



November
25, 2020

Economy News

Covid-19 could spiral out of control: Umar

Economy | Negative

Federal Minister for Planning and Development Asad Umar has said that the countrywide surge in coronavirus cases is getting worse, and if timely precautionary measures are not taken, there will be no beds available for patients in hospitals as happened in June this year. (BR) | [Click for more info.](#)

Cabinet approves G-20 moratorium on \$2.7bn loans

Economy | Positive

Federal cabinet on Tuesday nodded to suspension of bilateral loan repayments worth \$2.7 billion announced by G-20 countries in April to free up monetary resources for Pakistan. (The News) | [Click for more info.](#)

Oil & Gas

Mari enters in JV for mining projects in Balochistan

MARI | Positive

Mari Petroleum Company Ltd disclosed to the PSX that the company (MPCL) was entering into a joint venture arrangement for potential mining projects in Balochistan. (Dawn) | [Click for more info.](#)

POL import bill shrinks 24.56 pc to \$3.153bn in 4 months

Oil | Positive

The imports of overall petroleum group declined by 24.56 percent during the first four months of the current fiscal year (FY2020-21) as compared to the corresponding period of the last year. During the period under review, the total imports of the petroleum group stood at \$3.153 billion, as against the imports of \$4.180 billion last year, according to the latest data issued by the Pakistan Bureau of Statistics (PBS). | [Click for more info.](#)

Power

IPPs refuse to accept Rs400bn proposed payment

Power | Negative

Independent Power Producers (IPPs) Tuesday reportedly refused to accept federal government's proposed payment of Rs400 billion in three years, terming it as violation of already signed Memorandum of Understandings (MoUs). (BR) | [Click for more info.](#)

Regulator suspends hearing for 86-paisa per unit hike in base power tariff

Power | Neutral

In a rare move, the National Electric Power Regulatory Authority (Nepra) on Tuesday suspended a public hearing on 86 paisa per unit increase in electricity rates in base tariff for ex-Wapda distribution companies (Discos) over non-serious attitude of the top managements of these entities. (Dawn) | [Click for more info.](#)

Cement

Local cement sales likely to decline 27pc MoM in Nov

Cement | Negative

The onset of the winter season is likely to weigh in on cement sales in November as local dispatches are likely to fall by 23-27pc MoM, but up 2-6pc YoY. (PT) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	27,932.1	28,058.9	126.8	0.5%
KSE100	39,632.5	39,863.4	230.8	0.6%
KSE30	16,693.5	16,751.7	58.2	0.3%
KMI30	63,049.5	63,526.4	476.9	0.8%

Top Five Gainers

	Open	Close	Chg.	%
MARI	1,277.3	1,306.1	28.8	2.3%
SUTM	351.0	377.0	26.0	7.4%
MTL	941.1	964.5	23.3	2.5%
BATA	1,371.0	1,390.0	19.0	1.4%
MFFL	253.3	272.3	19.0	7.5%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
UNITY	23.1	23.6	0.5	19.01
MLCF	37.4	37.1	-0.3	14.52
TRG	51.1	52.0	0.9	12.67
HUMNL	6.3	6.7	0.4	10.85
PRL	16.9	17.1	0.2	7.98

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	1.89	0.00	1.66
F-Corporates	1.84	-2.52	-0.67
O/S Pakistanies	3.83	-4.09	-0.26
Net	5.69	-6.61	-0.93
LIPI			
Individuals	54.23	-53.61	0.62
Companies	3.19	-3.52	-0.34
Comm. Banks	1.80	-2.84	-1.04
NBFC	0.84	-0.86	-0.03
Mutual Funds	5.15	-4.89	0.26
Other	0.44	-0.17	0.27
Brokers Proprietary	13.43	-12.78	0.66
Insurance	1.79	-1.26	0.53
Net	80.86	-79.94	0.93

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	44.91	4.3%
Brent oil	USD/bbl.	47.86	3.9%
Gold	USD/t oz.	1807.59	-1.6%
Silver	USD/t oz.	23.27	-1.4%
Coal	USD/ton	68.65	0.4%
Steel Scrap (LME)	USD/ton	319.00	0.0%
Steel Rebar (LME)	USD/ton	486.00	-0.6%
USD/PKR	Interbank	160.85	-0.2%

News Source: Local / Int'l Newspapers and websites

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REP-055



Miscellaneous

FAW Announces a Massive Discount on Its Entire Car Lineup

Autos | Neutral

FAW Pakistan has announced via their social media account, a “Mega Year-End Offer” on their light vehicle lineup. As per the offer, buyers can get Rs. 50,000 discount on the manufacturer’s suggested retail price (MSRP) of the entire light vehicle lineup, which includes the V2 hatchback, the XPV passenger van, and the Carrier light pickup truck. (Propakistani) | [Click for more info.](#)

Agha Steel gets contract

AGHA | Positive

The Military Engineering Services (MES) of the Pakistan Army has enlisted Agha Steel Industries Ltd as the manufacturer-cum-supplier of deformed steel bars for its projects. (The News) | [Click for more info.](#)

Panther Tyres applies for listing at PSX

Autos | Positive

According to the notification issued by the PSX, the company has planned to issue 40 million ordinary shares at a floor price of Rs47 per share. The company wanted to raise funds for the expansion of its operations and businesses in the local market and export segments. The total expansion cost was estimated to be Rs3.066 billion and was to be financed by a mixture of Debt and Equity in the Debt to Equity proportion of 37.5 to 62.5. (PT) | [Click for more info.](#)

Duties waived on PPEs

Pharmaceutical | Positive

The Federal Board of Revenue (FBR) has exempted customs duty, regulatory duty and additional customs duty on import of 61 diagnostic support and personal protective equipment (PPEs) for a period of seven months in order to reduce the rising prices in the domestic market. (Dawn) | [Click for more info.](#)

Sindh imposes fresh Covid restrictions, limits business timings from 6am to 6pm

Economy | Negative

The Sindh government has imposed more restrictions to curb the spread of novel coronavirus amid second wave which include mandatory face masks wearing, ban on indoor weddings, and work from home policy among others. (ET) | [Click for more info.](#)

International News

Oil takes breather after vaccine rally as stockpiles rise

U.S. oil edged lower on Wednesday, after an industry report showed crude stockpiles in the United States rose against expectations, tempering a rally driven by news that another vaccine against COVID-19 had proved effective in trials. (Reuters) | [Click for more info.](#)

Stocks rise as vaccines, Biden presidency lift global confidence

Asian stocks made early gains on Wednesday, following a world rally overnight that saw the Dow Jones benchmark crack 30,000 for the first time as investors cheered a dramatically improved global outlook. (Reuters) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - Dow 30	30,046.2	454.97	1.54%
INDIA - SENSEX	44,523.0	445.87	1.01%
PAK (KSE-100)	39,863.4	230.84	0.58%
HK - Hang Seng	26,588.2	102.00	0.39%
US - S&P 500	3,635.4	57.82	1.62%
INDONESIA - IDX	5,701.0	48.27	0.85%
KSA - Tadawul	8,636.1	25.30	0.29%
CHINA - Shanghai	3,402.8	-11.67	-0.34%
PHILIP - PSEi	7,108.7	-69.95	-0.97%
Taiwan - TWII	13,807.1	-70.88	-0.51%

Board Meetings

Scrip	Day	Agenda	Time
QUICE	Thursday	1Q A/C - 30SEP20	10:30 AM
WAHN	Thursday	1Q A/C - 30SEP20	12:00 PM
SIEM	Thursday	ANN A/C - 30SEP20	1:00 PM
HINO	Friday	HY A/C - 30SEP20	10:00 AM
KEL	Friday	1Q A/C - 30SEP20	10:30 AM
ASC	Friday	1Q A/C - 30SEP20	11:15 AM
ARUJ	Friday	1Q A/C - 30SEP20	12:00 PM
DSL	Friday	1Q A/C - 30SEP20	3:30 PM
FZCM	Friday	1Q A/C - 30SEP20	3:30 PM
SSGC	Saturday	3Q A/C - 31MAR20	10:00 AM
SILK	Saturday	3Q A/C - 30SEP20	12:00 PM
EXIDE	Saturday	HY A/C - 30SEP20	3:00 PM

Source: PSX



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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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