

Market Summary						
Index Level (% Change)	16-Jun	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
KSE 30	15,938	0.8%	-1.7%	-6.3%	-8.8%	-18.5%
KSE 100	41,730	0.7%	-2.2%	-5.1%	-5.9%	-13.9%
KSE All Share	28,504	0.6%	-1.9%	-5.0%	-6.2%	-13.5%

Equities	Avg. Volume(mn shares)			Avg. Value (PKR mn)		
	1d	1m Avg.	6m Avg.	1d	1m Avg.	6m Avg.
KSE 30	49	65	59	3,328	3,801	4,178
KSE 100	73	98	99	4,001	4,681	5,184
KSE All Share	162	217	236	4,208	6,178	7,219

Portfolio inv (USD mn)						
	16-Jun	1m	3m	6m	12m	CYTD
FIPI Net	(0.9)	(10.8)	(44.4)	(67.5)	(309.9)	(44.9)
LIPI Net	0.9	10.8	44.4	67.5	309.9	44.9
Ind.	(1.8)	18.1	68.7	72.6	165.5	72.8
Banks/DFIs	1.4	3.5	45.4	58.8	121.4	78.6
Co's	1.4	28.0	30.1	67.9	129.2	52.1
M.Funds	(1.0)	(15.8)	(62.6)	(88.4)	(141.1)	(114.5)
Brokers	2.1	(4.0)	(8.4)	(9.9)	(25.0)	(11.9)
Others	(0.0)	2.6	11.7	14.1	60.8	14.7
Ins.	(1.1)	(20.9)	(40.0)	(47.4)	(5.2)	(46.7)
NBFC	(0.2)	(0.8)	(0.5)	(0.3)	4.4	(0.3)

Sector wise FIPI LIPI (USD mn)						
	FIPI	Ind.	Banks	M.Funds	Ins.	Other
Gross Buy	1.8	18.6	2.5	1.4	0.4	7.9
Gross Sell	(2.7)	(20.4)	(1.0)	(2.4)	(1.4)	(4.6)
All other Sectors	0.1	0.0	0.2	(0.3)	(0.0)	(0.0)
Cement	(0.2)	(0.1)	0.7	(0.2)	(1.1)	0.9
Commercial Banks	(0.3)	0.4	(0.2)	0.0	0.0	0.1
Fertilizer	0.2	(1.7)	0.0	(0.2)	(0.1)	1.7
Food and Personal Care	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.0
E&P Companies	(0.6)	(0.2)	0.6	(0.0)	(0.0)	0.3
OMC	(0.1)	(0.2)	0.1	0.0	(0.1)	0.2
Power Generation	(0.0)	(0.1)	(0.1)	(0.0)	0.2	0.0
Technology and Comm.	(0.0)	0.1	0.0	(0.1)	(0.0)	0.1
Textile Composite	0.0	(0.0)	0.1	(0.1)	(0.0)	0.0
Total	(0.9)	(1.8)	1.4	(1.0)	(1.1)	3.3

Commodities						
	US\$	1d	1m	3m	6m	12m
WTI (bbl)	116.6	-0.8%	6.4%	13.3%	61.1%	64.2%
Brent (bbl)	119.0	-0.7%	9.1%	11.6%	58.6%	62.8%
Arab Light (bbl)	120.0	0.0%	3.0%	11.6%	58.5%	61.8%
Coal (m.tons)	323.0	0.0%	-2.1%	2.5%	128.0%	184.6%
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.)	1,842.3	-0.8%	1.4%	-5.2%	2.4%	3.9%
Cotton (lb)	118.8	-0.4%	-8.0%	14.8%	31.1%	53.4%
Copper (lb)	411.0	-0.4%	-1.7%	-12.3%	-4.0%	-2.2%
Steel (tons)	1,126.0	0.0%	-18.4%	0.5%	-31.3%	-32.2%
Skim Milk Powder (US\$/mt)	4,239.8	-2.1%	0.9%	-7.9%	13.8%	20.6%
Rubber (kg)	160.8	-0.6%	-0.2%	-6.3%	-5.8%	-0.4%
Iron (mt)	137.9	0.0%	5.4%	-7.9%	24.0%	-35.8%

Foreign Exchange						
	Rate	1d	1m	3m	6m	12m
PKR/USD	207.61	0.0%	4.7%	15.5%	16.7%	32.5%
PKR/GBP	255.53	0.7%	4.1%	8.1%	8.3%	17.1%
PKR/EUR	218.57	1.0%	5.0%	9.6%	8.8%	17.1%
PKR/JPY	1.55	-1.2%	-0.2%	2.0%	-1.3%	8.8%

Interest rates (change in bps)						
	Rate %	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1 YR	15.6	(10.0)	71.0	363.0	441.0	793.0
PKRV 3 YR	13.7	(1.0)	16.0	212.0	212.0	468.0
PKRV 5 YR	13.0	(4.0)	14.0	135.0	137.0	354.0
PKRV 10 YR	12.9	(2.0)	5.0	126.0	109.0	297.0

Board Meetings						
Company	Date	Time	Company	Date	Time	

Regional markets						
	Rate	1d Δ	1m Δ	3m Δ	6m Δ	12m Δ
SHCOMP- China**	3,285	0.0%	6.2%	2.2%	-10.6%	-6.8%
SENSEX- India*	51,182	-0.6%	-5.8%	-11.5%	-11.6%	-2.2%
NIKKEI- Japan**	25,968	0.0%	-2.6%	-2.6%	-10.7%	-10.5%
DJIA- USA*	29,927	0.0%	-8.4%	-13.2%	-16.6%	-11.5%
Heng seng- HK**	21,014	0.8%	2.0%	-2.3%	-10.5%	-26.4%

\* Reading as of last day closing

\*\* Real time reading

Source: Bloomberg, PSX, NCCPL, Next Research

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## International

**Oil rebounds as new Iran sanctions fuel more supply concerns (Reuters):** Oil prices rose on Thursday in topsy-turvy trading after the United States announced new sanctions on Iran, and as energy markets stayed focused on supply concerns that have sent prices soaring this year. The market slipped earlier as interest rate hikes in the United States, Britain and Switzerland fed worries about global economic growth. Brent crude futures settled at \$119.81, up \$1.30, or 1.1%, while West Texas Intermediate (WTI) crude futures ended up \$2.27, or 2%, at \$117.58. **(Neutral)**


## Economy

**Rupee closes at 207.67 against dollar (BR):** Rupee continued its decline on Thursday as it fell to a new all-time low of 207.67 against the US dollar in the inter-bank market as post-budget uncertainty and the biggest rate hike announced by the US central bank since 1994 took toll on the currency market. The Pakistani currency fell to as low as 208.25 against the greenback in intra-day trading before staging a partial recovery. At close, the local currency finished with a loss of Rs1.21 or 0.58% to settle at Rs207.67. On Wednesday, the rupee had closed at its then all-time low of Rs206.46. **(Negative)**

**FX reserves down by \$233.5mn to stand at \$14.94bn (MG):** The total liquid foreign exchange reserves held by the country dropped by \$233.5 million or 1.53% WoW to stand at the lowest level of \$14.94 billion since July 19, 2019, during the week ended on June 3, 2022, compared to \$15.17bn in the previous week, weekly data released by the State Bank of Pakistan (SBP) on Thursday showed. The data further revealed that reserves held by the central bank during the week dipped by \$241mn or 2.61% WoW to clock in at the lowest level of \$8.98bn since Nov 22, 2019, mainly due to external debt repayments. On the other hand, the reserves of commercial banks inched up by \$7.4mn or 0.12% WoW to \$5.96bn. Meanwhile, it is important to note that, the current level of foreign currency reserves is barely enough to cover 1.32 months of imports. **(Negative)**

**Public Debt Projected To Soar By Rs5.632 Trillion To Rs54.109 Trillion In Next Fiscal Year (The Nation):** Pakistan's public debt is projected to increase by Rs5.632 trillion to Rs54.109 trillion in next fiscal year. The country's public debt was Rs48.477 trillion during the current fiscal year, which is projected to enhance by Rs5.632 trillion to Rs54.109 trillion in next financial year. The Medium-Term Budget Strategy Paper showed that Pakistan's external as well as domestic debts would record increase in the upcoming fiscal year. External debt is estimated to increase to Rs20.561 trillion in FY23 from Rs18.085 trillion in FY22. Similarly, the domestic debt is also projected to enhance from Rs30.392 trillion to Rs33.548 trillion in the next year. However, the public debt to GDP (Gross Domestic Product) ratio is projected to decline in next fiscal year. The public debt to GDP ratio would reduce to 69.1 percent in upcoming financial year from 72.4 percent. "The debt to GDP ratio will increase and reach around 72.4 percent at the end of ongoing fiscal year (FY22) primarily due to higher federal fiscal deficit and depreciation of Pak rupee against US dollar. However, debt-to-GDP ratio is expected to reduce to 69.1 percent at the end of the next fiscal year (FY23) on the back of fiscal consolidation efforts of the government," the ministry of finance stated in Medium-Term Budget Strategy Paper. **(Negative)**

**LSMI output declines 13.3% in April on monthly basis, increases 15.4% year-on-year (BR):** Output of Large-Scale Manufacturing Industries (LSMI) witnessed a decline of 13.3% Month-on-Month (MoM) during April 2022, revealed data from the Pakistan Bureau of Statistics (PBS) on Thursday. Last time, a monthly decline was witnessed in July 2021, almost nine months ago. Moreover, April's MoM negative growth marks the second decline during FY22. Meanwhile, the overall output of LSMI showed a growth of 10.7% during July-April 2021-22 when compared with the same period of the previous year, with base year 2015-16. On a Year-on-Year (YoY) basis, LSMI showed improvement increasing 15.4% during April 2022, with index clocking-in at 132.4 during the month compared to 114.8 recorded in same period last year. Sector-wise increase during April 2022 was led primarily by: Textile (7.7% YoY), Food (5.8% YoY). Wearing Apparel (106.2% YoY), Furniture (64.4% YoY). Pharmaceuticals (35.3% YoY). Other Manufacturing (29.6% YoY). Automobiles (27.4% YoY). Machinery and Equipment (14.6% YoY), Iron & Steel Products (13.8% YoY). Chemicals (10.5% YoY). Electrical Equipment (8.7% YOY), Computer, electronics and Optical products (6.6% YoY). Beverages (5.7% YoY). Paper & Board (3.6% YoY) and Rubber Products (1.3% YoY). Sector-wise decrease during April 22 was led primarily by: Non Metallic Mineral Products (-12.6% YoY). **(Negative)**



**Exports up 27.89pc; Jul-May imports soar 44.51pc to \$72.297bn YoY (BR):** The country's imports during July-May (2021-22) totalled \$72.297 billion against \$50.028 billion during the corresponding period of last year showing an increase of 44.51 percent, Pakistan Bureau of Statistics (PBS) said. The exports and imports data released by the PBS revealed that the country's overall exports during July-May (2021-22) totalled \$28.873 billion against \$22.576 billion during the corresponding period of last year showing an increase of 27.89 percent. The imports in May 2022 were \$6.777 billion as compared to \$6.661 billion in April, 2022 showing an increase of 1.74 per cent and by 27.94 per cent as compared to \$5.297 billion in May, 2021. The country's exports during May, 2022 were \$2.626 billion as compared to \$2.897 billion in April, 2022 showing a decrease of 9.35 per cent but increased by 57.15 per cent as compared to \$1.671 billion in May, 2021. **(Negative)**

#### **Sector / Company**

**Pakistan's Oil Import Bill Hits Record \$20 Billion in 11 Months (ProPakistani):** Pakistan's petroleum group imports witnessed a 99.14 percent growth as they reached \$19.679 billion in July-May 2021-22 compared to \$9.882 billion during the same period of the last fiscal year, says Pakistan Bureau of Statistics (PBS). The imports and exports data released by the Bureau noted that petroleum group imports registered 19 percent growth in May 2022 and stood at \$2.645 billion when compared to \$2.223 billion in April 2022 and registered 123 percent growth on a year-on-year basis in May 2022 when compared to \$1.184 billion during the same month of last year. The country's overall imports during July-May (2021-22) stood at \$72.297 billion as against \$50.028 billion during the corresponding period of last year showing an increase of 44.51 percent, says Pakistan Bureau of Statistics (PBS). **(Negative)**

**Pakistan takes another shot at LNG import (The News):** Pakistan has taken yet another shot at importing LNG amid surging energy cost as last week's tender was bound to be cancelled due to least interest shown by potential bidders. With a view to ease domestic shortage and meet demand of power sector, Pakistan LNG Ltd (PLL) floated a tender for the supply of four cargoes for the month of July. The LNG to be delivered under this tender will include each cargo having a volumetric quantity of 140,000m3. As per schedule of delivery, LNG bids are being invited to deliver natural gas by July 03, July 08, July 25, and July 26, 2022. During this period, not only LNG demand for the power sector would be high. However, it will be an uphill task for a country like Pakistan to buy LNG amid a surging spot market with squeezing supplies. **(Negative)**

**Rs5/unit power relief withdrawn (BR):** The federal government has withdrawn the subsidy the last government of Pakistan Tehreek-i-Insaf (PTI) had offered to the people on electricity bills. In this connection, the Power Division issued a notification on Thursday which said that the relief of Rs5 per unit which was offered by the previous government on power bills had been withdrawn. It may be mentioned here that the government withdrew the subsidy in electricity bills only a day after phasing out the subsidy it had been providing on prices of petroleum products.—INP **(Negative)**

**Miftah refuses to clear dues of fertiliser sector (Dawn):** Minister for Finance Miftah Ismail on Thursday declined to clear pending dues of Rs80 billion of the fertiliser sector but assured that their issues would be resolved as the government has almost streamlined the petroleum industry. In a meeting with Fertiliser Manufacturers of Pakistan Advisory Council (FMPAC) along with Federal Minister of Industries Makh-doom Syed Murtaza Mehmood, the finance minister clearly declined to clear the pending dues due to the economic crunch facing the country. Given the current fiscal challenges, the finance minister informed the fertiliser sector that there was no way forward in clearing the outstanding subsidy and sales tax. However, he added that to stop further bleeding of the industry, a sales tax exemption may be granted to urea. "This would mean no output sales tax and input sales tax to become part of the urea bag and its cost," Mr Ismail said. **(Negative)**

**Cement: North region raises price by Rs50 per bag (MG):** Amid soaring international coal prices, supply chain concerns on Russia-Ukraine chaos and PKR depreciation, cement manufacturers in the North region have increased cement prices by Rs50/bag, effective from June 16, 2022. Sharing the aforesaid information on Twitter, Topline Securities said, "The new price in the North region is in the range of Rs980-1010/bag, as per channel checks." "We expect a similar price hike in the south region soon," it added. Meanwhile, it is important to note that this is the second hike in the month of June so far. The last price hike was witnessed on June 3, 2022, when the North region had increased cement prices by Rs20/bag after which South players had also announced a price hike of Rs25 per bag. As per the latest available data, Cement despatches declined by 16% YoY and 6% MoM to 3.3mn tons in May 2022 as slow disbursement of PSDP coupled with massive PKR depreciation and rising prices of petroleum products, electricity and coal, kept the cement demand under pressure. **(Positive)**

