

Morning Brief

Economy & Politics

Pakistan, Saudi Arabia sign MoUs worth \$2.2bn (Positive)

Pakistan and Saudi Arabia on Thursday signed 27 Memorandum of Understandings (MoUs) valuing US \$2.2 billion in various sectors <https://epaper.brecorder.com/2024/10/11/12-page/1010830-news.html>

Reko Diq mines, Manara Minerals set to buy a stake: Al-Falih (Positive)

The Minister for Investment of Kingdom of Saudi Arabia, Sheikh Khalid Bin Abdul Aziz Al-Falih, Thursday, vowing KSA's full support for Pakistan's economic stability <https://epaper.brecorder.com/2024/10/11/12-page/1010828-news.html>

Saudi Arabia offers Pakistan share of \$200bn in annual construction contracts (Positive)

Saudi Arabia's Investment Minister Khalid Al-Falih announced on Thursday that the Kingdom aims to allocate a significant portion of its \$200 billion annual construction and material procurement contracts to Pakistan. <https://www.arabnews.com/node/2574721/business-economy>

SBP's reserves hit 2-1/2-year high (Positive)

The State Bank of Pakistan's foreign exchange reserves have surpassed the \$10 billion mark, reaching two-and-a-half-year high level <https://www.brecorder.com/news/40325449>

Govt buys back Rs475bn T-bills (Neutral)

The buyback cut-off yield was around 16% for the six- and 12-month papers. These papers were originally sold at around 20-21% rates. <https://mettisglobal.news/govt-buys-back-rs475bn-t-bills/>

IMF calls for lowering trade barriers (Neutral)

The International Monetary Fund urged Pakistan on Thursday to shift its growth model away from the government's pivotal role in economic decision-making <https://www.dawn.com/news/1864382/imf-calls-for-lowering-trade-barriers>

World Bank warns of missing targets (Neutral)

The World Bank reported Thursday that Pakistan's inflation will remain in double digits and the economic growth will also remain only 2.8% this fiscal year. This growth rate is insufficient to reduce the rising poverty rate, which has climbed to 40.5%. <https://tribune.com.pk/story/2502011/world-bank-warns-of-missing-targets>

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.

Friday, 11 October 2024

PSX STATISTICS

KSE-100 Index	Previous	Current	Change	% Δ
Close	85,669.3	85,453.2	-216.06	-0.25%
Volume (mn)	349.3	293.9	-55.34	-15.8%
Value (Rs mn)	25,588.8	23,281.3	-2,307.53	-9.0%

Source: PSX

International Markets

Index	Countries	Level	% Δ
NASDAQ	USA	18,282.05	-0.05%
FTSE 100	UK	8,237.73	-0.07%
NIKKEI 225	Japan	39,380.89	0.26%
Hang Seng	Hong Kong	21,251.98	2.98%
SENSEX	India	81,611.41	0.18%

Source: Investing.com

Macro Economic Data

Discount Rate	17.50%
CPI (Sep - 24)	6.9%
M2 (06 - Sep - FY25)	-2.57%
C/A Surplus/(Deficit) (2MFY25)	\$(0.171) billion
Trade Deficit (1QFY25)	\$(5.435) billion
Remittances (1QFY25)	\$8.786 billion
Borrowing from SBP (06 - Sep - FY25)	(Rs 395.30) billion
SBP Reserves (04-Oct-24)	\$10.81 billion
Total Reserves (04-Oct-24)	\$16.05 billion

Source: PBS, SBP

Total Leverage of Market

MTS Rate (%)	21.24%
MTS Amount (Rs bn)	8.37
MFS Amount (Rs bn)	7.57
Future Amount (Rs bn)	24.08
Oct	23.93
Nov	0.15
Dec	0.00
Total Leverage	40.01

Source: NCCPL, PSX

Foreign/Local Investors' Participation (USDmn)

	FYTD	CYTD	MTD	Last Day
FIPI	(65.04)	4.72	(43.31)	(12.26)
Individual	38.49	(13.14)	(8.89)	(2.93)
Companies	(12.31)	(29.11)	1.71	1.71
Banks/DFI	5.02	(43.82)	(2.69)	(0.36)
NBFC	0.03	(0.64)	(0.05)	0.01
Mutual Fund	58.73	62.85	39.93	2.21
Other Organization	(0.12)	(22.57)	8.44	0.27
Broker Prop. Trading	(8.53)	(8.03)	1.92	0.89
Insurance companies	(16.27)	49.74	2.94	10.46

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

IMF official supports reforms in public sector (Neutral)

International Monetary Fund (IMF), Resident Representative for Pakistan, Esther Pérez Ruiz Thursday supported reforms in the public sector to enable more efficient role in generating the resources needed

<https://www.brecorder.com/news/40326565/imf-official-supports-reforms-in-public-sector>

Ogra proposes increase in margins for OMCs and petroleum dealers (Positive)

The Oil & Gas Regulatory Authority (Ogra) has recommended an upward revision in the margins for oil marketing companies (OMCs) and petroleum dealers.

<https://www.thenews.com.pk/print/1238784-ogra-proposes-increase-in-margins-for-omcs-and-petroleum-dealers>

Govt targets Rs8 to Rs10 per unit cut in power tariff as five IPPs cancel contracts (Neutral)

Minister for Energy (Power Division) Awais Leghari said on Thursday the government was aiming for an Rs8-10 per unit tariff reduction

<https://profit.pakistantoday.com.pk/2024/10/10/govt-targets-rs8-to-rs10-per-unit-cut-in-power-tariff-as-five-ipp-canceled-contracts/>

Auto sector posts robust sales, except tractors (Positive)

Barring the massive drop in tractor sales by 57 per cent to 5,206 units mainly due to sales tax hike, 1QFY25 proved highly satisfactory for the entire auto sector, reflecting a jump of 19-75pc

<https://www.dawn.com/news/1864380/auto-sector-posts-robust-sales-except-tractors>

Cement sector defaults on over Rs 5 billion marking fee (Neutral)

At least 23 out of 25 major cement manufacturing companies in Pakistan are defaulting on marking fees worth over Rs 5 billion owed to a government organization

<https://profit.pakistantoday.com.pk/2024/10/11/cement-sector-defaults-on-over-rs-5-billion-marking-fee/>

Govt ends deals with five private IPPs (Neutral)

Government has ended power purchase contracts with five private companies, including one with the country's largest utility that should have been in place until 2027,

<https://epaper.brecorder.com/2024/10/11/1-page/1010690-news.html>

International

Oil eases though investors wary over potential Mideast supply disruption

Oil eased on Friday after a rally the previous day, but prices remained set for a second straight weekly gain

<https://www.reuters.com/markets/commodities/oil-eases-though-investors-wary-over-potential-mideast-supply-disruption-2024-10-11/>

Asian shares set for first weekly loss in five, China stimulus eyed

Asian shares were headed for the first weekly loss in five as the stunning rally in Chinese shares took a breather,

<https://www.reuters.com/markets/global-markets-wrapup-1-2024-10-11/>

Secondary Market Yields

KIBOR	Bid	Ask	PKRV	Rates
1W	17.24%	17.74%	3M	15.85%
2W	17.28%	17.78%	6M	14.37%
1M	17.16%	17.66%	9M	14.21%
3M	15.69%	15.94%	1Yr.	13.74%
6M	14.46%	14.71%	2Yrs.	12.98%
9M	14.09%	14.59%	3Yrs.	12.51%
12M	13.55%	14.05%	5Yrs.	12.43%

Source: SBP, MUFAP

Scripts for the day

Symbol	LDCP	Stance	DdD	FYTD
QUET	14.31	Buy	10%	112%
REWM	94.90	Buy	8%	17%
PTC	14.52	Buy	10%	21%
CPHL	44.23	Buy	10%	55%
HUMNL	12.33	Buy	10%	20%
SHFA	210.00	Buy	7%	43%
BUXL	183.72	Buy	10%	100%
BERG	90.31	Buy	6%	25%
ALIFE	35.62	Buy	8%	1%
FFLM	2.50	Buy	14%	17%

Source: PSX, ASL Research

Commodities

	Previous	Current	% Δ
Gold (USD/oz)	2615.07	2641.26	1.0%
Copper (USD/pound)	4.44	4.45	0.3%
Arab Light (USD/bbl)	78.64	77.97	-0.9%
WTI (USD/bbl)	73.87	75.75	2.5%
Brent (USD/bbl)	77.19	79.22	2.6%
Coal (USD/ton)	111.90	113.85	1.7%
Urea (USD/ton)	370.00	370.00	0.0%

Source: Bloomberg

Forex Rate (Open Market)

	Previous	Current	% Δ
US Dollar	279.61	279.59	-0.01%
UK Pound Sterling	365.07	364.93	-0.04%
Euro	305.66	305.1	-0.18%
Japanese Yen	1.89	1.89	0.00%
Saudi Riyal	74.17	74.18	0.01%
U.A.E Dirham	76.06	76.06	0.00%

Source: Forex.com.pk

Total Leverage vs Market Capitalization

Total Market Capitalization (Rs bn)	11,161
Total leverage as % of Market Capitalization	0.36%

Source: PSX, NCCPL

Board Meetings

Symbol	Date	Account Period
GLOT	11-Oct-24	3rd Quarter
HASCOL	11-Oct-24	Other Matters
SIEM	11-Oct-24	Other Matters

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

 JamaPunji

www.jamapunji.com