

## Views & News

### Over Rs five million turnover: retailers-manufacturers may be brought into tax net

A proposal to bring so-called retailers within the category of manufacturers where they have been engaged in manufacturing/selling activity with annual turnover of above Rs 5 million, was discussed in the Director Generals conference of Federal Board of Revenue (FBR).

### Collection of third party data: 26 new sources of information identified

The Federal Board of Revenue (FBR) has identified 26 new sources of information for collection of third party data for discovering new taxpayers across the country. Sources told *Business Recorder* on Sunday that the FBR has chalked out a new strategy to broaden the tax base during the last conference of Director Generals of Large Taxpayer Units (LTUs) and Regional Tax Offices (RTOs).

### Alternative to ADB plan: US proposes \$ two billion 'equity fund'

The US has proposed an alternative strategy to that prescribed by Asian Development Bank in response to IMF stipulation to eliminate the circular debt as part of its standby facility: establish an equity fund worth \$2 billion with the assistance of local banks, public sector and multilaterals to provide funds to independent power producers (IPPs) to settle the circular debt, sources told *Business Recorder*.

### EU to develop direct links with textile industry

The European Union (EU) has decided to develop direct links with Pakistan's textile manufacturers to discuss the possibility of extending the coveted 'Generalised System of Preferences' (GSP) plus other incentives, sources told *Business Recorder*.

### Benazir Tractor Scheme: 'authorisation letters' being openly sold

The government has received information that the authorisation letters of the much talked about subsidised Benazir Tractor Scheme (BTS) are being openly sold as farmers are unsure of delivery time, sources told *Business Recorder*. The scheme, which aims at providing 10,000 tractors with a subsidy of Rs 200,000 per tractor, is being managed by the Zarai Taraqati Bank Ltd (ZTBL).

### Pasha terms Pakistan a 'war economy'

Chairman of the government's Advisory Panel of Economists, Dr Hafiz Pasha, says Pakistan is a 'war economy' citing that the agenda for economic management 'is not of normalcy'.

### Operation to help regain investors' trust: PEW

The Pakistan Economy Watch (PEW) on Sunday said that military operation against terrorists in South Waziristan may help regain investors' confidence.

### 60 militants killed in Waziristan assault

Jets pounded militants' bases from the air and bore down on their leader's hometown Sunday, intensifying a major offensive against the militants and claiming to have killed 60 militants. More than 100,000 people have fled South Waziristan, part of the tribal belt on the Afghan border that US officials call the most dangerous place on earth, staying with relatives or renting accommodation to escape the fighting.

### People support: Army grabs top position: IRI survey

Pakistan army has grabbed top position for people support while the National Assembly got second in a row over the performances of different government institutions during a survey conducted by International Republican Institute (IRI) in different parts of the country.

### Generals among 49 killed in Iran attack

A suicide bomber killed seven commanders of Iran's elite Revolutionary Guards and up to 42 other people on Sunday in an attack that President Mahmoud Ahmadinejad charged had been plotted from neighbouring Pakistan. The foreign ministry called in Pakistan's charge d'affaires over the bombing, which targeted one of the Islamic republic's most prestigious institutions in a region.

\* Please see disclaimer note on page 2 and 3 of this newsletter.

## Research Department

Muhammad Atif Nazir  
 Equity Research Analyst  
 0300 8020406 muhamad@accamail.com

Karachi Office  
 Room No. 504, 5th Floor, Business & Finance Centre I I Chundrigar Road  
 Tel 021 2467201-19 Fax 021 2467200

Lahore Office  
 203-B, 2nd Floor, City Tower, Gulberg II  
 Tel 042 5770451-9 Fax 042 5770460

## Statistical Data

### Equities

	KSE 100	Turnover (mn)
16.10.09	9,838	241.957
15.10.09	9,846	214.453
<b>Change</b>	(8)	27.504

### Board Meetings

Date	Time	Company
19.10.09	10:00	National Refinery
19.10.09	5:00	Attock Cement
19.10.09	11:00	Invest & Finance Sec.
19.10.09	4:00	Arif Habib Ltd.
20.10.09	2:00	Pakistan Tobacco
20.10.09	10:00	Pakistan Gum & Chemical
21.10.09	10:00	Fauji Fertilizer Bin Qasim
21.10.09	11:00	Bata Pakistan
21.10.09	12:00	First Al-Noor Modarba
22.10.09	2:30	Unilever Pakistan Foods
24.10.09	3:00	Packages Ltd.
26.10.09	9:30	Unilever Pakistan

### IPO's

Prospectus Published	Date of Opening & Closing	Company
-	-	-
-	-	-

### GDR

16.10.09	OGDC (1GDR=10 shares)	\$13.30	-0.20	-1.48%
16.10.09	UBL (1GDR=4 shares)	\$1.80	-0.20	-10.00%
16.10.09	MCB (1GDR=2 shares)	\$2.80		

### Commodities

	Price	Change
Oil (USD/bbl)	78.53	0.95
Gold (USD/oz)	1050.60	(14.10)

### SCRA

	Balance (US\$mn)	Net Flow (US\$mn)
14.10.09	280.71	(0.53)

### CFS MKII

	Total Value (Prsmn)	Average Rate (%)
15.06.09	68.48	50.00
12.06.09	68.50	50.00

## KSE 100 Index





**Islamabad and Istanbul agree to start talks on FTA**

Pakistan and Turkey on Thursday agreed, in principle, to start negotiations on a free trade agreement (FTA), expected to be the top agenda item during Turkish Prime Minister Tayyip Erdogan's visit to Islamabad within next 10 days. However, Turkey, prior to initiating talks on the much desired FTA between the two countries, will have to seek permission from the European Union (EU).

**FBR to carefully handle cases of under-reporting**

The Federal Board of Revenue (FBR) has taken a policy decision to carefully handle cases of under-reporting of sales tax to give priority to those cases where there is a visible evidence of short-payment of sales tax. Sources told *Business Recorder* here on Thursday the FBR had informed the Ministry of Finance about the monitoring plan to check the compliant and non-compliant taxpayers.

**Kishenganga project: India invites Pakistan for talks**

India has invited Pakistan for talks over controversial Kishenganga project, being built by it in occupied Kashmir on Neelum river, a tributary of Jhelum river. Pakistan has raised its serious concerns over the design of the dam describing it a violation of Indus Basin Treaty as it will affect normal flow of water down stream.

**'Regi in Pakistan': foreign office rejects Iranian envoy's allegation**

Foreign Office Spokesman Abdul Basit on Sunday rejected the allegation of Iranian Ambassador that Jundullah chief is present in Pakistan. Iranian Ambassador alleged that Jandullah chief is in Pakistan and operating his network in Iran from here, holding him responsible for the Sunday's deadly attack in Sistan, Iran .

**World economies hold climate talks in London**

Representatives of the world's biggest carbon polluters begin two days of informal talks in London on Sunday to map out common ground 50 days before a key UN climate conference in Copenhagen. The 17 countries that make up the so-called Major Economies Forum (MEF), along with developing nations and UN representatives, will try to iron out some of their differences before the crunch summit in December.

**US military plane forced to land in India**

Indian military officials ordered a United States airplane carrying 205 Marines to land at Mumbai airport on Sunday over an airspace clearance dispute. "The Indian Air Force had to instruct the US plane to land as it did not have the mandatory clearance required to fly in Indian airspace," Indian Air Force spokesman T.K. Singha told AFP.

**THE RUPEE: bearish sentiment**

The rupee fell slightly against dollar on the currency market during the week ended on October 17, 2009, despite the fact that the US currency has been losing its lustre in the globe due to sharp erosion versus major currencies. On the interbank market, the rupee shed 5 paisa in relation to the dollar for buying and selling at 83.30 and 83.35.

**MONEY WEEK: perceptible rise in corporate borrowings amid heavy retirement by government sector**

Both segments of the corporate sector, namely, private sector and public sector enterprises (PSEs), borrowed bank funds in a big way during the week ended on October 3, 2009. The overall rise in corporate borrowings during the week amounted to over Rs 26 billion with private sector's borrowings amounting to Rs 16.3 billion and those of PSEs Rs 9.8 billion.

This report is prepared for an information purpose only. The material used in this report has been taken from sources those are considered reliable but we do not guarantee that it is accurate and complete. S.N.M Securities (Pvt.) Limited and its employees bear no liability for any direct or indirect consequential loss arising from use of this report. This report or any part of it may not be reproduced or republished without prior permission.

Announcements					
Company	EPS (Rs)	Dividend/ Bonus/ Right	Spot From	Book Closure	
				From	To
First UDL Modarba	1.41	10% (F)(D)	-	27/10/09	03/11/09
Gulistan Textile Mills Limited	0.09	10% (B)	-	29/10/09	31/10/09
Nishat (Chunian)	1.19	15% (F)(D)	-	30/10/09	05/11/09
Paramount Spinning Mills	1.57	10% (B)	-	29/10/09	31/10/09
Gulshan Spinning Mills	0.26	10% (B)	-	23/10/09	29/10/09
Gulistan Spinning Mills	1.00	10% (B)	-	28/10/09	31/10/09
Leiner Pak Gelatine Limited	2.85	12% (F)(D)	-	24/10/09	31/10/09
Pak Elektron Limited	2.17	10% (B)	-	31/10/09	06/11/09
Habib-ADM Sugar Mills Ltd.	3.53	40% (F)(D)	-	21/10/09	30/10/09
Hafiz Textile Mills Limited	5.44	7.5% (I)(D)	-	21/10/09	28/10/09
Sunrays Textile Mills Limited	7.60	10% (F)(D)	-	22/10/09	28/10/09
Indus Dyeing Mfg. Co. Limited	10.58	15% (F)(D)	-	22/10/09	28/10/09
Ados Pakistan Limited	7.87	20% (F)(D)	-	23/10/09	31/10/09
Sitara Energy Limited	4.24	20% (F)(D)	-	21/10/09	31/10/09
Transmission Engineering Co.	0.69	2% (F)(D)	-	20/10/09	27/10/09
Masood Textile Mills	15.06	15% (F)(D)	-	28/10/09	05/11/09
Punjab Oil Mills Limited	15.55	15% (F)(D) 25% (B)	-	25/10/09	31/10/09
Pakistan Engineering Co.	23.54	20% (F)(D)	-	24/10/09	01/11/09
Good Luck Industries Ltd.	7.91	20% (F)(D)	-	16/10/09	23/10/09
Murree Brewery Company Ltd.	16.45	50% (F)(D)	-	23/10/09	30/10/09

**Top Symbols**



Daily Supports/Resistances						
	Close	S2	S1	Pivot	R1	R2
KSE100	9838.12	9709.80	9773.96	9876.16	9940.32	10042.52
AHL	79.69	77.90	78.79	79.90	80.79	81.90
AHSL	48.59	45.80	47.20	48.04	49.44	50.28
AICL	116.08	113.11	114.59	117.00	118.48	120.89
ANL	27.21	26.78	27.00	27.32	27.54	27.86
ATRL	140.70	137.47	139.08	141.67	143.28	145.87
BAFL	14.81	13.50	14.16	14.48	15.14	15.46
BIPL	6.26	6.07	6.17	6.28	6.38	6.49
BOP	15.62	14.62	15.12	15.47	15.97	16.32
BOSI	7.35	7.16	7.25	7.40	7.49	7.64
DGKC	34.09	33.42	33.75	34.35	34.68	35.28
ENGRO	179.77	174.75	177.26	180.63	183.14	186.51
HBL	130.30	127.23	128.77	131.23	132.77	135.23
ICI	182.43	175.28	178.85	183.58	187.15	191.88
JOVC	14.34	13.75	14.04	14.40	14.69	15.05
JSCL	39.94	38.98	39.46	40.03	40.51	41.08
LUCK	76.92	73.54	75.23	77.49	79.18	81.44
MCB	226.91	220.24	223.57	227.89	231.22	235.54
MLCF	4.55	4.40	4.47	4.59	4.66	4.78
NBP	85.65	83.90	84.77	86.28	87.15	88.66
NETSOL	31.02	28.51	29.77	30.39	31.65	32.27
NML	65.57	62.12	63.85	64.97	66.70	67.82
OGDC	112.01	108.39	110.20	112.82	114.63	117.25
POL	225.35	219.66	222.51	226.84	229.69	234.02
PPL	194.08	187.50	190.79	196.29	199.58	205.08
PSO	339.95	333.53	336.74	342.22	345.43	350.91
PTC	21.13	20.56	20.85	21.28	21.57	22.00
SNGP	28.87	28.46	28.66	29.01	29.21	29.56
SPL	18.80	18.42	18.61	18.94	19.13	19.46
UBL	63.90	62.17	63.04	64.36	65.23	66.55

Weekly Supports/Resistances						
	Weekend's Close	S2	S1	Pivot	R1	R2
KSE100	9838.12	9427.15	9632.63	9805.50	10010.98	10183.85
AHL	79.69	76.96	78.33	80.36	81.73	83.76
AHSL	48.59	41.12	44.85	47.00	50.73	52.88
AICL	116.08	111.11	113.59	118.00	120.48	124.89
ANL	27.21	25.94	26.57	27.14	27.77	28.34
ATRL	140.70	134.47	137.58	140.92	144.03	147.37
BAFL	14.81	13.41	14.11	14.46	15.16	15.51
BIPL	6.26	6.01	6.14	6.31	6.44	6.61
BOP	15.62	14.26	14.94	15.38	16.06	16.50
BOSI	7.35	7.08	7.21	7.39	7.52	7.70
DGKC	34.09	33.06	33.57	34.53	35.04	36.00
ENGRO	179.77	166.09	172.93	178.59	185.43	191.09
HBL	130.30	123.10	126.70	133.10	136.70	143.10
ICI	182.43	168.02	175.23	182.21	189.42	196.40
JOVC	14.34	13.69	14.01	14.41	14.73	15.13
JSCL	39.94	35.82	37.88	39.51	41.57	43.20
LUCK	76.92	69.24	73.08	79.64	83.48	90.04
MCB	226.91	216.82	221.86	229.06	234.10	241.30
MLCF	4.55	4.32	4.44	4.61	4.73	4.90
NBP	85.65	83.23	84.44	86.11	87.32	88.99
NETSOL	31.02	24.31	27.67	29.34	32.70	34.37
NML	65.57	56.99	61.28	63.69	67.98	70.39
OGDC	112.01	105.71	108.86	112.15	115.30	118.59
POL	225.35	205.58	215.47	223.93	233.82	242.28
PPL	194.08	182.30	188.19	194.99	200.88	207.68
PSO	339.95	318.85	329.40	338.55	349.10	358.25
PTC	21.13	19.18	20.15	20.98	21.95	22.78
SNGP	28.87	27.44	28.15	29.22	29.93	31.00
SPL	18.80	18.28	18.54	18.96	19.22	19.64
UBL	63.90	61.81	62.85	64.55	65.59	67.29

	Last Day's			Moving Averages		
	OPEN	HIGH	LOW	SMA 10	SMA 20	SMA 40
KSE100	9845.73	9978.36	9812.00	9729.45	9573.60	9109.04
AHL	79.79	81.00	79.00	79.10	75.50	74.10
AHSL	46.67	48.89	46.65	45.19	43.29	39.05
AICL	117.29	119.40	115.51	117.88	115.16	108.09
ANL	27.25	27.65	27.11	27.22	28.14	27.53
ATRL	140.64	144.25	140.05	140.84	149.91	149.69
BAFL	13.81	14.81	13.83	13.91	13.37	12.75
BIPL	6.27	6.40	6.19	6.43	6.30	6.23
BOP	14.82	15.82	14.97	14.97	15.00	13.31
BOSI	7.32	7.54	7.30	7.42	7.61	7.52
DGKC	34.51	34.94	34.01	34.98	35.00	34.72
ENGRO	182.38	184.00	178.12	178.14	177.22	162.04
HBL	130.61	133.70	129.70	131.99	128.24	122.28
ICI	183.41	188.30	180.00	185.30	179.58	168.32
JOVC	14.13	14.75	14.10	14.52	14.44	13.67
JSCL	39.52	40.60	39.55	39.51	36.91	31.51
LUCK	82.61	79.75	75.80	82.25	78.60	75.89
MCB	226.53	232.20	224.55	227.97	225.74	211.51
MLCF	4.52	4.70	4.51	4.70	4.79	4.83
NBP	85.25	87.78	85.40	85.88	84.43	78.25
NETSOL	29.55	31.02	29.14	26.94	25.33	24.50
NML	62.96	66.10	63.25	64.25	66.37	57.72
OGDC	114.17	115.44	111.01	111.03	111.10	108.40
POL	228.91	231.18	224.00	219.98	216.95	206.65
PPL	198.15	201.79	193.00	192.57	197.19	204.46
PSO	339.48	347.70	339.01	334.73	326.82	305.31
PTC	20.98	21.72	21.00	21.02	21.00	20.96
SNGP	28.85	29.35	28.80	28.95	29.29	28.92
SPL	18.82	19.27	18.75	19.24	19.52	19.25
UBL	64.04	65.69	63.50	63.47	60.79	55.44

This report is prepared for an information purpose only. The material used in this report has been taken from sources those are considered reliable but we do not guarantee that it is accurate and complete. S.N.M Securities (Pvt.) Limited and its employees bear no liability for any direct or indirect consequential loss arising from use of this report. This report or any part of it may not be reproduced or republished without prior permission.