



October
24, 2019

Economy News

Govt committed to completing FATF action plan by June: minister

Capital Market, Economy | Negative

Pakistan is committed to completing the action plan of FATF's International Cooperation Review Group (ICRG) by June 2020, said Minister for Economic Affairs Division Hammad Azhar. The FATF has allowed four months period till February 2020 to complete the action plan; however, Hammad Azhar speaking at a news conference stated, "We will maintain the present momentum and try to complete ICRG action plan tentatively by June 2020. (BR) | [Click for more info.](#)

NAB signs MoU to oversee CPEC projects: chairman

Economy | Neutral

Chairman National Accountability Bureau (NAB) former Justice Javed Iqbal, said that his organisation has signed an MoU with China to oversee China Pakistan Economic Corridor (CPEC) projects. (BR) | [Click for more info.](#)

Provinces to be taken on board: PM

Economy | Positive

Prime Minister Imran Khan Wednesday said all the initiatives for setting up Special Economic Zones (SEZs) would be spearheaded by the federal government while taking the provinces fully on board. (BR) | [Click for more info.](#)

MTBs margin falls up to 68bps

Economy | Neutral

The margin on short-term government securities further declined up to 68 basis points (bps) in the auction held Wednesday. The State Bank of Pakistan (SBP) on October 23 conducted the auction for the sale of 3-month, 6-month and 12-month Market Treasury Bills (MTBs) and received bids amounting to Rs 1.963 trillion with a realized value of Rs 1.826 billion. (BR) | [Click for more info.](#)

Oil & Gas

Country's oil, gas reserves stood at 568 MMBBL, 21,446 BCF respectively

Oil | Neutral

Pakistan has around 568 Million Barrel (MMBBL) oil and 21,446 Billion Cubic Feet (BCF) gas reserves, out of which 82,653 barrel oil and 3,755 MMCF gas is being extracted on daily basis from the existing fields operating in different parts of the country. (BR) | [Click for more info.](#)

SSGC identifies ten sites to install LPG air-mix plants in Balochistan

SSGC | Positive

Sui Southern Gas Company Limited (SSGC) has identified 10 sites in different localities of the Balochistan province, where natural gas supply network does not exist, to set up Liquefied Petroleum Gas (LPG) air-mix plants and facilitate consumers. (PT) | [Click for more info.](#)

Power

PSX approves Rs200bln energy sukuk listing

Power | Positive

Pakistan Stock Exchange (PSX) on Wednesday approved listing of Pakistan Energy Sukuk-1 of Rs200 billion of Power Holding Limited under its privately-placed debt securities' listing regulations. "The said sukuk will be listed on the exchange w.e.f (with effect from) Thursday, October 24, 2019 and trading in the sukuk certificates will commence one day after the date of their formal listing i.e. Friday October 25, 2019 through bond automated trading system and will be selected through National Clearing System on T+1 settlement basis," PSX said in a statement. (The News) | [Click for more info.](#)

Pakistan Stock Exchange Overview

	Open	Close	Chg.	%
KSE All	24,094.5	24,304.1	209.6	0.9%
KSE100	33,199.0	33,439.7	240.7	0.7%
KSE30	15,487.2	15,616.1	128.9	0.8%
KMI30	53,502.9	54,092.8	590.0	1.1%

Top Five Gainers

	Open	Close	Chg.	%
NESTLE	6,300.0	6,610.0	310.0	4.9%
RMPL	7,200.0	7,400.0	200.0	2.8%
MARI	1,036.6	1,060.7	24.1	2.3%
ICI	490.2	505.7	15.5	3.2%
JLICL	318.9	334.0	15.1	4.7%

Top Five Volume Leaders

	Open	Close	Chg.	Vol.
WTL	1.0	1.0	0.0	12.56
LOTCEM	16.3	16.2	0.0	6.77
QUICE	3.3	3.7	0.4	6.65
UNITY	9.8	10.1	0.3	5.15
BOP	9.2	9.2	0.0	4.09

Portfolio Investments – Net Position

FIPI	Buy	Sell	Net
F-Individuals	0.01	-0.04	-0.04
F-Corporates	1.11	-1.83	-0.72
O/S Pakistanies	1.51	-1.27	0.24
Net	2.62	-3.14	-0.52
LIPI			
Individuals	30.32	-30.64	-0.31
Companies	4.21	-4.17	0.04
Comm. Banks	1.09	-0.83	0.26
NBFC	0.05	-0.07	-0.03
Mutual Funds	2.66	-1.32	1.34
Other	0.42	-0.27	0.16
Brokers Proprietary	10.72	-10.83	-0.11
Insurance	0.37	-1.19	-0.82
Net	49.84	-49.32	0.52

Source: NCCPL

Commodity Outlook

	Unit	Close	% chg.
Crude oil	USD/bbl.	55.55	-0.8%
Brent oil	USD/bbl.	60.81	-0.6%
Gold	USD/t oz.	1493.08	0.1%
Silver	USD/t oz.	17.56	0.0%
Coal	USD/ton	67.60	-0.1%
Steel Scrap (LME)	USD/ton	239.00	-0.2%
Steel Rebar (LME)	USD/ton	405.00	0.0%
USD/PKR	Interbank	156.07	0.0%

Source: Bloomberg/SBP

News Source: Local / Int'l Newspapers and websites

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MORNING BRIEFING



KE awards contracts for 900MW BQPS-III

KEL | **Positive**

K-Electric on Wednesday announced that it has awarded the contracts to global technology powerhouse Siemens AG and Chinese construction contractor Harbin Electric for a 900MW Combined Cycle Power Plant and associated grids at Bin Qasim. (KE) | [Click for more info.](#)

NEPRA jacks up power tariff by Rs1.66 per unit

Power, IPPs | **Positive Economy** | **Negative**

The National Electric Power Regulatory Authority (NEPRA) has notified Rs1.66 per unit increase in the electricity price on account of monthly fuel price adjustment (FPA) for the month of August 2019. (PT) | [Click for more info.](#)

Tech. & Communication

Moody's finds telco regulations in Pakistan politicised, unpredictable
Communication | **Negative**

The Investor Service of Moody's Corporation – a financial services company – in its latest report about telcos said that regulations in the telecommunication sector of Pakistan are “less predictable and often politicised”. “In Pakistan, there has been a history of government-enforced network closures (now declared illegal) for security reasons and the imposition of withholding taxes,” the report noted. The report stated that while spectrum payments in government-run auctions are higher in absolute terms, on a relative basis dividends account for a larger percentage of aggregate revenue for telcos in several countries. (PT) | [Click for more info.](#)

Banks

Bank outstanding loans to private sector edge up 1.6pc in 1Q

Banks | **Neutral**

Banks' outstanding loans to private sector businesses slightly decreased 1.57 percent to Rs5.090 trillion over the last three months, the central bank's data showed. These loans amounted to Rs5.171 trillion at the end of June 2019, the State Bank of Pakistan (SBP) data showed. (The News) | [Click for more info.](#)

Flows of private sector advances; Rising credit risk, other factors behind massive contraction: SBP

Banks | **Negative**

The rising credit risk followed by a tight monetary policy and lower aggregate demand has resulted in massive contraction in the flows of private sector advances. According to State Bank of Pakistan (SBP), the sector-wise flow of advances during first half (Jan-June) of this calendar year (H1CY19) indicated a broad based reduction. The private sector advances flows were some Rs 128.2 billion in H1CY19 compared to Rs 468 billion in the same period of last fiscal year (H1CY18). (BR) | [Click for more info.](#)

Pharmaceutical

Searle to buy Luna Pakistan for Rs8.6 billion

Searle | **Positive**

The Searle Company Limited will buy 100 percent of the issued and paid up share capital of Luna Pakistan (Private) Limited for an aggregate purchase price of Rs8.6 billion, a company notice sent to the Pakistan Stock Exchange (PSX) said. Luna Pakistan indirectly owns 100 percent of the issued and paid up share capital of OBS Pakistan (Private) Limited. (PT) | [Click for more info.](#)

World Indices

	Last	Chg.	Chg. %
PAK (KSE-100)	33,439.7	240.73	0.73%
INDIA - SENSEX	39,058.8	94.99	0.24%
US - Dow 30	26,834.0	45.85	0.17%
INDONESIA - IDX	6,257.8	32.31	0.52%
KSA - Tadawul	7,887.4	14.62	0.19%
US - S&P 500	3,004.5	8.53	0.28%
CHINA - Shanghai	2,941.6	-12.76	-0.43%
PHILP - PSEi	7,933.8	-21.48	-0.27%
Taiwan - TWII	11,239.7	-31.58	-0.28%
HK - Hang Seng	26,566.7	-219.47	-0.82%

Source: Bloomberg

Board Meetings

Scrip	Day	Agenda	Time
FSWL	THURSDAY	1Q A/C - 30SEP19	9:00 AM
OLPL	THURSDAY	1Q A/C - 30SEP19	9:00 AM
FIL	THURSDAY	1Q A/C - 30SEP19	9:30 AM
ENGRO	THURSDAY	3Q A/C - 30SEP19	10:00 AM
GTJR	THURSDAY	1Q A/C - 30SEP19	10:00 AM
JLICL	THURSDAY	3Q A/C - 30SEP19	10:00 AM
AGIC	THURSDAY	3Q A/C - 30SEP19	11:00 AM
BERG	THURSDAY	1Q A/C - 30SEP19	11:00 AM
FABL	THURSDAY	3Q A/C - 30SEP19	11:00 AM
CJPL	THURSDAY	1Q A/C - 30SEP19	11:30 AM
EMCO	THURSDAY	1Q A/C - 30SEP19	11:30 AM
FHAM	THURSDAY	1Q A/C - 30SEP19	11:30 AM
FUDLM	THURSDAY	1Q A/C - 30SEP19	11:30 AM
JSBL	THURSDAY	3Q A/C - 30SEP19	11:30 AM
BAHL	THURSDAY	3Q A/C - 30SEP19	12:00 PM
BATA	THURSDAY	3Q A/C - 30SEP19	12:00 PM
ELSM	THURSDAY	1Q A/C - 30SEP19	12:00 PM
ICL	THURSDAY	1Q A/C - 30SEP19	12:00 PM
MLCF	THURSDAY	1Q A/C - 30SEP19	12:00 PM
MTL	THURSDAY	1Q A/C - 30SEP19	12:00 PM
MUREB	THURSDAY	1Q A/C - 30SEP19	12:00 PM
SNBL	THURSDAY	3Q A/C - 30SEP19	12:00 PM
HMM	THURSDAY	1Q A/C - 30SEP19	12:30 PM
PRWM	THURSDAY	1Q A/C - 30SEP19	12:30 PM
FFL	THURSDAY	3Q A/C - 30SEP19	1:00 PM
NAGC	THURSDAY	1Q A/C - 30SEP19	1:00 PM
GLPL	THURSDAY	1Q A/C - 30SEP19	1:30 PM
FECM	THURSDAY	1Q A/C - 30SEP19	2:00 PM
PIBTL	THURSDAY	1Q A/C - 30SEP19	2:00 PM
KML	THURSDAY	1Q A/C - 30SEP19	2:30 PM
KTML	THURSDAY	1Q A/C - 30SEP19	2:30 PM
HMB	THURSDAY	1Q A/C - 30SEP19	3:00 PM
UBDL	THURSDAY	1Q A/C - 30SEP19	3:00 PM
CYAN	THURSDAY	3Q A/C - 30SEP19	3:30 PM
SRVI	THURSDAY	3Q A/C - 30SEP19	3:30 PM
MACFL	THURSDAY	1Q A/C - 30SEP19	4:00 PM
MCBAH	THURSDAY	1Q A/C - 30SEP19	4:00 PM
TPLP	THURSDAY	1Q A/C - 30SEP19	4:00 PM
MEBL	THURSDAY	3Q A/C - 30SEP19	5:00 PM

Source: PSX Announcement



Miscellaneous

LSM decelerates six percent in July-August

Autos | Negative

Large scale manufacturing (LSM) sector decelerated six percent year-on-year in the first two months of the current fiscal year, official data showed on Wednesday, as regulatory snags and liquidity constraints hampered all the key production. In August, LSM sharply dropped 7.1 percent compared with the corresponding month a year earlier and fell 4.1 percent compared with July 2019, the Pakistan Bureau of Statistics (PBS) data showed. (The News) | [Click for more info.](#)

Rice exports increases 50.76pc, reached to \$470.584 in 1QFY19

MFL | Positive

Rice exports from the country during first quarter of current financial year grew by 50.76% as compared the exports of the corresponding period of last year. (BR) | [Click for more info.](#)

Sugarcane; SHC tells Sindh govt to fix price ere start of crushing season

Sugar | Neutral

Sindh High Court (SHC) Wednesday ordered the provincial government to fix minimum sugarcane price per 40-kg before the start of crushing season 2019-20. The court also sought the list of outstanding amount sugar mills owe to growers viz-a-viz the purchase of sugarcane in the last season and directed the govt to submit the same in the next hearing of the case when a division bench of SHC headed by Justice Muhammad Ali Mazhar. (BR) | [Click for more info.](#)

Punjab to ban sale of unpackaged milk from 2020

Food | Neutral

Punjab Food Authority (PFA) Chairman Umar Tanveer on Wednesday said the province would ban sale of open milk with effect from 2022. Speaking at a seminar organised by Pakistan Dairy Association (PDA), (The News) | [Click for more info.](#)

CISs risk management; AMC must have at least one investment committee: SECP

AMCs, Funds | Neutral

Every Asset Management Company (AMC) must have at least one investment committee which shall be responsible for selecting and developing appropriate investment and risk management strategies for the proper performance of the Collective Investment Schemes (CISs). The Securities and Exchange Commission of Pakistan (SECP) has issued an S.R.O.1233(I)/2019 here on Wednesday. (BR) | [Click for more info.](#)

Political News

PM says he won't step down

Prime Minister Imran Khan has categorically said that he would not give in to the opposition's demand for him to step down, Aaj News reported. "Let me be very clear that I will not resign on opposition's demand," the premier told a select group of journalists at the PM Office on Wednesday. (BR) | [Click for more info.](#)

Army stands behind me: PM

Prime Minister Imran Khan on Wednesday expressed his resolve not to cave into pressure from his political nemesis Maulana Fazlur Rehman who intends to mount the Azadi March on Islamabad later this month. (The News) | [Click for more info](#)



Nothing short of PM's resignation: Fazl

Jamiat Ulema-e-Islam-Fazl (JUI-F) chief Maulana Fazlur Rehman said on Wednesday that the march would end only when the government of Prime Minister Khan was toppled, as he would not backtrack on demand of PM's resignation. (The News) | [Click for more info.](#)

International News

Stocks Rise in Asia With Nasdaq Futures on Profits: Markets Wrap

Stocks in Asia gained, following an advance in U.S. equities, with investors taking solace from a raft of earnings that provided some optimism against a background of concern that global economic growth lacks momentum. (Bloomberg) | [Click for more info.](#)

Oil pares U.S. stock-draw gains on weak demand outlook

Oil prices dipped on Thursday on lingering concerns about a weak demand outlook, after surging more than 2% in the previous session on the back of a surprise draw in U.S. crude stocks. (Reuters) | [Click for more info.](#)



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Buy - Greater than 10%
Hold - Neither Buy nor Sell
Sell - Less than and equal to -10%

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