

April 20,  
2022

## Economy

### China assures full support to develop SEZs

#### Economy | Positive

Ms Pangchunxue, Charge de Affaires of the Embassy of the People's Republic of China has assured full support and cooperation of the Chinese government in developing special economic zones as part of CPEC, said a statement issued by Finance Ministry on Tuesday. (Metitis) | [Click for more info.](#)

### IMF projects rise in inflation

#### Economy | Negative

The International Monetary Fund (IMF) has projected Pakistan's GDP growth rate at four percent for 2022 against 5.6 percent in 2021, and projected rise in inflation from 8.9 percent in 2021 to 11.2 percent in 2022. The IMF in its latest report, "World Economic Outlook (WEO), War sets back the global recovery" has projected GDP growth rate at four percent in 2022 against 5.6 percent in 2021 and projected it at 4.2 percent for 2023. (BR) | [Click for more info.](#)

### WB lists factors exacerbating macroeconomic imbalances

#### Economy | Negative

Further policy reform slippages and delays in adjustment measures are likely to exacerbate the already widening macroeconomic imbalances for Pakistan, as the heightened domestic political uncertainty over the past few months has slowed the implementation of key reforms to improve overall fiscal and debt sustainability, says the World Bank. Tighter global financing conditions, potential further increases in world energy and food prices due to the Ukraine-Russia conflict, and slower global growth due to rising inflation, pose substantial risks for Pakistan's economic outlook, it added. (BR) | [Click for more info.](#)

### Russia sends 4-year economic cooperation roadmap

#### Economy | Positive

Following the visit of former Prime Minister, Imran Khan to Moscow, Russia has sent a draft four-year(2022-2025) roadmap for development of trade and economic cooperation including increase in bilateral trade turnover, well informed sources told. (BR) | [Click for more info.](#)

### Political crisis robs country of foreign investment in March

#### Economy | Negative

March proved to be the worst month for Foreign Direct Investment (FDI) amid a deepening political crisis as the country witnessed a net outflow of \$30.4 million against an inflow of \$173.4m in the same period last year. (Dawn) | [Click for more info.](#)

### PKR: Another massive fall

#### Economy | Negative

The rupee saw another massive fall against the US dollar, depreciating 1.03% in the inter-bank market on Tuesday. As per the State Bank of Pakistan (SBP), the rupee closed at 184.44 after a day-on-day depreciation of Rs1.90, or 1.03%. The rupee had opened the week with a 0.54% loss on Monday as well. (BR) | [Click for more info.](#)

## Oil & Gas

### PSO receivables, payables soar to Rs508.3bn

#### PSO | Negative

The receivables and payable of Pakistan State Oil (PSO) have reached Rs508.3 billion as several clients failed to pay their bills for fuel supplies. In first nine months of the financial year 2021-22, the receivable and payable of PSO increased by Rs151.3 billion or 42 percent. (BR) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	31,604.9	31,437.9	-166.9	-0.5%
KSE100	46,539.6	46,333.4	-206.2	-0.4%
KSE30	17,942.7	17,862.7	-80.0	-0.4%
KMI30	76,293.3	75,869.5	-423.8	-0.6%

### Top Five Gainers

	Open	Close	Chg.	%
SFL	901.0	968.0	67.0	7.4%
BHAT	1,333.0	1,370.0	37.0	2.8%
APL	308.1	331.2	23.1	7.5%
SAPT	1,073.7	1,094.1	20.4	1.9%
INDU	1,360.0	1,380.0	20.1	1.5%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
CENERGY	6.5	6.1	-0.4	18.33
GGL	20.8	19.4	-1.4	18.03
WTL	1.9	1.8	-0.1	11.55
TELE	14.9	14.8	-0.1	10.87
LOTCEM	17.2	17.6	0.4	9.92

### 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	2.94	-2.82	0.11
<b>Net</b>	<b>3.13</b>	<b>-3.91</b>	<b>-0.78</b>
<b>LIPI</b>			
Individuals	40.71	-37.93	2.78
Companies	1.96	-2.09	-0.13
Comm. Banks	1.42	-1.93	-0.51
NBFC	0.07	-0.04	0.03
Mutual Funds	3.47	-5.87	-2.40
Other	1.74	-1.04	0.70
Brokers Proprietary	7.96	-7.85	0.11
Insurance	0.56	-0.37	0.20
<b>Net</b>	<b>57.89</b>	<b>-57.11</b>	<b>0.78</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	102.05	-5.7%
Brent oil	USD/bbl.	107.25	-5.2%
Gold	USD/t oz.	1950.13	-1.5%
Silver	USD/t oz.	25.18	-2.7%
Coal	USD/ton	307.15	-0.1%
Steel Scrap (LME)	USD/ton	637.00	0.3%
Steel Rebar (LME)	USD/ton	950.00	0.8%
USD/PKR	Interbank	184.44	1.0%

News Source: Local / Int'l Newspapers and websites

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REP-055



## Price differential claims of OMCs/refineries; Rs68.81bn supplementary grant approved by ECC

### OMCs, Refineries | Positive

The Economic Coordination Committee (ECC) of the Cabinet has approved Rs68.81 billion supplementary grant for disbursement of price differential claims (PDCs) to OMCs/ refineries for the month of April and to meet the shortfall of Rs1.87 billion for the month of March 2022. The meeting was informed that due to continuously rising trend of oil prices in the international market, the quantum of subsidy for the month of April 2022 has been higher than of March 2022. (BR) | [Click for more info.](#)

## ATRL, NRL, CNERGY and PRL to benefit from 10 year high Refinery margins Refineries | Positive

Singapore Gross Refining Margins – Asian benchmark – touched \$20 per barrel mark – highest level at least since 2012 on the back of rising demand for refined products globally. This is expected to benefit National Refinery, Attock Refinery, CNERGY and Pakistan refinery as they process crude into refined products. (Augaf) | [Click for more info.](#)

## Power

### Tariffs of Discos; CPPA-G seeks hike of Rs3.16 per unit

#### Discos | Positive

The Central Power Purchasing Agency- Guaranteed (CPPA-G) has sought an increase of Rs 3.16 per unit in tariffs of power Distribution Companies (Discos) for March 2022, under monthly Fuel Charges Adjustment (FCA) mechanism. (BR) | [Click for more info.](#)

### Power generation cost up 66% YoY in March

#### Power | Negative

The cost of generating electricity has increased by 66.2% in just one year, going up to Rs9.22 kWh in March 2022 compared to Rs5.55 kWh during the same month last year. (BR) | [Click for more info.](#)

## Banks

### Pakistani Banks In Sri Lanka Likely to Face Losses

#### HBL, MCB | Neutral

Pakistani banks operating in Sri Lanka are likely to face losses due to the ongoing debt crisis of the host country. MCB Bank and Habib Bank Limited are operating branches and operations in various cities of the country having investment in the debt securities issued by the government through the Central Bank of Sri Lanka. (Propakistani) | [Click for more info.](#)

## Miscellaneous

### Tariq Glass shut its main furnace for major overhaul: PSX

#### TGL | Neutral

Tariq glass Limited (TGL) informed that one of the furnaces producing float glass (Unit-I) has outlived its useful campaign life and closed for rebuild / major repair on April 18, 2022. The stock drop 3.78 percent or PKR 131.5 per share to trade at PKR 131.5 in today trading session as per data available at Pakistan Stock Exchange (PSX). (Augaf) | [Click for more info.](#)

### Aptma wants Rs8,000 cotton support price

#### Textile | Neutral

The All Pakistan Textile Mills Association (Aptma) on Tuesday urged the government to announce a minimum support price (MSP) Rs8,000 per maund for the cotton crop immediately. (Dawn) | [Click for more info.](#)

## World Indices

	Last	Chg.	Chg. %
US - Dow 30	34,911.2	499.51	1.45%
Taiwan - TWII	16,993.4	94.53	0.56%
US - S&P 500	4,462.2	70.52	1.61%
PHILP - PSEi	7,037.7	41.63	0.60%
CHINA - Shanghai	3,194.0	-1.49	-0.05%
INDONESIA - IDX	7,199.2	-76.06	-1.05%
PAK (KSE-100)	46,333.4	-206.23	-0.44%
KSA - Tadawul	13,505.6	-227.57	-1.66%
HK - Hang Seng	21,027.8	-490.32	-2.28%
INDIA - SENSEX	56,463.2	-703.59	-1.23%

## Board Meetings

Scrip	Day	Agenda	Time
AKBL	Wednesday	1Q A/c - 31Mar21	10:00 AM
HBL	Wednesday	1Q A/c - 31Mar21	10:00 AM
UBL	Wednesday	1Q A/c - 31Mar21	10:00 AM
DINT	Wednesday	3Q A/c - 31Mar21	10:30 AM
ABL	Wednesday	1Q A/c - 31Mar21	11:00 AM
FCEPL	Wednesday	1Q A/c - 31Mar21	11:00 AM
HMB	Wednesday	1Q A/c - 31Mar21	11:00 AM
MCBAH	Wednesday	3Q A/c - 31Mar21	11:00 AM
NRSL	Wednesday	3Q A/c - 31Mar21	11:30 AM
AATM	Wednesday	3Q A/c - 31Mar21	12:00 PM
SHEL	Wednesday	1Q A/c - 31Mar21	12:00 PM
DOL	Wednesday	3Q A/c - 31Mar21	2:30 PM
KTML	Thursday	3Q A/c - 31Mar21	3:30 PM
NESTLE	Thursday	1Q A/c - 31Mar21	9:00 AM
PRL	Thursday	3Q A/c - 31Mar21	9:00 AM
ENGRO	Thursday	1Q A/c - 31Mar21	9:30 AM
FFL	Thursday	1Q A/c - 31Mar21	10:00 AM
SEPL	Thursday	3Q A/c - 31Mar21	10:00 AM
ISL	Thursday	3Q A/c - 31Mar21	10:30 AM
NRL	Thursday	3Q A/c - 31Mar21	10:30 AM
ASTL	Thursday	3Q A/c - 31Mar21	11:00 AM
AWWAL	Thursday	3Q A/c - 31Mar21	11:00 AM
EMCO	Thursday	3Q A/c - 31Mar21	11:00 AM
ICL	Thursday	3Q A/c - 31Mar21	11:00 AM
KAPCO	Thursday	3Q A/c - 31Mar21	11:00 AM
APL	Thursday	3Q A/c - 31Mar21	11:30 AM
FHAM	Thursday	3Q A/c - 31Mar21	11:30 AM

Source: PSX



## Political News

### PM picks coalition Cabinet

Prime Minister Shehbaz Sharif's 37-member federal cabinet – 30 federal ministers, four ministers of state, and three advisers – was administered the oath by Chairman Senate Sadiq Sanjrani on Tuesday. (BR) | [Click for more info.](#)

### US looks forward to 'working closely' with Shehbaz govt across regional, international issues

US State Department Spokesperson Ned Price on Tuesday said that the United States looked forward to "working closely" with newly elected Prime Minister Shehbaz Sharif and his government across regional and international issues and described the US-Pakistan relationship as a "vital one". (Dawn) | [Click for more info.](#)

## International News

### U.S. Futures Retreat as Bonds Struggle; Yen Drops: Markets Wrap

U.S. equity futures retreated Wednesday and sovereign bonds extended a selloff as high inflation, a hawkish Federal Reserve and China's Covid challenges keep investors on edge. (Bloomberg) | [Click for more info.](#)

### Oil prices rise 1% after sinking in previous session

Oil prices rose about 1% on Wednesday, gaining back some of their losses during the previous session on concerns about energy demand after the International Monetary Fund (IMF) cut its economic growth forecasts. (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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