

April 28,
2022

Economy

Efforts afoot to create depth in GEM Board of PSX

Capital Market | Positive

The Pakistan Stock Exchange, Securities and Exchange Commission of Pakistan (SECP) and National Clearing Company of Pakistan Limited (NCCPL) are all aboard when it comes to making efforts to facilitate investors' participation and trading at the Growth Enterprise Market's (GEM) Board of PSX. (BR) | [Click for more info.](#)

Depletion of foreign currency reserves: Pakistan to seek additional package of \$3.2bn from KSA

Economy | Negative

Pakistan has decided to seek an additional package of \$3.2 billion from Saudi Arabia for jacking up the total facility to \$7.4 billion from the existing \$4.2 billion during the ongoing visit of Prime Minister Shehbaz Sharif, in order to avert further depletion of foreign currency reserves. (The News) | [Click for more info.](#)

China disagrees with feasibility costs Railways; ML-1 project may be shelved

Economy | Negative

Pakistan is likely to shelve the much-talked about Pakistan Railways ML-1 project due to disagreement between Islamabad and Beijing. (BR) | [Click for more info.](#)

IMF, Pakistan technical-level talks begin

Economy | Neutral

Minister of State for Finance Aisha Ghaus Pasha said on Wednesday that Pakistan and the International Monetary Fund (IMF) have started their technical level talks for an enhanced financial package from the fund. (Dawn) | [Click for more info.](#)

Pakistan needs to reduce its current account deficit: IMF

Economy | Neutral

The International Monetary Fund (IMF) has urged Pakistan to bring its current account deficit under control, an official said, as Prime Minister Shehbaz Sharif's government seeks an increase in the size and duration of the current IMF programme. (Dawn) | [Click for more info.](#)

Govt raises T-bill yields by up to 129bps

Economy | Negative

After an unexpected increase of up to 129 basis points by the government in Wednesday auction, the cut-off yields on treasury bills hit a 22-year high creating a large room for further hike in the State Bank of Pakistan (SBP) policy rate. (Dawn) | [Click for more info.](#)

Consumer price inflation to go up to 11.2pc

Economy | Negative

The International Monetary Fund (IMF) has projected Pakistan's GDP growth to moderate from 5.6 percent in 2021 to four percent in 2022 and consumer price inflation to go up from 8.9 percent in 2021 to 11.2 percent in 2022. (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. Sources in the financial sector said several factors have collectively made ground for another interest rate hike in the coming days or weeks. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	31,116.3	31,000.0	-116.3	-0.4%
KSE100	45,817.7	45,533.3	-284.4	-0.6%
KSE30	17,732.8	17,427.1	-305.7	-1.7%
KMI30	74,953.7	74,450.9	-502.8	-0.7%

Top Five Gainers

	Open	Close	Chg.	%
BHAT	1,470.0	1,537.9	67.9	4.6%
SAPT	1,139.9	1,185.0	45.2	4.0%
SAPL	903.0	930.0	27.0	3.0%
MEHT	873.0	899.0	26.1	3.0%
ISIL	470.1	486.0	15.9	3.4%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
CNERGY	6.2	6.8	0.6	63.68
PRL	16.2	17.2	1.0	26.17
GTECH	11.7	11.7	0.0	11.28
PAEL	18.0	18.0	0.0	10.17
TELE	14.4	14.0	-0.4	9.00

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	3.88	-3.25	0.63
Net	3.94	-4.01	-0.06
LIPI			
Individuals	44.30	-42.62	1.68
Companies	2.16	-2.71	-0.54
Comm. Banks	0.92	-0.79	0.13
NBFC	0.01	-0.02	-0.02
Mutual Funds	1.87	-2.53	-0.66
Other	4.11	-0.43	3.68
Brokers Proprietary	13.16	-17.17	-4.01
Insurance	0.31	-0.50	-0.19
Net	66.83	-66.77	0.06

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	102.02	0.3%
Brent oil	USD/bbl.	104.87	0.2%
Gold	USD/t oz.	1885.99	-1.0%
Silver	USD/t oz.	23.31	-0.9%
Coal	USD/ton	300.25	0.4%
Steel Scrap (LME)	USD/ton	620.00	0.2%
Steel Rebar (LME)	USD/ton	935.00	0.0%
USD/PKR	Interbank	185.45	-0.1%

News Source: Local / Int'l Newspapers and websites

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REP-055

Oil & Gas

Govt urged to reduce LPG rate by about Rs100 per kg

BPL | Neutral

The LPG Industries Association of Pakistan said that the government may provide relief by reducing the current official rate of LPG by about Rs100 per kg (50 percent). Fix/freeze the LPG producer base price at Rs40,000 per metric tonne. (BR) | [Click for more info.](#)

Power

KE's exclusivity will end next year: Nepra

KEL | Negative

National Electric Power Regulatory Authority (Nepra) said on Wednesday that K-Electric's exclusivity will end next year, after commentators from Karachi raised serious questions on power utility's performance. (BR) | [Click for more info.](#)

Nepra notifies fuel adjustment charges for KE, other power firms

KEL, Disco | Positive

National Electric Power Regulatory Authority (Nepra) Wednesday raised the power tariff by Rs2.86 per unit as Fuel Cost Adjustment (FCA) for March 2022 for ex-Wapda Discos as well as approved raise of Rs4.83 per unit as fuel adjustment charges for consumers of K-Electric (KE). (The News) | [Click for more info.](#)

Electricity Demand Up by 38% in April

Power | Neutral

The country's current power generation is about 18,500 MW and the demand for electricity has increased by 38 percent in April this year as compared to the previous year. (Propakistani) | [Click for more info.](#)

Miscellaneous

New, used car imports surge to \$244m

Autos | Negative

A massive increase in car imports has opened a debate in the auto market whether the arrival of used cars is again on the rise or it is due to the import of 12,000 units of a Chinese SUV by a new entrant. (Dawn) | [Click for more info.](#)

SBP Slaps Rs. 109 Million Fine on 4 Major Banks

AKBL, NBP | Negative

According to enforcement orders issued, the banking watchdog penalized three commercial banks and one microfinance separately with an overall penalty of Rs. 108.9 million during the first quarter of January to March 2022. Albaraka Bank has been slapped with a penalty of Rs. 40.90 million, Askari Bank Limited was fined Rs. 38.5 million, National Bank of Pakistan also faced a penalty of Rs. 19.28 million and, U Microfinance Bank was slapped with a fine of Rs. 10.2 million. (Propakistani) | [Click for more info.](#)

Small investors; SECP to make high value illiquid assets accessible

Capital Market | Neutral

The Securities and Exchange Commission of Pakistan (SECP) has taken measures to make high value illiquid assets accessible to smaller investors through asset fractionalization in Pakistan. SECP has published a concept note on "Asset Fractionalization", which is now open for public comments. (BR) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
KSA - Tadawul	13,643.9	140.42	1.04%
CHINA - Shanghai	2,958.3	71.85	2.49%
US - Dow 30	33,301.9	61.75	0.19%
HK - Hang Seng	19,946.4	11.65	0.06%
US - S&P 500	4,184.0	8.76	0.21%
INDONESIA - IDX	7,196.8	-35.38	-0.49%
PHILP - PSEi	6,863.9	-116.11	-1.66%
PAK (KSE-100)	45,533.3	-284.37	-0.62%
Taiwan - TWII	16,303.4	-341.44	-2.05%
INDIA - SENSEX	56,819.4	-537.22	-0.94%

Board Meetings

Scrip	Day	Agenda	Time
KOIL	Thursday	3Q A/c - 31Mar22	9:00 AM
PCAL	Thursday	3Q A/c - 31Mar22	9:00 AM
GEMUNSL	Thursday	3Q A/c - 31Mar22	9:00 AM
CFL	Thursday	3Q A/c - 31Mar22	9:30 AM
HUBC	Thursday	3Q A/c - 31Mar22	9:30 AM
ASL	Thursday	3Q A/c - 31Mar22	10:00 AM
EFUL	Thursday	1Q A/c - 31Mar22	10:00 AM
KOHP	Thursday	3Q A/c - 31Mar22	10:00 AM
NSRM	Thursday	3Q A/c - 31Mar22	10:00 AM
PKGI	Thursday	1Q A/c - 31Mar22	10:00 AM
PSO	Thursday	3Q A/c - 31Mar22	10:00 AM
BERG	Thursday	3Q A/c - 31Mar22	10:30 AM
NML	Thursday	3Q A/c - 31Mar22	10:30 AM
OTSU	Thursday	3Q A/c - 31Mar22	10:30 AM
ABOT	Thursday	1Q A/c - 31Mar22	11:00 AM
ASC	Thursday	3Q A/c - 31Mar22	11:00 AM
CSAP	Thursday	3Q A/c - 31Mar22	11:00 AM
FUDLM	Thursday	3Q A/c - 31Mar22	11:00 AM
FLYNG	Thursday	3Q A/c - 31Mar22	11:00 AM
GHGL	Thursday	3Q A/c - 31Mar22	11:00 AM
NBP	Thursday	1Q A/c - 31Mar22	11:00 AM
OGDC	Thursday	3Q A/c - 31Mar22	11:00 AM
PAKRI	Thursday	1Q A/c - 31Mar22	11:00 AM
POWER	Thursday	3Q A/c - 31Mar22	11:00 AM
QUICE	Thursday	3Q A/c - 31Mar22	11:00 AM
SSOM	Thursday	3Q A/c - 31Mar22	11:00 AM
THCCL	Thursday	3Q A/c - 31Mar22	11:00 AM
TPLI	Thursday	1Q A/c - 31Mar22	11:00 AM
EFUG	Thursday	1Q A/c - 31Mar22	11:15 AM
AICL	Thursday	1Q A/c - 31Mar22	11:30 AM
AGHA	Thursday	3Q A/c - 31Mar22	11:30 AM
ANL	Thursday	3Q A/c - 31Mar22	11:30 AM
BPL	Thursday	3Q A/c - 31Mar22	11:30 AM
CNERGY	Thursday	3Q A/c - 31Mar22	11:30 AM
CLVL	Thursday	3Q A/c - 31Mar22	11:30 AM
KEL	Thursday	3Q A/c - 31Mar22	11:30 AM
MTL	Thursday	3Q A/c - 31Mar22	11:30 AM
MUGHAL	Thursday	3Q A/c - 31Mar22	11:30 AM
MUREB	Thursday	3Q A/c - 31Mar22	11:30 AM
PMPK	Thursday	1Q A/c - 31Mar22	11:30 AM
POML	Thursday	3Q A/c - 31Mar22	11:30 AM
AHCL	Thursday	3Q A/c - 31Mar22	12:00 PM
CLOV	Thursday	3Q A/c - 31Mar22	12:00 PM
FTSM	Thursday	3Q A/c - 31Mar22	12:00 PM
GTYS	Thursday	3Q A/c - 31Mar22	12:00 PM
GVGL	Thursday	3Q A/c - 31Mar22	12:00 PM

Source: PSX

Political News

Imran wants 2m people to gather at Islamabad when he issues call

In an effort to mobilise maximum number of people for a rally in the federal capital, Pakistan Tehreek-e-Insaf (PTI) chairman and former prime minister Imran Khan has tasked his party's office-bearers and workers with gathering as many as two million people in Islamabad to pressurise the government to announce early elections. (BR) | [Click for more info.](#)

International News

European gas prices soar 20pc after Russia's Gazprom halts exports

European gas prices rose by a fifth on Wednesday morning after Russia's Gazprom suspended supplies to Poland and Bulgaria, saying the countries had failed to make rouble payments that were due a day earlier. (The News) | [Click for more info.](#)

Oil Slips as Investors Weigh China's Lockdowns, Russian War

Oil slipped toward \$101 a barrel as investors weighed the impact of China's Covid-19 resurgence and the fallout from Russia's war in Ukraine on global energy demand and supply. (Bloomberg) | [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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