



February  
19, 2019

## Benchmark index drops 262 points on regional concerns

Bourse sheds 262.40 points in Tuesday's trading session amid weaker volumes. Regional peace concerns from bordering countries keep domestic and foreign investors' confidence subdued. After week long accusing, PM Imran Khan breaks the silence over Pulwama Attack accusations with befitting response. PM offered cooperation in investigations and warned of stiff retaliation against any initiation from India. Investors were also troubled due to economic consequences of escalation between two countries, as India has already hiked tariffs on Pakistani imports.

During the day bourse found its support and resistance at 39,941.97 points and 40,320.58 points. The major laggards responsible for dragging down the market were HBL (-PKR 2.62), PAKT (-PKR 100), EFERT (-PKR 0.82), SNGP (-PKR 2.85), and UBL (-PKR 1.52), cumulatively shed 125.43 pts from the index.

Sector-wise, the cement sector remained under pressure during the trading session as India halt cement shipments at Wagah which may hurt Pakistan's cement exports. Among major cement scrips, ACPL lost PKR 2.09 from its share value followed by KOHC (-PKR 1.54), CHCC (-PKR 1.15) and BWCL (-PKR 0.79).

The bourse witnessed the volumes of 94.3mn shares, down by 4.5% DoD. The traded value clocked in at PKR 3.8bn. The advance to decline ratio remained in the favour of bears where 215 scrips declined, 81 scrips advanced and 21 remained unchanged.

Power generation & distribution sector was the top traded sector in today's session with the share volumes of 10.3mn shares followed Cement (9.9mn shares), Chemical (9.2mn shares), Commercial banks (9.1mn shares) and Technology & communication (8.5mn shares).

## News & Corporate Announcements:

Nimir Industrial Chemicals Limited has announced its financial result for the half-year ended on 31st December 2018. The company's 2QFY19 earnings stand at PKR 1.81, against the EPS of PKR 1.44 in SPLY. Whereas 1HFY19 EPS of the company clocked in at PKR 3.68, against the EPS of PKR 2.70 in SPLY. Company also announced cash dividend of PKR 1.5per share.

Around 300 trucks carrying cement are stranded at Wagha border after India clamped 200 percent duty on Pakistani products following Pulwama attacks. In addition to this, shipment of 170 containers from sea route has also stopped.

Pakistan Mortgage Refinance Company (PMRC) will provide Rs3.6 billion to House Building Finance Company (HBFC) for the provision of low-cost housing in the country.

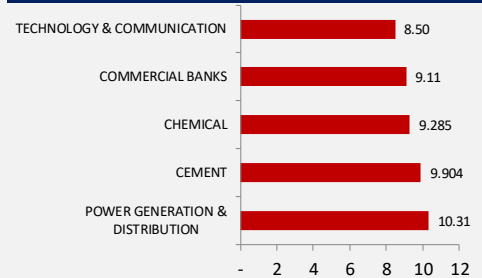
Prime Minister Imran Khan on Tuesday said Islamabad will take action if Delhi shares any actionable evidence concerning last week's suicide bombing in occupied Kashmir's Pulwama area which had targeted Indian paramilitary soldiers.

### Market Highlights

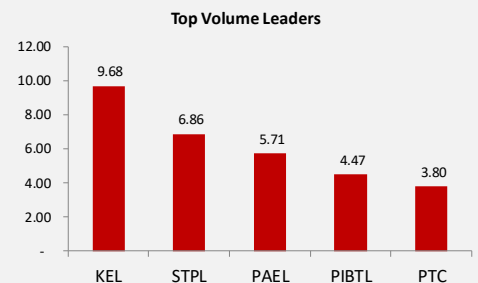
Current Index	39,957.07
Change	-262.40
Percent change	-0.65%
High	40320.58
Low	39941.97
Volume traded (mn shares)	56.01
Value traded (PKR mn)	3.005.

Source: PSX and AAH Research

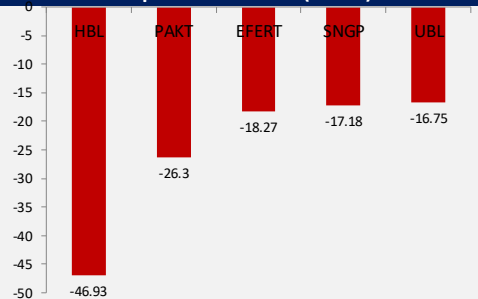
### Top-5 Traded Sectors (mn shares)



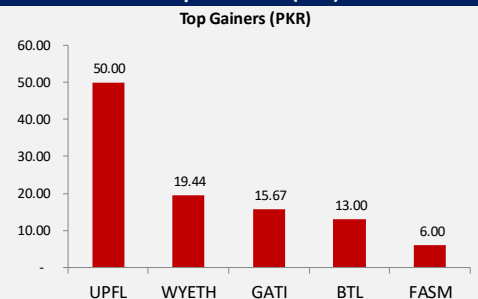
### Top-5 Volume Leaders (mn shares)



### 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.

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