

## Index tripped over monetary tightening concerns

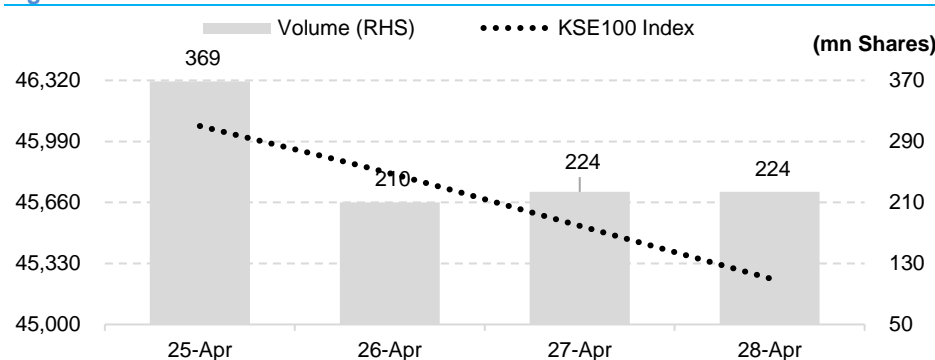
In the week commencing 25th April '22, the index opened green as the investors welcomed better than expected corporate results along with successful agreement with IMF to extend the stalled bailout programme by up to one year and potentially increase the loan size to USD 8bn. Albeit the momentum could not be maintained mid-week amid concerns over further monetary tightening, given the KIBOR touched its 13 years high which signaled another interest rate hike. This, together with PKR 3.2trn fiscal deficit posted during Jul-Mar'22, and widened current account deficit, dented the investors' confidence and thereby caused the bourse to close in red settling at 45,249pts, down 304pts (-0.67% WoW).

Sector-wise negative contributions came from i) Cement (117pts), ii) Technology & Communication (99pts), iii) Oil & Gas Exploration Companies (69pts), iv) Power Generation & Distribution (68pts), and v) Engineering (33pts). Whereas, sectors which contributed positively were i) Commercial Banks (84pts), ii) Fertilizer (61pts), iii) Chemical (45pts), iv) Automobile Assembler (8pts), and v) Leather & Tanneries (2pts). Scrip-wise negative contributors were TRG (67pts), HUBC (55pts), LUCK (51pts), PPL (38pts) and FFC (28pts). Meanwhile, scrip-wise positive contribution came from EFERT (69pts), ENGRO (40pts), LOTCHEM (37pts), EPCL (37pts), and MCB (30pts).

Foreign buying was witnessed this week, clocking-in at USD 3.17mn compared to a net sell of USD 0.97mn last week. Major buying was witnessed in Technology & Communication (USD 1.64mn) and Textile Composite (USD 1.01mn). On the local front, selling was reported by Insurance Companies (USD 6.71mn) followed by Mutual Funds (USD 4.87mn). Average volumes clocked-in at 257mn shares (up by 14% WoW) while average value traded settled at USD 36mn (down by 10% WoW).

Other major news: i) NSC says no foreign 'conspiracy' found, ii) IHC relaxes 30-day deadline to decide foreign funding case, iii) Foreign inflows in domestic bonds dry up to zero in April, iv) Shehbaz Sharif, Hamza Shahbaz summoned for indictment on May 14, v) Treasury bills yields rise sharply on chatter of interest rate hike, vi) Acute fuel shortage; Hubco on the verge of shutdown, and vii) PM sends letter to Putin for boosting ties

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

Next week trading will only be witnessed on one day given Eid holidays. Once the market resumes, we believe stocks will take account of various key event next month such as monetary policy meeting and further update on technical level talks with IMF. Whereas the current visit of PM to Saudi can also lead to some material announcement. Our preferred stocks are OGDC, PPL, MARI, HUMNL, HBL, MCB, UBL, MEBL, FABL, LUCK, MLCF, FCCL, ENGRO, FFC, HUBC, PSO, INDU and SNGP. The KSE-100 is currently trading at a PER of 4.8x (2022) compared to Asia Pac regional average of 12.6x while offering a dividend yield of ~8.6% versus ~2.7% offered by the region.

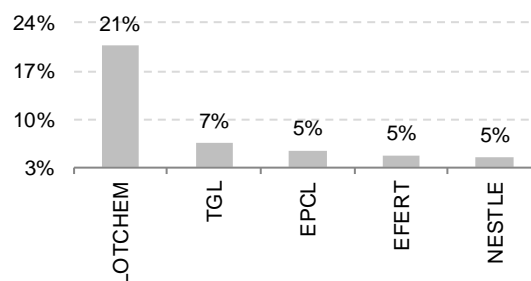
## PSX Indices Performance

Index	Current	WoW (%)	CY22TD (%)
KSE100	45,249	(0.7)	1.5
KSEAll	30,775	(0.8)	0.2
KSE30	17,315	(1.6)	(1.1)
KMI30	74,012	(0.7)	3.2
BKTI	12,659	(0.4)	(1.9)
OGTI	11,359	(1.4)	(1.0)

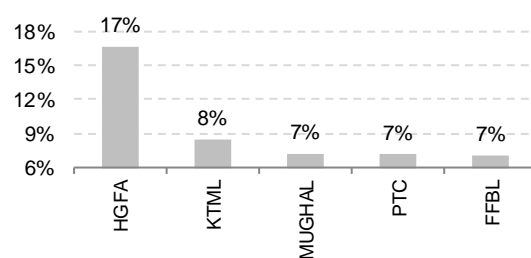
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
CENERGY	30.4	6.4
HUMNL	24.1	7.6
WTL	22.1	1.7
TELE	16.6	13.1
PRL	15.4	17.2

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



## Analyst

AHL Research

research@arifhabibtd.com

+92-21-32462589



Best Brokerage House of the Year 2021



Best Economic Research House of the Year: 2021



Corporate Finance House of the Year: 2021



Best Equity Research Analyst: 2021

## Business & Economic developments during the week.

### KSA offered sites in Hub, Gwadar to set up oil refinery (BR)

Pakistan has offered two locations- Hub and Gwadar, to Saudi Arabia for establishment of oil refinery in Pakistan, official sources told Business Recorder. This update was shared by Petroleum Division on April 25, 2022 during a meeting presided over by Deputy Chairman Planning Commission convened with respect to forthcoming visit of Prime Minister Shehbaz Sharif to Saudi Arabia. According to the sources, Petroleum Division informed that two locations, i.e., Hub and Gwadar have been identified and offered to KSA for establishment of an oil refinery in Pakistan. The meeting also decided that Petroleum Division will consult Pakistan State Oil (PSO) to set milestones which need to be achieved in the near future.

### Pakistan to seek additional package of \$3.2bn from KSA (The News)

Pakistan has decided to seek an additional package of \$3.2 billion from Saudi Arabia for jacking up the total facility to \$7.4 billion from the existing \$4.2 billion during the ongoing visit of Prime Minister Shehbaz Sharif, in order to avert further depletion of foreign currency reserves. Pakistan will also make a request to the Kingdom of Saudi Arabia for rollover of the existing package of \$4.2 billion for one year till June 2023 in order to align it with the IMF programme as Islamabad has already asked the Fund to extend the existing Extended Fund Facility (EFF) for nine months till June 2023 coupled with increasing the size of the programme from \$6 billion to \$8 billion. Saudi Arabia had already given \$3 billion deposits to the State Bank of Pakistan and an oil facility on deferred payment worth \$1.2 billion during the tenure of the last PTI-led regime. It is also expected that Prime Minister Shehbaz Sharif will also visit China next month to muster the required support from the friendly country.

### Jul-Mar ICT export remittances up 29.26pc to \$1.948bn YoY (BR)

ICT export remittances including telecommunication, computer and information services during the first nine months of the current fiscal year 2021-22 surged to \$1.948 billion at a growth rate of 29.26 percent in comparison to \$1.507 billion during the same period in fiscal year 2020-21. According to the Ministry of Information Technology and Telecommunication data, in March 2022, the ICT export remittances stood at \$259 million at a growth rate of 23.92 percent when compared to \$209 million reported for the month of March 2021. Also, \$58 million higher than export remittances of \$ 201 million during the previous month of February 2022.

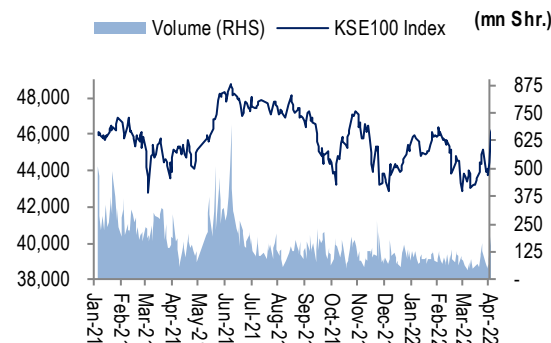
### Nepra notifies fuel adjustment charges for KE, other power firms (The News)

National Electric Power Regulatory Authority (Nepra) Wednesday raised the power tariff by Rs2.86 per unit as Fuel Cost Adjustment (FCA) for March 2022 for ex-Wapda Discos as well as approved raise of Rs4.83 per unit as fuel adjustment charges for consumers of K-Electric (KE). Central Power Purchasing Agency (CPPA-G) sought Rs3.15 per unit increase in power tariff for March under monthly FCA mechanism whereas KE sought an increase of Rs5.27 per unit in its FCA adjustment. Nepra held hearings for review of power tariff for adjustment of fuel and gave approval to raise power tariff as FCA mechanism.

### PSDP faces prospect of deep cuts (BR)

Ministry of Planning, Development and Special Initiatives (MoPD&SI) is said to have decided to further trim rupee funded Public Sector Development Programme (PSDP) 2021-22 from already reduced level of Rs 600 billion due to fiscal constraints, well informed sources told Business Recorder. Earlier, MoPD&SI decided to slash PSDP by Rs 200 billion (25 percent) to Rs 600 billion from Rs 800 billion in the PSDP 2021-22 as per agreement with International Monetary Fund (IMF) and asked Ministries/Divisions to send their recommendations though the amount budgeted under this head was Rs 900 billion.

### PSX Volume & Index



### Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
EFERT	68.9
ENGRO	39.9
LOTCHEM	37.1
EPCL	37.0
MCB	30.0
	<b>212.9</b>
<b>Bearish Companies</b>	
TRG	(67.3)
HUBC	(54.5)
LUCK	(50.5)
PPL	(37.7)
FFC	(27.8)
	<b>(237.8)</b>

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Commercial Banks	84.2
Fertilizer	61.0
Chemical	45.1
Automobile Assembler	7.5
Leather & Tanneries	2.0
	<b>199.8</b>
<b>Bearish Sectors</b>	
Cement	(116.8)
Technology & Communication	(98.9)
Oil & Gas Exploration Companies	(69.3)
	<b>(285.0)</b>

Outstanding Company in the  
Financial Sector 2021



Best Broker in Pakistan



Best Corporate &  
Investment Bank: 2020



Top 25 Companies



## AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
LOTCHEM	22.94	20.67	52.53	67.94	22.94	14.01	22.94	12.92	22.94	12.03
EPCL	85.13	5.45	35.59	81.84	85.71	48.29	85.71	44.04	85.71	34.16
EFERT	95.15	4.78	9.65	40.06	95.51	71.64	95.51	63.08	95.51	51.05
BAFL	35.19	3.02	3.74	7.75	36.87	32.69	36.87	31.52	36.87	25.62
MTL	924.93	2.12	6.69	34.83	924.93	700.82	924.93	679.43	924.93	661.10
MCB	150.89	1.96	3.59	1.74	158.92	142.74	158.92	141.89	158.92	139.43
ACPL	117.21	1.92	(7.36)	(14.34)	133.91	114.92	143.75	114.92	172.90	114.92
FFC	120.30	1.81	9.09	29.20	123.05	98.01	123.05	90.63	123.05	86.06
ENGRO	277.75	1.76	8.26	6.74	284.00	251.78	284.00	251.78	284.00	249.97
NCL	52.10	1.70	0.27	21.29	55.46	46.24	55.46	37.24	55.46	36.86
PSO	169.59	1.45	1.75	(6.76)	196.85	156.20	196.85	156.20	230.66	156.20
KOHC	166.00	0.97	(3.43)	(11.98)	183.52	155.62	199.07	155.62	234.44	152.93
UBL	137.39	0.92	4.54	8.80	138.69	128.29	138.69	123.27	138.69	102.77
MARI	1,715.54	0.88	(3.05)	7.56	1,800.13	1,613.81	1,800.13	1,546.06	1,800.13	1,366.75
MEBL	140.15	0.63	8.37	7.08	145.03	123.93	149.90	123.93	149.90	87.72
FATIMA	39.17	0.28	2.31	18.68	41.29	31.69	41.29	26.55	41.29	23.85
INDU	1,352.13	0.16	3.56	12.55	1,440.74	1,260.98	1,440.74	1,156.59	1,440.74	974.11
NBP	31.14	0.10	(0.16)	(6.83)	35.83	29.12	35.83	29.12	36.63	29.12
AKBL	20.00	(0.10)	6.10	(9.17)	23.57	18.40	24.01	18.40	24.61	18.40
HBL	108.85	(0.20)	(1.62)	(2.77)	119.71	106.21	122.85	106.21	127.55	102.00
ABL	79.80	(0.33)	(5.99)	1.68	87.22	79.21	87.22	70.58	87.22	60.69
FML	65.44	(0.37)	(0.11)	(8.62)	71.47	63.68	87.87	63.68	101.90	63.68
AHCL	38.34	(0.39)	7.18	7.01	39.23	33.10	39.23	32.19	39.23	32.19
NCPL	16.38	(0.73)	0.43	2.37	18.67	13.68	18.67	12.11	18.67	11.74
ILP	70.74	(0.79)	(4.28)	(0.08)	80.32	70.47	80.32	63.17	80.32	59.20
OGDC	84.56	(1.03)	1.72	0.21	92.98	79.23	92.98	77.91	94.42	76.38
FCCL	16.77	(1.35)	(7.45)	(8.71)	18.59	16.57	21.01	16.57	24.52	16.18
POWER	5.97	(1.49)	(8.58)	(6.13)	6.62	5.86	7.79	5.86	10.60	5.86
FABL	25.14	(1.60)	(4.48)	13.70	28.38	23.89	28.38	21.79	28.38	14.76
KAPCO	28.31	(1.91)	(9.49)	(1.29)	31.99	27.13	31.99	25.11	32.78	23.61
POL	378.36	(2.18)	1.52	11.47	394.25	363.39	394.25	317.73	394.25	308.62
BOP	6.68	(2.48)	(5.38)	(11.28)	7.64	6.11	7.88	6.11	7.92	6.11
NML	82.66	(2.50)	(3.52)	3.87	96.77	77.94	96.77	77.03	100.20	76.32
DGKC	67.05	(2.63)	(11.83)	(19.16)	80.06	63.33	95.83	63.33	129.50	63.33
NPL	18.00	(2.65)	(6.88)	(0.03)	21.21	16.90	21.21	15.46	21.21	15.27
ICI	764.46	(2.82)	(1.84)	3.12	828.45	718.20	828.45	690.98	874.55	690.98
HCAR	192.99	(2.87)	(6.87)	(18.49)	224.00	188.07	244.35	188.07	388.43	188.07
PPL	73.88	(2.97)	1.48	(4.79)	85.92	69.40	85.92	69.17	90.63	68.58
HUMNL	7.62	(3.03)	17.77	23.24	8.15	6.02	8.15	5.18	8.73	5.18
LUCK	566.77	(3.05)	(10.93)	(16.56)	693.20	552.60	780.10	552.60	940.74	552.60
AGHA	16.96	(3.14)	(15.79)	(35.19)	24.55	16.96	32.48	16.96	34.28	16.96
HUBC	68.41	(3.16)	(4.43)	4.16	76.76	65.46	76.76	64.39	76.76	63.56
APL	314.43	(3.23)	4.23	4.50	343.95	293.35	343.95	284.11	343.95	276.78
SGF	45.01	(4.30)	(0.69)	1.21	50.86	41.50	51.86	41.50	61.22	39.44
SNGP	30.49	(4.36)	(4.06)	(8.85)	37.14	29.70	43.58	29.70	50.47	29.70
HTL	42.56	(4.70)	0.47	1.95	47.82	38.02	58.18	36.53	64.09	36.53
PSMC	194.14	(4.95)	(11.43)	(14.29)	223.07	187.06	243.66	187.06	353.92	187.06
ASTL	29.43	(5.31)	(9.97)	(34.25)	44.44	29.43	48.54	29.43	48.54	29.43
MLCF	33.37	(5.79)	(7.43)	(7.18)	38.44	30.11	40.01	30.11	49.25	30.11
UNITY	23.62	(6.16)	(9.95)	(10.77)	32.42	22.95	32.42	21.04	49.36	21.04
PTL	29.03	(6.81)	(15.09)	(30.48)	41.10	29.03	46.07	29.03	63.09	29.03
FFBL	23.18	(7.02)	2.61	(6.46)	24.93	20.59	27.34	20.59	27.99	20.22
ITTEFAQ	8.73	(8.11)	(15.65)	(27.07)	11.97	8.73	15.09	8.73	21.85	8.73

Source (s): Bloomberg, AHL Research

## Local & Foreign Investors Portfolio Investment (USD mn)

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	207.05	201.27	BUY	5.78
Companies	19.38	16.40	BUY	2.98
Banks / DFIs	6.09	9.02	SELL	(2.93)
NBFC	0.08	0.14	SELL	(0.05)
Mutual Funds	9.67	14.54	SELL	(4.87)
Other Organizations	7.27	3.84	BUY	3.42
Broker Proprietary Trading	66.04	66.84	SELL	(0.80)
Insurance Companies	2.29	9.00	SELL	(6.71)
<b>Total</b>	<b>317.86</b>	<b>321.04</b>	<b>SELL</b>	<b>-3.17</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	181.09	174.06	BUY	7.03
Companies	11.93	11.06	BUY	0.87
Banks / DFIs	5.60	6.84	SELL	(1.24)
NBFC	0.24	0.26	SELL	(0.01)
Mutual Funds	14.29	20.31	SELL	(6.02)
Other Organizations	2.91	2.75	BUY	0.15
Broker Proprietary Trading	39.63	39.11	BUY	0.52
Insurance Companies	2.26	2.60	SELL	(0.33)
<b>Total</b>	<b>257.96</b>	<b>256.99</b>	<b>BUY</b>	<b>0.97</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	13.54	10.92	BUY	2.62
Fertilizer	18.00	17.96	BUY	0.05
Cement	23.44	23.50	SELL	(0.06)
Power Generation & Distribution	3.96	3.83	BUY	0.13
Exploration & Production	10.77	10.71	BUY	0.05
Oil & Gas Marketing Companies	13.75	13.84	SELL	(0.08)
Food and Personal Care Products	26.49	26.77	SELL	(0.27)
Textile Composite	9.27	10.28	SELL	(1.01)
Technology and Communication	68.88	70.52	SELL	(1.64)
Debt	3.52	3.52	SELL	-
All other Sectors	119.02	121.98	SELL	(2.96)
<b>Total</b>	<b>310.65</b>	<b>313.82</b>	<b>SELL</b>	<b>(3.17)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	16.26	14.51	BUY	1.74
Fertilizer	20.13	20.09	BUY	0.04
Cement	20.90	20.95	SELL	(0.05)
Power Generation & Distribution	3.24	3.52	SELL	(0.28)
Exploration & Production	19.48	19.43	BUY	0.06
Oil & Gas Marketing Companies	9.28	9.25	BUY	0.03
Food and Personal Care Product	10.67	10.53	BUY	0.14
Textile Composite	2.94	2.99	SELL	(0.05)
Technology and Communication	44.88	45.51	SELL	(0.62)
Debt	0.46	0.46	SELL	-
All other Sectors	109.71	109.74	SELL	(0.04)
<b>Total</b>	<b>257.96</b>	<b>256.99</b>	<b>BUY</b>	<b>0.97</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.11	0.14	SELL	(0.02)
Foreign Corporates	3.03	5.08	SELL	(2.05)
Overseas Pakistani	20.35	15.11	BUY	5.24
<b>Total</b>	<b>23.50</b>	<b>20.33</b>	<b>BUY</b>	<b>3.17</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.16	0.12	BUY	0.03
Foreign Corporates	1.55	3.71	SELL	(2.16)
Overseas Pakistani	13.99	12.84	BUY	1.15
<b>Total</b>	<b>15.70</b>	<b>16.67</b>	<b>SELL</b>	<b>(0.97)</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.36	2.98	SELL	(2.62)
Fertilizer	1.33	1.37	SELL	(0.05)
Cement	1.57	1.51	BUY	0.06
Power Generation & Distribution	0.29	0.42	SELL	(0.13)
Exploration & Production	0.74	0.79	SELL	(0.05)
Oil & Gas Marketing Companies	1.30	1.21	BUY	0.08
Food and Personal Care Products	1.54	1.26	BUY	0.27
Textile Composite	1.40	0.39	BUY	1.01
Technology and Communication	5.95	4.31	BUY	1.64
All other Sectors	9.03	6.07	BUY	2.96
<b>Total</b>	<b>23.50</b>	<b>20.33</b>	<b>BUY</b>	<b>3.17</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.63	2.37	SELL	(1.74)
Fertilizer	0.95	0.99	SELL	(0.04)
Cement	1.18	1.13	BUY	0.05
Power Generation & Distribution	0.59	0.31	BUY	0.28
Exploration & Production	0.71	0.77	SELL	(0.06)
Oil & Gas Marketing Companies	0.52	0.55	SELL	(0.03)
Food and Personal Care Product	0.52	0.66	SELL	(0.14)
Textile Composite	0.17	0.12	BUY	0.05
Technology and Communication	3.85	3.22	BUY	0.62
All other Sectors	6.59	6.55	BUY	0.04
<b>Total</b>	<b>15.70</b>	<b>16.67</b>	<b>SELL</b>	<b>(0.97)</b>

Source (s): NCCPL, AHL Research

## Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)	
DY (%)		2.5	1.6	1.5	2.0	3.9	2.9	3.7	4.4	2.1	2.7	8.6	-68.4%
P/E (x)		17.6	17.9	10.3	14.3	9.1	15.6	8.1	11.5	9.3	12.6	4.8	-61.8%
P/B (x)		0.2	2.8	1.8	1.5	8.7	1.6	1.1	1.9	0.9	2.3	0.8	-65.8%

Source: Bloomberg, AHL Research



## World's Major Stock Market Performance (\$ based return)

Country	Index	Index Closing*	WTD (%)	CY22TD (%)	Country	Index	Index Closing*	WTD (%)	CY22TD (%)
Zimbabwe	ZHIALLSH Index	29,441	20.0	177.6	Argentina	MERVAL Index	90,033	(2.5)	(3.7)
Russia	IMOEX Index	2,495	18.0	(32.7)	France	CAC Index	6,569	(2.5)	(15.1)
Russia	RTSI\$ Index	1,090	17.4	(31.7)	Italy	FTSEMIB Index	24,226	(2.6)	(17.6)
Egypt	EGX30 Index	10,922	3.9	(22.5)	South Africa	JALSH Index	71,547	(2.6)	(2.6)
Lebanon	BLOM Index	1,033	3.1	0.3	USA	NDX Index	13,003	(2.6)	(20.3)
Mauritius	SEMDEX Index	2,282	1.6	10.7	Thailand	SET Index	1,669	(2.7)	(2.7)
Saudi Arabia	SASEIDX Index	13,732	1.5	21.9	UK	UKX Index	7,500	(2.7)	(6.0)
Mongolia	MSETOP Index	37,967	1.1	(20.7)	Croatia	CRO Index	2,127	(2.7)	(5.4)
India	SENSEX Index	57,583	0.8	(3.7)	Canada	SPTSX Index	20,744	(2.8)	(3.5)
Dubai	DFMGI Index	3,699	0.5	15.8	Slovenia	SBITOP Index	1,168	(3.0)	(13.7)
Ukraine	PFTS Index	519	(0.0)	(10.4)	Germany	DAX Index	14,054	(3.0)	(17.7)
Uae	ADSMI Index	10,128	(0.0)	19.3	Qatar	DSM Index	13,621	(3.1)	17.7
Ghana	GGSECI Index	2,699	(0.0)	(20.6)	Chile	IPSA Index	4,775	(3.1)	11.8
Nigeria	NGSEINDX Index	48,581	(0.2)	15.5	Austria	ATX Index	3,269	(3.1)	(21.2)
Indonesia	JCI Index	7,229	(0.2)	8.1	Finland	HEX Index	11,242	(3.1)	(18.7)
<b>Pakistan</b>	<b>KSE100 Index</b>	<b>45,249</b>	<b>(0.2)</b>	<b>(3.6)</b>	Estonia	TALSE Index	1,897	(3.1)	(11.8)
Bangladesh	DSEX Index	6,656	(0.3)	(2.2)	Australia	AS51 Index	7,357	(3.2)	(3.3)
Turkey	XU100 Index	2,473	(0.3)	19.0	Europe	SX5E Index	3,805	(3.2)	(18.2)
Jordan	JOSMGNFF Index	2,408	(0.9)	13.5	Ireland	ISEQ Index	7,294	(3.3)	(20.1)
Iceland	ICEXI Index	2,613	(0.9)	(1.6)	Hungary	BUX Index	43,352	(3.3)	(22.3)
Serbia	BELEX15 Index	840	(0.9)	(4.9)	Portugal	PSI20 Index	5,941	(3.4)	(1.4)
Philippines	PCOMP Index	6,909	(1.1)	(5.4)	South Korea	KOSPI Index	2,667	(3.4)	(16.2)
Malaysia	FBMKLCI Index	1,597	(1.2)	(2.9)	Spain	IBEX Index	8,550	(3.5)	(8.7)
USA	INDU Index	33,302	(1.5)	(8.4)	Kazakhstan	KZKAK Index	3,043	(3.6)	(19.3)
Bahrain	BHSEASI Index	2,052	(1.6)	14.2	Belgium	BEL20 Index	4,130	(3.7)	(11.4)
Hong Kong	HSI Index	20,276	(1.8)	(13.9)	Netherland	AEX Index	706	(3.8)	(18.2)
Oman	MSM30 Index	4,161	(1.8)	0.7	Romania	BET Index	12,882	(3.9)	(8.2)
Singapore	FSSTI Index	3,335	(1.8)	3.9	China	SHSZ300 Index	3,921	(3.9)	(23.7)
Tunisia	TUSISE Index	7,253	(1.8)	(4.3)	Czech Republic	PX Index	1,366	(4.0)	(9.7)
Vietnam	VNIndex Index	1,351	(2.0)	(10.3)	Taiwan	TWSE Index	16,419	(4.4)	(15.5)
Lithuania	VILSE Index	917	(2.0)	(11.7)	Luxembourg	LUXXX Index	1,729	(4.7)	(3.9)
USA	SPX Index	4,184	(2.1)	(12.2)	Sweden	OMX Index	2,041	(4.9)	(21.9)
New Zealand	NZSE Index	1,899	(2.1)	(14.4)	Greece	ASE Index	928	(5.2)	(4.0)
Mexico	MEXBOL Index	52,351	(2.2)	(1.3)	Brazil	IBOV Index	109,349	(5.5)	16.3
Japan	NKY Index	26,848	(2.2)	(17.7)	Norway	OBXP Index	588	(5.8)	(1.7)
Switzerland	SMI Index	12,132	(2.3)	(11.2)	Bulgaria	SOFIX Index	614	(6.2)	(10.2)
Denmark	KFX Index	1,744	(2.4)	(13.0)	Poland	WIG20 Index	1,899	(6.9)	(23.7)
Kenya	NSEASI Index	151	(2.4)	(11.2)	Latvia	RIGSE Index	958	(8.5)	(30.1)

## Key Economic Data & Commodities Prices

Month end	Units	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	7.3	7.4	7.3	7.2	7.2	7.6	8.2	9.7	10.4	10.2	10.5	11.8	14.5
06-M T-Bill	%	7.5	7.6	7.5	7.5	7.4	8.0	8.8	10.2	11.3	10.6	10.9	12.4	14.6
12-M T-Bill	%	7.7	7.7	7.8	7.7	7.6	8.7	9.1	10.7	11.4	10.8	11.0	12.5	14.6
03-Y PIB	%	8.9	9.0	9.0	8.9	8.7	9.7	9.9	11.4	11.4	10.8	10.9	12.2	13.2
05-Y PIB	%	9.4	9.4	9.5	9.4	9.3	10.0	10.2	11.5	11.5	10.9	11.0	12.0	12.9
10-Y PIB	%	10.0	9.9	9.9	10.0	9.9	10.5	11.0	11.9	11.6	11.1	11.1	11.9	12.6
06-M KIBOR	%	7.6	7.7	7.7	7.6	7.5	8.2	8.9	10.3	11.5	10.7	11.0	12.5	11.0
Policy Rate	%	7.0	7.0	7.0	7.0	7.0	7.3	7.3	8.8	9.8	9.8	9.8	9.8	12.25
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	11.1	10.9	9.7	8.4	8.4	9.0	9.2	11.5	12.3	13.0	13.0	12.7	12.7
<b>Monetary Sector</b>														
M1	PKR bn	18,723	18,935	19,824	19,888	19,812	20,085	19,902	20,128	20,444	20,204	20,210	n.a	20,210
M2	PKR bn	22,213	22,476	23,722	23,576	23,537	23,904	23,646	23,933	24,369	24,211	24,176	n.a	24,176
M3	PKR bn	26,441	26,606	27,731	27,563	27,494	27,840	27,576	27,854	28,273	28,122	28,097	n.a	28,097
<b>Banking Sector</b>														
Deposits	PKR bn	17,561	17,955	19,796	18,839	19,208	19,829	19,344	19,668	20,972	19,949	19,914	20,476	20,476
Advances	PKR bn	8,665	8,811	8,996	8,878	8,936	9,290	9,394	9,646	10,149	9,944	9,961	10,328	10,328
Investment	PKR bn	12,418	13,068	13,742	14,102	13,902	14,096	13,796	13,556	14,124	14,424	14,541	15,012	15,012
WALR	%	8.0	7.9	8.0	7.8	7.8	7.7	7.9	8.0	8.7	9.3	9.6	n.a	9.6
WADR	%	3.5	3.5	3.5	3.6	3.6	3.6	3.7	3.8	4.6	5.1	5.0	n.a	5.0
Spread	%	4.5	4.5	4.5	4.2	4.3	4.1	4.2	4.2	4.1	4.26	4.6	n.a	4.6
<b>External Sector</b>														
Forex Reserves	USD bn	22.7	23.3	23.3	24.9	27.2	26.0	23.8	22.3	23.9	22.1	22.9	18.6	16.7
With SBP	USD bn	15.6	16.1	16.1	17.8	20.1	19.3	17.2	16.0	17.7	15.7	16.5	12.0	10.6
With Banks	USD bn	7.1	7.2	7.2	7.0	7.1	6.7	6.6	6.4	6.2	6.4	6.4	6.5	6.1
Exchange rate	PKR/USD	153.5	154.4	157.5	162.4	166.4	170.7	171.7	175.7	176.5	176.7	177.5	183.5	185.87
C/A Balance	USD mn	(188)	(650)	(1,619)	(814)	(1,473)	(1,134)	(1,760)	(1,908)	(1,863)	(2,531)	(519.0)	(1,028.0)	(1,028)
Exports	USD bn	2.3	2.1	2.5	2.3	2.3	2.6	2.4	2.7	2.9	2.5	2.9	3.1	3.1
Imports	USD bn	5.0	5.0	6.3	5.4	6.0	6.1	6.0	6.4	6.5	6.3	5.2	6.2	6.2
Trade Balance	USD bn	(2.7)	(2.8)	(3.8)	(3.4)	(3.7)	(3.4)	(3.7)	(3.7)	(3.6)	(3.8)	(2.3)	(3.1)	(3.1)
Remittances	USD bn	2.8	2.5	2.7	2.7	2.7	2.7	2.5	2.4	2.5	2.1	2.2	2.8	2.8
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	93.2	108.3	114.9	123.0	146.8	200.5	220.0	117.0	137.3	174.0	261.0	254.4	295.0
Steel (HRC)	USD/ton	888.4	886.2	836.9	918.7	887.4	900.1	848.0	744.9	747.2	766.4	785.8	830.8	773.2
PTA	USD/ton	695.0	695.0	745.0	750.0	745.0	745.0	780.0	735.0	725.0	815.0	875.0	935.0	960.0
Gold	USD/oz	1,769.1	1,906.9	1,770.1	1,814.2	1,813.6	1,757.0	1,783.4	1,774.5	1,829.2	1,797.2	1,909.0	1,937.4	1,894.5
Cotton (COTLOOK A)	USD/lb	91.9	89.7	96.6	100.3	103.7	110.2	123.1	123.3	125.9	135.9	135.2	153.6	154.3
Crude oil (WTI)	USD/bbl	63.6	66.3	73.5	74.0	68.5	75.0	83.6	66.2	75.2	88.2	95.7	100.3	105.4
Crude oil (Arab Light)	USD/bbl	66.1	68.7	75.0	75.4	72.2	79.0	83.9	72.8	79.2	91.1	99.9	109.3	113.0
Crude oil (Brent)	USD/bbl	67.3	69.3	75.1	76.3	73.0	78.5	84.4	70.6	77.8	91.2	101.0	107.9	107.6
<b>Local</b>														
Cotton	PKR/maund	11,300	12,300	12,600	13,000	14,200	14,100	15,400	17,500	18,000	19,400	20,000	20,500	21,000
Cement	PKR/bag	615	615	640	654	674	678	723	742	739	737	748	865	874
Gold	PKR/10 grms	89,510	93,020	92,770	93,880	92,250	97,310	102,280	101,680	107,940	108,880	111,460	110,940	116,430

\*Current Price



## Disclaimer

**Analyst Certification:** The research analyst(s) is (are) principally responsible for preparation of this report. The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject security (ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security (ies). Furthermore, compensation of the Analyst(s) is not determined nor based on any other service(s) that AHL is offering. Analyst(s) are not subject to the supervision or control of any employee of AHL's non-research departments, and no personal engaged in providing non-research services have any influence or control over the compensatory evaluation of the Analyst(s).

### Equity Research Ratings

Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Dec'22 for Target Price. In addition, return excludes all type of taxes. For more details kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -10% and +10% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -10% from last closing of market price(s)

\* Upside for Power Generation Companies is upside plus dividend yield.

## Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- **Discounted Cash Flow (DCF)**
- **Dividend Discounted Model (DDM)**
- **Sum of the Parts (SoTP)**
- **Justified Price to Book (JPTB)**
- **Reserved Base Valuation (RBV)**

## Risks

The following risks may potentially impact our valuations of subject security (ies);

- **Market risk**
- **Interest Rate Risk**
- **Exchange Rate (Currency) Risk**

This document has been prepared by Research analysts at Arif Habib Limited (AHL). This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, AHL does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. AHL reserves the right to make modifications and alterations to this statement as may be required from time to time. However, AHL is under no obligation to update or keep the information current. AHL is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his or her own advisors to determine the merits and risks of such investment. AHL or any of its affiliates shall not be in any way responsible for any loss or damage that may be arise to any person from any inadvertent error in the information contained in this report.

© 2022 Arif Habib Limited: Corporate Member of the Pakistan Stock Exchanges. No part of this publication may be copied, reproduced, stored or disseminated in any form or by any means without the prior written consent of Arif Habib Limited.

## Disclosure required under Research Analyst Regulations, 2015:

In order to avoid any conflict of interest, we hereby disclosed that;

Arif Habib Limited (AHL) has shareholding in OGDC, PPL, NBP, AKBL, FCCL, MLCF, FFBL, PSO, UNITY, NCL and SNGP.