



Today's Daily

■ HBL: CY11 Result Preview

Habib Bank Ltd (HBL) is scheduled to announce its full-year CY11 result on Friday, Feb 24'12. On a consolidated basis, we expect HBL to post NPAT of PkR21.6bn (EPS: PkR19.60) in CY11 against NPAT of PkR17.0bn (EPS: PkR15.46) in CY10, translating into robust growth of 27%YoY. Alongside the result, we expect HBL to announce a final cash dividend of PkR4/share (bringing full-year CY11 payout to PkR7/share), as well as a 10% bonus issue.

KSE 100 - Index

Current	12,517.90
Previous	12,495.68
Chg.	0.18%

Mkt Cap. (PkRbn/US\$bn)

Current	3,265 / 35.93
Previous	3,257 / 35.85
Chg.	0.23%

■ PTC: 1HFY12 Result Preview

PTC will be announcing its 1HFY12 results tomorrow. We expect consolidated 1HFY12 earnings to fall by 26%YoY to PkR4.3bn (EPS: PkR0.85). Sequentially, earnings are forecast to fall by 6%QoQ to PkR2.1bn (EPS: PkR0.41). We do not expect any cash payout with the result.

Daily Turnover (mn)

Current	232.85
Previous	233.27
Chg.	-0.2%

Value Traded (PkRmn/US\$mn)

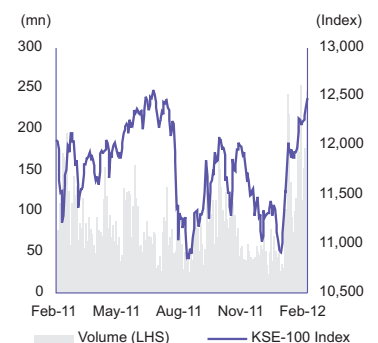
Current	4,629 / 50.94
Previous	7,045 / 77.54
Chg.	-34.3%

SCRA Flow FYTD (US\$mn)

17-Feb-12	(223.73)
16-Feb-12	(221.82)
Val. Chg	(1.91)

News and Views

- The 7MFY12 fiscal deficit has reportedly registered at 3% of GDP. As per news sources expenditure during the review period stood at PkR1,345bn (against a target of PkR1,605bn), representing 52% of the total budgeted current expenditure of PkR2,767bn for the entire fiscal year. Total collection by FBR during 7MFY12 stood at PkR970bn (excluding non tax revenue) while total foreign inflows were ~PkR35bn.
- The GoP has formalized a debt swap deal with banks, according to which private power sector companies' debts amounting to PkR136.4bn (PkR24.6bn less than the amount approved by the ECC) would be transferred to the books of Power Holding Company Limited (PHCL).
- The sponsors of Atlas Engineering (ATEL) are buying back shares of the face value of PkR10 (from ordinary shareholders) at PkR58/share. KSE has accepted the request for delisting of the company effective from Mar 21'12.
- IMF has projected that Pakistan will only get US\$400mn against the head of Coalition Support Fund (CSF) against the US\$800mn projected by GoP in FY12.



Important disclosures, including investment banking relationships and analyst certification at end of this report. AKD Securities does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of the report. Investors should consider this report as only a single factor in making their investment decision.



HBL: CY11 Result Preview

Habib Bank Ltd (HBL) is scheduled to announce its full-year CY11 result on Friday, Feb 24'12. On a consolidated basis, we expect HBL to post NPAT of PkR21.6bn (EPS: PkR19.60) in CY11 against NPAT of PkR17.0bn (EPS: PkR15.46) in CY10, translating into robust growth of 27%YoY. In doing so, HBL should become the most profitable bank in Pakistan in terms of absolute NPAT. However, 4QCY11 NPAT is expected to dip by 26%QoQ to PkR4.9bn (EPS: PkR4.47) due to a likely contraction in NII (tighter NIMs in lower interest rate environment) and a sequential spike in loan provisions. That said, upside risk to our 4QCY11 estimates stems from potential low loan provisions (FSV benefit enhanced in Oct'11) and potential realization of gains on securities (primarily equities). Alongside the result, we expect HBL to announce a final cash dividend of PkR4/share (bringing full-year CY11 payout to PkR7/share), as well as a 10% bonus issue. Key highlights for CY11E are expected to be 1) 16%YoY NII growth, 2) 8%YoY increase in loan provisions, 3) 25%YoY increase in non-interest income on higher dividend & fx income and 4) relatively high admin expense growth of 20%YoY despite completion of the prolonged VSS program. Having gained 11.7%CYTD, HBL trades at a CY12F P/B of 1.0x and PER of 6.1x where our target price of PkR130/share offers upside of 9.7% and implies an Accumulate stance. That said, we will look to revisit our investment case post release of CY11 accounts.

anum.dhedhi@akdsecurities.net

PTC: 1HFY12 Result Preview

PTC will be announcing its 1HFY12 results tomorrow. We expect consolidated 1HFY12 earnings to fall by 26%YoY to PkR4.3bn (EPS: PkR0.85). Sequentially, earnings are forecast to fall by 6%QoQ to PkR2.1bn (EPS: PkR0.41). Despite an expected 6%YoY growth in consolidated revenues, 1HFY12 earnings are likely to fall on i) lower margins (GM down 60bps YoY), ii) lower other income (-45%YoY) and iii) higher financial charges (+34%YoY to PkR1.6bn), particularly in 2QFY12 due to volatility in PkR. On a standalone basis, 1HFY12 earnings are estimated to stand at PkR2.8bn (EPS: PkR0.54) depicting a fall of 31%YoY, while for 2QFY12, earnings are expected to remain relatively flat (-1.3%QoQ) at PkR1.4bn (EPS: PkR0.27). We do not expect any cash payout with the result. At current levels, we reiterate our Buy call on PTC which provides an attractive upside of 53% to our target price of PkR18.2, while is trading at consolidated FY12 PER and PBV of 5.8x and 0.5x.

ayub.ansari@akdsecurities.net

KATS Code	HBL
Bloomberg Code	HBL.PA
Price PkR	118.49
Market Cap (PkRmn)	130,584
Market Cap (US\$m)	1,452.55
Shares (mn)	1,102.07
3M High (PkR)	121.95
3M Low (PkR)	105.54
1Yr High (PkR)	125.16
1Yr Low (PkR)	105.30
3M Avg Turnover '000	54.60
1 Yr Avg Turnover '000	91.90
3M Avg DT Value (PkRmn)	6.19
3M Avg DT Value (US\$m)	0.07
1Yr Avg DT Value (PkRmn)	10.76
1Yr Avg DT Value (US\$m)	0.12

HBL Price Performance

	1M	3M	6M	12M
Absolute (%)	7.2	3.1	1.8	5.8
Rel. Index (%)	0.9	-1.8	-13.3	1.9
Absolute (PkR)	8.0	3.6	2.1	6.5

Source: AKD Research

KATS Code	PTC
Bloomberg Code	PTC.PA
Price PkR	11.81

PTC: 1HFY12 Result Preview (Cons.)

(PKR mn)	1H12E	YoY	2Q12E	QoQ
Revenue	54,722	6%	27,523	1%
Gross profit	18,268	-3%	9,028	-2%
S&A expense	10,898	6%	5,379	-3%
Operating profit	7,371	-14%	3,649	-2%
Other income	1,402	-45%	750	15%
PAT	4,328	-26%	2,102	-6%
EPS (PKR)	0.85		0.41	

Source: AKD Research

PTC Price Performance

	1M	3M	6M	12M
Absolute (%)	5.1	9.4	9.0	-36.9
Rel. Index (%)	-1.2	4.5	-6.0	-40.9
Absolute (PkR)	0.6	1.0	1.0	-6.9

Source: AKD Research



AKD Daily

Tuesday, February 21, 2012

We, Anum Dhedhi & Ayub Ansari, individually and jointly, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities and issuers. We also certify that no part of our compensation was, is/or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report. We further certify that we do not have any beneficial holding of the specific securities that we have recommendations on in this report.

Rating Definitions

Buy	≥ 20% upside potential
Accumulate	> 5% to < 20% upside potential
Neutral	≤ 5% to ≥ -5% potential
Reduce	≤ -5% to > -20% downside potential
Sell	< -20% downside potential