



February  
3, 2021

## Economy News

### Roshan digital accounts attract \$400m in four months

**Economy | Positive**

Foreign exchange inflows through the Roshan Digital Accounts (RDAs) reached \$400 million within four months, reflecting growing confidence in the State Bank's new initiative launched by Prime Minister Imran Khan on Sept 10, 2020. (Dawn) | [Click for more info.](#)

### Import sales tax revenue increases 12pc to Rs528bln in Jul-Jan

**Economy | Positive**

Sales tax collection from imports rose 12 percent to Rs528 billion during the first seven months of the current fiscal year as foreign trade was seen recovering during the period, official data showed on Tuesday. (The News) | [Click for more info.](#)

### Covid-19 campaign; Ministry urges ECC to help it get Rs141m

**Economy | Neutral**

Ministry of Information and Broadcasting (MoI&B) has sought help of Economic Coordination Committee (ECC) of the Cabinet for allocation of Rs141 million to be released to media for Covid-19 campaign. (BR) | [Click for more info.](#)

### Saudi Arabia suspends entry from 20 countries, including Pakistan

**Economy | Neutral**

The Ministry of Interior said it would bar entry of people arriving from the UAE, Egypt, Lebanon, and Turkey, as well as the United States, Britain, Germany, France, Italy, Ireland, Portugal, Switzerland, Sweden, Brazil, Argentina, South Africa, India, Indonesia, Pakistan, and Japan, international media reported. (The News) | [Click for more info.](#)

## Oil & Gas

### OMCs' sales increase by 11pc YoY

**OMCs | Positive**

The oil marketing companies' (OMC) total sales increased by 11 percent on year-on-year basis to 11.27 million tons during the seven months of FY21 with growth seen across all major fuel segments. (BR) | [Click for more info.](#)

### OMCs, dealers; Body comprising 'non-political' aides of PM to re-determine margins

**OMCs | Neutral**

The Economic Coordination Committee (ECC) of the Cabinet has constituted a committee comprising "non-political" aides of Prime Minister to re-determine margins of Oil Marketing Companies (OMCs) and dealers, after some of the ECC members raised objection on the mechanism adopted by Petroleum Division. (BR) | [Click for more info.](#)

### OGDCL discovers gas in Sindh

**OGDC | Positive**

The Oil and Gas Development Company Limited (OGDCL) has reported gas and condensate discovery from its exploratory well Sial-1, which is located in Hyderabad district, Sindh, a statement said on Tuesday. OGDCL is the operator and holds 95 percent interest and the Government Holdings (Pvt) Limited holds 5 percent in Sial-1. (The News) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	32,001.1	32,168.0	166.9	0.5%
KSE100	46,248.5	46,580.3	331.9	0.7%
KSE30	19,208.1	19,398.6	190.4	1.0%
KMI30	74,238.4	74,905.1	666.7	0.9%

### Top Five Gainers

	Open	Close	Chg.	%
RMPL	10,094.5	10,185.0	90.5	0.9%
IDYM	569.3	612.0	42.7	7.5%
BATA	1,563.1	1,601.1	37.9	2.4%
SUTM	404.1	434.5	30.3	7.5%
EXIDE	380.0	408.5	28.5	7.5%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
HASCOL	13.6	12.7	-0.9	43.96
KEL	4.5	4.5	0.0	34.22
PIBTL	13.5	13.5	0.0	22.58
TELE	3.5	4.0	0.4	20.94
PRL	27.1	26.4	-0.6	17.99

### Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.04	-0.05	-0.01
F-Corporates	6.84	-7.45	-0.60
O/S Pakistanies	8.48	-7.78	0.70
<b>Net</b>	15.36	-15.28	0.08
<b>LIPI</b>			

Individuals	129.58	-130.93	-1.35
Companies	7.25	-8.18	-0.93
Comm. Banks	5.90	-4.42	1.49
NBFC	0.07	-0.04	0.03
Mutual Funds	9.08	-9.00	0.08
Other	0.65	-2.65	-1.99
Brokers Proprietary	32.24	-31.07	1.17
Insurance	3.59	-2.17	1.42
<b>Net</b>	188.37	-188.45	-0.08

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	54.76	2.3%
Brent oil	USD/bbl.	57.46	2.0%
Gold	USD/t oz.	1838.03	-1.2%
Silver	USD/t oz.	27.48	-5.4%
Coal	USD/ton	82.25	-1.2%
Steel Scrap (LME)	USD/ton	395.50	-12.7%
Steel Rebar (LME)	USD/ton	579.50	2.9%
USD/PKR	Interbank	160.32	0.0%

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

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**REP-055**



## Power

**Govt to clear Hubco's bills in cash, bonds**

**HUBC | Positive**

Hub Power Company Limited (Hubco) and the Central Power Purchasing Agency (CPPA) initialed the agreement under which the CPPA is expected to pay Hubco's receivables in two installments of 40 percent and 60 percent, respectively, within 30 business days, said a notice to the bourse. The initial 40 percent settlement is expected to take place in the form of one-third in upfront cash and the remaining two-third in the form of financial instruments – Pakistan investment bonds and sukuk. (The News) | [Click for more info.](#)

**KE agrees to drop reciprocity conditions**

**KEL | Positive**

In a major development, Karachi Electric (KE) has agreed to drop the conditions of reciprocity included in its earlier draft TORs and also accepted local arbitration. As per the discussion, KE is in the process of updating draft Terms of Reference (ToRs) to resolve the receivables/ payables dispute through arbitration. (BR) | [Click for more info.](#)

**Revised power tariff: All 47 IPPs sign Master Agreements**

**IPPs | Positive**

In a major breakthrough, all the 47 independent power producers, who had signed MOUs in August 2020 paving way for discounted tariff of Rs836 billion in the next 10-12 years, have now initialed legally-binding Master Agreements. (The News) | [Click for more info.](#)

**Finance ministry to clear IPPs dues in two tranches**

**IPPs, Power | Positive**

The deal between the government and Independent Power Producers (IPPs) has entered the implementation phase after the finance ministry agreed to clear about Rs400 billion dues in two instalments of 40 per cent and 60pc within six months. (Dawn) | [Click for more info.](#)

**PD suggests 94 uplift projects worth Rs155.73bn**

**Power | Neutral**

The Power Division has proposed 94 development projects worth Rs 155.73 billion for the FY 2021-22, to be undertaken by companies falling under its administrative control. (BR) | [Click for more info.](#)

## Cement

**Cement sales up 25 percent, exports down 14pc in January**

**Cement | Positive**

Local cement dispatches increased 25 percent to 4 million tons in January compared to 3.2 million tons in the same month a year earlier. Cement exports decreased 14.1 percent from 808,874 tons to 694,934 tons, according to the data released by All Pakistan Cement Manufacturers Association (APCMA). (The News) | [Click for more info.](#)

## Miscellaneous

**Auto loans up 19pc in Dec as low interest rates speed up demand**

**Banks, Autos | Positive**

Auto loans increased by 19 percent or Rs41 billion in December 2020 as lower bank lending rates and pickup in economic activity after the lockdown compelled the consumers to buy new and used vehicles. Loans for transport such as purchase of cars stood at Rs256 billion in December, compared with Rs215 billion in the same month of the previous year, the central bank data showed on Tuesday. (The News) | [Click for more info.](#)

### World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	49,797.7	1197.11	2.46%
US - Dow 30	30,687.5	475.57	1.57%
HK - Hang Seng	29,248.7	355.84	1.23%
Taiwan - TWII	15,760.1	349.96	2.27%
PAK (KSE-100)	46,580.3	331.89	0.72%
PHILP - PSEi	6,867.9	53.12	0.78%
US - S&P 500	3,826.3	52.45	1.39%
CHINA - Shanghai	3,533.7	28.41	0.81%
INDONESIA - IDX	6,043.8	-23.71	-0.39%
KSA - Tadawul	8,618.6	-29.86	-0.35%

### Board Meetings

Scrip	Day	Agenda	Time
BAFL	Wednesday	ANN A/c 31-Dec-20	11:00 AM
AGSML	Thursday	ANN A/c 31-Dec-20	11:00 AM
NICL	Thursday	HY A/c 31-Dec-20	12:00 PM
CWSM	Thursday	ANN A/c 31-Dec-20	1:00 PM
ADAMS	Thursday	ANN A/c 31-Dec-20	2:30 PM
TSML	Thursday	ANN A/c 31-Dec-20	3:00 PM
FCEPL	Monday	ANN A/c 31-Dec-20	3:00 PM
MCBAH	Monday	HY A/c 31-Dec-20	3:00 PM
EPCL	Wednesday	ANN A/c 31-Dec-20	2:00 PM
EPQL	Thursday	ANN A/c 31-Dec-20	10:30 AM
FCCL	Wednesday	HY A/c 31-Dec-20	11:00 AM
KAPCO	Thursday	HY A/c 31-Dec-20	10:30 AM
OML	Tuesday	HY A/c 31-Dec-20	11:00 AM

Source: PSX



## AGP allowed to import Russian vaccine

### AGP | Positive

AGP Pakistan Ltd — a listed pharmaceutical company — announced that the Drug Regulatory Authority of Pakistan (DRAP) had granted emergency use authorisation (EUA) for 'Gam-COVID-Vac' combined vector vaccine to prevent coronavirus infection caused by SARS-CoV-2 virus (Sputnik V) to the company. (Dawn) | [Click for more info.](#)

## International News

### Stocks Extend Rally in Asia; Dollar Retreats: Markets Wrap

Most Asian stocks rose Wednesday, extending a global rally amid a slew of corporate earnings and a crumbling of the retail trading frenzy that fueled swings in heavily shorted shares. The dollar retreated. (Bloomberg) | [Click for more info.](#)

### Oil rises on falling crude stocks, demand hopes on stimulus and vaccine rollouts

Oil rose in early trade on Wednesday on expectations global oil stocks will fall back to more normal levels this year and as U.S. lawmakers moved closer to approving President Joe Biden's \$1.9 trillion COVID-19 aid bill without Republican support. (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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