

October 25, 2022

Economy

Accord signed with ADB for \$1.5bn loan
Economy | Positive

Asian Development Bank (ADB) on Monday signed an agreement with Pakistan to provide a \$1.5 billion loan for budgetary support and help flood-related rehabilitation and reconstruction activities. (Dawn) | [Click for more info.](#)

Countercyclical support facility loans; Project risks identified by ADB
Economy | Neutral

The Asian Development Bank (ADB) has identified several risks to “Countercyclical Support Facility Loans For Islamic Republic of Pakistan: Building Resilience with Active Countercyclical Expenditures Programme” worth \$1.5 billion including prolonged economic slowdown and political tensions and compounded crises, including the recent floods, strain government capacity for timely implementation of its programmes. (BR) | [Click for more info.](#)

ADB repurposing \$475m for flood affected areas of Pakistan
Economy | Neutral

Asian Development Bank (ADB) has apprise Pakistan about repurposing of a existing ADB portfolio to the tune of \$475 million for an emergency assistance loan for rehabilitation and reconstruction of the flood affected areas. (Nation) | [Click for more info.](#)

PM to discuss \$3bn Saudi deposits rollover
Economy | Neutral

Prime Minister Shehbaz Sharif, along with his team including Minister for Finance Ishaq Dar, is visiting the Kingdom of Saudi Arabia currently, where he would discuss with the authorities rollover of \$3 billion deposits, additional financial support and continuation of oil facility on deferred payment as well as materialising \$10-12 billion potential investment for construction of Petrochemical Complex at Gwadar Port. (The News) | [Click for more info.](#)

Rupee recovers 43 paises against dollar
Economy | Positive

Pakistani rupee on Monday appreciated by 43 paises against the US dollar in the interbank trading to close at Rs 220.40 against the previous day's closing of Rs 220.83. (Nation) | [Click for more info.](#)

Power

KE allowed to collect additional Rs12.7/unit from consumers
KEL | Positive

The National Electric Power Regulatory Authority (Nepra) has allowed the K-Electric to collect an additional Rs 12.6818 per kWh from the power consumers on account of quarterly adjustments for April-June 2022. (The News) | [Click for more info.](#)

Kapco seeks renewal of agreement with new tariff
KAPCO | Neutral

Kot Addu Power Company Ltd (Kapco) said on Monday it has submitted a tariff petition to the National Electric Power Regulatory Authority (Nepra) for a reference generation tariff. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,744.9	28,813.7	68.8	0.2%
KSE100	42,213.5	42,347.2	133.8	0.3%
KSE30	15,564.5	15,602.6	38.2	0.2%
KMI30	71,145.8	71,388.4	242.6	0.3%

Top Five Gainers

	Open	Close	Chg.	%
COLG	2,022.3	2,062.5	40.2	2.0%
MARI	1,683.5	1,710.2	26.7	1.6%
PRET	650.0	675.0	25.0	3.8%
KHTC	282.7	303.9	21.2	7.5%
JDWS	351.0	370.0	19.0	5.4%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.5	1.6	0.1	68.79
DFML	10.3	11.2	0.9	12.41
PRL	17.8	17.9	0.1	9.54
HASCOL	6.6	6.7	0.1	9.03
TRG	124.4	128.3	3.9	8.78

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.03	0.00	0.03
F-Corporates	0.17	-0.36	-0.19
O/S Pakistanies	3.11	-3.32	-0.21
Net	3.32	-3.69	-0.37
LIPI			
Individuals	37.72	-36.82	0.90
Companies	2.06	-1.36	0.71
Comm. Banks	0.26	-0.92	-0.66
NBFC	0.00	0.00	0.00
Mutual Funds	1.12	-1.92	-0.80
Other	0.29	-0.25	0.03
Brokers Proprietary	9.41	-9.46	-0.05
Insurance	0.51	-0.26	0.25
Net	51.37	-51.00	0.37

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	84.88	-0.2%
Brent oil	USD/bbl.	91.46	-2.2%
Gold	USD/t oz.	1651.87	-0.4%
Silver	USD/t oz.	19.30	-0.6%
Coal	USD/ton	240.00	-0.6%
Steel Scrap (LME)	USD/ton	366.50	0.5%
Steel Rebar (LME)	USD/ton	680.50	0.8%
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

October 25, 2022

Cement

FCCL increases authorized share capital to Rs50bn

FCCL | Positive

The shareholders of Fauji Cement Company Limited (FCCL) on Monday resolved to increase the authorized share capital of the company from Rs25 billion to Rs50bn by the creation of 2.5bn shares of Rs10 each. (Mettis) | [Click for more info.](#)

Miscellaneous

Pakistan urged to avail G77's facility to face disaster

Economy | Neutral

Though Pakistan will have to seek another loan from International Monetary Fund (IMF) to help recover from the recent catastrophic floods in the country, a report of Oxfam released on Monday recommends the country to avail the 'Loss and Damage Finance Facility' proposed by G77 plus China at the Climate Change Conference of the Parties (COP26). (Dawn) | [Click for more info.](#)

Open market sees massive shortage of USD

Economy | Negative

Consumers were left running from pillar to post as the open market ran massively short of US dollars on Monday with transactions happening only through "connections", as some currency dealers spoke to put it, raising questions on the mechanisms put in place to ensure availability at a time when the rupee is largely stable in the inter-bank market. (BR) | [Click for more info.](#)

Money Market CIs; SECP allows cumulative exposure

Economy | Neutral

In order to broaden the scope of investment avenues for Open-End Money Market Collective Investment Schemes (CISs), the Securities and Exchange Commission of Pakistan (SECP) has allowed the Money Market CIs to take exposure in short term corporate Sukuk along with commercial papers. (BR) | [Click for more info.](#)

Political News

Demand for south Punjab province echoes in National Assembly

The demand for creation of the south Punjab province once again echoed in the National Assembly on Monday as Speaker Raja Pervaiz Ashraf allowed lawmakers to deliver speeches on points of order on the last day of the autumn session of the lower house of parliament without taking up the 10-point agenda. (Dawn) | [Click for more info.](#)

International News

Global Stocks Set to Extend Gains, China to Fall: Markets Wrap

Asian share markets beyond China showed signs of strength on Tuesday following a rally in US stocks buoyed by optimism from early corporate earnings reports. (Bloomberg) | [Click for more info.](#)

Oil Edges Higher as Market Tightness Outweighs Slowdown Concerns

Oil edged higher on concern about near-term supply tightness, and as a raft of positive US earnings supported appetite for risk. (Bloomberg) | [Click for more info.](#)

World Indices			
	Last	Chg.	Chg. %
INDIA - SENSEX	59,805.4	498.24	0.84%
US - Dow 30	31,499.6	417.06	1.34%
PAK (KSE-100)	42,347.2	133.75	0.32%
KSA - Tadawul	12,075.3	68.68	0.57%
PHILP - PSEI	6,028.8	45.23	0.76%
US - S&P 500	3,797.3	44.59	1.19%
Taiwan - TWII	12,857.0	37.78	0.29%
INDONESIA - IDX	7,053.0	35.27	0.50%
CHINA - Shanghai	2,977.6	-61.37	-2.02%
HK - Hang Seng	15,180.7	-1030.43	-6.36%

Board Meetings			
Scrip	Day	Agenda	Time
SHNI	Tuesday	3Q A/c as at 30-Sep-22	10:00 AM
FCCL	Tuesday	1Q A/c as at 30-Sep-22	10:15 AM
BCL	Tuesday	1Q A/c as at 30-Sep-22	10:30 AM
DYNO	Tuesday	1Q A/c as at 30-Sep-22	10:30 AM
FFBL	Tuesday	3Q A/c as at 30-Sep-22	10:30 AM
NRL	Tuesday	1Q A/c as at 30-Sep-22	10:30 AM
PPP	Tuesday	1Q A/c as at 30-Sep-22	10:30 AM
SMBL	Tuesday	3Q A/c as at 30-Sep-22	10:30 AM
ASTL	Tuesday	1Q A/c as at 30-Sep-22	11:00 AM
KHYT	Tuesday	1Q A/c as at 30-Sep-22	11:00 AM
MDTL	Tuesday	1Q A/c as at 30-Sep-22	11:00 AM
OML	Tuesday	1Q A/c as at 30-Sep-22	11:00 AM
SLCL	Tuesday	1Q A/c as at 30-Sep-22	11:00 AM
ALAC	Tuesday	3Q A/c as at 30-Sep-22	11:30 AM
APL	Tuesday	1Q A/c as at 30-Sep-22	11:30 AM
OGDC	Tuesday	1Q A/c as at 30-Sep-22	11:30 AM
PIAA	Tuesday	3Q A/c as at 30-Sep-22	11:30 AM
PINL	Tuesday	3Q A/c as at 30-Sep-22	11:30 AM
IBLHL	Tuesday	1Q A/c as at 30-Sep-22	12:00 PM
PACE	Tuesday	1Q A/c as at 30-Sep-22	12:00 PM
PNSC	Tuesday	1Q A/c as at 30-Sep-22	12:00 PM
ATRL	Tuesday	1Q A/c as at 30-Sep-22	12:30 PM
CEPB	Tuesday	1Q A/c as at 30-Sep-22	04:30 PM
DWAE	Tuesday	1Q A/c as at 30-Sep-22	04:30 PM
SYS	Tuesday	3Q A/c as at 30-Sep-22	05:00 PM
DSFL	Tuesday	1Q A/c as at 30-Sep-22	05:30 PM
DCL	Tuesday	1Q A/c as at 30-Sep-22	06:30 PM

Source: PSX

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)