

Economy News

Pakistan, IMF agree on economic reforms

Economy | Positive

After getting assurances from Prime Minister Imran Khan for undertaking structural reforms, the IMF's Managing Director, Christine Lagarde, reiterated the Fund's readiness to support Pakistan. However, the details of the Fund-sponsored programme would be worked out through staff level agreement between Pakistan and the IMF teams in coming months. | [Click for more info.](#)

Strategy prepared ahead of FATF meeting

Economy | Positive

The federal government has prepared an effective and functional strategy for the upcoming Financial Action Task Force (FATF) meeting in Paris, following certain measures to curb money laundering and terror financing guidelines. According to sources, Pakistan's finance secretary will lead the delegation in the meeting scheduled to be held from February 17 to February 22, 2019. | [Click for more info.](#)

Saudi Arabia prepares biggest-ever investment package for Pakistan

Economy | Positive

A record investment package being prepared by Saudi Arabia for Pakistan will likely provide welcome relief for its cash-strapped ally, while also addressing regional geopolitical challenges. | [Click for more info.](#)

IMF warns of global economic 'storm' as growth undershoots

Economy | Negative

The International Monetary Fund on Sunday warned governments to gear up for a possible economic storm as growth undershoots expectations. "The bottom-line - we see an economy that is growing more slowly than we had anticipated," IMF Managing Director Christine Lagarde told the World Government Summit in Dubai. | [Click for more info.](#)

PKR devaluation not led to phenomenal export growth: Ishrat

Economy | Neutral

Prime Minister Imran Khan's aide Dr. Ishrat Hussain is said to have stated that no phenomenal increase in exports has been witnessed despite rupee devaluation. | [Click for more info.](#)

IMF chief ready to support Pakistan after meeting PM Imran Khan

Economy | Neutral

International Monetary Fund chief Christine Lagarde on Sunday met Pakistani Prime Minister Imran Khan and assured him that IMF stands ready to support his country. | [Click for more info.](#)

IMF agrees to lend \$6bn to Pakistan: sources

Economy | Positive

The government has reportedly decided to take up to \$6 billion loan from the International Monetary Fund (IMF) from the next fiscal year. | [Click for more info.](#)

High-risk customers: Companies must obtain approval from senior management: SECP

Economy | Neutral

The Securities and Exchange Commission of Pakistan (SECP) has ruled that the companies shall obtain approval from their senior management to establish or continue business relations with high-risk customers, check sources of wealth/funds or beneficial ownership of funds, and carry out enhanced monitoring of business relations. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	29,908.6	29,652.8	-255.8	-0.9%
KSE100	41,332.8	40,887.4	-445.4	-1.1%
KSE30	19,847.9	19,598.6	-249.3	-1.3%
KMI30	69,374.7	68,425.8	-948.9	-1.4%

Top Five Gainers

	Open	Close	Chg.	%
SIEM	779.0	792.0	13.0	1.7%
SUTM	218.5	229.4	10.9	5.0%
PICT	221.0	227.6	6.6	3.0%
SHSML	101.5	106.6	5.1	5.0%
PSMC	321.3	324.5	3.2	1.0%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
KEL	6.5	6.4	-0.1	23.24
PIBTL	12.3	12.6	0.3	13.41
PAEL	28.3	27.3	-1.0	10.47
EFERT	78.2	76.3	-2.0	9.95
LOTCHEM	17.5	17.3	-0.2	6.74

Portfolio Investments – Net Position

FIFI	Buy	Sell	Net
F-Ind.	0.02	-0.01	0.01
F-Corp.	3.87	-0.85	3.02
O/S Pak	1.94	-1.85	0.10
Net	5.83	-2.70	3.13

LIFI

Indv.	45.48	-37.97	7.52
Cos.	1.80	-2.17	-0.37
Banks	2.79	-0.43	2.36
NBFC	0.36	-0.01	0.35
M-Funds	5.91	-19.29	-13.38
Other	0.37	-1.73	-1.37
Broker	12.69	-13.69	-0.99
Insur.	3.96	-1.21	2.76
Net	73.37	-76.49	-3.13

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	52.05	-1.3%
Brent oil	USD/bbl.	61.51	-1.0%
Gold	USD/t oz.	1313.23	-0.3%
Silver	USD/t oz.	15.80	-0.1%
Coal	USD/ton	85.20	-1.0%
Steel Scrap (LME)	USD/ton	332.00	-1.0%
Steel Rebar (LME)	USD/ton	480.50	-0.7%
USD/PKR	Interbank	138.48	0.0%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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Rules vetted to make Benami Act operational

Economy | Neutral

The Ministry of Law has vetted rules framed by the Federal Board of Revenue (FBR) to make Benami Act operational and now the cabinet approval will be sought next week to notify these rules. | [Click for more info.](#)

Pakistan has to clear \$5bn liabilities in June

Economy | Neutral

Amid the shrinking dollar inflows, Pakistan will have to cough up over \$5 billion up to June this year in shape of repayments as principal and mark-up on foreign loans and international bonds, making it harder for the PTI-led government to avoid balance of payments crisis. | [Click for more info.](#)

Pakistan cuts 2017/18 economic growth estimate to 5.2%

Economy | Positive

Pakistan has revised its economic growth figures for the last financial year to 5.2 percent from a previously reported figure of 5.8 percent, after a sharp cut in the figure for large-scale manufacturing, the statistics office said. | [Click for more info.](#)

February-April period: Government plans to borrow Rs.3.85 trillion from banking system

Economy | Negative

The federal government intends to borrow some Rs.3.85 trillion from the domestic banking system through the sale of short-term and long-term investment bonds during February-April of current fiscal year to finance fiscal deficit. | [Click for more info.](#)

Govt. borrowed \$2.3bn in first half of current fiscal

Economy | Neutral

The government of Pakistan borrowed \$2.3 billion in the first half of the current fiscal year, according to the Economic Affairs Division. During the July-December period of fiscal year 2018-19, the government borrowed \$836 million from China, and \$500 million from commercial banks. It also took \$339 million in loans from the Asian Development Bank, and \$272 million from the Islamic Development Bank. | [Click for more info.](#)

Oil & Gas

LNG terminal at Port Qasim: PM to be briefed in detail

Gas | Neutral

The management of M/s Mitsubishi Corporation, establishing a Liquefied Natural Gas (LNG) project, is expected to meet Prime Minister Imran Khan later this month to apprise him about the project. Mitsubishi Corporation is setting up a 750 Million Cubic Feet (MMCFD) per day of LNG import and re-gasification. | [Click for more info.](#)

Govt. likely to rationalize gas prices to facilitate consumers

Economy | Positive

Initial findings of a probe into inflated and excessive gas bills to domestic consumers have been presented to the ministers for finance and petroleum and the government is likely to review the already approved gas prices to facilitate the consumers, said sources. | [Click for more info.](#)

Gas crisis worsens in Sindh, Balochistan

SSGC | Negative

The Sui Southern Gas Company Limited (SSGC) on Friday proposed to the federal government to provide imported liquefied natural gas (LNG) to its consumers in Sindh and parts of Balochistan at subsidised rates similar to the facility provided to the Punjab consumers, as an ongoing gas crisis worsened in the two southern provinces. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	40,887.4	-445.40	-1.1%
INDIA -SENSEX	36,546.5	-424.61	-1.2%
HK - Hang Seng	27,946.3	-43.89	-0.2%
CHINA -Shanghai	2,618.2	33.66	1.3%
Taiwan -TWII	9,932.3	12.12	0.3%
INDONESIA -IDX	6,521.7	-14.79	-0.2%
PHILIP -PSEi	8,070.9	-29.41	-0.4%
KSA -Tadawul	8,612.8	-20.49	-0.2%
US - Dow 30	25,106.3	-63.20	-0.3%
US -S&P 500	2,707.9	1.83	0.1%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
PICT	MONDAY	HYA/c-Dec -31-FY18	11:00 AM
NRSL	MONDAY	1QA/c-Sep-30-FY18	12:00 PM
CSAP	MONDAY	HYA/c-Dec -31-FY18	1:00 PM
AGTL	MONDAY	A/c for the year Dec-31,	4:00 PM
RMPL	TUESDAY	A/c for the year Dec-31,	8:00 AM
HACC	TUESDAY	HYA/c-Dec -31-FY18	10:00 AM
EFGH	TUESDAY	Ann. A/c-Dec-31 -CY18	2:30 PM
NETSOL	TUESDAY	HYA/c-Dec -31-FY18	3:00 PM
PTC	TUESDAY	Ann. A/c-Dec-31 -CY18	3:15 PM
MODAM	TUESDAY	HYA/c-Dec -31-FY18	4:00 PM
SSGC	WEDNESDAY	IIIQA/c-Mar-30 -FY17	11:00 AM
BCL	WEDNESDAY	HYA/c-Dec -31-FY18	11:30 AM
ABL	WEDNESDAY	Ann. A/c-Dec-31 -CY18	12:00 PM
DOL	WEDNESDAY	HYA/c-Dec -31-FY18	2:30 PM
CHCC	WEDNESDAY	HYA/c-Dec -31-FY18	3:00 PM
LOTCHEM	THURSDAY	Ann. A/c-Dec-31 -CY18	10:00 AM
CPPL	THURSDAY	HYA/c-Dec -31-FY18	11:00 AM
GTYR	THURSDAY	HYA/c-Dec -31-FY18	11:00 AM
GIL	THURSDAY	HYA/c-Dec -31-FY18	11:00 AM
WAHN	THURSDAY	HYA/c-Dec -31-FY18	11:00 AM
MTL	THURSDAY	HYA/c-Dec -31-FY18	11:30 AM
ORM	THURSDAY	HYA/c-Dec -31-FY18	11:30 AM
SPEL	THURSDAY	HYA/c-Dec -31-FY18	04:30 PM
BWHL	FRIDAY	HYA/c-Dec -31-FY18	11:00 AM
ALTN	FRIDAY	HYA/c-Dec -31-FY18	2:30 PM
AATM	FRIDAY	HYA/c-Dec -31-FY18	3:00 PM
GATI	FRIDAY	HYA/c-Dec -31-FY18	4:30 PM
PSO	SATURDAY	HYA/c-Dec -31-FY18	9:00 AM
GHNL	SATURDAY	HYA/c-Dec -31-FY18	11:00 AM
GHNI	SATURDAY	HYA/c-Dec -31-FY18	2:00 PM
SITC	SATURDAY	HYA/c-Dec -31-FY18	4:00 PM

Source: PSX Announcement

Power

K-Electric to raise Rs25b through Sukuk

KEL | Positive

K-Electric has decided to raise debt worth up to Rs25 billion to finance ongoing projects in the areas of power generation, transmission and distribution and to finance day-to-day expenditure. | [Click for more info.](#)

\$1 billion ADB-funded tender for smart meters: Domestic metering industry feels threat to its business

Power | Positive

The domestic metering industry is up in arms against the ministry of power division's move of floating \$1 billion Asian Development Bank-funded tender for smart metering project, saying it will kill the local meter industry. | [Click for more info.](#)

Banks

Govt. borrowed \$1.8bn in six months: EAD

Banks | Positive

The government has received an amount of \$1.813 billion in loans from multilateral and bilateral sources during the first six months of the current fiscal year, according to a release issued by the Economic Affairs Division (EAD). The amount was borrowed from other sources as talks with the International Monetary Fund (IMF) continue to sputter since September 2018. | [Click for more info.](#)

BankIslami initiates 'OneTouch Banking'

BIPL | Positive

With the growing prevalence of technologically advanced solutions in the banking industry, BankIslami breaks through the industry with OneTouch Banking, a complete biometric solution, which enables you to carry out all your transactions by just an impression of your thumb. | [Click for more info.](#)

Banks asked to promote Pakistan Banao Certificates

Banks | Neutral

Banks have been asked to promote Pakistan Banao Certificates (PBC) launched by the government to raise dollars from overseas Pakistanis. PBCs, which offer 6.25 per cent profit for its three-year, and 6.75pc for five-year certificates were launched by Prime Minister Imran Khan on Jan 31. | [Click for more info.](#)

Agri-credit increases 22pc to Rs527bln in July-December

Banks | Positive

Banks disbursed Rs527.3 billion in agriculture credit during the first half of 2018/19, which was 42.2 percent of the annual assigned target, and 22 percent higher than the disbursement made during the same period last year, the central bank governor said. | [Click for more info.](#)

Miscellaneous

GSP Plus status in EU: Pakistan's bilateral trade still far below potential level: PBIF chief

Economy | Negative

President Pakistan Businessmen and Intellectuals Forum (PBIF), Mian Zahid Hussain said that despite availability of GSP Plus status in European Union, Pakistan's bilateral trade is far below the potential level. He said that Pakistan is unable to get requisite benefit of GSP Plus status especially in the highly demanded export oriented goods like textile, leather and agriculture. | [Click for more info.](#)

Big relief for Pakistan: Karkey enforcement proceedings stopped

Economy | Positive

The government is jubilant after International Centre for Settlement of Investment Disputes (ICSID) - an arm of World Bank - suspended the award of over \$760 million along with interest (a total of \$ 800 million) in favour of Turkish power company Karkey Karadeniz Elektrik Uretim. | [Click for more info.](#)

Russian state unit comes up with PSM revival package

Economy | Positive

A Russian state enterprise has offered Pakistan a comprehensive package for reviving the troubled Pakistan Steel Mills (PSM), which includes a loan for balancing and modernization of the large industrial complex. | [Click for more info.](#)

SBP to raise Rs3.85 trillion via MTBs, PIBs auctions in February-April

Banks | Positive

The State Bank of Pakistan (SBP) will auction Rs3.85 trillion worth of market treasury bills (MTBs) and Pakistan Investment Bonds (PIBs) in February-April 2019 to help plug budget hole. | [Click for more info.](#)

Prize bonds to be made registered instrument to broaden tax base

Economy | Neutral

The government decided to convert almost all the prize bonds into registered instruments in a move to keep record of investors and curb tax evasion and money laundering, sources said on Friday. | [Click for more info.](#)

Large-scale CPEC projects to be completed in few months

Economy | Neutral

China-Pakistan Economic Corridor (CPEC) projects were progressing satisfactorily and a number of large-scale projects would be completed over the next few months, said Deputy Chief of Mission at the Chinese Embassy Lijian Zhao on Friday. | [Click for more info.](#)

FBR empowered to probe property investment source

Economy | Neutral

Tax authorities are empowered to ask source of investment in real estate sector if any disparity is found between the government-defined and open market rates, officials said on Saturday. | [Click for more info.](#)

Political News

US lauds Pak efforts for Afghan peace process, seeks deal with Taliban

The Trump administration's peace envoy for Afghanistan lauded Pakistan for its efforts in Afghan peace process as the country had played a major role to arrange crucial peace talks between the United States and Afghan Taliban. | [Click for more info.](#)

International News

Stocks in Asia Dip as China Returns, Rally Fizzles: Markets Wrap

Stocks began the week on a cautious note as doubts on the possibility for progress ahead of a potentially pivotal week for U.S.-China trade talks crept back into markets. | [Click for more info.](#)

Oil prices fall on rising U.S. rig count, pressure on OPEC-led supply cuts

Crude prices fell by around 1 percent on Monday as U.S. drilling activity picked up and as Russia's biggest oil producer pressured President Vladimir Putin to end the supply cut deal with Middle East-dominated producer club OPEC. | [Click for more info.](#)

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Rating - Expected Total Return

Buy - Greater than 10%

Hold - Neither Buy nor Sell

Sell - Less than and equal to -10%

Valuation Methodology

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