deficit hits record-high of \$48.26bn

Economy | Negative

Trade deficit widened by 55.29 per cent during the fiscal year 2021-22, and reached \$48.259 billion compared to \$31.076 billion during the same period of 2020-21, revealed the Pakistan Bureau of Statistics (PBS) data. (BR) | [Click for more info.](#)

Export of services jumps to \$6.3bn

Economy | Positive

Export of services grew 17.71 per cent in the first 11 months of 2021-22, according to the data released by the Pakistan Bureau of Statistics (PBS) on Monday. In absolute terms, the value of export of services reached \$6.318bn between July-May 2021-22 from \$5.367bn over the corresponding months of last year. (Dawn) | [Click for more info.](#)

Oil & Gas

Energy crisis looms: Pakistan not to get two LNG term cargoes from Qatar in August

Gas | Negative

Pakistan will not be able to get two LNG term cargoes from Qatar in August under the second GtG agreement at a price slope of 10.2 percent of Brent. Now the non-availability of two LNG term cargoes has aggravated the situation more in August and keeping in view the gravity of the situation, the government has also issued tenders seeking five LNG cargoes from the spot market for August knowing the fact that the LNG is not available in the spot market and if it is available it is at the highest ever cost of \$39.8 per mmBtu. (The News) | [Click for more info.](#)

Power

KE given go-ahead for unprecedented Rs9.42 tariff hike for May

KEL | Positive

The National Electric Power Regulatory Authority (Nepra) on Monday allowed K-Electric to raise about Rs19 billion additional funds in August by charging an unprecedented additional fuel cost adjustment (FCA) of Rs9.42 per unit to consumers on electricity they consumed in May. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,608.2	28,499.2	-109.0	-0.4%
KSE100	41,630.4	41,348.2	-282.2	-0.7%
KSE30	15,861.2	15,736.9	-124.3	-0.8%
KMI30	68,722.9	68,113.4	-609.5	-0.9%

Top Five Gainers

	Open	Close	Chg.	%
SAPL	1,148.5	1,234.6	86.1	7.5%
SAPT	1,102.5	1,178.9	76.4	6.9%
PMPK	563.0	600.0	37.0	6.6%
AKDHL	153.2	164.7	11.5	7.5%
KSBP	142.1	152.8	10.7	7.5%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
SNGP	35.5	36.4	0.9	12.47
AGL	6.5	6.7	0.2	8.09
PRL	17.5	16.9	-0.6	4.39
MLCF	27.0	26.8	-0.2	3.28
WTL	1.4	1.4	0.0	3.01

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.	110.60	2.0%
Brent oil	USD/bbl.	113.81	2.0%
Gold	USD/t oz.	1808.04	-0.2%
Silver	USD/t oz.	19.98	0.5%
Coal	USD/ton	343.60	1.1%
Steel Scrap (LME)	USD/ton	380.00	-3.3%
Steel Rebar (LME)	USD/ton	675.00	0.9%
USD/PKR	Interbank	5.73	0.5%

News Source: Local / Int'l Newspapers and websites

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Petroleum Division unsatisfied with HUBCO undertaking for ENI sale

HUBC | Neutral

The Petroleum Division is not satisfied with the undertaking provided by Hub Power Holding Limited (HUBCO) regarding the transfer of the entire share capital of Eni Pakistan Limited to Prime International Oil & Gas Company Limited (PIOGCL). (PT) | [Click for more info.](#)

Pakistan imports 3,000 tonnes of Afghan coal per day

Power | Positive

Pakistan is importing around 3,000 tonnes of coal from Afghanistan each day and this is expected to jump to 20,000 tonnes after the beginning of a coal operation from Kundian in Mianwali district and Sibi in Balochistan. According to the reports, Pakistan is using Afghan coal for power plants in various cities. (Pakobserver) | [Click for more info.](#)

Autos

Pak Suzuki Breaks Yet Another Sales Record in June 2022

PSMC | Positive

As per a recent report, the company has set a new record by selling more than 16,000 cars in June 2022, breaking its previous record of over 15,500 in December 2021. (Propakistani) | [Click for more info.](#)

Cement

Cement sales fall 7.91pc in FY22 on weak exports

Cement | Negative

Cement sector growth fell 7.91 percent during fiscal year 2021-22 mainly due to sharp decline in exports and stagnant domestic intake with no major new construction and development activity in the country during the last year. Exports declined due to the high cost of production, which made Pakistani cement uncompetitive in the regional international markets. (The News) | [Click for more info.](#)

Fertilizer

FFC MM plant shut down due to fire eruption

FFC | Neutral

Fire erupted at FFC Mirpur Mathelo plant site on July 3, around 11 pm which was extinguished immediately by adopting safety and emergency procedures (SOP). No personnel were affected during this event. (BR) | [Click for more info.](#)

Steel

Making pipes for K-IV; Crescent Steel negotiating terms with Chinese firm

CSAP | Neutral

Crescent Steel and Allied Products Limited is negotiating with China Harbour Engineering Company Limited for the manufacturing and coating of pipes, having diameters of 68 and 84 inches for the K-IV project, the Greater Karachi Bulk Water Supply Scheme. (BR) | [Click for more info.](#)

Miscellaneous

Court allows sale of Summit Bank

SMBL | Positive

The Sindh High Court (SHC) has recalled its injunction order of April 27 with respect to the acquisition of Summit Bank Ltd by a consortium, a regulatory filing showed on Monday. (Dawn) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	53,234.8	326.84	0.62%
US - Dow 30	31,097.3	321.83	1.05%
US - S&P 500	3,825.3	39.95	1.06%
PHILP - PSEI	6,183.6	18.27	0.30%
CHINA - Shanghai	3,405.4	17.79	0.53%
KSA - Tadawul	11,358.4	-106.58	-0.93%
Taiwan - TWII	14,217.1	-126.02	-0.88%
INDONESIA - IDX	6,639.2	-155.16	-2.28%
PAK (KSE-100)	41,348.2	-282.16	-0.68%
HK - Hang Seng	21,996.9	-422.08	-1.88%

Board Meetings

Scrip	Day	Agenda	Time
IBLHL	Tuesday	Other than fin. results	11:00 AM
SMBL	Tuesday	Other than fin. results	11:00 AM
DCR	Thursday	Other than fin. results	11:30 AM
KTML	Thursday	Other than fin. results	2:30 PM
KOHC	Thursday	Other than fin. results	5:00 PM
GEMUNSL	Friday	Other than fin. results	11:00 AM

Source: PSX



Textile exports cross \$19bn mark in FY22

Textile | Positive

Textile exports were recorded at \$19.35 billion in the outgoing FY22, showing an upsurge of 26% YoY when compared to \$15.41bn in FY21. In the month of June 2022 alone, textile exports just inched up by 4% YoY to \$1.73bn as compared to \$1.66bn in June 2021. (Mettis) | [Click for more info.](#)

Govt decides to release 'stuck goods'

Economy | Positive

The federal government has decided to release all those "stuck consignments" as one-time special permission, which have landed at ports or airports in Pakistan on or before June 30, 2022. (BR) | [Click for more info.](#)

MRNS's shareholders okay to sell entire shareholding in Uni-Food to Sunridge Foods

MRNS | Neutral

The shareholders of Mehran Sugar Mill Limited (MRNS) have approved the divestment of entire shareholding in one of its associated companies, namely Uni-Food Industries Limited to a prospective buyer Sunridge Foods Private Limited, a wholly subsidiary of Unity Foods. (Mettis) | [Click for more info.](#)

Political News

PTI moves SC against amendment in election law

The Pakistan Tehreek-e-Insaf (PTI) prayed before the Supreme Court to declare the impugned amendment in the Elections Act, 2017, unconstitutional, discriminatory, and violative of fundamental rights. (BR) | [Click for more info.](#)

International News

US Futures Advance Amid China Tariff Speculation: Markets Wrap

Asian stocks look set for a steady start Tuesday as investors evaluate the possible scrapping of some US tariffs on Chinese consumer goods. (Bloomberg) | [Click for more info.](#)

Oil rises as tight supply trumps recession fears

Oil rose on Monday as supply concerns driven by lower OPEC output, unrest in Libya and sanctions against Russia outweighed fears of a demand-sapping global recession. (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.

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