



November  
19, 2020

## Stocks close flat in range-bound session, inch-up 26 points

The local bourse witnessed choppy session as the benchmark KSE-100 index oscillated between green and red zone. During early hours market surged more than 200 points on encouraging economic data where in Pakistan recorded current account surplus in Oct'20. However, gradually investors' sentiments weakened amid worries that recent surge in coronavirus cases throughout the country will halt nascent economic recovery despite the Covid-19 vaccine breakthrough optimism. Benchmark KSE-100 index closed flat with marginal gain of 26.03 points at 40,540.70 level. Going forward, we expect market may remain volatile owing to upcoming monetary policy and rollover week. During the session, the index finds its support and resistance at 40,431.41 pts and 40,745.02 pts respectively.

Sector-wise, Technology & Communication sector remained in the spotlight with a total volume of 47.93mn shares. Commercial Banking sector was the second most traded sector reaching a volume of 17.81mn shares, followed by the Vanaspati & Allied Industries sector that clocked in a total of 9.12mn shares.

The bourse witnessed volumes of 188mn shares, while traded value clocked in at PKR 8.10bn. The advance to decline ratio remained in the favor of bears where 151 scrips closed green, 177 closed red, while 21 remained unchanged.

## News & Corporate Announcements:

Cement exports during the month of October 2020 surged by 20.3% YoY and 19.65% MoM to USD 33.25 million from USD 27.6 million in Oct'19 and USD 27.8 million recorded in the previous month.

JS Global has withdrawn its intention to acquire up to 77.12% shares of the BIPL Securities Limited (Target Company) under Regulation of the Takeovers Regulations.

The country's current account balance remained in surplus for the fourth month in a row at \$382 million in October 2020 as compared to \$59 million in September.

The dollar continued its upward journey against the rupee as it gained another 72 paise in the interbank. The dollar was being quoted (11:40 PST) at 160.55/160.65, compared to the previous day's close of Rs159.83.

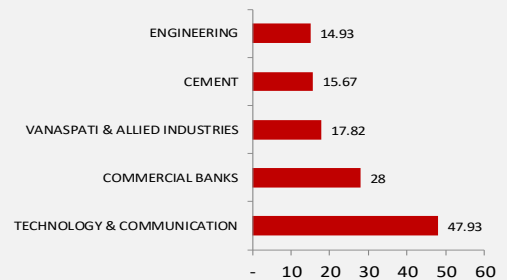
Pakistan's Forex Reserves increased by USD 178.70 Million or 0.9% and the total liquid foreign reserves held by the country stood at USD 20,085.60 Million on Nov 13, 2020. According to data published by the State Bank of Pakistan (SBP) its reserves increased by USD 190.70 Million.

### Market Highlights

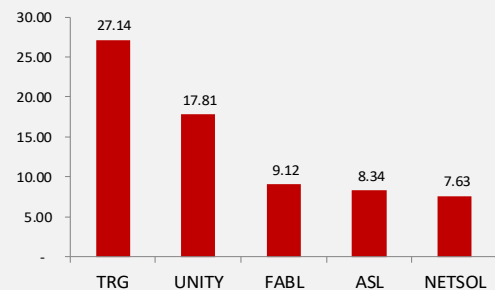
Current Index	40,540.70
Change	26.03
Percent change	0.06%
High	40,745.02
Low	40,431.41
Volume traded (mn shares)	110.82
Value traded (PKR mn)	5,953

Source: PSX and AAH Research

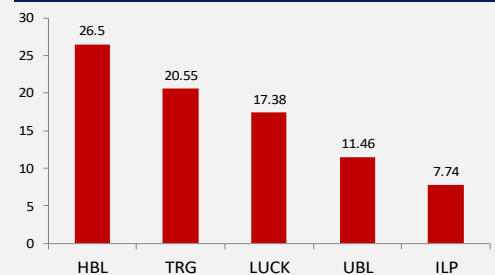
### Top-5 Traded Sectors (mn shares)



### 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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