

April 28,
2021

Economy

PM hints at lockdown in virus-hit cities

Economy | **Negative**

Prime Minister Imran Khan on Tuesday indicated that the government might go for complete lockdown in coronavirus-hit cities and stressed the need for smooth supplies of food items during lockdown. (Dawn) | [Click for more info.](#)

Pakistan gets debt relief of \$370m from Japan

Economy | **Positive**

Tokyo and Islamabad agreed on debt deferral amounting to Japanese yen 40 billion (approximately \$370 million) for making fiscal space to fight against Covid-19 in Pakistan. (ET) | [Click for more info.](#)

Fitch forecasts Pakistan's growth rate at 2.3% in FY21

Economy | **Positive**

Global rating agency Fitch on Friday has projected that Pakistan's GDP growth will rebound to 2.3% during the current fiscal year, following a contraction of 0.4% in FY20 amid high-frequency data point to strong momentum for manufacturing and consumption, but a fresh wave of coronavirus cases poses risks. (Mettis) | [Click for more info.](#)

Macroeconomic stability; Fiscal consolidation, policy reforms key to sustaining improvements: ADB

Economy | **Positive**

The Covid-19 pandemic continues to pose a major health care and economic challenge to Pakistan and continued efforts toward fiscal consolidation and policy reforms will be key to sustaining improvements in macroeconomic stability, especially in broadening the tax base and improving the business environment, says the Asian Development Bank (ADB). (BER) | [Click for more info.](#)

SBP to Launch Roshan Apni Car and Roshan Samaaji Khidmat Under RDA Initiative

Economy | **Neutral**

The State Bank of Pakistan (SBP) is launching two new initiatives under Roshan Digital Account (RDA) scheme, Roshan Apni Car and Roshan Samaaji Khidmat. (Propakistani) | [Click for more info.](#)

EAC to propose steps to boost FDI

Economy | **Neutral**

The Economic Advisory Council (EAC) is to propose establishment of a private equity fund by DFIs to help consolidate industry and bring in Foreign Direct Investment (FDI) to buy them, well-informed sources told. (BR) | [Click for more info.](#)

Fiscal deficit at 3.5pc of GDP in eight months of current fiscal

Economy | **Neutral**

Pakistan's fiscal deficit has reached 3.5 per cent of GDP (Rs1.603 trillion) in first eight months (July-February) of current fiscal year even though the government boasts of having created over Rs1.7tr worth of fresh tax demand. (Dawn) | [Click for more info.](#)

April may record inflation in double digits

Economy | **Negative**

In line with the recent price trends that suggest a significant pickup in inflationary pressures, the headline inflation in April is estimated to clock in at around 11 per cent, up from 8.53pc a year ago and from 9.1pc the previous month. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,846.0	30,635.3	-210.7	-0.7%
KSE100	45,682.8	45,292.9	-389.9	-0.9%
KSE30	18,797.3	18,580.3	-217.0	-1.2%
KMI30	74,628.8	73,392.6	-1236.3	-1.7%

Top Five Gainers

	Open	Close	Chg.	%
RMPL	9,799.0	9,899.0	100.0	1.0%
NESTLE	5,750.0	5,840.5	90.5	1.6%
ICI	807.1	841.7	34.6	4.3%
PMPK	867.5	899.5	32.0	3.7%
NRL	556.4	579.9	23.5	4.2%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
TELE	15.0	15.3	0.3	48.15
UNITY	31.5	32.1	0.6	43.44
FLYNGR	1.0	0.8	-0.3	26.60
TRG	181.7	179.3	-2.4	21.79
ANL	32.8	34.0	1.3	11.94

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.01	0.00	0.01
F-Corporates	1.61	-3.63	-2.02
O/S Pakistanies	8.16	-8.44	-0.27
Net	9.78	-12.07	-2.28
LIPI			
Individuals	128.20	-125.97	2.23
Companies	10.13	-7.73	2.40
Comm. Banks	2.87	-3.96	-1.09
NBFC	0.04	-0.04	0.00
Mutual Funds	13.31	-17.27	-3.96
Other	4.40	-1.02	3.37
Brokers Proprietary	28.65	-28.65	0.00
Insurance	0.90	-1.59	-0.68
Net	188.51	-186.22	2.28

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	62.94	1.7%
Brent oil	USD/bbl.	66.42	1.2%
Gold	USD/t oz.	1776.60	-0.3%
Silver	USD/t oz.	26.27	0.2%
Coal	USD/ton	92.85	0.3%
Steel Scrap (LME)	USD/ton	429.00	-1.6%
Steel Rebar (LME)	USD/ton	641.00	0.2%
USD/PKR	Interbank	154.59	0.2%

News Source: Local / Int'l Newspapers and websites

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REP-055



Oil & Gas

Ministry for supply disconnection

SSGC, SNGP | Neutral

Ministry of Planning, Development and Special Initiatives (M/o PD&SI) has recommended the government to sever subsidized gas/RLNG supply to export-oriented industry as subsidy on gas and power is not feasible, well-informed sources in Petroleum Division told. This proposal from M/o PD&SI came at a time when the Petroleum Division had requested Finance Division to release over a Rs.4 billion subsidy against the supply of RLNG to industry till March 2020. (BR) | [Click for more info.](#)

Power

Tarin extends govt support to K-Electric

KEL | Neutral

Federal Minister for Finance and Revenue Shaukat Tarin on Tuesday said the government was ready to extend all possible support to the K-Electric (KE) for overcoming constraints and making it dynamic and sustainable in the long-run. (Dawn) | [Click for more info.](#)

Govt to buy out 11 IPPs to avoid Rs450 bn capacity payments

IPPs | Neutral

The federal cabinet Tuesday decided to buy out 11 IPPs based on furnace oil (FO) at discounted value of Rs150-200 billion to avert payments of their capacity charges of Rs450 billion that it is bound pay in remaining seven years of their contracts. (The News) | [Click for more info.](#)

ECC likely to approve payment of Rs89.86 billion to 20 IPPs

IPPs | Neutral

The Economic Coordination Committee (ECC) that meets today (Wednesday) is most likely to approve a summary of the Power Division seeking approval of Rs89.86 billion for the payment of 40 percent dues as the first installment to 20 IPPs. (The News) | [Click for more info.](#)

Banks

Housing finance goes up by record 36pc

Banks | Positive

Housing and construction finance witnessed historic 36 per cent growth during 2020-21, the State Bank of Pakistan (SBP) said on Tuesday. (Dawn) | [Click for more info.](#)

Silkbank board provides requisite concurrence to Bank Alfalah

BAFL, SILK | Neutral

The Board of Directors of Silkbank Limited has provided the requisite concurrence to Bank Alfalah Limited (BAFL) to apply to the State Bank of Pakistan to proceed with the due diligence of the consumer portfolio of Silkbank Limited. "M/s Bank Alfalah Limited has also requested Silkbank Limited to provide its concurrence to BAFL to apply to State Bank of Pakistan to proceed with the due diligence of the consumer portfolio of Silkbank Limited, in order to explore the possibility of BAFL's acquisition of the same". (BR) | [Click for more info.](#)

Miscellaneous

PIA to cut its workforce by half

PIAA | Negative

Pakistan International Airlines Corp. will lay off half of its 14,000 employees, replace some of its fleet and permanently close loss-making routes in a bid to become profitable for the first time in more than a decade, Bloomberg has reported. (The News) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	48,944.1	557.63	1.15%
KSA - Tadawul	10,267.2	36.11	0.35%
Taiwan - TWII	17,595.9	23.61	0.13%
US - Dow 30	33,984.9	3.36	0.01%
CHINA - Shanghai	3,442.6	1.44	0.04%
US - S&P 500	4,186.7	-0.90	-0.02%
INDONESIA - IDX	5,959.6	-5.20	-0.09%
HK - Hang Seng	28,941.5	-11.29	-0.04%
PHILP - PSEi	6,356.5	-32.91	-0.52%
PAK (KSE-100)	45,292.9	-389.90	-0.85%

Board Meetings

Scrip	Day	Agenda	Time
ARM	WEDNESDAY	3Q A/c 31-Mar-21	8:30 AM
ASHT	WEDNESDAY	3Q A/c 31-Mar-21	9:00 AM
ATIL	WEDNESDAY	1Q A/c 31-Mar-21	9:00 AM
STCL	WEDNESDAY	3Q A/c 31-Mar-21	10:00 AM
HCL	WEDNESDAY	3Q A/c 31-Mar-21	11:00 AM
SAPL	WEDNESDAY	1Q A/c 31-Mar-21	11:00 AM
SZTM	WEDNESDAY	3Q A/c 31-Mar-21	11:00 AM
TATM	WEDNESDAY	3Q A/c 31-Mar-21	11:30 AM
WAVES	WEDNESDAY	1Q A/c 31-Mar-21	11:30 AM
SPWL	WEDNESDAY	1Q A/c 31-Mar-21	11:45 AM
CPPL	WEDNESDAY	3Q A/c 31-Mar-21	12:00 PM
TOWL	WEDNESDAY	3Q A/c 31-Mar-21	12:00 PM
UPFL	WEDNESDAY	1Q A/c 31-Mar-21	2:30 PM
INDU	WEDNESDAY	3Q A/c 31-Mar-21	3:00 PM
CHCC	THURSDAY	3Q A/c 31-Mar-21	11:00 AM
GYR	THURSDAY	3Q A/c 31-Mar-21	11:00 AM
SALT	THURSDAY	3Q A/c 31-Mar-21	11:30 AM
PICT	THURSDAY	1Q A/c 31-Mar-21	11:45 AM
AATM	THURSDAY	3Q A/c 31-Mar-21	2:00 PM
ILTM	THURSDAY	3Q A/c 31-Mar-21	2:00 PM
DLL	THURSDAY	1Q A/c 31-Mar-21	3:00 PM
LPGL	FRIDAY	3Q A/c 31-Mar-21	10:00 AM

Source: PSX



Vehicle monitoring solutions: TPL Trakker partners with MMBL

TPL | **Positive**

TPL Trakker has partnered with Mobilink Microfinance Bank Limited (MMBL), the largest digital bank in Pakistan, to provide Vehicle Monitoring Services. Under this partnership, commercial vehicles financed by MMBL will have the added facility of Vehicle Telematics powered by TPL Trakker. (BR) | [Click for more info.](#)

TCP gets offers in 50,000 tonnes of sugar tender

Sugar | **Neutral**

The lowest price offered in the international tender to buy 50,000 tonnes of sugar from state trading agency Trading Corporation of Pakistan (TCP) which closed on Tuesday is believed to be around \$447 tonne c&f, European traders said in initial assessments. (BR) | [Click for more info.](#)

Jan-April 2021; Rs.8,928m duty drawback claims sanctioned to exporters

Textile | **Positive**

Following the vision of the Prime Minister, the FBR's Pakistan Customs Wing has resolved the long-standing demand of the exporters by paying Rs 8,928 million duty drawback claims during Jan-April (2021). According to the FBR spokesperson, a total of Rs 12,367 million under fully-automated rebate system has been sanctioned to the exporters. (BR) | [Click for more info.](#)

Exports of food, manufactured items remain dismal, textile up by 2% in 9MFY21: SBP

Textile | **Positive**

Exports of Pakistan witnessed slight improvement during Jul-Mar FY21, as it increased by 2% YoY to \$18.7billion as compared to \$18.28bn recorded during Jul-Mar FY20. Textile products remained the major exportable goods for Pakistan as it accounted 56% of the total exports during the period. (Mettis) | [Click for more info.](#)

USA, China remain Pakistan's top trading partners during Jul-Mar FY21

Economy | **Positive**

USA remained the top export destination for Pakistan with \$3.56bn worth of shipments in Jul-March FY21, against the exports of \$3.10bn in the same period of last year, showing an increase of 14.82% YoY. (Mettis) | [Click for more info.](#)

Political News

Imran assures disgruntled lawmakers of unbiased inquiry into sugar scandal

Prime Minister Imran Khan on Tuesday met with a group of 33 disgruntled PTI lawmakers – who have rallied around ruling party's beleaguered former secretary general Jahangir Tareen—and assured them of an unbiased inquiry into the sugar scandal. (ET) | [Click for more info.](#)

International News

Asian shares mixed as earnings fail to inspire before Fed

Asian shares were mixed on Wednesday as already high valuations discouraged investors from buying equities ahead of a closely-watched U.S. Federal Reserve meeting. (Reuters) | [Click for more info.](#)

Oil falls as India crisis, U.S. stocks build dampen confidence in fuel demand recovery

Oil prices dropped on Wednesday, paring overnight gains, with soaring COVID-19 cases in India and a bigger-than-expected build in U.S. crude stocks offsetting confidence shown by OPEC and its allies in a solid recovery in global fuel demand. (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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