

Market Summary

Index Level (% Change)	22-Mar	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
KSE 30	21,448	-0.4%	2.9%	4.3%	31.9%	43.8%
KSE 100	65,152	-0.4%	5.2%	5.6%	40.3%	61.4%
KSE All Share	43,241	-0.60%	4.2%	4.7%	39.5%	62.1%

Equities	Avg. Volume(mn shares)			Avg. Mkt Cap (mn)		
	1d	1m Avg.	6m Avg.	1d	1m Avg.	6m Avg.
KSE 30	21,448	21,752	20,033	5,224	6,576	8,761
KSE 100	65,152	64,898	59,470	7,497	8,955	12,188
KSE All Share	43,241	43,136	39,794	32,972	13,747	16,688

Portfolio inv (USD mn)	22-Mar					
	1m	3m	6m	12m	CYTD	
FIPI Net	1.52	23.60	1.32	8.22	65.78	0.31
LIPI Net	(1.52)	(23.60)	(1.32)	(8.22)	(65.78)	(0.31)
Ind.	(2.51)	(4.45)	22.79	23.29	8.72	(8.16)
Banks/DFIs	0.74	(22.08)	21.24	76.26	58.40	(14.93)
Co's	0.65	(11.95)	4.34	17.03	(81.79)	(14.34)
M.Funds	(0.85)	(0.01)	1.57	1.65	1.41	(4.60)
Brokers	0.58	(0.38)	(44.70)	(76.01)	(90.14)	(6.57)
Others	(1.54)	(2.33)	(4.57)	(2.56)	(22.45)	(3.33)
Ins.	1.37	(2.71)	4.87	(6.24)	(24.51)	51.55
NBFC	0.05	20.31	(6.87)	(41.63)	84.58	0.08

Sector wise (USD mn)	FIPI	Ind.	Banks	M.Funds	Ins.	Other
Gross Buy	3.15	24.08	1.39	0.46	1.42	6.84
Gross Sell	(1.63)	(26.59)	(0.65)	(1.31)	(0.04)	(7.10)
All other Sectors	0.21	(0.65)	0.34	(0.07)	0.09	0.08
Cement	0.09	(0.13)	0.02	(0.06)	0.06	0.02
Commercial Banks	1.02	(0.67)	(0.17)	(0.36)	0.26	(0.07)
Fertilizer	0.00	(0.54)	0.21	(0.04)	0.41	(0.04)
Food and Personal Care	0.02	0.08	0.01	(0.01)	0.01	(0.11)
E&P Companies	0.16	(0.19)	0.14	(0.19)	0.17	(0.09)
OMC	(0.08)	(0.13)	0.02	(0.09)	0.36	(0.08)
Power Generation	(0.02)	0.06	0.00	(0.03)	0.00	(0.01)
Technology and Comm.	0.13	(0.34)	0.17	0.01	0.00	0.03
Textile Composite	(0.01)	0.00	(0.01)	(0.00)	0.01	0.01
Total	1.52	(2.51)	0.74	(0.85)	1.37	(0.27)

Commodities

Commodity	Exchange	Last Price	1d Δ
WTI (bbl)	Nymex	80.63	-0.5%
Brent (bbl)	ICEEC	84.83	-0.5%
Arab Light (bbl)	Opec Basket	86.38	-1.5%
Ethanol	CBOT	2.16	0.0%
Polypropylene	Nymex	0.57	0.0%
DAP (m.tons)	CBOT	632.50	0.0%
Urea (m.tons)	CBOT	365.00	0.0%
Cotton [37.32 Kg]	ExGin Price	21,735.00	0.0%
Gold	Spot	2,160.00	-1.1%
Silver	Spot	24.84	-0.7%
Copper	COMEX	4.01	-1.26%
Iron ore	DCE	857.00	0.6%
Rubber	MCX	166.40	-2.1%

Foreign Exchange

	Current	Previous	Change	1d Δ
PKR/USD	278.14	278.40	(0.3)	-0.1%
PKR/GBP	350.65	355.89	(5.2)	-1.5%
PKR/EUR	301.03	304.19	(3.2)	-1.0%
PKR/JPY	1.84	1.84	(0.0)	-0.2%
PKR/AUD	181.24	184.35	(3.1)	-1.7%
PKR/CAD	204.91	206.66	(1.7)	-0.8%
PKR/AED	75.74	75.81	(0.1)	-0.1%

Important Board Meetings

Company	Date	Time	Company	Date	Time
Packages Ltd.	26-Mar-24	10:30 AM	AgriTech Ltd.	27-Mar-24	10:30 AM
GlaxoSmithKline (Pak) Ltd.	26-Mar-24	11:00 AM	Asia Insurance Co.	27-Mar-24	1:00 PM
Adamjee Insurance Co.	26-Mar-24	11:30 AM	Highnoon Laboratories	28-Mar-24	11:00 AM

Regional markets

	Close	Previous	Change	1d Δ
SHCOMP- Shanghai	16,499	16,863	(363.6)	-2.2%
SENSEX- India	72,832	72,641	190.8	0.3%
NIKKEI 225 - Japan	40,888	40,816	72.8	0.2%
UKX- FTSE 100 Index	7,931	7,883	48.4	0.6%
Heng Seng - HK	16,499	16,863	(363.6)	-2.2%
KLCI - Malaysia	1,542	1,541	1.0	0.1%
CCMP - NASDAQ	16,429	16,402	27.0	0.2%
S&P 500 Index	5,234	5,242	(7.3)	-0.1%

Last day closing.

Source: Mettis, PSX, NCCPL, Next Research

☎ +92-21-111-639-825 ☎ +92-21-35632321

www.nextcapital.com.pk

✉ research@nextcapital.com.pk

International

Oil prices rise as heightened geopolitical risk exacerbates supply concern (Reuters): Oil prices rose in early Asian trading on Monday on concern over tighter global supply brought about by escalating conflict in the Middle East and between Russia and Ukraine, while a shrinking U.S. rig count added to upward price pressure.

Stocks in Asia Trade Mixed, China Supports Yuan: Markets Wrap (Bloomberg): Asian equities traded within narrow ranges early Monday as investors looked ahead to a busy week of economic data including the Federal Reserve's preferred inflation gauge. China's currency pared some of Friday's losses following support by authorities.

Political

US House panel seeks Pak electoral integrity (ET): The Foreign Relations Committee of the US House of Representatives has unanimously passed a resolution aimed at bolstering democracy, transparency, and human rights in Pakistan, amidst concerns over electoral integrity and adherence to democratic principles.

Economy

Pakistan to discuss Extended Fund Facility with IMF next month, says finance minister (Dawn): Finance Minister Muhammad Aurangzeb said on Friday that the matter of an Extended Fund Facility (EFF) with the International Monetary Fund (IMF) will be discussed in Washington next month as the country looks to alleviate a full-scale economic crisis.

WB approves \$149.7m projects for flood-hit areas (The News): The World Bank (WB) has approved two projects of \$149.7 million for flood affected areas of Pakistan. According to WB's announcement, the Bank's Board of Executive Directors approved to support two projects for Pakistan.

Pakistan, IDB finalise \$200m loan agreement (ET): Pakistan and the Islamic Development Bank (IDB) have finalised a \$200 million loan agreement during a visit by an IDB delegation to Pakistan. The agreement documents were signed by the Economic Affairs Secretary and the IDB Director. According to the Economic Affairs Division, this amount will be allocated for the rehabilitation of flood-affected areas, construction of houses, provision of clean water, and healthcare facilities, ultimately benefiting 1.3 million individuals.

\$300m Panda bonds planned (ET): Federal Finance Minister Muhammad Aurangzeb announced on Friday that Pakistan will introduce Panda bonds worth \$300 million into the Chinese market this year. According to details, the finance minister stated that Pakistan will enter the Chinese markets for bond sales for the first time. Initially, bonds worth between \$250 to \$300 million will be offered, with plans for further issuances in the future.

Saudi prince holds extensive talks with civil, military leadership (The News): Saudi Defence Minister Prince Khalid bin Salman bin Abdul Aziz Al Saud's day-long visit to Pakistan and extensive result-oriented discussions with civil and military leadership have infused a new hope for the dwindling economy of Pakistan.

FM says govt to 'seriously' consider reviving trade with India (ET): In a significant development, Foreign Minister Ishaq Dar on Saturday expressed intentions to reconsider trade relations with India, suspended since India's controversial move to revoke the special autonomous status of Indian Illegally Occupied Jammu and Kashmir (IIOJK) in August 2019.

Phase 2 of CPEC accelerated with new economic corridors (ET): Pakistan and China intensified efforts on Friday to establish a Working Group on five new economic corridors under the second phase of the China-Pakistan Economic Corridor (CPEC), aligning with the 5Es framework prepared by the Planning Ministry.

Tax collection gap stands at whopping Rs5.8tr in Pakistan (The News): Pakistan faces a whopping tax-evasion (tax compliance gap) of around Rs5.8 trillion annually, making 6.9 percent of GDP. The evasion on account of POL products is estimated to be Rs996 billion caused by smuggling and other means. According to a presentation given to Prime Minister Shehbaz Sharif and Special Investment Facilitation Council (SIFC), the tax-evasion (revenue gap) was estimated to be around Rs5.8 trillion on an annual basis on the basis of fiscal year data of 2022-23. The participants were told that oil was allegedly being smuggled into Pakistan through Iran and other border areas.



Spring BoG meetings of WB, IMF; Finance minister to lead delegation (BR): The Spring meetings 2024 of the Board of Governors of the World Bank Group and International Monetary Fund (IMF) are scheduled on April 15-20, 2024 in Washington DC. Finance Minister Muhammad Aurangzeb will lead the Pakistani delegation during the meetings.

Reko Diq project to change Balochistan's fate, says Barrick Gold's chief (The News): Barrick Gold Corporation President and Chief Executive Mark Bristow has said that the Reko Diq project will prove to be "revolutionary" for Balochistan as it would change the province's fate by reshaping the local economy. The multibillion-dollar project is capable of producing 200,000 tonnes of copper and 250,000 ounces of gold a year for more than half a century, from the world's largest underdeveloped copper-gold areas.

Company & Sector

IMF proposes reviving 18% GST on petrol (ET): The International Monetary Fund (IMF) has recommended reinstating an 18% general sales tax (GST) on petrol during the ongoing discussions with the government for the release of the last tranche of its bailout package. According to Express News, the IMF has proposed increasing the levy on petrol by Rs60 and reinstating the 18% GST previously abolished in March 2022.

Govt to offer OGDCL shares to Gulf investors (ET): Pakistan's government is expected to ask friendly nations to invest in the country's largest hydrocarbon explorer – Oil and Gas Development Company Limited (OGDCL) – in order to fetch a better price for the company.

PD revises price forecast for spot LNG (BR): The Ministry of Energy (Petroleum Division) has revised price forecast for spot LNG with Sui gas companies and Power Division till September 2024. According to M/s Pakistan LNG Limited (PLL) the projected JKM forecast price of spot LNG for April 2024 will be \$8.49/ MMBTU instead of \$ 8.52, for May \$8.22/ MMBTU as compared to previous projection of \$8.38/ MMBTU (\$ 0.17) , June \$7.89/ MMBTU against previous forecast of \$8.20/ MMBTU (\$0.31), for July \$7.41.

SNGPL seeks 147pc gas price hike, 3rd time in one year (The News): The Oil and Gas Regulatory Authority (Ogra) is convening a public hearing in Lahore on Monday (today) on a petition submitted by the Sui Northern Gas Pipeline Limited (SNGPL), seeking a huge 147 percent increase in gas prices for the Fiscal Year 2024-25. If the proposed third increase within a year is sanctioned, it is anticipated to substantially hike the inflation rates and overburden the poorer segments of the society.

Oil sector seeks urgent LC limit hike to avert industry collapse (The News): The Oil Marketing Association of Pakistan (OMAP) has sought an immediate increase in the letters of credit (LCs) limits for oil marketing companies (OMCs), citing the country's dire financial straits.

Oil industry seeks increase in margins (Dawn): Claiming over Rs130 billion stuck up funds against exchange rate and sales tax refunds, the country's oil industry has asked the government for correction in 'faulty' oil pricing mechanism and for a significant increase in sale margins to save oil marketing companies (OMCs) from imminent collapse.

Refineries mull import delays as diesel demand dips (The News): The refining sector is contemplating a delay in crude oil import schedules amid low domestic consumption and high stocks of high-speed diesel (HSD), industry officials said. The excess supply has led one refinery to consider a temporary halt in operations as early as next week, they added.

'Draft policy to be made on production of Liquid Gas from Thar coal' (BR): Sindh Minister of Energy, Development and Planning Syed Nasir Hussain Shah decided that a provincial level and draft policy will be made in relation to the production of Liquid (GAS) and (REA) fertilizers from Thar coal. A detailed briefing was given in the meeting regarding producing gas from coal.

Pakistan to get \$107m SFD loan for two hydro projects (ET): The Saudi Fund for Development (SFD) has signed two loan agreements to the tune of \$107 million with Pakistan for hydropower projects in Azad Jammu and Kashmir (AJK). A visiting SFD delegation called on Economic Affairs Minister Ahad Khan Cheema in Islamabad. Later, Economic Affairs Division Secretary Dr Kazim Niaz and SFD CEO Sultan Bin Abdul Rehman Al-Marshad signed the loan pacts worth \$66 million for the 48 MW Shounter Hydropower Project and \$41 million for the 22 MW Jagran IV Hydropower Project.

Qatar Fund eyes Pakistan's power, housing sector (ET): Chief Executive Officer, Qatar Fund for Development (QFFD), Khalifa bin Jassem Al-Kuwari on Saturday showed his interest in increasing the footprint of the fund in Pakistan's power generation and housing sectors. Both the countries would further enhance bilateral cooperation by initiating technical level discussions, according to a press statement issued by the Economic Affairs Division.

Private sector's participation in Discos; IFC in talks with Power Division (BR): The International Finance Corporation (IFC), an arm of the World Bank, is engaged in discussions with the Power Division to help promote private sector participation in power Distribution Companies (Discos), well-informed sources told.

45 wind, solar energy projects awaiting approval under competitive bidding, CM told (The News): Forty-five proposed clean energy projects to be installed in Sindh with a cumulative generation capacity of over 3,000 megawatts have been waiting for their approval under the competitive bidding regime, whose auction has to be conducted by the federal government.

After launching hybrid, Indus Motor introduces cheaper, petrol variants of Corolla Cross (BR): Indus Motor Company, the maker of Toyota cars in Pakistan, announced on Friday two gasoline (petrol) variants of Corolla Cross with booking commencing from March 23 and deliveries tentatively beginning April 15.

EASA clearance to sweeten PIA sell-off (ET): As the authorities take strides towards privatisation of the Pakistan International Airlines (PIA), Pakistan has set its sights on securing clearance from the European Union Aviation Safety Agency (EASA) in a bid to lure top-notch bids for the national carrier. During a high-level chaired by Aviation Minister Khawaja Asif on Friday, the minister hinted at the possibility of EASA's nod coming around mid-May this year.





CCP finishes Telenor merger review (ET): The Competition Commission of Pakistan (CCP) has almost completed the first phase review of a merger under which Pakistan Telecommunication Company Limited (PTCL) is taking over operations of Telenor Pakistan. It is likely to finalise a report by next week.

Saudi deals prompt Pakistani IT firms to eye \$3.5bn in exports (The News): Major deals with Saudi firms have left Pakistan's information technology exporters hopeful of hitting the \$3.5 billion trade milestone in 2024, Arab News reported on Friday. The South Asian nation recorded monthly IT exports of \$257 million in February, 32 percent more than in the same month last year. Monthly IT exports in the second month of 2024 were higher than the previous 12-month average of \$233 million, according to central bank data released this week.

Private sector borrowings decline by 70pc (Dawn): Bank advances to the private sector plunged over 70 per cent in more than eight months of the current fiscal year indicating the lowest private sector participation for a troubled economy. The fiscal year 2022-23 was the worst economic year for the country as the growth was negative with a steep fall in the private sector borrowing from banks. However, the current year looks to follow the same path, even far behind the last year's track.

Curbing illicit tobacco trade: a key IMF condition (ET): Experts have suggested that Pakistan has a strategic opportunity to meet conditions of the International Monetary Fund (IMF), enhance tax collection and significantly increase the tax-to-GDP ratio by curbing illicit trade in the tobacco sector. Recently, the IMF recommended that the Federal Board of Revenue (FBR) should apply a uniform excise duty to all locally manufactured cigarettes, regardless of the manufacturer's origin, to generate additional revenue.

Exports to EU states fall despite GSP+ status (Dawn): Pakistan's exports to European countries have begun to dip in the current fiscal year despite a GSP+ status that allows duty-free entrance into European markets for the majority of its products. In absolute terms, Pakistan's exports to European countries dipped year-on-year by 6.89 per cent in the first eight months of the current fiscal year to \$5.411 billion from \$5.812bn in the corresponding period last year.

IMF asks FBR to review tax incentive regimes (BR): The International Monetary Fund (IMF) has recommended the Federal Board of Revenue (FBR) to conduct a comprehensive review of the tax incentive regimes with the objective to eliminate and streamline unnecessary or duplicative incentives.

Retailers registration scheme begins on April 1 (The News): In a bid to comply with the demand of IMF, the government has launched registration of Tajir Dost Scheme in six largest cities of the country, including four provincial capitals and Rawalpindi as well as in Islamabad. The cities where Tajir Dost Scheme has been launched includes Karachi, Lahore, Islamabad, Rawalpindi, Quetta and Peshawar in the first phase.

Forex dealers, ECs, others; e-integration with FBR made mandatory (BR): The Federal Board of Revenue (FBR) has made it mandatory for foreign exchange dealers/exchange companies, clubs, private educational institutions, private hospitals, restaurants/hotels/guest houses/marriage halls, courier services, beauty parlours, health clubs, medical services, pathological laboratories, chartered accountants and retailers to electronically integrate with the FBR and register all their points of sales (POS).

Unemployment crisis (The News): Some crucial issues, such as climate change, gender parity, unemployment, and poverty, are on the back burner because the current regime's priority is to enter a medium-term arrangement with the IMF and combat the increasing wave of terrorism. The unemployment rate in Pakistan has exceeded 10.2 percent, up from the usual 5-6 percent. There is no short-term job creation prospect. Government policies are such that they suppress growth, and jobs are a result of growth. In fact, there is a chance that unemployment levels might rise further.

