

Morning Brief

Economy & Politics

Bill tabled in NA to circumvent SC ruling on reserved seats (Neutral)

This bill would be deemed to have taken effect from commencement of Elections Act 2017

<https://www.thenews.com.pk/print/1214998-party-affiliation-can-t-be-changed>

S&P Global keeps rating at 'CCC+', citing reliance on foreign aid (Positive)

The Standard and Poor (S&P Global Ratings) affirmed its "CCC+" long-term sovereign credit rating and "C" short-term rating for Pakistan.

<https://www.brecorder.com/news/40315182/sp-global-keeps-rating-at-ccc-citing-reliance-on-foreign-aid>

Pakistan reports primary surplus in FY24 after gap of 20 years (Neutral)

The federal government's net revenue receipts were insufficient to cover even one major expenditure item during the FY24, leading to a rapidly escalating debt trap.

<https://www.thenews.com.pk/print/1215118-pakistan-reports-primary-surplus-in-fy24-after-gap-of-20-years>

Pakistan aims for B- rating to reenter global markets (Neutral)

The government is aiming for Pakistan to re-enter international capital markets and achieve a minimum credit rating of 'B-', <https://mettisglobal.news/pakistan-aims-for-b-rating-to-reenter-global-markets/>

Finance ministry projects inflation moving towards single-digit rates (Neutral)

The Ministry of Finance has forecast July inflation to fall between 12% and 13%, with further cooling in August to 11% to 12%

<https://www.thenews.com.pk/latest/1214943-finance-ministry-projects-inflation-moving-towards-single-digit-rates>

Govt adamant on bringing agriculture into tax net: Aurangzeb (Neutral)

FM has brushed off concerns surrounding government's plans to bring the largely under-taxed agriculture sector into the revenue net.

<https://www.brecorder.com/news/40315049/govt-adamant-on-bringing-agriculture-into-tax-net-aurangzeb>

Finance Minister Aurangzeb hints at more interest rate cuts (Neutral)

Federal Finance Minister Mohammad Aurangzeb has indicated that there is room for further cuts in interest rates.

<https://tribune.com.pk/story/2484239/finance-minister-aurangzeb-hints-at-more-interest-rate-cuts>

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Wednesday, 31 July 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	78,827.7	78,628.8	-198.93	-0.25%
Volume (mn)	135.2	143.4	8.19	6.1%
Value (Rs mn)	9,353.2	9,163.9	-189.25	-2.0%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	17,147.42	-1.28%
FTSE 100	UK	8,274.41	-0.22%
NIKKEI 225	Japan	38,525.95	0.15%
Hang Seng	Hong Kong	17,002.91	-1.37%
SENSEX	India	81,455.40	0.12%

Source: Investing.com

Macro Economic Data

Discount Rate	19.50%
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 (%)	22.07%
MTS Amount (Rs bn)	7.81
MFS Amount (Rs bn)	7.21
Future Amount (Rs bn)	19.78
Aug	19.70
Sep	0.08

Total Leverage

34.80

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FY23	FY24	Jun-24	Latest
FPI	1.53	140.77	1.83	(0.10)
Individual	83.96	(59.63)	(16.79)	1.25
Companies	99.68	35.65	13.31	(1.12)
Banks/DFI	73.68	(141.29)	(10.55)	(0.17)
NBFC	(0.10)	(0.96)	(0.23)	(0.01)
Mutual Fund	(144.49)	(46.92)	5.85	1.14
Other Organization	24.79	(33.15)	(3.68)	(0.07)
Broker Prop. Trading	(14.76)	(20.81)	4.20	(0.91)
Insurance companies	(124.31)	126.34	6.06	(0.02)

Source: NCCPL

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Subsidy package for those consuming up to 200 units announced (Neutral)

subsidy package for low-income households has been announced for those consuming less than 200 units
<https://epaper.brecorder.com/2024/07/31/1-page/1001172-news.html>

Fauji Fertilizer Company makes Rs25bn profit in three-month period (Positive)

Earnings per share (EPS) were recorded at Rs19.33 in 2QCY24 as compared to EPS of Rs9.48 in the same period of the previous year.
<https://www.brecorder.com/news/40315043/fauji-fertilizer-company-makes-rs25bn-profit-in-three-month-period>

Govt set to reduce POL prices (Neutral)

The federal government is set to reduce the prices of petrol and high-speed diesel (HSD) by a substantial margin.
<https://epaper.brecorder.com/2024/07/31/12-page/1001301-news.html>

Petroleum products into sales Tax exemption: Change of status of zero-rating to benefit FBR worth Rs20bn (Neutral)

the change of status of zero-rating of petroleum products into sales tax exemption would benefit Federal Board of Revenue (FBR) to the tune of Rs18-20 billion.
<https://www.brecorder.com/news/40315129/petroleum-products-into-sales-tax-exemption-change-of-status-of-zero-rating-to-benefit-fbr-worth-rs20bn>

Nepra faces backlash as KE seeks Rs5.50 per unit FCA (Neutral)

Amid a fresh push for a Rs5.45 per unit additional fuel cost adjustment for Karachiites in two months, NEpra came under criticism from political and business circles
<https://www.dawn.com/news/1849121/nepra-faces-backlash-as-ke-seeks-rs550-per-unit-fca>

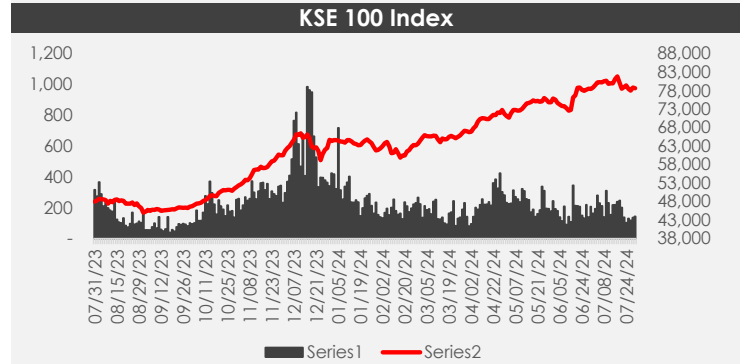
International

Oil claws back some losses after Israel retaliates against Hezbollah (Neutral)

Oil futures clawed back some losses on Wednesday, recovering from 7-week lows as geopolitical tensions rose
<https://www.reuters.com/markets/commodities/oil-claws-back-some-losses-after-israel-retaliates-against-hezbollah-2024-07-31/>

Asian stocks rise with BOJ in focus; China rebounds on stimulus hopes (Neutral)

Most Asian stocks rose on Wednesday with Chinese markets rebounding from five-month lows
<https://www.investing.com/news/stock-market-news/asian-stocks-rise-with-boj-in-focus-china-rebounds-on-stimulus-hopes-3545009>



Commodities			
	Previous	Current	% Δ
Gold (USD/oz)	2382.55	2409.02	1.1%
Copper (USD/pound)	4.06	4.07	0.2%
Arab Light (USD/bbl)	83.80	83.77	0.0%
WTI (USD/bbl)	75.45	75.69	0.3%
Brent (USD/bbl)	79.84	79.06	-1.0%
Coal (USD/ton)	109.75	109.50	-0.2%
Urea (USD/ton)	342.50	342.00	-0.1%

Source: Bloomberg

Forex Rate (Open Market)			
	Previous	Current	% Δ
US Dollar	280.6	280.6	0.00%
UK Pound Sterling	359.73	359.86	0.04%
Euro	303.46	302.82	-0.21%
Japanese Yen	1.83	1.82	-0.55%
Saudi Riyal	74.56	74.61	0.07%
U.A.E Dirham	76.34	76.4	0.08%

Source: Forex.com.pk

Total Leverage vs Market Capitalization	
Total Market Capitalization (Rs bn)	10,455
Total leverage as % of Market Capitalization	0.33%

Source: PSX, NCCPL

Board Meetings		
Symbol	Date	Account Period
UBL	31-Jul-24	Half Year
SEARL	31-Jul-24	Other Matters
BWCL	31-Jul-24	Annual
DFML	31-Jul-24	Other Matters
DFSM	31-Jul-24	Other Matters
COLG	31-Jul-24	Annual

Source: PSX

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