

May 10,
2022

Economy

EFF's 7th review; IMF says expecting to field mission this month

Economy | Neutral

The International Monetary Fund (IMF) Tuesday said that it is expecting to field a mission during May to discuss with the authorities, policies to further the Extended Fund Facility's 7th review, however, it did not specify the date and location. (BR) | [Click for more info.](#)

S Arabia's \$3bn additional deposits 'tied to IMF programme revival'

Economy | Negative

The Saudi Arabian government makes possibility of offering up to \$3 billion additional deposit in Pakistan's central bank conditional to Islamabad's revival of IMF's stalled bailout programme, officials said on Monday. (The News) | [Click for more info.](#)

Rupee loses another 90 paise against dollar

Economy | Negative

The exchange rate on Monday remained under pressure as the US dollar continued its upward spiral against the the local currency. According to the State Bank of Pakistan (SBP) the dollar closed at Rs187.53, a rise of 90 paise over the last dosing. On May 6, the US currency appreciated by 94 paise to Rs186.63. (Dawn) | [Click for more info.](#)

RDA inflows hit \$4.2bn mark

Economy | Positive

Inflows of Roshan Digital Account (RDA) are growing, reaching \$4.2 billion at the end of April 2022. According to statistics released by the State Bank of Pakistan (SBP) on Monday, RDA fetched inflows amounted to \$247 million in April 2022. With the arrival of fresh inflows, overall investment in the RDA rose to \$4.167 billion at the end of April compared to \$ 3.920 billion in March 2022. (BR) | [Click for more info.](#)

First \$10m inflow in T-bills after two months

Economy | Neutral

After a two-month pause, the foreigners started making investments in high-return treasury bills (T-bills). The latest data of the State Bank of Pakistan (SBP) issued on Monday showed that the foreigners invested \$9.9 million in T-bills on Friday just after the government raised the profit rates. (Dawn) | [Click for more info.](#)

NSS profit rates raised by up to 250bps

Economy | Neutral

The federal government on Monday raised the profit rates on various national savings certificates and schemes by up to 250 basis points, mostly to capitalise on their income from medium term government securities. (The News) | [Click for more info.](#)

Public debt stands at Rs41.466trn, NA told

Economy | Negative

The National Assembly was informed on Monday that the total public debt stands at Rs41.466 trillion – Rs26.44 trillion domestic and Rs 15.02 trillion external–till September 2021. (BR) | [Click for more info.](#)

Oil & Gas

Oil sales up 32pc

OMCs | Positive

The country's oil sales docked in at 2.2 million tonnes in April as compared to 1.672m tonnes, up by 32 per cent year-on-year (YoY) and 21pc month-on-month (MoM) due to higher furnace oil (FO) and high speed diesel (HSD) sales. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,480.3	29,590.2	-890.1	-2.9%
KSE100	44,840.8	43,393.1	-1447.7	-3.2%
KSE30	17,148.5	16,526.5	-622.0	-3.6%
KMI30	72,989.5	70,032.8	-2956.7	-4.1%

Top Five Gainers

	Open	Close	Chg.	%
TICL	262.4	282.0	19.6	7.5%
MUREB	405.0	424.0	19.0	4.7%
OTSU	245.0	249.0	4.0	1.6%
SML	39.7	42.7	3.0	7.5%
DLL	193.5	196.0	2.5	1.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
LOTCEM	24.7	25.2	0.5	27.01
CNERGY	6.1	5.6	-0.6	23.86
WTL	1.7	1.6	-0.1	20.98
TELE	12.8	11.9	-0.9	11.50
GGL	19.0	17.6	-1.4	10.61

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	3.44	-3.80	-0.36
Net	4.73	-4.91	-0.18
LIPI			
Individuals	39.52	-42.37	-2.85
Companies	4.83	-5.60	-0.78
Comm. Banks	6.94	-1.00	5.94
NBFC	0.05	0.00	0.04
Mutual Funds	1.97	-4.15	-2.19
Other	1.75	-0.33	1.42
Brokers Proprietary	9.83	-10.32	-0.49
Insurance	0.21	-1.12	-0.91
Net	65.09	-64.91	0.18

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	103.09	-6.1%
Brent oil	USD/bbl.	105.94	-5.7%
Gold	USD/t oz.	1853.82	-1.6%
Silver	USD/t oz.	21.79	-2.5%
Coal	USD/ton	309.65	-0.4%
Steel Scrap (LME)	USD/ton	515.00	-2.6%
Steel Rebar (LME)	USD/ton	822.00	-2.1%
USD/PKR	Interbank	187.53	0.5%

News Source: Local / Int'l Newspapers and websites

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Sui Northern willing to allocate pipeline capacity to Energas LNG terminal

SNGP | Neutral

Sui Northern has dispelled the impression that it has not allocated the required pipeline capacity to Energas saying that it has already shared its willingness to allocate pipeline capacity to the Energas LNG terminal in line with the latest ECC decision of 27.10.2021 and also shared Final Access Agreement with Energas for execution in December 2021. (The News) | [Click for more info.](#)

Efforts restart towards making new oil refining policy

Refinery | Neutral

A meeting with representatives of the oil refineries has been scheduled in the Petroleum Ministry, hoping it will make headway for a new oil refining policy which could not be finalised during the tenure of the Pakistan Tehreek-e-Insaf (PTI) government, sources in the Petroleum Ministry said. (BR) | [Click for more info.](#)

Power

Power tariffs to rise for now: govt

Power | Negative

Federal Minister for Power Engineer Khurram Dastgir Khan said on Monday that electricity tariff would go up for the time being due to the high international oil prices. (BR) | [Click for more info.](#)

Chinese IPPs warn of closure if not paid Rs300bn

IPPs, Power | Negative

With more than Rs300 billion in stuck up dues, more than two dozen Chinese firms operating in Pakistan on Monday said that they would be forced to shut down their power plants this month unless payments were made upfront. (Dawn) | [Click for more info.](#)

Autos

Suzuki announces massive increase in car prices

PSMC | Positive

The Pak Suzuki Motors Company (PSMC) announced Monday a massive increase in the prices of its cars that will be effective with immediate effect. It is learnt that the raise in the car prices was announced by the PSMC following an increase in freight and input costs and depreciation of the Pakistani Rupee against the US Dollar. (Pakobserver) | [Click for more info.](#)

Cement

Cement sales fall 29 percent as business environment weakens

Cement | Negative

Sliding trend in cement uptake continued for the third consecutive month as sales dedined 29 percent in April 2022 mainly due to unfavourable business environment in the country. According to the data released by All Pakistan Cement Manufacturers Association (APCMA), the total cement dispatches during April 2022 were 3.52 million tonnes against 4.94 million tonnes during the same month of last fiscal year. (The News) | [Click for more info.](#)

Sugar

PM Shehbaz imposes 'complete ban' on export of sugar

Sugar | Negative

Prime Minister Shehbaz Sharif announced on Monday that he had imposed a "complete ban" on the export of sugar, owing to the commodity's "domestic demand". (Dawn) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
KSA - Tadawul	13,814.9	80.98	0.59%
INDONESIA - IDX	6,909.8	32.14	0.45%
CHINA - Shanghai	3,004.1	2.58	0.09%
PHILP - PSEi	6,759.9	-109.02	-1.59%
US - S&P 500	3,991.2	-132.10	-3.20%
Taiwan - TWII	16,048.9	-359.28	-2.19%
INDIA - SENSEX	54,470.7	-364.91	-0.67%
US - Dow 30	32,245.7	-653.67	-1.99%
HK - Hang Seng	20,002.0	-791.44	-3.81%
PAK (KSE-100)	43,393.1	-1447.67	-3.23%

Board Meetings

Scrip	Day	Agenda	Time
No Board Meetings			

Source: PSX

Miscellaneous

LOTCHEM price drop as PTA market is expected to trend lower

LOTCHEM | Negative

Lotchem price drop by 1.14 or 4.62% as PTA market is envisioned to trend lower as the peak season approaches its end and the downstream absorbs current high inventories, as per information shared by the company with investors. The share price provided return of 75% from January to date. (Augaf) | [Click for more info.](#)

Chemicals, Pharm. Products exports witness 29.56 pc increase

Chemicals, Pharmaceuticals | Positive

Chemicals and Pharm.Products exports during the first nine months of fiscal year of 2021-22 grew up by 29.56 percent as compared to the exports of the commodity during the corresponding period of last year. During the period from July-March 2021-22, Chemicals and Pharm. Products worth US \$1,093,692 were exported as compared to the exports of US \$ 844,155 during the same period of last year. (Pakobserver) | [Click for more info.](#)

Dual taxation treaties as modified by MLI inked with 28 states

Economy | Neutral

The Federal Board of Revenue (FBR) has issued a list of 28 countries, with which, Pakistan has signed Bilateral Full Scope Synthesized Treaties (double taxation agreements) to prevent base erosion and profit-shifting by multinational companies. (BR) | [Click for more info.](#)

ECC Announces a Big Drop in Prices of Sugar, Atta and Ghee

Economy | Neutral

ECC granted approval for the revision of prices of Atta and Sugar from Rs. 950/20 kg to Rs. 800/20 Kg, Rs. 85/kg to Rs. 70/kg respectively and also ordered that the discount of Rs. 190/kg on vegetable ghee will be continued. The government will continue to absorb the cost of subsidies for the benefit of the common man. (Propakistani) | [Click for more info.](#)

International News

Asian stocks hit 2-year low on rate hike worries

Asian shares tumbled to their lowest in nearly two years on Tuesday as investors shed riskier assets on worries about higher interest rates and their impact on economic growth, while the dollar held near 20-year highs. (Reuters) | [Click for more info.](#)

Oil tumbles about 6% as China COVID lockdowns weigh

Oil prices sank about 6% on Monday alongside equities, as continued coronavirus lockdowns in China, the top oil importer, fed worries about the demand outlook. (Reuters) | [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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