

March 22,  
2022

## Economy

**IMF too endorsing 'economy is on the right path': PM**

**Economy | Neutral**

Prime Minister Imran Khan Monday said that all the economic indicators are in the right direction and even International Monetary Fund (IMF) has been stating the Pakistan economy is moving on sustainable growth. (BR) | [Click for more info.](#)

**IsDB Group approves \$14.5 bn for projects in Pakistan**

**Economy | Positive**

As of December 2021, the Islamic Development Bank (IsDB) Group has approved total financing of about US\$ 14.5 billion for 412 projects in Pakistan out of which 372 are completed and 40 are active ongoing projects. (Mettis) | [Click for more info.](#)

**OIC Council of Foreign Ministers meets today**

**Economy | Neutral**

The Council of the Foreign Ministers (CFMs) of the Organisation of Islamic Cooperation (OIC) will meet Tuesday at the inaugural session of the 48th session being hosted by Pakistan. Prime Minister Imran Khan in his keynote address at the inaugural session will highlight Pakistan's role and contribution towards OIC and deliberate on the challenges being faced by the Muslim world. (The News) | [Click for more info.](#)

## Oil & Gas

**FIA supports banks entering into Hascol's debt restructuring**

**HASCOL | Positive**

After commercial banks show hesitancy to extend credit to Oil and Marketing Companies (OMCs), Federal Investigation Agency (FIA) has intervened and reassured its support for all efforts of the Banking industry to enter into debt restructuring of Hascol Petroleum Limited (HPL). (Mettis) | [Click for more info.](#)

**Oilboy increases share capital to Rs1.6bn**

**OILBOY | Positive**

The authorized share capital of Oilboy Energy Limited (PSX: OBOY) has been increased from Rs100 million to Rs1.6 billion, the company filing on PSX showed on Monday. The aforementioned amount is divided into 160,000,000 ordinary shares of Rs10 each. (Mettis) | [Click for more info.](#)

**ECC approves swapping of SSGC secured loan worth Rs21bn**

**SSGC | Positive**

Sui Southern Gas Limited (SSGC) has informed through a notice to exchange that the Economic Coordination Committee of the Cabinet (ECC) has approved the summary regarding swapping of SSGC secured loan from HBL — led consortium with Faysal Bank Limited amounting to Rs21 billion and re-issuance of sovereign guarantee in favour of later. (Mettis) | [Click for more info.](#)

**OGDC, PPL to pay \$187.5mn each for govt shareholding in Reko Diq**

**OGDC, PPL | Positive**

The Oil and Gas Development Company (OGDC) and Pakistan Petroleum Limited (PPL) would have 8.3 percent stake each in Reko Diq project and would pay \$187.5 million each as fees to be part of government shareholding. (The News) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,478.4	29,648.7	170.3	0.6%
KSE100	43,030.0	43,230.2	200.3	0.5%
KSE30	16,434.1	16,494.2	60.1	0.4%
KMI30	69,139.7	69,454.4	314.7	0.5%

### Top Five Gainers

	Open	Close	Chg.	%
UPFL	21,875.0	23,249.5	1,374.5	6.3%
WYETH	2,002.9	2,096.0	93.1	4.6%
BHAT	1,241.7	1,333.0	91.3	7.4%
SFL	859.0	922.9	63.9	7.4%
SIEM	600.0	616.0	16.0	2.7%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
SMBL	2.3	2.9	0.5	16.07
HUMNL	6.3	6.5	0.2	8.92
WTL	1.5	1.5	0.0	7.97
TREET	29.6	29.9	0.3	7.25
EFERT	88.6	88.8	0.2	6.47

### 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	2.49	-1.76	0.74
<b>Net</b>	<b>5.04</b>	<b>-5.29</b>	<b>-0.25</b>
<b>LIPI</b>			
Individuals	20.79	-21.63	-0.84
Companies	3.16	-2.73	0.42
Comm. Banks	0.73	-2.81	-2.08
NBFC	0.02	0.00	0.02
Mutual Funds	3.57	-2.60	0.97
Other	0.84	-0.19	0.65
Brokers Proprietary	6.91	-6.21	0.70
Insurance	0.56	-0.16	0.40
<b>Net</b>	<b>36.58</b>	<b>-36.33</b>	<b>0.25</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	109.97	5.0%
Brent oil	USD/bbl.	115.62	7.1%
Gold	USD/t oz.	1935.91	0.7%
Silver	USD/t oz.	25.21	1.0%
Coal	USD/ton	332.65	0.8%
Steel Scrap (LME)	USD/ton	645.00	0.9%
Steel Rebar (LME)	USD/ton	925.00	0.5%
USD/PKR	Interbank	181.25	0.4%

**News Source:** Local / Int'l Newspapers and websites

**Research Team**

[research@abaalihabib.com](mailto:research@abaalihabib.com)

Aba Ali Habib Securities (Pvt) Limited  
(021) 32429665, Ext. 106



## Coal conversion to gas, liquid fuels planned

**Gas | Neutral**

Amid declining domestic gas production and expensive fuel imports, a new policy for conversion of Coal-to-Gas (LTG) and Coal-to-Liquid (CTL) with lucrative tax holidays and duty exemptions is being finalised to be made part of the upcoming federal budget 2022-23. Informed sources said the draft Policy on Coal-to-Liquid and Coal-to-Gas was prepared by Oracle Power and China National Coal Development Co (CNCDC). (Dawn) | [Click for more info.](#)

## Power

**Banks offer Rs100bn project financing to NPPMCL**

**Power | Positive**

The National Power Parks Management Company Ltd (NPPMCL) has received an unprecedented response from a syndicate of local banks for project financing in excess of Rs100 billion, the Privatisation Commission (PC) announced on Monday. (Dawn) | [Click for more info.](#)

**Monthly fuel cost drops 27pc**

**Power | Neutral**

The cost of fuel for electricity generation in February went down 27 per cent to Rs8.94 per unit on a month-on-month basis, according to data recently released by the National Electric Power Regulatory Authority. (Dawn) | [Click for more info.](#)

## Autos

**Hyundai-Nishat to Launch Elantra 1.6L Next Month**

**NML | Positive**

Hyundai-Nishat is about to introduce a 1.6-L variant of the Elantra in April. The upcoming model will compete against some of the popular sedans, including Toyota Corolla Altis X 1.6, the lower trim Honda Civic, and fully-loaded variants of Honda City Aspire 1.5 and Toyota Yaris Ativ 1.5. (Propakistani) | [Click for more info.](#)

**Millat Tractors resumes production operations after halt of 15 days**

**MTL | Positive**

Millat Tractors Limited has announced the resumption of its production operations from Tuesday, March 22, 2022, the company's filing on the PSX showed today. (Mettis) | [Click for more info.](#)

## Cement

**Cement sector to benefit from \$180mn financing pact signed with ISDB for Mohmand Dam Project**

**Cement | Positive**

Pakistan and Islamic Development Bank (IsDB) Monday signed three Framework Agreements amounting to US\$ 180 million to provide financing for the Mohmand Dam Hydropower Project (MDHP). (Augaf) | [Click for more info.](#)

## Miscellaneous

**ICI Pakistan approves equity investment of up to Rs4.6bn**

**ICI | Positive**

The shareholders of ICI Pakistan Limited (ICI) have passed the resolution to make an equity investment of up to Rs4.6 billion by way of subscription of up to 460mn ordinary shares in the joint venture company (JVCO), at a face value of Rs10 each. (Mettis) | [Click for more info.](#)

### World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	43,230.2	200.25	0.47%
Taiwan - TWII	17,560.4	103.84	0.59%
CHINA - Shanghai	3,253.7	2.62	0.08%
INDONESIA - IDX	6,955.2	0.21	0.00%
US - S&P 500	4,461.2	-1.94	-0.04%
KSA - Tadawul	12,831.7	-44.11	-0.34%
PHILP - PSEi	6,956.6	-51.03	-0.73%
HK - Hang Seng	21,221.3	-191.06	-0.89%
US - Dow 30	34,553.0	-201.94	-0.58%
INDIA - SENSEX	57,292.5	-571.44	-0.99%

### Board Meetings

Script	Day	Agenda	Time
PSMC	Tuesday	ANN A/c - 31Dec21	10:00 AM
EFGH	Tuesday	ANN A/c - 31Dec21	4:00 PM
SIBL	Tuesday	ANN A/c - 31Dec21	4:30 PM
ZIL	Thursday	ANN A/c - 31Dec21	11:00 AM
APOT	Thursday	Multiple Period	2:00 PM
SAPL	Thursday	ANN A/c - 31Dec21	4:00 PM
OCTOPUS	Friday	ANN A/c - 31Dec21	10:00 AM
AGP	Friday	ANN A/c - 31Dec21	3:00 PM
IGIL	Friday	ANN A/c - 31Dec21	4:30 PM

Source: PSX



## **Tariq Glass Industries approves investment of up to Rs4.4bn in Lucky TG TGL | Positive**

The shareholders of Tariq Glass Industries Limited (TGL) have approved long term equity investment of up to Rs 4,414,900,000 from time to time in Lucky TG (Private) Limited. (Mettis) | [Click for more info.](#)

## **Pharma Industry is Shutting Down Medicine Factories Over Tax Issues Pharmaceutical | Negative**

The pharmaceutical industry has announced to shut down all factories and manufacturing plants after five days due to the Federal Board of Revenue's (FBR) failure of issuing sales tax refunds of 17 percent tax paid on the import of raw materials at the import stage. (Propakistani) | [Click for more info.](#)

## **Political News**

### **MNA's individual vote in no-trust proceeding has no status: Justice Munib**

Supreme Court Justice Munib Akhtar observed on Monday that after joining a political party, a lawmaker's individual vote during no-confidence proceedings was considered a "collective right". (The News) | [Click for more info.](#)

### **Jahangir Tareen group sees their demands being met**

Members of the dissident Jahangir Tareen group in the ruling Pakistan Tehreek-i-Insaf (PTI) appear confident they will have their way after securing guarantees that the chief minister of Punjab will be removed from office. (Dawn) | [Click for more info.](#)

## **International News**

### **Stock Climb Weathers Bond Tumble, Rally in Crude: Markets Wrap**

Bonds were under pressure Tuesday from Federal Reserve Chair Jerome Powell's more hawkish tone on monetary policy. U.S. and European equity futures dipped, while Asian stocks pushed higher. (Bloomberg) | [Click for more info.](#)

### **Crude settles up more than 7% as EU mulls Russian oil ban**

Oil prices settled up more than 7% on Monday, with global benchmark Brent climbing above \$115 a barrel, as European Union nations disagreed on whether to join the United States in a Russian oil embargo after an attack on Saudi oil facilities. (Reuters) | [Click for more info.](#)



## Disclaimer

This report has been prepared by Aba Ali Habib Securities and is provided for information purposes only. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Aba Ali Habib Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Aba Ali Habib Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents.

In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Aba Ali Habib Securities' Research Department and do not necessarily reflect those of the company or its directors. Aba Ali Habib as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. Aba Ali Habib Securities or any of its officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by Aba Ali Habib Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Aba Ali Habib Securities. Action could be taken for unauthorized reproduction, distribution or publication.

## 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.

## Analyst Certification <sup>AC</sup>

The research Analyst(s) hereby certify that the views about the company/companies and the security/securities discussed in this report accurately reflect his or her or their personal views and that s/he has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendation or views in this report. The analyst(s) is/are principally responsible for preparation of this research report and that s/he or his/her close relative/family member doesn't own 1% or more of a class of common equity securities of the following company/companies covered in this report.

## THE TEAM

### CEO

Zahid Ali Habib  
[Zahid@abaalihabib.com](mailto:Zahid@abaalihabib.com)  
(021) 32425022

### RESEARCH TEAM

**Contact:** (021) 32429665, Ext. 106

Ayesha Abid – Research Analyst  
[ayesha.abid@abaalihabib.com](mailto:ayesha.abid@abaalihabib.com)

Muhammad Usman - Research Analyst  
[usman@abaalihabib.com](mailto:usman@abaalihabib.com)

### SALES TEAM

Zaheer Ahmed - Head of Institutional Sales  
[Zaheer.ahmed@abaalihabib.com](mailto:Zaheer.ahmed@abaalihabib.com)  
(021) 32418693-94

Salman Ahmed - Head of Retail Sales  
(021) 32412491

Syed Khalid Ahmed - Equity Trader  
[Syedkhalid@abaalihabib.com](mailto:Syedkhalid@abaalihabib.com)  
(021) 32429664

Muhammad Faisal - Equity Trader  
[faisal@abaalihabib.com](mailto:faisal@abaalihabib.com)  
(021) 32464835

### Office (PSX Building)

Room # 419, 419 A & 421, 4<sup>th</sup> Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi  
Contact: 021-32429665  
Cell: [+92 3312766771](tel:+923312766771)



[https://twitter.com/Aba\\_Ali\\_Habib](https://twitter.com/Aba_Ali_Habib)



<https://www.facebook.com/aah162>



<https://www.linkedin.com/company/aba-ali-habib-securities/>