



May 4,  
2021

## Economy

**\*KSE-100 cos post Rs243bn highest-ever quarterly profits**

**Economy | Positive**

The KSE-100 companies posted highest-ever quarterly profits of Rs 243 billion, during the quarter ended March 31, 2021, up 82 percent on year-on-year and 11 percent on quarter-on-quarter basis. (BR) | [Click for more info.](#)

**IMF says govt required to increase spending**

**Economy | Neutral**

Pakistan would require to increase annual spending on education by about 5.7 percent of GDP, six percent on healthcare, invest around \$24.5 billion on electricity access and \$76 billion on road network to meet the Sustainable Development Goals (SDGs) target by 2030, says the International Monetary Fund (IMF). (BR) | [Click for more info.](#)

**ADB launches Asia Pacific Tax Hub**

**Economy | Neutral**

The Asian Development Bank (ADB) has launched an Asia Pacific Tax Hub to create an open and inclusive platform to promote strategic policy dialogue, improve knowledge sharing, and strengthen coordination on tax policy and administration among ADB, its members, and development partners. (BR) | [Click for more info.](#)

**Tarin hints at 'renegotiating' IMF agreement**

**Economy | Neutral**

Federal Finance Minister Shaukat Tarin has termed the International Monetary Fund's (IMF) demand for increase in electricity tariff "unjustified", hinting at "renegotiations" with the global lender on loan conditions. (ET) | [Click for more info.](#)

**Govt to borrow Rs5 trillion from banks in three months**

**Economy | Neutral**

The government planned to borrow Rs5 trillion from banks in three months (May-July) to bridge gap in revenue and expenditures, the central bank's auction calendar showed on Monday. (The News) | [Click for more info.](#)

## Oil & Gas

**Oil sales jump 57pc in April**

**Oil | Positive**

The country's oil sales swelled by 57 per cent to 1.67 million tonnes in April from 1.07m tonnes in April 2020. On a month-over-month basis, oil sales jumped 13pc from 1.49m tonnes in March. During 10MFY21, total oil sales rose by 19pc to 15.83m tonnes from 13.34m tonnes during the same period last year. (Dawn) | [Click for more info.](#)

## Power

**Future of 11 power plants; Consultation process expedited**

**Power | Neutral**

Power Division has reportedly expedited consultation process on early termination/ buyout of 11 oil-fired power plants of 3319MW, well-informed sources told. Power Division has constituted a nine-member cross functional committee to prepare recommendations for premature termination of the following 11 oil-fired power plants installed under various policies: (i) Hub Power - 1200MW; (ii) Kohinoor Energy - 124MW; (iii) AES Lalpir - 350MW; (iv) Pak Gen Power Limited - 349MW; (v) Saba Power - 126MW; (vi) Attock-Gen - 156MW; (vii) Atlas Power - 214 MW; (viii) Nishat Power - 195MW; (ix) Nishat Chunian - 196MW; (x) Hubco Narawal - 214MW; and (xi) Liberty Power - 196MW. (BR) | [Click for more info.](#)

### Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,018.0	29,935.6	-82.3	-0.3%
KSE100	44,262.4	44,076.2	-186.2	-0.4%
KSE30	18,100.6	18,027.3	-73.4	-0.4%
KMI30	71,477.0	71,346.7	-130.3	-0.2%

### Top Five Gainers

	Open	Close	Chg.	%
UPFL	14,000.0	15,000.0	1,000.0	7.1%
WYETH	950.0	1,021.3	71.3	7.5%
PAKT	1,350.0	1,390.0	40.0	3.0%
GATI	539.0	570.0	31.0	5.8%
SYS	423.7	445.2	21.6	5.1%

### Top Five Volume Leaders

	Open	Close	Chg.	Vol.
UNITY	30.8	32.1	1.3	36.36
TELE	14.8	13.8	-1.0	25.35
GGL	38.7	36.0	-2.7	23.14
TRG	168.6	156.6	-12.0	17.78
WTL	1.4	1.4	0.0	6.93

### Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.00	0.00	0.00
F-Corporates	0.59	-0.41	0.18
O/S Pakistanies	4.15	-4.27	-0.12
<b>Net</b>	<b>4.73</b>	<b>-4.68</b>	<b>0.05</b>
<b>LIPI</b>			
Individuals	76.16	-79.73	-3.57
Companies	8.14	-5.99	2.15
Comm. Banks	1.61	-0.84	0.77
NBFC	0.05	-0.04	0.01
Mutual Funds	3.48	-3.55	-0.07
Other	3.67	-0.18	3.49
Brokers Proprietary	19.05	-20.30	-1.25
Insurance	0.59	-2.17	-1.58
<b>Net</b>	<b>112.74</b>	<b>-112.80</b>	<b>-0.05</b>

### Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	64.49	1.4%
Brent oil	USD/bbl.	67.56	1.2%
Gold	USD/t oz.	1792.88	1.3%
Silver	USD/t oz.	26.91	3.8%
Coal	USD/ton	93.50	0.5%
Steel Scrap (LME)	USD/ton	429.91	0.0%
Steel Rebar (LME)	USD/ton	639.28	0.0%
USD/PKR	Interbank	153.36	-0.4%

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

**Research Team**

[research@abaalihabib.com](mailto:research@abaalihabib.com)

Aba Ali Habib Securities (Pvt) Limited  
(021) 32429665, Ext. 106

**REP-055**



## Octopus Digital and Hub Power sign MoU to establish digital transformation partnership

HUBC, AVN | **Positive**

Octopus Digital, an AVANCEON's subsidiary company, and HUB Power- a subsidiary of HUBCO have signed a Memorandum of Understanding (MoU) to establish a digital transformation partnership. The aim of this MoU is to bring a digital transformation in the energy sector in order to provide competitive and valued services. (Metis) | [Click for more info.](#)

## Banks

### Roshan Digital accounts to be converted into digital banking

Banks | **Positive**

Sayed Zulfikar Abbas Bukhari, Special Assistant to the Prime Minister for Overseas Pakistanis & HRD has said that Roshan Digital accounts will ultimately be converted into digital banking. (Pakobserver) | [Click for more info.](#)

### Over Rs4bn received by freelancers from abroad since January 2020

Banks | **Positive**

The country's freelancers have received more than Rs4 billion since January 2020 using a tech-based solution amid the Covid-19 pandemic, said Ghazanfar Azzam, president and CEO, Mobilink Microfinance Bank, on Monday. (Dawn) | [Click for more info.](#)

## Miscellaneous

### Lucky Cement, TRG expect upgrades in MSCI indices

LUCK, TRG | **Positive**

Lucky Cement is likely to get promoted to the MSCI Standard Index and TRG Pakistan stands ready to be included in the MSCI Emerging Market Small Cap Index. Lucky Cement is likely to get promoted to the MSCI Standard Index and TRG Pakistan stands ready to be included in the MSCI Emerging Market Small Cap Index. (The News) | [Click for more info.](#)

### US bill to clear way for duty-free export zones along Pak-Afghan border

Economy | **Positive**

The Pak-US Business Council has said that a bipartisan bill, moved in the US Senate on Friday, for establishment of duty-free export zones along the Pak-Afghan border, would provide economic benefits to both countries and boost US efforts to promote peace in the region. (PT) | [Click for more info.](#)

### Govt. not to compromise on blasphemy law

Economy | **Neutral**

The federal government has decided not to compromise on the country's blasphemy law in view of a recent resolution of the European Parliament that called for reviewing Pakistan's Generalised Scheme of Preferences Plus (GSP+) status amid "alarming" number of blasphemy cases. (ET) | [Click for more info.](#)

## International News

### Asia's share markets edge up on recovery signals

Asia's share markets were mostly higher Tuesday as regional equity investors looked to signs of recovery from the coronavirus pandemic as major economies around the world reopen. (Reuters) | [Click for more info.](#)

### Oil Rises with Growing Reopening Efforts Offsetting Virus Surge

Oil climbed as optimism over progress in reopening some of the world's largest economies outweighed deepening coronavirus risks elsewhere. (Bloomberg) | [Click for more info.](#)

## World Indices

	Last	Chg.	Chg. %
US - Dow 30	34,113.2	238.38	0.70%
US - S&P 500	4,192.7	11.49	0.27%
PHILP - PSEi	6,369.3	-1.59	-0.02%
CHINA - Shanghai	3,446.9	-28.04	-0.81%
INDONESIA - IDX	5,952.6	-43.02	-0.72%
KSA - Tadawul	10,309.4	-56.14	-0.54%
INDIA - SENSEX	48,718.5	-63.84	-0.13%
PAK (KSE-100)	44,076.2	-186.15	-0.42%
Taiwan - TWII	17,222.4	-344.31	-1.96%
HK - Hang Seng	28,357.5	-367.34	-1.28%

## Board Meetings

Scrip	Day	Agenda	Time
HACC	Tuesday	3Q A/c 31-Mar-21	11:00 AM
HWQS	Friday	HY A/c 31-Mar-21	4:00 PM

Source: PSX



## Disclaimer

This report has been prepared by Aba Ali Habib Securities and is provided for information purposes only. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Aba Ali Habib Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Aba Ali Habib Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents.

In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Aba Ali Habib Securities' Research Department and do not necessarily reflect those of the company or its directors. Aba Ali Habib as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. Aba Ali Habib Securities or any of its officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by Aba Ali Habib Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Aba Ali Habib Securities. Action could be taken for unauthorized reproduction, distribution or publication.

## 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 <sup>AC</sup>

The research Analyst(s) hereby certify that the views about the company/companies and the security/securities discussed in this report accurately reflect his or her or their personal views and that s/he has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendation or views in this report. The analyst(s) is/are principally responsible for preparation of this research report and that s/he or his/her close relative/family member doesn't own 1% or more of a class of common equity securities of the following company/companies covered in this report.

## THE TEAM

### CEO

Zahid Ali Habib  
[Zahid@abaalihabib.com](mailto:Zahid@abaalihabib.com)  
(021) 32425022

### RESEARCH TEAM

**Contact:** (021) 32429665, Ext. 106

Mohammad Zubair - Research Analyst  
[zubair@abaalihabib.com](mailto:zubair@abaalihabib.com)

Behroze Atique – Research Analyst  
[behroze@abaalihabib.com](mailto:behroze@abaalihabib.com)

Ayesha Abid – Research Analyst  
[ayesha.abid@abaalihabib.com](mailto:ayesha.abid@abaalihabib.com)

### SALES TEAM

Zaheer Ahmed - Head of Institutional Sales  
[Zaheer.ahmed@abaalihabib.com](mailto:Zaheer.ahmed@abaalihabib.com)  
(021) 32418693-94

Salman Ahmed - Head of Retail Sales  
(021) 32412491

Syed Khalid Ahmed - Equity Trader  
[Syedkhalid@abaalihabib.com](mailto:Syedkhalid@abaalihabib.com)  
(021) 32429664

Muhammad Faisal - Equity Trader  
[faisal@abaalihabib.com](mailto:faisal@abaalihabib.com)  
(021) 32464835

### Office (PSX Building)

Room # 419, 419 A & 421, 4<sup>th</sup> Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi  
Contact: 021-32429665  
Cell: [+92 3312766771](tel:+923312766771)



[https://twitter.com/Aba\\_Ali\\_Habib](https://twitter.com/Aba_Ali_Habib)



<https://www.facebook.com/aah162>



<https://www.linkedin.com/company/aba-ali-habib-securities/>