



February 2,  
2021

## Benchmark climbs 331 points on global cues and vaccine arrival

Bourse marks a comeback in second session of the new trading month, KSE-100 index jumps 331.89pts during the day and settles the benchmark at 46,580.34pts. Although, the market faced high volatility during early trading hours, growth trajectory in monthly oil sales and export numbers supported rally in stock prices. Furthermore, initialization of long awaited agreements between government and IPPs and arrival of first batch of 500,000 Sinopharm's Covid vaccine added to investors' confidence. On the global front international markets also witnessed upswing as oil futures returned to an upward trajectory. Going forward, we believe investors' sentiments will remain positive in the remaining two session of the week on improving trends in indicators.

The major scrips that added to the index were HUBC (87pts), PSO (65 pts), OGDG (39 pts), POL (36 pts), and MCB (27 pts). The index found its support and resistance at 46,248.45 points and 46,642.72 points, respectively.

Sector-wise, Technology & Communication sector took the spotlight today, generating a volume of 67mn shares. Oil & Gas Marketing sector was the runner up, clocking in a total volume of 63mn shares. Power Generation & Distribution sector was the third-most traded sector amassing a volume of 61mn shares.

The bourse witnessed a volume of 468mn shares, with the value traded clocking in at PKR 23.26bn. The advance-to-decline ratio favored the bulls as 186 scrips closed green, 181 closed red and 19 remained unchanged.

### News & Corporate Announcements:

Companies can now apply for manufacturing mobile devices in Pakistan as the country's telecom regulator has notified its regulations in this regard. They aim to encourage local production of mobile devices. As per the regulations, all devices are to be manufactured according to the ITU Telecommunication Standardization Sector's technical standards.

The government on Monday passed three bills, including the one seeking establishment of the China-Pakistan Economic Corridor (CPEC) Authority with the help of National Assembly Speaker Asad Qaiser, .

Minister for Planning and Development Asad Umar said on Saturday that Pakistan had received a letter from the World Health Organization's Covax platform, indicating of a supply of up to 17 million doses of the AstraZeneca Covid-19 vaccine during the first half of 2021.

A meeting of the Economic Coordination Committee will be held tomorrow i.e. February 3, 2021, under the Chairmanship of PM's Adviser on Finance and Revenue, Dr. Abdul Hafeez Shaikh.

Global fisheries and aquaculture have been hard hit by the COVID-19 pandemic and could face further disruption in 2021 as lockdowns affect supply and demand across the sector, according to a report by the Food and Agriculture Organization of the United Nations (FAO).

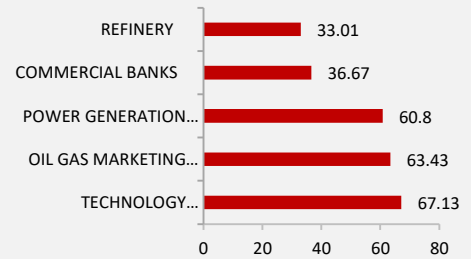
As per the data released by OCAC, overall volumetric sales of petroleum products increased 12% YoY in Jan'21 to 1.52 MTs as compared to 1.59 MTs in Dec'20 and 1.35 MTs in SPLY. Growth in industry sales was largely supported by higher consumption of furnace oil for power generation as country face gas shortage during longer than usual winters

#### Market Summary

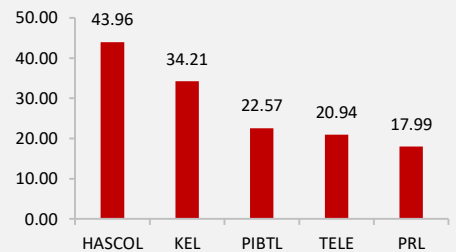
Current Index	46,580.34
Change	331.89
Percent change	0.72
High	46,642.72
Low	46,248.45
Volume traded (mn shares)	266.31
Value traded (PKR mn)	16.87

Source: PSX and AAH Research

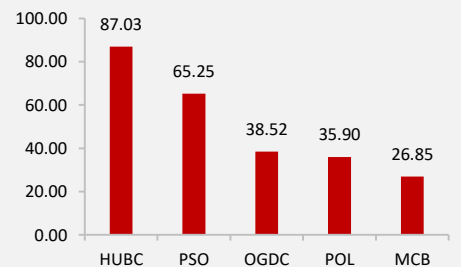
#### Top-5 Traded Sectors (mn shares)



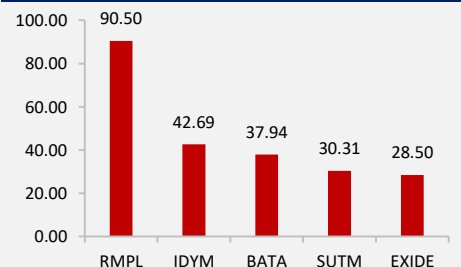
#### Top-5 Volume Leaders (mn shares)



#### 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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