

Views & News

89 percent decline in first quarter current account deficit

Pakistan's current account deficit posted a decline of 89 percent in the first quarter of the current fiscal year, mainly due to higher home remittances and sharp decline in trade deficit. "Massive decrease in the current account deficit has occurred due to rising home remittances sent by overseas Pakistanis, decline in imports and trade deficit, besides aggressive performance of services sector," analysts said.

Cabinet clears US aid bill: 100 percent hike in postal rates approved

The Cabinet on Wednesday formally cleared the much-debated Kerry-Lugar Bill (KLB), along with an explanatory note, and allowed 100 percent increase in inland postal tariff from November 1, 2009. Prime Minister Yousaf Raza Gilani, who presided over the meeting, said that the United States (US) has adopted 'Enhanced Partnership Act with Pakistan Bill, 2009', better known as the Kerry-Lugar Bill.

Gas supply to four plants in peak winter season: MoP turns down request

The Ministry of Petroleum and Natural Resources has turned down the request of the Ministry of Water and Power to provide gas to TPS Muzafargarh, GTPS Faisalabad and two rental power plants--at Shekhupura and Bhikki--due to gas load shedding, and requested Wapda and Pepco to make alternative fuel arrangements to operate these plants during peak winter season.

Five-year agriculture policy draft prepared

The draft of 5-year 'National Agriculture Policy 2009-14' has been prepared by the Ministry for Food and Agriculture (Minfa), which is to be launched next month. Overall objective of Agriculture Policy is to increase agriculture growth rate by increasing quantity and quality of agricultural produce and promote farm profitability and competitiveness on sustainable basis.

Treasury bills auction: SBP receives Rs 62.398 billion bids

The State Bank of Pakistan has conducted its second T/bills auction of the second quarter of fiscal year 2009-10. The auction target for Q2 is Rs 145 billion and in its first T/bills auction of this quarter SBP could raise RS 23.392 billion, which includes non-competitive bids, against its target of Rs 30 billion.

Pakistan may not re-enter eurobond market before 2011-12

Pakistan will not approach international capital market for Eurobonds before 2011-12 when the fundamentals will be ripe for better rates, Pakistan authorities told lead managers and IMF. Some parliamentarians and lead managers have advised the Finance Ministry for issuing Eurobonds or to raise money from international markets, if not for bonds, but for mega infrastructure projects for public-private partnership.

New VAT law to check input tax credit frauds

The new Value Added Tax (VAT) law would place effective checks to control wrong input tax adjustments claimed by unscrupulous elements, causing loss of billions of rupees to the national exchequer. Commenting on the arrest of four persons in Karachi, sources told *Business Recorder* on Wednesday that Collectorate of Enforcement Karachi has arrested four persons, allegedly involved in claiming inadmissible input tax credit involving huge amount.

Companies Ordinance violation: SECP concludes first hearing against PSMA

The Securities and Exchange Commission of Pakistan (SECP) on Wednesday concluded first hearing against Pakistan Sugar Mills Association (PSMA) for violating Companies Ordinance 1984 and the initial findings will be presented before the apex court here on Thursday (today).

THE RUPEE: dollar seen mixed

The rupee did not show major change on the interbank market on Wednesday for buying and selling at 83.30 and 83.35, dealers said. Balanced demand and supply did enabled the rupee to retain its value versus the US currency, they said.

* 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)
21.10.09	9,248	204.289
20.10.09	9,569	221.459
Change	(321)	(17.17)

Board Meetings

Date	Time	Company
22.10.09	2:30	Unilever Pakistan Foods
22.10.09	2:30	Atlas Bank
23.10.09	11:00	PSO
23.10.09	9:00	BOC Pakistan
23.10.09	9:00	Meezan Bank
23.10.09	3:00	MCB Bank
23.10.09	3:00	JS Investments
24.10.09	3:00	Packages Ltd.
24.10.09	11:00	Soneri Bank
24.10.09	10:00	Fauji Fertilizer Co.
24.10.09	9:30	Habib Bank Ltd.
24.10.09	10:30	Allied Bank Ltd.
24.10.09	1:30	Jahangir Siddiqui & Com.
26.10.09	9:30	Unilever Pakistan

IPO's

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

GDR

21.10.09	OGDC (1GDR =10 shares)	\$13.00 -0.50 -3.70%
21.10.09	UBL (1GDR=4 shares)	\$1.80
21.10.09	MCB (1GDR=2 shares)	\$2.80

Commodities

	Price	Change
Oil (USD/bbl)	81.37	2.25
Gold (USD/oz)	1064.50	5.90

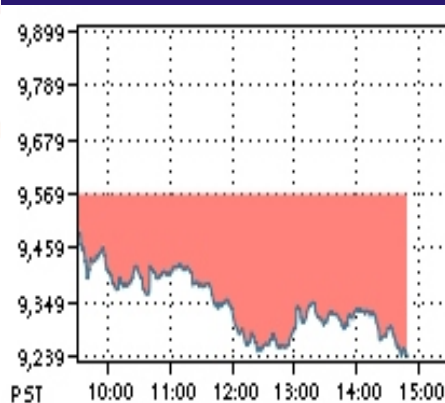
SCRA

	Balance (US\$mn)	Net Flow (US\$mn)
19.10.09	303.26	1.54

CFS MKII

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

KSE 100 Index





US may set new curbs on military aid

The US Congress this week may approve tough new restrictions on military aid to Pakistan, which has decried similar curbs on economic assistance as undermining its sovereignty, aides said on Wednesday. The fresh limits include efforts to track where US military hardware sent to Pakistan ends up, as well as a warning that US aid to Pakistan must not upset "the balance of power in the region" - a reference to tensions with India.

'Mehsud network involved in attacks on IIUI'

Inspector General (IG) of Islamabad Police, Kaleem Imam, has said that all clues and leads after twin suicide blasts in International Islamic University Islamabad (IIUI) are pointing towards Waziristan. "Waziristan's Mehsud network is involved in Tuesday's twin suicide attacks in IIUI, and all other recently held terrorist activities are enjoying support at local level", Imam said while talking to reporters at Police Headquarters on Wednesday.

No negative impact on IP gas pipeline deal: foreign office

Pakistan authorities believe that the recent terrorist attack in Iran's Sistan-Baluchistan province will not negatively affect the Iran-Pakistan (IP) gas pipeline deal. A suicide bomber last Sunday set off an explosive device at a meeting of the elite Republican Guard commanders and tribal chiefs in the city of Pishin, and Iranian authorities pointed the finger of blame at Pakistan, US and UK.

FBR starts verifying FED payment by port operators

The Federal Board of Revenue (FBR) is verifying payment of the federal excise duty (FED) from port and terminal operators during first quarter of 2009-10. Sources told *Business Recorder* here on Wednesday that FED on services provided by port and terminal operators, including wharfage in respect of imports, was levied @ 16 percent in VAT mode through amendment in Table II of First Schedule to the Federal Excise Act, 2005.

Economic slowdown, spending on military operations: finance fails to fulfil PSDP's first quarter committed allocations

Economic slowdown and spending on military operations in NWFP have forced the Finance Ministry to only release a meagre amount of Rs 16.9 billion to 18 ministries and divisions against the committed allocation of Rs 62.08 billion during the first quarter of current financial year under 2009-10 Public Sector Development Programme (PSDP).

Banks' profits to rise with 40 percent FSV on NPLs

Banks' and DFIs' profits are likely to witness a significant increase of some 10-12 percent in 2009 with the State Bank's move to allow them to avail 40 percent benefit of Forced Sale Value (FSV) of collateral for calculating provisioning requirement, industry sources said.

BATS ready: KSE

Karachi Stock Exchange (KSE) on Wednesday announced that all the development and regulatory work regarding Bond Automated Trading System (BATS) has been completed. "The KSE shall be announcing the go-live date for the trading of Debt Market Securities (listed TFCs) through BATS very soon," a KSE notice issued here said.

Over 18 terrorists including Regi brother handed over to Tehran: Rehman

Pakistan has handed over 18 terrorists of Iranian origin including brother of Abdul Malik Regi of Jandullah to Iran and told Tehran that Regi is not in Pakistan but in Afghanistan, Interior Minister Rehman Malik said on Wednesday.

Announcements					
Company	EPS (Rs)	Dividend/ Bonus/ Right	Spot From	Book Closure	
				From	To
NAMCO Balanced Fund	1.54	5% (F)(D)	-	04/11/09	11/11/09
PICIC Energy	1.71	5% (i)(D)	-	17/11/09	24/11/09
PICIC Inv.Fund	1.64	5% (i)(D)	-	17/11/09	24/11/09
PICIC Growth	3.07	20% (i)(D)	-	17/11/09	24/11/09
Javedan Cement	-	100% (R)	-	09/11/09	16/11/09
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

Top Symbols						
SYMBOL	OPEN RATE	HIGH RATE	LOW RATE	CURRENT RATE	CHANGE	VOLUME
TOP SYMBOLS BY VOLUME						
Pak.PTA Ltd.	5.87	6.22	5.67	6	0.13	24,629,614
Arif Habib Sec.	50.37	52.3	50	51.9	1.53	22,947,698
Jah.Sidd. Co.	39.06	38.75	37.11	37.11	-1.95	17,224,868
Fauji Fert Bin Qasim	26.91	27.63	26.3	26.75	-0.16	14,263,127
Bank Al-Falah	14.65	14.8	14.01	14.15	-0.50	13,028,641
TOP SYMBOLS BY PRICE INCREASE						
Wyeth Pak Ltd.	1280	1300	1298	1299	19.00	24
Service Industries	220.3	231.31	215.01	231.31	11.01	15,715
Grays of Camb.SPOT	188.64	198.07	198.07	198.07	9.43	25
Shahtaj Sugar Mills	140.19	147.19	141	145	4.81	10
Atlas Honda	121.99	127	117	124.9	2.91	102
TOP SYMBOLS BY PRICE DECREASE						
Unilever Food	1300	1235	1235	1235	-65.00	100
Rafhan Maize Prod.	1748	1835.4	1700	1700	-48.00	4
Nestle Pakistan	1249	1250	1202	1202.5	-46.50	12
Siemens Pak Engg.	1487.96	1450	1450	1450	-37.96	4
Unilever Pakistan	2267.27	2235	2230	2235	-32.27	43

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Daily Supports/Resistances

	Close	S2	S1	Pivot	R1	R2
KSE100	9247.78	9012.79	9130.28	9349.68	9467.17	9686.57
AHL	69.30	67.46	68.38	70.22	71.14	72.98
AHSL	51.44	48.95	50.19	51.25	52.49	53.55
AICL	108.95	105.05	107.00	109.95	111.90	114.85
ANL	25.08	24.33	24.71	25.45	25.83	26.57
ATRL	129.98	125.65	127.81	131.91	134.07	138.17
BAFL	14.09	13.51	13.80	14.30	14.59	15.09
BIPL	5.93	5.80	5.87	5.97	6.04	6.14
BOP	14.30	13.80	14.05	14.45	14.70	15.10
BOSI	7.08	6.89	6.98	7.10	7.19	7.31
DGKC	30.07	29.22	29.64	30.50	30.92	31.78
ENGRO	164.26	159.13	161.69	166.60	169.16	174.07
HBL	128.81	125.02	126.91	129.71	131.60	134.40
ICI	172.10	165.41	168.75	173.36	176.70	181.31
JOVC	13.02	12.57	12.80	13.22	13.45	13.87
JSCL	37.14	36.03	36.58	37.67	38.22	39.31
LUCK	67.42	65.73	66.58	68.26	69.11	70.79
MCB	208.91	202.70	205.81	211.40	214.51	220.10
MLCF	4.20	4.10	4.15	4.25	4.30	4.40
NBP	81.95	79.05	80.50	82.75	84.20	86.45
NETSOL	33.42	30.77	32.09	33.08	34.40	35.39
NML	61.08	58.73	59.90	62.13	63.30	65.53
OGDC	104.78	102.08	103.43	105.46	106.81	108.84
POL	203.18	196.59	199.89	205.49	208.79	214.39
PPL	177.32	171.85	174.59	179.28	182.02	186.71
PSO	318.28	311.16	314.72	320.36	323.92	329.56
PTC	19.50	18.85	19.17	19.74	20.06	20.63
SNGP	27.52	26.91	27.21	27.81	28.11	28.71
SPL	17.34	16.78	17.06	17.58	17.86	18.38
UBL	62.17	59.16	60.66	62.51	64.01	65.86

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

	Last Day's			Moving Averages		
	OPEN	HIGH	LOW	SMA 10	SMA 20	SMA 40
KSE100	9569.06	9569.07	9232.18	9655.51	9594.59	9213.89
AHL	72.94	72.06	69.30	78.11	76.31	73.56
AHSL	50.37	52.30	50.00	47.46	45.02	40.55
AICL	111.76	112.90	108.00	115.54	115.42	109.40
ANL	26.40	26.20	25.08	26.66	27.62	27.53
ATRL	136.56	136.00	129.74	137.98	146.85	149.12
BAFL	14.65	14.80	14.01	14.18	13.60	12.98
BIPL	6.09	6.08	5.91	6.28	6.30	6.21
BOP	14.97	14.85	14.20	14.93	15.04	13.65
BOSI	7.15	7.21	7.00	7.30	7.56	7.51
DGKC	31.65	31.35	30.07	33.79	34.54	34.46
ENGRO	172.66	171.50	164.03	175.02	177.85	164.72
HBL	130.43	132.50	127.81	132.20	129.19	123.74
ICI	176.67	177.96	170.01	179.30	181.48	170.82
JOVC	13.64	13.65	13.00	14.07	14.47	13.75
JSCL	39.06	38.75	37.11	38.90	38.20	32.56
LUCK	70.96	69.95	67.42	79.05	78.14	75.73
MCB	219.14	217.00	208.30	224.87	225.36	214.52
MLCF	4.44	4.35	4.20	4.56	4.73	4.80
NBP	85.34	85.00	81.30	85.19	84.80	79.68
NETSOL	32.44	34.06	31.75	29.12	26.58	25.27
NML	64.15	64.35	60.95	62.95	65.66	59.14
OGDC	108.17	107.49	104.11	109.82	109.87	109.41
POL	212.57	211.10	202.20	217.73	216.14	209.53
PPL	184.85	183.98	176.55	189.67	191.55	203.89
PSO	328.27	326.00	316.80	331.60	328.09	309.65
PTC	20.43	20.30	19.41	20.47	20.93	21.02
SNGP	28.66	28.40	27.50	28.92	28.97	28.90
SPL	18.15	18.10	17.30	18.59	19.38	19.16
UBL	63.54	64.35	61.00	63.80	61.76	56.87

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