



June 12,
2019

KSE-100 index jumps 278pts amid volatile session

Mixed sentiments portrayed by investors after the announcement of budget on Tuesday. KSE-100 index started the day in red zone, turned their path shortly after the start and gained 478pts before it settled at 34,938pts with a gain of 278pts.

The top three positive contributors were PPL (+PKR 2.99), HBL (+PKR 1.87) and ENGRO (+PKR 5.03) cumulatively added 113.24 points to the benchmark index. During the session, the index found its support and resistance at 34,607.71 and 35,137.56 pts, respectively.

Top traded scrips of the day were Bank of Punjab (BOP -2.10%), Maple Leaf Cement Factory Ltd. (MLCF +4.99%), K-Electric Limited (KEL -0.69%) and Engro Polymer & Chemicals Ltd (EPCL +1.97%) with the traded volumes of 18.49 mn, 9.96 mn, 7.48 mn and 6.72 mn shares respectively.

The ready market witnessed a trading activity with a volume of 150.97 mn shares as compared to the previous session of 165.33 mn shares, decreased by 8.68% DoD with a value of PKR 4.93 bn.

On the sector front, activity was mainly concentrated in cement (26.03 mn), followed by commercial banks with a volume of 23.94 mn shares, chemical (13.26 mn), technology & communication (13.21 mn) and power generation & distribution (9.85 mn).

News & Corporate Announcements:

Adviser to Prime Minister on Finance Dr Abdul Hafeez Sheikh will address a post-budget news conference in Islamabad on Wednesday afternoon.

Passenger car consumption in Pakistan's domestic market stands at a total of 192,863 during the 11 months of fiscal year 2018 – 2019. In contrast, last year's sales were higher by over 8,000 units as they were noted at 201,134 units. Out of the total sales recorded, those made in May 2019 stand at 15,428 units which is also a stepdown from last year's numbers.

Pakistan Credit Rating Agency (PACRA) has maintained the entity ratings of Pak Arab Refinery Limited at 'AAA' for long-term and 'A1+' for short-term. The assigned outlook on the ratings is stable.

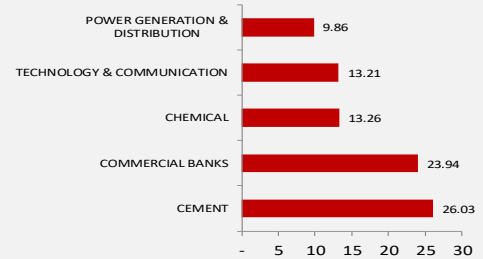
At the Economic Survey 2018-19 that was announced on Monday, advisor to Prime Minister on Finance projected the GDP growth for next year at 4%, whereas the budget announcement for the year has set a target of 2.4% growth.

Market Highlights

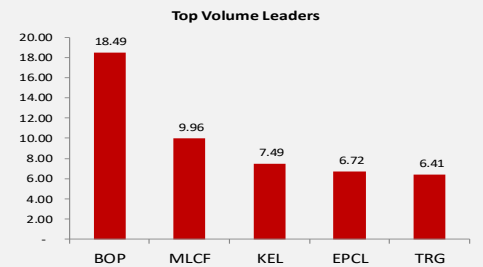
Current Index	34,937.93
Change	278.08
Percent change	0.8%
High	35,137.56
Low	34,607.71
Volume traded (mn shares)	113.5
Value traded (PKR mn)	4.576.

Source: PSX and AAH Research

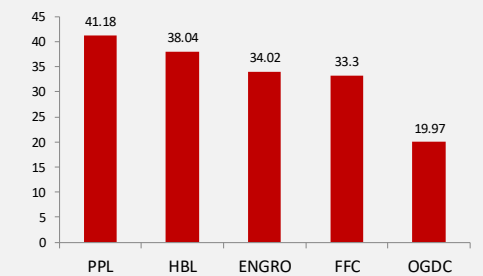
Top-5 Traded Sectors (mn shares)



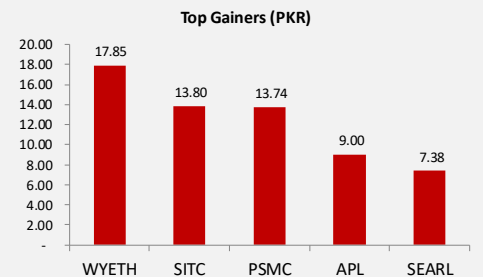
Top-5 Volume Leaders (mn shares)



Top-5 Index Movers (Points)



Top-5 Gainers (PKR)



Data Source: PSX

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited

(021) 32429665, Ext. 106

REP-055

www.jamapunji.pk



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Rating Criteria

Rating - Expected Total Return

Buy - Greater than 10%

Hold - Neither Buy nor Sell

Sell - Less than and equal to -10%

Valuation Methodology

To arrive at our 12-months Price Target, ABA Ali Habib Research uses different valuation methods which include: 1). DCF methodology, 2). Relative valuation methodology, and 3). Asset-based valuation methodology. In this report, our PT is founded on FCF based DCF methodology.

Analyst Certification ^{AC}

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THE TEAM

CEO

Zahid Ali Habib
Zahid@abaalihabib.com
(021) 32425022

RESEARCH TEAM

Contact: (021) 32429665, Ext. 106

Mohammad Zubair - Research Analyst
zubair@abaalihabib.com

Ayesha Abid – Research Analyst
ayesha.abid@abaalihabib.com

SALES TEAM

Zaheer Ahmed - Head of Equity Sales & Business Dev.
Zaheer_ahmed@abaalihabib.com
(021) 32418693-94

Hafsa Kamani- Assistant Manager Equity Sales
Hafsa.Kamani@abaalihabib.com
(021) 32431925

Syed Khalid Ahmed - Equity Trader
Syedkhalid@abaalihabib.com
(021) 32429664

Muhammad Faisal - Equity Trader
faisal@abaalihabib.com
(021) 32464835

Karachi Office

Room # 419, 419 A & 421, 4th Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi

Contact: 021-32429665

Cell: [+92 3312766771](tel:+923312766771)



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