



November
23, 2020

Bourse nosedives 555 points amid fears of re-imposition of lockdown

The local bourse started the day on negative note, as the benchmark KSE-100 index nosedived as much as ~873 points intraday due to fear of re-imposition of stricter lockdown as smart lockdown has already been enforced in different areas of economic hub. NCOC's decision to close educational institutions from 26th Nov'20 till 10th Jan and altering business hours in Punjab dropped additional signals that a national lockdown may also be under consideration. However, some portion of losses were pared towards the end of session as MPC announced to maintain its accommodative policy stance for next two months, closing the benchmark at 39,632.52 level with the loss of 554.66 points.

Major scrips that dragged the market into the red zone were HBL (-30 pts), PSO (-26 pts), TRG (-26 pts), MEBL (-17 pts), and MCB (-17 pts). The market found its support and resistance at 39,314.28 points and 40,187.18 points respectively.

A sector-wise view shows that Technology & Communication sector remained in the spotlight with a total volume of 33.85mn shares while Cement sector followed with a volume of 23.26mn shares. Oil & Marketing Companies (OMC) came in third with a total volume of 21.72mn shares.

The bourse witnessed a total volume of 195mn shares, while traded value clocked in at PKR 7.48bn. The advance to decline ratio remained in the favor bears where 67 scrips closed green, 267 closed red and 22 scrips remained unchanged.

News & Corporate Announcements:

Pakistani rupee (PKR) continued to depreciate against US Dollar (USD) in the interbank as it lost another 32 paise in today's session to close at PKR 161.05 per USD, against last session's closing of PKR 160.73 per USD.

Britain's AstraZeneca said on Monday its vaccine for the novel coronavirus could be around 90% effective without any serious side effects, giving the world another important tool to halt the COVID-19 pandemic.

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) in its meeting held on November 23, 2020 in Karachi, has decided to maintain the Policy Rate at 7 percent.

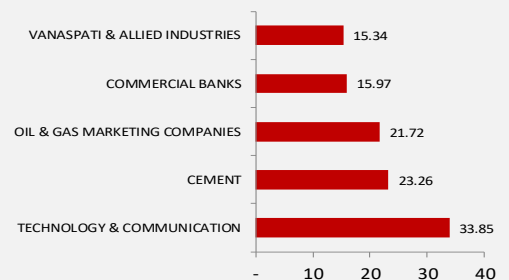
Avanceon FZE, a subsidiary of Avanceon Limited, has secured a multimillion-dollar long term purchase contract from a major oil company in the Middle East. by USD 190.70 Million.

Market Highlights

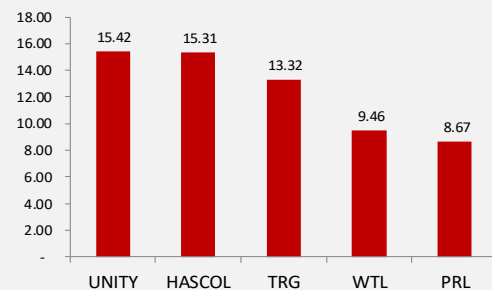
Current Index	39,632.52
Change	-554.66
Percent change	-1.38%
High	40,187.18
Low	39,314.28
Volume traded (mn shares)	117.94
Value traded (PKR mn)	5,916

Source: PSX and AAH Research

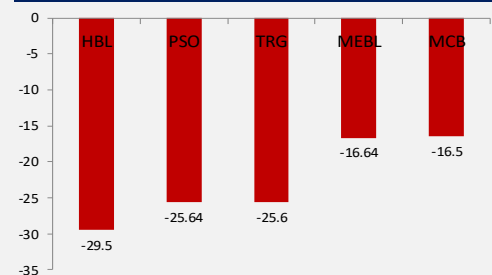
Top-5 Traded Sectors (mn shares)



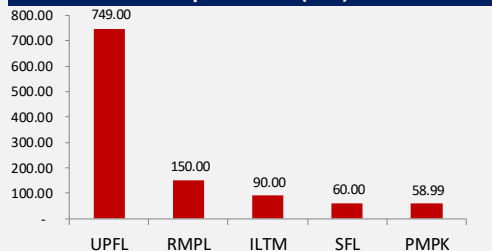
Top-5 Volume Leaders (mn shares)



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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