

Morning Brief



Economy & Politics

SBP widely seen cutting rates (Positive)

Central bank will likely cut its key interest rate again on Monday in its first policy meeting following the signing of a staff level agreement with IMF.

<https://epaper.brecorder.com/2024/07/27/1-page/1000748-news.html>

'China will help secure IMF loan' (Positive)

Federal Minister for Finance Muhammad Aurangzeb said that China would support Pakistan's negotiation with the International Monetary Fund (IMF)

<https://www.brecorder.com/news/40314830/china-will-help-secure-imf-loan>

\$27bn re-profiling needed to secure IMF bailout (Neutral)

Pakistan has sought the re-profiling of more than \$27 billion in debt and liabilities with friendly nations — China, Saudi Arabia and the UAE — to secure a 37-month IMF bailout package

<https://www.dawn.com/news/1848664/27bn-re-profiling-needed-to-secure-imf-bailout>

Privatisation board okays PIA, DISCOs' sale (Neutral)

The Privatisation Commission Board has approved the privatisation of several power distribution companies (DISCOs) in a bid to strengthen the national economy.

<https://tribune.com.pk/story/2483475/privatisation-board-okays-pia-discos-sale>

Fears mount as loan talks with China face uncertainty (Neutral)

Concerns are rising in Pakistan's financial sector amid negotiations with Chinese authorities over rescheduling energy sector loans.

<https://www.dawn.com/news/1848261/fears-mount-as-loan-talks-with-china-face-uncertainty>

Petrol, diesel prices likely to drop on Aug 1 (Neutral)

After two consecutive increases, the prices of petrol and high speed diesel (HSD) are estimated to decline by about Rs3 and Rs8.50 per litre, respectively,

<https://www.dawn.com/news/1848258/petrol-diesel-prices-likely-to-drop-on-aug-1>

Refinery project: Sinopec, Aramco not satisfied with PSO data (Negative)

M/s Sinopec, China's Petroleum Refineries Company, and Saudi giant, M/s Aramco, are reportedly not satisfied with the data provided by the Pakistan State Oil (PSO) for huge investment of about \$10 billion

<https://www.brecorder.com/news/40314630#:~:text=ISLAMABAD%3A%20M%2Fs%20Sinopec%2C,of%20China%2D%20Pakistan%20Economic%20Corridor%20>

This report has been prepared by ADAM SECURITIES LIMITED is provided for information purpose only. Under no circumstances it should be used or considered as an offer to sell, or solicitation of any offer to buy. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. All opinions and estimates expressed in this report constitute our present judgment only and are subject to change without notice. This report is intended for persons having professional experience in matters relating to investments.

Monday, 29 July 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	78,469.3	78,029.5	-439.82	-0.56%
Volume (mn)	129.0	116.9	-12.15	-9.4%
Value (Rs mn)	8,792.1	6,677.6	-2114.52	-24.1%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	17,357.88	1.03%
FTSE 100	UK	8,285.71	1.21%
NIKKEI 225	Japan	37,667.41	-0.53%
Hang Seng	Hong Kong	17,021.31	0.10%
SENSEX	India	81,332.72	1.62%

Source: Investing.com

Macro Economic Data

Discount Rate	20.50%
CPI (June - FY24)	12.60%
M2 (12th July - FY25)	-3.21%
C/A Surplus/(Deficit) (FY24)	\$(0.681) billion
Trade Deficit (FY24)	\$(24.089) billion
Remittances (FY24)	\$30.251 billion
Borrowing from SBP (12th July - FY25)	Rs 50.19 billion
SBP Reserves (19th July - 24)	\$9.03 billion
Total Reserves (19th July - 24)	\$14.34 billion

Source: PBS, SBP

Total Leverage of Market

MTS Rate (%)	22.35%
MTS Amount (Rs bn)	7.95
MFS Amount (Rs bn)	7.04
Future Amount (Rs bn)	27.78
July	9.35
Aug	18.36
Sep	0.07
Total Leverage	42.77

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FY23	FY24	Jun-24	Latest
FIPI	1.53	140.77	1.83	0.62
Individual	83.96	(59.63)	(16.79)	(1.12)
Companies	99.68	35.65	13.31	0.24
Banks/DFI	73.68	(141.29)	(10.55)	0.42
NBFC	(0.10)	(0.96)	(0.23)	0.01
Mutual Fund	(144.49)	(46.92)	5.85	0.54
Other Organization	24.79	(33.15)	(3.68)	(0.60)
Broker Prop. Trading	(14.76)	(20.81)	4.20	(0.17)
Insurance companies	(124.31)	126.34	6.06	0.07

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



Govt to sustain gas tariff at current level: Musadik (Neutral)

Minister for Petroleum Musadik Malik Saturday said the federal government has decided to sustain the gas tariff at the current level.

<https://epaper.brecorder.com/2024/07/28/1-page/1000864-news.html>

Pak PWD dissolution, Govt decides to hand over ongoing projects to provinces (Neutral)

The federal government has decided to hand over ongoing projects of provincial nature to concerned provincial departments for further execution,

<https://epaper.brecorder.com/2024/07/28/1-page/1000865-news.html>

Far behind \$17.619bn annual target: \$9.811bn borrowed from multiple financing sources in FY24 (Neutral)

The country borrowed \$9.811 billion from multiple financing sources during the fiscal year 2023-24, far behind the annual target of \$17.619 billion.

<https://www.brecorder.com/news/40314637/far-behind-17619bn-annual-target-9811bn-borrowed-from-multiple-financing-sources-in-fy24>

China approves use of local coal for three Pakistan power plants (Positive)

China has approved the conversion of three coal-fired power plants in Pakistan from imported coal to local coal, a significant move aimed at reducing energy costs.

<https://tribune.com.pk/story/2483594/china-approves-use-of-local-coal-for-three-pakistan-power-plants>

International

Oil prices rise on fears of wider Middle East conflict after rocket strike in Golan Heights (Neutral)

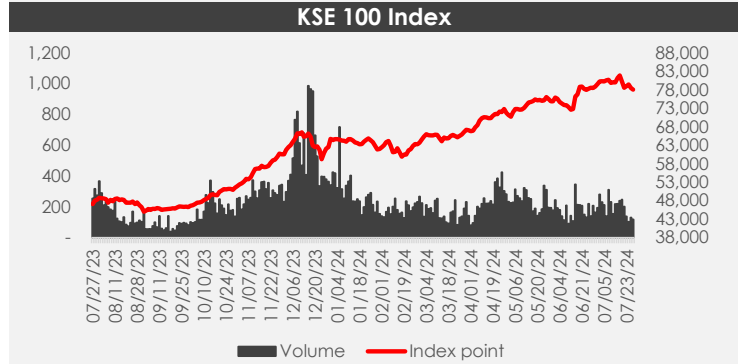
Oil prices rose on Monday, paring last week's loss, on fears of a widening conflict in the Middle East following a rocket strike in the Israeli-occupied Golan Heights

<https://www.reuters.com/business/energy/oil-prices-rise-fears-wider-middle-east-conflict-after-rocket-strike-golan-2024-07-29/>

Asian Stocks Kick Off Big BOJ, Fed Week With Gains: Markets Wrap (Neutral)

Asian shares tracked gains on Wall Street to rise on Monday, heading into a week of major central bank decisions and big tech earnings releases.

<https://www.bloomberg.com/news/articles/2024-07-28/asian-stocks-eye-early-gains-into-boj-fed-week-markets-wrap>



Source: PSX

Commodities			
	Previous	Current	% Δ
Gold (USD/oz)	2374.32	2387.75	0.6%
Copper (USD/pound)	4.11	4.10	-0.2%
Arab Light (USD/bbl)	84.09	83.91	-0.2%
WTI (USD/bbl)	78.50	77.16	-1.7%
Brent (USD/bbl)	82.60	80.28	-2.8%
Coal (USD/ton)	106.50	107.90	1.3%
Urea (USD/ton)	345.13	342.50	-0.8%

Source: Bloomberg

Forex Rate (Open Market)			
	Previous	Current	% Δ
US Dollar	279.7	279.82	0.04%
UK Pound Sterling	360.86	360.23	-0.17%
Euro	303.39	303.8	0.14%
Japanese Yen	1.83	1.83	0.00%
Saudi Riyal	74.61	74.61	0.00%
U.A.E Dirham	76.4	76.4	0.00%

Source: Forex.com.pk

Total Leverage vs Market Capitalization	
Total Market Capitalization (Rs bn)	10,389
Total leverage as % of Market Capitalization	0.41%

Source: PSX, NCCPL

Board Meetings		
Symbol	Date	Account Period
JDWS	29-Jul-24	3rd Quarter
SANSM	29-Jul-24	3rd Quarter
ADAMS	29-Jul-24	3rd Quarter
SML	29-Jul-24	3rd Quarter
TCORP	29-Jul-24	Annual
SHJS	29-Jul-24	3rd Quarter
KPUS	29-Jul-24	3rd Quarter

Source: PSX

This report has been prepared by ADAM SECURITIES LIMITED is provided for information purpose only. Under no circumstances it should be used or considered as an offer to sell, or solicitation of any offer to buy. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. All opinions and estimates expressed in this report constitute our present judgment only and are subject to change without notice. This report is intended for persons having professional experience in matters relating to investments.

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

