



October  
24, 2019

## Stocks climb 322 points on flexibility in opposition's Azaadi march plans

Bourse started the day on a positive note, climbed over 422 points in initial trading hours, however, settled at 33,762.48 points with the gain of 322.79 points. Main reason behind benchmark's gain was signs of settling political turmoil after JUI-F chief Fazl ur Rehman indicated that the Azaadi march is not intended to stage a sit-in or lockdown of capital. On the other hand Government also adopts supple stance, conditionally permitting march if it stays within the ambit of law. During the session, the index found its support and resistance at 33,439.69 ppts and 33,862.64 ppts, respectively. The major scrips responsible for pulling the market higher were OGDC (+PKR 2.86), POL (+PKR 11.35), PPL (+PKR 1.82), ENGRO (+PKR 3.38) and MCB (+PKR 2.16), cumulatively adding 142 ppts to the benchmark index.

Sector-wise, oil E&P sector remained in limelight as the prices of crude in international markets rises. Among major E&P scrips, MARI gained PKR 26.04 in its share value followed by POL (+PKR 11.35), OGDC (+PKR 2.86), and PPL (+PKR 1.82).

The bourse witnessed the volumes of 121mn shares, against 116 mn shares a day before. The traded value clocked in at PKR 3.9bn. The advance to decline ratio remained in the favour of bulls where 211 closed green, 124 scrips closed red and 27 remained unchanged.

Technology & communication sector was the top traded sector in today's session with the share volumes of 24.6mn shares followed by Engineering (16.1mn shares), Cement (14.5mn shares), Commercial banks (9.3mn shares), and Chemical (7.4mn shares).

## News & Corporate Announcements:

Engro Corp announced its financial result for 3QCY19 where in the company reported EPS of PKR 10.67 against EPS of 6.69 in SPLY. Whereas, EPS of the company for 9MCY19 clocked in at PKR 22.61 against of EPS of PKR 17.27 in SPLY. Company also announced a cash dividend of PKR 8 per share.

Maple Leaf Cement Limited announced its financial results for 1QFY20 on the 24 of October 2019. The company's LPS for the 1QFY20 clocked in at PKR 1.65 against EPS of 0.99 in SPLY.

BAHL announced its financial result for 3QCY19 where in the bank reported EPS of PKR 2.29 against EPS of 1.53 in SPLY. Whereas, EPS of the bank for 9MCY19 clocked in at PKR 6.3 against of EPS of PKR 5.3 SPLY.

GTJR announced its financial results for 1QFY20 on the 24 of October 2019. The company's EPS for the 1QFY20 clocked in at PKR 0.16 against EPS of 0.60 in SPLY. Company also announced a cash dividend of PKR 0.60 per share.

Ittehad Chemical Limited announced its financial results for 1QFY20 on the 24 of October 2019. The company's LPS for the 1QFY20 clocked in at PKR 0.67 against EPS of 0.52 in SPLY.

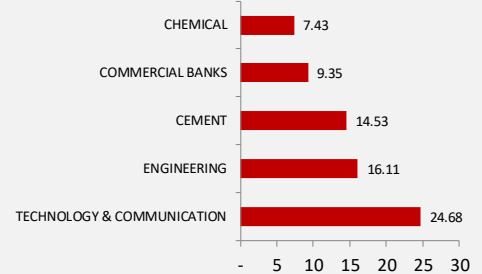
Pakistan carried out six reforms in the last one year that helped improving its ranking from 136 to 108, according to the World Bank's annual flagship report, 'Ease of Doing Business 2020', released on Thursday.

### Market Highlights

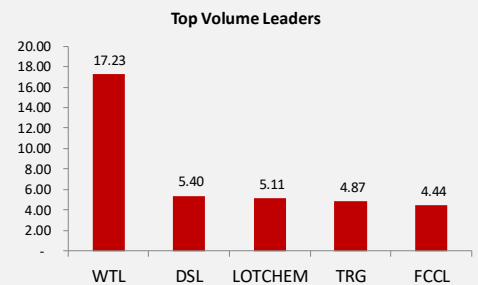
Current Index	33,762.48
Change	322.79
Percent change	0.96%
High	33,862.64
Low	33,439.69
Volume traded (mn shares)	67.64
Value traded (PKR mn)	3,421.

Source: PSX and AAH Research

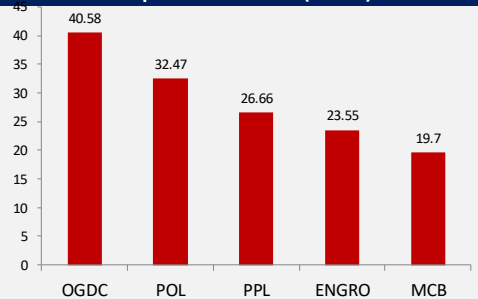
### Top-5 Traded Sectors (mn shares)



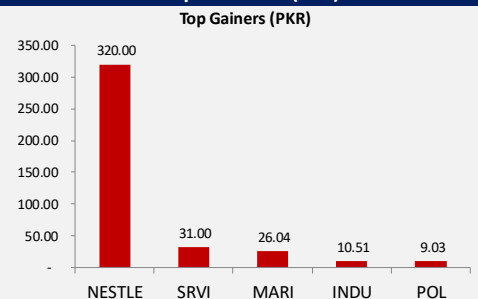
### Top-5 Volume Leaders (mn shares)



### 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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