



May 18,
2021

Economy

State of economy; 'All is well', PM told

Economy | Positive

The economic team has reportedly briefed Prime Minister Imran Khan about the overall economic situation in the country, and stated that despite the corona pandemic, economic indicators are positive with exports and remittances showing a steady increase. (BR) | [Click for more info.](#)

Foreign exchange: SBP reserves rise \$177m to \$15.8b

Economy | Positive

The foreign exchange reserves held by the central bank rose 1.13% on a weekly basis, according to data released by the State Bank of Pakistan (SBP) on Monday. On May 7, the foreign currency reserves held by the SBP were recorded at \$15,774.5 million, up \$177 million compared with \$15,597.9 million in the previous week. (ET) | [Click for more info.](#)

Four SEZs to create 1.47 million jobs, boost industrial growth

Economy | Neutral

The four Special Economic Zones (SEZs), work on which is continuing at full swing, would create as many as 1.47 million jobs besides playing an important role in promoting local industry to lead the country towards sustainable economic growth. (Pakobserver) | [Click for more info.](#)

Pakistan values relations with EU, says Gen Qamar

Economy | Neutral

Chief of Army Staff (COAS) General Qamar Javed Bajwa has said that Pakistan values its relations with the European Union (EU) and "we earnestly look forward to enhance mutually beneficial multi-domain relations based on common interests", a statement issued by the Inter-Services Public Relations (ISPR) said. (ET) | [Click for more info.](#)

CDWP approves five projects worth Rs25.7b

Economy | Neutral

Central Development Working Party (CDWP) Monday approved five projects worth Rs25.7 billion. The forum cleared four development projects with a cumulative estimated cost of Rs. 8.7b & and recommended one project worth Rs. 17b to the Executive Committee of the National Economic Council (ECNEC) for further consideration. Projects were related to energy, physical planning & housing, science & technology. (The Nation) | [Click for more info.](#)

Oil & Gas

OGDCL discovers gas from Jandran X-04 well

OGDC | Positive

Oil and Gas Development Company Limited (OGDCL) as operator (100 percent) of Jandran Exploration Licence has discovered gas from its exploratory well Jandran X-04, which is located in District Barkhan, Balochistan. (BR) | [Click for more info.](#)

Govt keeps petroleum prices unchanged

Oil | Neutral

The federal government has decided to keep oil prices unchanged in a bid to provide relief to the masses. "In order to provide relief to the common man, the prime minister [Imran Khan] has decided to maintain the prices of petroleum products as they were on May 1, 2021 and a fortnight before that," a statement issued by the Finance Division said on Monday. (ET) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,475.5	30,742.0	266.5	0.9%
KSE100	45,174.7	45,796.3	621.6	1.4%
KSE30	18,469.9	18,731.8	262.0	1.4%
KMI30	73,136.1	74,316.9	1180.7	1.6%

Top Five Gainers

	Open	Close	Chg.	%
WYETH	1,111.3	1,194.6	83.3	7.5%
PMPK	834.4	890.2	55.8	6.7%
RMPL	9,525.0	9,570.0	45.0	0.5%
LUCK	878.4	913.9	35.5	4.0%
MARI	1,503.4	1,525.6	22.2	1.5%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.5	1.7	0.2	72.92
KEL	3.7	4.0	0.3	38.31
GGL	38.8	39.8	1.0	35.97
TELE	15.5	16.7	1.2	21.68
UNITY	35.7	38.4	2.7	21.54

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.03	-0.55	-0.52
F-Corporates	9.79	-8.78	1.01
O/S Pakistanies	9.43	-8.73	0.69
Net	19.24	-18.07	1.18
LIPI			
Individuals	127.90	-119.72	8.18
Companies	6.82	-10.20	-3.38
Comm. Banks	1.04	-2.63	-1.60
NBFC	0.04	-0.04	0.00
Mutual Funds	5.54	-8.90	-3.36
Other	0.71	-0.47	0.25
Brokers Proprietary	28.07	-26.19	1.88
Insurance	3.11	-6.26	-3.15
Net	173.23	-174.40	-1.18

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	66.27	2.4%
Brent oil	USD/bbl.	69.46	2.0%
Gold	USD/t oz.	1866.90	2.8%
Silver	USD/t oz.	28.17	3.2%
Coal	USD/ton	102.00	2.4%
Steel Scrap (LME)	USD/ton	495.00	-1.0%
Steel Rebar (LME)	USD/ton	769.50	5.4%
USD/PKR	Interbank	152.94	0.0%

News Source: Local / Int'l Newspapers and websites

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Power

Cabinet likely to discuss energy issues today

KEL, IPPs | Neutral

The Federal Cabinet, which is scheduled to meet on Tuesday (today), is likely to approve payment of Rs 90 billion (40 percent of total payment agreed) to 35 Independent Power Producers (IPPs). The issue of additional power to Karachi Electric (KE), new Power Purchase Agreement (PPA) and probable development on Arbitration Agreement is also expected to come under discussion. (BR) | [Click for more info.](#)

Autos

Car sales up 48 percent in 10 months

Autos | Positive

Passenger car sales in Pakistan increased by 48 percent to 126,579 units in the first 10 months (July-April) of FY2021, industry data showed on Monday. (The News) | [Click for more info.](#)

Carmakers seek cut in duties

Autos | Neutral

The auto sector on Monday urged the government to cut duties on raw materials and parts in the next budget so that prices of locally manufactured and assembled vehicles could be decreased and production be increased. (Dawn) | [Click for more info.](#)

Hyundai Nishat Will Not Launch a Small Car in Pakistan

Autos | Neutral

The Pakistani industry market has had a major paradigm shift over the last couple of years with several new products and players. Consequently, the SUV segment has flourished the most with more than half a dozen new SUVs introduced last year. (Propakistani) | [Click for more info.](#)

Cement

Dandot Cement's shareholders approve an increase in share capital by Rs4bn

DNCC | Positive

The shareholders of Dandot Cement Company Limited have approved to increase the authorized share capital of the company from Rs1billion divided into 100 million shares of Rs10 each to Rs5billion divided into 500 million shares of Rs10 each. (Mettis) | [Click for more info.](#)

Tech. & Communication

WorldCall is Being Taken over Once Again

WTL | Positive

WorldCall Telecom Limited (WTL) has received a Public Announcement of Intention (PAI) from ARY Communications Limited and ARY Digital FZ LLC to acquire more than 51 percent of the Issued and Paid-up Share Capital of WorldCall Telecom Limited together with management control. (Propakistani) | [Click for more info.](#)

Ministry implements Rs.30b projects for provision of mobile connections

Telecom | Positive

Ministry of Information Technology Telecommunication has implemented several projects over Rs.30 billion for the provision of mobile phone connections and internet services in under-served and un-served areas of the country. (Pakobserver) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	49,580.7	848.18	1.74%
PAK (KSE-100)	45,796.3	621.64	1.38%
HK - Hang Seng	28,194.1	166.52	0.59%
KSA - Tadawul	10,396.4	73.76	0.71%
CHINA - Shanghai	3,517.6	27.24	0.78%
PHILP - PSEi	6,283.6	14.22	0.23%
US - S&P 500	4,163.3	-10.56	-0.25%
US - Dow 30	34,327.8	-54.34	-0.16%
INDONESIA - IDX	5,833.9	-104.49	-1.76%
Taiwan - TWII	15,353.9	-473.20	-2.99%

Board Meetings

Scrip	Day	Agenda	Time
MIRKS	Thursday	HY A/c 31-Mar-21	11:00 AM
SKRS	Thursday	HY A/c 31-Mar-21	3:00 PM
HCAR	Tuesday	ANN A/c 31-Mar-21	9:00 AM

Source: PSX



Miscellaneous

Steel bar prices raised by Rs5,000 a tonne

Steel | **Positive**

Amid rising construction activities, steel bar makers on Monday increased the prices by Rs5,000 per tonne to Rs142,500-143,500 per tonne. A builder said he had received a letter from Agha Steel Industries Ltd indicating a jump of Rs5,000 to Rs142,500-143,500 per tonne, attributing price hike to an unexpected surge in international scrap prices. (Dawn) | [Click for more info.](#)

Packages Ltd finalizes price to acquire 19.3% shareholding in Tri-Pack Films from Mitsubishi

PKGS | **Positive**

Packages Limited has finalized the price at Rs 154.62 for the purchase of 19.3% shareholding in Tri-Pack Films Limited from Mitsubishi Corporation. (Mettis) | [Click for more info.](#)

Tata Textile to increase authorized share capital from Rs200mn to Rs1bn

TATA | **Positive**

The shareholders of Tata Textile Mills Limited in an extraordinary general meeting held on April 30, 2021 have approved to increase the Authorized Share Capital of the Company from Rs200 million divided into 20 million ordinary shares of Rs.10 each to Rs1 billion divided into 100 million ordinary shares of Rs10 each by the creation of 80 million additional ordinary shares of Rs10 each. (Mettis) | [Click for more info.](#)

Mehran Plant; Rafhan Maize Products Co temporarily stops production

RMPL | **Neutral**

Rafhan Maize Products Company Limited has temporarily stopped production at its Mehran Plant located in Kotri, Sindh, due to repair work being carried out at its Wastewater Treatment Plant. (BR) | [Click for more info.](#)

Exports to China increase 31 percent in July-April

Economy | **Positive**

Pakistan's exports to China increased 31 percent to \$1.9 billion during the first 10 months of the current fiscal year, according to the ministry of commerce. (The News) | [Click for more info.](#)

Climate change to have serious effects on agri sector: ADB

Economy | **Negative**

Climate change will have serious direct and indirect effects on the agriculture sector of Pakistan, said the Asian Development Bank (ADB) in its report titled, "Climate Risk Country Profile Pakistan", released here on Monday. (BR) | [Click for more info.](#)

International News

Oil climbs 1% on economic recovery hopes despite fresh Asian restrictions

Oil prices rose more than 1% on Monday, lifted by European economic reopenings and rising U.S. demand after prices fell earlier due to surging coronavirus cases in Asia and underwhelming Chinese manufacturing data. (Reuters) | [Click for more info.](#)

Asia Stocks, U.S. Futures Climb; Dollar Dips: Markets Wrap

Asian stocks and U.S. futures rose Tuesday as investors weighed the pace of growth as nations vaccinate and economies reopen against a pick-up in virus cases in the region. The dollar dipped. (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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