

April 12,
2022

Economy

Democratic Pakistan critical to US interests: White House

Economy | Positive

US values its long-standing cooperation with Pakistan and has always viewed a prosperous and democratic Pakistan as critical to US interests — that remains unchanged regardless of who the leadership is. (The News) | [Click for more info.](#)

'Good news' of completing next IMF tranche on the cards: Governor SBP

Economy | Positive

State Bank of Pakistan (SBP) Governor Reza Baqir on Monday said that the central bank is confident that it will soon announce the “good news” of completing the conditions required to obtain the next tranche of the International Monetary Fund (IMF). (ET) | [Click for more info.](#)

Pakistan's New PM Pushes Populist Measures, China Projects

Economy | Positive

Pakistan's Prime Minister Shehbaz Sharif unveiled a raft of populist measures and pushed for the speedy development of a key project under Chinese President Xi Jinping's Belt and Road Initiative in his first policy speech after getting elected. (Bloomberg) | [Click for more info.](#)

Joint working group for single-window cooperation with China formed

Economy | Neutral

Pakistan Single Window (PSW) and the General Administration of Customs People's Republic of China (GACC) have formed a Joint Working Group (JWG) on Single Window cooperation and integration. (Dawn) | [Click for more info.](#)

Reports of massive withdrawal rebutted; RDA inflows surpass \$4bn mark so far: SBP

Economy | Positive

The State Bank of Pakistan (SBP) on Monday categorically rejected the report of massive withdrawal from the Roshan Digital Account (RDA) due to change of powers in the federal government. RDA inflows are growing and total inflows have now surpassed the \$4 billion mark in April, the SBP said. (BR) | [Click for more info.](#)

PKR makes another significant gain

Economy | Positive

Bolstered by developments on the political front and positive market sentiment, Pakistan's rupee registered another significant gain against the US dollar, appreciating 0.96% in the inter-bank on Monday. As per the State Bank of Pakistan (SBP), the rupee closed at 182.93 after a day-on-day appreciation of Rs 1.75 or 0.96%. (BR) | [Click for more info.](#)

Moody's expects 3-4pc growth

Economy | Neutral

Moody's Investors Services (Moody's) expects Pakistan's economic growth of 3-4 percent for 2022 and 4-5 percent for 2023, saying that the reform agenda and the China-Pakistan Economic Corridor (CPEC) to help boosting economic growth. (BR) | [Click for more info.](#)

Gov't external repayment position in red zone: Moody's

Economy | Negative

Highlighting risks for Pakistan's economy in a fluid political situation, Moody's — a global credit rating agency — said further deterioration in external position, including widening of current account deficit and erosion of foreign exchange reserves, would threaten the government's external repayment position. (The News) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,369.3	31,333.0	963.8	3.2%
KSE100	44,444.6	46,145.0	1700.4	3.8%
KSE30	17,014.1	17,703.9	689.7	4.1%
KMI30	71,717.8	74,874.0	3156.2	4.4%

Top Five Gainers

	Open	Close	Chg.	%
BATA	2,339.2	2,484.4	145.2	6.2%
RMPL	11,400.0	11,500.0	100.0	0.9%
SAPT	933.5	1,002.5	69.0	7.4%
SFL	765.3	822.6	57.4	7.5%
COLG	2,300.0	2,343.0	43.0	1.9%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.7	2.1	0.4	140.80
CNERGY	5.2	6.0	0.8	40.15
FCCL	17.1	17.9	0.8	18.18
HUMNL	6.8	7.4	0.6	17.80
PIBTL	6.0	7.0	1.0	17.15

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	7.17	-4.72	2.46
Net	9.86	-8.43	1.43
LIPI			
Individuals	59.30	-48.00	11.30
Companies	6.14	-4.57	1.57
Comm. Banks	2.43	-2.89	-0.46
NBFC	0.07	-0.09	-0.02
Mutual Funds	3.04	-10.84	-7.80
Other	0.79	-1.37	-0.58
Brokers Proprietary	11.59	-11.89	-0.30
Insurance	0.64	-5.78	-5.14
Net	84.01	-85.44	-1.43

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	94.29	-4.0%
Brent oil	USD/bbl.	98.48	-4.2%
Gold	USD/t oz.	1953.74	0.3%
Silver	USD/t oz.	25.09	1.3%
Coal	USD/ton	286.35	1.5%
Steel Scrap (LME)	USD/ton	635.00	0.0%
Steel Rebar (LME)	USD/ton	942.50	0.0%
USD/PKR	Interbank	182.93	-1.0%

News Source: Local / Int'l Newspapers and websites

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Power

Supply shortfall leads to forced power load-shedding

Power | **Negative**

The country is again facing forced power load shedding of 5-6 hours due to average shortfall of 2500-3000 MW, main reasons of which are unprecedented demand in the month of April and mismanagement of fuel supplies. (BR) | [Click for more info.](#)

Additional power supply; KE refuses to make payment

KEL | **Neutral**

Karachi Electric (KE) has refused to make any further payment to the Federal Government against electricity being supplied from the National Grid, saying the power utility has net receivables of over Rs 31 billion. (BR) | [Click for more info.](#)

Autos

Hyundai Nishat to launch Elantra 1.6 this Month

NML | **Positive**

Hyundai Nishat Motors Private Limited (HNMP) is finally set to launch a new base variant for Elantra in Pakistan. As per a recent update, the sedan will go on sale by the end of April 2022. Based on rumors, Elantra will debut in Pakistan with a price tag between Rs. 3.8 million and Rs. 4.2 million. (Propakistani) | [Click for more info.](#)

Banks

Rs1bn Islamic finance facility for renewable energy power plants

MEBL | **Positive**

Meezan Bank and Burj Solar Energy Private Limited have announced the financial close of the Rs 1 billion syndicated Islamic finance facility for BSEPL's portfolio of power plants based on renewable energy sources in the country. (BR) | [Click for more info.](#)

Moody's expect Pakistan's banking sector dividends to increase with stable outlook

Banks | **Positive**

Stable outlook means good economic momentum and growing financial inclusion, says Moody's in its recent rating outlook. Economy helps boosting lending opportunities. Moody's expect GDP growth of between 3% and 4% for fiscal 2022 with economy to grow between 4% and 5% for fiscal 2023. (Augaf) | [Click for more info.](#)

Tech & Communication

NetSol to buy back shares from market at spot price

NETSOL | **Neutral**

NetSol Technologies Limited Board of Directors (BoD) in their meeting held today April 11 2022 has decided to recommend to the members for their approval by passing a special resolution, the purchase/buyback of its issued ordinary shares of the company. The number of total shares to Buy Back will be 2.0 million. (Augaf) | [Click for more info.](#)

Miscellaneous

PM raises minimum wage to Rs25,000; pensions hiked by 10pc

Economy | **Neutral**

The newly-elected Prime Minister Shehbaz Sharif, on Monday revealed his government's upcoming plans which envisage, increasing up to Rs25,000 minimum wage, and 10 percent increase in pensions from April 1, 2022, besides "urging" business community to give a 10 percent increase to those employees with salaries up to Rs100,000. (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	46,145.0	1700.38	3.83%
KSA - Tadawul	13,483.2	87.77	0.66%
INDONESIA - IDX	7,203.8	-7.05	-0.10%
PHILP - PSEi	6,988.3	-29.73	-0.42%
US - S&P 500	4,412.5	-75.75	-1.69%
CHINA - Shanghai	3,167.1	-84.72	-2.61%
Taiwan - TWII	17,048.4	-236.17	-1.37%
US - Dow 30	34,308.1	-413.04	-1.19%
INDIA - SENSEX	58,964.6	-482.61	-0.81%
HK - Hang Seng	21,329.0	-543.01	-2.48%

Board Meetings

Scrip	Day	Agenda	Time
FDIBL	Tuesday	3QA/c - 31Dec21	1:00 PM
AGTL	Tuesday	ANN A/c - 31Dec21	5:15 PM
PTC	Wednesday	1QA/c - 31Dec21	1:00 PM
CWSM	Thursday	1QA/c - 31Dec21	11:00 AM
EPQL	Monday	1QA/c - 31Dec21	10:00 AM
EPCL	Monday	1QA/c - 31Dec21	2:00 PM
EFERT	Tuesday	1QA/c - 31Dec21	10:30 AM
FANM	Tuesday	3QA/c - 31Dec21	11:00 AM
MCBAH	Wednesday	3QA/c - 31Dec21	11:00 AM
FFBL	Friday	1QA/c - 31Dec21	10:30 AM
FCCL	Tuesday	3QA/c - 31Dec21	11:00 AM
OML	Tuesday	3QA/c - 31Dec21	11:00 AM
HAFI	Tuesday	3QA/c - 31Dec21	11:30 AM
UPFL	Tuesday	1QA/c - 31Dec21	2:30 PM

Source: PSX

SECP registers 2,354 new companies in March

Economy | Neutral

The Securities and Exchange Commission of Pakistan (SECP) registered 2,354 new companies in March 2022, raising the total number of registered companies to 165,688. Total capitalization (paid-up-capital) with regards to newly incorporated companies for the current month stood at Rs3.5 billion. (Mettis) | [Click for more info.](#)

Businessmen look to Shehbaz for economic development

Economy | Neutral

While the business community across the country sees a tough road ahead for the incoming government in dealing with a multitude of economic challenges, it is confident Prime Minister Shehbaz Sharif will be able to take the country out of the crisis by engaging with the industry. (Dawn) | [Click for more info.](#)

SHC Orders Finance Ministry to Submit Recommendations on Legalizing Cryptocurrency in Pakistan

Economy | Neutral

The Sindh High Court (SHC) has asked the Finance Ministry to submit its recommendations on the legal status of cryptocurrency in the country within two months. (Propakistani) | [Click for more info.](#)

Political News

NA elects Shehbaz PM as enraged PTI MNAs quit en masse

The members belonging to the Pakistan Tehreek-e-Insaf (PTI) resigned from their National Assembly seats on Monday in protest against an “imported government”, minutes before the election for the new prime minister. (BR) | [Click for more info.](#)

PTI announces rally in Karachi on 17th

As part of a countrywide protest campaign against the removal of its government, the PTI will hold a public meeting in Karachi on April 17. (BR) | [Click for more info.](#)

International News

World Markets Are Falling Again With Echoes of the 2018 Rout

The feel-good days for global markets at the end of March are firmly over. Everything from stocks to bonds is falling -- even oil has pulled back from near records -- in a concerted cross-asset selloff with echoes of the rate-spurred rout of October 2018. (Bloomberg) | [Click for more info.](#)

Oil Edges Higher as Investors Assess China's Demand Outlook

Oil dimbed -- after sliding 4% on Monday -- as investors assessed the outlook for Chinese demand following the easing of some virus restrictions in Shanghai. (Bloomberg) | [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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