



March 16,
2021

Economy

Pakistani Rupee Hits Highest Value in Over A Year

Economy | Positive

The Pakistani Rupee (PKR) opened the week with a gain of 14 paises against the US Dollar (USD). PKR closed at Rs.156.99 against the USD on Monday (15 March), up 14 paises compared to Friday's closing of Rs.157.13 against the greenback in the interbank currency market. (Propakistani) | [Click for more info.](#)

Oil & Gas

Price of petrol, diesel unchanged for March

Oil | Neutral

The Federal Minister for Finance Abdul Hafeez Sheikh on Monday announced that there will be no change in the prices of petrol and diesel for the month of March. (The News) | [Click for more info.](#)

OGDCL produces 36,423 BBL oil, 856 MMCFD gas in six months

OGDC | Positive

Oil and Gas Development Company Limited (OGDCL) has produced around 36,423 BBL oil, 856 MMCFD gas, 778 TPD LPG and 52 TPD Sulphur during first half of the current fiscal year. The company's production witnessed a slight decline due to natural depletion at some oil and gas fields as compared to same period of the last year. (BR) | [Click for more info.](#)

GasPort plans \$94m virtual LNG pipeline from Gwadar

Gas | Neutral

The Gwadar GasPort Limited (GGPL) plans to invest \$94.04 million in a 'virtual pipeline' to deliver imported liquefied natural gas (LNG) at the doorsteps of the industrial and other private sector consumers at competitive prices via cryogenic bowsers. (Dawn) | [Click for more info.](#)

PSO to go solar nationwide

PSO | Neutral

Pakistan State Oil (PSO) has decided to use solar energy to power a wide network of its retail outlets, depots and filling facilities around the country as on-grid electricity is an unnecessary burden on its revenues, it was learnt on Monday. (The News) | [Click for more info.](#)

Power

Summary on circular debt approved by CCoE

Power | Neutral

The CCoE which met here with Federal Minister for Planning, Development, and Special Initiatives Asad Umar in the chair, discussed the summary of comprehensive Circular Debt Management Plan (CDMP) 2021 which covers the three year period from Financial Year 2020-21 to 2022-23, which describes the mechanism and initiative to address the issue and suggests an action plan to control the flow of circular debt with a monitoring matrix. (BR) | [Click for more info.](#)

Consumers enjoying power subsidy; Govt decides to reduce the number

Power | Negative

The federal government has reportedly decided to trim the number of domestic electricity consumers enjoying a subsidy by 37 percent to 13.9 million from existing 22 million, sources close to Minister for Power told. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,013.1	30,647.6	634.5	2.1%
KSE100	43,788.1	44,766.6	978.5	2.2%
KSE30	18,149.4	18,569.5	420.2	2.3%
KMI30	72,524.6	74,262.2	1737.6	2.4%

Top Five Gainers

	Open	Close	Chg.	%
RMPL	9,500.0	10,190.0	690.0	7.3%
NESTLE	5,750.0	6,036.3	286.3	5.0%
SRVI	868.1	925.7	57.6	6.6%
BHAT	945.0	999.0	54.0	5.7%
SFL	847.0	892.0	45.0	5.3%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
TRG	120.0	129.0	9.0	24.90
UNITY	26.6	28.6	2.0	23.64
FCCL	22.7	23.1	0.4	21.09
BYCO	8.6	9.4	0.8	21.02
KEL	3.9	4.0	0.1	18.74

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.03	-0.02	0.01
F-Corporates	4.15	-1.48	2.67
O/S Pakistanies	9.31	-8.84	0.46
Net	13.49	-10.34	3.14
LIPI			
Individuals	139.43	-138.65	0.77
Companies	5.21	-9.90	-4.70
Comm. Banks	1.40	-9.77	-8.37
NBFC	0.10	-0.13	-0.02
Mutual Funds	10.72	-4.29	6.44
Other	0.23	-0.31	-0.08
Brokers Proprietary	34.80	-34.22	0.58
Insurance	5.96	-3.73	2.23
Net	197.86	-201.00	-3.14

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	65.39	-0.3%
Brent oil	USD/bbl.	68.88	-0.5%
Gold	USD/t oz.	1731.67	0.3%
Silver	USD/t oz.	26.24	1.2%
Coal	USD/ton	91.05	1.1%
Steel Scrap (LME)	USD/ton	440.50	0.3%
Steel Rebar (LME)	USD/ton	634.00	0.8%
USD/PKR	Interbank	157.18	-0.1%

News Source: Local / Int'l Newspapers and websites

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REP-055



Autos

Cars' sale, production up by 19.62pc, 8.27pc respectively during 8 months

Autos | Positive

The sale and production of cars witnessed an increase of 19.62 percent and 8.27 percent respectively during the eighth month of current financial year 2020-21 as compared to corresponding period of last year. (BR) | [Click for more info.](#)

Significant rise in plastic prices affects auto parts makers

Auto Parts | Negative

Prices of plastic granule increased more than 50 percent during three months, jacking up cost of auto parts production and eroding margins of mainly small and medium vending companies, industry officials said. (The News) | [Click for more info.](#)

Banks

NBP to Shutdown Two More Foreign Subsidiaries

NBP | Negative

National Bank of Pakistan (NBP) is working to scale down its foreign operations in different countries, including its subsidiaries and banks' branches, according to the annual financial report. In its plan, the bank's board of directors decided to shut down its seven loss-making branches earlier in different countries in the first phase. Whereas the seven branches will be considered for closure in the next phase. (Propakistani) | [Click for more info.](#)

Private sector retires a net sum of Rs.17.55 billion during the week

Banks | Positive

The non-government sector has retired a net sum of Rs.17.55 billion during the week ended March 05, 2021, which brings the cumulative net borrowing for ongoing fiscal year FY2021 to Rs.361.44 billion. The net borrowing as of prior week was recorded at Rs.378.99 billion. (Mettis) | [Click for more info.](#)

Miscellaneous

IT services exports up 40pc in 1HFY21

Tech. & Communication | Positive

Exports of IT-related services have increased by 40 per cent in the first half of the current fiscal (1HFY21), Federal Minister of Information and Communication on Technologies (ICTs) Aminul Haque said on Monday. (Dawn) | [Click for more info.](#)

Unilever Pakistan among four companies issued show-cause notices for 'deceptive practices'

UPFL | Neutral

According to details, a show-cause notice was issued to Unilever Pakistan Limited for prima facie deceptive marketing practices. Reckitt Benckiser Pakistan Ltd sent a formal complaint that UPL was distributing false/misleading information by making absolute claims regarding its products, Lifebuoy soap and hand wash. (PT) | [Click for more info.](#)

FBR Increases Custom Values of Raw Materials Used in Soaps, Detergents and Cosmetics

Chemicals | Negative

The Federal Board of Revenue (FBR) from March 1, 2021, has revised upward customs values of raw materials used in the manufacturing of toiletry products like soaps, detergents, shampoos, body gel, hair creams, and cosmetics etc. (Propakistani) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	44,766.6	978.51	2.23%
US - Dow 30	32,953.5	174.82	0.53%
HK - Hang Seng	28,833.8	94.04	0.33%
KSA - Tadawul	9,645.7	76.82	0.80%
US - S&P 500	3,968.9	25.60	0.65%
Taiwan - TWII	16,249.3	-5.85	-0.04%
CHINA - Shanghai	3,420.0	-33.13	-0.96%
INDONESIA - IDX	6,324.3	-33.95	-0.53%
PHILIP - PSEi	6,552.5	-176.09	-2.62%
INDIA - SENSEX	50,395.1	-397.00	-0.78%

Board Meetings

Scrip	Day	Agenda	Time
KSBP	Wednesday	ANN A/c 31-Dec-20	12:00 PM
DNCC	Wednesday	HY A/c 31-Dec-20	3:30 PM
PMPK	Thursday	ANN A/c 31-Dec-20	11:00 AM
IGIHL	Thursday	ANN A/c 31-Dec-20	4:00 PM
WAVES	Friday	ANN A/c 31-Dec-20	11:30 AM
PKGS	Friday	ANN A/c 31-Dec-20	1:30 PM
PSMC	Monday	ANN A/c 31-Dec-20	11:00 AM

Source: PSX



Babri Cotton to merge with Janana de Malucho Textile

BCML | Positive

At the Extra Ordinary General Meeting (EOGM) of the Babri Cotton Mills Ltd, held on 13th March 2021, the members of the Company, through special resolutions, have approved the Proposed Scheme of Arrangement of Merger /Amalgamation of the Company with Janana De Malucho Textile Mills Ltd (JDMT), under Companies Act, 2017. (Mettis) | [Click for more info.](#)

Ismail Industries to invest in Ismail Resin Pvt Ltd for setting up a Polyester Resin Manufacturing Plant

ISIL | Positive

The Ismail Industries has decided to invest in the recently incorporated associated/subsidiary company Ismail Resin (Private) Limited, which has the intention of setting up a Polyester Resin (PET Resin) Manufacturing Plant with a capacity of 108,000 tons per annum, keeping in view of growing demand. (Mettis) | [Click for more info.](#)

EU, US and UK operations; PIA has to wait until July

PIAA | Neutral

Pakistan International Airlines (PIA) has to wait till July 2021 to resume its EU, US and UK operations as Pakistan Civil Aviation Authority (PCAA) is yet to meet the safety standards of the International Civil Aviation Organization (ICAO) and European Union Aviation Safety Agency (EASA). (BR) | [Click for more info.](#)

Political News

Government asks ECP to resign

The ruling Pakistan Tehreek-e-Insaf (PTI) on Monday asked the incumbent chief election commissioner and the Election Commission of Pakistan (ECP) to resign as the body had "lost the confidence of all political parties". (ET) | [Click for more info.](#)

International News

Asia Stocks to Track U.S. Gains; Bond Yields Drop: Markets Wrap

Asian stocks were set to open higher Tuesday after optimism about the economic recovery drove U.S. shares to a record. Long-term Treasury yields edged lower. (Bloomberg) | [Click for more info.](#)

Oil Futures Curve at Risk of More Weakness as Demand Wanes

The U.S. oil futures curve is showing signs of strain and may soften further in the coming weeks with Asian refiners' appetite for American barrels diminishing. (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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