



May 2,
2019

Bourse sheds 236 points as April inflation remains upbeat

Benchmark index falls over 236.81 points to close at 36,547.63 points as CPI number for April remained elevated. The inflation for the month of April arrived at 8.82% YoY against 3.68% in April'18. Inflated price pressure heightens investors' macroeconomic concerns as central bank might resort to further tightening in May MPC meeting. In addition, volumes in bourse remained muted as new trading regulations irk brokers/investors. During the session, the index found its support and resistance at 36,508.22 ppts and 36,857.75 ppts, respectively. The major laggards responsible for dragging down the market were NESTLE (-PKR 387.50), HUBC (-PKR 1.65), HBL (-PKR 1.19), PSO (-PKR 4.19) and MEBL (-PKR 1.86).

Sector-wise, the steel sector remained under pressure, among major steel scrips INIL lost PKR 2.81 from its share value followed by CSAP (-PKR 1.26), MUGHAL (-PKR 0.69), ISL (-PKR 0.43) and ASTL (-PKR 0.37).

The bourse witnessed the volumes of 67mn shares, while the traded value clocked in at PKR 2.4bn. The advance to decline ratio remained in the favour of bears where 207 scrips declined, 86 scrips advanced and 19 remained unchanged.

Cement sector was the top traded sector in today's session with the share volumes of 14.5mn shares, followed by Food & personal care products (7.4mn shares), Vanaspati & allied industries (7.0mn shares) Transport (6.6mn shares) and Chemical (6.5mn shares).

News & Corporate Announcements:

Pakistan's Yearly CPI rate in April 2019 was 8.82% compared to 9.41% in March 2019 and 3.68% in April 2018. The July-April average inflation is 6.99% compared to 3.77% from the corresponding period last year.

Balochistan Glass Limited reported its first quarter result for the period ended on 31st March 2019. The bank's LPS for 3QFY19 clocked in at PKR 0.38 against the LPS of PKR 1.09 SPLY. While 9MFY19 LPS clocked in at PKR 0.34 against the LPS of PKR 1.41 SPLY.

Worldcall Telecom Limited announced its financial result for the first quarter ended on 31st March 2019. The company's EPS for 1QCY19 clocked in at PKR 0.07 against the EPS of PKR 0.10 SPLY.

Kohinoor Spinning Mills Limited reported its first quarter result for the period ended on 31st March 2019. The bank's LPS for 3QFY19 clocked in at PKR 0.33 against the LPS of PKR 0.54 SPLY. While 9MFY19 LPS clocked in at PKR 1.37 against the LPS of PKR 1.34 SPLY.

Prime Minister Imran Khan and former chief justice of Pakistan Mian Saqib Nisar are attending the groundbreaking ceremony of the Mohmand Dam.

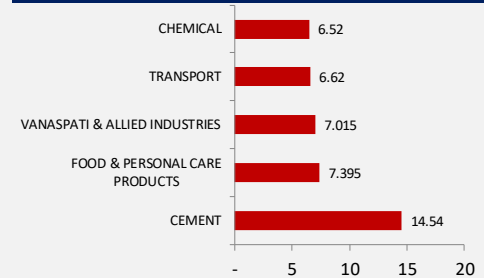
India will ask Financial Action Task Force (FATF) to put Pakistan on a blacklist of countries that fail to meet international standards in stopping financial crime, Finance Minister Arun Jaitley said on Thursday.

Market Highlights

Current Index	36,547.63
Change	-236.81
Percent change	-0.64%
High	36857.75
Low	36508.22
Volume traded (mn shares)	50.97
Value traded (PKR mn)	2.219.

Source: PSX and AAH Research

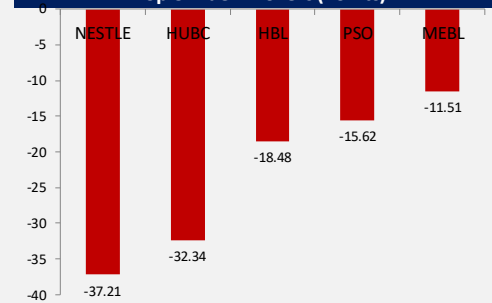
Top-5 Traded Sectors (mn shares)



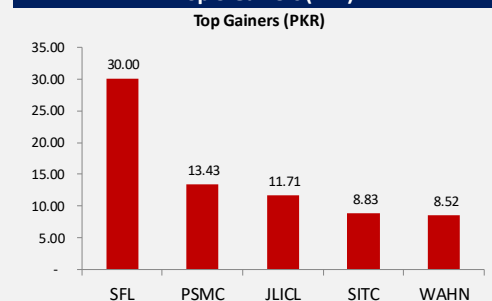
Top-5 Volume Leaders (mn shares)



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.

Analyst Certification ^{AC}

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