

March 29,
2022

Economy

Capital market uplift; \$300m aid plan inked with ADB

Capital Market | Positive

The government of Pakistan and the Asian Development Bank (ADB) Monday signed Capital Market Development Programme (Subprogram 2) amounting to \$300 million. The bank last week approved the \$300 million loan to further develop Pakistan's capital market, promote private investment in the country, and help to mobilize domestic resources to finance sustainable growth. (BR) | [Click for more info.](#)

Chinese investment in agri, auto sectors to benefit both countries: President

Economy | Neutral

Immense potential is existing in Pakistan for the Chinese companies to invest in agriculture, automobile, and other sectors for the benefit of the two countries and their peoples, President Dr Arif Alvi said. (Mettis) | [Click for more info.](#)

Risks growing for economy, cautions finance ministry

Economy | Neutral

The government on Monday cautioned that escalation of geopolitical tensions and domestic political conditions could hamper the positive outlook for Pakistan's economy and may also aggravate the macroeconomic imbalances. (Dawn) | [Click for more info.](#)

Pakistan's debt-to-GDP ratio highest in region at 86 percent

Economy | Negative

The Asian Development Bank (ADB) on Monday said Pakistan's debt-to-GDP ratio was the highest in the region at 86 percent in 2019, which further increased to 88 percent in 2020. (The News) | [Click for more info.](#)

Govt acquires additional debt of Rs59.7 bn in a week

Economy | Negative

The government of Pakistan has acquired an additional debt of Rs59.7 billion during the week ended March 11 2022, which brings its total net borrowing for the ongoing fiscal year 2022 to Rs173.12 billion. As of the prior week, the government had borrowed a net sum of Rs241 billion. (Mettis) | [Click for more info.](#)

Dollar soars above Rs182

Economy | Negative

The US dollar kept its domination in domestic markets against rupee and further appreciated by 41 paisa on Monday. For the first time the dollar crossed the figure of Rs182 while it was traded at higher rates to close at Rs182.19. (Dawn) | [Click for more info.](#)

Oil & Gas

Petrol and Diesel Prices to Break All Previous Records in April

Oil | Negative

The Price Differential Claim (PDP) of the Oil Marketing Companies and Refineries is projected to reach Rs. 36.07 per liter for High-Speed Diesel (HSD) and Rs. 19.64 per liter for petrol during the next fortnight if the government decides to maintain the oil prices at the existing level. (Propakistani) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,860.0	30,092.5	232.5	0.8%
KSE100	43,551.2	43,933.6	382.4	0.9%
KSE30	16,657.5	16,793.5	136.0	0.8%
KMI30	70,090.6	70,911.7	821.1	1.2%

Top Five Gainers

	Open	Close	Chg.	%
RMPL	11,633.0	11,990.0	357.0	3.1%
PRET	619.6	666.0	46.4	7.5%
PMRS	500.0	537.5	37.5	7.5%
MTL	806.3	843.3	37.0	4.6%
LUCK	597.7	617.7	20.0	3.4%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
TELE	10.5	11.2	0.7	13.11
WTL	1.6	1.6	0.0	6.66
KEL	2.9	3.0	0.1	6.61
GGL	14.3	14.9	0.6	6.17
TRG	76.1	77.4	1.3	5.65

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	2.11	-1.64	0.47
Net	2.60	-4.24	-1.64
LIPI			
Individuals	21.23	-20.87	0.36
Companies	0.92	-2.07	-1.16
Comm. Banks	4.85	-1.78	3.06
NBFC	0.11	-0.03	0.08
Mutual Funds	1.30	-2.25	-0.94
Other	0.60	-0.11	0.48
Brokers Proprietary	5.98	-5.09	0.89
Insurance	0.18	-1.31	-1.14
Net	35.16	-33.52	1.64

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	105.96	-7.0%
Brent oil	USD/bbl.	106.56	-11.7%
Gold	USD/t oz.	1922.84	-1.8%
Silver	USD/t oz.	24.88	-2.6%
Coal	USD/ton	258.70	0.0%
Steel Scrap (LME)	USD/ton	644.00	0.2%
Steel Rebar (LME)	USD/ton	924.50	-0.2%
USD/PKR	Interbank	182.19	0.2%

News Source: Local / Int'l Newspapers and websites

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REP-055



Mari Petroleum inject 20 mmcf of gas in Sui North network: PSX

MARI, SNGP | Positive

Mari Petroleum Company Limited (MPCL) announce the commencement of first gas from the Tipu compartment of "Goru B" reservoir of the Mari gas field. Initially, approximately 20 mmscfd of pipeline quality gas will be supplied to Sui Northern Gas Pipelines Limited (SNGPL) after processing at MPCL's newly constructed Sachal Gas Processing Complex (SGPC) located in District Ghotki, Sindh. (Augaf) | [Click for more info.](#)

PSO's circular debt hits Rs658bn

PSO | Negative

The cash flow of the state-owned oil marketing company Pakistan State Oil (PSO) has further aggravated as its circular debt has risen to Rs658 billion with receivables at more than half a trillion rupees and payables at Rs157 billion. (The News) | [Click for more info.](#)

Steel

Steel hits all-time high at Rs216,000 per tonne

Steel | Positive

The second increase in the ongoing month pushed the steel bar price to an all-time high of Rs216,000 per tonne thus affecting the construction activities across the country mainly due to the rising cost of all other building materials. (Dawn) | [Click for more info.](#)

Fertilizer

Urea offtake up 30pc, DAP down 38pc in Feb

Fertilizer | Positive

Urea fertilizer offtake during February 2022 increased 30 percent, while that of diammonium phosphate (DAP) declined 38 percent because of an unprecedented hike in the prices of these nutrients in international markets. (The News) | [Click for more info.](#)

Banks

Banks, DFIs approve Rs435bn loans under TERF: SBP governor

Banks, DFIs | Positive

Banks and DFIs have approved loans worth Rs 435 billion under the State Bank of Pakistan's Temporary Economic Refinance Facility (TERF), informed governor SBP Dr Reza Baqir on Monday. (BR) | [Click for more info.](#)

SECP Allows Non-Banking Finance Companies to Operate as P2P Service Providers

NBFCs | Neutral

The Securities and Exchange Commission of Pakistan (SECP) has decided to allow the lending/licensed Non-Banking Finance Companies (NBFCs) to operate as Peer-to-Peer (P2P) service providers. (Propakistani) | [Click for more info.](#)

Miscellaneous

Cement makers seek zero-rating for ease of doing business

Cement | Neutral

Pakistan Cement Manufacturers Association (PCMA) have proposed zero-rating of various duties and taxes for ease of doing business, reducing the cost of production and increasing investment in the sector. (The News) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	43,933.6	382.42	0.88%
HK - Hang Seng	21,685.0	280.09	1.31%
INDIA - SENSEX	57,593.5	231.29	0.40%
US - Dow 30	34,955.9	94.65	0.27%
KSA - Tadawul	13,064.1	64.38	0.50%
INDONESIA - IDX	7,049.6	47.07	0.67%
US - S&P 500	4,575.5	32.46	0.71%
PHILIP - PSEi	7,134.4	9.52	0.13%
CHINA - Shanghai	3,214.5	2.26	0.07%
Taiwan - TWII	17,520.0	-156.94	-0.89%

Board Meetings

Scrip	Day	Agenda	Time
PKGS	Tuesday	ANN A/c - 31Dec21	11:00 AM
PAEL	Tuesday	ANN A/c - 31Dec21	11:30 AM
SPWL	Tuesday	ANN A/c - 31Dec21	12:30 PM
CSIL	Wednesday	ANN A/c - 31Dec21	4:00 PM
PIL	Wednesday	ANN A/c - 31Dec21	4:00 PM
SGF	Thursday	ANN A/c - 31Dec21	9:30 AM
PKGI	Thursday	ANN A/c - 31Dec21	10:00 AM
SHNI	Thursday	ANN A/c - 31Dec21	10:30 AM
UVIC	Thursday	ANN A/c - 31Dec21	11:30 AM
ASIC	Thursday	ANN A/c - 31Dec21	3:00 PM
HICL	Thursday	ANN A/c - 31Dec21	3:00 PM
SRVI	Thursday	ANN A/c - 31Dec21	3:30 PM
AGL	Friday	ANN A/c - 31Dec21	10:00 AM
UNIC	Friday	ANN A/c - 31Dec21	11:00 AM
AVN	Friday	ANN A/c - 31Dec21	4:00 PM

Source: PSX



Book building for Supernet on April 12-13

TELE | **Positive**

Book-building for Supernet Ltd, an information technology company wholly owned by TeleCard Ltd, will take place on April 12-13, a regulatory filing said on Monday. (Dawn) | [Click for more info.](#)

Burj Modaraba flotation okayed

Capital Market | **Neutral**

The Securities and Exchange Commission of Pakistan (SECP) on Monday authorised flotation of Burj Clean Energy Modaraba, an Islamic Financial Institution, managed by Burj Modaraba Management Company (Private) Limited, under the Modaraba Ordinance, 1980. (Dawn) | [Click for more info.](#)

SECP approves first debt 'Exchange Traded Fund' for listing on PSX

Capital Market | **Neutral**

The Securities and Exchange Commission of Pakistan (SECP) has approved Pakistan's first debt Exchange Traded Fund (ETF) for listing on the Pakistan Stock Exchange (PSX) Limited. (BR) | [Click for more info.](#)

Govt to procure 3500,000MT wheat

Food | **Neutral**

Punjab Chief Minister Sardar Usman Buzdar said on Monday that wheat would be procured from farmers at the rate of Rs2,200 per maund as the provincial cabinet approved buying 3500,000 metric tons (MT) of wheat and the target could be enhanced if needed. (Mettis) | [Click for more info.](#)

Political News

Next 72 hours 'crucial', says Rashid

Interior Minister Sheikh Rashid said on Monday that the next 72 hours were crucial, adding that the decision on no-confidence motion against Prime Minister Imran Khan will be decided by March 30 or 31. (ET) | [Click for more info.](#)

International News

Stocks Climb Amid Oil Slide as Traders Await Talks: Markets Wrap

Asian stocks rose Tuesday after a climb in U.S. equities, a slump in crude oil and the prospect of more cease-fire talks between Russia and Ukraine helped to support investor sentiment. (Bloomberg) | [Click for more info.](#)

Oil slides about 7% on concerns of weaker Chinese demand

Oil prices tumbled about 7% on Monday after China's financial hub of Shanghai launched a lockdown to curb a surge in COVID-19 infections, prompting renewed fears of demand destruction. (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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