

Morning Brief

Economy & Politics

Vowing to end terrorism, PM Shehbaz pledges full support to military (Neutral)

Prime Minister Shehbaz Sharif has resolved to end terrorism in Pakistan, promising to provide the military with all necessary resources to combat the threat.

<https://tribune.com.pk/story/2491349/vowing-to-end-terrorism-pm-shehbaz-pledges-full-support-to-military>

Govt fails to secure targeted loan in July (Negative)

Pending approval of the \$7 billion bailout by the IMF's executive board, the government made a poor take-off and received just \$436.4 million in foreign assistance and grants in July

<https://www.dawn.com/news/1855187/govt-fails-to-secure-targeted-loan-in-july>

Traders take to streets against tax reforms today (Neutral)

The government's much-touted tax reform is likely to face substantial resistance as the traders' community has announced a nationwide strike on Wednesday (today).

<https://www.dawn.com/news/1855188/traders-take-to-streets-against-tax-reforms-today>

Govt eyes \$2bn more in external financing: SBP chief (Neutral)

Pakistan is in the "advanced stages" of securing \$2 billion in additional external financing required for IMF approval of a \$7bn bailout programme,

<https://www.dawn.com/news/1855152/govt-eyes-2bn-more-in-external-financing-sbp-chief>

Pakistan seeks up to \$20bn in G2G investment (Neutral)

In a bid to rejuvenate its economy, Pakistan is seeking up to \$20 billion in investment, primarily through government-to-government (G2G) agreements.

<https://www.thenews.com.pk/print/1224582-pakistan-seeks-up-to-20bn-in-g2g-investment>

Interest rate cuts fail to stimulate private sector borrowing (Neutral)

the private sector remained cautious over the last 47 days, with a net debt retirement of Rs333 billion.

<https://www.dawn.com/news/1855189/interest-rate-cuts-fail-to-stimulate-private-sector-borrowing>

Petroleum Division distances itself from no-gas policy to CPPs (Neutral)

The Petroleum Division of the Ministry of Energy on Tuesday distanced itself from the policy of gas disconnection to industrial Captive Power Plants (CPPs)

<https://www.dawn.com/news/1855186/petroleum-division-distances-itself-from-no-gas-policy-to-cpps>

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Wednesday, 28 August 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	78,571.1	78,084.2	-486.82	-0.62%
Volume (mn)	141.3	190.6	49.33	34.9%
Value (Rs mn)	10,055.2	7,802.7	-2,252.54	-22.4%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	17,754.82	0.16%
FTSE 100	UK	8,345.46	0.21%
NIKKEI 225	Japan	38,288.62	0.47%
Hang Seng	Hong Kong	17,874.67	0.43%
SENSEX	India	81,711.76	0.02%

Source: Investing.com

Macro Economic Data

Discount Rate	19.50%
CPI (July - 24)	11.1%
M2 (16 - Aug - FY25)	-3.43%
C/A Surplus/(Deficit) (1MFY25)	\$(0.162) billion
Trade Deficit (1MFY25)	\$(1.948) billion
Remittances (1MFY25)	\$2.995 billion
Borrowing from SBP (16 - Aug - FY25)	Rs 123.25 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 (%)	20.99%
MTS Amount (Rs bn)	7.23
MFS Amount (Rs bn)	7.79
Future Amount (Rs bn)	25.84
Aug	18.06
Sep	7.78
Oct	0.01
Total Leverage	40.86

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FY23	FY24	Jul-24	Latest
FPI	1.53	140.77	23.84	1.98
Individual	83.96	(59.63)	4.77	0.71
Companies	99.68	35.65	(8.85)	0.89
Banks/DFI	73.68	(141.29)	5.21	(1.24)
NBFC	(0.10)	(0.96)	0.04	(0.72)
Mutual Fund	(144.49)	(46.92)	(15.09)	(0.99)
Other Organization	24.79	(33.15)	(3.76)	(0.77)
Broker Prop. Trading	(14.76)	(20.81)	(4.90)	(0.42)
Insurance companies	(124.31)	126.34	(1.26)	0.56

Source: NCCPL

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Pakistan aims to secure \$4bn from Middle Eastern banks, says SBP chief (Neutral)

Pakistan aims to raise up to \$4 billion from Middle Eastern commercial banks by the next fiscal year, the State Bank of Pakistan (SBP)'s governor told Reuters on Tuesday
<https://www.dawn.com/news/1855066/pakistan-aims-to-secure-4bn-from-middle-eastern-banks-says-sbp-chief>

Federal gov't rightsizing: 82 gov't entities being reduced to 40 after merger (Neutral)

The federal cabinet, in its meeting chaired by Prime Minister Shehbaz Sharif here on Tuesday, approved recommendations submitted by the Committee on Restructuring and Rightsizing
<https://www.thenews.com.pk/print/1224506-fed-govt-rightsizing-82-govt-entities-merge-into-40-institutions>

\$8bn CPEC debt re-profiling plan being prepared (Neutral)

The Ministry of Finance is said to have constituted a task force that includes financial experts from China and Pakistan and government officials, to prepare an initial plan for re-profiling of existing debt stock of about \$ 8 billion
<https://epaper.brecorder.com/2024/08/28/1-page/1005006-news.html>

Senate body calls for forensic audit of IPPs (Neutral)

The Senate Functional Committee on Devolution, Tuesday, expressed concerns over functioning of Independent Power Producers (IPPs)
<https://epaper.brecorder.com/2024/08/28/12-page/1005127-news.html>

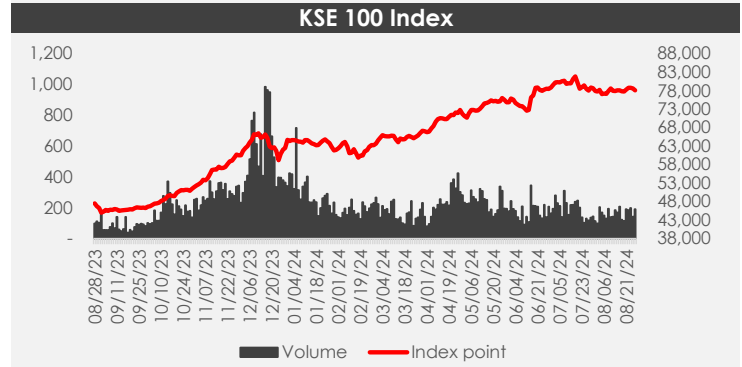
International

Oil Steadies After Technical Drop as US Stockpiles Seen Falling (Neutral)

Oil steadied after dropping by more than 2% on Tuesday, as an industry report pointed to a further decline in US crude stockpiles.
<https://www.bloomberg.com/news/articles/2024-08-27/latest-oil-market-news-and-analysis-for-aug-28>

Asian Stocks Fall as Chinese Earnings Disappoint: Markets Wrap (Neutral)

Asian equities slipped on Wednesday as weak corporate earnings in China raised fresh concerns over its flagging economy.
<https://www.bloomberg.com/news/articles/2024-08-27/stock-market-today-dow-s-p-live-updates?srnd=phx-markets>



Source: PSX

Commodities			
	Previous	Current	% Δ
Gold (USD/oz)	2507.14	2516.84	0.4%
Copper (USD/pound)	4.28	4.28	0.0%
Arab Light (USD/bbl)	80.24	81.39	1.4%
WTI (USD/bbl)	77.09	75.66	-1.9%
Brent (USD/bbl)	80.09	78.77	-1.6%
Coal (USD/ton)	115.40	115.25	-0.1%
Urea (USD/ton)	334.50	334.50	0.0%

Source: Bloomberg

Forex Rate (Open Market)			
	Previous	Current	% Δ
US Dollar	280	280	0.00%
UK Pound Sterling	368.8	368.78	-0.01%
Euro	312.22	311.94	-0.09%
Japanese Yen	1.95	1.94	-0.51%
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)	10,424
Total leverage as % of Market Capitalization	0.39%

Source: PSX, NCCPL

Board Meetings		
Symbol	Date	Account Period
FABL	28-Aug-24	Half Year
BOK	28-Aug-24	Half Year
DLL	28-Aug-24	Half Year
PTC	28-Aug-24	Half Year
SHNI	28-Aug-24	Half Year
TPL	28-Aug-24	Annual
NBP	28-Aug-24	Half Year

Source: PSX

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