

Market Summary

Index Level (% Change)	14-Jun	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
KSE 30	15,648	0.5%	-5.4%	-7.0%	-6.2%	-20.4%
KSE 100	41,055	0.4%	-5.6%	-5.3%	-4.2%	-15.7%
KSE All Share	28,164	0.2%	-4.8%	-5.4%	-4.3%	-14.9%

Equities	Avg. Volume(mn shares)			Avg. Value (PKR mn)		
	1d	1m Avg.	6m Avg.	1d	1m Avg.	6m Avg.
KSE 30	36	68	60	2,126	3,872	4,210
KSE 100	56	103	100	2,604	4,797	5,222
KSE All Share	120	225	238	3,363	6,374	7,287

Portfolio inv (USD mn)

	14-Jun	1m	3m	6m	12m	CYTD
FIPI Net	0.0	(13.7)	(42.0)	(67.1)	(313.4)	(44.3)
LIPI Net	(0.0)	13.7	42.0	67.1	313.4	44.3
Ind.	2.0	21.6	64.8	79.2	173.7	74.6
Banks/DFIs	(0.3)	5.8	44.4	59.5	123.8	76.9
Co's	(0.1)	27.6	31.7	62.3	127.1	50.1
M.Funds	(0.5)	(18.6)	(62.6)	(91.2)	(143.0)	(114.3)
Brokers	(0.0)	(5.9)	(12.1)	(13.4)	(27.1)	(14.3)
Others	(0.2)	2.6	13.0	14.9	60.8	15.1
Ins.	(0.9)	(18.6)	(37.0)	(44.0)	(6.8)	(43.7)
NBFC	(0.1)	(0.7)	(0.3)	(0.1)	4.8	(0.1)

Sector wise FIPI LIPI (USD mn)	FIPI	Ind.	Banks	M.Funds	Ins.	Other
Gross Buy	2.0	15.8	0.6	0.5	0.1	4.9
Gross Sell	(1.9)	(13.8)	(0.9)	(1.0)	(0.9)	(5.3)
All other Sectors	(0.1)	0.1	0.1	0.0	(0.1)	0.0
Cement	(0.0)	0.6	0.2	(0.3)	(0.7)	0.1
Commercial Banks	(0.4)	0.3	(0.2)	(0.1)	0.0	0.3
Fertilizer	0.1	0.1	(0.1)	(0.1)	(0.0)	(0.0)
Food and Personal Care	0.0	0.3	(0.0)	0.0	(0.0)	(0.3)
E&P Companies	0.3	(0.0)	(0.2)	0.0	(0.1)	(0.0)
OMC	(0.0)	0.1	(0.0)	(0.0)	(0.0)	(0.0)
Power Generation	(0.0)	0.1	(0.1)	(0.0)	(0.0)	0.0
Technology and Comm.	0.2	0.4	0.0	(0.1)	0.0	(0.5)
Textile Composite	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)
Total	0.0	2.0	(0.3)	(0.5)	(0.9)	(0.4)

Commodities

	US\$	1d	1m	3m	6m	12m
WTI (bbl)	119.1	0.1%	4.2%	23.4%	68.3%	65.1%
Brent (bbl)	121.3	0.1%	6.2%	21.4%	64.6%	64.0%
Arab Light (bbl)	124.6	0.0%	4.8%	15.8%	64.2%	70.5%
Coal (m.tons)	312.0	0.0%	-4.9%	-9.7%	125.3%	174.9%
Urea (m.tons)	690.0	0.0%	-4.8%	-24.2%	-28.1%	53.3%
DAP (m.tons)	795.0	0.0%	-7.6%	-18.5%	6.0%	31.4%
PVC (*m.tons)	1,320.0	0.0%	-8.3%	-8.3%	-13.7%	-2.9%
Ethylene (pounds)	1,155.0	0.0%	-5.7%	-14.8%	11.6%	26.2%
Gold (t oz.)	1,815.5	0.4%	-0.5%	-5.3%	2.5%	-2.3%
Cotton (lb)	120.3	-0.3%	-9.6%	18.2%	34.1%	51.4%
Copper (lb)	420.5	0.7%	0.3%	-6.8%	-0.8%	-3.3%
Steel (tons)	1,135.0	0.0%	-17.5%	0.9%	-29.4%	-31.5%
Skim Milk Powder (US\$/mt)	4,239.8	-2.1%	-0.4%	-8.0%	13.8%	17.8%
Rubber (kg)	161.5	0.0%	1.4%	-5.6%	-6.2%	-0.3%
Iron (mt)	140.1	0.0%	5.4%	-3.2%	30.9%	-34.5%

Foreign Exchange

	Rate	1d	1m	3m	6m	12m
PKR/USD	200.77	0.0%	3.3%	12.1%	13.3%	28.2%
PKR/GBP	248.95	0.0%	3.9%	6.4%	5.9%	12.9%
PKR/EUR	215.53	0.0%	6.2%	9.6%	7.3%	13.5%
PKR/JPY	153	0.0%	1.7%	1.0%	-2.2%	7.7%

Interest rates (change in bps)

	Rate %	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1 YR	15.6	0.0	95.0	367.0	414.0	798.0
PKRV 3 YR	13.7	1.0	15.0	205.0	175.0	470.0
PKRV 5 YR	13.0	5.0	15.0	134.0	111.0	358.0
PKRV 10 YR	13.0	5.0	7.0	134.0	99.0	303.0

Board Meetings

Company	Date	Time	Company	Date	Time

Regional markets

	Rate	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
SHCOMP- China**	3,335	1.4%	8.1%	8.8%	-8.9%	-6.2%
SENSEX- India*	52,595	-0.2%	-0.4%	-5.7%	-9.5%	-0.3%
NIKKEI- Japan**	26,428	0.0%	0.0%	4.3%	-7.0%	-10.2%
DJIA- USA*	30,365	0.0%	-5.7%	-9.5%	-14.6%	-11.5%
Heng seng- HK**	21,378	1.5%	7.4%	16.1%	-9.6%	-25.4%

* Reading as of last day closing

** Real time reading

Source: Bloomberg, PSX, NCCPL, Next Research

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International

Oil prices settle down on fears of Fed and oil profit tax (Reuters): Oil prices settled lower on Tuesday on fears the U.S. Federal Reserve will surprise markets with a higher-than-expected interest rate hike. Most Fed watchers had expected the U.S. central bank to hike rates by 50 basis points at its meeting on Wednesday. But after Friday's surprisingly strong consumer price index (CPI) data for May, more expect a rate hike of 75 basis points. Brent crude futures settled down \$1.10, or 0.9%, to \$121.17 a barrel. U.S. West Texas Intermediate (WTI) crude fell \$2, or 0.7%, to settle at \$118.93 a barrel **(Neutral)**

Economy

China comes to our rescue in a big way (BR): China has agreed to roll over \$2.3 billion loan to Pakistan and, significantly from the perspective of strengthening the \$9.2 billion foreign exchange reserves (as on 3 June), to extend additional assistance of between \$2.5 to \$2.8 billion. Highly-placed sources told Business Recorder that the recent visit of Chief of Army Staff General Qamar Javed Bajwa was a resounding success in procuring a highly valuable package. Sources further revealed that the three services' team is still in Beijing and negotiations on the economic package are ongoing at present with possibly two phases of assistance; in the first (initial) phase \$2.3 billion would be rolled over, a key International Monetary Fund (IMF) loan condition, and in the second phase another \$ 2.5 to \$2.8 billion would be disbursed, scheduled for November or early December. Besides these two packages, China has also agreed to extend military aid, and to revive the strategic partnership between the two countries with the objective of raising it to the next level of cooperation in various fields under the China-Pakistan Economic Corridor (CPEC). **(Positive)**

Pakistan pins hopes on 'onsite visit' to exit FATF 'grey list' (Tribune): Pakistan is unlikely to exit the "grey list" of the Financial Action Task Force (FATF) in the ongoing deliberations in Berlin, Germany but hoping to secure an 'onsite visit' that may take Islamabad a step closer to get out of the watch list. Pakistan was placed on the grey list in June 2018 and was given a 27-point action plan to restrict terror financing activities. In October last year, the country was given another seven-point action plan after it completed 26 of the 27-point action plan originally given to it in June 2018. In the last plenary held in March, Pakistan informed the FATF that it had completed 32 of the 34 action items Despite Islamabad's hectic lobbying to get some relief from the international watchdog for financial crimes such as money laundering and terror financing, official sources told The Express Tribune that Pakistan will stay on the grey list at least until February next year. **(Negative)**

Rupee continues slide against USD, shoots past Rs205 (Tribune): The Pakistani Rupee is being traded at Rs205.31 against the US dollar after it shed Rs1.51 in the interbank market on Tuesday. A day earlier, the PKR had closed at Rs203.85 against the USD. The rupee is in freefall against the greenback for the third consecutive day amid pressure on Pakistan's foreign exchange reserves due to uncertainty surrounding the revival of the International Monetary Fund (IMF) programme. BMA Capital Executive Director Saad Hashemy said the prolonged delay in the revival of the IMF programme has "weakened the rupee over and above its fair value." The real effective exchange rate (REER) – the value of the rupee against the basket of currencies of foreign trading partners – may have depreciated to around 90 on the index at the current rupee-dollar parity. **(Negative)**

Pakistan facing debt in 'excess of \$250bn': UNDP (BR): The United Nations Development Programme (UNDP) has said that Pakistan is currently facing challenging economic situation with a debt in "excess of Rs 50 trillion (\$250 billion)". The Ministry of Economic Affairs Division (EAD) in collaboration with the UNDP have organized a high-level policy seminar titled "global economic situation and effective debt management strategies" on June 21, 2022 in Islamabad to discuss solution to debt management. The seminar's strategic objectives will include deliberation on the existing global and regional economic scenarios having relevance to Pakistan with a focus on current debt situation and challenges posed by it, propose strategic recommendations and sectoral solutions for effective debt management to maintain financial stability and insulate Pakistan's economy from external shocks. The UNDP, in its brief for the seminar has stated that Pakistan, the world's fifth-most populous country, is a lower middle-income country aspiring to be among the world's ten largest economies by 2047. However, Pakistan is currently faced with a challenging economic situation with a debt in excess of Rs 50 trillion (\$250 billion). **(Neutral)**

Sector / Company

Hike in POL products' prices on the cards (BR): Federal government is likely to increase the price of petrol by Rs8.69 per litre and high-speed diesel (HSD) by Rs29.94 per litre based on current government taxes with zero petroleum levy (PL) and general sale tax (GST) for the next fortnight with effect from June 16. According to the calculation of oil marketing companies/ refineries, the government may raise the price of petrol by Rs8.69 per litre from Rs206.42 to Rs215.11 per litre. The price of other fuel HSD mostly used in agriculture and transport sectors may also increase by Rs29.94 per litre from Rs219.11 to Rs249.05 per litre. The rate of kerosene oil (SKO) a subsidize sector may also be raised by Rs26.84 per litre to Rs202.40 per litre from Rs175.56 per litre. The price of light diesel oil (LDO) will also likely go up by Rs27.17 to Rs201.29 per litre from Rs174.12 per litre. The ex-depot price of petrol has been determined to increase by Rs18.01 per litre from Rs209.86 to Rs227.87 per litre and HSD price also likely to increase by Rs52.99 per litre from Rs204.15 to Rs257.14 per litre. **(Negative)**

Nepra agreesto let KE recover Rs9bn from consumers (BR): National Electric Power Regulatory Authority (NEPRA) on Tuesday agreed in principle to allow Karachi Electric (KE) to recover over Rs 9 billion (Rs 5.28 per unit) from consumers for April 2022 under monthly Fuel Charge Adjustment (FCA) and QTA of Rs 3.90 per unit for January-March 2021-22. The Authority, comprising Chairman Tauseef H. Farooqi, Vice Chairman, Rafique Ahmad Shaikh and Member KP, Maqsood Anwar Khan officiated public hearing. KE's team led by Chief Financial Officer (CFO), Aamir Ghaziani responded to questions on inefficiencies and issues related to the KE raised by the Authority and the representatives of public and business community. KE, in its requests, had sought positive adjustment of Rs 4.859 per unit in FCA of April 2022 to recover Rs 9.353 billion from consumers but later the power utility revised it upward to Rs 5.307 per unit as per CPPA-G rates of April 2022 to recover Rs 10.225 billion. However, tariff section of NEPRA proposed adjustment of Rs 0.027 per unit on account of differences in costs and Rs 0.001 per unit proposed by Monitoring and Enforcement (M&E) Section due to underutilization of efficient sources, cost of which was Rs 1.4 million. **(Negative)**

Pakistan's D.G. Khan to Export Cement to U.S. for First Time (Augaf): The cement maker is in process to ship 50,000 tons of the building material to the US, CFO Inayat Ullah Niazi says in a text message. The ship is currently loading cement at a Karachi port for delivery to Houston. This will help to lift Pakistan's exports which were significantly hit during the current fiscal year. According to the data released by All Pakistan Cement Manufacturers Association (APCMA), exports despatches suffered massive decline by 76.97 percent as the volumes reduced from 746,550 tons in May 2021 to 171,915 tons in May 2022. Exports from North based mills massively declined by 64.42 percent as the quantities reduced from 203,625 tons in May 2021 to 72,450 tons in May 2022. Exports from South also reduced by 81.68 percent to 99,465 tons in May 2022 from 542,925 tons during the same month last year. During the first eleven months of current fiscal year, exports declined by a massive 43.32 percent to 4.97 million tons from 8.77 million tons during July-May 2021. **(Positive)**

Fertiliser makers mull Rs100/bag hike in urea prices (The News): Fertiliser industry has been mulling Rs100/bag increase in urea price over lack of government interest in resolving tax issue. In May, fertiliser firms agreed to reduce the price of urea by Rs83/bag after the government promised resolution of the long-standing GST mismatch issues. However, no attention was paid to the problem in the budget, and the industry was considering to increase urea price by Rs100/bag ie Rs17/bag compared to May. According to details available with The News, the fertiliser sector receivables were Rs85 billion. These include the subsidy of Rs19.2 billion from the previous tenure's of PML-N Kissan Package and about Rs65 billion on account of GST refunds. This was also a result of drop in GST from 17 to 2 percent under the Kissan Packages. **(Positive)**