



March 12,
2019

Bourse drops 27 points in lukewarm trading activity

Benchmark index fell 27.62 points on Tuesday to close at 38,896.42 points. Heavy weight scrips dragged the index 275.99 point in mid-day trading, however, recovery in cement and oil scrips rebounded the benchmark. Investor sentiments remained weak due to low volumes and lack of positive triggers. During the day bourse found its support and resistance at 38,648.12 points and 39,030.25 points. The major laggards responsible for dragging down the market were MEBL (-PKR 5.17), HBL (-PKR 1.75), MCB (-PKR 2.3), INDU (-PKR 32.18) and HCAR (-PKR 11.98), cumulatively shed 102.13 ppts from the index.

Sector-wise, the commercial banks sector remained in limelight as the most traded sector. Among banks, MEBL lost PKR 5.17 from its share value followed by MCB (-PKR 2.30), HBL (-PKR 1.75), SBL (-PKR 0.86) and BAFL (-PKR 0.78).

The bourse witnessed the volumes of 89.7mn shares, up by 32% DoD. The traded value clocked in at PKR 3.9bn. The advance to decline ratio remained in the favour of bears where 160 scrips declined, 147 scrips advanced and 21 remained unchanged.

Commercial banks sector was the top traded sector in today's session with the share volumes of 18.3mn shares followed Cement (16.3mn shares), Technology & communication (11.6mn shares), Power generation & distribution (7.0mn shares) and Chemical (4.4mn shares).

News & Corporate Announcements:

Avanceon Limited has notified through its letter to the PSX that it has entered into an agreement with Mazyood Giga DHA Lahore Emerald Limited for implementation of Building Managements System (BMS), Integrated Building Management System (IBMS) and Engineering, Supplies and Services (including GST) at Gold Crest Mall DHA.

AGP Limited announced in its notification submitted with PSX that the company has finalized the arrangement to purchase a Nutraceutical product manufacturing facility, through the budgeted capital expenditure of PKR 152,400,000 on this account, out of internally generated cash flows.

Sale of locally assembled cars in the eight months of current fiscal year declined by 1.3pc to 140,462 units from 142,383 units during the same period last year according to data released by the Pakistan Automotive Manufacturers Association (PAMA).

Prime Minister Imran Khan gave a go-ahead for the creation of a dedicated security force for petroleum exploration on the pattern of China-Pakistan Economic Corridor (CPEC) security arrangement in order to offer lucrative incentives for enhanced production of domestic oil and gas resources.

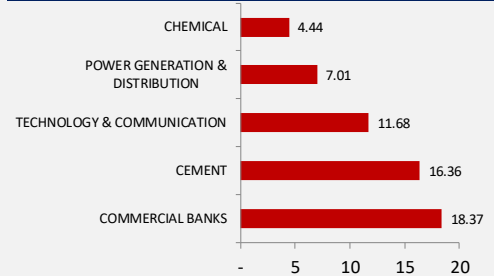
The regulatory duty on import of mobile phones valuing up to \$30 will now be charged at a flat rate of Rs180 per set as against the earlier Rs250, while it will be charged at the rate of Rs18,500 on import of mobile phones valuing more than \$500 per set.

Market Highlights

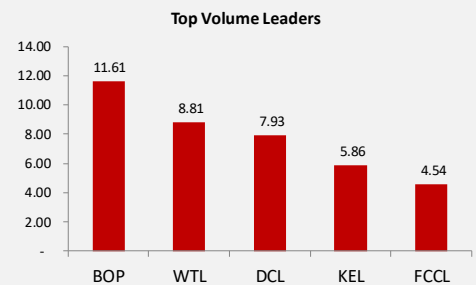
Current Index	38,896.49
Change	-27.62
Percent change	-0.07%
High	39030.25
Low	38648.12
Volume traded (mn shares)	54.15
Value traded (PKR mn)	3.252.

Source: PSX and AAH Research

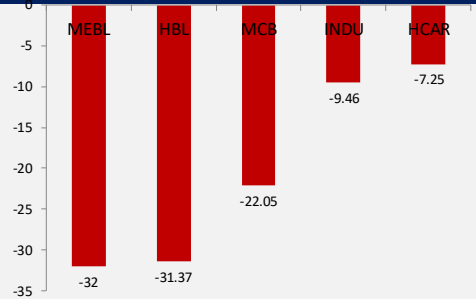
Top-5 Traded Sectors (mn shares)



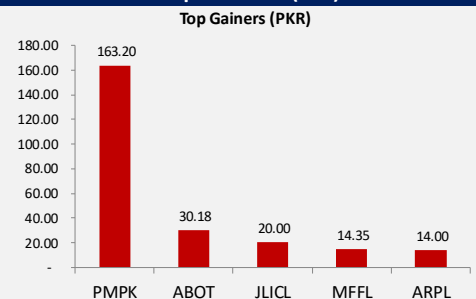
Top-5 Volume Leaders (mn shares)



Top-5 Index Movers (Points)



Top-5 Gainers (PKR)



Data Source: PSX

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DAILY CLOSING NOTE



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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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