Pakistan Weekly Update

StockSmart

AKD Equity Research / Pakistan

January 20, 2012

AKD Research

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Indices	KSE-100	KSE-30
This week	11,774.68	10,907.45
Last week	11,014.46	10,176.24
Change	6.90%	7.19%

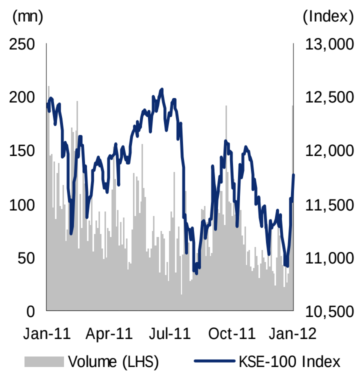
Indices	KMI-30	Allshare
This week	21,437.58	8,152.32
Last week	20,087.35	7,645.11
Change	6.72%	6.63%

Mkt Cap.	PkRbn	US$bn
This week	3,056.34	33.78
Last week	2,866.56	31.87
Change	6.62%	6.00%

Avg. Daily Turnover ('mn shares)	
This week	118.21
Last week	25.44
Change	364.68%

Top-5 Volume Leaders

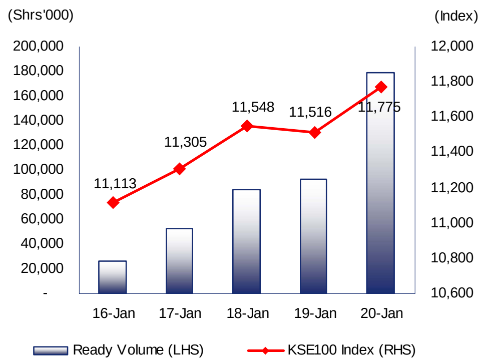
Symbol		Volume (mn)
LPCL	:	36.40
JSCL	:	35.94
FFBL	:	26.54
FATIMA	:	24.74
LOTPTA	:	22.17



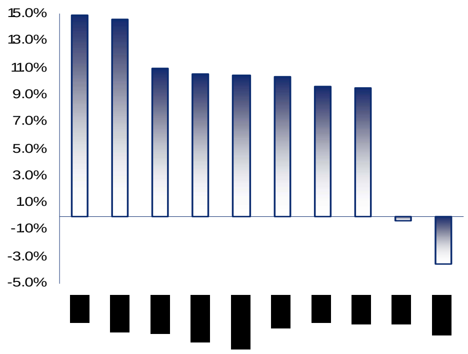
Weekly Review

The KSE-100 Index gained 6.9% this week to close at 11,774.68 points with average daily volumes for the benchmark Index growing by a solid 4.7xWoW to stand at 118.21mn shares. In this regard, news reports and market feeler indicate that relevant regulatory bodies have reached consensus over some leeway in the CGT regime lifted investor sentiment. Concessions could reportedly include freezing CGT rate at current levels, bringing CGT under presumptive tax regime and deferring requirement of shares trading data until Jun 30'14 where a formal announcement for the aforementioned could come as early as this weekend. Market sentiment was further buoyed by a surprise current account surplus, of US$160mn, in Dec'11. Among individual scrips, MTL gained 14.8% as the long awaited GoP decision of reduction in 16% GST to 5% was implemented. Within our coverage universe, other major gainers were MEBL (+14.6%WoW), OGDC (+11.0%WoW), ENGRO (+10.5%WoW) and EFOODS (+10.4%WoW) while PSMC edged lower by 3.6%WoW. Top volume leaders within our coverage cluster included, FFBL (26.5mn shares) and FATIMA (24.7mn shares) and LOTPTA (22.2mn shares).

Index & Volume Chart



Universe Gainers & Losers



Source: KSE & AKD Research

Outlook

While the KSE-100 Index was up 3.1% in intraday trade, late profit taking led the market to eventually close 2.2% higher on Friday (ready market volume: 178.42mn shares, highest since Oct 11'11). Nevertheless, the KSE-100 Index closed at its highest level since Nov 21'11. Should anticipated developments on CGT materialize, this week's rally could potentially extend going forward. Upcoming data releases include fertilizer offtake and banking spreads, both for Dec'11. Results for PPL and FFBL (CY11F EPS: PkR10.89, up 56%YoY, final expected DPS of PkR3) will also be announced next week and could provide further impetus to bullish momentum.

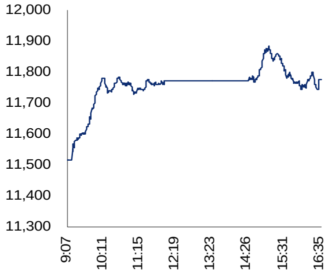
AKD SECURITIES

Member: Karachi Stock Exchange

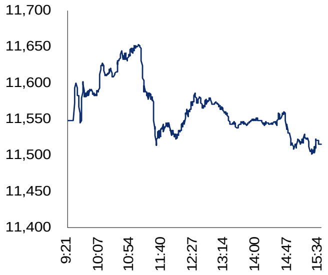
Find AKD research on Bloomberg (AKDS<GO>), firstcall.com and Reuters Knowledge

KSE-100 Intraday Charts

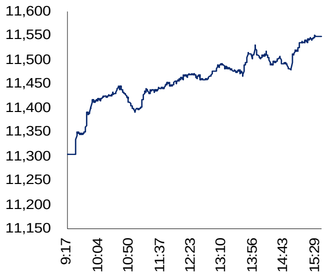
January 20, 2012



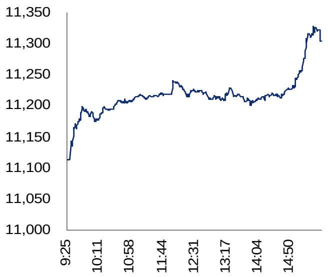
January 19, 2012



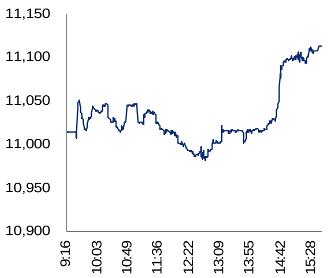
January 18, 2012



January 17, 2012



January 16, 2012



Source: KSE

This Week's Daily Reports

Textile Exports Update(Jan 20,2012)

As per the latest data released by PBS (Pakistan Bureau of statistics formerly FBS), textile export for Dec'11 rebounded to US$944.3mn, up by 15%MoM. In this regard, while cotton yarn exports were down by 2%MoM to US$132.4mn on the back of recovering but still depressed cotton prices, Knitwear, bedwear and readymade garments depicted encouraging 13%-26% MoM growth in value terms. Going forward, recovery in cotton prices, in addition to better than expected cotton crop, can stimulate textile exports in 2HFY12. Based on our textile export sensitivity, a US$0.25/lb change in cotton price will result in ~US$600mn change in annual textile exports. Furthermore, awarding of GSP plus status to Pakistan textiles by EU (expected as early as Feb'12) twined with possibility of opening up of trade with India can further drive textile exports. In the textile space, we have an 'Accumulate' stance on NML which offers an upside of 12.5% to our target price of PkR48/share and is trading at FY12F PER and P/B of 5.0x and 0.4x respectively.

FFBL to post NPAT of PkR10.2bn (EPS: PkR10.89) in CY11(Jan 19, 2012)

FFBL will be announcing its full year CY11 results on Jan 26'2012. We expect FFBL to post NPAT of PkR10.2bn (EPS: PkR10.89) in CY11, up by an impressive 56% YoY. Earnings growth has been achieved despite a 17%YoY fall in expected urea sales to 434k tons and flat DAP sales (+1%YoY to 662k tons) as stellar margins on both products is expected to have lifted FFBL's gross margins for CY11 to 35.4%, up by 427bps YoY, more than making up for the loss in production due to gas curtailment. Furthermore, higher other income (+22%YoY to PkR1.4bn) is expected to boost the bottomline growth. We expect the company to announce a final dividend of PkR3/share with the result which will take full year payout to PkR9.50/share.

CA surplus in Dec'11 may lead to DR cut (Jan 18, 2012)

Pakistan's current account balance has become positive for the first time during this fiscal year with a surplus of US$160mn in Dec'11 as compared to a revised deficit of US$688mn in Nov'11. As a result, the 1HFY12 CA deficit has registered at US$2.15bn vs. a surplus of US$8mn in 1HFY11. MoM improvement in CA is due to 1) a 17% contraction in trade deficit (goods) to US$1.025bn, 2) a 17% increase in remittances in Dec'11 to US$1.085bn, 3) higher services proceeds and 4) lower interest payments of US$113mn, down 64%MoM. Considering that Dec'11 CPI came in single digits (9.75%), tax collection is on target (1HFY12: PkR812bn, up 27%YoY) and T-bill bid pattern has shifted away from the 3m maturity in the last monetary auction, we believe expectations are building up for a 50bps cut in the DR in the upcoming monetary policy. While recent CA data is a positive, the PkR exchange rate remains the key risk to monetary easing. Mitigants include release of CSF funds, release of US$800mn payment from Etisalat and 3) 3G auction proceeds (auction date: Mar 29'12) but we believe these remain low-probability events where non-materialization of the same will likely rule out monetary easing beyond the near-term.

Tax collection: Banks in the firing line(Jan 17, 2012)

While the FY13 Budget is still many months away, the FBR is reportedly considering a proposal to enhance tax rate on banks to 40% from 35% at present. News flow to this effect cropped up in the runup to last year's budget but fears over enhanced taxation did not materialize. This time around, tax officials are reportedly pointing towards higher banks' profitability (primarily due to shift towards GoP securities) while the NPL ratio is settling down. In our view, considering that 1) the FY12 tax collection target of PkR1.95tn appears on course to be met and 2) smaller banks remain in losses while some of the larger banks are reliant on relaxed provisioning requirements (FSV) to maintain profits, the SBP and representative banking bodies are likely to oppose this move. That said, risks emanate from a potential failure to curb the fiscal deficit which, among others, would depend on release of CSF funds,

This Week's Daily Reports *(continued)*

Etisalat payments and 3G auction proceeds. Ceteris paribus, we estimate that an increase in banks' tax rate to 40% would reduce banks' earnings post CY12F by up to 7% on average.

Tractors: GST reduced; MTL upped to Buy (Jan 16, 2012)

GST on tractors has reportedly been reduced to 5% (from 16% imposed in the budget). The decision has been taken by a committee constituted by the Economic Coordination Committee (ECC) of the Cabinet. However, GST will be increased gradually to reach 16% in four to five years. Recall that GST imposition in the budget led to a drop of 61%YoY in tractor sales t0 12,665 units in 1HFY12 and an under performance of 22%FYTD in tractor scrips. The decision should lead to a reduction of ~90K in tractor prices on the retail level and should boost the industry sales to atleast 38k against 29k estimated earlier. As Kharif crops are in the growth period as present, we expect tractor volumes to show a substantial increase in 4QFY12 after some MoM growth in Jan-Feb'12. In the absence of Benazir Tractor Scheme (BTS), MTL should report EPS of PkR45.91 and PkR75.45 in FY12F and FY13F against our previous estimates of PkR27.6 and PkR32.8, respectively. As a result, we revise our target price for MTL (FY13F PER: 5.0x) to PkR583.60/share against our previous estimates of PkR320.10/share and upgrade our recommendation to Buy.

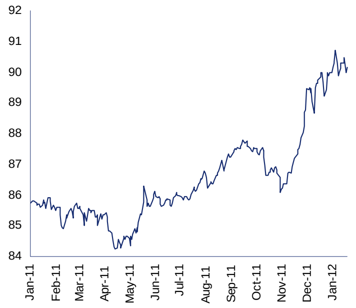
Regional Valuations (2012)

	EPS Growth	PE(x)
Pakistan	11%	6.13
Indonesia	14%	9.75
Malaysia	18%	11.51
Philippines	11%	12.80
Vitenam	11%	12.82
India	14%	12.85
China	17%	8.12

%	ROE	Divd Yld
Pakistan	21.15	8.62
Indonesia	21.23	2.82
Malaysia	14.95	3.96
Philippines	15.47	3.01
Vitenam	22.20	4.81
India	16.91	1.88
China	16.41	3.27

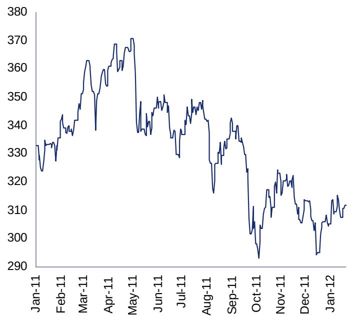
Source: Bloomberg & AKD Universe

PkR/US$ Trend



Source: Bloomberg

TRJ-CRB Index



Source: Bloomberg

Major World Indices' Performance

Country	Bloomberg Code	Current	Previous	WTD	YTD
Pakistan	KSE100 Index	11,775	11,014	6.90%	3.76%
Srilanka	CSEALL Index	5,781	5,929	-2.50%	-4.83%
Thailand	SET Index	1,059	1,045	1.33%	3.25%
Jakarta	JCI Index	3,987	3,935	1.30%	4.30%
Malaysia	FBMKLCI Index	1,523	1,523	-0.03%	-0.53%
Philippines	PCOMP Index	4,748	4,614	2.91%	8.60%
Vietnam	VNINDEX Index	373	354	5.27%	6.10%
Hong Kong	HSI Index	20,110	19,204	4.72%	9.09%
Singapore	FSSTI Index	2,849	2,792	2.07%	7.67%
Brazil	IBX Index	21,084	20,274	3.99%	6.99%
Russia	RTSSTD Index	10,291	10,015	2.76%	7.29%
India	SENSEX Index	16,739	16,155	3.62%	8.31%
China	SHCOMP Index	2,319	2,245	3.32%	5.44%
S&P	SPX Index	1,315	1,289	1.97%	4.52%
DJIA	INDU Index	12,624	12,422	1.63%	3.33%
NASDAQ Composite	CCMP Index	2,788	2,711	2.86%	7.03%
UK	UKX Index	5,739	5,637	1.81%	2.99%
German	DAX Index	6,412	6,143	4.38%	8.71%
Qatar	DSM Index	8,462	8,699	-2.73%	-3.61%
Abu Dhabi	ADSMI Index	2,337	2,361	-1.00%	-2.72%
Dubai	DFMGI Index	1,328	1,328	0.02%	-1.89%
Kuwait	KWSEIDX Index	5,799	5,747	0.90%	-0.27%
Oman	MSM30 Index	5,582	5,691	-1.91%	-1.99%
Saudi Arabia	SASEIDX Index	6,378	6,486	-1.67%	-0.62%
MSCI EM	MXEF Index	991	953	4.04%	8.18%
MSCI FM	MXFM Index	465	462	0.70%	-0.49%

Source: Bloomberg

International Major Currencies

SPOT	Current	Previous	Chg +/-	WTD	YTD Chg%
Dollar Index	80.351	81.515	-1.164	-1.43%	1.55%
USD/PkR	90.165	90.308	-0.142	-0.16%	10.31%
USD/JPY	77.110	76.970	0.140	0.18%	-5.66%
EUR/USD	1.291	1.268	0.023	1.77%	-3.41%
GBP/USD	1.547	1.532	0.015	0.99%	-0.14%
AUD/USD	1.042	1.032	0.010	0.96%	2.49%
NZD/USD	0.803	0.795	0.009	1.08%	3.87%
CHF/USD	0.936	0.952	-0.016	-1.72%	0.28%
CAD/USD	1.014	1.023	-0.010	-0.93%	2.00%
USD/KRW	1,134	1,151	-17.030	-1.48%	0.86%
CNY/USD	6.335	6.322	0.013	0.20%	-4.03%

Source: Bloomberg

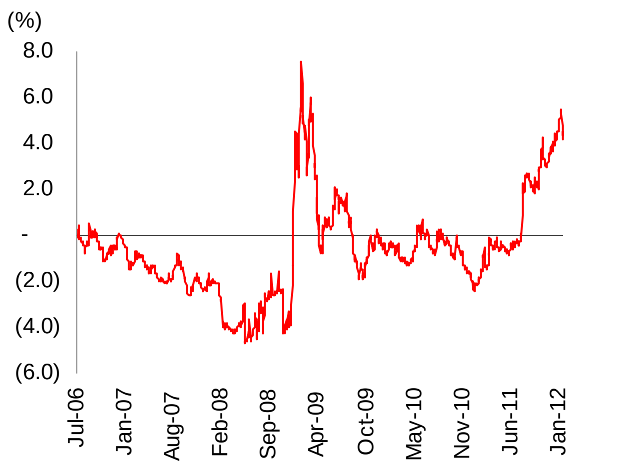
Commodities

SPOT	Units	Current	Previous	WTD	YTD
TRJ-CRB	Points	311.96	307.7	1.38%	-6.26%
Nymex (WTI)	US$/bbl.	99.85	98.7	1.17%	9.27%
ICE Brent	US$/bbl.	110.78	110.87	-0.08%	17.48%
N. Gas Henry Hub	US$/Mmbtu	2.37	2.66	-10.90%	-43.97%
Cotton	USd/Pound	102.25	100	2.25%	-40.54%
Gold	US$/Tr.Oz	1647.55	1639	0.52%	15.96%
Sliver	US$/Tr.Oz	30.3975	29.705	2.33%	-1.68%
Copper	US$/MT	8355	7991	4.56%	-13.42%
Platinum	US$/Oz	1507.5	1489.5	1.21%	-14.84%
Coal	US$/MT	114.15	114.15	0.00%	-9.48%

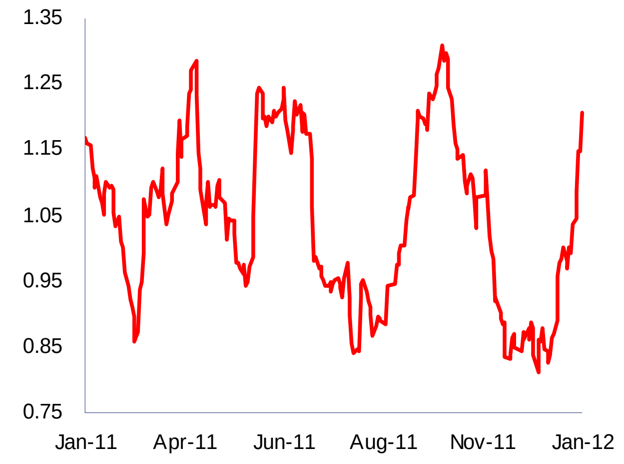
Source: Bloomberg

Chart Bank

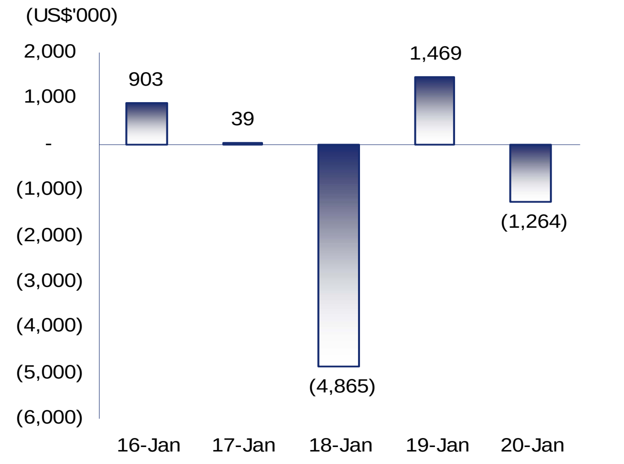
Earnings Yield vs. T-Bill Differential



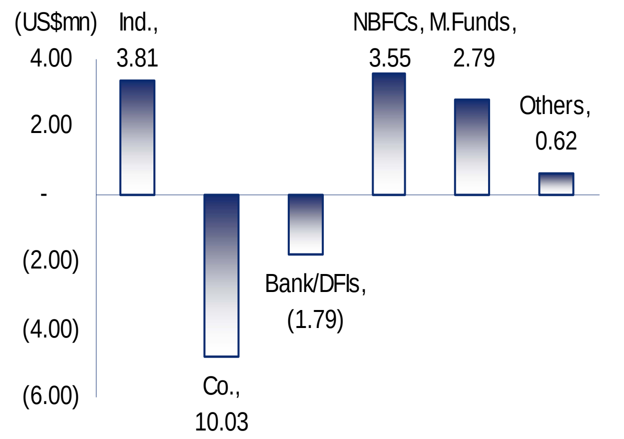
Advance to Decline Ratio



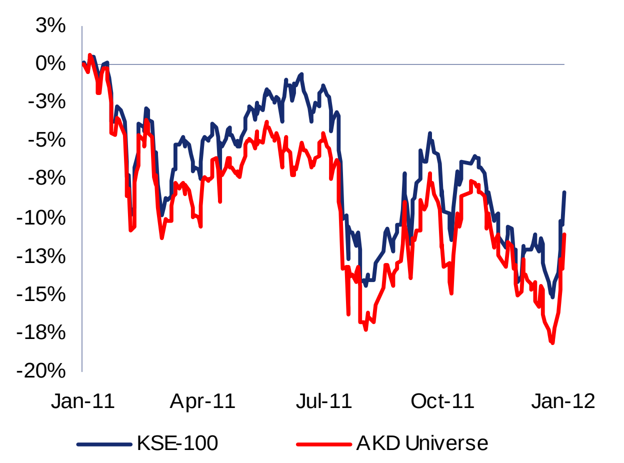
FIPI Flows for the week



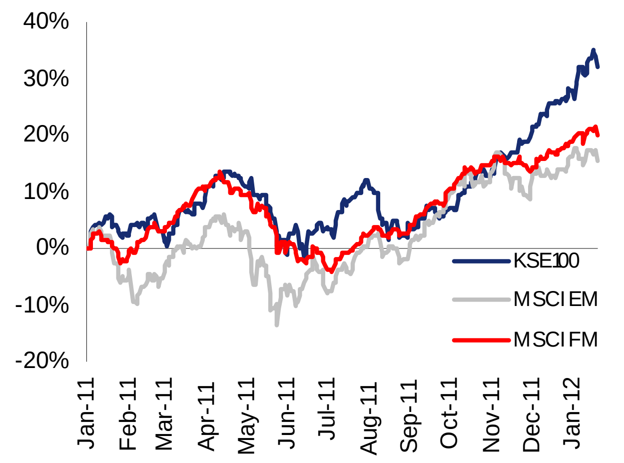
LIPI Flows for the week



AKD Universe vs. KSE-100 Index



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

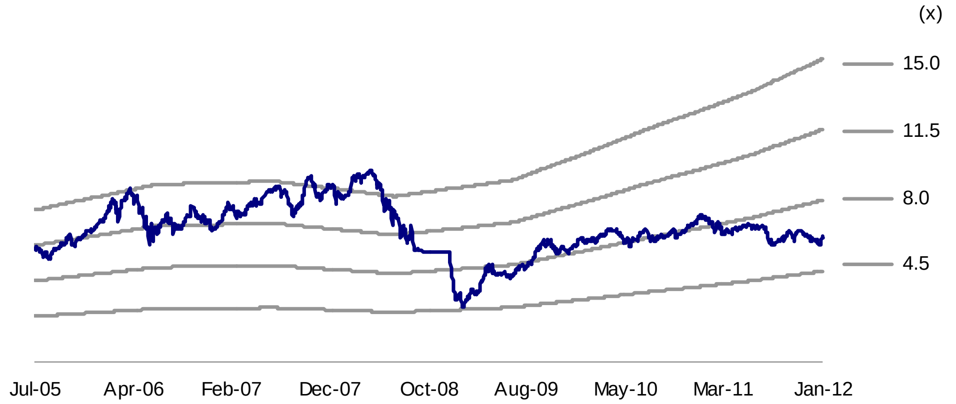


AKD Universe Valuations

January 19, 2012	2009A	2010A	2011A/F	2012F	2013F
EPS (PkR)	6.2	7.8	9.3	10.3	11.6
EPS chg (%)	10.1	25.2	19.5	10.7	12.1
Price to Earnings (x)	10.2	8.1	6.8	6.1	5.5
Price to Book (x)	1.9	1.7	1.5	1.3	1.2
Price to CF (x)	14.9	17.8	18.8	11.9	11.7
Earnings Yield (%)	9.8	12.3	14.7	16.3	18.3
Dividend Yield (%)	5.9	6.1	7.5	8.6	9.9
Book Value per Share (PkR)	33.0	37.8	43.4	48.9	54.4
Return on Equity (%)	18.9	20.7	21.6	21.1	21.3
Return on Assets (%)	3.2	3.7	4.0	3.9	4.0
Chg in Sales (%)	18.8	14.8	15.6	9.9	9.7
Gross Margin (%)	30.7	31.7	31.4	31.5	32.3
Operating Margin (%)	20.8	22.0	22.0	22.0	22.6
Net Margin (%)	9.6	10.5	10.8	10.9	11.1
Payout (%)	60.2	49.7	51.1	52.8	54.3
EV / EBITDA (x)	7.0	5.3	4.7	4.2	3.8
Price to Sales (x)	1.0	0.9	0.7	0.7	0.6

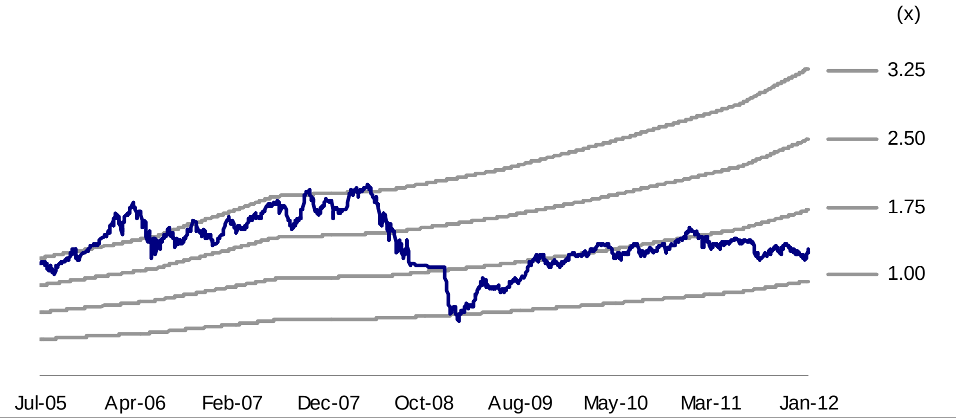
Source: AKD Research

Market PER Chart FY12F



Source: AKD Research

Market P/BVS Chart FY12F



Source: AKD Research

AKD Universe Active Coverage Cluster's Valuations

Stocks	Symbol	Price (PkR)	TP (PkR)	Stance	EPS (PkR)			PER (x)			PBV (x)			DY (%)		
					10A	11A/F	12F	10A	11A/F	12F	10A	11A/F	12F	10A	11A/F	12F
Industrial Engineering																
Millat Tractors	MTL	432.7	583.6	Buy	62.4	73.0	45.9	6.9	5.9	9.4	3.8	3.4	2.9	12.0	11.0	5.3
Automobile and Parts																
Indus Motors	INDU	215.1	276.6	Buy	43.8	34.9	39.6	4.9	6.2	5.4	1.3	1.2	1.0	7.0	7.0	6.3
Pak Suzuki Motors	PSMC	59.6	87.5	Buy	2.6	4.6	8.5	23.2	12.9	7.0	0.3	0.3	0.3	0.8	0.8	0.8
Construction and Materials																
DG Khan Cement	DGKC	21.0	33.9	Buy	0.5	0.4	2.1	39.5	53.8	9.8	0.3	0.3	0.3	0.0	0.0	0.0
Lucky Cement	LUCK	81.3	112.9	Buy	9.7	12.3	15.6	8.4	6.6	5.2	1.0	0.9	0.9	4.9	4.9	7.7
Chemicals																
Engro Polymer Chemicals	EPCL	8.2	9.3	Accumulate	-1.2	-0.4	-0.6	-6.7	-20.3	-13.8	0.8	0.8	0.7	0.0	0.0	0.0
Lotte Pakistan PTA Limited	LOTPTA	10.0	9.1	Reduce	3.0	2.9	1.4	3.3	3.4	7.3	1.6	1.1	1.0	5.0	5.0	5.0
Engro Chemical	ENGRO	105.4	226.0	Buy	17.3	19.0	30.5	6.1	5.5	3.5	1.2	1.1	0.9	4.7	4.6	6.9
Fauji Fert. Bin Qasim Ltd.	FFBL	48.1	67.8	Buy	7.0	9.9	8.7	6.9	4.8	5.5	3.7	3.8	3.5	13.6	19.8	18.0
Fauji Fertilizer Company	FFC	172.7	272.3	Buy	13.0	24.2	27.5	13.3	7.1	6.3	9.5	7.3	6.8	6.0	13.5	15.5
Food Producers																
Unilever Pakistan Limited	ULEVER	5,458.4	5,212.5	Neutral	246.2	312.8	369.8	22.2	17.4	14.8	20.3	19.2	18.0	4.5	5.4	6.4
Engro Foods Limited	EFOODS	25.1	28.5	Accumulate	0.2	0.6	1.2	106.8	41.0	21.7	3.7	1.8	1.7	0.0	0.0	0.0
Gas Water & Multiutilities																
Sui Southern Gas company	SSGC	19.0	38.6	Buy	5.0	5.4	5.7	3.8	3.5	3.3	1.2	0.9	0.8	6.0	10.0	9.4
Non Life Insurance																
Adamjee Insurance	AICL	50.4	80.6	Buy	5.0	5.6	6.3	10.1	8.9	8.0	0.6	0.5	0.5	4.5	11.1	15.1
Oil & Gas																
Oil & Gas Development Co.	OGDC	151.3	176.6	Accumulate	13.8	14.8	19.0	11.0	10.2	8.0	4.1	3.2	2.5	3.6	3.6	5.3
Pak Oilfields	POL	366.3	432.0	Accumulate	31.4	45.7	52.5	11.7	8.0	7.0	3.0	2.6	2.4	7.0	9.6	10.9
Pakistan State Oil	PSO	250.5	433.8	Buy	52.8	86.2	61.4	4.7	2.9	4.1	1.5	1.1	0.9	3.2	4.0	6.4
Electricity																
Hub Power Co.	HUBC	34.9	50.2	Buy	4.7	4.8	5.9	7.4	7.3	5.9	1.3	1.3	1.2	14.3	15.8	16.2
Kot Addu Power Company	KAPCO	40.7	52.0	Buy	5.8	7.4	7.5	7.0	5.5	5.4	1.5	1.5	1.4	12.3	16.0	16.6
Fixed Line Telecommunication																
Pakistan Telecommunication	PTC	11.2	18.2	Buy	2.3	1.6	2.0	4.9	6.8	5.6	0.6	0.6	0.6	15.6	15.6	15.6
Personal Goods																
Nishat Mills	NML	44.6	47.8	Accumulate	8.3	13.8	8.5	5.4	3.2	5.3	0.5	0.4	0.4	5.6	7.4	4.5
Banks																
Allied Bank Limited	ABL	58.9	75.5	Buy	9.6	11.7	12.3	6.1	5.0	4.8	1.4	1.1	1.0	6.2	7.6	8.5
Askari Bank Limited	AKBL	10.3	11.5	Accumulate	1.3	2.0	2.4	7.9	5.2	4.3	0.5	0.4	0.4	0.0	0.0	9.7
Bank AlFalah	BAFL	11.8	13.8	Accumulate	0.7	2.5	2.8	16.4	4.7	4.3	0.7	0.6	0.6	0.0	8.5	0.0
Habib Bank Limited	HBL	110.5	130.0	Accumulate	15.5	18.5	19.4	7.1	6.0	5.7	1.3	1.1	0.9	5.3	6.3	7.2
Habib Metropolitan Bank	HMB	17.1	20.0	Accumulate	2.7	3.0	3.5	6.4	5.6	4.8	0.9	0.7	0.7	0.0	4.4	5.9
MCB Bank Limited	MCB	159.8	180.0	Accumulate	20.2	25.1	26.6	7.9	6.4	6.0	1.6	1.5	1.3	6.5	7.8	8.8
Meezan Bank Limited	MEBL	21.2	24.0	Accumulate	2.4	3.2	3.6	9.0	6.6	6.0	1.4	1.2	1.1	0.0	4.7	5.9
National Bank of Pakistan	NBP	42.1	48.0	Accumulate	10.5	9.9	10.1	4.0	4.3	4.2	0.5	0.5	0.5	14.2	14.2	14.8
United Bank Ltd	UBL	54.9	69.9	Buy	9.0	11.2	12.3	6.1	4.9	4.5	0.9	0.8	0.7	9.1	7.3	8.2

Source: AKD Research

AKD Universe Coverage Cluster's Performance

Stocks	Symbol	Price	Absolute Performance (%)					1 Year	1 Year
		20-Jan-12	1M	3M	6M	12M	YTD	High	Low
KSE-100 Index		**11,774.68**	**3.9**	**0.8**	**-5.3**	**-5.1**	**3.8**	12,576.48	10,842.26
Industrial Engineering									
Al-Ghazi Tractor	AGTL	187.00	-1.5	-3.6	-19.9	-18.9	-3.0	242.06	158.38
Millat Tractors	MTL	432.70	14.4	11.3	-29.0	-18.1	18.5	617.94	355.77
Automobile and Parts									
Indus Motors	INDU	215.09	5.4	9.7	3.4	-26.7	4.9	292	191.1
Pak Suzuki Motors	PSMC	59.58	-7.6	-10.2	-6.9	-14.0	0.9	76.42	59.03
Construction and Materials									
DG Khan Cement	DGKC	21.00	10.5	-3.0	-10.5	-25.0	10.4	27.73	18.1
Lucky Cement	LUCK	81.26	3.8	-1.3	11.9	9.4	8.3	83.58	60.32
Chemicals									
Engro Polymer Chemicals	EPCL	8.21	10.6	1.5	-19.3	-43.2	12.9	13.62	7.23
Lotte Pakistan PTA Limited	LOTPTA	9.95	4.5	-20.4	-23.4	-34.8	7.3	17.01	8.68
Engro Chemical	ENGRO	105.41	9.2	-14.8	-30.5	-39.9	13.7	205.78	91.97
Fauji Fert. Bin Qasim Ltd.	FFBL	48.10	0.1	-22.4	2.7	14.6	13.4	63.67	38.57
Fauji Fertilizer Company	FFC	172.71	11.5	-6.6	5.0	45.3	15.5	198.35	109.82
Food Producers									
Unilever Pakistan Limited	ULEVER	5,458.40	1.1	-7.4	-7.2	18.9	-1.9	6007.42	4145.5
Engro Foods Limited	EFOODS	25.07	8.0	4.4	1.5	1.5	10.9	25.97	21.8
Gas Water & Multiutilities									
Sui Southern Gas company	SSGC	19.02	0.7	-21.8	-5.3	-14.9	-1.4	27.2	16.94
Non Life Insurance									
Adamjee Insurance	AICL	50.36	19.7	0.6	-19.7	-44.9	8.3	92.1	40.06
Oil & Gas									
Oil & Gas Development Co.	OGDC	151.30	-5.1	13.1	-2.4	-12.2	-0.2	172.7	120.29
Pak Oilfields	POL	366.29	2.8	1.2	-4.9	10.2	5.7	390.34	281.89
Pakistan State Oil	PSO	250.47	6.6	0.7	-4.5	-16.9	10.2	290.7	205.67
Electricity									
Hub Power Co.	HUBC	34.91	-1.7	-5.8	-10.3	-8.7	2.1	42.57	33.34
Kot Addu Power Company	KAPCO	40.69	-1.5	-6.5	-4.7	-5.6	-1.5	47.45	39.62
Fixed Line Telecommunication									
Pakistan Telecommunication	PTC	11.24	9.3	1.8	-13.3	-42.1	8.2	19	9.88
Personal Goods									
Nishat Mills	NML	44.63	8.0	-11.0	-14.4	-34.8	10.3	66.87	38.27
Banks									
Allied Bank Limited	ABL	58.86	3.6	-8.3	-7.9	-6.8	9.3	67.72	53.54
Askari Bank Limited	AKBL	10.30	0.1	-3.6	-8.9	-37.7	2.7	15.64	8.76
Bank AlFalah	BAFL	11.79	2.4	5.3	11.9	5.6	4.8	12.07	9.01
Habib Bank Limited	HBL	110.49	1.3	-4.8	-7.9	-1.2	4.2	125.16	105.3
Habib Metropolitan Bank	HMB	17.08	0.5	-5.1	-10.1	-24.4	1.1	21.77	16.42
MCB Bank Limited	MCB	159.80	13.6	-1.2	-18.5	-31.3	18.7	229.83	134.6
Meezan Bank Limited	MEBL	21.24	20.3	11.5	19.0	26.7	22.2	20.49	15.04
National Bank of Pakistan	NBP	42.13	2.4	-6.0	-21.3	-30.9	2.6	64.46	36.18
United Bank Ltd	UBL	54.88	3.6	-3.8	-9.7	-19.4	4.8	67.24	51.27

Source: KSE & AKD Research

Economic Snapshot

End Month Data	Units	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
T-bill										
3M	%	13.25	13.11	13.45	13.50	13.04	13.04	12.28	11.78	11.74
6M	%	13.63	13.50	13.71	13.75	13.26	13.23	12.32	11.79	11.67
12M	%	13.83	13.80	13.89	13.91	13.35	13.33	12.37	11.86	11.84
PIB 10Y	%	14.10	14.11	14.08	14.05	13.46	13.18	12.28	12.17	12.77
KIBOR 6M	%	13.94	13.92	13.95	13.94	13.38	13.35	12.23	11.66	11.73
Discount rate	%	14.0	14.0	14.0	13.5	13.5	12.0	12.0	12.0	12.0
Inflation										
Headline inflation	%	13.0	13.2	13.1	13.8	11.6	10.5	11.0	10.2	9.8
Core inflation	%	9.4	10.2	10.4	10.7	10.1	10.6	10.5	10.4	10.1
Food inflation	%	17.2	15.9	15.7	17.6	13.2	9.9	11.7	10.0	9.5
External Indicators										
Export (SBP)	US$ (mn)	2,590	2,268	2,643	2,121	2,128	1,884	1,986	1,552	1,854
Import (SBP)	US$ (mn)	2,906	3,370	3,447	3,171	3,626	3,470	3,133	3,729	4,261
Trade Deficit (SBP)	US$ (mn)	(317)	(1,102)	(804)	(1,049)	(1,498)	(1,586)	(1,147)	(2,177)	(2,407)
Home Remittances	US$ (mn)	1,030	1,050	1,105	1,096	1,310	890	1,018	924	1,080
Current Account	US$ (mn)	630	457	(431)	(100)	(201)	(1,034)	(287)	(478)	n.a
Banking Sector										
Deposits	PkR (bn)	5,160	5,294	5,599	5,344	5,365	5,418	5,354	5,416	n.a.
Advances	PkR (bn)	3,388	3,457	3,505	3,418	3,412	3,415	3,323	3,357	n.a.
Investments	PkR (bn)	2,243	2,361	2,548	2,593	2,657	2,764	2,934	2,962	n.a.
Weighted avg lending rate	%	13.55	13.65	13.78	13.76	13.65	13.81	13.68	n.a.	n.a.
Weighted avg deposit rate	%	6.03	6.00	5.92	5.88	6.06	6.18	6.01	n.a.	n.a.
Spread	%	7.52	7.65	7.86	7.88	7.59	7.63	7.67	n.a.	n.a.
Public Finance										
Tax collection	PkR (mn)	129,686	159,623	248,556	112,275	120,506	148,023	148,023	n.a.	n.a.
Direct taxes	PkR (mn)	49,635	46,995	124,204	28,966	32,069	63,507	39,659	n.a.	n.a.
Indirect Taxes	PkR (mn)	80,051	112,628	124,352	83,309	88,437	84,516	86,749	n.a.	n.a.
Currency										
Reserves	US$ (mn)	17,045	17,069	18,244	18,295	18,066	17,331	17,065	16,728	16,917
USDPkR - Interbank	PkR/USD	84.71	85.20	85.88	86.05	86.53	87.55	87.11	87.07	89.55

Source: SBP, FBS & AKD Research

Analyst Certification

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