



April 8,
2022

Economy

SBP allows remittance of commission earned by IBD

Capital Market | Positive

In order to facilitate foreign portfolio investment in the country through International Broker Dealers (IBD), the State Bank of Pakistan has decided to allow general permission to Authorized Dealers (ADs) for remitting the share of commission to such IBD by Local Broker Dealers (LBD). The amount of commission (net of applicable taxes) to be remitted, will not exceed the amount determined as per rate prescribed by Pakistan Stock Exchange (PSX) or the rate agreed in the agreement, whichever is lower. (BR) | [Click for more info.](#)

US dollar crushes rupee to cross 188

Economy | Negative

The US dollar crushed the local currency once again on Thursday as it was traded as high as Rs190 in the interbank market but finally closed with an appreciation of Rs2.05. Currency dealers in the interbank market said the importers were facing difficulties in buying dollars from banks. The closing price was Rs188.18, according to the State Bank of Pakistan (SBP). (Dawn) | [Click for more info.](#)

Inflation and external stability; Policy rate hiked to 12.25pc at MPC emergency meeting

Economy | Neutral

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) in its emergency meeting, held on Thursday, decided to increase the key policy rate by 250 basis points (bps) to 12.25 percent to address the risks to inflation and external stability. (BR) | [Click for more info.](#)

SBP increases markup rate for EFS by 2.5%

Economy | Negative

In line with the increase in policy rate announced in the MPC meeting today, the State Bank of Pakistan (SBP) has the markup rate for financing under Export Finance Scheme (EFS), both Part I and Part II by 2.5%. (Mettis) | [Click for more info.](#)

External debt, arbitration settlement; Forex reserves decline by \$1bn in a week

Economy | Negative

According to State Bank of Pakistan's (SBP) weekly report issued on Thursday, the total liquid foreign reserves held by the country stood at \$17.477 billion as of April 1, 2022 compared to \$18.554 billion on March 25, 2022. (BR) | [Click for more info.](#)

Power

Decision to arrange funds for supplying power plants fuel

Economy | Neutral

Ministry of Energy on Thursday discussed fuel stocks position of power sector and directed concerned organizations to arrange required funds and ensure supply in April 2022. (BR) | [Click for more info.](#)

Autos

Assemblers suspend advance booking of vehicles

Autos | Negative

Amid uncertain political and economic outlook, local assemblers have started suspending the advance booking of vehicles citing volatile exchange rate and other issues. (Dawn) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	30,147.8	29,989.2	-158.6	-0.5%
KSE100	44,111.1	43,786.8	-324.3	-0.7%
KSE30	16,841.3	16,708.1	-133.2	-0.8%
KMI30	71,277.6	70,615.2	-662.4	-0.9%

Top Five Gainers

	Open	Close	Chg.	%
UPFL	24,500.0	25,500.0	1,000.0	4.1%
SCL	290.0	307.9	17.9	6.2%
AABS	280.5	296.0	15.5	5.5%
WAHN	188.4	200.0	11.6	6.1%
MIRKS	158.0	165.0	7.0	4.4%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
GGL	16.2	16.5	0.3	11.14
PAEL	16.3	16.6	0.3	9.24
KEL	2.9	2.9	0.0	7.70
TELE	14.6	14.5	-0.1	7.46
GGGL	12.4	12.9	0.5	5.22

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	1.52	-1.18	0.35
Net	3.00	-3.12	-0.12
LIPI			
Individuals	20.93	-17.15	3.78
Companies	2.17	-1.55	0.62
Comm. Banks	1.53	-0.69	0.84
NBFC	0.04	-0.01	0.04
Mutual Funds	1.39	-4.87	-3.48
Other	0.35	-0.40	-0.05
Brokers Proprietary	4.22	-4.50	-0.28
Insurance	0.96	-2.31	-1.36
Net	31.61	-31.49	0.12

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	96.03	-0.2%
Brent oil	USD/bbl.	101.46	0.4%
Gold	USD/t oz.	1931.74	0.3%
Silver	USD/t oz.	24.59	0.5%
Coal	USD/ton	271.25	-3.1%
Steel Scrap (LME)	USD/ton	640.00	0.0%
Steel Rebar (LME)	USD/ton	942.00	0.0%
USD/PKR	Interbank	188.18	1.1%

News Source: Local / Int'l Newspapers and websites

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REP-055



High car prices likely to shrink sales volumes in next fiscal

Autos | Neutral

The car sales volume increased by around 50 percent in the first nine months of the financial year 2022, but industry experts see auto volumes coming down in the next fiscal amid increasing car prices and hike in interest rates. (The News) | [Click for more info.](#)

Delayed delivery of vehicles; FTO tells FBR to ensure payment to customers @ Kibor+ 3pc per annum

Autos | Neutral

Federal Tax Ombudsman (FTO) Dr Asif Mahmood Jah has directed the Federal Board of Revenue (FBR) to ensure payment of Kibor plus 3% per annum to the customers of vehicles against their delayed delivery exceeding 60 days. (BR) | [Click for more info.](#)

Fertilizer

Fatima Fertilizer to enhance shareholding in Fatima Cement Limited to 100 percent

FATIMA | Positive

Fatima Fertilizer Limited (FATIMA) Board of Directors (BoD) decided to increase their shareholding in their cement venture to 100 percent as per company filling to the exchange. (Augaf) | [Click for more info.](#)

Miscellaneous

NIMIR starts commercial production of home care products

NICL | Positive

After the successful completion of the home care production facility, Nimir Industrial Chemicals Limited (PSX: NIMIR) has started commercial production of the home care products for its multinational customers. (Mettis) | [Click for more info.](#)

\$100m loan to empower small farmers

Economy | Positive

Smallholder farmers in Pakistan will benefit from a \$100 million loan signed by the Asian Development Bank and Louis Dreyfus Company BV (LDC) that aims to help these landowners recover from the economic challenges caused by the coronavirus pandemic and improve their resilience to climate change impacts. (Dawn) | [Click for more info.](#)

SBP announces 100pc cash margin on 177 items' import

Economy | Negative

The State Bank of Pakistan (SBP) has announced a 100 percent cash margin on the import of 177 items with immediate effect to reduce the pressure on the exchange rate. The cash margins deposited by importers on all items will be non-remunerative. The cash margins on these specific items will remain in place till December 31, 2022. (BR) | [Click for more info.](#)

Barter trade allowed

Economy | Neutral

Government has allowed import and export under barter trade with Iran and Afghanistan for a first to strengthen trade with regional countries, ministry of Commerce said on Thursday. (The News) | [Click for more info.](#)

Political News

General elections not possible before October: ECP

The Election Commission of Pakistan (ECP) has said that the next general elections in the country are not possible before October as it needs at least seven months to ensure free, fair and transparent polls. (ET) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
US - Dow 30	34,583.6	87.06	0.25%
KSA - Tadawul	13,314.0	58.02	0.44%
INDONESIA - IDX	7,127.4	23.15	0.33%
US - S&P 500	4,500.2	19.06	0.43%
CHINA - Shanghai	3,236.7	-46.73	-1.42%
PHILP - PSEi	6,926.0	-183.23	-2.58%
HK - Hang Seng	21,809.0	-271.54	-1.23%
PAK (KSE-100)	43,786.8	-324.27	-0.74%
Taiwan - TWII	17,178.6	-343.87	-1.96%
INDIA - SENSEX	59,035.0	-575.46	-0.97%

Board Meetings

Script	Day	Agenda	Time
FPJM	Friday	ANN A/c - 31Dec21	12:00 PM
PRIC	Friday	ANN A/c - 31Dec21	2:00 PM
FDIBL	Tuesday	3Q A/c - 31Dec21	1:00 PM
AGTL	Tuesday	ANN A/c - 31Dec21	5:15 PM
PTC	Wednesday	1Q A/c - 31Dec21	1:00 PM
CWSM	Thursday	1Q A/c - 31Dec21	11:00 AM
EPQL	Monday	1Q A/c - 31Dec21	10:00 AM
EPCL	Monday	1Q A/c - 31Dec21	2:00 PM
EFERT	Tuesday	1Q A/c - 31Dec21	10:30 AM
FANM	Tuesday	3Q A/c - 31Dec21	11:00 AM
MCBAH	Wednesday	3Q A/c - 31Dec21	11:00 AM
FFBL	Friday	1Q A/c - 31Dec21	10:30 AM
FCCL	Tuesday	3Q A/c - 31Dec21	11:00 AM
OML	Tuesday	3Q A/c - 31Dec21	11:00 AM
HAFL	Tuesday	3Q A/c - 31Dec21	11:30 AM
UPFL	Tuesday	1Q A/c - 31Dec21	2:30 PM

Source: PSX



SC reinstates National Assembly, orders voting on no-confidence motion against PM Imran

In a landmark judgement, the Supreme Court on Thursday ruled that the National Assembly deputy speaker's ruling to dismiss the no-confidence motion and subsequent dissolution of the lower house by the president on the PM's advice were contrary to the law and Constitution. The court has also ordered to reinstate the National Assembly and summon its session at 10.30am on Saturday (April 9) to hold voting on no-trust motion against Prime Minister Imran Khan. (ET) | [Click for more info.](#)

PTI 'mulling en mass resignations' from national, provincial assemblies

The ruling party is all set to launch an agitation against the dismissal of its government and the potential forming of a new regime in the wake of the Supreme Court's ruling setting the stage for the no-trust move against Prime Minister Imran Khan on Saturday (April 9). (ET) | [Click for more info.](#)

International News

Stocks Set for Steady Open; Treasury Curve Steeper: Markets Wrap

Stocks in Asia looked set for a muted start Friday as investors digest the Federal Reserve's plan for aggressive policy tightening and monitor the economic fallout of China's Covid lockdowns. (Bloomberg) | [Click for more info.](#)

Oil settles lower on doubts about Russia oil sanctions

Oil settled lower on Thursday, adding to weekly losses on uncertainty that the euro zone will be able to effectively sanction Russian energy exports and after consuming nations announced a huge release of oil from emergency reserves. Prices were also pressured by fears that lockdowns in China due to a new wave of COVID-19 would slow the recover in oil demand. (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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