



April 2,  
2021

## Economy

### PSX Signs Agreement with 1LINK 1BILL to Launch E-IPO System

#### Capital Markets | Neutral

An agreement was signed between Pakistan Stock Exchange (PSX) and 1LINK to launch the new payment and registration system by PSX. This new payment and registration system will support in digitally transforming the Initial Public Offering (IPO) process through an E-IPO system. (Mettis) | [Click for more info.](#)

### Inflow in RDA crosses \$800m in six months

#### Economy | Positive

The Roshan Digital Account (RDA) has started picking up pace as it has crossed \$800 million in six months, with the highest amount of \$212m received in March, reflecting the rising trend of inflows. (Dawn) | [Click for more info.](#)

### World Bank approves \$120m for PM's Green Stimulus Initiative

#### Economy | Positive

The World Bank has approved funding of \$120 million pledged for Prime Minister Imran Khan's Green Stimulus initiative to boost green jobs in the country for those rendered unemployed due to the Covid-19 crisis, a statement said. (The News) | [Click for more info.](#)

### Forex reserves rise to \$20.836bln

#### Economy | Positive

Pakistan's foreign exchange reserves increased \$402 million, or 1.96 percent, in the week ended March 26, the central bank said on Thursday. The total liquid foreign exchange reserves held by the country stood at \$20.836 billion, compared with \$20.434 billion in the previous week. (The News) | [Click for more info.](#)

### March inflation edges up to 9.1pc

#### Economy | Negative

The month of March saw a new round of increased prices of consumer items as inflation edged up to 9.1 per cent from 8.7pc in February, showed data released by the Pakistan Bureau of Statistics (PBS) on Thursday. (Dawn) | [Click for more info.](#)

### 1HFY21: Govt adds over Rs1trn to domestic debt

#### Economy | Negative

The incumbent government has added Rs1.057 trillion to the domestic debt during the first six months of the current fiscal year (July-December 2020) to finance the fiscal deficit, according to the Finance Ministry. (BR) | [Click for more info.](#)

### FY22 budget to envisage no new tax

#### Economy | Natural

The Special Assistant to the Prime Minister on Revenue, Dr Waqar Masood Khan Thursday held the first budget preparation meeting at the Federal Board of Revenue (FBR) to give policy guidelines to the budget makers of the FBR for fiscal year 2021-22. (BR) | [Click for more info.](#)

### Sindh will impose inter-city transport ban if Centre doesn't, says Murad

#### Economy | Negative

Amid a rapid rise in coronavirus cases — fuelled by the more contagious and potentially deadlier UK variant — Sindh Chief Minister Murad Ali Shah has said the provincial government will impose a ban on inter-city transport movement "if the federal government did not consider the request". "I am not advocating a lockdown, I just want a ban on inter-city bus transport service... the goods transport will keep functioning as usual," he said (ET) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,498.2	30,322.1	-176.1	-0.6%
KSE100	44,587.9	44,428.1	-159.8	-0.4%
KSE30	18,268.6	18,242.2	-26.4	-0.1%
KMI30	73,040.0	73,122.0	82.0	0.1%

### Top Five Gainers

	Open	Close	Chg.	%
SRVI	1,120.7	1,204.7	84.1	7.5%
GATI	550.0	580.0	30.0	5.5%
PAKT	1,535.0	1,561.9	26.9	1.8%
RMPL	9,499.0	9,520.0	21.0	0.2%
ENGRO	277.3	298.0	20.7	7.5%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
BYCO	10.5	10.1	-0.4	30.34
TRG	150.2	140.2	-10.1	25.44
GGL	23.6	25.4	1.8	17.93
PTC	9.3	9.1	-0.2	17.16
UNITY	29.7	28.8	-1.0	13.99

### Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.09	-0.10	-0.01
F-Corporates	1.29	-1.13	0.16
O/S Pakistanies	8.08	-6.96	1.12
<b>Net</b>	<b>9.45</b>	<b>-8.19</b>	<b>1.27</b>
<b>LIPI</b>			
Individuals	129.57	-133.18	-3.60
Companies	4.38	-4.39	-0.02
Comm. Banks	2.92	-3.43	-0.51
NBFC	0.08	-0.44	-0.36
Mutual Funds	4.04	-5.82	-1.77
Other	0.96	-0.75	0.21
Brokers Proprietary	32.04	-30.86	1.18
Insurance	5.52	-1.92	3.61
<b>Net</b>	<b>179.52</b>	<b>-180.78</b>	<b>-1.27</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	61.45	3.9%
Brent oil	USD/bbl.	64.86	3.4%
Gold	USD/t oz.	1729.31	1.3%
Silver	USD/t oz.	24.97	2.3%
Coal	USD/ton	97.00	0.0%
Steel Scrap (LME)	USD/ton	460.00	5.4%
Steel Rebar (LME)	USD/ton	643.00	2.4%
USD/PKR	Interbank	153.00	0.1%

News Source: Local / Int'l Newspapers and websites

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## Autos

**Hyundai Nishat Reduces Santa Fe's Price by Rs. 5 Million**

**NML | Positive**

Although the midsize SUV segment of Pakistan's auto market has long been ruled by the Toyota Fortuner, the Kia Sorento has recently come along to battle Toyota for a larger share of the market. However, another midsize SUV in the market that does not get a lot of attention is the Hyundai Santa Fe. (Propakistani) | [Click for more info.](#)

## Banks

**Banks, DFIs can invest in TFCs, Sukuk issued by REITS: SBP**

**DCR | Positive**

The State Bank of Pakistan (SBP) has allowed banks and DFIs for investment in TFCs, Sukuk and shares issued by Real Estate Investment Trusts (REITs) management companies to achieve the 5 percent mandatory targets for housing and construction finance. (BR) | [Click for more info.](#)

**Samba Financial Group merges into Saudi National Bank**

**SBL | Neutral**

Samba Bank Limited has received intimation that the merger between its majority shareholder company Samba Financial Group ("SFG") (of the Kingdom of Saudi Arabia) and The National Commercial Bank ("NCB") (of the Kingdom of Saudi Arabia), has now been renamed as The Saudi National Bank ("SNB"). (Mettis) | [Click for more info.](#)

## Pharmaceutical

**SHC allows commercial sale of imported vaccine**

**Pharmaceutical | Positive**

The Sindh High Court (SHC) issued a four-page interim written order on Thursday regarding release and sale of coronavirus vaccine on spot consignments basis, ordering that a batch of Covid-19 vaccine imported by a private company be immediately made available to the public. (ET) | [Click for more info.](#)

**Searle to make Chinese Covid vaccine in Pakistan**

**SEARL | Positive**

The Searle has signed an agreement with Chinese pharmaceutical group for the manufacturing of novel coronavirus vaccine in Pakistan. "The Searle Company has concluded an exclusive licensing and supply agreement with Livzon Mapharm Inc. for the recombinant novel coronavirus vaccine (V-01). (The News) | [Click for more info.](#)

## Textile

**Reliance Weaving Mills to invest Rs.3,500 Mn in the spinning project**

**REWM | Positive**

The Board of Directors of Reliance Weaving Mills Limited (REWM), in its meeting, held today, has approved to invest an amount of Rs.3,500 Million in the Spinning Project and Rs.1,000 Million in the Weaving Project by way of Debt & Equity Financing and subject to the compliance of all statutory & legal requirements. (Mettis) | [Click for more info.](#)

**Din Textile Mills starts commercial production of its Weaving Project**

**DINT | Positive**

After completing the Trial Production Period, Din Textile Mills Limited (DINT) has been successful to start commercial production of its Weaving Project, which has become operational on April 1, 2021. (Mettis) | [Click for more info.](#)

### World Indices

	Last	Chg.	Chg. %
HK - Hang Seng	28,938.7	560.39	1.97%
INDIA - SENSEX	50,029.8	520.68	1.05%
US - Dow 30	33,153.2	171.66	0.52%
Taiwan - TWII	16,571.3	140.15	0.85%
US - S&P 500	4,019.9	46.98	1.18%
INDONESIA - IDX	6,011.5	25.94	0.43%
CHINA - Shanghai	3,466.3	24.42	0.71%
KSA - Tadawul	9,895.6	-12.26	-0.12%
PHILP - PSEi	6,443.1	-102.46	-1.57%
PAK (KSE-100)	44,428.1	-159.75	-0.36%

### Board Meetings

Scrip	Day	Agenda	Time
UVIC	Friday	ANN A/c 31-Dec-20	11:30 AM
PAEL	Monday	ANN A/c 31-Dec-20	11:30 AM
EWIC	Monday	ANN A/c 31-Dec-20	2:00 PM
SHNI	Tuesday	ANN A/c 31-Dec-20	10:00 AM
PIAA	Tuesday	ANN A/c 31-Dec-20	11:30 AM
PAKRI	Tuesday	ANN A/c 31-Dec-20	2:00 PM

Source: PSX



## Pakistan defers decision to resume trade with India

Textile | **Neutral**

The federal cabinet on Thursday deferred the Economic Coordination Council's (ECC) decision to import sugar and cotton from India until the Modi-led government reviewed its 2019 move to abrogate the semi-autonomous status of Indian Illegally Occupied Jammu and Kashmir (IIOJK). Prime Minister Imran Khan ruled out trade with New Delhi until it restored Article 370 of the Indian Constitution. (ET) | [Click for more info.](#)

## Miscellaneous

### Exports from Pakistan increase by 13.4% MoM in March: Razak Dawood

Economy | **Positive**

Exports from Pakistan witnessed a growth of 13.4% MoM to stand at USD 2.345 billion in the month of March 2021. The export growth of 29.3% over March 2020 should not be considered as it is misleading since there was a lockdown last year. While, the imports in March 2021 grew to USD 5,313 million which is mainly due to increased imports of Petroleum, Wheat, Soy Bean, Machinery, Raw Material & Chemicals, Mobiles, Fertilizers, Tyres and Antibiotics & Vaccines in March 2021. Cumulatively, during 9MFY21, Pakistan's exports increased by 7% to USD 18.669 billion as compared to USD 17.451 billion in the corresponding period last year. (Mettis) | [Click for more info.](#)

### Pak-Afghan transit trade accord extended for three months

Economy | **Neutral**

Pakistan and Afghanistan have extended the Afghanistan-Pakistan Transit Trade Agreement (APTTA) for three months, after failing to complete discussion and deliberation on the agreement despite its expiry last month. (PT) | [Click for more info.](#)

## International News

### OPEC+ Shows Confidence in Economic Recovery with Oil-Supply Hike

OPEC+ expressed growing confidence in the global economic recovery by agreeing to increase oil production gradually in the coming months. (Bloomberg) | [Click for more info.](#)

### Asia set to follow U.S. stocks higher as dollar, bond yields ease

U.S. President Joe Biden's \$2.3 trillion plan to rebuild America's crumbling infrastructure added to the enthusiasm for risk assets, as did accelerating vaccine rollouts. (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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