

Morning Brief

Economy & Politics

Pakistan seeks \$1.5bn increase in Saudi lending (Neutral)

Funding to help bridge external financing gap needed for pending IMF package, Additional funds expected to come in form of bilateral commercial loan or in SAFE deposit
<https://www.dawn.com/news/1854316/pakistan-seeks-1.5bn-increase-in-saudi-lending>

Auditor General concerned over poor financial affairs (Neutral)

Only 4pc of Rs38.7tr budget available for socio-economic services in FY23, 91.4pc expenditure went to debt servicing, Most supplementary grants not approved by parliament
<https://www.dawn.com/news/1854761/auditor-general-concerned-over-poor-financial-affairs>

Chinese IPPs debt: Panel formed to negotiate repayment over three years (Neutral)

Pakistan has initially requested relaxation of five years in repayment to Chinese IPPs on \$15.4bn debt till 2036
<https://www.thenews.com.pk/print/1223254-chinese-ipps-debt-panel-formed-to-negotiate-repayment-over-three-years>

Failed expectations (Neutral)

The business community had higher expectations from the government and Finance Minister Muhammad Aurangzeb. They expressed disappointment over the government's lacklustre response
<https://www.dawn.com/news/1854763>

Govt plans to borrow Rs5.6tr in Aug-Oct (Neutral)

The government has planned to borrow Rs5.6 trillion from banks in August-October, reflecting the severity of the liquidity despite projecting an ambitious revenue collection target for the current fiscal year.
<https://www.dawn.com/news/1854561#:~:text=KARACHI%3A%20The%20government%20has%20planned,for%20the%20current%20fiscal%20year.>

Financing of Diامر-Bhasha project (Neutral)

The federal government is reportedly weighing different options to finance Diامر Bhasha Hydropower Project
<https://epaper.brecorder.com/2024/08/24/1-page/1004541-news.html>

PD working on Reko Diq project transaction (Neutral)

Petroleum Division is reportedly in the process of initiating a summary for approval of Reko Diq Project transaction under Inter-Governmental Commercial Transaction Act (IGCTA) 2002,
<https://www.brecorder.com/news/40319292/pd-working-on-reko-diq-project-transaction>

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Monday, 26 August 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	78,793.4	78,801.4	8.02	0.01%
Volume (mn)	184.6	197.8	13.28	7.2%
Value (Rs mn)	8,248.7	9,503.1	1,254.41	15.2%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	17,877.79	1.47%
FTSE 100	UK	8,327.78	0.48%
NIKKEI 225	Japan	38,364.27	0.40%
Hang Seng	Hong Kong	17,612.10	-0.16%
SENSEX	India	81,086.21	0.04%

Source: Investing.com

Macro Economic Data

Discount Rate	19.50%
CPI (July - 24)	11.1%
M2 (09 - Aug - FY25)	-3.09%
C/A Surplus/(Deficit) (1MFY25)	\$(0.162) billion
Trade Deficit (1MFY25)	\$(1.948) billion
Remittances (1MFY25)	\$2.995 billion
Borrowing from SBP (09 - Aug - FY25)	Rs 366.91 billion
SBP Reserves (16-Aug-24)	\$9.29 billion
Total Reserves (16-Aug-24)	\$14.67 billion

Source: PBS, SBP

Total Leverage of Market

MTS Rate (%)	21.88%
MTS Amount (Rs bn)	7.52
MFS Amount (Rs bn)	7.52
Future Amount (Rs bn)	22.93
Aug	22.51
Sep	0.42
Oct	0.00
Total Leverage	37.97

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FY23	FY24	Jul-24	Latest
FIPI	1.53	140.77	23.84	(0.25)
Individual	83.96	(59.63)	4.77	2.24
Companies	99.68	35.65	(8.85)	1.32
Banks/DFI	73.68	(141.29)	5.21	3.07
NBFC	(0.10)	(0.96)	0.04	0.08
Mutual Fund	(144.49)	(46.92)	(15.09)	2.03
Other Organization	24.79	(33.15)	(3.76)	(0.81)
Broker Prop. Trading	(14.76)	(20.81)	(4.90)	0.67
Insurance companies	(124.31)	126.34	(1.26)	(8.35)

Source: NCCPL

Room 806-814, 8th Floor, Pakistan Stock Exchange Building,
Stock Exchange Road, Karachi


Phone: +9221 32420909/32440519


Fax: +9221 32437380

Website: www.adamsecurities.com.pk

E-mail: research@adamsecurities.com.pk

 Adam Securities Ltd

 Adamsecurities

 Adamsecurities

 Jama Punji

www.jamapunji.com

Morning Brief



Tariff adjustments keep coming (Neutral)

The state-owned power distribution companies have sought Rs46.9 billion on account of the quarterly tariff adjustments for 4QFY24, – similar to the periodic adjustments allowed for the previous quarter.

<https://www.brecorder.com/news/40319299/tariff-adjustments-keep-coming>

Govt declares intent to 'wind up' Utility Stores (Neutral)

The federal government has decided to wind up Utility Stores Corporation (USC),

<https://www.dawn.com/news/1854315>

Remittances go up in better economic conditions: study (Neutral)

A study published by the Asian Development Bank finds that Pakistani migrants tend to remit more when economic conditions are improving back home

<https://www.dawn.com/news/1854778/remittances-go-up-in-better-economic-conditions-study>

Taxation turns realty less attractive to foreigners (Neutral)

Pakistan's multi-layered property taxation may reduce its attractiveness for real estate investment compared to some neighbouring countries

<https://www.dawn.com/news/1854564/taxation-turns-realty-less-attractive-to-foreigners>

International

Oil prices rise with no Gaza ceasefire in sight (Neutral)

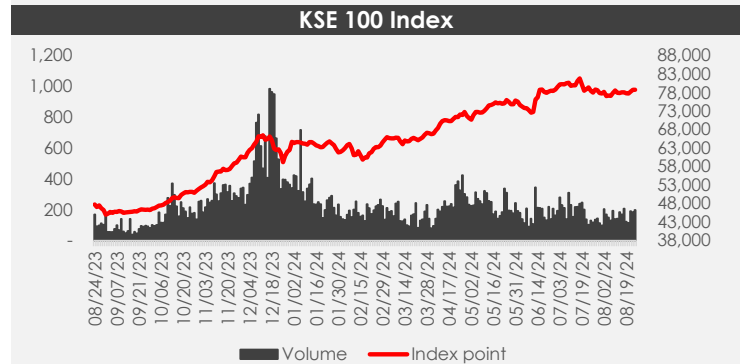
Oil prices rose in Asian trade on Monday, extending a rebound from the prior session as media reports showed no progress towards an Israel-Hamas ceasefire while hostilities in the region persisted.

<https://www.investing.com/news/commodities-news/oil-prices-rise-with-no-gaza-ceasefire-in-sight-3586232>

Asian stocks edge higher on some rate cut cheer, yen strength weighs (Neutral)

Asian stocks were a mixed bag on Monday, taking some support from expectations of lower U.S. interest rates although Japanese markets retreated amid pressure from the yen

<https://www.investing.com/news/stock-market-news/asian-stocks-edge-higher-on-some-rate-cut-cheer-yen-strength-weighs-3586236>



Source: PSX

Commodities			
	Previous	Current	% Δ
Gold (USD/oz)	2,492.73	2,512.41	0.8%
Copper (USD/pound)	4.16	4.25	2.1%
Arab Light (USD/bbl)	76.95	78.06	1.4%
WTI (USD/bbl)	73.09	74.96	2.6%
Brent (USD/bbl)	77.31	78.15	1.1%
Coal (USD/ton)	115.6	115.40	-0.2%
Urea (USD/ton)	334	338	1.2%

Source: Bloomberg

Forex Rate (Open Market)			
	Previous	Current	% Δ
US Dollar	280	280	0.00%
UK Pound Sterling	365.79	366.13	0.09%
Euro	311.19	310.74	-0.14%
Japanese Yen	1.93	1.93	0.00%
Saudi Riyal	74.42	74.42	0.00%
U.A.E Dirham	76.22	76.22	0.00%

Source: Forex.com.pk

Total Leverage vs Market Capitalization	
Total Market Capitalization (Rs bn)	10,512
Total leverage as % of Market Capitalization	0.36%

Source: PSX, NCCPL

Board Meetings		
Symbol	Date	Account Period
BIPL	26-Aug-24	Half Year
HBL	26-Aug-24	Half Year
HUBC	26-Aug-24	Annual
SHEL	26-Aug-24	Half Year
PINL	26-Aug-24	Half Year
PICT	26-Aug-24	Half Year
ABOT	26-Aug-24	Half Year

Source: PSX

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Room 806-814, 8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

Phone: +9221 32420909/32440519

Fax: +9221 32437380

Website: www.adamsecurities.com.pk

E-mail: research@adamsecurities.com.pk

Adam Securities Ltd

Adamsecurities

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www.jamapunji.com