



June 16,  
2021

## Bearish trends make a comeback on lack of triggers

Benchmark index tracked bearish trend on Wednesday slipped by 151.66 point during the trading session. Investors' sentiments remained dull as lack of positive triggers resulted in profit booking to settle KSE-100 at 48,480.90 points. Neither positive development in FATF's preliminary review, nor the G-20 countries suspending repayment of \$3.7bn loan till the end of this year failed to impress investors. Furthermore, vaccination drives all over the country have picked up pace, in addition to this, Pakistan has allowed use of AstraZeneca's covid-19 vaccine to individuals below age of 40 to further enhance economic recovery. Going forward, we believe announcements positive triggers to influence bourse strongly during the week.

The major scrips that deducted from the index were ENGRO (-21 pts), PPL (-17 pts), COLG (-14 pts), KEL (-14 pts), and DGKC (-13 pts). The index found its support and resistance at 48,431.96 points and 48,878.20 points, respectively.

Sector-wise, Technology & Communication sector took the spotlight today, generating a volume of 153mn shares. Power Generation & Distribution sector was the runner up, clocking in a total volume of 131mn shares. Refinery sector was the third-most traded sector amassing a volume of 92mn shares.

The bourse witnessed a volume of 936mn shares, with the value traded clocking in at PKR 22.40bn. The advance-to-decline ratio favored the bears as 161 scrips closed green, 205 closed red and 22 remained unchanged.

## News & Corporate Announcements:

Minister for Finance and Revenue Shaukat Tarin has directed the National Price Monitoring Committee to adopt a comprehensive and proactive strategy to minimize the price gap between growers and retailers.

The federal cabinet has decided to monitor the implementation of development projects under the Public Sector Development Program (PSDP). The Information Minister the annual PSDP for the next fiscal year is 900 billion rupees, and most of the mega projects for Sindh will be financed from it.

Federal Minister for Science and Technology Shibli Faraz said the government has doubled the budgetary allocation for science and technology sector and would put more emphasis on applied research.

Pakistan has lifted a rule barring the use of AstraZeneca's COVID-19 vaccine for people below 40 years old, in a bid to help inoculate people who need to travel for education or jobs abroad, particularly Saudi Arabia, a health official said.

The Board of Investment (BOI) has launched the Pakistan Regulatory Modernization Initiative Strategy (PRMI), Special Economic Zone Management System (SEZMIS), and Investor Relationship Management System (IRMS) with Public & Private partnership.

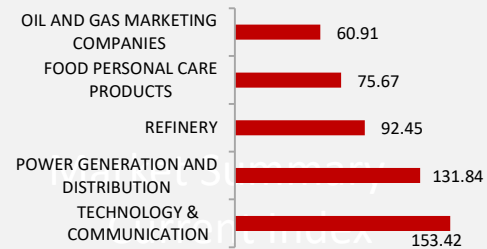
The group of 20 countries, representing the world's biggest economies, has suspended Pakistan's debt payments of 3.17 billion dollars by the end of this year.

### Market Summary

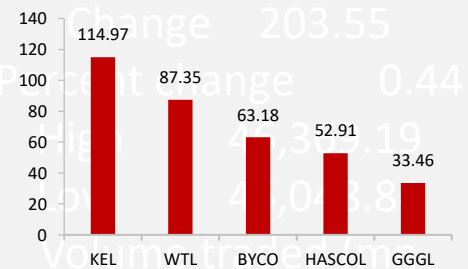
Current Index	48,480.90
Change	-151.66
Percent change	-0.31%
High	48,878.20
Low	48,431.96
Volume traded (mn shares)	409.18
Value traded (PKR bn)	13.46

Source: PSX and AAH Research

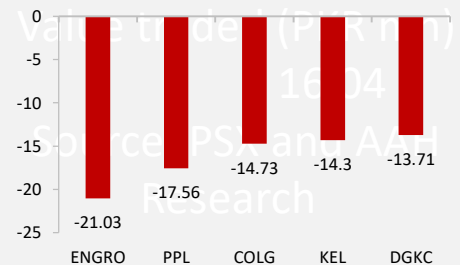
### Top-5 Traded Sectors (mn shares)



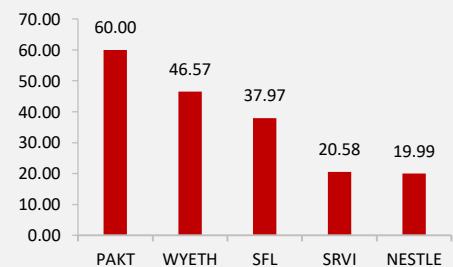
### Top-5 Volume Leaders (mn shares)



### 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 <sup>AC</sup>

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