



🔗 Companies revisited on budgetary measures

- **Engro Foods (EFOODS) ^ Hold**
Imposition of Sales Tax @10% could be negative but that will be passed on to consumers while duty has not been increased on powder milk which is beneficial for the company. Our valuations remain intact in EFOODS.

- **Fauji Meat Limited ^ Subscribe / Hold FFBL**
Following Al Shaheer, FML which is a subsidiary of Fauji Bin Qasim (FFBL) is in pipeline which is expected to get operational in Aug'15.

Being an exporter of Halal Meat FML could enjoy income tax exemption for 4 years. Government is encouraging meat retail segment and thus want subsequent exports. The sector would now be counted as a formal business which is commendable and operate in a much efficient way.

- **Steel Sector ^ Buy maintained vide our report**
Higher infrastructure development will boost the demand for steel products alongside no hike in duties will make the sector more attractive in terms of profitability. We are pitching MUGHAL Steel in this segment. We too have coverage in International Steel (ISL) wherein we see profitability outlook in FY16.

- **Pakistan Telecom (PTC) ^ Buy maintained vide our reports**
Post International Clearing House (ICH), LDI minutes have increased by 3x which were around 350mn/month under ICH rule. We like PTC for long term.

- **Fertilizer Sector ^ neutral**
Sector remained neutral as fertilizer prices remain unchanged for local market and no duties have been imposed on imported fertilizer.

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