



April 27,  
2022

## Economy

**Miftah, others hold talks with key global bond investors**

**Economy | Neutral**

The meeting with investors was hosted by JP Morgan, at its European Headquarters in London. More than 30 global investors in global debt markets, representing asset managers, sovereign wealth funds and hedge funds from North America, Europe, Middle East and Asia attended the meeting. (BR) | [Click for more info.](#)

**Experts predict hike in inflation as Pakistan agrees to roll back fuel subsidy**

**Economy | Negative**

Pakistan's decision to roll back fuel subsidies as it seeks to revive the International Monetary Fund (IMF) Extended Fund Facility (EFF) could mean a spike in the country's inflation rate, which is already soaring. Inflation could rise from 12% to over 15%, says analyst. (BR) | [Click for more info.](#)

**Ground ready for another interest rate hike**

**Economy | Negative**

The Karachi Inter-Bank Offered Rate (Kibor) on Tuesday reached a 13-year high at 14.1 per cent, reflecting the growing pressure for another interest rate hike to counter a number of factors already challenging the current policy rate. (Dawn) | [Click for more info.](#)

**Nine months: fiscal deficit stands at 4pc of GDP**

**Economy | Negative**

The country's overall fiscal deficit during the first three quarters of the current fiscal year – July-March 2021-22 – stood at Rs2,565 billion or four percent of the GDP, according to the Finance Ministry. (BR) | [Click for more info.](#)

## Oil & Gas

**KSA offered sites in Hub, Gwadar to set up oil refinery**

**PSO | Positive**

Pakistan has offered two locations- Hub and Gwadar, to Saudi Arabia for establishment of oil refinery in Pakistan, official sources told. Petroleum Division will consult Pakistan State Oil (PSO) to set milestones which need to be achieved in the near future and which may be shared with Ministry of Foreign Affairs (MoFA) for onward transmission to ARAMCO regarding establishment of refinery. (BR) | [Click for more info.](#)

**Diesel crisis may linger as port congestion delays supplies**

**Oil | Neutral**

At least six oil vessels are at anchor or adrift, waiting to be unloaded as an import surge strains handling capacity at the Port Qasim, potentially adding to the ongoing diesel crisis in the country, officials said. (The News) | [Click for more info.](#)

## Power

**Acute fuel shortage; Hubco on the verge of shutdown**

**HUBCO | Negative**

M/s Hub Power Company (Hubco) has once again raised the issue of acute shortage of RFO in the country and the immediate need to settle overdue receivables to ensure uninterrupted availability of its plants for despatch. (BR) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	31,292.7	31,116.3	-176.5	-0.6%
KSE100	46,073.3	45,817.7	-255.6	-0.6%
KSE30	17,840.6	17,732.8	-107.8	-0.6%
KMI30	75,562.3	74,953.7	-608.6	-0.8%

### Top Five Gainers

	Open	Close	Chg.	%
NESTLE	5,700.0	5,850.0	150.0	2.6%
BHAT	1,370.0	1,470.0	100.0	7.3%
FZCM	265.0	279.0	14.0	5.3%
FIMM	149.3	160.4	11.2	7.5%
SIEM	609.0	617.0	8.0	1.3%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
GTECH	11.1	11.7	0.7	18.85
LOTCHEM	20.4	22.0	1.5	17.92
HUMNL	8.5	8.3	-0.3	14.30
WTL	1.7	1.7	0.0	11.61
TELE	14.2	14.4	0.2	11.42

### 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	4.16	-3.48	0.68
<b>Net</b>	<b>4.73</b>	<b>-5.20</b>	<b>-0.48</b>
<b>LIPI</b>			
Individuals	42.12	-42.14	-0.02
Companies	8.60	-6.82	1.78
Comm. Banks	2.10	-4.72	-2.62
NBFC	0.03	-0.05	-0.02
Mutual Funds	2.31	-3.14	-0.83
Other	0.69	-0.66	0.03
Brokers Proprietary	20.80	-17.52	3.28
Insurance	0.43	-1.55	-1.12
<b>Net</b>	<b>77.08</b>	<b>-76.60</b>	<b>0.48</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	101.70	3.2%
Brent oil	USD/bbl.	104.61	2.4%
Gold	USD/t oz.	1905.24	0.4%
Silver	USD/t oz.	23.51	-0.5%
Coal	USD/ton	299.10	-0.8%
Steel Scrap (LME)	USD/ton	619.00	0.2%
Steel Rebar (LME)	USD/ton	935.00	0.5%
USD/PKR	Interbank	185.62	-0.2%

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

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**REP-055**



## Cement

**Maple Leaf expansion of 2.1 million ton to come online in 8 months**

**MLCF | Positive**

Maple Leaf Cement Company (MLCF) has started its capacity enhancement project of 7000 tpd at Line 4 on its existing plant site, according to information shared by the company. (Augaf) | [Click for more info.](#)

## Miscellaneous

**Output of telecom activities estimated at Rs492.956bn**

**Telecom | Positive**

The output of the telecommunication activities has been estimated at Rs492.956 billion, whereas, intermediate consumption is Rs178.567 billion resulting in a Gross Value Added (GVA) of Rs314.389 billion for 2015-16, says the Pakistan Bureau of Statistics (PBS). (BR) | [Click for more info.](#)

**Bank of Punjab Deposits grew by just Rs 15 billion in Q1 2022**

**BOP | Positive**

Bank of Punjab deposits improved by Rs.15 billion during the first quarter of 2022 on a base of Rs. 1,003 billion at the end of last year. During 1st quarter of year 2022, Bank's Net Interest Margin (NIM) improved to Rs. 8.11 billion as against Rs. 6.87 billion during 1st quarter 2021 registering a growth of 18%. (Augaf) | [Click for more info.](#)

**Food imports increases by 15.46pc in 9 months**

**Food | Neutral**

The food group imports into the country during first three quarters of current financial year increased by 15.46% as against the imports of the corresponding period of last year. During the period from July-March 2021-22, different food commodities valuing \$7.067 billion imported as against the imports of \$6.121 billion of corresponding period of last year. (PT) | [Click for more info.](#)

## Political News

**ECP indicates polls not possible before May 2023**

The Election Commission of Pakistan (ECP) on Tuesday hinted that the country may not be able to go to polls before May 2023 as certain undertakings - including the census and delimitation - remain to be carried out. (ET) | [Click for more info.](#)

## International News

**IMF official says faster U.S. rate hike could mean financial "complexities" for Asia**

The U.S. Federal Reserve's action to raise interest rate faster than expected would lead to financial "complexities" for Asia economies, especially those with debt in foreign currency, an International Monetary Fund (IMF) official said. (Mettis) | [Click for more info.](#)

**Stocks Struggle, Bonds Rise as Growth Outlook Dims: Markets Wrap**

Stocks face more pressure Wednesday as a mixed batch of U.S. earnings, China's Covid struggles and the prospect of aggressive Federal Reserve monetary tightening all point to a darkening economic outlook. (Bloomberg) | [Click for more info.](#)

**Oil settles up, rebounds on China's plans to support economy**

Oil prices settled higher on Tuesday, rebounding in volatile trading as the market weighed China's plans to support its economy against a possible coronavirus lockdown in its capital Beijing. (Reuters) | [Click for more info.](#)

### World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	57,356.6	776.72	1.37%
HK - Hang Seng	19,934.7	65.37	0.33%
Taiwan - TWII	16,644.8	23.89	0.14%
INDONESIA - IDX	7,232.2	16.17	0.22%
KSA - Tadawul	13,503.5	-39.76	-0.29%
PHILP - PSEi	6,980.0	-40.81	-0.58%
CHINA - Shanghai	2,886.4	-42.08	-1.44%
US - S&P 500	4,175.2	-120.92	-2.81%
PAK (KSE-100)	45,817.7	-255.58	-0.55%
US - Dow 30	33,240.2	-809.28	-2.38%

### Board Meetings

Scrip	Day	Agenda	Time
ATBA	Wednesday	A/c - 31Mar22	9:00 AM
FFC	Wednesday	A/c - 31Mar22	9:30 AM
BOK	Wednesday	A/c - 31Mar22	10:00 AM
BILF	Wednesday	A/c - 31Mar22	10:00 AM
GHNI	Wednesday	A/c - 31Mar22	10:00 AM
KCL	Wednesday	A/c - 31Mar22	10:00 AM
MSDL	Wednesday	A/c - 31Mar22	10:00 AM
PPL	Wednesday	A/c - 31Mar22	10:00 AM
SMBL	Wednesday	A/c - 31Mar22	10:00 AM
ALIFE	Wednesday	A/c - 31Mar22	10:30 AM
JSBL	Wednesday	A/c - 31Mar22	10:30 AM
ARPL	Wednesday	A/c - 31Mar22	10:45 AM
ARPAK	Wednesday	A/c - 31Mar22	11:00 AM
BAPL	Wednesday	A/c - 31Mar22	11:00 AM
BTL	Wednesday	A/c - 31Mar22	11:00 AM
FIBLM	Wednesday	A/c - 31Mar22	11:00 AM
MCB	Wednesday	A/c - 31Mar22	11:00 AM
ORM	Wednesday	A/c - 31Mar22	11:00 AM
PKGS	Wednesday	A/c - 31Mar22	11:00 AM
TOWL	Wednesday	A/c - 31Mar22	11:00 AM
UNITY	Wednesday	A/c - 31Mar22	11:00 AM
AGIC	Wednesday	A/c - 31Mar22	11:30 AM
ATIL	Wednesday	A/c - 31Mar22	11:30 AM
FFLM	Wednesday	A/c - 31Mar22	11:30 AM
IMAGE	Wednesday	A/c - 31Mar22	11:30 AM
MODAM	Wednesday	A/c - 31Mar22	11:30 AM
PTL	Wednesday	A/c - 31Mar22	11:30 AM
RPL	Wednesday	A/c - 31Mar22	11:30 AM
FABL	Wednesday	A/c - 31Mar22	12:00 PM
FECTC	Wednesday	A/c - 31Mar22	12:00 PM
GHNL	Wednesday	A/c - 31Mar22	12:00 PM
INKL	Wednesday	A/c - 31Mar22	12:00 PM
SPWL	Wednesday	A/c - 31Mar22	12:00 PM
SAPL	Wednesday	A/c - 31Mar22	12:00 PM
SAPT	Wednesday	A/c - 31Mar22	12:00 PM
TPLT	Wednesday	A/c - 31Mar22	12:00 PM
MFL	Wednesday	A/c - 31Mar22	12:30 PM
JSCL	Wednesday	A/c - 31Mar22	1:00 PM
FEM	Wednesday	A/c - 31Mar22	2:00 PM
PKGPK	Wednesday	A/c - 31Mar22	2:30 PM
SFL	Wednesday	A/c - 31Mar22	2:30 PM
ADMM	Wednesday	A/c - 31Mar22	3:00 PM
CENI	Wednesday	A/c - 31Mar22	3:00 PM
DADX	Wednesday	A/c - 31Mar22	3:00 PM
IGIL	Wednesday	A/c - 31Mar22	3:00 PM
LUCK	Wednesday	A/c - 31Mar22	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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