

April 16,
2019

Economy News

No bar on loss-making firms to list on PSX

PSX | **Positive**

The government has permitted loss-making companies to raise capital through listing on the stock exchange – a move that aims at to enhance depth in the tattered equity market, a top official said on Monday. | [Click for more info.](#)

Umar says FATF has no links with IMF conditionalities

Economy | **Neutral**

Minister for Finance Asad Umar Monday said the Financial Action Task Force review team would visit Pakistan in the third week of May 2019 as the country took steps to improve its compliance with the FATF action plan and also moved ahead against proscribed outfits. | [Click for more info.](#)

Deal done with IMF

Economy | **Positive**

"We have exchanged documents after striking an agreement with the IMF on major policy issues. We will get the IMF loan in the range of \$6 to \$8 billion for three years period and then other multilateral creditors will also providing funding as the WB will lend \$7.5 to \$8 billion and ADB in the range of \$6 billion over three years' period. We also kick-started procedures to approach the international capital market for launching a bond after signing the IMF agreement," Asad Umar said. | [Click for more info.](#)

Mission to arrive anytime soon

Economy | **Positive**

An International Monetary Fund (IMF) mission would visit Pakistan to discuss IMF-supported programme before the end of April. The Office of the Resident Representative of IMF Monday issued the following press statement in this regard. | [Click for more info.](#)

IMF deal hopes nudge Pakistan bonds towards year-long highs

Economy | **Positive**

Pakistan's dollar-denominated government bonds climbed towards their highest level in over a year on Monday as the country appeared to be closing in on a new International Monetary Fund (IMF) support programme. Bonds were up as much as 0.5 cents after Pakistan's state minister for revenue, Muhammad Azhar, tweeted that an "agreement in principle has been reached on all outstanding issues with IMF" after a visit to Washington by Finance Minister Asad Umar. | [Click for more info.](#)

Cabinet being briefed on proposed tax amnesty scheme today

Economy | **Neutral**

"The Federal Board of Revenue (FBR) and Ministry of Finance will brief the cabinet on the proposed tax amnesty scheme," said an official of the FBR on Monday. He further said that government is likely to issue Presidential Ordinance to announce the tax amnesty scheme after getting approval from the cabinet's meeting. "The government is giving last chance to those people who had not declared their wealth to legalize it by paying nominal tax," he added. | [Click for more info.](#)

Govt to raise \$400m in foreign loan to introduce tax reforms

Economy | **Positive**

The government on Monday decided to secure \$400 million in loan from foreign lenders, mainly the World Bank, to introduce reforms in the Federal Board of Revenue to expand the tax base that is vital to reduce widening revenue-expenditures gap. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	27,405.3	27,497.6	92.3	0.3%
KSE100	37,337.9	37,504.1	166.2	0.4%
KSE30	17,650.6	17,753.1	102.6	0.6%
KMI30	61,038.9	61,346.3	307.4	0.5%

Top Five Gainers

	Open	Close	Chg.	%
NESTLE	7,780.0	8,060.0	280.0	3.6%
BATA	1,602.6	1,656.4	53.7	3.4%
SAPL	770.0	800.0	30.0	3.9%
PSMC	229.6	241.0	11.5	5.0%
HCAR	209.9	220.4	10.5	5.0%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
PAEL	21.9	23.0	1.1	18.19
KEL	5.2	5.1	-0.1	13.99
BOP	13.6	13.8	0.2	12.89
FCCL	17.2	17.9	0.7	11.79
TRG	21.1	21.7	0.6	8.10

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.01	-0.05	-0.04
F-Corp.	4.47	-8.03	-3.56
O/S Pak	1.35	-2.11	-0.75
Net	5.83	-10.18	-4.36
LIPI			
Indv.	39.36	-37.65	1.70
Cos.	2.01	-1.30	0.71
Banks	1.12	-1.73	-0.61
NBFC	0.00	-0.05	-0.05
M-Funds	2.77	-2.03	0.74
Other	0.50	-0.63	-0.13
Broker	14.80	-13.18	1.63
Insur.	3.69	-3.34	0.35
Net	64.25	-59.90	4.36

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	63.27	-0.2%
Brent oil	USD/bbl.	70.93	-0.4%
Gold	USD/t oz.	1286.59	-0.1%
Silver	USD/t oz.	14.97	-0.2%
Coal	USD/ton	69.00	-1.1%
Steel Scrap (LME)	USD/ton	311.00	0.0%
Steel Rebar (LME)	USD/ton	480.00	0.0%
USD/PKR	Interbank	141.51	0.0%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106

FBR estimates Rs1bln in revenue from FED

Economy | Neutral

The Federal Board of Revenue (FBR) has estimated around one billion rupees in revenue collection after the proposed re-imposition of federal excise duty on goods in the next budget, sources said on Monday. | [Click for more info.](#)

Oil & Gas

75-80pc gas price hike inevitable: Ogra chief

Economy | Negative, Gas | Positive

Talking to the media after the public hearing of Ogra about gas tariff hike at a local hotel, Uzma Adil said that there has been no increase in gas prices for past couple of years. She added prices of gas would likely be increased by 75-80 percent from present level. The revised tariff will be implemented from July 1. | [Click for more info.](#)

Sui Northern asks Ogra to shift Rs25 bn loss to domestic sector

SNGP | Positive

The Sui Northern has asked Oil and Gas Regulatory Authority (Ogra) to include the loss of Rs25 billion in the tariff it incurred because of injecting the costly RLNG to domestic sector in last winter season. | [Click for more info.](#)

Autos

Car assemblers asked to give written testimonies about "premium money"

Autos | Neutral

Ministry of Industries and Production on Monday sought written "testimonies" from local car assemblers, with the assurance that they will take strict action against their dealers involved in "on money" (premium money). | [Click for more info.](#)

Banks

Bank Alfalah Islamic, GIL sign MoU

BAFL, GHNI | Positive

Bank Alfalah Islamic, Pakistan's rapidly growing Islamic Bank, has recently signed a Memorandum of Understanding with Gandhara Industries Limited (GIL). GIL is a public limited company quoted on the Stock Exchanges and registered under the Companies Act, 1913 (now companies Ordinance, 1984). The major business activities of the company comprise of progressive manufacturing, assembly and marketing Isuzu Pickups, Trucks, and Buses along with fabrication of wide range of superstructures on all kind of chassis. | [Click for more info.](#)

Miscellaneous

Cotton yarn export: Textile Division's media hype rocks value-added sector

Textile | Negative

Despite categorical assurance that the government would not allow export of cotton yarn, the media campaign by the Textile Division has rocked the entire value added textile sector. The government must reverse this decision to save national exports from another crisis. | [Click for more info.](#)

British minister agrees Pakistan, UK have potential for investment ties

Economy | Positive

Prime Minister Imran Khan on Monday said Pakistan and Britain should enhance the existing relations into long-term and multi-faceted strategic partnership, especially post-Brexit. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	37,504.1	166.21	0.45%
INDIA - SENSEX	38,905.8	138.73	0.36%
Taiwan - TWII	10,875.6	70.30	0.65%
KSA - Tadawul	9,088.1	32.79	0.36%
INDONESIA - IDX	6,435.2	29.29	0.46%
US - S&P 500	2,905.6	-1.83	-0.06%
CHINA - Shanghai	3,177.8	-10.84	-0.34%
US - Dow 30	26,384.8	-27.53	-0.10%
PHILP - PSEi	7,788.0	-92.84	-1.18%
HK - Hang Seng	29,810.7	-99.04	-0.33%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
ISL	TUESDAY	¼c Mar-31, FY'19	10:30 AM
IBLHL	TUESDAY	¼c Mar-31, FY'19	12:00 PM
EPQL	WEDNESDAY	¼c Mar-31, CY'19	10:00 AM
SINDM	WEDNESDAY	¼c Mar-31, FY'19	12:00 PM
KML	WEDNESDAY	¼c Mar-31, FY'19	12:30 PM
FEROZ	WEDNESDAY	¼c Mar-31, FY'19	1:00 PM
PTC	WEDNESDAY	¼c Mar-31, CY'19	2:00 PM
ALTN	WEDNESDAY	¼c Mar-31, FY'19	3:00 PM
INIL	THURSDAY	¼c Mar-31, FY'19	10:00 AM
BWHL	THURSDAY	¼c Mar-31, FY'19	11:00 AM
DCR	THURSDAY	¼c Mar-31, FY'19	11:00 AM
FCCL	THURSDAY	¼c Mar-31, FY'19	11:00 AM
DINT	THURSDAY	¼c Mar-31, FY'19	11:30 AM
BIPLS	THURSDAY	¼c Mar-31, CY'19	12:00 PM
TRIPF	THURSDAY	¼c Mar-31, CY'19	2:30 PM
SEARL	THURSDAY	¼c Mar-31, FY'19	3:30 PM
EFERT	FRIDAY	¼c Mar-31, CY'19	9:30 AM
LOTCHEM	FRIDAY	¼c Mar-31, CY'19	10:00 AM
MARI	FRIDAY	¼c Mar-31, FY'19	10:00 AM
CPPL	FRIDAY	¼c Mar-31, FY'19	10:30 AM
ICIBL	FRIDAY	¼c Mar-31, FY'19	10:30 AM
AWWAL	FRIDAY	¼c Mar-31, FY'19	11:00 AM
GHNL	FRIDAY	¼c Mar-31, FY'19	11:30 AM
NRSL	FRIDAY	¼c Mar-31, FY'19	11:30 AM
GHNI	FRIDAY	¼c Mar-31, FY'19	3:00 PM
HMB	FRIDAY	¼c Mar-31, CY'19	3:00 PM
PSO	FRIDAY	¼c Mar-31, FY'19	3:00 PM
GASF	FRIDAY	¼c Mar-31, FY'19	4:00 PM
GATI	FRIDAY	¼c Mar-31, FY'19	4:30 PM
FANM	SATURDAY	¼c Mar-31, FY'19	11:30 AM
SNGP	SATURDAY	Multiple Periods	2:00 PM
HTL	SATURDAY	3Q. A/c Mar-31, FY'19	2:30 PM

Source: PSX Announcement



Political News

IMF's conditions: PPP demands govt to take parliament into confidence

Parliamentary leader of the Pakistan People's Party (PPP) in the Senate Senator Sherry Rehman on Monday demanded of the government to take the parliament into confidence on the conditions of the IMF for loan and said the way the finance minister ran off to Washington without taking the parliament on board raises important questions and it is our right to ask them. | [Click for more info.](#)

International News

Asian Stocks Mixed on Earnings; Treasuries Steady: Markets Wrap

Asian stocks stalled near six-month highs Tuesday as investors weighed earnings in the U.S. and Japan. Treasuries steadied and the dollar edged higher. | [Click for more info.](#)

Oil extends losses into second session; Russia, OPEC output in focus

Oil prices edged down on Tuesday after a Russian minister said the nation and OPEC may boost crude output to fight for market share, checking a recent sharp rally driven by tighter global production. | [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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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

Zoha Amjad – Research Analyst
Zoha.amjad@abaalihabib.com

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

SALES TEAM

Zaheer Ahmed - Head of Equity Sales & Business Dev.
Zaheer.ahmed@abaalihabib.com
(021) 32418693-94

Hafsa Kamani- Assistant Manager Equity Sales
Hafsa.Kamani@abaalihabib.com
(021) 32431925

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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