



April 26,
2021

Benchmark pares last week's losses and more

After last week's dull activity and bearish momentum, participants rushed bulls on Monday on the back of variety of positive economic indicators. The index covered over and above last week's cumulative losses to add 979 points to close the day at 45,682.77 points. Government's allocation of six exploration block to Oil & Gas exploration companies resulted in strong investment inflows towards the sectors, specifically OGDC and PPL. Strong earnings announcements also complemented bullish sentiments as many scrips became active namely in the Banking, Fertilizer and Cement sector. Going forward, we believe bourse to track strong earnings announcements; however, possible restrictions/lockdowns in the country may impede positive trends.

The major scrips that added to the index were OGDC (102 pts), PPL (96 pts), HUBC (78 pts), TRG (60 pts), and LUCK (58 pts). The index found its support and resistance at 44,389.68 points and 45,952.45 points, respectively.

Sector-wise, Technology & Communication sector took the spotlight today, generating a volume of 153mn shares. Food & Personal care sector was the runner up, clocking in a total volume of 33mn shares. Commercial Banks sector was the third-most traded sector amassing a volume of 32mn shares.

The bourse witnessed a volume of 409mn shares, with the value traded clocking in at PKR 23.97bn. The advance-to-decline ratio favored the bulls as 184 scrips closed green, 154 closed red and 16 remained unchanged.

News & Corporate Announcements:

The Board of Directors of Bank Alfalah Limited in its meeting have authorized the Management of the Bank to explore the possibility of acquiring the Consumer Finance Portfolio of Silkbank Limited, subject to State Bank of Pakistan's approval.

The Board of Directors of Dynea Pakistan Limited have approved Debottlenecking Project to increase the existing production capacity of the Formaldehyde Plant and Moulding Compound Plant by 9% and 25% respectively.

The State Bank of Pakistan (SBP) has imposed a monetary penalty of Rs97.58 million on four banks that violated SBP's rules and regulations during Jan-Mar 2021. The penalty was imposed for various indiscretions ranging from Violations in the areas of FX Operations to Violations in the areas of CDD/KYC/CFT/AML and general banking operations.

The Board of Directors of Packages Limited, haVE approved the formation of a wholly-owned local subsidiary, which will be engaged in the business of manufacturing and distributing corn-based starch and its directive products.

The Sindh government on Monday imposed several restrictions to curb the spread of the coronavirus, including closing down all schools, colleges and educational institutions.

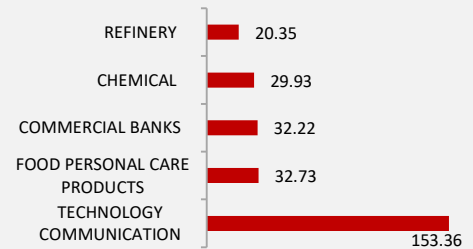
Special Technology Zones Authority (STZA) Chairman Amer Hashmi said the new project of Islamabad Special Technology Zone will create huge business opportunities for foreign and domestic investors. The next five years will see an investment of about \$100 million in the Islamabad Special Technology Zone.

Market Summary

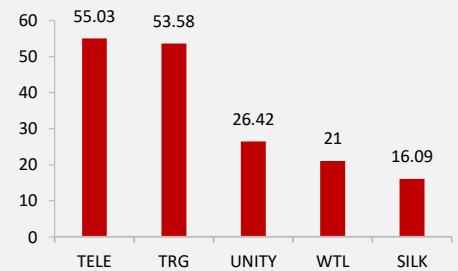
Current Index	45,682.77
Change	976.01
Percent change	2.18
High	45,952.45
Low	44,389.68
Volume traded (mn shares)	203.14
Value traded (PKR mn)	19.86

Source: PSX and AAH Research

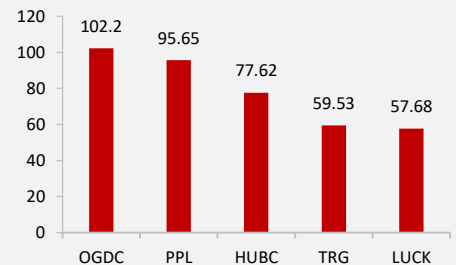
Top-5 Traded Sectors (mn shares)



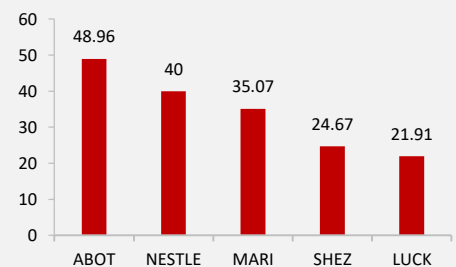
Top-5 Volume Leaders (mn shares)



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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