



September
24, 2020

Economy News

C/A sees another surplus in August

Economy | Positive

Pakistan's current account again recorded a surplus in August at \$297 million, as against a deficit of \$601m in the corresponding period of previous year, reported the State Bank on Wednesday. However, the current account surplus plunged by 71 per cent compared to \$508m in July, which was revised upwards from \$424m announced earlier. (Dawn) | [Click for more info.](#)

Govt raises Rs520.5bn from T-bills

Economy | Neutral

The State Bank of Pakistan (SBP) on Wednesday sold Market Treasury Bills (MTB) worth Rs520.55 billion from the three-, five- and 12-month tenors, a press release showed. The SBP had set an auction target of Rs450bn against a maturing amount of Rs603.9bn. (Dawn) | [Click for more info.](#)

PC board endorses sale of majority stake in PSM

Economy | Neutral

The Privatisation Commission (PC) board on Wednesday upheld its three-week-old approved transaction structure for selling a majority stake in Pakistan Steel Mills (PSM) and overruled the objections raised over the proposed transaction structure. The board's decision of not changing the previously approved transaction structure would result in foregoing approximately Rs35 billion in tax credit. (ET) | [Click for more info.](#)

Oil & Gas

SSGC cautions gas shortage to double as supply from five fields halts

SSGC | Negative

State-owned Sui Southern Gas Company (SSGC) has warned the government of an imminent gas shortfall to double in the coming winters as supply from five fields comes to a halt, its spokesperson said on Wednesday. SSGC spokesperson told The News that supply from five gas fields, including Zargoun, Sinjhor, Kunar Pasaki, Sujawal and Nurbagla stopped to cause 150 million metric cubic feet per day (mmcf) gas shortage at present. (The News) | [Click for more info.](#)

Listed LPG marketing co involved in money laundering: DI&I-R

LPG | Negative

According to details, the Directorate claimed that this listed LPG marketing company involved in organized financial crime and complex accounting techniques to evade taxes and money laundering through clandestine transactions. (BR) | [Click for more info.](#)

Power

CCoE to consider IPPs report today

Power | Neutral

Official sources told Business Recorder that Power Division will give detailed presentation on the MoUs signed with the IPPs along with estimated financial impact of the pacts on circular debt, consumer end tariff and other benefits during the next 7-10 years. (BR) | [Click for more info.](#)

CPPA-G seeks Re0.99 hike in Discos' tariffs for August

Power | Neutral

Central Power Purchasing Agency-Guaranteed (CPPA-G) has sought an increase of Re 0.99 per unit in tariffs of Discos for August 2020 under monthly fuel price adjustment mechanism. National Electric Power Regulatory Authority (Nepra) will hold a public hearing on September 30, 2020 to consider generation data of August 2020 to determine increase in tariff. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,734.2	29,754.6	20.4	0.1%
KSE100	41,828.9	41,876.3	47.3	0.1%
KSE30	17,696.6	17,674.1	-22.5	-0.1%
KMI30	67,186.4	67,040.4	-146.1	-0.2%

Top Five Gainers

	Open	Close	Chg.	%
COLG	2,900.1	3,010.0	109.9	3.8%
IDYM	542.9	583.6	40.7	7.5%
SAPL	830.0	850.0	20.0	2.4%
MFFL	263.2	282.9	19.7	7.5%
KSBP	267.2	286.6	19.4	7.2%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
SILK	1.0	1.1	0.1	167.49
UNITY	18.0	18.0	0.1	51.81
JSLC	29.1	31.2	2.2	36.25
PTC	11.6	11.8	0.2	27.16
HASCOL	20.9	21.0	0.1	26.98

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.03	-0.83	-0.80
F-Corporates	2.00	-1.43	0.57
O/S Pakistanies	4.84	-4.78	0.06
Net	6.87	-7.04	-0.17
LIPI			
Individuals	74.23	-73.40	0.83
Companies	7.15	-3.43	3.73
Comm. Banks	1.78	-3.37	-1.59
NBFC	0.32	-0.38	-0.06
Mutual Funds	4.83	-8.55	-3.72
Other	0.95	-0.49	0.46
Brokers Proprietary	16.26	-17.22	-0.97
Insurance	2.10	-0.61	1.48
Net	107.63	-107.46	0.17

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	39.93	0.3%
Brent oil	USD/bbl.	41.77	0.1%
Gold	USD/t oz.	1863.34	-1.9%
Silver	USD/t oz.	22.78	-6.6%
Coal	USD/ton	57.20	0.6%
Steel Scrap (LME)	USD/ton	296.00	0.3%
Steel Rebar (LME)	USD/ton	455.50	0.2%
USD/PKR	Interbank	166.32	-0.1%

News Source: Local / Int'l Newspapers and websites

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REP-055



Cement

Cement export increase 5.60pc in 2 months

Cement | Positive

The exports of cement from the country witnessed an increase of 5.60 percent during the first two months of ongoing financial year (2020-21) as compare to the corresponding period of last fiscal year. The country exported cement worth US \$ 44.540 million during July-August (2020-21) as against the exports of US \$ 42.149 million during July-August (2019-20), showing growth of 5.60 percent, according to the Pakistan Bureau of Statistics (PBS). (BR) | [Click for more info.](#)

Fertilizer

Urea offtake down 8 percent; DAP sales up 180 percent

Fertilizer | Neutral

Urea offtake fell eight percent and diammonium phosphate (DAP) sales rose almost twofold year-on-year in August, a brokerage reported on Wednesday. (The News) | [Click for more info.](#)

Miscellaneous

Agha Steel all set to go public next month

Steel | Neutral

Agha Steel Industries, a Karachi-based third-generation steel-maker, is going public next month with its initial public offering (IPO), intending to raise around Rs5 billion for capacity expansion. (ET) | [Click for more info.](#)

ECC approves removal of customs duties on textile sector

Textile | Positive

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday approved removal of Additional Customs Duties (ACDs) and Regulatory Duties (RDs) on selected HS Codes (Harmonized System Codes) of textile sector. The ECC, in the meeting held, approved removal of Additional Customs Duties (ACDs) and Regulatory Duties (RDs) on selected HS Codes of textile sector, including fibers, yarns and fabrics of Nylon, Viscose, Acrylic, Rayon, Silk, Wool and vegetable based fibers like Hemp ets, said a press release issued by Ministry of Commerce here. (BR) | [Click for more info.](#)

Covid-19: Saudi Arabia lifts ban on flights from Pakistan

PIAA | Positive

Saudi Arabia on Wednesday lifted a ban on international flights coming from Pakistan after the latter's success in controlling the coronavirus outbreak. In a NOTAM (Notice to Airmen), the Saudi Arabia government has banned all flights coming from India, Brazil and Argentina over their failure to control Covid-19 outbreak. (PT) | [Click for more info.](#)

ECC opens up another border crossing for trade with Afghanistan

Economy | Positive

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday approved notification of Kharlachi as another border crossing with Afghanistan for trade, removed duties on selected textile items and waived Rs13 billion loan guarantee fee on Chinese loans for nuclear power plants. (Dawn) | [Click for more info.](#)

Financial advisers invited to tap foreign debt market

Economy | Neutral

The government on Wednesday invited applications from financial advisers to launch Eurobonds or sukuk in the international market, reviving a plan that was put on hold for almost a year. (The News) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	41,876.3	47.35	0.11%
HK - Hang Seng	23,742.5	25.66	0.11%
CHINA - Shanghai	3,279.7	5.41	0.17%
PHILP - PSEI	5,892.7	-1.56	-0.03%
INDONESIA - IDX	4,918.0	-16.13	-0.33%
KSA - Tadawul	8,244.8	-46.53	-0.56%
Taiwan - TWII	12,583.9	-61.63	-0.49%
INDIA - SENSEX	37,668.4	-65.66	-0.17%
US - S&P 500	3,236.9	-78.65	-2.37%
US - Dow 30	26,763.1	-525.05	-1.92%

Board Meetings

Scrip	Day	Agenda	Time
FSWL	THURSDAY	ANN A/C - 30JUN20	9:00 AM
FIL	THURSDAY	ANN A/C - 30JUN20	9:30 AM
BERG	THURSDAY	ANN A/C - 30JUN20	10:00 AM
BCML	THURSDAY	ANN A/C - 30JUN20	10:30 AM
RCML	THURSDAY	ANN A/C - 30JUN20	10:30 AM
NCPL	THURSDAY	ANN A/C - 30JUN20	11:30 AM
AWWAL	THURSDAY	ANN A/C - 30JUN20	12:00 PM
ELSM	THURSDAY	ANN A/C - 30JUN20	12:00 PM
IBLHL	THURSDAY	ANN A/C - 30JUN20	12:00 PM
SFL	THURSDAY	ANN A/C - 30JUN20	12:00 PM
FEROZ	THURSDAY	ANN A/C - 30JUN20	12:30 PM
JDMT	THURSDAY	ANN A/C - 30JUN20	12:30 PM
PRWM	THURSDAY	ANN A/C - 30JUN20	12:30 PM
TOMCL	THURSDAY	ANN A/C - 30JUN20	12:30 PM
KASBM	THURSDAY	ANN A/C - 30JUN20	1:00 PM
NAGC	THURSDAY	ANN A/C - 30JUN20	1:00 PM
SAZEW	THURSDAY	ANN A/C - 30JUN20	1:15 PM
PAKMI	THURSDAY	ANN A/C - 30JUN20	2:00 PM
GADT	THURSDAY	ANN A/C - 30JUN20	2:30 PM
PMI	THURSDAY	ANN A/C - 30JUN20	3:00 PM
KOHE	THURSDAY	ANN A/C - 30JUN20	3:00 PM
SAPT	THURSDAY	ANN A/C - 30JUN20	4:00 PM
CJPL	FRIDAY	ANN A/C - 30JUN20	11:00 AM
MUREB	FRIDAY	ANN A/C - 30JUN20	11:00 AM
SHEZ	FRIDAY	ANN A/C - 30JUN20	11:00 AM
ISIL	FRIDAY	ANN A/C - 30JUN20	11:30 AM
TOWL	FRIDAY	ANN A/C - 30JUN20	11:30 AM
ZTL	FRIDAY	ANN A/C - 30JUN20	12:30 PM
TREET	FRIDAY	ANN A/C - 30JUN20	1:00 PM
AKGL	FRIDAY	ANN A/C - 30JUN20	2:30 PM
BFMOD	FRIDAY	ANN A/C - 30JUN20	3:30 PM
TSBL	FRIDAY	ANN A/C - 30JUN20	3:30 PM
FANM	FRIDAY	ANN A/C - 30JUN20	4:00 PM
DWMTM	FRIDAY	ANN A/C - 30JUN20	4:30 PM
ADMM	FRIDAY	ANN A/C - 30JUN20	5:00 PM
DKTM	FRIDAY	ANN A/C - 30JUN20	5:30 PM
DMTM	FRIDAY	ANN A/C - 30JUN20	6:30 PM
DFSM	FRIDAY	ANN A/C - 30JUN20	7:30 PM
DSFL	FRIDAY	ANN A/C - 30JUN20	8:30 PM
DWAE	FRIDAY	ANN A/C - 30JUN20	9:30 PM
BUXL	SATURDAY	ANN A/C - 30JUN20	10:00 AM
ECOP	SATURDAY	ANN A/C - 30JUN20	10:00 AM

Source: PSX



Political News

PML-N leader's call on COAS kicks up storm

In a startling revelation that further jolted the anti-establishment image of the main opposition Pakistan Muslim League-Nawaz (PML-N), Pakistan Army on Wednesday disclosed that former Sindh governor Mohammad Zubair had twice reached out to Chief of the Army Staff Gen Qamar Javed Bajwa and discussed political and legal woes of deposed prime minister Nawaz Sharif and his daughter Maryam Nawaz in the past few weeks. (Dawn) | [Click for more info.](#)

International News

Asian stocks open lower as faith in global recovery slips

Asian stocks opened lower on Thursday, tracking a sharply lower Wall Street session amid fresh concerns that the global economic recovery is running out of steam. (Reuters) | [Click for more info.](#)

Oil falls on fuel demand growth concerns as coronavirus lingers

Oil futures fell on Thursday on concerns the economic recovery in the United States, the world's biggest oil consumer, is slowing as the coronavirus outbreak lingers and a resurgence in European cases led to new travel restrictions there. (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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