



December  
4, 2020

## Economy News

### China acknowledges major progress in CPEC infrastructure, energy projects Economy | Neutral

China on Thursday acknowledged a major progress especially in the infrastructure and energy projects being completed under the China-Pakistan Economic Corridor (CPEC) framework. (ET) | [Click for more info.](#)

### Foreign exchange: SBP reserves fall \$305m to \$13.1b

#### Economy | Negative

The foreign exchange reserves held by the central bank fell 2.27% on a weekly basis, according to data released by the State Bank of Pakistan (SBP) on Thursday. On November 27, the foreign currency reserves held by the SBP were recorded at \$13,110.9 million, down \$305 million compared with \$13,415.5 million in the previous week. (ET) | [Click for more info.](#)

### Online account opening for capital investors allowed

#### Economy | Positive

The Securities and Exchange Commission of Pakistan (SECP) on Thursday approved a ground-breaking initiative to enable all Pakistani resident and non-resident investors to open online accounts in the capital market. (Dawn) | [Click for more info.](#)

## Oil & Gas

### Govt set to lift ban on new gas connections

#### SSGC | Positive

The government is set to remove the moratorium on new gas connections to industrial and captive power consumers in Balochistan. The Cabinet Committee on Energy (CCOE) will take decision on the matter in its meeting. (ET) | [Click for more info.](#)

### Govt saved \$237m through procurement of 41 spot LNG cargoes: PD

#### Gas | Neutral

The Petroleum Division (PD) on Thursday said the government had procured 41 spot liquefied natural gas (LNG) cargoes, during the last 27 months, on average of below 12 percent Brent that helped save \$237 million. (The News) | [Click for more info.](#)

## Power

### Subsidy okayed for industry after abolition of peak rates

#### Power | Neutral

A hurriedly-called meeting of the Economic Coordination Committee (ECC) on Thursday decided to provide an unspecified amount of subsidy arising out of abolition of peak electricity rates for industrial consumers already approved by the federal cabinet and the National Electric Power Regulatory Authority (Nepa). (Dawn) | [Click for more info.](#)

## Transport

### EU decides to retain ban on PIA flights

#### PIAA | Negative

The European Union aviation safety watchdog has decided to retain its ban on PIA from operating in EU member states, expressing its dissatisfaction over the steps taken by the Civil Aviation Authority to address licensing and safety concerns. However, the European Union Air Safety Agency (EASA) has informed the PIA that it was satisfied with the measures taken by the airline in connection with its safety management system. (ET) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,407.8	29,409.5	1.7	0.0%
KSE100	42,027.4	42,047.7	20.3	0.0%
KSE30	17,668.3	17,664.6	-3.7	0.0%
KMI30	67,849.5	68,022.4	172.8	0.3%

### Top Five Gainers

	Open	Close	Chg.	%
RMPL	8,600.0	8,900.0	300.0	3.5%
IDYM	500.0	537.5	37.5	7.5%
ISIL	376.3	404.0	27.7	7.4%
GLPL	344.4	363.3	18.9	5.5%
BATA	1,484.3	1,500.1	15.8	1.1%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
TRG	71.3	70.1	-1.2	35.24
MLCF	40.2	40.6	0.4	30.97
ASL	17.0	18.0	1.0	29.69
HASCOL	15.1	15.1	0.0	28.53
PRL	19.6	19.6	0.0	26.72

### Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.60	-0.01	-0.26
F-Corporates	2.95	-2.83	0.12
O/S Pakistanies	13.77	-7.31	6.47
<b>Net</b>	16.73	-10.15	6.58
<b>LIPI</b>			
Individuals	115.07	-112.22	2.85
Companies	4.44	-16.41	-11.97
Comm. Banks	2.20	-4.02	-1.83
NBFC	0.04	-0.06	-0.02
Mutual Funds	6.26	-4.60	1.66
Other	0.44	-0.43	0.00
Brokers Proprietary	24.90	-24.90	0.00
Insurance	4.63	-1.91	2.72
<b>Net</b>	157.95	-164.54	-6.58

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	45.64	0.8%
Brent oil	USD/bbl.	48.71	1.0%
Gold	USD/t oz.	1841.08	0.5%
Silver	USD/t oz.	24.07	-0.2%
Coal	USD/ton	84.30	-0.2%
Steel Scrap (LME)	USD/ton	385.00	1.7%
Steel Rebar (LME)	USD/ton	553.50	-0.4%
USD/PKR	Interbank	160.66	0.1%

News Source: Local / Int'l Newspapers and websites

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REP-055



## Cement

### LDA approves construction of 4,000 apartments

**Cement, Steel | Positive**

The governing body of Lahore Development Authority (LDA) on Thursday approved the construction of 4,000 residential units at a cost of about Rs10 billion in the first phase of LDA City Naya Pakistan Apartments project. (PT) | [Click for more info.](#)

## Miscellaneous

### PM directs facilitation of industries linked with construction sector

**Cement, Banks | Positive**

Prime Minister Imran Khan has directed the authorities concerned to ensure provision of facilities to allied industries connected with the construction sector to keep the wheel of economy moving. State Bank of Pakistan Governor Reza Baqir on the occasion informed the meeting that banks have almost achieved the quarterly targets regarding housing and construction sector, adding that banks have been instructed to provide more facilities to the consumers. (PT) | [Click for more info.](#)

### PIBTL plans capacity expansion to cater high coal demands

**PIBTL | Positive**

Pakistan International Bulk Terminal Limited (PIBTL) has planned expansion of annual cargo handling capacity to around 19 million tons from existing 16 million tons as the company foresees higher demand with coal-based power plants coming up. (The News) | [Click for more info.](#)

### State Bank logs significant growth in digital payment transactions in Q1

**Banks | Neutral**

Digital payment transactions have increased significantly during the first quarter of the current fiscal year due to growing tendency of consumers toward cash substitute amid social distancing norm, the central bank's said on Thursday. (The News) | [Click for more info.](#)

### Ministries on warpath over RLNG supply

**AGL, FATIMA | Negative**

According to official documents available with this newspaper, on November 26, 2020, the Cabinet Committee on Energy (CCoE) rejected a proposal of Ministry of Industries and Production (Mol&P) about supply of gas to both fertilizer plants beyond November 30, 2020. | [Click for more info.](#)

### Cotton stockpiling declines 37.6pc

**Textile | Negative**

Cotton stockpiling in the factories of Pakistan declined 37.6 percent to 4.64 million bales by November 30, 2020, a report said on Thursday. Pakistan Cotton Ginners Association (PCGA) report showed cotton stockpiling was down by 2.79 million bales at factories, down 37.6 percent from 7.44 million bales in same period last year. (The News) | [Click for more info.](#)

## International News

### Opec+ agrees output hike from January

The Organisation of the Petroleum Exporting Countries (Opec) and Russia on Thursday agreed to a modest oil output increase from January by 500,000 barrels per day but failed to find a compromise on a broader and longer term policy for the rest of next year, four Opec+ sources told. (Dawn) | [Click for more info.](#)

### World Indices

	Last	Chg.	Chg. %
HK - Hang Seng	26,728.5	195.92	0.74%
PHILP - PSEi	7,194.1	113.51	1.60%
US - Dow 30	29,969.5	85.73	0.29%
PAK (KSE-100)	42,047.7	20.34	0.05%
INDIA - SENSEX	44,632.7	14.61	0.03%
INDONESIA - IDX	5,822.9	8.95	0.15%
CHINA - Shanghai	3,442.1	-7.24	-0.21%
US - S&P 500	3,658.7	-10.33	-0.28%
Taiwan - TWII	13,977.1	-12.05	-0.09%
KSA - Tadawul	8,675.0	-19.16	-0.22%

### Board Meetings

Scrip	Day	Agenda	Time
FPJM	Friday	ANNUAL ACCOUNT	3:00 PM
AGL	Thursday	ANNUAL ACCOUNT	10:00 AM

Source: PSX



## Oil prices rise as producers agree on supply compromise

Oil prices rose on Friday, heading for a fifth week of gains, after major producers agreed to continue to restrain production to cope with coronavirus-hit demand but the compromise fell short of expectations. (Reuters) | [Click for more info.](#)

## Asia stocks set for small gains as U.S. advances fiscal stimulus

Investors in Asia geared up for modest stock gains on Friday as U.S. legislators wrangled over a fiscal stimulus and negotiations over a Brexit trade deal continued. (The News) | [Click for more info.](#)

## Canada could approve Pfizer's COVID-19 vaccine within the next week

Canadian health authorities could approve Pfizer Inc's coronavirus vaccine within the next week, allowing distribution to start in early 2021, medical officials indicated on Thursday..(BR) | [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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