



February
25, 2019

Benchmark index sheds over 409 points amid lack of triggers

Bourse remained in control of bears at the start of the week, shedding 409.34 points to close below 40,000 level at day end. Benchmark dropped on the back of multiple factors i) rising Indo-Pak tension ii) 20% MoM decline in fertilizer offtakes in Jan'19 ii) FATF unsatisfactory opinion on government's effort to comply with AML/CFT regulations. Investor sentiments remained weak as the government shows slow paced progress towards IMF bailout. On the political front, temperature appears to rise as IHC rejects Nawaz Sharif's plea for bail.

During the day bourse found its support and resistance at 39550.65 points and 40046.25 points. The major laggards responsible for dragging down the market were HBLL (-PKR 3.51), UBL (-PKR 4.91), HUBC (-PKR 1.59), LUCK (-PKR 9.92) and PPL (-PKR 1.67), cumulatively shed 181.35 pts from the index.

Sector-wise, the cement sector remained under pressure as Coal prices in international markets are headed for a rebound. Among major cement scrips, LUCK lost PKR 9.92 from its share value followed by DGKC (-PKR 2.26), ACPL (-PKR 1.62) and KOHC (-PKR 1.49).

The bourse witnessed the volumes of 68mn shares, down by 31% DoD. The traded value clocked in at PKR 3.66bn. The advance to decline ratio remained in the favour of bears where 211 scrips declined, 100 scrips advanced and 21 remained unchanged.

Commercial banks sector was the top traded sector in today's session with the share volumes of 20.7mn shares followed Miscellaneous (5.3mn shares), Cement (4.4mn shares), Food & personal care products (4.1mn shares) and Power generation & distribution (3.5mn shares).

News & Corporate Announcements:

BYCO has announced its financial result for the quarter ended on 31st December 2018. The company posted LPS for the 2QFY19 at PKR 0.06, against the EPS of PKR 0.21 in SPLY. Whereas 1HFY19 EPS of the company clocked in at PKR 0.02 against the EPS of PKR 0.44 in SPLY.

INDU announced its financial result for the quarter ended on Dec'18. The Unconsolidated EPS for the 2QFY19 clocked in at PKR 43.31, against the EPS of PKR 47.53 in SPLY. Whereas, the 1HFY19 EPS of the company clocked in at PKR 87.94, against the EPS of PKR 93.69 in SPLY. Management of the bank also declared dividend of PKR 25 per share for 2Q.

Murree Brewery Company Limited's Profits after tax (PAT) have reportedly increased by 4.53% for the half year ended December 31, 2018 as compared to corresponding period last year. Moreover, the EPS of the company for the said period has been stated at Rs. 23.78 per share.

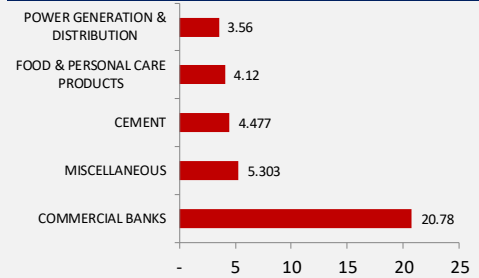
The Islamabad High Court on Monday rejected a petition seeking release of former Prime Minister Nawaz Sharif on bail on medical grounds in the Al-Azizia corruption case.

Market Highlights

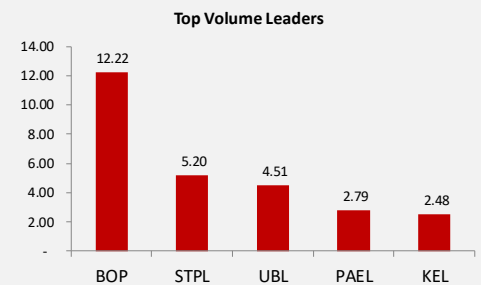
Current Index	39,606.79
Change	-409.34
Percent change	-1.02%
High	40046.25
Low	39550.65
Volume traded (mn shares)	44.19
Value traded (PKR mn)	2,998.

Source: PSX and AAH Research

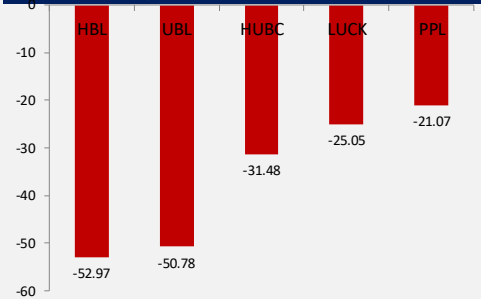
Top-5 Traded Sectors (mn shares)



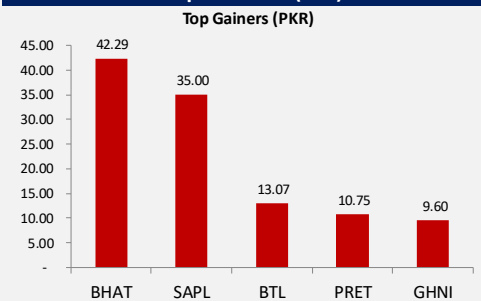
Top-5 Volume Leaders (mn shares)



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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