

Morning Brief

Economy & Politics

T-bills' yields drop by 74-148bps on rate cuts bets (Positive)

The cut-off yields on market Treasury Bills significantly fell on Wednesday on expectations that the State Bank of Pakistan would further cut interest rates in coming months amid ease in inflation pressures.

<https://www.thenews.com.pk/print/1222309-t-bills-yields-drop-by-74-148bps-on-rate-cuts-bets>

Talks with IMF moving in right direction: Aurangzeb (Neutral)

Finance Minister Muhammad Aurangzeb has said that the International Monetary Fund (IMF) Executive Board is expected to approve a new programme for Pakistan in September 2024

<https://www.brecorder.com/news/40318743/talks-with-imf-moving-in-right-direction-aurangzeb>

PIA, Discos, Roosevelt Hotel: PC Board gives approval to appointment of Fas (Neutral)

Privatisation Commission Board on Wednesday gave unanimous approval for appointment of financial advisors for PIA, Discos, and Roosevelt Hotel in New York.

<https://www.brecorder.com/news/40318741/pia-discos-roosevelt-hotel-pc-board-gives-approval-to-appointment-of-fas>

SBP to replace all currency notes by year-end, says governor (Neutral)

The governor of the State Bank of Pakistan (SBP), Jameel Ahmad, has announced that all currency notes will be replaced by the end of this year.

<https://tribune.com.pk/story/2489923/sbp-to-replace-all-currency-notes-by-year-end-says-governor>

Tiered pricing system, Gas tariff hike spared 66pc of consumers: Musadik (Neutral)

Petroleum Minister Musadik Malik Wednesday clarified that 66 percent of gas consumers remain unaffected by tariff increases due to a tiered pricing system,

<https://epaper.brecorder.com/2024/08/22/1-page/1004218-news.html>

Joint venture proposed as best transaction structure for PIA's Roosevelt Hotel (Neutral)

The board of the Privatisation Commission recommended a joint venture as the most suitable transaction structure for the Roosevelt Hotel,

<https://www.dawn.com/news/1853865/joint-venture-proposed-as-best-transaction-structure-for-pias-roosevelt-hotel>

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.

Thursday, 22 August 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	77,745.5	78,260.9	515.34	0.66%
Volume (mn)	114.2	190.9	76.63	67.1%
Value (Rs mn)	4,029.5	6,733.4	2,703.93	67.1%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	17,918.99	0.57%
FTSE 100	UK	8,283.43	0.12%
NIKKEI 225	Japan	37,951.80	-0.29%
Hang Seng	Hong Kong	17,391.01	-0.69%
SENSEX	India	80,905.30	0.13%

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 (09-Aug-24)	\$9.27 billion
Total Reserves (09-Aug-24)	\$14.65 billion

Source: PBS, SBP

Total Leverage of Market

MTS Rate (%)	21.37%
MTS Amount (Rs bn)	7.38
MFS Amount (Rs bn)	7.32
Future Amount (Rs bn)	23.06
Aug	22.84
Sep	0.22
Oct	0.00
Total Leverage	37.76

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FY23	FY24	Jul-24	Latest
FPI	1.53	140.77	23.84	(0.60)
Individual	83.96	(59.63)	4.77	0.35
Companies	99.68	35.65	(8.85)	0.32
Banks/DFI	73.68	(141.29)	5.21	(0.15)
NBFC	(0.10)	(0.96)	0.04	(0.00)
Mutual Fund	(144.49)	(46.92)	(15.09)	(0.14)
Other Organization	24.79	(33.15)	(3.76)	(0.60)
Broker Prop. Trading	(14.76)	(20.81)	(4.90)	(0.05)
Insurance companies	(124.31)	126.34	(1.26)	0.87

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

Oct and Nov bills, KE allowed Rs5.76/unit positive adjustment (Positive)

NEPRA has allowed positive adjustment of Rs 5.7622 per unit in KE's tariff for the months of May and June 2024 to recover additional amount of about Rs 10 billion from consumers

<https://epaper.brecorder.com/2024/08/22/1-page/1004217-news.html>

Balochistan given deadline to stop fuel smuggling (Neutral)

Prime Minister Shehbaz Sharif has asked the Balochistan government to take measures to discourage the transportation of smuggled diesel and petrol

<https://www.dawn.com/news/1853869/balochistan-given-deadline-to-stop-fuel-smuggling>

Threat of losing exports, FDI looms (Negative)

Pakistan is facing the threat of losing exports and foreign direct investment (FDI) because of potential failure to comply with measures required to combat climate change

<https://tribune.com.pk/story/2489985/threat-of-losing-exports-fdi-looms>

Govt unveils Rs32tr borrowing plan (Neutral)

The government announced on Tuesday that it will need Rs32 trillion in loans this fiscal year, including rollovers from foreign banks and bilateral lenders.

<https://tribune.com.pk/story/2489672/govt-unveils-rs32tr-borrowing-plan>

International

Oil settles \$1 down after US job data revised significantly lower (Neutral)

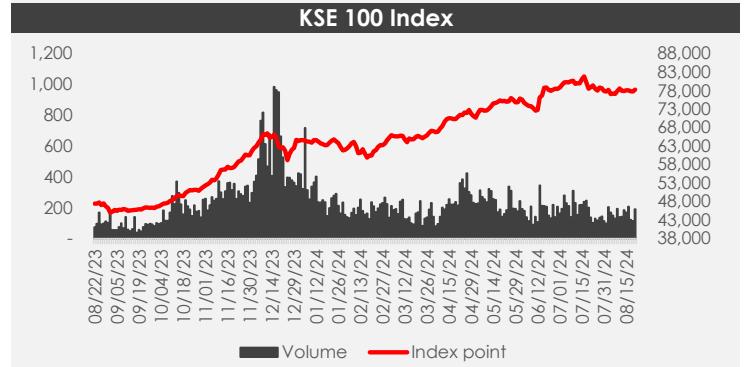
Oil prices settled down by \$1 a barrel on Wednesday after the U.S. government revised sharply lower a set of employment statistics closely watched by investors.

<https://www.reuters.com/markets/commodities/oil-prices-down-swelling-us-crude-stocks-easing-middle-east-tensions-2024-08-21/>

Equities Pull Back Ahead of Central Bank Events: Markets Wrap (Neutral)

Stocks in Asia came off session highs ahead of key events from the Federal Reserve and the Bank of Japan that will help define the global rates trajectory. The dollar rebounded.

<https://www.bloomberg.com/news/articles/2024-08-21/stock-market-today-dow-s-p-live-updates>



Commodities			
	Previous	Current	% Δ
Gold (USD/oz)	2516.70	2503.15	-0.5%
Copper (USD/pound)	4.16	4.20	0.9%
Arab Light (USD/bbl)	78.20	77.94	-0.3%
WTI (USD/bbl)	73.06	71.88	-1.6%
Brent (USD/bbl)	77.11	76.11	-1.3%
Coal (USD/ton)	115.75	115.25	-0.4%
Urea (USD/ton)	337.50	335.00	-0.7%

Source: Bloomberg

Forex Rate (Open Market)			
	Previous	Current	% Δ
US Dollar	280.2	280	-0.07%
UK Pound Sterling	362.9	363.87	0.27%
Euro	309.65	310.5	0.27%
Japanese Yen	1.92	1.93	0.52%
Saudi Riyal	74.51	74.42	-0.12%
U.A.E Dirham	76.29	76.22	-0.09%

Source: Forex.com.pk

Total Leverage vs Market Capitalization	
Total Market Capitalization (Rs bn)	10,424
Total leverage as % of Market Capitalization	0.36%

Source: PSX, NCCPL

Board Meetings		
Symbol	Date	Account Period
RMPL	22-Aug-24	Half Year
BATA	22-Aug-24	Half Year
EFUL	22-Aug-24	Half Year
CHCC	22-Aug-24	Annual
KSBP	22-Aug-24	Half Year
HALEON	22-Aug-24	Annual
INIL	22-Aug-24	Annual

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


www.jamapunji.com