



January
25, 2021

Economy News

World Bank presents partnership framework

Economy | Neutral

Under the World Bank partnership framework, the bank will focus on four main areas along with improved governance, education, healthcare, inclusive growth, green and clean Pakistan, said World Bank Country Head for Pakistan Najy Benhassine. (ET) | [Click for more info.](#)

Foreign investment cos; Govt to provide all possible facilities: PM

Economy | Positive

Prime Minister Imran Khan on Friday said that as Pakistan offered ample opportunities of investment, the government will extend all possible facilities to the foreign companies for investment in the country's diverse sectors. (BR) | [Click for more info.](#)

PTI govt plans to sell 10 more entities

Economy | Neutral

The Pakistan Tehreek-e-Insaf (PTI) government is considering privatizing 10 more entities including Zarai Taraqiati Bank Limited (ZTBL) and two gas utility companies amid slow progress on one and a half dozen enterprises that have already been picked for privatization. The Utility Stores Corporation (USC) is also among the 10 entities that the Ministry of Privatization has recently shortlisted for privatization in the next phase, according to officials. (ET) | [Click for more info.](#)

Monetary policy: SBP leaves interest rate unchanged at 7%

Economy | Neutral

The State Bank of Pakistan (SBP) left the benchmark interest rate unchanged at 7% for the next two months. The MPC noted that since the last meeting in November, the domestic recovery has gained some further traction. Most economic activity data and indicators of consumer and business sentiment have shown continued improvement. As a result, there are upside risks to the current growth projection of slightly above 2% in FY21. (ET) | [Click for more info.](#)

Pakistan sticks to Chinese collaboration in agriculture sector

Economy | Neutral

Pakistan is preparing a plan to include agriculture sector projects in the Chinese-funded corridor building framework. Ministry of food security initiated the preparation of the plan as part of the second phase of China-Pakistan Economic Corridor (CPEC) framework. (The News) | [Click for more info.](#)

Oil & Gas

Emergency tender; Pakistan LNG seeks more cargoes

Gas | Positive

Pakistan LNG is seeking three liquefied natural gas (LNG) cargoes through an emergency tender, its second this week, as the country grapples with gas shortages, industry sources said. Pakistan LNG, a government subsidiary that procures LNG from the international market, is seeking three cargoes for delivery over March 11 to 12, March 18 to 19 and March 24 to 25 in a tender that closes on Jan. 26 and is valid for the same day, two sources said. (BR) | [Click for more info.](#)

Licenses for RLNG-based fuel stations allowed

OMCs | Positive

In a bid to revive the CNG sector, the government has abolished restrictions on fresh licenses, but all the stations are likely to be shifted to imported regasified natural gas from the natural gas in phases. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	31,913.9	31,840.9	-72.9	-0.2%
KSE100	45,984.5	45,868.0	-116.4	-0.3%
KSE30	19,148.2	19,061.0	-87.2	-0.5%
KMI30	73,271.4	72,850.2	-421.2	-0.6%

Top Five Gainers

	Open	Close	Chg.	%
RMPL	10,479.0	10,890.0	411.0	3.9%
ICI	842.1	859.1	17.0	2.0%
WYETH	1,000.0	1,017.0	17.0	1.7%
FZCM	198.8	213.7	14.9	7.5%
SAPT	1,041.3	1,054.0	12.7	1.2%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
KEL	4.3	4.1	-0.1	54.06
FFL	19.1	19.2	0.0	24.68
ICIBL	2.7	3.5	0.8	23.73
PIBTL	12.8	13.1	0.2	21.73
FFBL	27.2	28.0	0.8	21.00

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	-0.01	-0.01
F-Corporates	1.61	-3.48	-1.88
O/S Pakistanies	5.23	-3.95	1.28
Net	6.84	-7.45	-0.61
LIPI			
Individuals	89.56	-88.71	0.85
Companies	8.90	-6.05	2.85
Comm. Banks	6.41	-5.15	1.26
NBFC	0.01	-0.02	-0.01
Mutual Funds	3.78	-4.76	-0.99
Other	0.23	-0.59	-0.36
Brokers Proprietary	21.73	-22.40	-0.68
Insurance	2.17	-4.49	-2.32
Net	132.78	-132.17	0.61

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	52.27	-1.6%
Brent oil	USD/bbl.	55.41	-1.2%
Gold	USD/t oz.	1855.62	-0.8%
Silver	USD/t oz.	25.49	-1.7%
Coal	USD/ton	90.75	-0.3%
Steel Scrap (LME)	USD/ton	457.00	0.1%
Steel Rebar (LME)	USD/ton	632.00	-0.3%
USD/PKR	Interbank	160.82	0.0%

News Source: Local / Int'l Newspapers and websites

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CCOE opposes LNG supply guarantee

Gas | **Positive**

The Cabinet Committee on Energy (CCOE) has emphasized that in future the government should not guarantee any liquefied natural gas (LNG) supplies, which should be based on a competitive market mechanism. So far, the government has guaranteed LNG supplies which has exposed state-run gas companies to financial risk. Already, a foreign commodity trading company has filed a case against state-run Pakistan State Oil (PSO). (ET) | [Click for more info.](#)

MoU with K-Electric for charging stations only preliminary: Shell

SHEL | **Neutral**

Shell Pakistan Limited (SPL) has clarified that the memorandum of understanding (MoU) signed with K-Electric to explore the possibility of electric charging stations, initially at three locations in Karachi, is "only preliminary and nothing concrete has been finalised so far". (PT) | [Click for more info.](#)

Power

Govt. IPPs ink 'initial' agreements

IPPS | **Positive**

The government and around two dozen Independent Power Producers (IPPs) are said to have initialled the agreements, subject to approval from the boards and government of Pakistan. The government, sources said, has also conveyed its consent to pay 40 percent of Rs.450 billion as a first instalment soon after the signing of final agreements whereas 60 percent will be paid in one go during the next fiscal year i.e. after July this year. (BR) | [Click for more info.](#)

RLNG supply to KE's new unit; PD directed to play role in signing of pact

KEL | **Neutral**

The Cabinet Committee on Energy (CCoE) has directed Petroleum Division (PD) to play its role in accordance with the relevant laws/rules in signing required agreement(s) with PLL and KE for RLNG supply to KE's new unit while ring fencing old KE receivables issue related to indigenous gas supply. (BR) | [Click for more info.](#)

Cement

New construction projects; Ordinance increases maximum estimated project life

Cement | **Positive**

The maximum estimated project life for new construction projects have been extended from 2.5 years to 3.5 years for developers and builders under the Income Tax (Amendment) Ordinance, 2021. Sharing salient features of the newly promulgated ordinance, Asif S Kasbati, Karachi based leading tax expert and ICAP Fiscal Laws Committee Members highlighted that the construction amnesty scheme is no more applicable for Tax Year 2020 after promulgation of the Income Tax (Amendment) Ordinance, 2021. (BR) | [Click for more info.](#)

Transport

Voluntary separation scheme; President approves Rs9.5bn grant for PIA

PIAA | **Positive**

President Arif Alvi on Saturday approved funds worth Rs9.5 billion for Pakistan International Airlines (PIA) voluntary separation scheme. After approval of the president Alvi, the finance secretary has also approved the transfer of funds to PIA. It is pertinent to mention here that over 1,300 employees of the airline had submitted applications seeking early retirement under the voluntary separation scheme (VSS).—INP (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - S&P 500	3,841.5	-11.60	-0.30%
CHINA - Shanghai	3,606.8	-14.51	-0.40%
KSA - Tadawul	8,829.5	-46.97	-0.53%
PHILP - PSEi	7,045.8	-94.46	-1.32%
INDONESIA - IDX	6,307.1	-106.76	-1.66%
PAK (KSE-100)	45,868.0	-116.42	-0.25%
Taiwan - TWII	16,019.0	-134.74	-0.83%
US - Dow 30	30,997.0	-179.03	-0.57%
HK - Hang Seng	29,447.9	-479.91	-1.60%
INDIA - SENSEX	48,878.5	-746.22	-1.50%

Board Meetings

Scrip	Day	Agenda	Time
FFL	Monday	ANN A/c 31-Dec-20	11:00 AM
JSML	Monday	1Q A/c 31-Dec-20	11:30 AM
SHSML	Monday	1Q A/c 31-Dec-20	11:30 AM
FFBL	Tuesday	ANN A/c 31-Dec-20	10:30 AM
ALNRS	Tuesday	1Q A/c 31-Dec-20	11:30 AM
NRL	Tuesday	HY A/c 31-Dec-20	2:00 PM
APL	Tuesday	HY A/c 31-Dec-20	3:00 PM
AHL	Tuesday	HY A/c 31-Dec-20	4:00 PM
ATRL	Tuesday	HY A/c 31-Dec-20	4:00 PM
ACPL	Tuesday	HY A/c 31-Dec-20	6:00 PM
AABS	Wednesday	1Q A/c 31-Dec-20	10:30 AM
HCAR	Wednesday	3Q A/c 31-Dec-20	11:30 AM
BAHL	Wednesday	ANN A/c 31-Dec-20	12:00 PM
HINO	Wednesday	3Q A/c 31-Dec-20	12:30 PM
HABSM	Wednesday	1Q A/c 31-Dec-20	1:00 PM
MFFL	Wednesday	ANN A/c 30-Sep-20	2:00 PM
POL	Wednesday	HY A/c 31-Dec-20	5:00 PM
COLG	Wednesday	HY A/c 31-Dec-20	5:00 PM
PCAL	Thursday	HY A/c 31-Dec-20	9:00 AM
FFC	Thursday	ANN A/c 31-Dec-20	9:30 AM
ARPL	Thursday	1Q A/c 31-Dec-20	11:00 AM
ICI	Thursday	HY A/c 31-Dec-20	11:00 AM
MIRKS	Thursday	1Q A/c 31-Dec-20	11:00 AM
NRSL	Thursday	HY A/c 31-Dec-20	11:30 AM
FRSM	Thursday	ANN A/c 30-Sep-20	12:30 PM
SANSM	Thursday	1Q A/c 31-Dec-20	12:30 PM
SHJS	Thursday	1Q A/c 31-Dec-20	12:30 PM
SML	Thursday	1Q A/c 31-Dec-20	12:30 PM
SIEM	Thursday	1Q A/c 31-Dec-20	1:00 PM
HSM	Thursday	1Q A/c 31-Dec-20	2:00 PM
ISL	Thursday	HY A/c 31-Dec-20	3:00 PM
ASL	Thursday	HY A/c 31-Dec-20	3:30 PM
DWSM	Thursday	1Q A/c 31-Dec-20	3:30 PM

Source: PSX



Aftermath of dubious pilot licenses controversy: UN cautions staff not to fly by any Pakistan-registered airline

PIAA | **Negative**

The United Nations has cautioned staff of all its agencies worldwide not to travel by any Pakistan-registered airline, including the national flag carrier, because of concerns over the allegedly dubious flying licences of its pilots. (The News) | [Click for more info.](#)

Pakistan to inject \$35m to save Roosevelt Hotel: magazine

PIAA | **Neutral**

Pakistan is considering injecting \$35.58 million as second bailout package for the Roosevelt Hotel in Manhattan, New York, that is owned by Pakistan International Airlines Investment Limited (PIAIL), a hotel industry magazine reported on Friday. (Dawn) | [Click for more info.](#)

Miscellaneous

Govt. okays Russian vaccine for 'emergency use'

Pharmaceutical | **Positive**

The government has allowed another vaccine against Covid-19 under "emergency use authorization" and given a go-ahead to a local pharmaceutical company for the import and distribution of the Russian-developed Sputnik V, an official confirmed on Saturday. (Dawn) | [Click for more info.](#)

Pharmaceutical exports increase 23.62pc in 1st half of FY2020-21

Pharmaceutical | **Positive**

The exports of pharmaceutical products from the country witnessed an increase of 23.62 percent during the first half of ongoing financial year (2020-21) as compared to the exports of corresponding period of last year. The pharmaceutical exports were recorded at \$138.751 million during July-December (2020-21) as against the export of \$112.238 million during July-December (2019-20), showing growth of 23.62 percent, according to the Pakistan Bureau of Statistics (PBS). (The Nation) | [Click for more info.](#)

Private sector borrowing up by 65pc in December

Banks | **Positive**

Private sector borrowing from banks — said to be the most important macro indicator — went up sharply by over 65 per cent in December 2020, latest data issued by the State Bank (SBP) shows. (Dawn) | [Click for more info.](#)

Govt. to abolish duties on raw material

Economy | **Positive**

Regulatory and additional duties on raw material, which is not produced locally, will be abolished, said Adviser to Prime Minister on Commerce and Investment Abdul Razak Dawood. He said that customs duty applicable on such inputs would also be reduced by the government in a bid to make Pakistani products more competitive in the global market. He announced that banking agreements with Afghanistan and Uzbekistan were in progress and once these agreements come into effect, trade with the two countries will be regularized. (ET) | [Click for more info.](#)

Pakistan to get 5G by 2022-23

Tech. & Communication | **Neutral**

Pakistan has kick-started its journey to make the most advanced 5G internet commercially available to consumers in 2022-23, which would accelerate the download speed 10 times to one gigabit per second (Gbps) and widen economic activities significantly in the country. (ET) | [Click for more info.](#)



Govt. to implement 'EV Policy for 4-Wheelers' soon: Fawad

Autos | Natural

Federal Minister for Science Technology Fawad Chaudhry has announced that the government will soon finalize the mechanism for the successful implementation of 'EV Policy for 4-Wheelers' in country to boost economy, reduce pollution levels and generate employment in the transport sector.

(BR) | [Click for more info.](#)

Bovines' meat; Export refinance facility allowed

Food | Neutral

The State Bank of Pakistan (SBP) has allowed export refinance facility under the Export Finance Scheme for the export of meat of bovine animals. The SBP has made some changes made in the negative list and in this regard, the SBP has advised that exports of meat of bovine animals, fresh or chilled (HS Code 0201), and meat of sheep or goats, fresh, chilled or frozen (HS Code 0204) have been made eligible for export refinance facility under the Export Finance Scheme.

(BR) | [Click for more info.](#)

Political News

Biden administration urged to see Pakistan beyond Afghanistan prism

Prime Minister's Special Assistant on National Security Dr Moeed Yusuf has said Pakistan wants to pursue a bilateral relationship with the US that is not hyphenated or clouded by US interests in other regional countries but is based on mutual understanding. (ET) | [Click for more info.](#)

International News

Asian shares under pressure on rising coronavirus cases

Asian shares were on the defensive on Monday as rising COVID-19 cases and doubts over the ability of vaccine makers to supply the promised doses on time soured risk appetite. (Reuters) | [Click for more info.](#)

Big Oil hits brakes on search for new fossil fuels

Top oil and gas companies sharply slowed their search for new fossil fuel resources last year, data shows, as lower energy prices due to the coronavirus crisis triggered spending cuts. (Reuters) | [Click for more info.](#)

Weekly Energy Recap: Despite long-term challenges, oil prices remain in healthy range

Oil prices have been stable since early January, with Brent crude price hovering around \$55. Brent crude closed the week slightly higher at \$55.41 per barrel, while West Texas Intermediate (WTI) closed slightly lower at \$52.27 per barrel. Oil price movement since early January in a narrow range above \$50 is healthy, despite pessimism over an increase in oil demand, while expectations of US President Joe Biden taking steps to revive energy demand growth are still doubtful. (Zawya) | [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%

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