

October 19, 2022

Economy

Trade deficit shrinks by 30.16% YoY in September: PBS

Economy | Positive

Pakistan's merchandise trade deficit for the month of September 2022 clocked in at \$2.9 billion compared to a deficit of \$3.58bn in the preceding month, down by 19.17% MoM, while on yearly basis, the deficit plunged by 30.16% YoY from \$4.154bn in the same period last year. (Mettis) | [Click for more info.](#)

Lucrative grey market for dollars threatens remittances

Economy | Negative

The dollar has disappeared from the open market run by the exchange companies and there are reports that the US currency is trading at a much higher price in a parallel grey market. (Dawn) | [Click for more info.](#)

Pakistan receives only \$88m assistance against \$816m flash appeal

Economy | Neutral

In response to the UN-Pakistan joint flash appeal of \$816 million, Pakistan has received only \$88 million support in cash and kind despite securing commitments of \$111 million. (The News) | [Click for more info.](#)

ML-1 revised cost raised by 45pc

Economy | Neutral

The revised cost of ML-1 along with security has been estimated at Rs2 trillion or approximately \$10 billion (with exchange rate of Rs215 against US dollar) against earlier approved cost of \$6.8 billion. The revised cost of ML-1 has gone up by 45 percent in the wake of depreciating exchange rate. (The News) | [Click for more info.](#)

RMB account, rescheduling of loans likely

Economy | Neutral

The government is reportedly finalising drafts of over a dozen pacts including rescheduling of Chinese loans, opening of accounting in RMB and cyber security, to be signed during the maiden visit of Prime Minister Shahbaz Sharif to China next month. (BR) | [Click for more info.](#)

Oil & Gas

Petroleum group imports grow 5.94pc in 1Q

Oil | Neutral

Petroleum group imports witnessed a growth of 5.94 percent during the first quarter (July-September) of the current fiscal year 2022-23 and remained \$4.865 billion compared to \$4.592 billion during the same period of last fiscal year, says Pakistan Bureau of Statistics (PBS). (BR) | [Click for more info.](#)

Additional LNG, LPG secured for winter peak

Gas | Neutral

State Minister for Petroleum Musadik Masood Malik on Tuesday said the government had arranged two additional cargoes of liquefied natural gas (LNG) — one each in January and February — that would help better manage energy shortages in the coming winter peak with the support of additional imports of liquefied petroleum gas (LPG). (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,438.9	28,460.7	21.8	0.1%
KSE100	41,755.5	41,839.3	83.8	0.2%
KSE30	15,424.2	15,426.0	1.8	0.0%
KMI30	69,942.9	70,015.4	72.5	0.1%

Top Five Gainers

	Open	Close	Chg.	%
SAPT	1,013.6	1,059.0	45.4	4.5%
PRET	633.4	665.0	31.6	5.0%
ARPL	541.4	568.9	27.6	5.1%
PMPK	557.9	580.0	22.1	4.0%
FASM	378.6	400.0	21.4	5.7%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.6	1.6	0.0	29.86
FNEL	5.0	6.0	1.0	11.67
SNGP	31.6	33.8	2.2	8.42
PRL	17.2	17.0	-0.3	6.59
DCL	5.7	5.8	0.1	5.86

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	-0.04	-0.04
F-Corporates	0.10	-1.11	-1.01
O/S Pakistanies	1.85	-1.87	-0.02
Net	1.95	-3.02	-1.07
LIPI			
Individuals	26.45	-25.51	0.93
Companies	0.96	-0.72	0.25
Comm. Banks	0.60	-0.49	0.11
NBFC	0.02	-0.03	-0.01
Mutual Funds	1.87	-2.09	-0.22
Other	0.05	-0.01	0.04
Brokers Proprietary	6.00	-6.34	-0.34
Insurance	0.48	-0.17	0.31
Net	36.44	-35.37	1.07

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	83.12	-2.2%
Brent oil	USD/bbl.	90.62	-1.1%
Gold	USD/t oz.	1652.41	0.1%
Silver	USD/t oz.	18.77	0.6%
Coal	USD/ton	241.00	-0.3%
Steel Scrap (LME)	USD/ton	363.50	-0.1%
Steel Rebar (LME)	USD/ton	679.00	-0.1%
USD/PKR	Interbank	5.77	0.1%

News Source: Local / Int'l Newspapers and websites

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Power

Expansion of advanced power metering project okayed

Power | Neutral

The Federal Cabinet meeting has in-principle gave approval to extend the project of installation of advanced meters from the federal capital to other parts of the country, besides installation of advanced meters on transformers to reduce line losses in the power sector. (BR) | [Click for more info.](#)

Cabinet okays plan to overhaul power sector

Power | Neutral

In a bid to stem the line losses and put an end to corruption in the power sector, the federal cabinet on Tuesday approved drastic measures, including installation of advanced metering infrastructure and low-cost solar energy projects, to overhaul the existing electricity generation and distribution system. (Dawn) | [Click for more info.](#)

Autos

Honda unveils date for HR-V's launch

HCAR | Positive

Honda Atlas Cars Pakistan (HACPL) has finally unveiled the release date of their upcoming HR-V across their social media accounts. The company has touted October 21, 2022 as the launch date for the vehicle. (PT) | [Click for more info.](#)

Sazgar Starts Booking Electric Rickshaws With 100 KM Range

SAZEW | Positive

Pakistan's one of the most renowned 3-wheeler manufacturers, Sazgar, has opened bookings for its fully electric rickshaw, eVe, which has a 100 km range on a single charge. As per the company's claims, eVe will save its user around Rs. 226,800 per year on fuel and Rs. 66,000 on maintenance. (Propakistani) | [Click for more info.](#)

Auto makers took Rs271bn in advance from consumers, PAC told

Autos | Neutral

The Public Accounts Committee (PAC) was informed on Tuesday that car manufacturers have received more than Rs217.6 billion payment in advance from customers. (The News) | [Click for more info.](#)

Miscellaneous

Textile exports rise 3.7pc in Q1; drop 3pc in September

Textile | Positive

Pakistan's textiles exports increased 3.7 percent to \$4.58 billion in the first quarter ended September 30, 2022, whereas the month's exports declined 3 percent to \$4.42 billion, official data showed on Tuesday. (The News) | [Click for more info.](#)

PACE to invest Rs500mn as advances in Pace Baraka

Pace | Positive

The board of directors of Pace Pakistan Limited (PACE) on Tuesday approved the equity investment of Rs500 million as advances in Pace Baraka Properties Limited, the company's filings on the stock exchange showed. "The benefits likely to accrue to the company shall include income on advances in the shape of markup", it added. (Mettis) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	58,960.6	549.62	0.94%
US - Dow 30	30,523.8	337.98	1.12%
HK - Hang Seng	16,914.6	301.68	1.82%
KSA - Tadawul	11,810.0	243.57	2.11%
Taiwan - TWII	13,124.7	158.63	1.22%
PHILP - PSEi	6,128.6	158.31	2.65%
PAK (KSE-100)	41,839.3	83.81	0.20%
US - S&P 500	3,720.0	42.03	1.14%
INDONESIA - IDX	6,834.5	3.37	0.05%
CHINA - Shanghai	3,081.0	-3.98	-0.13%

Board Meetings

Scrip	Day	Agenda	Time
NESTLE	Wednesday	3QA/c as at 30-Sep-22	9:30 AM
UBL	Wednesday	3QA/c as at 30-Sep-22	9:30 AM
BNWM	Wednesday	1QA/c as at 30-Sep-22	10:00 AM
SHEL	Wednesday	3QA/c as at 30-Sep-22	10:00 AM
DINT	Wednesday	1QA/c as at 30-Sep-22	10:30 AM
KSBP	Wednesday	3QA/c as at 30-Sep-22	11:00 AM
MEBL	Wednesday	3QA/c as at 30-Sep-22	12:00 PM
REWML	Wednesday	1QA/c as at 30-Sep-22	12:30 PM
CPPL	Wednesday	1QA/c as at 30-Sep-22	1:00 PM
JSGCL	Wednesday	3QA/c as at 30-Sep-22	2:00 PM
BWCL	Wednesday	1QA/c as at 30-Sep-22	3:00 PM
ICI	Wednesday	1QA/c as at 30-Sep-22	3:00 PM
KTML	Wednesday	1QA/c as at 30-Sep-22	3:30 PM
TRIPF	Wednesday	3QA/c as at 30-Sep-22	6:30 PM
ABL	Thursday	3QA/c as at 30-Sep-22	11:00 AM
TPLI	Thursday	3QA/c as at 30-Sep-22	11:00 AM
NRSL	Thursday	1QA/c as at 30-Sep-22	11:45 AM
NATF	Thursday	1QA/c as at 30-Sep-22	12:00 PM
PAKT	Thursday	3QA/c as at 30-Sep-22	12:00 PM
AGP	Thursday	3QA/c as at 30-Sep-22	1:30 PM
AWWAL	Thursday	Ann A/c as at 30-Jun-22	2:30 PM
DOL	Thursday	1QA/c as at 30-Sep-22	2:30 PM
KASBM	Thursday	Ann A/c as at 30-Jun-22	3:00 PM
DADX	Thursday	Ann A/c as at 30-Jun-22	3:30 PM
PAKMI	Thursday	Ann A/c as at 30-Jun-22	3:30 PM
PMI	Thursday	Ann A/c as at 30-Jun-22	4:00 PM
PRL	Friday	1QA/c as at 30-Sep-22	9:30 AM
JSIL	Friday	3QA/c as at 30-Sep-22	10:00 AM
MARI	Friday	1QA/c as at 30-Sep-22	10:00 AM
BWHL	Friday	1QA/c as at 30-Sep-22	11:00 AM
DCR	Friday	1QA/c as at 30-Sep-22	11:00 AM
NICL	Friday	1QA/c as at 30-Sep-22	11:00 AM
NPL	Friday	1QA/c as at 30-Sep-22	11:00 AM
PIM	Friday	1QA/c as at 30-Sep-22	11:00 AM
GSKCH	Friday	3QA/c as at 30-Sep-22	12:30 PM

Source: PSX

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Political News

PTI march: SC fixes hearing of contempt plea against Imran Khan

The Supreme Court on Tuesday fixed the federal government's petition seeking contempt of court proceedings against PTI Chairman Imran Khan for his party's proposed long march in Islamabad. (The News) | [Click for more info.](#)

International News

Pakistan sides with Saudi Arabia over its tension with US

In a significant move, Pakistan on Tuesday put its weight behind Saudi Arabia, which has locked horns with the United States over the cut in oil supply in international market. Saudi Arabia and Russia, which lead the OPEC + cartel, recently decided to cut crude oil supply by 2 million barrels a day in order to avoid a plunge in the oil prices in the international markets because of fear of global economic recession. (ET) | [Click for more info.](#)

Oil prices rise on supply woes

Oil prices rose in early Asian trade on Wednesday, paring losses from the previous session, as concern over tight supplies following reports of lower inventories in the United States offset fears of lower demand from top oil importer China. (Reuters) | [Click for more info.](#)

Asian Equities Mixed After US Stocks Extend Rally: Markets Wrap

Asian stocks had a mixed open on Wednesday as traders assessed a solid start to the corporate-earnings season that helped extend a rally in US markets. (Bloomberg) | [Click for more info.](#)

MORNING BRIEFING

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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.

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