

March 4,
2021

Economy

Rupee hits highest level against dollar in FY21

Economy | Positive

The 73-paisa gain on Wednesday tossed the rupee to its highest level during the current fiscal year against the US dollar at Rs157.12 in the interbank market. The local currency has so far recovered 6.8 per cent in 2020-21 against the greenback on the back of higher inflows and slow demand for US dollars. (Dawn) | [Click for more info.](#)

Closing gender gap to boost Pakistan's GDP by 30pc: ADB

Economy | Neutral

Pakistan could raise GDP by as much as 30 percent if it can close the gender gap, ADB Country Director for Pakistan Xiaohong Yang said while expressing support to women's economic empowerment, quality opportunities for social advancement, and resilience to external shocks. (The News) | [Click for more info.](#)

NSS rates raised by up to 43bps

Economy | Neutral

Profit rates on different National Savings Scheme (NSS) certificates were raised by up to 43 basis points from Wednesday by the Central Directorate of National Savings. Profit rates on defence savings certificates increased to 9.51 percent from 9.42 percent. Rates of return on special savings certificates were raised from 7.97 percent to 8.4 percent, according to the finance division. (The News) | [Click for more info.](#)

Govt raises cut-off yields on PIBs by up to 42bps

Economy | Neutral

The government on Wednesday increased the returns on the long-term Pakistan Investment Bonds (PIBs) up to 42 basis points despite no change in the policy interest rate. It raised Rs84.3 billion through action of PIBs (fixed rate). (Dawn) | [Click for more info.](#)

Power

Govt-IPPs deals; Nepra asks govt why dollar rate kept at Rs148

Power | Neutral

National Electric Power Regulatory Authority (Nepra) on Wednesday quizzed the government as to why the dollar rate was kept at Rs 148 rather than any other rate while negotiating new deals with the Independent Power Producers (IPPs). (BR) | [Click for more info.](#)

K-Electric to add 450 MW by May 21

KEL | Neutral

The first 450 MW unit of RLNG-based BQPS-III project is scheduled to come online by May 2021 which would help improve K-Electric's generation fleet efficiency from 38% in FY 2020 to 48% in FY 2023. (BR) | [Click for more info.](#)

Miscellaneous

Samba Bank raises Rs5 billion via TFCs

SMBL | Neutral

Samba Bank Limited has received Rs5 billion through term finance certificates (TFCs) to meet its tier-2 capital requirements, it said. (The News) | [Click for more info.](#)

Cotton production registers woeful 34.18pc fall YoY

Textile | Negative

The cotton production in the country witnessed an alarming decline of 34.18 percent shortfall as compared to corresponding period of 2020 when arrivals comprised over 8.5 million bales. (BR) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	31,534.5	31,665.1	130.6	0.4%
KSE100	45,964.3	46,160.8	196.5	0.4%
KSE30	19,235.8	19,299.0	63.2	0.3%
KMI30	76,406.0	77,024.8	618.8	0.8%

Top Five Gainers

	Open	Close	Chg.	%
UPFL	14,000.0	14,499.0	499.0	3.6%
ILTM	1,940.0	2,085.5	145.5	7.5%
BATA	1,935.9	2,043.2	107.3	5.5%
SUTM	929.9	999.6	69.7	7.5%
IDYM	692.8	744.7	52.0	7.5%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
ANL	32.9	33.9	1.0	32.04
TRG	147.6	147.6	0.0	27.80
BYCO	10.0	10.2	0.3	27.60
PRL	25.8	27.5	1.7	24.92
ASL	25.5	25.6	0.2	19.36

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.04	-0.05	-0.01
F-Corporates	5.40	-9.03	-3.63
O/S Pakistanies	7.89	-8.20	-0.31
Net	13.33	-17.28	-3.95
LIPI			
Individuals	154.35	-155.02	-0.67
Companies	9.90	-7.81	2.09
Comm. Banks	3.48	-2.20	1.28
NBFC	0.01	-0.66	-0.64
Mutual Funds	5.38	-5.13	0.25
Other	1.46	-0.75	0.71
Brokers Proprietary	38.25	-38.20	0.05
Insurance	3.68	-2.79	0.89
Net	216.51	-212.56	3.95

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	61.28	2.6%
Brent oil	USD/bbl.	64.07	2.2%
Gold	USD/t oz.	1711.23	-1.6%
Silver	USD/t oz.	26.10	-2.5%
Coal	USD/ton	88.60	1.0%
Steel Scrap (LME)	USD/ton	471.00	-0.7%
Steel Rebar (LME)	USD/ton	650.00	-0.3%
USD/PKR	Interbank	157.53	-0.4%

News Source: Local / Int'l Newspapers and websites

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Trade deficit widens by 10.64pc in 8MFY21

Economy | Negative

Pakistan's trade deficit posted double-digit growth as it widened by 10.64 per cent to \$17.54 billion in the eight months of 2020-21 (8MFY21) from \$15.85bn over the corresponding period last year, Pakistan Bureau of Statistics (PBS) data showed on Wednesday. (Dawn) | [Click for more info.](#)

Imports soar by USD2.1 bln during Jul-Feb FY21, as industrial activity is increasing: Razak Dawood

Economy | Neutral

The overall imports during Jul-Feb FY21 have increased by USD 2.085 billion as compared to the same period in the last fiscal year. In this regard, the Ministry of Commerce (MOC) has conducted a preliminary analysis of this increase in imports. (Mettis) | [Click for more info.](#)

SECP to revisit proposal for cut in dividend payment time

Capital Market | Neutral

The Securities and Exchange Commission of Pakistan (SECP) on Wednesday agreed to review the proposed amendment to the Companies (Distribution of Dividends) Regulations 2017, which requires cash dividend payment in three working days from the date of its approval by the general meeting of the company's shareholders in case of final dividend and its board in case of interim dividend. (Dawn) | [Click for more info.](#)

Political News

PTI makes substantial gains in Senate but suffers major setback in Islamabad

Polling for 37 high-stakes seats of the Senate concluded on Wednesday with the ruling party PTI bagging 18 new seats, including the five that had been elected unopposed, earlier in Punjab. Meanwhile, the PPP managed to have eight new senators elected against as many who retired. The PML-N, as expected, lost ground and managed to clinch only the five new seats that it had earlier won uncontested in Punjab, against 17 of its senators who retired. (Dawn) | [Click for more info.](#)

International News

Stock Selloff Hits Asia as Bond Yields Steady: Markets Wrap

Asian stocks fell with U.S. futures Thursday after an overnight surge in bond yields once more dragged down shares on Wall Street. Treasuries steadied and the dollar strengthened. (Bloomberg) | [Click for more info.](#)

Oil prices firm on prospect of OPEC+ maintaining supply cuts, drop in U.S. inventories

Oil prices rose for a second straight session on Thursday, as the possibility that OPEC+ producers might decide against increasing output at a key meeting later in the day underpinned alongside a drop in U.S. fuel inventories. (Reuters) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
INDIA - SENSEX	51,444.7	1147.76	2.28%
HK - Hang Seng	29,880.4	784.56	2.70%
Taiwan - TWII	16,211.7	264.85	1.66%
PAK (KSE-100)	46,160.8	196.51	0.43%
CHINA - Shanghai	3,576.9	68.32	1.95%
KSA - Tadawul	9,310.3	62.00	0.67%
PHILP - PSEi	6,942.8	23.22	0.34%
INDONESIA - IDX	6,376.8	17.55	0.28%
US - S&P 500	3,819.7	-50.57	-1.31%
US - Dow 30	31,270.1	-121.43	-0.39%

Board Meetings

Scrip	Day	Agenda	Time
SLL	Thursday	ANN A/c 31-Dec-20	12:15 PM
GSKCH	Friday	ANN A/c 31-Dec-20	2:45 PM
GAMON	Monday	HYA/c 31-Dec-20	11:00 AM

Source: PSX



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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.

Analyst Certification ^{AC}

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