



December  
30, 2020

## Gradual upward trend adds 412 points on domestic positive cues

Positive sentiments uplift the index by 412.49 points in the second-last trading session of CY20. The market mostly witnessed gradual upwards trend with some meagre correction phase during the midday. The market concluded in bullish region at 43,694.76 points. Factors attributable for today's market trend are: i) Federal government's effort to raise textile exports to \$20 bn in next 5-year through incentives to be announced in textile policy ii) consolidation in international Coal prices on MoM basis which is beneficial for cement sector iii) Wapda receive approvals to issue \$500mn Eurobonds. We believe that the market will show stable trends and would conclude CY20 trading at a new high.

The major scrips that pulled the bourse in the green zone today were TRG (+63 pts), SYS (+30 pts), UBL (+28 pts), UBL (+28 pts) and POL (+24 pts). The index found its support and resistance at 43,282.27 points and 43,750.25 points respectively.

The Refinery sector witnessed the greatest activity throughout the day, generating a volume of 76mn shares. Technology and Communication sector was the second most traded sector with 60mn shares being traded, followed by the Oil & Gas Marketing sector that clocked in 26mn shares.

The bourse witnessed a total volume of 456mn shares, with the value traded clocking PKR 22.67bn. The advance to decline ratio favored the bulls as 275 scrips closed green, 96 closed red and 17 remained unchanged.

## News & Corporate Announcements:

Pakistan signed a joint appeal letter Tuesday seeking a \$4.8 billion loan from international financial institutions for a Trans-Afghan railway line project with Uzbekistan and Afghanistan. The rail link would connect Pakistan and Uzbekistan via Afghanistan and later the Central Asian countries.

Senate Chairman Muhammad Sadiq Sanjrani on Tuesday said Pakistan has decided to increase its diplomatic missions in African countries in addition to opening its embassy in Djibouti. The decision has been taken under "Engage Africa Policy"

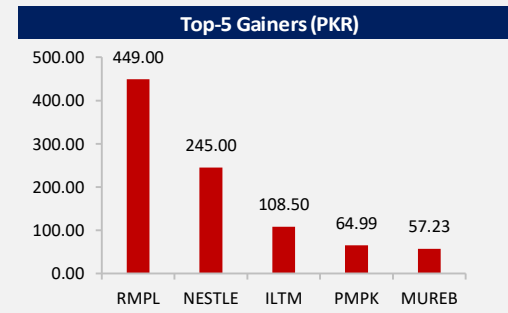
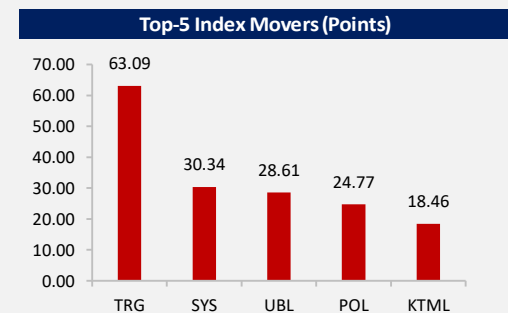
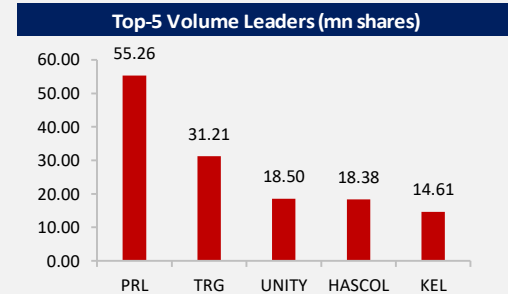
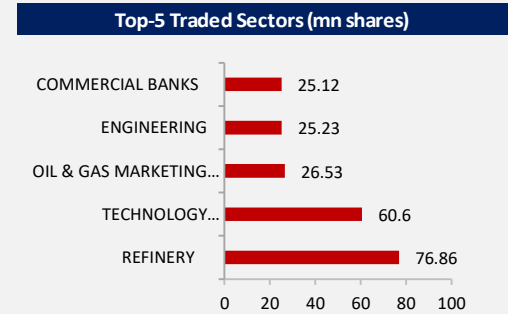
IKEA, a multinational conglomerate that designs and sells ready-to-assemble furniture, is going to commence its operations in Pakistan. The development was announced by Pakistan's ambassador to Germany, Dr Mohammad Faisal, who said that he had met Dieter Mettke from the multinational IKEA conglomerate who was en route to Pakistan to start IKEA operations there.

Prime Minister Imran Khan has constituted a 12-member committee to make recommendations for granting Gilgit-Baltistan the status of a provisional province of Pakistan. The committee is tasked with making the recommendations keeping in view the United Nations resolutions on the disputed region of Kashmir and a judgment of the Supreme Court of Pakistan on determining the GB status.

Azgard Nine Limited (ANL), in a notification to PSX, has announced that the Agent Banks of Creditors have finalized and approved the sale of lands related to the FPR unit including all plant, equipment and installments thereon at a price of PKR 825 million. The company, on the demand of Agent Banks of Creditors, has therefore executed sale agreement/deeds for its FPR unit on December 29, 2020.

Market Summary	
Current Index	43,694.76
Change	412.49
Percent change	0.95
High	43,750.25
Low	43,282.27
Volume traded (mn shares)	227.30
Value traded (PKR mn)	13.89

Source: PSX and AAH Research



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 <sup>AC</sup>

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