

September 9, 2022

Economy

FX reserves surge by \$1.07bn to \$14.47bn in a week
Economy | Positive

From the inflows from International Monetary Fund (IMF) under Extended Fund Facility (EFF) Program, the total liquid foreign exchange reserves held by the country surged by \$1.07 billion or 8% WoW to stand at \$14.47bn during the week ended on September 02, 2022, compared to \$13.40bn in the previous week, weekly data released by the State Bank of Pakistan (SBP) on Thursday showed. (Mettis) | [Click for more info.](#)

PKR falls by Rs2 in interbank
Economy | Negative

The rupee lost Rs2 in the interbank market on Thursday, data shared by the State Bank of Pakistan (SBP) showed. The rupee closed at Rs225.42 per dollar, a depreciation of 0.89 per cent. (Dawn) | [Click for more info.](#)

Govt borrows record Rs760bn from banks in July-August
Economy | Neutral

The federal government has borrowed record money, over Rs760 billion, from scheduled banks during the first two months of the current fiscal year (FY23). The latest data of the State Bank of Pakistan shows not only the increasing dependence of the government on banks' money but that the cost of borrowing is also very high. (Dawn) | [Click for more info.](#)

Oil & Gas

Mari temporarily suspends gas production operations in Balochistan
MARI | Neutral

Mari Petroleum Company Limited on Thursday announced a temporary suspension of production operations at its Zarghun South Gas Field and Ziarat Block after flash floods adversely impacted gas pipelines and road infrastructure in Balochistan. (BR) | [Click for more info.](#)

RLNG issue: expect another winter of gas shortages
Gas | Negative

Following the footsteps of PTI government, Prime Minister Shahbaz Sharif led federal government has also failed to arrange required quantity of RLNG for winter months due to which domestic consumers will have to face "pressure profiling" again during this period. (BR) | [Click for more info.](#)

Fertilizer

ECC Gives Go Ahead for Release of Flood Fund and Fertilizer Import
Fertilizer | Positive

The Economic Coordination Committee (ECC) of the Cabinet here on Thursday approved funds for relief and rescue of flood-affected people and also gave go ahead to Trading Corporation of Pakistan (TCP) for Urea fertilizer imports. After detailed deliberation, the ECC allowed Trading Corporation of Pakistan (TCP) to initiate the process for import of 300,000 MT of Urea on G2G basis and decided the provinces to bear their subsidy share. (Augaf) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,681.6	28,707.9	26.3	0.1%
KSE100	41,766.1	41,824.8	58.7	0.1%
KSE30	15,709.3	15,710.2	0.9	0.0%
KMI30	68,994.3	69,137.7	143.4	0.2%

Top Five Gainers

	Open	Close	Chg.	%
GATI	400.0	428.9	28.9	7.2%
TICL	258.9	275.0	16.1	6.2%
KHTC	205.5	216.8	11.3	5.5%
FZCM	248.6	259.8	11.2	4.5%
KOHC	154.6	162.8	8.2	5.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
MLCF	27.8	28.7	0.9	8.41
LOTCEM	28.8	30.1	1.3	6.73
HASCOL	6.9	7.0	0.0	5.51
PIOC	66.3	69.5	3.1	4.15
FFL	6.8	6.9	0.1	4.06

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.01	-0.17	-0.17
O/S Pakistanies	1.12	-1.19	-0.07
Net	1.13	-1.36	-0.24
LIPI			
Individuals	18.10	-17.69	0.41
Companies	3.18	-3.05	0.13
Comm. Banks	0.97	-0.77	0.20
NBFC	0.01	-0.06	-0.05
Mutual Funds	1.80	-2.33	-0.53
Other	0.30	-0.09	0.21
Brokers Proprietary	5.05	-5.26	-0.22
Insurance	0.20	-0.11	0.09
Net	29.60	-29.36	0.24

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	83.54	2.0%
Brent oil	USD/bbl.	89.15	1.9%
Gold	USD/t oz.	1708.59	-0.6%
Silver	USD/t oz.	18.54	0.4%
Coal	USD/ton	330.75	-3.3%
Steel Scrap (LME)	USD/ton	364.00	-2.4%
Steel Rebar (LME)	USD/ton	675.00	0.0%
USD/PKR	Interbank	6.19	0.9%

News Source: Local / Int'l Newspapers and websites

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Miscellaneous

Telecom sector seeks cut in WHT

Telecom | Neutral

A telecom sector delegation on Thursday requested Minister of Finance Miftah Ismail to remove the prior approval requirement imposed by the State Bank of Pakistan (SBP) for the import of telecom equipment and reduce withholding tax from 15 per cent to 8pc on essential telecom services. (Dawn) | [Click for more info.](#)

CCP raids premises of 2 float glass makers on suspicion of cartelization

Glass | Neutral

The Competition Commission of Pakistan (CCP) has raided two float glass manufacturers for conducting a search and inspection on suspicion of establishing an alleged cartel to maximise lofty profits. (The News) | [Click for more info.](#)

Millers give another flour price shock

Food | Negative

While showing no mercy for the inflation-hit consumers, the millers have further jacked up per kg prices by Rs7 in flour no.2.5 and Rs10 in fine and super fine flour (maida). (Dawn) | [Click for more info.](#)

Political News

IHC decides to indict Imran Khan in contempt case on September 22

The Islamabad High Court (IHC) on Thursday decided to indict former prime minister and Pakistan Tehreek-e-Insaf (PTI) chairman Imran Khan in a contempt case on September 22, terming his supplementary reply in the case "dissatisfactory". (ET) | [Click for more info.](#)

ECP postpones by-elections in 13 constituencies of Sindh, Punjab, and KP

The Election Commission of Pakistan (ECP) Thursday decided to postpone the by-election to be held in 13 constituencies of Sindh, Punjab, and Khyber Pakhtunkhwa. (The News) | [Click for more info.](#)

International News

Oil prices retreat on demand destruction fears, benchmarks off 4% for week

Oil prices turned down in early trade on Friday after a slight rebound in the previous session, leaving them set to fall for a second straight week on worries that central banks' aggressive rate hikes and China's COVID-19 curbs will hurt demand. (Reuters) | [Click for more info.](#)

Hong Kong's Hang Seng rises 2%, leads Asia markets higher after Powell's inflation comments

Markets in Asia-Pacific were higher as investors digested Federal Reserve Chair Jerome Powell's latest comments as he vowed to raise rates to tackle inflation "until the job is done." (CNBC) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	59,688.2	659.31	1.12%
US - Dow 30	31,774.5	193.24	0.61%
Taiwan - TWII	14,583.4	173.37	1.20%
PAK (KSE-100)	41,824.8	58.74	0.14%
INDONESIA - IDX	7,232.0	45.26	0.63%
PHILP - PSEi	6,593.7	39.66	0.61%
US - S&P 500	4,006.2	26.31	0.66%
CHINA - Shanghai	3,235.6	-10.70	-0.33%
KSA - Tadawul	11,834.3	-29.55	-0.25%
HK - Hang Seng	18,854.6	-189.68	-1.00%

Board Meetings

Scrp	Day	Agenda	Time
SSGC	Friday	HY A/c for 31Dec21	11:00 AM
RUPL	Friday	ANN A/c for 30Jun22	11:00 AM
SSGC	Friday	HY A/c for 30Jun22	11:00 AM
WTL	Friday	1Q A/c for 31Mar22	11:30 AM
THALL	Friday	ANN A/c for 30Jun22	3:30 PM
FNBM	Friday	ANN A/c for 30Jun22	5:00 PM
MSCL	Monday	ANN A/c for 30Jun22	11:00 AM
ARM	Monday	ANN A/c for 30Jun22	2:00 PM
MERIT	Monday	ANN A/c for 30Jun22	3:00 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 FCFF based DCF methodology.

Analyst Certification ^{AC}

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