

November 14, 2022

## Market Summary

Index Level (% Change)	11-Nov	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
KSE 30	15,798	0.9%	1.1%	-1.1%	-3.1%	-12.1%
KSE 100	43,093	0.4%	2.2%	2.0%	0.5%	-7.0%
KSE All Share	29,300	0.7%	2.4%	0.7%	0.3%	-7.1%

Equities	Avg. Volume(mn shares)				Avg. Mkt Cap (\$ mn)			
	1d	1m Avg.	6m Avg.		1d	1m Avg.	6m Avg.	
KSE 30	73	55	66		4,743	4,637		4,832
KSE 100	103	81	103		7,324	7,214		7,405
KSE All Share	233	234	233		31,118	30,613		31,277

## Portfolio inv (USD mn)

	11-Nov	1m	3m	6m	12m	CYTD
FIPI Net	0.77	(3.76)	19.30	5.48	(141.19)	(22.13)
LIPI Net	(0.77)	3.76	(19.30)	(5.48)	141.19	22.13
Ind.	(0.57)	9.71	31.48	75.68	156.63	128.35
Banks/DFIs	(0.84)	3.63	3.01	28.80	95.03	79.18
Co's	0.69	1.53	(0.25)	29.98	119.44	61.31
M.Funds	0.84	(0.74)	(14.77)	(54.00)	(148.01)	(141.82)
Brokers	(0.03)	(2.92)	1.81	0.50	(11.26)	(4.93)
Others	0.01	2.64	9.79	16.94	34.63	23.71
Ins.	(0.82)	(1.97)	(36.36)	(87.61)	(91.30)	(122.19)
NBFC	(0.06)	(8.12)	(14.00)	(15.76)	(13.96)	(1.43)

Sector wise (USD mn)	FIPI	Ind.	Banks	M.Funds	Ins.	Other
Gross Buy	2.80	31.44	0.69	2.78	0.18	10.24
Gross Sell	(2.03)	(32.01)	(1.53)	(1.93)	(1.00)	(9.55)
All other Sectors	0.01	(0.27)	(0.38)	0.41	(0.00)	0.24
Cement	(0.05)	0.01	(0.03)	(0.10)	(0.01)	0.18
Commercial Banks	0.07	0.23	(0.27)	0.01	(0.13)	0.08
Fertilizer	0.01	0.02	0.13	0.01	(0.23)	0.06
Food and Personal Care	(0.03)	0.01	0.01	0.00	(0.00)	0.00
E&P Companies	0.78	(0.61)	(0.02)	0.61	(0.45)	(0.32)
OMC	0.04	0.27	(0.07)	(0.20)	0.04	(0.08)
Power Generation	0.04	0.02	(0.08)	(0.04)	0.01	0.05
Technology and Comm.	(0.10)	(0.25)	(0.14)	0.11	(0.04)	0.41
Textile Composite	(0.00)	(0.01)	0.00	0.02	0.00	(0.01)
<b>Total</b>	<b>0.77</b>	<b>(0.57)</b>	<b>(0.84)</b>	<b>0.84</b>	<b>(0.82)</b>	<b>0.61</b>

## Commodities

Commodity	Exchange	Last Price	1d Δ
WTI (bbl)	Nymex	89.0	3.0%
Brent (bbl)	ICEEC	96.0	2.9%
Arab Light (bbl)	Opec Basket	94.4	3.5%
Ethanol	CBOT	2.2	0.0%
Polypropylene	Nymex	0.4	2.2%
DAP (m.tons)	Chinese Spot	3,700.0	0.0%
Urea (m.tons)	Chinese Spot	2,604.0	0.8%
Cotton (37.32 Kg)	Ex-Gin Price	16,935.0	0.0%
Gold	Spot	1,771.2	1.1%
Silver	Spot	21.7	0.4%
Copper	COMEX	3.9	3.1%
Iron ore	DCE	669.5	0.0%
Rubber	MCX	16,250.0	0.0%

## Foreign Exchange

	Current	Previous	Change	1d Δ
PKR/USD	221.64	221.42	0.2	0.1%
PKR/GBP	260.03	252.49	7.5	3.0%
PKR/EUR	226.90	221.70	5.2	2.3%
PKR/JPY	1.57	1.52	0.1	3.5%
PKR/AUD	147.28	142.04	5.2	3.7%
PKR/CAD	166.47	163.73	2.7	1.7%
PKR/AED	60.34	60.28	0.1	0.1%

## Important Board Meetings

Company	Date	Time	Company	Date	Time
S.G. Allied Businsses Ltd.	14-Nov-22	10:30 AM	Pakistan Telecom. Co.	16-Nov-22	11:00 AM
AGP Limited	14-Nov-22	12:00 PM	Honda Atlas Cars	16-Nov-22	11:30 AM
Pak Gulf Leasing Co.	15-Nov-22	3:30 PM	Engro Powergen Qadirpu	17-Nov-22	11:00 AM

## Regional markets

	Close	Previous	Change	1d Δ
SHCOMP- Shanghai	3,087	3,048	39.1	1.3%
SENSEX- India	61,795	61,034	761.5	1.2%
NIKKEI 225- Japan	28,264	27,445	818.8	3.0%
UKX- FTSE 100 Index	7,318	7,296	21.8	0.3%
Heng Seng - HK	17,326	16,359	967.1	5.9%
KLCI - Malaysia	1,468	1,446	22.0	1.5%
CCMP - NASDAQ	11,323	10,353	970.2	9.4%
S&P 500 Index	3,993	3,749	244	6.5%

Last day closing.

Source: Mettis, PSX, NCCPL, Next Research

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## International

**Asian Stocks to Rise on China Policy; Dollar Gains: Markets Wrap (Bloomberg):** Asian equities looked set to open higher on Monday with support from the biggest weekly advance in US stocks since June and China's policy shifts on Covid and property.

**Oil Extends Gain on China Demand Optimism as Market Tightens (Bloomberg):** Oil advanced for a third session as investors weighed the outlook for Chinese demand as the market tightens heading into winter.

## Political

**PTI chairman Imran Khan no longer blames US for his ouster (Dawn):** PTI Chairman Imran Khan on Sunday said he no longer "blamed" the US administration for his removal from power.

**Nawaz's return becomes chatter of the town – again (ET):** PML-N leaders have expressed confidence that party supremo Nawaz Sharif will finally return in December to lead his party but say that the long-anticipated homecoming will not signal the government's intentions to concede on the issue of early elections, as demanded by the PTI.

## Economy

**Saudi crown prince visit to Pakistan postponed (The News):** Saudi Arabia's Crown Prince and Prime Minister Mohammed Bin Salman (MBS) Bin Abdulaziz Al Saud on Saturday postponed his trip to Pakistan.

**Talks between IMF, Pakistan 'rescheduled' (Dawn):** The schedule for talks between Pakistan and the International Monetary Fund (IMF) has been readjusted but the negotiations are continuing, official sources in Washington say. Media reports, however, claim that the talks that were scheduled to begin last week have been postponed till the third week of November.

**Fiscal slippages: IMF calls on Pakistan to mobilise additional Rs800bn revenue (The News):** Amid increasing fiscal slippages and external financing gap, Pakistan and the IMF are working out revised macroeconomic and fiscal framework, whereby the budget deficit and primary deficit are projected to escalate massively against the envisaged targets. The IMF is asking Pakistan to fetch an additional 1 percent of GDP revenues equivalent to Rs800 billion, keeping in view the shortfall on both tax and non-tax revenues as well as the hike in expenditure side. The debt servicing has ballooned up to unprecedented levels, putting more pressure on fiscal fronts.

**Delay in IMF visit over flood impact on budget (ET):** Pakistan and the International Monetary Fund (IMF) have developed differences over the impact of the flood damages on the budget, causing an inordinate delay in fielding a mission to Islamabad by the global lender for the next review of its loan programme.

**Remittances drop as 'unofficial channels' thrive amid widening exchange rate gap (Dawn):** Overseas Pakistanis sent home \$2.2 billion in October, down 9.1 per cent from the preceding month. Data released by the State Bank of Pakistan on Friday showed the year-on-year decline in remittances last month clocked in at 15.7pc.

**Pak needs \$348b to mitigate climate disasters: report (ET):** A new World Bank report has stated that Pakistan needs around \$348 billion in eight years to just stop climate induced disasters, it emerged on Friday.

**Govt borrowing from banks up 4.6% (ET):** Lending from commercial banks to the government increased by 4.6% to a total of Rs18.28 trillion despite a decline in deposits, leaving little room for businesses in the private sector to borrow in October 2022.

## Company & Sector

**PD seeks Rs118.75bn supplementary grant (BR):** Petroleum Division has sought Rs 118.75 billion supplementary grant as subsidy and balance available under the head of subsidy to domestic consumers through SNGPL for RLNG supply, and inclusion of LNG diversion cost in the annual determination of Estimated Revenue Requirement (ERR), as well as, in the Review of Estimated Revenue Requirement (RERR) of the gas companies.

**Pakistan-Russia oil deal soon, says Dar (BR):** Finance Minister Ishaq Dar has listed the coalition government's feats in resolving the oil-related issues to cope with the challenges the country has been facing.



**Pak-KSA talks for \$10.5bn mega refinery move forward (The News):** Though the visit of Mohammad Bin Salman, the Crown Prince of the Kingdom of Saudi Arabia (KSA), has been postponed to the country, the dialogue between Islamabad and Riyadh at ministerial and experts levels has progressed to a reasonable extent for setting up an state-of-the-art deep conversion mega refinery of \$10.50 billion, one of the officials who were part of the talks told.

**SSGCL faces financial crunch (BR):** Sui Southern Gas Company Limited (SSGCL) is reportedly facing a severe financial crunch due to non-payment of RLNG bills by Karachi Electric (KE) which have reached over Rs 27 billion.

**Industries receive notices of gas closure during winters (The News):** Sui Southern Gas Company Limited (SSGCL) has sent gas closure notices for over three months in winters to industries in the city, which they rejected saying that gas outages would lead to massive layoffs and closure of businesses.

**Sales tax on luxury fuel in the offing (ET):** The imposition of sales tax on luxury fuel is on the cards while the government also considers increasing the rate of the petroleum levy with the imposition of 17% general sales tax (GST) in a bid to collect around Rs9 billion in taxes annually.

**OGRA opens LNG imports, sales to private sector (ET):** The Oil and Gas Regulatory Authority (Ogra), on Friday, granted an RLNG sale licence to the Pakistan GasPort Consortium Limited (PGPCL), marking the first steps towards allowing the private sector a piece of the LNG imports and sales pie. Currently, state owned companies like Pakistan LNG Limited (PLL) and Pakistan State Oil (PSO) import LNG and gas utilities, and sell the commodity to customers.

**Regulator cuts RLNG prices by 2.4pc (Dawn):** The Oil and Gas Regulatory Authority (Ogra) on Friday notified about 2.4 per cent cut in the price of regasified liquefied natural gas (RLNG) for November as the international spot market remained out of reach for Pakistan and an average cost of cargoes under long-term contract slightly came down with world oil price. The basket RLNG price was based on a total of 10 cargoes, nine under the two LNG contracts with Qatar and another from a private supplier — also under a long-term contract — and was worked out at \$11.29 per million British thermal unit (mmBtu).

**Nepra approves paisa 51/kWh raise in KE's tariff (BR):** National Electric Power Regulatory Authority (NEPRA) has approved an increase of Paisa 51/kWh in KE's tariff under Quarterly Tariff Adjustment (QTA) mechanism and negative adjustment of Rs5.1261/kWh in FCA for September 2022.

**KE consumers to get Rs8.6bn refund in next bill (Dawn):** The National Electric Power Regulatory Authority (Nepra) on Friday notified a reduction of Rs5.13 per unit for K-Electric consumers on account of fuel cost adjustment (FCA) for electricity consumed in September. Under the notification, KE is now required to refund about Rs8.6 billion to consumers through adjustment in the current billing month, i.e. November.

**300MW Gwadar plant; CPPCL unwilling to shift to Thar coal (BR):** Chinese company, M/s CHIC Pak Power Company (Pvt.) Limited (CPPCL) is reportedly unwilling to shift proposed 300-MW power plant at Gwadar from imported coal to Thar coal.

**Car sales plunge 36 percent in October (The News):** Car sales (PAMA members) plunged 36 percent in October 2022 as high borrowing costs, tight credit and a slowing economy dragged down demand, an industry body said on Friday.

**BankIslami; JS Bank acquires 86,316,954 ordinary shares (BR):** JS Bank Limited has acquired 86,316,954 ordinary shares, constituting 7.79 percent paid-up capital of BankIslami Pakistan Limited from Emirates NBD Bank PSJC on November 11, 2022.

**Bank deposits jump 16pc to Rs22.4 trillion in October (The News):** Banking sector deposits increased by 16 percent year-on-year to Rs22.4 trillion in October. However, deposits at banks fell by 1.8 percent on month-on-month in October. Investments jumped by 33 percent to Rs18.3 trillion.

**Interest-free economy: Govt withdraws plea against FSC ruling (The News):** The federal government on Saturday withdrew its petition challenging the decision of Federal Shariat Court declaring the present interest-based banking system against the Sharia and directing the government to shift to an interest-free economy.

**SBP review of sale, purchase deals (BR):** The review of sale/purchase transactions of inspected banks suggested that the overall increase in foreign exchange income of banks was mainly driven by higher spread charged by banks.

**Currency manipulation: Inquiry to be completed by month-end, says SBP (The News):** Governor State Bank of Pakistan (SBP) Jameel Ahmad Friday informed the Senate panel the inquiry against manipulation of currency with the alleged involvement of banks for earning lofty profits would be completed by the end of ongoing month.

**Pharma exports reach \$325m mark, says DRAP CEO (BR):** Pakistan's pharmaceutical industry exports have reached \$325 million owing to enabling business environment and within the next few years exports will further grow as the authorities are taking additional steps in facilitating the sector.

**Healthcare business to raise Rs409m via right issue (Dawn):** MetaTech Health Ltd is going to raise Rs408.8 million by offering perpetual and convertible Islamic bonds or sukuk to existing shareholders by way of a right issue. The size of the right issue is 550 per cent of the company's paid-up capital, which means shareholders will get the chance to own 550 right sukuk for every 100 ordinary shares they currently hold.

**US wants to deepen trade relations with Pakistan (BR):** Donald Blome, US Ambassador to Pakistan, said on Friday the US government was keen to foster bilateral trade relations with Pakistan. Blome said that there is enormous potential to work together in the field of cotton and textile besides expanding trade and investment relations in other focused areas.

**Dar in talks with Dubai banks (BR):** Minister for Finance and Revenue Senator Mohammad Ishaq Dar held meetings in Dubai with management of the leading commercial banks, which deal commercially with Pakistan and Ministry of Finance. The commercial banks reposed their confidence in current economic policies of the government and reiterated their continued support to Pakistan.

**Economic slowdown to hit margins of industrial gases (The News):** Economic slowdown might impact the consumption of industrial gases and reduce its demand in large scale manufacturing (LSM). Pakistan Credit Rating Agency (PACRA) in a study has stated that the sector's margins have sustained a stable position in the first half of the year due to the use of industrial gases in several industries. However, it said that the margins might be "impacted by the slowdown in the economy and reduced demand in the LSM."