



April 1,
2021

Bourse's roller-coaster ride ends under the belt

Taking cues from the last two volatile sessions, the market witnessed high volatility in today's trading session with the loss of 159.75 points at day close. Despite a variety of positive economic cues, investors' confidence remained dull with comparatively low volume of 313mn shares as local virus spread continues at alarming rate. Some sectors cheered recent PKR appreciation which may result in lower raw material import costs, however, technology scrips continued to batter on potential exchange losses that may arise from dollar depreciations. Going forward, we expect upcoming budget proposals and direction of Covid cases tally will set the trading theme in upcoming sessions.

The major scrips that added to the index were TRG (-107 pts), LUCK (-20 pts), PSO (-19 pts), ATRL (-18 pts), and MEBL (-17 pts). The index found its support and resistance at 44,334.22 points and 44,877.46 points, respectively.

Sector-wise, Technology & Communication sector took the spotlight today, generating a volume of 73mn shares. Refinery sector was the runner up, clocking in a total volume of 51mn shares. Chemical sector was the third-most traded sector amassing a volume of 25mn shares.

The bourse witnessed a volume of 313mn shares, with the value traded clocking in at PKR 17.43bn. The advance-to-decline ratio favored the bears as 99 scrips closed green, 244 closed red and 13 remained unchanged.

News & Corporate Announcements:

With the foremost aim to support entrepreneurship and improve the business climate for small businesses, particularly startups and potential investors, SECP issued a circular explicitly allowing private companies to raise capital by receiving immovable property, intangible assets and services from investors.

Pakistan has reported the highest single-day toll since June 30 as 4,974 new COVID-19 cases reported on Thursday. The positivity rate of coronavirus cases stands at 9.92% with total cases at 672,931. According to the latest government data, the country reported 98 more deaths, taking the country-wide death tally to 14,530.

The Searle Company Limited has successfully concluded an exclusive licensing & Supply agreement with Livzon Mapharm Inc. for the "recombinant novel Coronavirus vaccine (V-01)".

Exports from Pakistan witnessed a growth of 13.4% MoM to stand at USD 2.345 billion in the month of March 2021. Cumulatively, during 9MFY21, Pakistan's exports increased by 7% to USD 18.669 billion as compared to USD 17.451 billion in the corresponding period last year.

Pakistan raised Eurobonds worth \$2.5 billion in an auction that attracted bids of \$5.3bn, suggesting there is interest among international investors for the country's sovereign instruments given the high-interest rates at the offer.

Finance Minister Hammad Azhar has announced to decrease the petrol price by 1.50 rupee and that of diesel by three rupees.

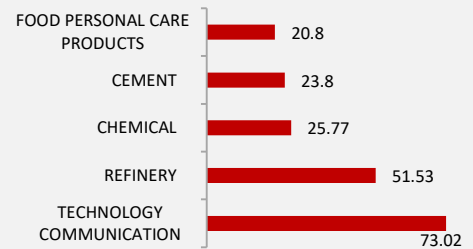
The Board of Directors of Reliance Weaving Mills Limited (REWM), in its meeting, held today, has approved to invest an amount of Rs. 3,500 Million in the Spinning Project and Rs. 1,000 Million in the Weaving Project by way of Debt & Equity Financing and subject to the compliance of all statutory & legal requirements.

Market Summary

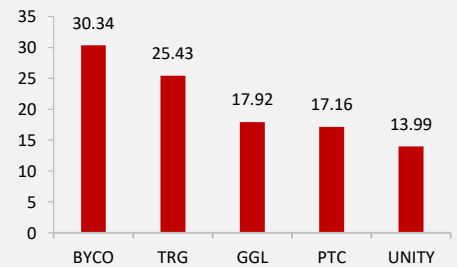
Current Index	44,428.10
Change	-159.75
Percent change	-0.36
High	44,877.46
Low	44,334.22
Volume traded (mn shares)	188.64
Value traded (PKR mn)	13.03

Source: PSX and AAH Research

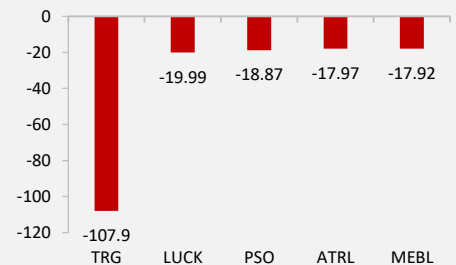
Top-5 Traded Sectors (mn shares)



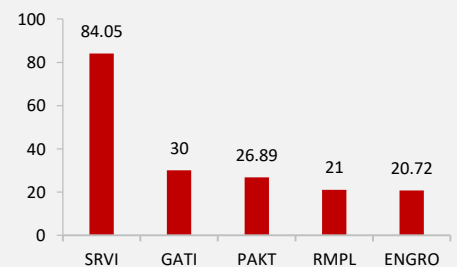
Top-5 Volume Leaders (mn shares)



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 ^{AC}

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