



March 1,
2019

Economy News

Pakistan still uses ad hoc trade policy instruments: WB

Economy | Neutral

Pakistan still uses ad-hoc trade policy instruments despite its focus on promoting private sector investment and export led growth, undermining the predictability of its trade regime, says the World Bank (WB). | [Click for more info.](#)

US businesses optimistic about Pakistan's economic future

Economy | Positive

The American Business Council (ABC) of Pakistan in its perception survey conducted in 2018-19 has termed the country's economic, regulatory and political factors as satisfactory and sense growth in business activities. According to survey result, 50 per cent of the respondents rated the "business climate" as same as before and 80pc of the respondents felt that there was no change in the "ease of doing business." | [Click for more info.](#)

Asad Umar vows more incentives for investors in next budget

Economy | Positive

Finance Minister Asad Umar said on Thursday that the government was striving hard to promote 'ease of doing business' in the country by facilitating both domestic and foreign investors with various incentives, including rationalization of the tax regime. | [Click for more info.](#)

Pakistan facing 60pc shortfall in disbursements from lenders

Economy | Negative

Amid inability of the PTI government to launch any international bonds and persistent suspension of budgetary loans from lenders, the disbursement from multilateral and bilateral creditors has slashed by 60 percent in the first seven months (July-Jan) of the current fiscal year. | [Click for more info.](#)

Forex reserves slightly increase

Economy | Neutral

Pakistan's foreign exchange reserves rose to \$14.815 billion during the week ended February 22 compared with \$14.794 billion in the previous week, the State Bank of Pakistan (SBP) reported on Thursday. The reserves held by the SBP decreased \$6 million to \$8.036 billion. The foreign currency reserves of commercial banks, however, increased to \$6.779 billion from \$6.751 billion. | [Click for more info.](#)

PBIT, PSX to collaborate

Economy | Positive

The Punjab Board of Investment and Trade (PBIT) and Pakistan Stock Exchange (PSX) have signed a memorandum of understanding (MoU) to work together for promoting business and investment in Punjab and Pakistan, a statement said on Thursday. | [Click for more info.](#)

Oil & Gas

Partial increase in all prices of POL products

OMCs | Positive

The federal government on Thursday notified partial increase in the prices of all petroleum products for the month of March. In monthly review, the government has increased the price of motor spirit (MS) by Rs 2.50 per litre. The price of high speed diesel (HSD) has also been increased by Rs 4.75 per litre. Per litre price of kerosene oil has been increased by Rs 4.00 and light diesel oil (LDO) by Rs 2.50. The new prices are effected from today (Friday) till March 31. | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	28,245.4	28,506.7	261.2	0.9%
KSE100	38,692.7	39,054.6	361.9	0.9%
KSE30	18,662.5	18,777.2	114.7	0.6%
KMI30	64,967.2	65,510.0	542.8	0.8%

Top Five Gainers

	Open	Close	Chg.	%
BATA	1,531.0	1,599.0	68.0	4.4%
PAKT	2,516.3	2,582.2	65.9	2.6%
SIEM	724.9	761.0	36.2	5.0%
MTL	793.1	826.8	33.7	4.3%
SRVI	750.0	773.3	23.3	3.1%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
BOP	12.2	12.7	0.4	13.37
WTL	1.4	1.4	0.0	9.81
KEL	5.9	6.0	0.2	9.48
PAEL	23.3	24.0	0.8	7.16
FCCL	20.8	21.3	0.5	6.18

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Ind.	0.02	-0.01	0.01
F-Corp.	4.53	-4.50	0.03
O/S Pak	1.99	-1.82	0.17
Net	6.54	-6.34	0.21
LIPI			
Indv.	41.05	-38.73	2.32
Cos.	2.76	-1.34	1.42
Banks	4.38	-4.93	-0.55
NBFC	0.02	-0.25	-0.23
M-Funds	1.42	-4.61	-3.18
Other	0.44	-0.39	0.06
Broker	12.58	-12.69	-0.11
Insur.	2.88	-2.81	0.07
Net	65.54	-65.74	-0.21

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	57.39	0.3%
Brent oil	USD/bbl.	66.03	0.0%
Gold	USD/t oz.	1313.47	0.0%
Silver	USD/t oz.	15.60	-0.1%
Coal	USD/ton	84.00	0.0%
Steel Scrap (LME)	USD/ton	318.50	-1.1%
Steel Rebar (LME)	USD/ton	475.00	0.5%
USD/PKR	Interbank	139.24	-0.1%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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OGRA approves up to Rs151 per MMBTU increase in gas prices SSGC, SNGP | Positive

As the issue of excessive and inflated bills to gas consumers remains unresolved, Oil and Gas Regulatory Authority (OGRA) has now approved an increase in gas prices by up to Rs151 per Million British Thermal Unit, it was learnt on Thursday. | [Click for more info.](#)

PPL's 6-month profit up 35pc

PPL | Positive

Pakistan Petroleum Limited (PPL) recorded a 35 percent year-on-year increase in profit to Rs30.2 billion for the half year ended December 31, translating into earnings per share (EPS) of Rs13.35, a bourse filing said on Thursday. PPL earned Rs22.3 billion with EPS of Rs9.86 in the corresponding period a year earlier. | [Click for more info.](#)

Power

RLNG unavailability costs Rs24.2bln for power production in Jan: Nepra Power | Neutral

Unavailability of re-gasified liquefied natural gas (RLNG) and non-utilisation of efficient plants in January resulted in electricity generation from costlier fuels and that cost more than Rs24 billion to the government, the power regulator said. | [Click for more info.](#)

Fertilizer

Fertilizer plants shut for 30 days in winter on gas supply shortage Fertilizer | Negative

The short supply of urea fertilizer on the back of irregular domestic manufacturing due to erratic and short supply of natural gas may lead to a widening gap of the essential agricultural input in March, latest official data suggests. | [Click for more info.](#)

Sugar

Sindh government fixes sugarcane price at Rs 182 per 40kg, SHC told Sugar | Neutral

The sugarcane price of Rs 182 per 40kg for the current crushing season was fixed by taking into consideration the interests of all stakeholders, provincial government told Sindh High Court (SHC) on Thursday. | [Click for more info.](#)

Miscellaneous

Tinplates dumping: IHC tells NTC, manufacturer to file comments

STPL | Positive

Islamabad High Court (IHC) has directed the National Tariff Commission (NTC) and a domestic sole manufacturer of tinplate to file comments on the issue of imposition of provisional anti-dumping duties on dumped imports of tinplate into Pakistan from China, European Union, South Africa and USA. | [Click for more info.](#)

Govt urged to create level playing field for tile manufacturers

STCL | Positive

With proper facilitation from the government, local tile manufacturers can not only add value to the economy through employment generation and transfer of technology but can also save precious foreign exchange wasted on the import of finished products, said Masood Jaffery, the Chief Operating Officer of Shabbir Tiles and Ceramics Limited (Stile) CEO, on Thursday. | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	39,054.6	361.91	0.9%
INDIA - SENSEX	35,867.4	-37.99	-0.1%
HK - Hang Seng	28,633.2	-124.26	-0.4%
CHINA - Shanghai	2,941.0	-12.87	-0.4%
Taiwan - TWII	10,389.2	12.12	0.3%
INDONESIA - IDX	6,443.4	-82.33	-1.3%
PHILP - PSEi	7,705.5	-183.63	-2.3%
KSA - Tadawul	8,492.7	20.20	0.2%
US - Dow 30	25,916.0	-69.16	-0.3%
US - S&P 500	2,784.5	-7.89	-0.3%

Source: Investing.com

Board Meetings

Scrip	Day	Agenda	Time
AMTEX	FRIDAY	HY A/c Dec-31, FY'19	11:00 AM
BOK	FRIDAY	Ann. A/c Dec-31, CY'18	11:00 AM
CTM	FRIDAY	HY A/c Dec-31, FY'19	11:00 AM
IDYM	FRIDAY	HY A/c Dec-31, FY'19	11:00 AM
MUGHAL	FRIDAY	HY A/c Dec-31, FY'19	11:00 AM
RPL	FRIDAY	HY A/c Dec-31, FY'19	11:00 AM
WYETH	FRIDAY	Ann. A/c Dec-31, CY'18	11:00 AM
SUTM	FRIDAY	HY A/c Dec-31, FY'19	11:30 AM
CLOV	FRIDAY	HY A/c Dec-31, FY'19	3:00 PM
NPSM	FRIDAY	HY A/c Dec-31, FY'19	3:30 PM
BOP	MONDAY	Ann. A/c Dec-31, CY'18	9:30 AM
GLAXO	MONDAY	Ann. A/c Dec-31, CY'18	11:30 AM
CHAS	TUESDAY	Ann. A/c Dec-31, CY'18	11:00 AM
UNIC	TUESDAY	Ann. A/c Dec-31, CY'18	11:00 AM
JSBL	TUESDAY	Ann. A/c Dec-31, CY'18	11:30 AM
PMRS	TUESDAY	Ann. A/c Dec-31, CY'18	11:30 AM
AGP	TUESDAY	Ann. A/c Dec-31, CY'18	2:30 PM
FATIMA	TUESDAY	Ann. A/c Dec-31, CY'18	2:30 PM

Source: PSX Announcement



Insurance sector needs aggressive reforms: SECP

Insurance | Neutral

The lawmakers on Thursday expressed concern over problems being faced by the common people because of an ongoing tussle in the state-run insurance company and criticised the Federal Board of Revenue (FBR) for seeking approval of half-cooked development projects without setting priorities right.

| [Click for more info.](#)

Political News

US welcomes Pakistan's decision to release Indian Air Force pilot

The United States on Thursday lauded Pakistan's decision to free a captured Indian Air Force pilot whose fighter jet had been shot down a day earlier by PAF over airspace violation. | [Click for more info.](#)

OIC is our home, will attend session: Qureshi

Foreign Minister Shah Mehmood Qureshi on Thursday said the Organisation of Islamic Cooperation (OIC) is our home, he will go there but will not hold talks with Indian Minister for External Affairs Sushma Swaraj. | [Click for more info.](#)

Armed forces at high alert: ISPR

The Inter-Services Public Relations (ISPR) on Thursday said the Pakistan armed forces are in a state of readiness for any eventualities and thwart any Indian aggression on eastern borders and the Line of Control (LoC). | [Click for more info.](#)

International News

Asian Stocks Edge Higher; Treasuries Steady: Markets Wrap

Asian stocks edged higher Friday as the latest reading on China's economy came in above expectations. Treasury yields held on to gains after a mixed set of economic signals in the U.S. | [Click for more info.](#)

Oil rises on OPEC supply cuts, but surging U.S. output and economic slowdown weigh

Oil prices rose on Friday as markets tightened amid output cuts by producer club OPEC, but surging U.S. supply and a global economic slowdown prevented crude from climbing further. | [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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