

October 14, 2022

Economy

IMF team due in November for next review
Economy | Positive

The International Monetary Fund (IMF) said on Thursday that it would send a team to Pakistan early next month to start the process for the next review of their current programme. At a media briefing, journalists asked IMF's Director of the Middle East and Central Asia Jihad Azour if the Fund would reschedule Pakistan's debt and provide financial relief to the country to help it deal with the consequences of this year's unprecedented floods. (Dawn) | [Click for more info.](#)

Dar holds 'very productive' meeting with IMF's Deputy MD: MoF Economy | Neutral

The Finance Ministry Thursday said that Finance Minister Ishaq Dar has assured Pakistan's commitment to implement the IMF programme, said a press release. The Finance Ministry in a tweet said that Finance Minister Ishaq Dar held a very productive meeting with Antoinette Sayeh, Deputy Managing Director IMF. (BR) | [Click for more info.](#)

Pakistan's aggregate productivity declining: WB
Economy | Negative

A new World Bank report says that aggregate productivity in Pakistan has been stagnant or declining during the past decade, mostly driven by firms and farms becoming less productive over time. The World Bank report, titled "From Swimming in Sand to High and Sustainable Growth" focuses on growth in Pakistan, and key aspects of its proximate determinants: productivity, capital and talent accumulation. (Dawn) | [Click for more info.](#)

SBP's foreign reserves fall to levels equal to 4 weeks of imports
Economy | Negative

The State Bank of Pakistan's (SBP) foreign currency reserves have dropped to levels worth just 4 weeks of imports, central bank figures showed on Thursday. The central bank's foreign exchange reserves declined by \$303 million to \$7.6 billion in the week that ended October 7 due to foreign debt repayments. (The News) | [Click for more info.](#)

PKR declines
Economy | Neutral

Pakistan's rupee dipped against the US dollar, and registered a marginal decline of 0.23% in the inter-bank market on Thursday. As per the State Bank of Pakistan (SBP), the rupee closed at 218.38 after depreciating Re0.50 or 0.23%. The rupee has cumulatively appreciated Rs21.32 or 9.8% in the last fifteen trading sessions. (BR) | [Click for more info.](#)

Oil & Gas

Petrol price may be cut, but diesel to cost more
Oil | Neutral

Despite a 14 per cent appreciation of the rupee against the dollar, the prices of three major petroleum products, including high-speed diesel (HSD), are estimated to go up by Rs5 to 12 per litre and that of petrol to drop by almost Rs11 per litre on Oct 15 for next fortnight if the government maintains existing tax rates. Based on existing tax rates, the ex-depot price of petrol has been estimated to come down by Rs10.75 per litre to about Rs214. Conversely, the price of HSD is estimated to increase by Rs11.50 per litre to about Rs247. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,573.9	28,649.1	75.2	0.3%
KSE100	42,007.1	42,085.7	78.6	0.2%
KSE30	15,570.1	15,603.9	33.8	0.2%
KMI30	70,273.7	70,565.0	291.3	0.4%

Top Five Gainers

	Open	Close	Chg.	%
COLG	2,013.8	2,086.0	72.2	3.6%
SAPT	1,064.0	1,099.0	35.0	3.3%
JDWS	360.3	387.3	27.0	7.5%
AABS	300.0	322.5	22.5	7.5%
PRET	666.0	687.5	21.5	3.2%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.5	1.5	0.0	50.64
TRG	129.6	128.5	-1.1	23.20
PRL	17.8	18.0	0.2	9.60
NETSOL	107.1	115.1	8.0	8.07
TELE	11.7	11.6	-0.1	6.51

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.46	-0.49	-0.03
O/S Pakistanies	3.71	-4.00	-0.28
Net	4.17	-4.48	-0.31
LIPI			
Individuals	47.51	-47.22	0.29
Companies	2.66	-1.51	1.15
Comm. Banks	0.92	-1.81	-0.90
NBFC	0.01	-0.01	0.01
Mutual Funds	1.91	-1.43	0.48
Other	0.07	-0.07	0.00
Brokers Proprietary	12.71	-12.91	-0.21
Insurance	0.35	-0.85	-0.51
Net	66.12	-65.81	0.31

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	89.02	2.1%
Brent oil	USD/bbl.	94.63	2.4%
Gold	USD/t oz.	1663.56	-0.7%
Silver	USD/t oz.	18.87	-1.0%
Coal	USD/ton	247.50	-7.0%
Steel Scrap (LME)	USD/ton	363.00	-0.5%
Steel Rebar (LME)	USD/ton	685.00	-0.5%
USD/PKR	Interbank	5.76	-0.2%

News Source: Local / Int'l Newspapers and websites

Research Team

research@abaalihabib.com

 ABA ALI HABIB Securities (Pvt) Limited
 (021) 32429665, Ext. 106

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MORNING BRIEFING

Attock Refinery to Invest \$500 million for Up-gradation and New Deep Conversion Refinery

ATRL | Positive

Attock Refinery Chairman Mr Shuaib A. Malik in annual review note has said that our Company the investment would be in the range of US\$ 500 million once policy is approved. This kind of investment cannot be materialized without the Government's support and conducive investment environment. ARL has plans to install a state-of-the-art new deep conversion green-field refinery of 50,000 BPD capacity, if sustainable enhanced supplies of local crude from north become available and necessary support is received from the Government. (Augaf) | [Click for more info.](#)

Power

KEL clarifies news on sale of controlling stake
KEL | Neutral

In a notice to PSX company stated, "KEL has no information of any proposed change in controlling stake of the company as reported in the news article bearing the heading "KE's controlling stake sale nears to completion abroad, unbeknown to Pakistan". (Mettis) | [Click for more info.](#)

Snafu plunges half the country into darkness
Power | Negative

A massive power breakdown on Thursday morning left nearly half the country — including the most populous provinces of Sindh and Punjab — without electricity throughout the day, exposing the weaknesses of the country's fragile transmission network. (Dawn) | [Click for more info.](#)

Miscellaneous

TCP tender documents relaxed to allow wheat import via Gwadar port
Food | Neutral

The Economic Coordination Committee (ECC) of the Cabinet has approved dropping of two amendments in TCP tender documents for import of wheat through Gwadar Port for the time being, official sources told. (BR) | [Click for more info.](#)

Rabi wheat target fixed at 28.4m tonnes
Food | Neutral

The high-powered Federal Committee on Agriculture (FCA) met on Thursday to set production targets for Rabi crops for the 2022-23 season and fixed a wheat production target at 28.4 million tonnes, to be grown on an area of 9.3m hectares. (Dawn) | [Click for more info.](#)

SECP registers 2,434 new firms in September
Economy | Neutral

The Securities and Exchange Commission of Pakistan (SECP) has registered 2,434 new companies in September 2022, showing an increase of 9 percent as compared to corresponding period last month, a statement said on Thursday. (The News) | [Click for more info.](#)

World Indices			
	Last	Chg.	Chg. %
US - Dow 30	30,038.7	827.87	2.83%
US - S&P 500	3,669.9	92.88	2.60%
PAK (KSE-100)	42,085.7	78.58	0.19%
PHILP - PSEi	5,895.6	42.01	0.72%
CHINA - Shanghai	3,016.4	-9.15	-0.30%
INDONESIA - IDX	6,880.6	-28.58	-0.41%
KSA - Tadawul	11,421.8	-129.56	-1.12%
Taiwan - TWII	12,810.7	-270.51	-2.07%
HK - Hang Seng	16,389.1	-311.92	-1.87%
INDIA - SENSEX	57,235.3	-390.58	-0.68%

Board Meetings			
Scrip	Day	Agenda	Time
MACFL	Friday	1QA/c as at 30-Sep-22	4:00 PM
BAFL	Monday	3QA/c as at 30-Sep-22	11:00 AM
AKBL	Tuesday	3QA/c as at 30-Sep-22	10:00 AM
ENGRO	Tuesday	3QA/c as at 30-Sep-22	2:30 PM
UBL	Wednesday	3QA/c as at 30-Sep-22	9:30 AM
MEBL	Wednesday	3QA/c as at 30-Sep-22	12:00 PM
FCCL	Monday	1QA/c as at 30-Sep-22	10:30 AM
UPFL	Monday	3QA/c as at 30-Sep-22	2:30 PM
FFBL	Tuesday	3QA/c as at 30-Sep-22	10:30 AM
HAFL	Friday	1QA/c as at 30-Sep-22	11:30 AM

Source: PSX

Research Team
research@abaalihabib.com

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Political News

Ready to engage with India for peace: PM

Prime Minister Shehbaz Sharif on Thursday said that Pakistan is willing to engage conditionally with India for peace and prosperity of the region. (The News) | [Click for more info.](#)

International News

US inflation increases more than expected in September

US inflation jumped more than expected in September, according to government data released on Thursday, in the latest sign that pricing pressures have become more intractable despite aggressive central bank action. (The News) | [Click for more info.](#)

Asian Economies Are Running Out of Fiscal Space, IMF Says

Asia's economies will need to focus on fiscal stability in order to offset surging debt and to support monetary policy, the International Monetary Fund has warned. In its latest outlook for the region, the IMF said Asia is now both the world's largest debtor and saver and that several countries are at a high risk of debt distress. That means any additional spending by governments to offset the hit from food and energy shocks needs to be targeted, temporary and budget neutral, the Washington-based lender said. (Bloomberg) | [Click for more info.](#)

Asian Stocks Climb in Wild Ride After CPI Data: Markets Wrap

Asian equities advanced in the wake of a shock rebound in US stocks that roared back from losses sparked by a hot inflation reading. (Bloomberg) | [Click for more info.](#)

Oil prices rise 2% on low diesel stocks ahead of winter

Oil prices settled about 2% higher on Thursday, as low levels of diesel inventory ahead of winter triggered buying and reversed early losses on surprisingly high stocks of crude and gasoline. (Reuters) | [Click for more info.](#)

MORNING BRIEFING

Research Team

research@abaalihabib.comAba Ali Habib Securities (Pvt) Limited
(021) 32429665, Ext. 106

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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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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)