



June 13,
2019

KSE-100 index continues post-Budget rally, up by 465 points

As compared to last session, today's index movement displayed much stable upward trend which reflects much confidence gained by investors post budget. The optimism in the market attributed to restoration of investors' confidence post budget as uncertainty fades and hike in cement prices. Consequently, DGKC, CHCC, KOHC & MLCF closed at their upper locks, while LUCK and FCCL were up by PKR 17.69 & PKR 0.84, respectively.

During the session, the index found its support and resistance at 34,858 and 35,501pts, respectively. The top three positive contributors were HUBC (+PKR 1.95), ENGRO (+PKR 6.44) and EFERT (+PKR 2.93) cumulatively added 118.58 points to the benchmark index.

Top traded scrips of the day were Maple Leaf Cement Factory Ltd (MLCF +5.00%), Bank Of Punjab (BOP +2.04%), TRG Pakistan Ltd (TRG +6.13%), K-Electric Limited (KEL +3.48%) and Pak Elektron Ltd (PAEL +3.70%) with the traded volumes of 12.49mn, 10.44mn, 9.45mn, 8.46mn and 7.40mn shares respectively.

The ready market witnessed a trading activity with a volume of 154.32mn shares as compared to the previous session of 150.97mn shares, slightly increased by 2.21% DoD with a value of PKR 5.63 bn.

On the sector front, activity was mainly concentrated in cement (29.45 mn), followed by chemical with a volume of 17.72 mn shares, technology & communication (17.03 mn), commercial banks (15.70 mn) and power generation & distribution (10.73 mn).

News & Corporate Announcements:

Envisaging protection of common people, the government through Budget 2019-20 has provided tax relief on various daily-use essential products including medicines, food and beverages as well as their inputs, a senior official of Federal Board of Revenue (FBR) said on Thursday.

The central government has acquired a debt of Rs.28 trillion as of April 2019, which is Rs.4.47 trillion higher than the amount borrowed by the same period last year and Rs.3.86 trillion higher than the beginning of ongoing fiscal year.

With the overall Consumer Price Index (CPI) based inflation projected to remain in single digit during Fiscal Year 2019, the food prices are likely to remain stable due to effective monitoring of prices and smooth supply of essential items by the federal and provincial governments.

Oil prices spiked by about three percent on Thursday after conflicting reports of an "attack" and an "accident" involving two oil tankers in the Gulf of Oman.

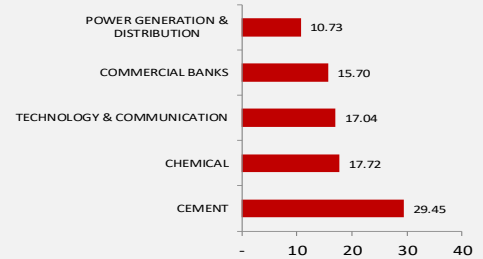
Colgate-Palmolive Limited has appointed Arif Habib Limited as manager to the offer with respect to the proposed acquisition of 21% shares of Colgate-Palmolive Pakistan, in replacement of Citibank N.A with immediate effect.

Market Highlights

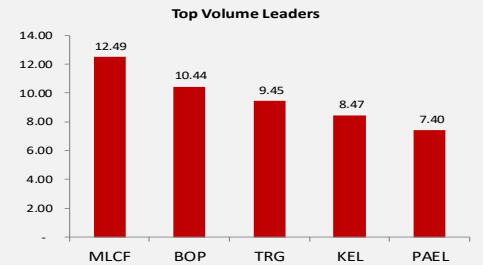
Current Index	35,403.07
Change	465.14
Percent change	1.31%
High	35,501.37
Low	34,858.14
Volume traded (mn shares)	118.5
Value traded (PKR mn)	5.154.

Source: PSX and AAH Research

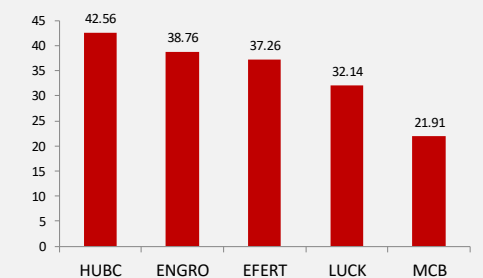
Top-5 Traded Sectors (mn shares)



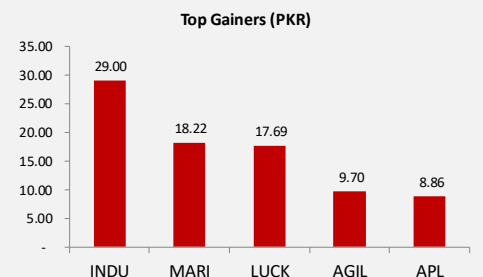
Top-5 Volume Leaders (mn shares)



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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