



April 15,  
2021

## Economy

**Pakistan set to achieve fiscal sustainability: IMF**

**Economy | Neutral**

Pakistan is all set to achieve some major goals including fiscal sustainability under the Extended Fund Facility (EFF), International Monetary Fund (IMF) Country Representative Teresa Daban Sanchez said on Wednesday. (Dawn) | [Click for more info.](#)

**Pakistan's SDGs project performance drops to 58pc: ADB**

**Economy | Neutral**

Pakistan's project performance related to sustainable development goals dropped to 58 percent in 2018–2020 from 70 percent in 2017–2019 due to poor performance in the public sector management and water sectors, Asian Development Bank (ADB) said. (The News) | [Click for more info.](#)

**EFF programme open to adjustment**

**Economy | Neutral**

The duration and size of the International Monetary Fund's (IMF's) Extended Fund Facility (EFF) programme continues to be the same, however it will be adjusted in the event of a need arising as a consequence of to third Covid-19 wave. (BR) | [Click for more info.](#)

**Budget Strategy Paper focuses on reduction of twin deficits**

**Economy | Neutral**

The Medium-Term Budget Strategy Paper for FY 2021-22 to FY 2023-24 has been formulated with a focus on sustainable growth, job creation, protection of vulnerable segments of society, inflation and price control, Prime Minister's special initiatives, and reduction of twin deficits. The basic strategy to achieve the objectives envisaged in the Paper is two-pronged. (Mettis) | [Click for more info.](#)

**NCOC decides to implement 'broader lockdowns'**

**Economy | Negative**

Pakistan, on Wednesday, issued new coronavirus standard operating procedures (SOPs) including broader lockdown, market timings, Taraweeh prayers, and public transport. The NCOC has decided to implement "broader lockdowns", with stringent enforcement protocols where no mobility allowed except in emergency situations. The NCOC decided that Saturdays and Sundays will be observed as closed days at the national level. (BR) | [Click for more info.](#)

**Covid-19 deaths reach record 135 mark**

**Economy | Negative**

Pakistan, Wednesday, reported 135 Covid-19 deaths, the highest number of coronavirus deaths since June 2020, the National Command and Operation Centre (NCOC) said. According to NCOC data, the national tally of active Covid-19 cases recorded at 76,757 with 4,681 more people tested positive for the deadly virus. (BR) | [Click for more info.](#)

## Oil & Gas

**OGRA recommends cut in POL products' prices**

**Oil | Negative Economy | Positive**

The Oil and Gas Regulatory Authority (OGRA) has worked out a reduction in ex-depot prices of petroleum products for the second half of April owing to downward trend in global oil prices in current months. Sources said that OGRA has recommended a reduction in price of petrol by Rs0.49 per liter and Rs1.55 per liter in rate of high diesel oil (HSD) with effect from April 15 to April 30. (BR) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

|         | Open     | Close    | Chg.  | %    |
|---------|----------|----------|-------|------|
| KSE All | 30,566.1 | 30,707.8 | 141.7 | 0.5% |
| KSE100  | 45,048.6 | 45,311.2 | 262.7 | 0.6% |
| KSE30   | 18,436.4 | 18,544.4 | 107.9 | 0.6% |
| KMI30   | 73,873.9 | 74,342.9 | 469.0 | 0.6% |

### Top Five Gainers

|       | Open  | Close | Chg. | %    |
|-------|-------|-------|------|------|
| SFL   | 832.0 | 880.0 | 48.0 | 5.8% |
| AKDCL | 442.2 | 475.1 | 33.0 | 7.5% |
| ISIL  | 350.0 | 375.0 | 25.0 | 7.1% |
| ATLH  | 460.0 | 479.9 | 19.9 | 4.3% |
| ATRL  | 236.2 | 253.6 | 17.4 | 7.4% |

### Top Five Volume Leaders

|      | Open  | Close | Chg. | Vol.  |
|------|-------|-------|------|-------|
| FNEL | 11.9  | 11.1  | -0.8 | 43.11 |
| MDTL | 3.5   | 4.0   | 0.5  | 20.21 |
| GGL  | 32.3  | 33.6  | 1.3  | 19.48 |
| TRG  | 162.4 | 165.4 | 2.9  | 19.37 |
| WTL  | 1.4   | 1.5   | 0.1  | 16.76 |

### Portfolio Investments – Net Position

| FIPI                | Buy           | Sell           | Net          |
|---------------------|---------------|----------------|--------------|
| F-Individuals       | 0.22          | -0.01          | 0.21         |
| F-Corporates        | 4.15          | -4.27          | -0.12        |
| O/S Pakistanies     | 7.57          | -7.13          | 0.44         |
| <b>Net</b>          | <b>11.95</b>  | <b>-11.41</b>  | <b>0.53</b>  |
| <b>LIPI</b>         |               |                |              |
| Individuals         | 110.94        | -109.04        | 1.89         |
| Companies           | 6.63          | -8.58          | -1.95        |
| Comm. Banks         | 1.18          | -2.57          | -1.40        |
| NBFC                | 0.03          | -0.02          | 0.01         |
| Mutual Funds        | 5.67          | -4.78          | 0.89         |
| Other               | 0.19          | -0.22          | -0.03        |
| Brokers Proprietary | 23.23         | -21.93         | 1.31         |
| Insurance           | 1.52          | -2.79          | -1.26        |
| <b>Net</b>          | <b>149.40</b> | <b>-149.93</b> | <b>-0.53</b> |

### Commodity Outlook

|                   | Unit      | Close   | % chg. |
|-------------------|-----------|---------|--------|
| Crude oil         | USD/bbl.  | 63.15   | 4.9%   |
| Brent oil         | USD/bbl.  | 66.58   | 4.6%   |
| Gold              | USD/t oz. | 1736.43 | -0.5%  |
| Silver            | USD/t oz. | 25.42   | 0.3%   |
| Coal              | USD/ton   | 94.15   | -0.7%  |
| Steel Scrap (LME) | USD/ton   | 437.00  | 0.0%   |
| Steel Rebar (LME) | USD/ton   | 639.00  | 0.6%   |
| USD/PKR           | Interbank | 153.02  | 0.0%   |

**News Source:** Local / Int'l Newspapers and websites

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**REP-055**



## Power

Power tariffs need to go up, says IMF

Power | **Positive** Economy | **Negative**

The International Monetary Fund's (IMF) resident chief in Pakistan, Teresa Daban Sanchez, has said that the government would have to hike electricity tariff to ensure cost recovery of power generation and to grant long overdue autonomy to the State Bank of Pakistan (SBP) in line with the best international practices. (The News) | [Click for more info.](#)

ECC exempts three Punjab power plants from LNG purchase

Power | **Neutral**

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday exempted three Punjab-based power plants of 3,900 megawatts from compulsory purchases of liquefied natural gas (LNG) quantities from January 2022. Located in Punjab, these plants included Quaid-e-Azam Thermal Power Plant, Balloki Power Plant and Haveli Bahadur Shah Power Plant. (Dawn) | [Click for more info.](#)

## Banks

HBL opens second branch in Beijing

HBL | **Positive**

HBL has opened its second branch in Beijing and has become the first bank in Pakistan to offer end-to-end intermediation in China in Chinese currency. (BR) | [Click for more info.](#)

Lower provisioning cost, higher capital gains to lift banks' earnings

Banks | **Positive**

With a parade of corporate earnings results, banks are likely to report an increase in net profits for the first quarter ended March 2021. An uptick in economic recovery is set to aid private banks' earnings in 1QCY21. However, the year-on-year (YoY) financial performance may be largely flat as it is expected that net interest income to be pressured amid falling policy rates. (Mettis) | [Click for more info.](#)

IMF assured lagging banks likely to meet MCR by end-Sept

SILK, SMBL | **Positive**

The government has assured International Monetary Fund (IMF) that three local banks, short of central bank's minimum capital requirement (MCR), are expected to meet these regulatory standards in the third quarter of 2021. (The News) | [Click for more info.](#)

## Miscellaneous

Low-cost housing scheme to be expanded: PM

Cement, Banks | **Positive**

Prime Minister Imran Khan on Wednesday said the government's special focus on housing and construction sector would strengthen national economy, stabilize industrial growth and generate employment for youth. (BR) | [Click for more info.](#)

Cotton yarns: customs duty withdrawn

Textile | **Positive**

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday withdrew customs duty on import of cotton yarns till June 30, 2021 in order to ensure smooth supply of cotton and cotton yarns to the value-added industry. (BR) | [Click for more info.](#)

### World Indices

|                  | Last     | Chg.   | Chg. % |
|------------------|----------|--------|--------|
| INDIA - SENSEX   | 48,544.1 | 660.68 | 1.38%  |
| HK - HangSeng    | 28,900.8 | 403.58 | 1.42%  |
| PAK (KSE-100)    | 45,311.2 | 262.65 | 0.58%  |
| INDONESIA - IDX  | 6,050.3  | 122.85 | 2.07%  |
| PHILP - PSEi     | 6,523.2  | 65.42  | 1.01%  |
| US - Dow 30      | 33,730.9 | 53.62  | 0.16%  |
| Taiwan - TWII    | 16,866.0 | 41.06  | 0.24%  |
| CHINA - Shanghai | 3,416.7  | 20.25  | 0.60%  |
| KSA - Tadawul    | 9,847.6  | 9.34   | 0.09%  |
| US - S&P 500     | 4,124.7  | -16.93 | -0.41% |

### Board Meetings

| Scrip | Day       | Agenda            | Time     |
|-------|-----------|-------------------|----------|
| AWTX  | Thursday  | 3Q A/c 31-Mar-21  | 12:30 PM |
| DCR   | Thursday  | 3Q A/c 31-Mar-21  | 2:00 PM  |
| MCBAH | Friday    | 3Q A/c 31-Mar-21  | 11:00 AM |
| NEXT  | Friday    | 3Q A/c 31-Mar-21  | 11:30 AM |
| EPCL  | Friday    | 1Q A/c 31-Mar-21  | 2:30 PM  |
| PSX   | Friday    | 3Q A/c 31-Mar-21  | 2:30 PM  |
| MARI  | Monday    | 3Q A/c 31-Mar-21  | 10:00 AM |
| DINT  | Monday    | 3Q A/c 31-Mar-21  | 12:00 PM |
| EFERT | Monday    | 1Q A/c 31-Mar-21  | 12:30 PM |
| AHL   | Monday    | 3Q A/c 31-Mar-21  | 2:30 PM  |
| ORIXM | Monday    | 3Q A/c 31-Mar-21  | 3:00 PM  |
| CYAN  | Monday    | 1Q A/c 31-Mar-21  | 3:30 PM  |
| RMPL  | Monday    | 3Q A/c 31-Mar-21  | 8:00 PM  |
| ASTL  | Tuesday   | 3Q A/c 31-Mar-21  | 10:00 AM |
| BNWM  | Tuesday   | 3Q A/c 31-Mar-21  | 10:00 AM |
| FCEPL | Tuesday   | 1Q A/c 31-Mar-21  | 10:30 AM |
| ISL   | Tuesday   | 3Q A/c 31-Mar-21  | 10:30 AM |
| ASL   | Tuesday   | 3Q A/c 31-Mar-21  | 11:00 AM |
| MCB   | Tuesday   | 1Q A/c 31-Mar-21  | 11:00 AM |
| SCL   | Tuesday   | 3Q A/c 31-Mar-21  | 11:00 AM |
| TRIPF | Tuesday   | 1Q A/c 31-Mar-21  | 11:00 AM |
| HBL   | Tuesday   | 1Q A/c 31-Mar-21  | 12:00 PM |
| MEBL  | Tuesday   | 1Q A/c 31-Mar-21  | 12:30 PM |
| OLPL  | Tuesday   | 3Q A/c 31-Mar-21  | 1:30 PM  |
| GATI  | Tuesday   | 3Q A/c 31-Mar-21  | 2:30 PM  |
| MLCF  | Tuesday   | 3Q A/c 31-Mar-21  | 3:30 PM  |
| POWER | Tuesday   | 3Q A/c 31-Mar-21  | 4:00 PM  |
| AVN   | Tuesday   | ANN A/c 31-Mar-21 | 7:30 PM  |
| BIPLS | Wednesday | 1Q A/c 31-Mar-21  | 11:00 AM |
| ENGRO | Wednesday | 1Q A/c 31-Mar-21  | 11:00 AM |
| NPL   | Wednesday | 3Q A/c 31-Mar-21  | 11:00 AM |
| TRSM  | Wednesday | 3Q A/c 31-Mar-21  | 11:30 AM |
| UBDL  | Wednesday | 3Q A/c 31-Mar-21  | 11:30 AM |
| SHEL  | Wednesday | 1Q A/c 31-Mar-21  | 12:00 PM |
| DOL   | Wednesday | 3Q A/c 31-Mar-21  | 2:30 PM  |
| UBL   | Wednesday | 1Q A/c 31-Mar-21  | 3:00 PM  |

Source: PSX



## Political News

**Government has decided to ban TLP under anti-terror law, says interior minister**

Interior Minister Sheikh Rashid Ahmed on Wednesday announced that the government had decided to ban the Tehreek-i-Labbaik Pakistan (TLP), whose supporters and workers have been carrying out violent protests across the country for three days after the arrest of their chief. (Dawn) | [Click for more info.](#)

**US president presses Pakistan as he announces end to 'forever war' in Afghanistan**

President Joe Biden announced on Wednesday it's "time to end" America's longest war with the unconditional withdrawal of troops from Afghanistan, where they have spent two decades in a bloody, largely fruitless battle against the Taliban. (ET) | [Click for more info.](#)

## International News

**Asian shares defensive, dollar struggles near one-month lows**

Asian shares were on the backfoot on Thursday following mixed cues from Wall Street where a sharp sell-off in the largest bitcoin exchange Coinbase hit tech shares while the dollar index struggled near one-month lows. (Reuters) | [Click for more info.](#)

**Oil holds near one-month highs as demand forecasts raised**

Oil prices were lower on Thursday though holding near one-month highs after futures jumped in the previous as the International Energy Agency (IEA) and others upgraded forecasts for oil demand as major economies recover from the pandemic. (Reuters) | [Click for more info.](#)

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Source: PSX



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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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