



August 26,

Economy

Riyadh confirms \$1bn investment in Pakistan

Economy | Positive

The Saudi king has directed his government to invest \$1 billion in Pakistan “in confirmation of the kingdom’s support of the Pakistani economy” and its people, a report from the Saudi Press Agency (SPA) said on Thursday. (Dawn) | [Click for more info.](#)

ADB approves \$0.7m TA

Economy | Positive

The Asian Development Bank (ADB) has approved technical assistance (TA) worth \$0.7 million for Pakistan. Official documents noted that the project “Pakistan: Preparing the Promoting Sustainable Public-Private Partnerships Program” strategic agenda includes inclusive economic growth and will be implemented across the country. (BR) | [Click for more info.](#)

Monsoon devastation hits crops, may affect economic outlook

Economy | Negative

The Ministry of Finance on Thursday cautioned that heavy monsoon rains have adversely affected major and minor crops, which may impact the country’s agricultural performance and its overall economic outlook. Global and domestic uncertainties surround the economic outlook. Geopolitical tensions remain unabated, worldwide inflation remains high, interest rates show tendencies to rise, and the US dollar strengthens. Pakistan’s external environment is, therefore, facing increasing challenges. (Dawn) | [Click for more info.](#)

SBP-held foreign exchange reserves fall \$87mn, now stand at \$7.8bn

Economy | Negative

Foreign exchange reserves held by the State Bank of Pakistan (SBP) fell \$87 million, clocking in at an alarming level of \$7.81 billion as of August 19, 2022, as policymakers in the country continued to scramble over securing dollar inflows and provide breathing room to the economy. Total liquid foreign reserves held by the country stood at \$13.52 billion, said the SBP on Thursday. Net foreign reserves held by commercial banks amounted to \$5.71 billion. (BR) | [Click for more info.](#)

Foreign currencies dry up, rupee continues to fall

Economy | Negative

Almost all foreign currencies have disappeared from the open market, with citizens struggling to get hold of the dollar even at Rs230. In the interbank market, the rupee continued to fall for the fourth session in a row, losing 0.47 per cent to close at 219.41 on Thursday. The open market quoted the dollar at about Rs10 higher than the interbank market, currency dealers said, as all foreign currencies were in short supply, including the dollar, Saudi riyal and UAE dirham. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,653.3	29,485.8	-167.5	-0.6%
KSE100	43,338.0	43,032.6	-305.4	-0.7%
KSE30	16,526.6	16,335.0	-191.6	-1.2%
KMI30	72,195.2	71,455.6	-739.5	-1.0%

Top Five Gainers

	Open	Close	Chg.	%
SAPL	1,270.0	1,349.7	79.7	6.3%
RCML	494.0	531.1	37.1	7.5%
PRET	628.1	650.0	21.9	3.5%
LUCK	509.6	520.8	11.2	2.2%
HAFL	104.5	112.2	7.6	7.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.4	1.3	0.0	18.60
HASCOL	6.8	6.7	-0.1	10.51
PIAA	5.4	5.0	-0.4	9.30
NCPL	26.1	26.0	-0.1	8.70
TELE	12.0	12.1	0.1	7.61

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.01	0.00	0.00
F-Corporates	0.43	-0.64	-0.21
O/S Pakistanies	4.07	-3.36	0.70
Net	4.51	-4.00	0.50
LIPI			
Individuals	40.28	-38.12	2.16
Companies	4.66	-3.30	1.36
Comm. Banks	1.57	-1.70	-0.13
NBFC	0.04	-0.11	-0.06
Mutual Funds	1.51	-3.73	-2.23
Other	0.62	-0.19	0.43
Brokers Proprietary	12.47	-12.45	0.03
Insurance	0.37	-2.44	-2.07
Net	61.52	-62.02	-0.50

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	92.52	-2.5%
Brent oil	USD/bbl.	99.34	-2.3%
Gold	USD/t oz.	1758.76	0.4%
Silver	USD/t oz.	19.25	0.7%
Coal	USD/ton	322.00	-1.8%
Steel Scrap (LME)	USD/ton	391.00	0.3%
Steel Rebar (LME)	USD/ton	645.00	-0.1%
USD/PKR	Interbank	6.12	0.4%

News Source: Local / Int'l Newspapers and websites

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106



August 26,

MORNING BRIEFING

Oil & Gas

Pakistan Oilfields finds hydrocarbons in KP

POL | Positive

Pakistan Oilfields Ltd (POL) told its shareholders on Thursday that MOL Pakistan, which operates the Tal Block in Kohat district of Khyber Pakhtunkhwa, has encountered hydrocarbons following Drill Stem Tests (DSTs) conducted in the Tolanj West-2 well to measure the potential of Samanasuk, Shinawari and Lockhart formations. (Dawn) | [Click for more info.](#)

Govt to impose 10.5pc GST on POL products in first phase

Oil | Negative

The government under the contingency revenue measures agreed with the International Monetary Fund (IMF) would impose 10.5 percent GST on petroleum products initially and would take it to 17 percent if monthly revenue collection data showed signs of underperforming against the first quarter of fiscal year 2023 and subsequent targets. (BR) | [Click for more info.](#)

Country's crude oil deposits shrink 7pc in June

Oil | Negative

Pakistan's oil reserves shrank 7 percent to 233 million barrels in June 2022 from 249 million in the same month last year as deposits at major active fields are exhausting in the absence of any significant new discoveries. (The News) | [Click for more info.](#)

PRL hires firms for refinery upgrade

PRL, JSGL | Positive

Pakistan Refinery Limited (PRL) has awarded the mandate for financial advisory and arrangement services to United Bank Limited (UBL) and JS Global Capital Limited (JSGL) to assist it in its \$1.2 billion refinery upgrade and expansion project. (The News) | [Click for more info.](#)

Power

'Fairness' of payments; CPPA-G, Hubco lock horns

HUBC | Neutral

Central Power Purchasing Agency- Guaranteed (CPPA-G) and M/s Hub Power Company (Hubco) have reportedly locked horns on "fairness" of payment of overdue receivables and total amount claimed by the power company. (BR) | [Click for more info.](#)

Import of spare parts, machinery; IPPs demand withdrawal of curbs

IPPs | Neutral

Independent Power Producers (IPPs) have urged the government to lift restrictions on import of spare parts and machinery necessary for maintenance of their plants, imposed by the State Bank of Pakistan (SBP) due to foreign exchange issues, to ensure availability of plants for the System Operator, sources close to Managing Director PPIB told. (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
HK - Hang Seng	19,968.4	699.64	3.63%
US - Dow 30	33,291.8	322.55	0.98%
KSA - Tadawul	12,591.7	147.97	1.19%
Taiwan - TWII	15,200.0	130.85	0.87%
PHILP - PSEi	6,706.4	62.98	0.95%
US - S&P 500	4,199.1	58.35	1.41%
CHINA - Shanghai	3,246.3	31.05	0.97%
INDONESIA - IDX	7,174.2	-20.50	-0.28%
PAK (KSE-100)	43,032.6	-305.40	-0.70%
INDIA - SENSEX	58,774.7	-310.71	-0.53%

Board Meetings

Scrip	Day	Agenda	Time
PSO	Friday	Ann A/c for 30Jun22	9:30 AM
SGF	Friday	HY A/c for 30Jun22	9:30 AM
TATM	Friday	Ann A/c for 30Jun22	9:30 AM
BOK	Friday	HY A/c for 30Jun22	10:00 AM
AGIL	Friday	Ann A/c for 30Jun22	10:30 AM
AGL	Friday	HY A/c for 30Jun22	10:30 AM
PINL	Friday	HY A/c for 30Jun22	11:00 AM
SPWL	Friday	HY A/c for 30Jun22	11:30 AM
SRVI	Friday	HY A/c for 30Jun22	11:30 AM
UPFL	Friday	HY A/c for 30Jun22	2:30 PM
PKGS	Friday	HY A/c for 30Jun22	3:00 PM
ZIL	Friday	HY A/c for 30Jun22	4:00 PM
UVIC	Saturday	HY A/c for 30Jun22	11:30 AM
SIBL	Saturday	HY A/c for 30Jun22	12:00 PM
PAKRI	Saturday	HY A/c for 30Jun22	2:30 PM
SNBL	Sunday	HY A/c for 30Jun22	10:30 AM

Source: PSX

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106



August 26,

MORNING BRIEFING

Miscellaneous

FFL's revenue to increase as it wins supply tender of skimmed milk

FFL | **Positive**

Fauji Foods Limited has won a tender and consequently entered into an agreement with Remount Veterinary Farms Corps to provide 1,250 tons of skimmed milk powder for FY23, the company's filing on bourse showed today. (Mettis) | [Click for more info.](#)

China Offered To Set Up Industry At Dhabeji SEZ For Export Purpose

Economy | **Neutral**

Federal Minister for Industries and Production, Syed Murtaza Mahmud here on Thursday offered China to set up its industry in 1,500-acre Dhabeji Special Economic Zone in Sindh, manufacture products there and export to the world. (Nation) | [Click for more info.](#)

Political News

Punjab govt registers terrorism case against Rana Sanaullah for 'threatening judiciary, government officials'

The Punjab government on Thursday registered a terrorism case against Interior Minister Rana Sanaullah for allegedly threatening the judiciary and government officials in his speeches on April 15, 2021 and January 29, 2022. (Dawn) | [Click for more info.](#)

International News

Stocks Lifted by Tech; Dollar Up Ahead of Powell: Markets Wrap

An Asian stock gauge rose Friday, helped by China's technology sector, while the dollar ticked up before a speech by Federal Reserve Chair Jerome Powell that's set to shape views on US monetary tightening. (Bloomberg) | [Click for more info.](#)

Oil prices edge up on signs of improving demand

Oil prices rose in early trade on Friday on signs of improving fuel demand, though gains were capped as the market awaited clues from the U.S. Federal Reserve chairman on the outlook for rate hikes in a speech later in the day. (Reuters) | [Click for more info.](#)

Research Team

research@abaalihabib.com

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



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 FCFF 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
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)