



July 6,
2022

Economy

RDA inflows hit historic high of \$4.6bn

Economy | Positive

Inflows of Roshan Digital Account (RDA) continued to post healthy growth, reaching historic level of \$4.6 billion at the end of June 2022. (BR) | [Click for more info.](#)

Market expects 100-150bps hike in interest rate

Economy | Neutral

The financial market expects a 100 to 150 basis point increase in the interest rate, which could be announced by the State Bank of Pakistan (SBP) in the next scheduled monetary policy. (Dawn) | [Click for more info.](#)

PKR depreciates by Rs2.38 in interbank

Economy | Negative

The State Bank of Pakistan (SBP) said the dollar closed at Rs206.94, up from the previous day's close of Rs204.56, which translates into a depreciation of 1.15 per cent for the rupee. (Dawn) | [Click for more info.](#)

Power

Miftah says Punjab govt's electricity subsidy should not worry IMF

Power | Neutral

Finance Minister Miftah Ismail looked to pacify concerns over the Punjab government's electricity subsidy announcement, saying that the International Monetary Fund (IMF) should not be worried about the province's announcement to provide free electricity to households consuming up to 100 units. (BR) | [Click for more info.](#)

Autos

FBR asked to direct car maker to pay KIBOR+ 3pc/annum

Autos | Neutral

The Federal Tax Ombudsman (FTO) has directed the Federal Board of Revenue (FBR) to direct a car manufacturer to pay KIBOR plus three percent per annum against late delivery of cars exceeding 60 days of initial booking. (BR) | [Click for more info.](#)

Cement

Maple Leaf completes buyback of 25m shares

MLCF | Neutral

Maple Leaf Cement Factory Ltd (MLCF) said on Tuesday it has bought back 25 million of its own shares at spot rates in line with a special resolution that its shareholders passed on May 17. (Dawn) | [Click for more info.](#)

Miscellaneous

Air travel FED reduced to Rs30,000

PIAA | Neutral

To give relief to the rich/wealthy class, the government has decided to reduce the federal excise duty (FED) of Rs50,000 to Rs30,000 imposed on club, business, and first class international air tickets through the Finance Act, 2022. (BR) | [Click for more info.](#)

ECC approves Rs193bn in supplementary grants

Economy | Positive

In less than a week after the approval of the federal budget 2022-23, the government on Tuesday approved Rs193 billion worth of supplementary grants and relaxed the ban on non-essential and luxury items imposed three weeks ago to curb the import bill amid falling foreign exchange reserves. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,499.2	28,294.2	-205.0	-0.7%
KSE100	41,348.2	41,102.6	-245.6	-0.6%
KSE30	15,736.9	15,635.1	-101.8	-0.6%
KMI30	68,113.4	67,682.4	-431.0	-0.6%

Top Five Gainers

	Open	Close	Chg.	%
AWTX	1,525.4	1,639.8	114.4	7.5%
SAPL	1,234.6	1,327.2	92.6	7.5%
PRET	690.0	738.9	48.9	7.1%
INDU	1,140.1	1,155.6	15.5	1.4%
SIEM	645.0	660.0	15.0	2.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
MLCF	26.8	25.4	-1.4	6.54
WTL	1.4	1.4	0.0	4.79
FCCL	14.0	13.5	-0.5	4.43
PRL	16.9	17.1	0.2	3.74
LOTCEM	24.6	25.2	0.5	3.23

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.	99.50	-10.0%
Brent oil	USD/bbl.	102.87	-9.6%
Gold	USD/t oz.	1764.70	-2.4%
Silver	USD/t oz.	19.22	-3.8%
Coal	USD/ton	345.15	0.5%
Steel Scrap (LME)	USD/ton	385.00	1.3%
Steel Rebar (LME)	USD/ton	675.00	0.0%
USD/PKR	Interbank	5.78	0.6%

News Source: Local / Int'l Newspapers and websites

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106

REP-055



Pakistan turns net importer of Afghan goods

Economy | Neutral

As Pakistan's exports to Afghanistan saw a deeper drop since the Taliban took control of Kabul in August 2021, the government on Tuesday took a major decision to allow trade of all products to Kabul in the rupee via land routes owing to the non-availability of tradable currency through banking channels. (Dawn) | [Click for more info.](#)

Political News

'Regime change conspiracy': IK threatens to 'unmask all characters'

Pakistan Tehreek-e-Insaf (PTI) chairman and former Prime Minister Imran Khan on Tuesday warned that if he is pushed against the wall, he would be left with no other option but to reveal the "characters" involved in the US-backed regime change conspiracy in the country. (BR) | [Click for more info.](#)

International News

Stocks Slip in Asia While Crude Oil Pares Plunge: Markets Wrap

Stocks dipped in Asia on Wednesday as fears of an economic downturn lingered over financial markets, leaving the dollar hovering at the highest level in more than two years. (Bloomberg) | [Click for more info.](#)

Oil may collapse to \$65 by year-end amid concerns of demand-crippling recession: Citigroup

A few days after analysts at JPMorgan Chase warned global oil prices could reach a "stratospheric" \$380 a barrel, counterparts at Citigroup said crude could collapse to \$65 by the end of this year, and drop further to \$45 by end-2023 amid concerns of demand-crippling recession. (BR) | [Click for more info.](#)

Oil plummets below \$100 as recession risks come to forefront

Oil posted its worst trading day in almost three months as recession fears gripped markets, outweighing a fundamentally tight supply market. (Bloomberg) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
Taiwan - TWII	14,349.2	132.14	0.93%
PHILP - PSEi	6,310.0	126.37	2.04%
INDONESIA - IDX	6,703.3	64.10	0.97%
HK - Hang Seng	21,853.1	22.72	0.10%
US - S&P 500	3,831.4	6.06	0.16%
CHINA - Shanghai	3,404.0	-1.40	-0.04%
KSA - Tadawul	11,344.6	-13.83	-0.12%
INDIA - SENSEX	53,134.4	-100.42	-0.19%
US - Dow 30	30,967.8	-129.44	-0.42%
PAK (KSE-100)	41,102.6	-245.62	-0.59%

Board Meetings

Scrip	Day	Agenda	Time
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



Disclaimer

This report has been prepared by Aba Ali Habib Securities and is provided for information purposes only. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Aba Ali Habib Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Aba Ali Habib Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents.

In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Aba Ali Habib Securities' Research Department and do not necessarily reflect those of the company or its directors. Aba Ali Habib as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. Aba Ali Habib Securities or any of its officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by Aba Ali Habib Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Aba Ali Habib Securities. Action could be taken for unauthorized reproduction, distribution or publication.

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}

The research Analyst(s) hereby certify that the views about the company/companies and the security/securities discussed in this report accurately reflect his or her or their personal views and that s/he has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendation or views in this report. The analyst(s) is/are principally responsible for preparation of this research report and that s/he or his/her close relative/family member doesn't own 1% or more of a class of common equity securities of the following company/companies covered in this report.

THE TEAM

CEO

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

RESEARCH TEAM

Contact: (021) 32429665, Ext. 106

Muhammad Ali – Research Analyst
Muhmmadali@abaalihabib.com

Kainat Rohra- Research Analyst
Kainatrohra@abaalihabib.com

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

SALES TEAM

Zaheer Ahmed - Head of Institutional Sales
Zaheer.ahmed@abaalihabib.com
(021) 32418693-94

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

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

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

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

Office (PSX Building)

Room # 419, 419 A & 421, 4th Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi
Contact: 021-32429665
Cell: [+92 3312766771](tel:+923312766771)



https://twitter.com/Aba_Ali_Habib



<https://www.facebook.com/aah162>



<https://www.linkedin.com/company/aba-ali-habib-securities/>