

March 15,
2022

Economy

Individuals can now buy stocks without providing proof for source of income: NCCPL

Economy | Positive

PSX Introduces the Sahulat Account for retail investors who want to invest in stock market with utmost continence & simplicity. An investor can start by just filling a simplified account opening form & submitting copy of CNIC. Sahulat Account is an ideal opportunity for local investors. Whether you are a student, housewife, novice investor or someone wanting to make an entry and invest in the stock exchange, the Sahulat Account is for you. (Augaf) | [Click for more info.](#)

Govt is Expecting \$2.5 Billion ADB Funds in 2022

Economy | Positive

The government is expecting \$2.5 billion from the Asian Development Bank (ADB) for various development projects and programs government in the current year, sources revealed. (Propakistani) | [Click for more info.](#)

There's no cut-off date for ongoing discussion: IMF official

Economy | Neutral

The International Monetary Fund (IMF) Monday said the authorities and the Fund will continue to discuss recent developments and other measures to promote macroeconomic stability. When contacted, an official involved in virtual discussion with the Fund stated that there is no cut-off date of ongoing discussion. (BR) | [Click for more info.](#)

ECC to meet today to take up 7 key proposals

Economy | Neutral

Finance Minister Shaukat Tarin has convened a meeting of the Economic Coordination Committee (ECC) of the Cabinet today (Tuesday) to consider seven proposals of various ministries and Division including Letter of Comfort and re-issuance bank guarantee for Pipeline Infrastructure Development Project LNG-II. (BR) | [Click for more info.](#)

PKR declines to another record low

Economy | Negative

The ongoing commodity super-cycle continued to bite the Pakistani Rupee, which registered a significant fall to drop to another record low, depreciating 0.26% against the US dollar as it approached the 179 level in the inter-bank market on Monday. (BR) | [Click for more info.](#)

Oil & Gas

ECC likely to approve allocation of gas from Mari (deep) to SNGPL

MARI, SNGP | Positive

The Economic Coordination Committee (ECC) of the Cabinet, in its meeting which is scheduled to be held on Tuesday, March 15, 2022, is likely to approve an allocation of gas from Mari (Deep) gas reservoir to Sui Northern Gas Pipeline Limited (SNGPL). (Mettis) | [Click for more info.](#)

SSGCL seeks sovereign guarantee to swap Rs21bn loan

SSGC | Neutral

Sui Southern Gas Company Limited (SSGCL) has sought sovereign guarantee from the Finance Ministry to swap a loan of Rs21 billion of LNG-II pipeline project of Habib Bank Limited with Faysal Bank Limited at considerably lower mark-up rate. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,972.8	29,773.1	-199.7	-0.7%
KSE100	43,653.3	43,366.9	-286.4	-0.7%
KSE30	16,976.1	16,820.8	-155.3	-0.9%
KMI30	70,645.0	70,001.1	-643.9	-0.9%

Top Five Gainers

	Open	Close	Chg.	%
BATA	2,040.0	2,088.9	48.9	2.4%
ISIL	529.6	550.0	20.4	3.9%
PAKT	1,030.0	1,042.5	12.5	1.2%
SCL	279.0	289.3	10.3	3.7%
INDU	1,317.4	1,327.1	9.7	0.7%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
FLYNGR1	0.3	0.2	-0.1	11.63
PAELR3	1.8	2.0	0.2	8.14
GGL	15.3	14.7	-0.6	7.02
TELE	11.4	10.4	-1.0	6.31
TPLP	22.5	21.7	-0.8	6.14

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	1.49	-1.62	-0.14
Net	3.31	-2.77	0.54
LIPI			
Individuals	17.64	-18.89	-1.25
Companies	2.36	-1.84	0.52
Comm. Banks	0.66	-0.23	0.43
NBFC	0.03	-0.02	0.01
Mutual Funds	1.53	-1.06	0.47
Other	0.89	-0.19	0.70
Brokers Proprietary	4.29	-5.51	-1.22
Insurance	0.25	-0.44	-0.19
Net	27.65	-28.19	-0.54

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	103.01	-5.8%
Brent oil	USD/bbl.	105.97	-5.9%
Gold	USD/t oz.	1950.78	-1.9%
Silver	USD/t oz.	25.05	-3.2%
Coal	USD/ton	375.00	-1.1%
Steel Scrap (LME)	USD/ton	620.00	-1.4%
Steel Rebar (LME)	USD/ton	899.00	-2.9%
USD/PKR	Interbank	178.98	0.3%

News Source: Local / Int'l Newspapers and websites

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Federal govt intervention fails to win OMCs a rise in credit limits

OMCs | Neutral

Despite the federal government's intervention, commercial banks remain reluctant to increase the credit limits of oil marketing companies (OMCs) spurred by Hascol's Rs54 billion default, which might trigger a country-wide fuel shortage. "Apart from HASCOL, there are two more OMCs" that are facing various kinds of investigations for "financial wrongdoings, which is why the scrupulous OMCs are also not being extended the increase in credit lines," sources in the Energy Ministry and oil industry told. (The News) | [Click for more info.](#)

Fuel subsidy for next fortnight figured at Rs28 billion

Oil | Negative

The government has been estimated to foot a payment of almost Rs28 billion as Price Differential Claim (PDC) to preserve the prices of diesel and petrol at the same level in the next fortnightly review of oil prices. (The News) | [Click for more info.](#)

Autos

FTO to implement tax relief for car purchasers

PSMC | Positive

Federal Tax Ombudsman Dr. Asif Mehmood Jah has said that his department would implement the relief given to thousands of Suzuki car purchasers by the president by declining the FBR appeals seeking sales tax at old rate of 17 per cent. (The News) | [Click for more info.](#)

Tech. & Communication

PTCL, Ufone and Jazz awarded contracts worth billions to expand broadband services

PTC | Positive

The Ministry of Information Technology and Telecommunication (MOITT) through Universal Service (USF) has launched seven more projects worth over PKR, 8 billion to provide Broadband services to over 2.5 million people in the un-served and under-served areas of the four provinces, including PKR 3.5 billion projects for Balochistan. (Augaf) | [Click for more info.](#)

PTCL Forced to Close 10 Exchanges Every Month Due to High Electricity Cost

PTC | Neutral

While seeking revision of tariff from commercial to industrial category, Pakistan Telecommunication Company Limited (PTCL) has said that the company is facing great financial implications due to the increased electricity bills, and because of heavy loss the company is forced to close approximately 10 exchanges every month. (Propakistani) | [Click for more info.](#)

Miscellaneous

A bag of urea to now cost Rs80 more

FFC, EFERT, FATIMA | Positive

Manufacturers have increased urea price by Rs80 per bag — with each bag to now cost farmers more than Rs1,900, adding to the ever-increasing cost of production of crops and woes of growers. The Fauji Fertiliser Company, one of the major urea players, increased the rates on Sunday, fixing the price of a 50kg bag at Rs1,863. For granular urea, the price would now be Rs1,883 per 50kg bag, taking its price for farmers much beyond Rs1,900 per bag. The other major players — Engro and Fatima Fertiliser — are also expected to follow suit. (Dawn) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	56,486.0	935.72	1.68%
INDONESIA - IDX	6,952.2	29.60	0.43%
US - Dow 30	32,945.2	1.05	0.00%
Taiwan - TWII	17,263.0	-1.70	-0.01%
US - S&P 500	4,173.1	-31.20	-0.74%
CHINA - Shanghai	3,223.5	-86.22	-2.61%
KSA - Tadawul	12,492.1	-113.26	-0.90%
PAK (KSE-100)	43,366.9	-286.44	-0.66%
PHILIP - PSEi	6,817.0	-295.24	-4.15%
HK - Hang Seng	19,531.7	-1022.13	-4.97%

Board Meetings

Scrip	Day	Agenda	Time
SHEL	Wednesday	ANN A/c - 31Dec21	10:00 AM
HINOON	Wednesday	ANN A/c - 31Dec21	11:00 AM
KSBP	Wednesday	ANN A/c - 31Dec21	11:00 AM
PABC	Wednesday	ANN A/c - 31Dec21	1:00 PM
IBFL	Thursday	HY A/c - 31Dec21	4:00 PM

Source: PSX



Cement prices surge to Rs850

Cement | Positive

Sky-rocketing coal prices, squeezed supplies and other similar issues have caused a surge in cement prices that has subsequently led to an increased cost of construction. In the last 60 days (since Jan 15), the per-bag cement price has increased by Rs160 and it may further jump by another Rs200 in the retail market within the next 30 days or so. (Dawn) | [Click for more info.](#)

HBL to increase Islamic banking network to 309 branches in 2022

HBL | Positive

HBL inaugurated three Islamic Banking branches in the last week as it ramped up efforts to expand its branch network to better serve Shariah-compliant products and services to its clients. The first branch located in Jodia Bazar was inaugurated on 3 March 2022. This was followed by the inauguration of the Naya Nazimabad Branch and the Burki Trade Centre Branch, located on Superhighway, on 4 March 2022. (Augaf) | [Click for more info.](#)

Experts Demand 30% Increase in Tax on Tobacco

Tobacco | Negative

Health experts, tobacco control activists, and members of civil society have urged the government to increase tax on the tobacco industry up to 30 percent in the upcoming Federal Budget. (Propakistani) | [Click for more info.](#)

Rs8.2bn Ramazan package; ECC urged to widen scope

Economy | Positive

Ministry of Industries and Production (MoI&P) has approached the Economic Coordination Committee (ECC) to make Rs 8.2 billion Ramazan Relief Package 2022 available across the board, instead of only for Ehsaas Raashan Riyat Program. (BR) | [Click for more info.](#)

Political News

PML-N, Tareen group agree on Buzdar ouster

In a significant move, the major opposition party Pakistan Muslim League-Nawaz (PML-N) reached out to the Jahangir Tareen group — a disgruntled faction within the ruling Pakistan Tehreek-i-Insaf (PTI) — and endorsed the latter's stated stance of removing Punjab Chief Minister Usman Buzdar. (Dawn) | [Click for more info.](#)

US, China call for direct Pakistan-India talks

The United States and China urged India and Pakistan on Monday to hold direct talks for reducing tensions between the two nuclear-armed nations. (Dawn) | [Click for more info.](#)

International News

Stocks, Bonds Pressured by Concerns Over Inflation: Markets Wrap

Stocks and sovereign bonds were under pressure Tuesday as Russia's war in Ukraine and the risk of aggressive U.S. monetary-policy tightening to quell inflation sapped sentiment. (Bloomberg) | [Click for more info.](#)

Oil falls over 5% on Russia-Ukraine talk hopes, China lockdowns

Oil prices fell more than 5% on Monday to the lowest in nearly two weeks amid hopes for progress toward a diplomatic end to Russia's invasion of Ukraine - a development that would boost global supplies - while a pandemic-linked travel ban in China cast doubt on demand. (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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