



April 16,
2022

Bourse made huge gains of 2,157 points over the week as investors await IMF verdict

KSE-100 index saw steep addition of 117.11 points in the Friday's session and closed the benchmark at 46,601.54 points. Local equities witnessed one bearish session and four bullish session throughout the week as market saw bullish rally stemming from the political clearance which paved the way for room of relief for investors, coupled with PKR's strong comeback against greenback boosted investors' confidence. PKR appreciated against greenback on Friday by 0.06% DoD and closed at PKR 181.58/\$ in the interbank market, derived the investors' bullish stance.

During the week benchmark index rises by significant 4.85% or 2,157 points on cumulative basis, while the average daily traded value in benchmark remained at PKR 8.11bn with average daily volume of 188.35mn shares.

Several factors influenced the bourse over the week which includes 1) The new government is facing the biggest challenge of implementing the personal income tax (PIT) legislation in the coming budget (2022-23). 2) Ex-finance minister and PML-N leader Miftah Ismail said that Pakistan's fiscal deficit will hit a record high level of Rs5,600 billion at the end of the ongoing fiscal year. 3) Inflows of workers' remittances maintained unprecedented growth surging to \$ 23 billion in the first nine months of this fiscal year (FY22). According to the State Bank of Pakistan (SBP), in terms of growth home remittances rose by 7 percent or \$1.516 billion during the first nine months of FY22. 4) The country's total liquid foreign exchange reserves further fell by \$449 million during last week due to external debt servicing.

Amongst the market participants' foreigners remained net buyer throughout the week amounting to USD 1.29mn, largely backed by overseas Pakistanis amounting to USD 3.45mn. Whereas local investors remained net sellers amounting to USD -1.29mn, primarily contributed by the mutual funds (USD -9.89mn), followed by brokers (USD -3.63mn).

News of the week:

IMF's Critical Tax Requirement Likely to Create Problems for New Govt in The Upcoming Budget Economy | Neutral

The new government is facing the biggest challenge of implementing the personal income tax (PIT) legislation in the coming budget (2022-23). Sources told that it is a critical structural benchmark agreed with the International Monetary Fund (IMF) to enforce PIT reforms by July 1, 2022. (Propakistani) | [Click for more info.](#)

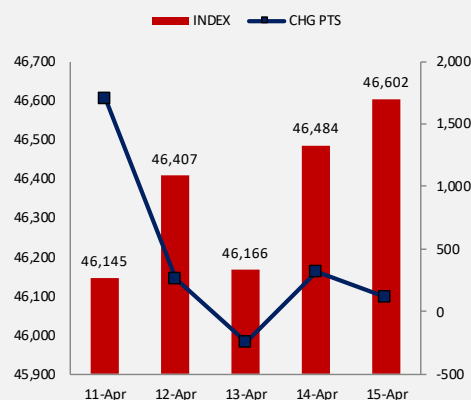
Pakistan's fiscal deficit to hit record Rs5.6tr in FY22: Miftah Ismail Economy | Negative

While slamming the ousted PTI-led government for pushing the country toward economic turmoil, ex-finance minister and PML-N leader Miftah Ismail said that Pakistan's fiscal deficit will hit a record high level of Rs5,600 billion at the end of the ongoing fiscal year. "And if supplementary grants of Rs800 billion were included, the total amount would reach Rs6400," he added. (Mettis) | [Click for more info.](#)

KSE-100	L-WEEK	C-WEEK	CHNG	% CHNG
INDEX	44,445	46,602	2,157	4.85%
WEEK HIGH	45,152	46,785	1,633	3.62%
WEEK LOW	43,750	44,445	695	1.59%
VOLUME (MN)	339	942	603	177.88%
VALUE US\$ (MN)	105	223	118	112.73%
AVERAGE	44,035	46,361	2,326	5.28%
MKT CAP (PKR)	1.80	1.88	0.08	4.57%
FIPI NET (US\$ MN)	-3.78	1.29	-2.49	N/A

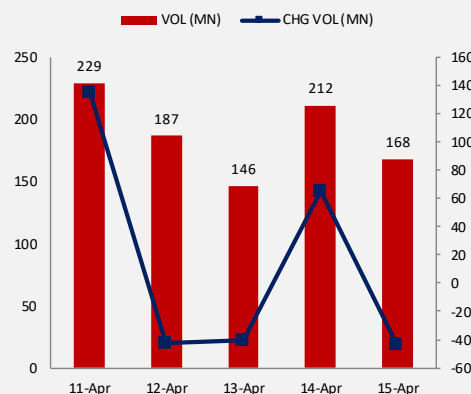
Source: PSX

KSE-100 INDEX



Data Source: PSX

KSE-100 INDEX VOLUME



Data Source: PSX

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106

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REP-055



Remittances: \$2.8bn record inflows received in March

Economy | Positive

Inflows of workers' remittances maintained unprecedented growth surging to \$ 23 billion in the first nine months of this fiscal year (FY22). According to the State Bank of Pakistan (SBP), in terms of growth home remittances rose by 7 percent or \$1.516 billion during the first nine months of FY22. Pakistan received inflows worth \$22.95 billion in July-March FY22 compared to \$21.436 billion received in the same period of the last fiscal year (FY21). (BR) | [Click for more info.](#)

SBP's reserves slip below \$11bn

Economy | Negative

The country's total liquid foreign exchange reserves further fell by \$449 million during last week due to external debt servicing. According to the State Bank of Pakistan (SBP), the total liquid foreign exchange reserves held by the country stood at \$ 17.03 billion as of April 8, 2022 down from \$17.48 billion on April 1, 2022. (BR) | [Click for more info.](#)

Autos

Robust growth in car sales high point of auto sector's stellar performance

Autos | Positive

The auto sector gave a robust performance in the first nine months of the current fiscal year (9MFY22) marked by 53.8 per cent jump in car sales, 66.4pc in trucks, 45.8pc in jeeps/pickups and 12.1pc in tractors. However, a decline in sales of buses and two and three-wheelers was noted in the period under review. (Dawn) | [Click for more info.](#)

Oil & Gas

Ogra chairman meets Baqir

Oil | Positive

The matters pertaining to enhancement of credit limits to the oil industry were discussed. Baqir confirmed that the oil industry credit lines have been revisited by allowing oil industry to meet the import petroleum products in the country. (BR) | [Click for more info.](#)

Petrol to rise Rs21/ltr if fuels prices unfrozen

Oil | Neutral

Diesel and petrol might spike by Rs51 and Rs21 respectively in the next fortnightly revision, if the new setup unfroze the petroleum prices, frozen by the previous government to support inflation-broken masses, The News learnt on Thursday. (The News) | [Click for more info.](#)

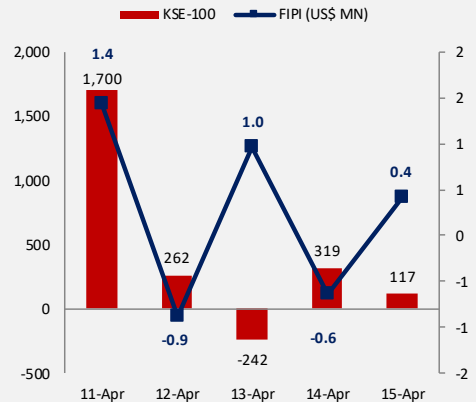
Power

Electricity load shedding; Nepra takes serious notice

KEL, Discos | Negative

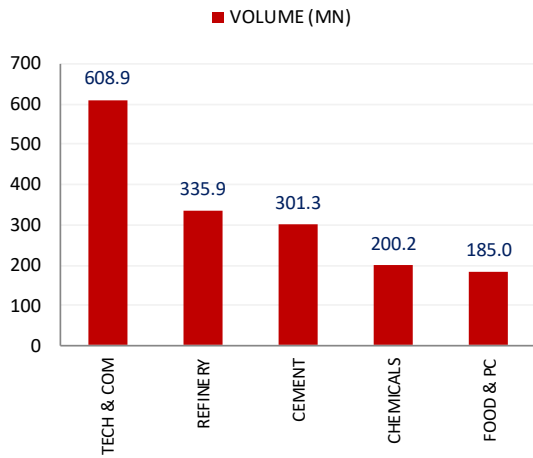
The National Electric Power Regulatory Authority (Nepra) has taken serious notice of the ongoing load shedding in the country. The Authority has summoned heads of power plants at the Nepra headquarters on Friday (today). The Authority also took notice of complaints of consumers on load shedding. The Authority has also summoned Discos, including K-Electric, on April 19 for clarification on consumers' complaints. (BR) | [Click for more info](#)

KSE-100 RETURN & FIPI FLOWS

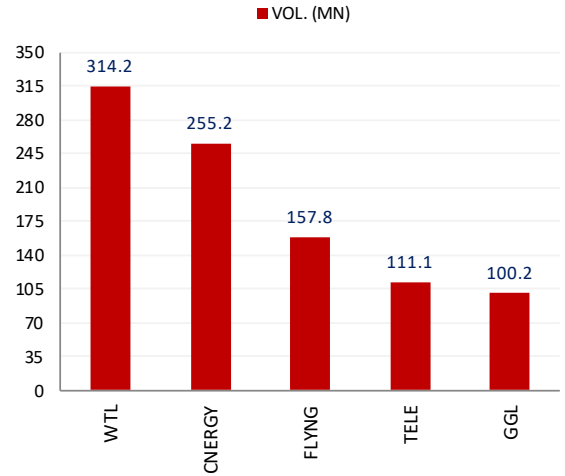




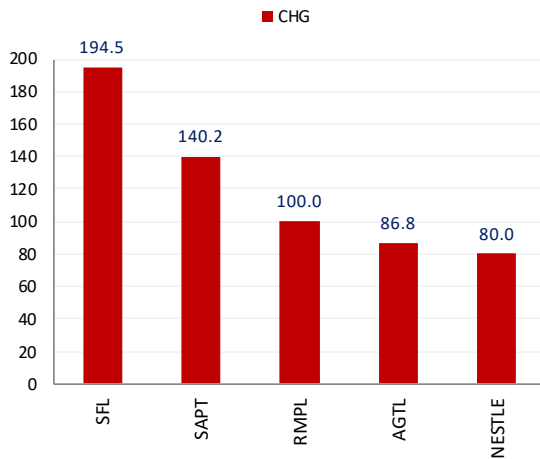
TOP 5 SECTORS OF THE WEEK



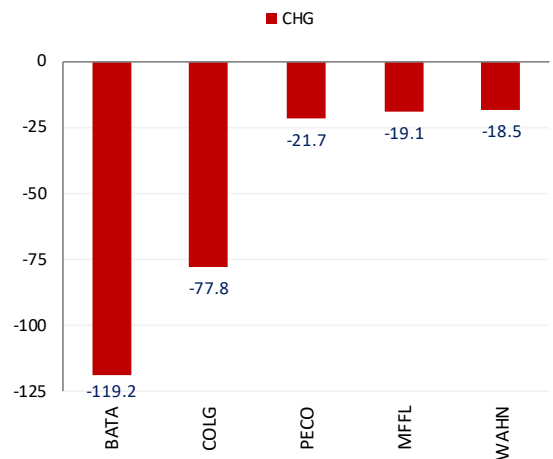
TOP 5 VOLUME LEADERS OF THE WEEK



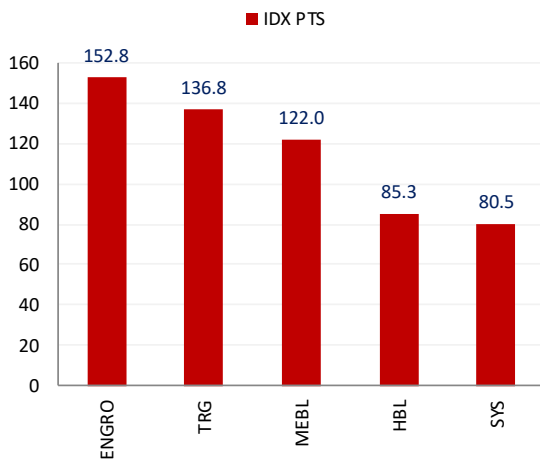
TOP 5 PRICE GAINERS OF THE WEEK



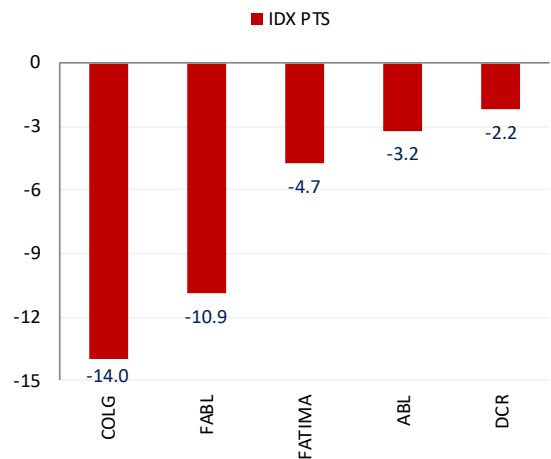
TOP 5 PRICE LOSERS OF THE WEEK



TOP 5 PARTICIPANTS OF THE WEEK (+ive)



TOP 5 PARTICIPANTS OF THE WEEK (-ive)

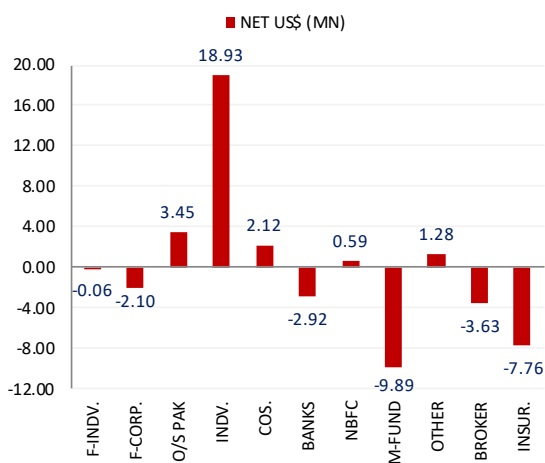




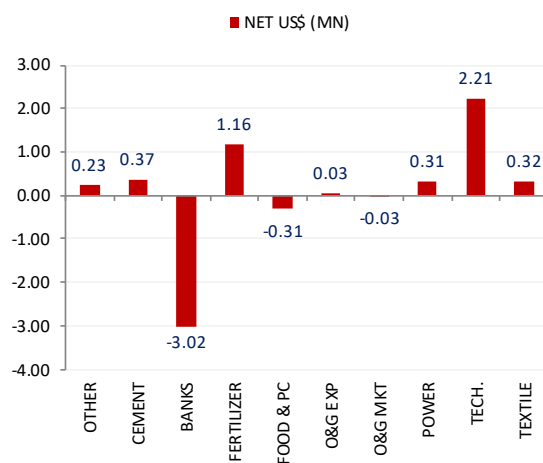
Foreign & Local Portfolio Investments

SECTOR	F-INDV	F-CORP	O/S PAK	NET US\$	INDV.	COS.	BANKS	NBFC	M-FUND	OTHER	BROKER	INSUR
OTHER	-0.02	-1.26	1.51	0.23	5.13	0.64	-1.87	0.54	-4.09	-0.41	0.43	-0.59
CEMENT	0.01	-0.07	0.43	0.37	4.83	0.61	0.74	-0.01	-1.12	0.02	-3.57	-1.89
BANKS	0.00	-2.82	-0.20	-3.02	0.11	3.12	-0.76	-0.01	0.19	0.52	0.39	-0.55
FERTILIZER	0.00	0.92	0.24	1.16	1.07	-0.44	-0.62	0.04	-1.38	1.05	0.16	-1.04
FOOD & PC	-0.05	0.00	-0.25	-0.31	1.46	-0.75	-0.16	0.00	0.17	-0.12	-0.27	-0.02
O&G EXP	0.00	-0.07	0.11	0.03	1.50	0.11	0.26	0.01	-0.15	0.10	0.11	-1.98
O&G MKT	0.00	-0.04	0.02	-0.03	1.52	0.01	0.04	0.00	-0.48	-0.07	-0.11	-0.87
POWER	0.00	-0.11	0.42	0.31	-0.05	0.36	0.04	0.00	-0.93	0.35	0.16	-0.25
TECH.	0.00	1.10	1.11	2.21	3.51	-1.28	-0.87	0.00	-2.46	-0.08	-0.61	-0.40
TEXTILE	0.00	0.27	0.05	0.32	-0.14	-0.26	0.29	0.01	0.36	-0.09	-0.32	-0.17
NET US\$	-0.063	-2.10	3.45	1.29	18.93	2.12	-2.92	0.59	-9.89	1.28	-3.63	-7.76

PORTFOLIO INVESTMENT BY CLIENT



PORTFOLIO INVESTMENT BY SECTORS





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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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THE TEAM

CEO

Zahid Ali Habib
Zahid@abaalihabib.com
(021) 32425022

RESEARCH TEAM

Contact: (021) 32429665, Ext. 106

Mohammad Zubair - Research Analyst
zubair@abaalihabib.com

Ayesha Abid - Research Analyst
ayesha.abid@abaalihabib.com

SALES TEAM

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

Salman Ahmed - Head of Retail Sales
(021) 32412491

Syed Khalid Ahmed - Equity Trader
Syedkhalid@abaalihabib.com
(021) 32429664

Muhammad Faisal - Equity Trader
faisal@abaalihabib.com
(021) 32464835

Office (PSX Building)

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



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