

April 22,  
2022

## Economy

### FATF begins review of terrorist financing, money laundering

#### Economy | Neutral

Ministers and officials from the Financial Action Task Force's (FATF) 37-member countries and affiliates met in Washington on Thursday to discuss actions to tackle money laundering and terrorist financing. (Dawn) | [Click for more info.](#)

### Govt to wind up CPEC authority

#### Economy | Neutral

The new government has decided to abolish the China-Pakistan Economic Corridor (CPEC) Authority amid disclosure that Chinese power producers have shut down 1,980 megawatts of production capacity due to non-clearance of their Rs300 billion dues. (ET) | [Click for more info.](#)

### SBP raises Rs137.24bn through sale of GOP Ijara Sukuk

#### Economy | Neutral

The State Bank of Pakistan (SBP) conducted an auction on Thursday in which it raised Rs137.24 billion through the sale of 5-year GOP Ijara Sukuk (GIS) Variable Rental Rate (VRR) and GIS Fixed Rental Rate (FRR). The central bank received bids worth Rs157.784bn for the GIS VRR with a price range of -30 basis points (bps) to 50bps out of which it accepted Rs119.49bn at zero cut off margin. (BR) | [Click for more info.](#)

### SBP's reserves up \$36m

#### Economy | Positive

The State Bank of Pakistan's (SBP) foreign exchange reserves increased by \$36 million during the last week. According to a weekly report issued on Thursday, SBP's foreign exchange reserves surged to \$ 10.886 billion as of April 16, 2022 compared to \$10.849 billion April 8, 2022. During the week under review, net foreign reserves held by commercial banks were \$6.159.3 billion, down \$19.2 million. (BR) | [Click for more info.](#)

### Defence Minister hints to reverse autonomy granted to SBP

#### Economy | Positive

Defence Minister Khawaja Asif on Thursday hinted to reverse autonomy granted to the central bank through the SBP (Amendment) Act, 2021. The defence minister said former Prime Minister Imran Khan had "sold out" Pakistan's economic sovereignty to the United States, as Washington has the most shares in the IMF. (PT) | [Click for more info.](#)

### PTI govt borrowed \$49.23bn in its 45-month stint

#### Economy | Negative

Struggling with current account challenges and foreign exchange reserves, the ousted PTI government borrowed about \$15.4 billion in foreign loans in the first nine months (July-March) of the current fiscal year, more than 70pc higher than the foreign loans it received in the comparable period last year. (Dawn) | [Click for more info.](#)

### PKR: declines further

#### Economy | Negative

Pakistan rupee continued to register losses for the fourth straight session against the US dollar, depreciating 0.56% in the inter-bank market on Thursday. As per the State Bank of Pakistan (SBP), the rupee closed at 186.97 after a day-on-day depreciation of Rs1.05, or 0.56%. During the last four trading sessions, the currency has lost Rs5.42 or 2.9% of its value. (BR) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	31,207.4	31,055.6	-151.8	-0.5%
KSE100	45,943.2	45,652.6	-290.5	-0.6%
KSE30	17,690.2	17,569.9	-120.2	-0.7%
KMI30	74,992.3	74,395.2	-597.1	-0.8%

### Top Five Gainers

	Open	Close	Chg.	%
COLG	2,300.0	2,335.0	35.0	1.5%
INDU	1,340.8	1,349.0	8.2	0.6%
AGTL	436.7	444.2	7.4	1.7%
STJT	81.5	87.6	6.1	7.5%
EXIDE	275.0	279.9	4.9	1.8%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
LOTCEM	18.9	19.8	0.9	19.98
CNERGY	6.3	6.5	0.2	19.86
PRL	15.2	16.0	0.9	12.90
HUMNL	7.7	7.8	0.2	8.29
GGL	19.2	19.3	0.0	7.88

### 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	2.44	-2.43	0.02
<b>Net</b>	<b>2.65</b>	<b>-2.82</b>	<b>-0.17</b>
<b>LIPI</b>			
Individuals	27.26	-27.22	0.04
Companies	2.10	-1.52	0.57
Comm. Banks	1.31	-1.37	-0.06
NBFC	0.01	-0.03	-0.02
Mutual Funds	1.61	-2.61	-1.01
Other	0.21	-0.27	-0.06
Brokers Proprietary	6.48	-5.74	0.74
Insurance	0.54	-0.58	-0.04
<b>Net</b>	<b>39.51</b>	<b>-39.34</b>	<b>0.17</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	103.79	1.6%
Brent oil	USD/bbl.	108.33	1.1%
Gold	USD/t oz.	1951.25	-0.3%
Silver	USD/t oz.	24.66	-2.1%
Coal	USD/ton	311.80	0.1%
Steel Scrap (LME)	USD/ton	629.00	0.0%
Steel Rebar (LME)	USD/ton	936.50	-0.8%
USD/PKR	Interbank	186.97	0.6%

News Source: Local / Int'l Newspapers and websites

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REP-055

## Oil & Gas

**Pakistan secures 6 LNG spot cargoes for May-June**

**Gas | Neutral**

Pakistan LNG Limited (PLL) on Thursday decided to source six cargoes -four for May and two for June- to maximize RLNG-based power generation, which is cheaper than petroleum-fired production of electricity. (The News) | [Click for more info.](#)

## Power

**NTDC's 80pc grid stations lack fault recording system**

**Power | Negative**

National Transmission & Despatch Company's (NTDC) near 80 percent power grid stations lack proper event and fault recording mechanism, which results in frequent breakdowns amid long spells of announced and unannounced load-shedding in the country. (The News) | [Click for more info.](#)

## Fertilizer

**Pakistan Urea prices cross PKR 2,000 per bag as second largest manufacturer increase price**

**EFERT | Positive**

Urea prices cross PKR 2,000 per bag threshold to PKR 2,017 per bag as Pakistan's second largest urea manufacturer increase urea prices by PKR 100 per bag, according to letter issued to its dealer. As per notice sent to dealers, Engro Fertilizer increases urea prices to PKR 2,017 per bag from earlier prices of PKR 1,917 per bag. (Augaf) | [Click for more info.](#)

## Banks

**Banks' deposits rise 2.9pc MoM to Rs20.5tr in March**

**Banks | Positive**

The total deposits held by banks have shown a growth of 2.9 percent on a month-on-month (MoM) basis to reach Rs20.47 trillion in March against Rs19.9 trillion in February on account of strong overseas inflows. (PT) | [Click for more info.](#)

**Outstanding bank financing grows 8.8pc to Rs524bn in 2021: SECP chief**

**Banks | Positive**

Securities and Exchange Commission of Pakistan (SECP) Chairman Aamir Khan Thursday said that the outstanding financing by banks to the Small and Medium Enterprises (SMEs) has increased from Rs482 billion in 2020 to Rs524 billion in 2021, reflecting a growth of 8.8 percent. However, when we look at the number of SME borrowers during the same period, they have recorded a decline of 8.4 percent. (BR) | [Click for more info.](#)

## Miscellaneous

**USC outlets facing shortage of edible items due to rush of buyers: survey**

**Food | Negative**

Following the government decision to further cut sugar and wheat flour prices at the Utility Stores Corporation (USC), a serious shortage of edible items especially sugar, wheat flour, and cooking oil has emerged at the USC outlets owing to massive rush of buyers. (BR) | [Click for more info.](#)

**5G networks; WB for cautious implementation of new IoT regulation**

**Technology | Neutral**

The World Bank has recommended the Pakistan's policymakers to carefully balance implementing new specific Internet of Things (IoT) regulation with creating an environment that allows IoT innovation to thrive. (BR) | [Click for more info.](#)

### World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	57,911.7	874.18	1.53%
INDONESIA - IDX	7,276.2	48.83	0.68%
Taiwan - TWII	17,128.0	-20.93	-0.12%
US - S&P 500	4,393.7	-65.79	-1.48%
CHINA - Shanghai	3,079.8	-71.24	-2.26%
PHILP - PSEi	7,061.5	-80.93	-1.13%
KSA - Tadawul	13,534.4	-134.14	-0.98%
HK - Hang Seng	20,682.2	-262.45	-1.25%
PAK (KSE-100)	45,652.6	-290.54	-0.63%
US - Dow 30	34,792.8	-368.03	-1.05%

### Board Meetings

Scrip	Day	Agenda	Time
JSIL	Friday	1Q A/c - 31Mar21	10:00 AM
LOTCHEM	Friday	1Q A/c - 31Mar21	10:00 AM
MACTER	Friday	3Q A/c - 31Mar21	10:00 AM
PAKD	Friday	3Q A/c - 31Mar21	10:00 AM
PIM	Friday	3Q A/c - 31Mar21	10:00 AM
FFBL	Friday	1Q A/c - 31Mar21	10:30 AM
ICIBL	Friday	3Q A/c - 31Mar21	10:30 AM
ISIL	Friday	3Q A/c - 31Mar21	10:30 AM
NPL	Friday	3Q A/c - 31Mar21	10:30 AM
BIFO	Friday	3Q A/c - 31Mar21	11:00 AM
CSIL	Friday	1Q A/c - 31Mar21	11:00 AM
FATIMA	Friday	1Q A/c - 31Mar21	11:00 AM
GAMON	Friday	3Q A/c - 31Mar21	11:00 AM
NATF	Friday	3Q A/c - 31Mar21	11:00 AM
PIL	Friday	1Q A/c - 31Mar21	11:00 AM
TPLP	Friday	3Q A/c - 31Mar21	11:00 AM
PGLC	Friday	3Q A/c - 31Mar21	11:45 AM
GSKCH	Friday	1Q A/c - 31Mar21	12:30 PM
PSX	Friday	3Q A/c - 31Mar21	2:00 PM
BWCL	Friday	3Q A/c - 31Mar21	2:30 PM
HTL	Friday	3Q A/c - 31Mar21	2:30 PM
STCL	Friday	3Q A/c - 31Mar21	3:00 PM
AIRLINK	Friday	3Q A/c - 31Mar21	4:30 PM

Source: PSX



## Political News

### Imran asks supporters to gear up for long march against 'imported govt'

Former prime minister and Pakistan Tahreek-e-Insaf (PTI) Chairman Imran Khan on Thursday demanded immediate elections in the country and asked the people to get ready for his call to gathering in Islamabad in the next stage of the "real freedom" movement. (ET) | [Click for more info.](#)

## International News

### Stocks, Bonds Wilting as Half-Point Fed Hikes Loom: Markets Wrap

Stocks and bonds are set to come under pressure in Asia Friday after Federal Reserve Chair Jerome Powell toughened his stance on inflation, spurring traders to brace for more aggressive monetary-policy tightening. (Bloomberg) | [Click for more info.](#)

### Oil edges higher on concerns over Russia, Libya supply disruption

Oil prices rose on Thursday, buffeted by concerns about tightened supply as the European Union (EU) mulls a potential ban on Russian oil imports that would further restrict worldwide oil trade. (Reuters) | [Click for more info.](#)

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**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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