

AKD Research

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Indices	KSE-100	KSE-30
This week	49,038	26,661
Last week	47,807	25,852
Change	2.58%	3.13%

Indices	KMI-30	Allshare
This week	84,074	33,426
Last week	81,795	32,842
Change	2.79%	1.78%

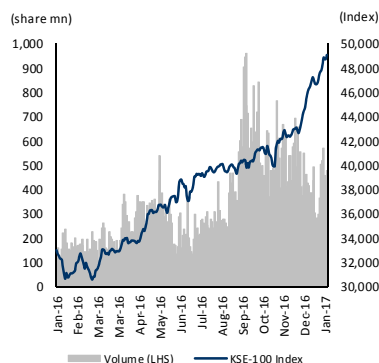
Mkt Cap.	PkRbn	US\$bn
This week	9,795	93.48
Last week	9,629	91.83
Change	1.73%	1.80%

Avg. Daily Turnover ('mn shares)

This week	408.34
Last week	285.91
Change	42.82%

Top-5 Volume Leaders

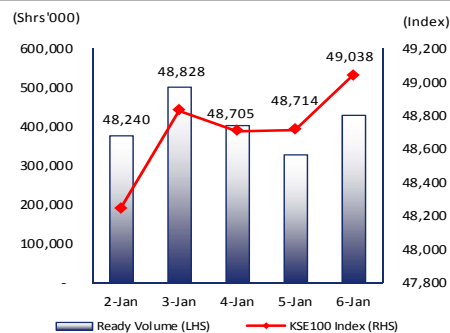
Symbol	Volume (mn)
DSL	198.38
ASL	114.51
KEL	102.25
BOP	70.90
PAEL	64.98



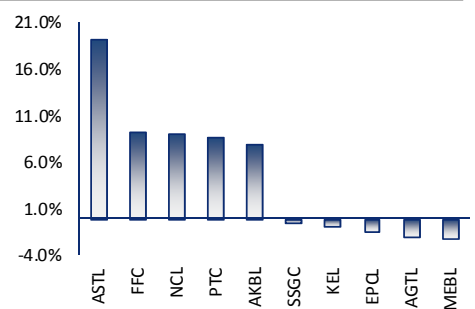
Weekly Review

Welcoming the New Year, as it ended the last, the KSE-100 index continued its climb, resting higher by 2.58%WoW, closing the week at 49,038pts. Exercising of pricing power by cements, expectations of turnaround in margins for steels, expectations of the textile policy and the Supreme Court's move to re-examine beneficial owners of holding companies, helped boost a broad based rally where average volumes for the week shot up 42.3%WoW (408mn shares). Key new flows included: 1) cement dispatches grew 8.65%YoY to 19.81 million tons in 1HFY17, led by growing demand in the domestic market, while local cement sales increased 11.07%YoY during 1HFY17, 2) The GoP decided to keep petroleum prices unchanged for two weeks during the month of January, 2017, 3) domestic petroleum products sales during the 1HFY16 clocked in at 13mn tons, showing a surge of 18.2%YoY, while POL sales for the month of Dec'16 clocked in at 2mn tons, reflecting a growth of 23% YoY/1.8%MoM, and 4) news reports stated that KEL has shelved plans for converting its BQPS-1, FO plants with 420MW capacity to low-priced coal after the utility failed to secure cost-effective tariffs from the regulator. Stocks outperforming over the week were: 1) ASTL (+19.31%WoW), 2) FFC (+9.25%WoW), 3) NCL (+9.15%WoW) and 4) PTC (+8.67%WoW), while laggards were: 1) MEBL (-2.31%WoW), 2) AGTL (-2.04%WoW), 3) EPCL (-1.46%WoW) and 4) KEL (-0.85%WoW). Volume leaders were: 1) DSL (198.4mn shares), 2) ASL (114.5mn shares), 3) KEL (102.3mn shares) and, 4) BOP (70.9mn shares).

Index & Volume Chart



Universe Gainers & Losers



Source: KSE & AKD Research

Outlook

News flows and preliminary read on output figures from OPEC nations is expected to greatly sway global oil prices. While the index sits at all-time highs, profit taking cannot be ruled out. In the run-up to results season, dividend paying stocks are expected to remain in the limelight.

Important disclosures

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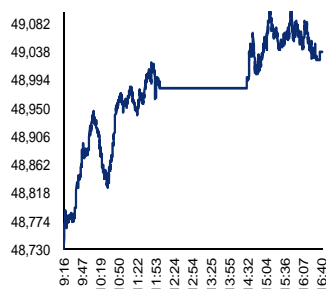


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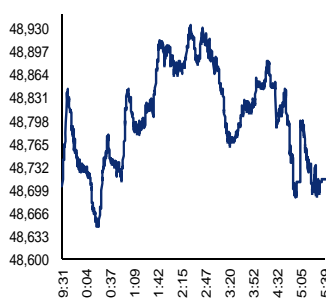
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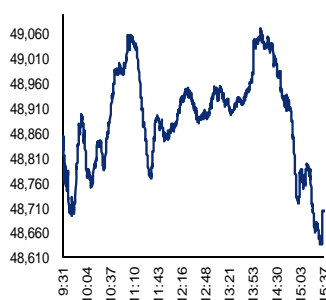
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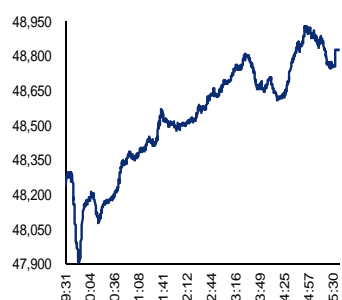
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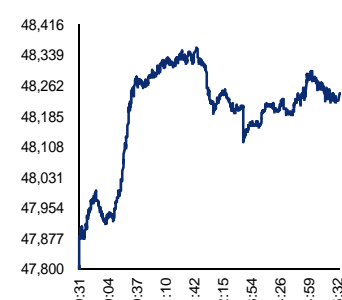
Jan 04, 2017



Jan 03, 2017



Jan 02, 2017



Source: KSE & AKD Research

This Week's Daily Reports

Pakistan Fertilizer: Export key to clearing excess inventory, (AKD Daily, Jan 06, 2017)

Recent recovery in international urea price to US\$240/ton (up 42% since Jul'16) presents a lucrative opportunity for local manufacturers to export excess urea inventory (Nov'16 urea inventory in the system stands at 1.45mn tons, down 15%MoM/ up 56%YoY). Weakening demand (poor farm dynamics) along with record level urea production has led to high inventory build-up in the system which we expect to persist in the near-term with urea inventory forecasted at 1.2mn/1.8mn tons by the end of CY16/CY17 respectively. In this backdrop, the GoP is expected to allow export of 0.8mn tons of urea in line with a proposal of Ministry of Industries. Our sensitivity analysis of urea export highlights incremental profitability on our AKD Fertilizer Universe in the range of 6%-20% at different export levels. In such a scenario, EFERT remains a key beneficiary on account of its low cost/bag and healthy market share, followed by FFC owing to market leadership in urea sales.

Downstream Oil: Dec'16 Volumes are too good to last, (AKD Daily, Jan 05, 2017)

Robust growth in demand for POL products, underpins Dec'16 total volumetric offtake of 2.08mn tons, climbing 1.4%MoM/21.6%YoY. FO sales were a bright spot rising 35.5% MoM/30.4%YoY, followed by retail fuel segment where HSD sales grew 23.7%YoY but dipped 20%MoM, whereas MOGAS demand continued to soar (growing 16.7%YoY), yet remaining tepid sequentially (0.3%YoY increase). 1HFY17 volumes point to 18%YoY growth in total volumes, led by 20%/16%/20%YoY growth in FO/HSD/MOGAS offtake. The picking up of volumes at this pace is likely to slow in our view, reverting to 5/10YR volumetric growth CAGR's of 6%/4%. That said, 2HFY17 is likely to be slightly better (5YR average 2HFY sales make up ~53% of annual offtake), led by strong growth in retail fuels (from May'17 onwards). Premium fuels sales continue to soar, where 1HFY17 sales of 29,547tons marks a 37%YoY increase, making FY16 full year sales of 41,067tons pale in comparison. Renewed force to regain market share remains prominent in PSO's numbers, where the OMC is slated to benefit from its vast retail network (3,416 outlets as of Dec'16). Re-iterating our liking for the country's largest OMC, which trades at an appealing FY17/18F P/E of 9.8/8.2x, and at a TP of Pkr493.5/sh, offers 7% upside.

Pakistan Cements: Cement sector exercises pricing power yet again, (AKD Daily, Jan 04, 2017)

According to our channel checks, cement prices in the North Region have likely been increased in the range of Pkr10-20/bag whereas the cement prices in the South Region remain unchanged and are not expected to be raised anytime soon. We believe that the hike in cement prices (not incorporated in base estimates yet) should allow cement manufacturers to maintain margins where we expect AKD Cement Universe's GM to improve by 54 bps/100 bps to 38.76%/43.77% in FY17F/FY18F compared to our base case estimates. As such, we expect AKD Cement Universe's FY17F earnings / FY18F earnings / TP to go up by 2.33%/3.99%/4.78% from our base case estimates. In this backdrop, we reiterate our Overweight stance on the sector. Our top picks include MLCF (TP: Pkr154/share), FCCL (TP: Pkr55/share), DGKC (TP: Pkr262/share), and LUCK (TP: Pkr964/share).

Pakistan Economy: CY16 CPI review, (AKD Daily, Jan 03, 2017)

Dipping slightly from the prior month (3.8%YoY), CPI inflation for Dec'16 came in at 3.7% YoY. This remained below expectations on account of higher than anticipated seasonal decline in food prices (-2.3%MoM). Resultantly, CY16 ended with CPI average standing at 3.9%YoY compared to 2.6%YoY in CY15. NFNE Core inflation clocked in at 5.2%YoY, also lower than 5.3%YoY in Nov'16 to take CY16 average to 4.7% - flat from CY15. Going forward, we expect inflation to inch up with FY17/CY17 CPI projected at 4.5%YoY/5.3%YoY, supported by our higher oil price assumption (US\$55/bbl). This coupled with emerging risks on the external front (BoP vulnerability on higher imports and bulky debt repayments) drives our expectation for a reversal in May'17 with a 50bps hike.

Animal spirits taking pole position, (AKD Daily, Jan 02, 2017)

The Pakistan market had a dream run in 2016 (KSE100 gaining ~46%) as market risk premium declined due to: 1) MSCI's announcement to include Pakistan in the EM space in

This Week's Daily Reports

CY17, 2) robust domestic liquidity and 3) relative stability on the political landscape. In this backdrop, the market P/E multiple re-rated by 24% to reach 9.9x in CY16. Going forward, we believe the current P/E discount of 35% against MSCI EM (vs. avg. 15% discount as part of EM during 2006-8) has legs to narrow in the medium term with re-rating driven by: 1) formal inclusion in the MSCI EM space, 2) rebound in corporate profitability (14%YoY growth in CY17), 3) healthy liquidity and 4) better visibility on energy & infrastructure projects under CPEC and consequent economic expansion. Our blended KSE100 Index target of 55,808 points offers a potential return of 20% in CY17. Focusing on economic growth potential led primarily by CPEC initiatives, the resultant infrastructure boom drives our positive stance on Construction & Allied (DGKC, LUCK, FCCL and MLCF), OMCs (PSO) and Autos (INDU). Other emerging themes: 1) interest rates reversal, 2) oil price stability and 3) room for PkR devaluation, form the investment thesis for Banks (UBL, HBL), Oil & Gas (OGDC) and Textiles (NML).

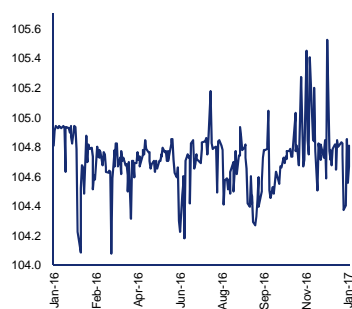
Regional Valuations (2017)

	EPS Growth	PE(x)
Pakistan	16%	9.59
Indonesia	12%	13.22
Malaysia	12%	13.04
Philippines	7%	14.81
Vitenam	12%	15.37
India	17%	16.37
China	14%	11.72

%	ROE	Divd Yld
Pakistan	17.4%	5.47
Indonesia	15.02	2.59
Malaysia	10.25	3.51
Philippines	12.63	1.94
Vitenam	15.90	2.88
India	14.72	1.86
China	11.02	2.27

Source: Bloomberg & AKD Universe

PKR/US\$ Trend



Source: Bloomberg

TRJ-CRB Index



Source: Bloomberg

Major World Indices' Performance

Country	Bloomberg Code	6-Jan-17	30-Dec-16	WoW	CYTD
Pakistan	KSE100 Index	49,038	47,807	2.58%	2.6%
Srilanka	CSEALL Index	6,153	6,228	-1.21%	-1.2%
Thailand	SET Index	1,571	1,543	1.85%	1.8%
Indonesia	JCI Index	5,347	5,297	0.95%	0.9%
Malaysia	FBMKLCI Index	1,675	1,642	2.06%	2.1%
Philippines	PCOMP Index	7,248	6,841	5.96%	6.0%
Vietnam	VNINDEX Index	680	665	2.25%	2.2%
Hong Kong	HSI Index	22,503	22,001	2.28%	2.3%
Singapore	FSSTI Index	2,963	2,881	2.84%	2.8%
Brazil	IBX Index	25,469	24,788	2.75%	2.7%
Russia	RTSSTD Index	14,508	14,737	-1.55%	-1.6%
India	SENSEX Index	26,759	26,626	0.50%	0.5%
China	SHCOMP Index	3,154	3,104	1.63%	1.6%
S&P	SPX Index	2,269	2,239	1.35%	1.3%
DJIA	INDU Index	19,899	19,763	0.69%	0.7%
NASDAQ Composite	CCMP Index	5,488	5,383	1.95%	1.9%
UK	UKX Index	7,189	7,143	0.65%	0.7%
Germany	DAX Index	11,580	11,481	0.87%	0.9%
Qatar	DSM Index	10,717	10,437	2.69%	2.7%
Abu Dhabi	ADSMI Index	4,602	4,546	1.22%	1.2%
Dubai	DFMGI Index	3,628	3,531	2.75%	2.7%
Kuwait	KWSEIDX Index	5,831	5,748	1.45%	1.4%
Oman	MSM30 Index	5,793	5,783	0.17%	0.2%
Saudi Arabia	SASEIDX Index	7,199	7,210	-0.16%	-0.2%
MSCI EM	MXEF Index	882	862	2.26%	2.3%
MSCI FM	MXFM Index	507	499	1.46%	1.5%

Source: Bloomberg

International Major Currencies

SPOT	6-Jan-17	30-Dec-16	Chg +/-	WoW	CYTD
Dollar Index	101.690	102.210	-0.520	-0.51%	-0.5%
USD/PKR	104.808	104.370	0.438	0.42%	0.4%
USD/JPY	116.070	116.960	-0.890	-0.76%	-0.8%
EUR/USD	1.058	1.052	0.006	0.60%	0.6%
GBP/USD	1.236	1.234	0.002	0.17%	0.2%
AUD/USD	0.734	0.721	0.013	1.78%	1.8%
NZD/USD	0.702	0.693	0.009	1.25%	1.3%
CHF/USD	1.012	1.019	-0.007	-0.65%	-0.6%
CAD/USD	1.326	1.344	-0.018	-1.35%	-1.4%
USD/KRW	1,193	1,206	-12.830	-1.06%	-1.1%
CNY/USD	6.918	6.945	-0.027	-0.39%	-0.4%

Source: Bloomberg

Commodities

SPOT	Units	6-Jan-17	30-Dec-16	WoW	CYTD
TRJ-CRB	Points	193.7058	192.5115	0.62%	0.6%
Nymex (WTI)	US\$/bbl.	54.14	53.72	0.78%	0.8%
ICE Brent	US\$/bbl.	56.85	55.41	2.60%	2.6%
N. Gas Henry Hub	US\$/Mmbtu	3.2959	3.682	-10.49%	-10.5%
Cotton	US\$/Pound	82.95	79.4	4.47%	4.5%
Gold	US\$/Tr.Oz	1176.77	1152.27	2.13%	2.1%
Sliver	US\$/Tr.Oz	16.492	15.918	3.61%	3.6%
Copper	US\$/MT	5560.5	5523	0.68%	0.7%
Platinum	US\$/Oz	966.95	903.5	7.02%	7.0%

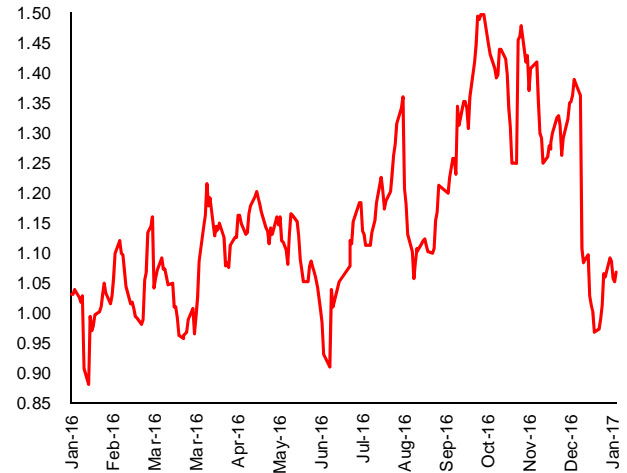
Source: Bloomberg

Chart Bank

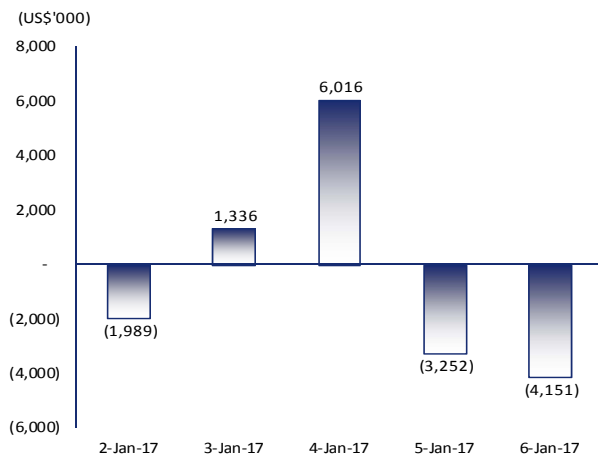
Earnings Yield vs. T-Bill (12M) Differential



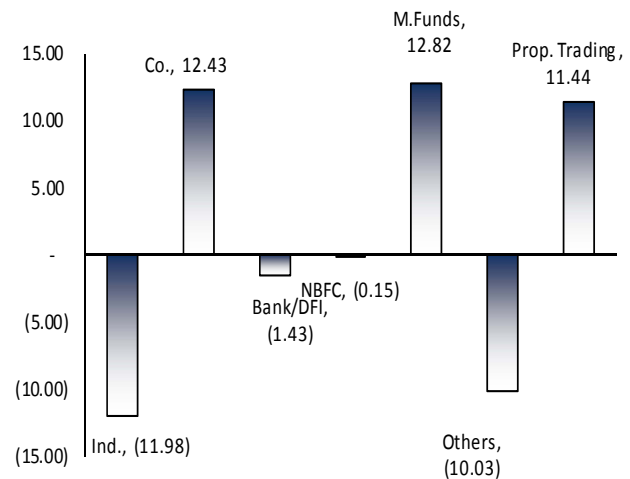
Advance to Decline Ratio



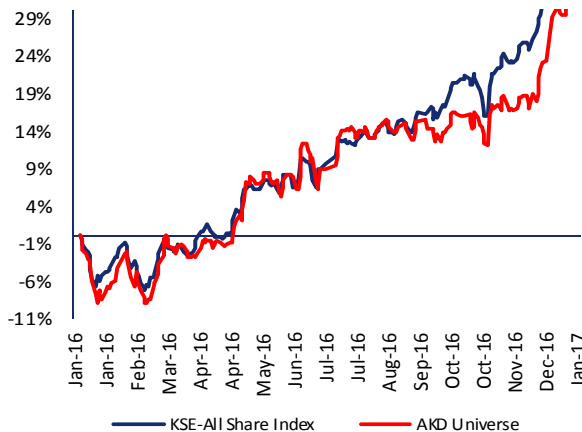
FIPI Flows for the week



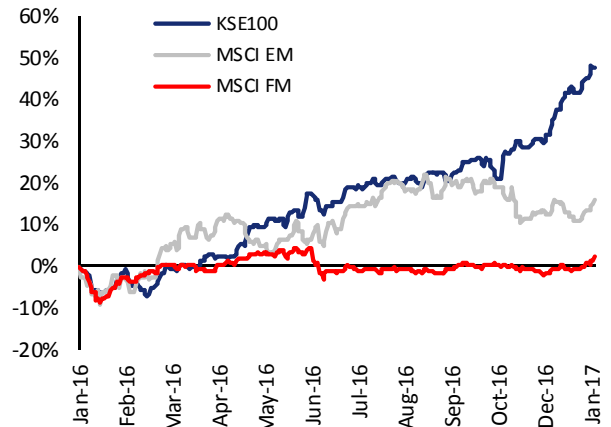
LIPI Flows for the week



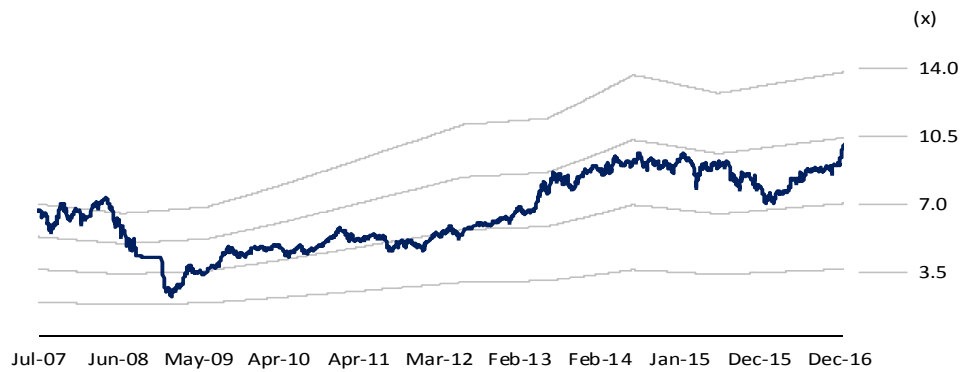
AKD Universe vs. KSE-100 Index



KSE-100 vs. MSCI-EM & MSCI-FM

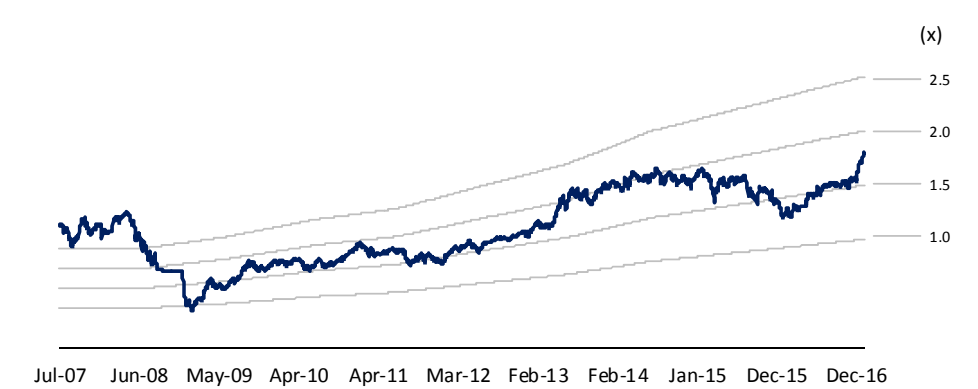


Market PER Chart 2016



Source: AKD Research

Market P/BVS Chart 2016



Source: AKD Research

AKD Universe Active Coverage Cluster's Valuations

Stock	Symbol	Price (PKR)	TP (PKR)	Stance	EPS(PKR)			PE(x)			PB(x)			DY(%)		
					15	16F	17F	15	16F	17F	15	16F	17F	15	16F	17F
Automobile and Parts																
Indus Motors	INDU	1,662.3	1,827.7	Accumulate	115.91	145.74	147.08	14.3	11.4	11.3	5.4	4.7	4.0	4.8	6.0	5.1
Pak Suzuki Motors	PSMC	618.6	688.8	Accumulate	70.99	31.91	39.27	8.7	19.4	15.8	2.06	1.95	1.76	2.4	1.0	1.6
Cements																
DG Khan Cement	DGKC	226.5	262.0	Accumulate	17.40	20.06	20.00	13.02	11.29	11.33	1.6	1.5	1.3	2.2	2.6	2.6
Lucky Cement	LUCK	868.7	964.0	Accumulate	42.54	45.99	53.86	20.4	18.9	16.1	4.74	4.05	3.52	1.0	1.2	1.3
Maple Leaf Cement Factory	MLCF	129.0	154.0	Accumulate	6.55	9.26	11.28	19.7	13.9	11.4	3.9	3.2	2.6	2.1	4.1	4.3
Fauji Cement Company Ltd.	FCCL	46.8	55.0	Accumulate	2.98	3.89	1.89	15.7	12.0	24.7	3.7	3.5	3.5	5.3	5.9	3.7
Pioneer Cement Limited	PIOC	144.3	139.0	Neutral	10.99	11.09	12.00	13.1	13.0	12.0	3.9	3.1	2.6	4.3	4.3	5.0
Cherat Cement Co Limited	CHCC	175.8	180.0	Neutral	7.29	7.96	11.95	24.1	22.1	14.7	3.9	3.4	2.8	1.0	1.1	2.8
Engineering																
Amreli Steels Ltd.	ASTL	79.5	65.0	Reduce	3.40	4.31	2.80	23.3	18.5	28.3	4.0	2.2	2.1	-	2.5	1.9
Fertilizers																
Engro Corporation	ENGRO	339.3	374.0	Accumulate	26.32	22.39	30.61	12.9	15.2	11.1	2.61	2.07	1.96	5.3	4.0	5.0
Engro Fertilizers Limited	EFERT	73.2	72.7	Neutral	11.29	6.69	8.40	6.5	10.9	8.7	2.83	2.29	2.18	8.2	6.9	8.6
Fauji Fert. Bin Qasim Ltd.	FFBL	53.8	54.1	Accumulate	4.35	(0.14)	3.59	12.4	(397.3)	15.0	3.5	4.4	3.8	7.1	-0.2	5.8
Fauji Fertilizer Company	FFC	114.0	122.0	Accumulate	13.18	9.12	11.70	8.7	12.5	9.7	5.3	5.1	4.8	10.4	7.2	9.2
Fatima Fertilizer	FATIMA	39.0	39.3	Neutral	4.41	3.80	4.43	8.8	10.2	8.8	2.03	1.70	1.56	0.0	5.9	7.4
Food Producers																
Engro Foods Limited	EFOODS	202.0	152.1	Sell	4.13	4.56	5.26	49.0	44.3	38.4	10.8	8.9	7.4	-	-	-
Oil & Gas																
Oil & Gas Development Co.	OGDC	170.2	177.0	Neutral	20.29	13.94	16.04	8.4	12.2	10.6	1.7	1.5	1.4	4.3	3.1	2.8
Pak Oilfields	POL	544.6	456.3	Reduce	35.76	30.58	38.92	15.2	17.8	14.0	4.0	4.3	4.1	7.3	6.4	6.2
Pakistan Petroleum	PPL	192.9	198.0	Neutral	17.37	16.70	21.33	11.1	11.5	9.0	2.0	1.8	1.6	4.4	2.3	4.4
Hascol Petroleum	HASCOL	349.6	312.4	Reduce	9.39	12.62	15.71	37.2	27.7	22.3	7.3	6.6	5.9	1.4	0.0	0.0
Attock Petroleum	APL	687.2	673.2	Neutral	39.62	46.16	47.10	17.3	14.9	14.6	4.0	3.9	3.7	5.0	5.8	6.0
Pakistan State Oil	PSO	460.7	494.5	Accumulate	25.53	37.81	47.48	18.0	12.2	9.7	1.5	1.4	1.3	2.2	2.7	5.2
Power																
Hub Power Co.	HUBC	124.4	110.5	Reduce	10.76	11.30	11.20	11.6	11.0	11.1	4.5	5.2	4.7	7.6	8.8	8.2
K-Electric Co.	KEL	9.3	13.9	Buy	0.91	1.27	1.73	10.2	7.3	5.4	2.7	2.0	1.4	-	-	-
Kot Addu Power Company	KAPCO	80.4	85.0	Accumulate	11.13	10.31	10.84	7.2	7.8	7.4	2.4	2.3	2.2	10.9	11.2	11.8
Fixed Line Telecommunication																
Pakistan Telecommunication	PTC	18.7	20.0	Accumulate	1.72	1.68	2.02	10.9	11.1	9.2	1.0	1.0	1.1	10.7	12.1	12.1
Personal Goods																
Nishat Mills	NML	161.1	177.6	Accumulate	11.13	14.00	17.11	14.5	11.5	9.4	0.7	0.7	0.7	2.8	3.1	4.2
Banks																
Allied Bank Limited	ABL	121.0	119.0	Reduce	13.37	14.41	14.25	9.0	8.4	8.5	1.5	1.4	1.3	5.8	5.8	6.2
Bank Alfalah	BAFL	39.4	41.0	Neutral	4.73	4.92	4.81	8.3	8.0	8.2	1.2	1.1	1.0	2.5	2.5	3.8
Habib Bank Limited	HBL	279.3	289.0	Neutral	23.92	23.85	25.73	11.7	11.7	10.9	2.2	2.0	1.9	4.7	4.7	4.8
MCB Bank Limited	MCB	238.0	242.4	Neutral	22.49	22.13	23.70	10.6	10.8	10.0	1.9	1.8	1.7	6.7	6.7	7.1
National Bank of Pakistan	NBP	77.9	73.7	Reduce	9.44	8.35	8.59	8.2	9.3	9.1	1.0	0.9	0.9	9.6	9.0	9.0
United Bank Ltd	UBL	247.8	244.0	Reduce	21.36	22.41	23.01	11.6	11.1	10.8	1.9	1.7	1.7	4.8	5.0	5.2

Source: AKD Research

AKD Universe Coverage Cluster's Performance

Stocks	Symbol	Price 6-Jan-17	Absolute Performance (%)					1 Year High	1 Year Low
			1M	3M	6M	12M	CYTD		
KSE-100 Index		49,038.23	10.9	18.9	31.3	48.7	2.6	49,038.2	30,564.5
Automobile and Parts									
Indus Motors	INDU	1662.26	7.0	8.8	79.7	55.6	3.0	1670.10	899.73
Pak Suzuki Motors	PSMC	618.59	20.0	9.7	47.4	22.7	0.9	638.88	364.93
Cements									
DG Khan Cement	DGKC	226.54	9.6	18.5	26.5	47.4	2.2	232.64	143.77
Lucky Cement	LUCK	868.68	16.3	20.6	41.6	70.7	0.3	872.45	448.88
Maple Leaf Cement Factory	MLCF	129.04	8.3	31.2	32.8	60.1	1.1	131.88	75.81
Fauji Cement Company Ltd.	FCCL	46.80	13.9	35.2	42.5	23.7	3.8	48.19	32.85
Pioneer Cement Limited	PIOC	144.25	12.6	33.0	35.6	56.7	1.5	144.25	81.87
Engineering									
Amreli Steel Ltd	ASTL	79.45	9.0	4.0	n.a.	n.a.	19.3	79.45	44.21
Fertilizers									
Dawood Hercules	DAWH	151.56	9.9	4.8	8.6	25.8	5.0	162.39	104.94
Engro Fertilizers Ltd.	EFERT	73.22	6.9	17.9	4.4	35.8	7.7	85.42	61.45
Engro Chemical	ENGRO	339.25	8.6	12.6	-3.0	20.5	7.3	349.86	255.60
Fatima Fertilizer	FATIMA	38.96	9.5	11.6	18.2	-9.2	5.6	42.91	30.00
Fauji Fert. Bin Qasim Ltd.	FFBL	53.81	1.3	2.9	-4.8	3.9	5.1	57.26	46.19
Fauji Fertilizer Company	FFC	114.02	7.2	9.6	-6.1	-1.7	9.2	121.45	102.71
Food Producers									
Engro Foods Limited	EFOODS	202.04	28.1	37.4	24.9	33.2	5.3	202.04	119.46
Oil & Gas									
Oil & Gas Development Co.	OGDC	170.19	8.9	19.9	19.9	49.2	2.9	170.74	95.58
Pak Oilfields	POL	544.55	14.8	32.0	53.8	105.6	1.9	559.58	189.67
Pakistan Petroleum Ltd.	PPL	192.85	17.3	21.1	22.0	59.7	2.5	193.32	101.08
Pakistan State Oil	PSO	460.65	14.6	10.6	20.6	40.5	6.1	461.59	306.67
Attock Petroleum Ltd.	APL	687.16	2.0	30.9	59.7	39.7	0.4	709.45	405.00
Hascol Petroleum	HASCOL	349.62	2.5	55.7	69.4	138.8	3.6	354.79	125.92
Power									
Hub Power Co.	HUBC	124.38	10.3	6.3	5.6	21.5	0.7	132.34	98.80
K-Electric Limited	KEL	9.29	-1.3	1.6	13.7	25.5	-0.9	9.60	6.74
Kot Addu Power Company	KAPCO	80.40	6.3	-3.4	-5.6	-0.1	2.0	93.00	73.10
Fixed Line Telecommunication									
Pakistan Telecommunication	PTC	18.67	5.4	-1.7	18.9	15.6	8.7	19.00	13.58
Personal Goods									
Nishat Mills	NML	161.05	9.5	16.6	32.5	59.9	5.8	161.05	86.83
Banks									
Allied Bank Limited	ABL	120.99	14.2	23.5	45.9	29.5	1.5	121.46	82.83
Bank Alfalah	BAFL	39.35	12.7	36.8	60.3	34.3	3.7	39.35	23.88
Habib Bank Limited	HBL	279.32	21.5	27.0	56.5	40.8	2.2	281.69	170.79
MCB Bank Limited	MCB	238.03	6.2	5.0	8.9	10.9	0.1	244.82	190.20
National Bank of Pakistan	NBP	77.88	7.1	4.9	45.4	46.0	4.0	78.14	51.17
United Bank Ltd	UBL	247.75	12.9	20.8	45.8	60.1	3.7	249.48	143.69

Source: KSE & AKD Research

Economic Snapshot

End Month Data	Units	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
T-bill										
3M	%	6.30	6.20	6.19	6.16	6.10	5.99	5.90	5.83	5.83
6M	%	6.30	6.24	6.24	6.24	6.17	6.02	5.94	5.85	5.85
12M	%	6.30	6.25	6.25	6.25	6.20	6.07	5.98	5.85	5.85
PIB 10Y	%	9.13	8.77	8.57	8.25	8.29	7.84	7.53	7.71	7.78
KIBOR 6M	%	6.17	6.12	6.11	6.11	6.06	5.86	5.77	5.77	5.80
Discount rate	%	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.25	6.25
Inflation										
Headline inflation	%	3.32	4.02	3.94	4.17	3.17	3.19	4.12	3.56	3.88
Core inflation	%	4.30	4.50	4.70	4.40	4.60	4.60	4.50	4.60	4.80
Food inflation	%	2.50	3.70	3.70	4.70	2.10	2.30	4.70	3.40	4.00
External Indicators										
Export (PBS)	US\$ (mn)	1,772	1,791	1,742	1,722	1,832	1,651	1,479	1,658	1,543
Import (PBS)	US\$ (mn)	3,484	3,304	3,569	3,846	4,008	4,467	3,557	4,331	3,858
Trade Deficit (PBS)	US\$ (mn)	(1,712)	(1,513)	(1,827)	(2,125)	(2,176)	(2,816)	(2,078)	(2,673)	(2,315)
Home Remittances	US\$ (mn)	1,466	1,522	1,711	1,657	1,799	2,073	1,328	1,761	1,609
Current Account	US\$ (mn)	(614)	90	122	(25)	(830)	(140)	(595)	(612)	(161)
Banking Sector										
Deposits	PkR (bn)	9,408	9,386	9,559	9,768	9,744	10,060	10,305	10,166	10,511
Advances	PkR (bn)	4,480	4,831	4,853	4,961	5,043	5,114	5,116	5,041	5,120
Investments	PkR (bn)	6,819	7,020	7,164	6,822	7,129	7,543	7,068	7,114	7,374
W. A. lending rate	%	8.59	8.55	8.53	8.42	8.50	8.44	8.23	8.23	n.a.
W. A. deposit rate	%	3.47	3.41	3.30	3.33	3.28	3.14	3.17	3.14	n.a.
Spread rate	%	5.12	5.14	5.23	5.09	5.23	5.30	5.06	5.09	n.a.
Public Finance										
Tax collection	PkR (mn)	201,678	215,502	300,915	243,065	300,807	468,186	n.a.	n.a.	n.a.
Direct taxes	PkR (mn)	64,639	71,020	133,323	78,241	107,053	199,557	n.a.	n.a.	n.a.
Indirect Taxes	PkR (mn)	137,039	144,482	167,592	164,824	193,754	268,629	n.a.	n.a.	n.a.
Currency										
Fx Reserves	US\$ (mn)	20,294	20,352	20,922	20,802	21,349	23,085	22,979	23,027	23,619
USDPkR - Interbank	PkR/USD	104.91	104.68	104.75	104.81	104.85	104.82	104.84	104.79	104.60

Source: SBP, PBS & AKD Research

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