



March 14,  
2019

## Index continue to lose after a dead cat bounce witnessed in previous session

Bears return to bourse after a single day leap, dragging the KSE100 index 120.32 points lower. Bourse started a day on positive note supported by favorable movement in commodities prices, however move was curtailed by economic and political concerns. During the day bourse found its support and resistance at 38,751.60 points and 38,999.39 points. The major laggards responsible for dragging down the market were OGDC (-PKR 2.02), LUCK (-PKR 8.19), HUBC (-PKR 0.76), UBL (-PKR 1.01) and DGKC (-PKR 1.87), cumulatively shed 81.81 ppts from the index.

Sector-wise, the cement sector remained under pressure despite the relief provided by declining trend in coal prices. Among major cement scrips, LUCK lost PKR 8.19 from its share value followed by BWCL (-PKR 2.99), DGKC (-PKR 1.87), FECT (-PKR 1.36) and KOHC (-PKR 1.05).

The bourse witnessed the volumes of 85.7mn shares, down by 8.3% DoD. The traded value clocked in at PKR 3.3bn. The advance to decline ratio remained in the favour of bears where 193 scrips declined, 110 scrips advanced and 12 remained unchanged.

Commercial banks sector was the top traded sector in today's session with the share volumes of 22.1mn shares followed Vanaspati & allied industries (11.7mn shares), Cement (7.9mn shares), Chemical (5.5mn shares) and Technology & communication (5.3mn shares).

## News & Corporate Announcements:

Netsol Technologies has announced through its notification to PSX that the company has completed successful implementation of its next-generation NFS Ascent platform (Retail and Wholesale) in China for a leading German automotive.

The output of Large Scale Manufacturing Industries (LSMI) during the month of January has increased by 20.82% as compared to December 2018, whereas it has decreased by 4.64% as compared to January, 2018

Prime Minister Imran Khan on Thursday expressed "extreme disappointment" at the Punjab Assembly's decision to raise the salaries of Punjab's public representatives.

The government will bring fundamental changes in the Federal Board of Revenue (FBR) to make it an effective tax administration for enhancing narrow tax base of the country, Minister of State for Revenue Muhammad Hammad Azhar said.

Talks are underway between Pakistan and India on Kartarpur Corridor at Attari border. Pakistan has already started work on its part of the corridor and has been urging India to construct the corridor on its Indian side.

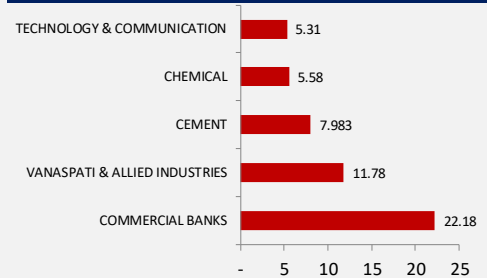
The ban on the Boeing 737 MAX aircraft became worldwide after US President Donald Trump joined Canada and other countries in grounding the aircraft, and the black box flight recorders from the doomed plane were flown to France for analysis

### Market Highlights

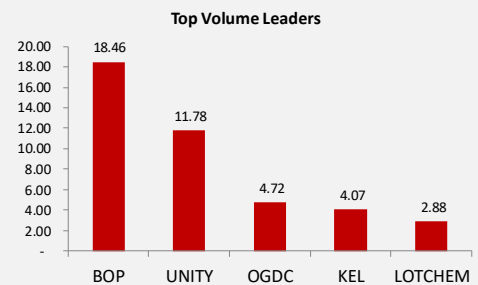
Current Index	38,808.61
Change	-120.32
Percent change	-0.31%
High	38999.39
Low	38751.60
Volume traded (mn shares)	58.89
Value traded (PKR mn)	2.742.

Source: PSX and AAH Research

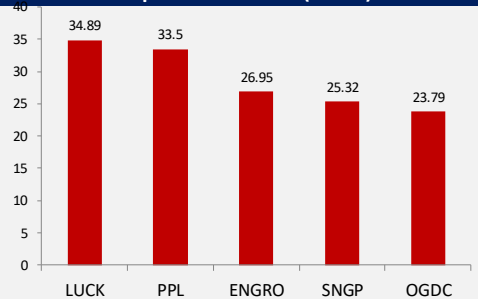
### Top-5 Traded Sectors (mn shares)



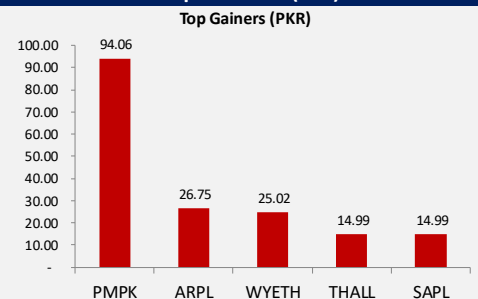
### Top-5 Volume Leaders (mn shares)



### Top-5 Index Movers (Points)



### Top-5 Gainers (PKR)



Data Source: PSX

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## 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.

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