



October
22, 2019

KSE-100 gains 114 points amid weaker volumes

Trading remained range-bound in most of the trading hours on Tuesday, however climbed 114.23 points in final hours to close at 33,198.96 points. Bourse witnessed trading of merely 83 million shares in broad market, which is lowest volume of the current month. Investors' sentiment remained weak due to lack of positive triggers and ongoing political noise. During the session, the index found its support and resistance at 32,960.65 pts and 33,240.10 pts, respectively. The major scrips responsible for pulling the market higher were HBL (+PKR 1.39), HUBC (+PKR 0.82), MCB (+PKR 1.69), NESTLE (+PKR 300) and DAWH (+PKR 1.86), cumulatively adding 83 pts to the benchmark index.

Sector-wise, chemical sector outshined as the most traded sector on the back of improvement in chemical margins. Among major chemicals sector scrips, ARPL gained PKR 7.0 in its share value followed by DYNO (+PKR 3.08), AKZO (+PKR 2.40), EPCL (+PKR 0.50) and LOTCHEM (+PKR 0.33).

The bourse witnessed the volumes of 83mn shares, against 130 mn shares a day before. The traded value clocked in at PKR 3.1bn. The advance to decline ratio remained in the favour of bulls where 165 closed green, 132 scrips closed red and 21 remained unchanged.

Chemical sector was the top traded sector in today's session with the share volumes of 13.6mn shares followed by Cement (11.0mn shares), Technology & communication (7.5mn shares), Fertilizer (7.0mn shares), and Commercial banks (6.3mn shares).

News & Corporate Announcements:

Mari Petroleum Limited announced its financial results for 1QFY20 on the 22nd of October 2019. The company's EPS for the 1QFY20 clocked in at PKR 55.94 against EPS of 38.55 in SPLY.

SHEL announced its financial result for 3QCY19 where in the bank reported EPS of PKR 5.32 against EPS of 3.12 in SPLY. Whereas, LPS of the company clocked in at PKR 8.2 against of EPS of PKR 18.11 SPLY.

Sui Southern Gas Company Limited (SSGC) has identified 10 sites in different localities of the Balochistan province, where natural gas supply network does not exist, to set up Liquefied Petroleum Gas (LPG) air-mix plants and facilitate consumers.

The overall imports of Petroleum group during 1QFY20 witnessed 16.5% decline as compared to the corresponding period of the last year. During the period under review, the total imports of petroleum group stood at \$3.15 billion against imports of \$3.78 billion in Jul-Spet 2018, according to latest data issued by Pakistan Bureau of Statistics (PBS).

Pakistan on Tuesday took foreign diplomats to the Line of Control (LoC) as part of efforts to debunk India's claims of targeting alleged "terror launch pads" in Azad Jammu and Kashmir (AJK).

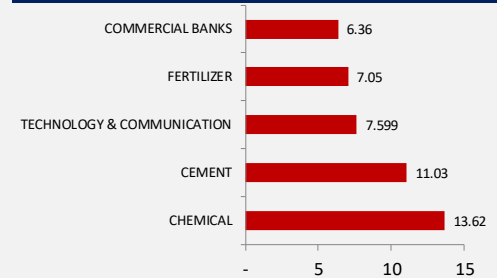
Pakistan People's Party (PPP) Chairman Bilawal Bhutto Zardari on Tuesday said Prime Minister Imran Khan was the country's "biggest problem" and his resignation would solve issues being faced by the country.

Market Highlights

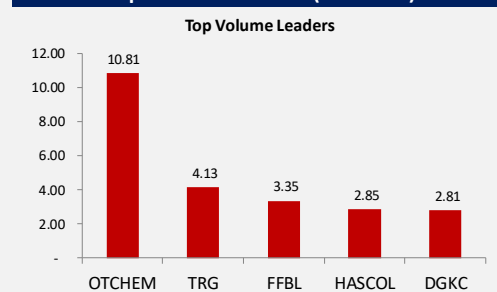
Current Index	33,198.96
Change	114.23
Percent change	0.34%
High	33,240.10
Low	32,960.65
Volume traded (mn shares)	62.05
Value traded (PKR mn)	2.822.

Source: PSX and AAH Research

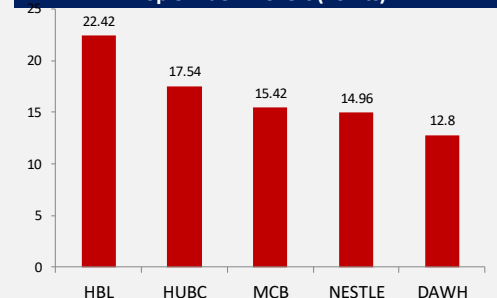
Top-5 Traded Sectors (mn shares)



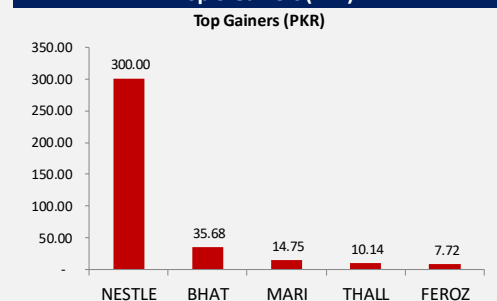
Top-5 Volume Leaders (mn shares)



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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