

Top News

October 05, 2021

PM unveils targeted subsidy as inflation relief: Prime Minister Imran Khan on Monday announced a 40% targeted subsidy for the poor on purchase of essential food items, saying the special step would provide relief to low-income groups against inflation. Addressing the launching ceremony of an ambitious PKR1.4 trillion Kamyab Pakistan Programme (KKP), he said the underprivileged segment would get targeted subsidies on wheat, flour, sugar and ghee (cooking oil). The prime minister lamented that all previous governments had made such systems in the country, which only benefited the elite, and not the poor and the middle class. He said his government was also facing resistance in his efforts to change pro-elite system.

Source: <https://www.dawn.com/news/1650162/pm-unveils-targeted-subsidy-as-inflation-relief>

Trade deficit widens over 100pc to USD11.66bn in Jun-Sept: Pakistan's trade performance remains in doldrums as imports continued to outpace exports by a wide margin, mounting pressure on balance of payment (BOP) position as well as rupee, official data showed on Monday. According to the latest statistics, trade deficit for the first quarter (July-September) of fiscal year 2021-22 widened 100.62% to an alarming USD11.66bn from USD5.81bn in the same period of last fiscal year. The surge comes amid a booming demand, which is drawing in imports, while this gap could widen further in months ahead as the economy gradually recovers from the coronavirus blows. During these three months, exports stood at USD6.97bn against USD5.47bn last year, showing a growth of 27.3%. Whereas, imports increased 65% to USD18.63bn, as in the same period last year, the imports were recorded at USD11.29bn.

Source: <https://www.thenews.com.pk/print/897661-trade-deficit-widens-over-100pc-to-11-66bn-in-jun-sept>

Second phase of CPEC: Chinese companies showing some reluctance: Chinese companies are reportedly reluctant to engage in the second phase of China Pakistan Economic Corridor (CPEC) due to failure to meet the terms and conditions agreed with existing companies especially in power sector and has bandied charges of enticement. Background interviews with officials dealing with Chinese companies, discussions at a recent high level Joint Working Group of Pakistani and Chinese officials meeting as well as available documents paint a depressing picture.

Source: <https://www.brecorder.com/news/40124574/second-phase-of-cpec-chinese-companies-showing-some-reluctance>

Cement despatches drop by 12.17% in September: Cement despatches declined by 12.17% in September 2021 as the total despatches were recorded at 4.59mn tons against 5.23mn tons during the same month of last financial year. According to the data released by All Pakistan Cement Manufacturers Association (APCMA), local cement despatches by the industry during the month of September 2021 were 4.02mn tons compared to 4.10mn tons in September 2020, showing a reduction of 1.88%.

PSX: Market Stats

	4-Oct-21	1-Oct-21	Ch.	Change
KSE100 Index	45,045	44,872	172.8	0.39%
KSE30 Index	17,684	17,608	75.9	0.43%
KMI30 Index	72,472	72,203	268.6	0.37%
KSE100 (Vol mn)	94.4	111.3	(17.0)	-
KSE30 (Vol mn)	48.2	37.8	10.4	27.5%
KMI30 (Vol mn)	37.3	36.3	1.0	2.8%
Market Cap	7,846	7,808	37.8	0.5%
Market Cap			0.2	0.5%

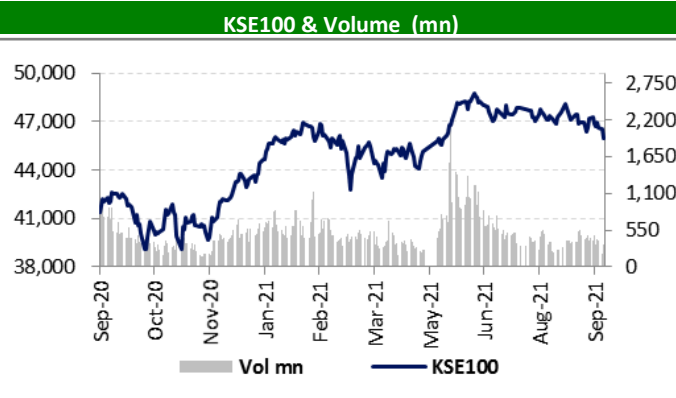
Economic

	BID	Offer
3-month KIBOR	7.52	7.77
6-month KIBOR	7.91	8.16
12-month KIBOR	8.39	8.89

PIBs

	Yield	T-Bill	Yield
3-year PIB	9.72%	3-mnth	7.57%
5-year PIB	9.95%	6-mnth	7.95%
10-year PIB	10.23%	12-mnth	7.60%

PSX: Market Stats



Source: PSX

Exports despatches suffered massive decline by 49.45% as the volumes reduced from 1.13mn tons in September 2020 to 0.57mn tons in September 2021.

Source: <https://www.brecorder.com/news/40124572/cement-despatches-drop-by-1217pc-in-sept>

Govt implements 10% incentives for Refineries (October 2021): Government has implemented a 10% upfront tariff for existing oil refineries effective from July 2021. Petroleum division had informed cabinet committee on energy (CCoE) that government had already approved 10% upfront tariff for the existing tariff in budget 2021-22. Recently, chairman CCOE Asad Umar had raised questions over the 10 percent upfront tariff for existing oil refineries to upgrade projects. The cabinet body on energy had approved new oil refinery policy 1021 in principle. However, it had directed Petroleum Division to revisit the upfront tariff.

Source: <https://newstodays.com/oil-refinery-policy-2021/>

Nepra allows Discos to collect additional PKR1.65 per unit: The National Electric Power Regulatory Authority (NEPRA) on Monday revised the quarterly adjustments of the power cost for consumers by PKR0.03/unit to PKR1.65 for 2021/22 against PKR1.62 of last year. The last year's PKR1.62/unit upward adjustment has already expired at end-September 2021. Now the new adjustment will be at PKR1.65bn for next one year effective from October 2021 and will be applicable to those who are consuming more than 300 units/month. During this one year, the DISCOs will collect PKR173bn from power consumers. The NEPRA spokesman told The News last year's adjustment of PKR1.62/unit has already expired and this PKR1.65/unit for the next one year shall be implemented. In real terms, the incremental increase is only 3 paisa which will have an impact of PKR3bn for the entire year.

Source: <https://www.thenews.com.pk/print/897742-nepra-allows-discos-to-collect-additional-rs1-65-per-unit>

Pak Suzuki Increases Prices of Motorcycles for 3rd Time in 2021: Following in the footsteps of Atlas Honda and Yamaha, Pak Suzuki Motor Company (PSMC) has also announced a significant increase in the prices of its motorcycles which will take effect on October 5, 2021. The prices have been increased by up to PKR12,000. It bears mentioning that Yamaha, which has so far increased the prices of its motorcycles four times this year, has recorded a price difference of PKR14,000 since January 2021. PSMC, on the other hand, has increased the prices of its motorcycles three times and recorded an increase of PKR20,000 since the start of the current calendar year. Atlas Honda announced six price hikes this year and recorded the biggest price difference of PKR23,500 since January 2021.

Source: <https://propakistani.pk/2021/10/04/pak-suzuki-increases-prices-of-motorcycles-for-3rd-time-in-2021/>

Meezan Bank signs MGPay to Launch Fast Track Digital Payments in Merchant Acquiring Business: Meezan Bank, the Best Bank in Pakistan and MYGLU Pvt. Ltd., a wholly-owned subsidiary of the US-based MYGLU LLC offering next-generation business

solutions via integrated information technology products and services, have entered into a strategic collaboration to enable Point Of Sale (POS) payment services, branded as MGPay. According to this recently signed agreement, MGPay will be deploying POS terminals and signing up new merchants on behalf of Meezan Bank as an independent sales organization. With the launch of MGPay, the Bank shall focus on targeting new consumer segments, enabling conversion to digital payments beyond conventional offerings whereas MYGLU shall act as a link between merchants, issuers and payment networks for the Bank, offering them state-of-the-art POS machines.

Source: <https://mettisglobal.news/meezan-bank-signs-mgpay-to-launch-fast-track-digital-payments-in-merchant-acquiring-business/>

Summit Bank to sell 51% shares to UAE investor: The board of directors of Summit Bank has agreed to sell at least 51% controlling interest to a UAE-based investor at PKR2.51 per share, a regulatory filing said on Monday. The smallest listed bank in terms of total assets will let Nasser Abdulla Hussain Lootah, who currently owns 0.51% shares in the bank, subscribe to new ordinary shares by way of fresh equity injection. Post-subscription, the acquirer will purchase existing shares from minority shareholders through a public tender offer to bring its shareholding to at least 51% and gain management control.

Source: <https://www.dawn.com/news/1650195/summit-bank-to-sell-51pc-shares-to-uae-investor>

High-powered cell formed to investigate offshore firm owners: Prime Minister Imran Khan on Monday formed a high-powered cell to investigate if any irregularity had been committed by the 700 Pakistanis named in the Pandora Papers including federal cabinet members, politicians, retired generals, owners of media houses and others in establishing offshore companies. About federal ministers and some prominent leaders of the ruling Pakistan Tehreek-i-Insaf (PTI), the prime minister categorically stated that they would have to “clear themselves”. The Ministry of Information and Broadcasting and the Pakistan Electronic Media Regulatory Authority (Pemra) to investigate if media owners who, according to the papers, also established companies in the “safe tax havens” had committed any wrongdoings will launch a separate probe.

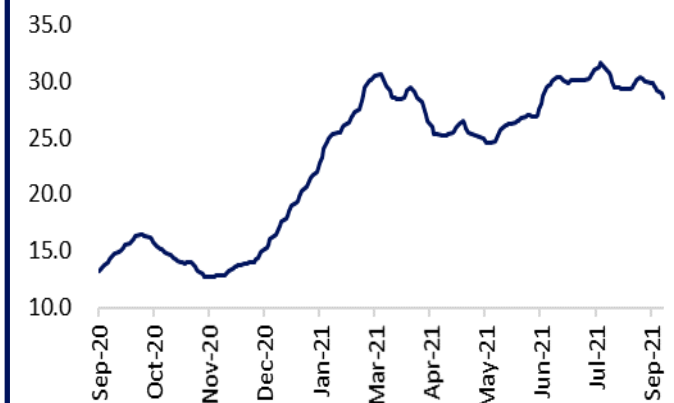
Source: <https://www.dawn.com/news/1650161/high-powered-cell-formed-to-investigate-offshore-firm-owners>

Top 05 Gainer KSE100 index					Top 05 Loser KSE100 index				
	Current	Previous	Diff	Ch %		Current	Previous	Diff	Ch %
AVN	139.3	129.6	9.7	7.5%	SML	50	53	-2.5	-4.7%
SEARL	219.8	204.5	15.3	7.5%	GHGL	45.9	47.0	-1.1	-2.4%
ATLH	460.5	429.2	31.3	7.3%	FATIMA	29.3	29.9	-0.7	-2.3%
JSCL	20.7	19.4	1.3	6.7%	NESTLE	5,910.0	6,035.8	-125.8	-2.1%
PSEL	1,470.0	1,379.0	91.0	6.6%	SNGP	47.3	48.0	-0.7	-1.4%

Asian Markets					Int'l Markets				
	Current	Previous	Diff	Ch %		Current	Previous	Diff	Ch %
India (BSE 30)	59,299	58,766	533.7	0.9%	US (DJI)	34,003	34,327	(324.5)	-0.9%
HK (Hang Seng)	24,036	24,576	(539.3)	-2.2%	UK (FTSE)	7,011	7,027	(16.1)	-0.2%
Japan (Nikkei)	28,445	28,771	(326.2)	-1.1%	NASDAQ (IXIC)	14,255	14,567	(311.2)	-2.1%
Singapore STI	3,090	3,051	38.5	1.3%	S&P 500 GSPC	4,300	4,357	(56.6)	-1.3%
Indonesia (JKSE)	6,343	6,229	113.8	1.8%	AMEX COMP (XAX)	3,320	3,265	55.1	1.7%
Shanghai Comp.	3,568	3,536	31.9	0.9%	FCHI-CAC 40	6,478	6,518	(40.0)	-0.6%

NDM - Off Market Transaction							
Mem to Mem				Client to Client			
	Vol (000)	Price	Val (mn)		Vol (000)	Price	Val (mn)
SNGP	300.0	48.5	14.6	NATF	440	220.0	96.8
MUGHAL	15.0	99.0	1.5	HBL	263.4	109.0	28.7
SITC	4.7	286.0	1.34	THCCL	300.0	23.5	7.0
ENGRO	2.5	280.4	0.7	HBL	63.4	109.6	6.9
DOL	25.0	22.8	0.6	HCAR	12.5	290.0	3.6

Futures (PKR'bn) (30 day SMA)



Source: PSX

MTS Value (PKR'bn)



Source: PSX

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