



May 4,
2021

KSE-100 index upbeat on strong earnings and impressive data

Domestic equities ended Tuesday's trading session on a bullish note with banking and technology sectors reversing yesterday's bearish close. Bourse settled the index at 44,563.59 points with the gain of 487.39 points as KSE-100 consequents recorded stellar growth of ~82% in their quarterly earnings. Major trigger for today's rally was a 57%YoY improvement in local oil sales in April which depicts strong economic activities despite virus spread. Investors' confidence in bourse was also upbeat on newly appointed Finance Minister, Shaukat Tarin's plans to renegotiate IMF's stringent conditions attached to the USD 6bn package. Minister hinted at seeking relaxation on the impending tariffs hike, which will provide major relief to domestic as well as industrial sectors. Going forward, we expect trading to remain range-bound in the remaining two sessions of the week before extended Eid holidays.

During the session, the index found its support and resistance at 44,076.20 ppts and 44,620.41 ppts, respectively. Some of the major scrips responsible for keeping the index in the green zone were TRG (+PKR 10.72), LUCK (+PKR 14.53), HBL (+PKR 1.90), UNITY (+PKR 2.40) and MCB (+PKR 2.43), adding ~240ppts in the index cumulatively.

The bourse witnessed volumes of 221mn shares, while the traded value clocked in at PKR 10.08bn. The advance to decline ratio remained in the favour of bulls where 112 closed red, 211 scrips closed green and 19 remained unchanged.

Technology & communication sector was the top traded sector in today's session with the share volumes of 64.82mn shares followed by Food & Personal (37.39mn shares), Chemicals (25.93mn shares), Commercial banks (11.95mn shares) and OMCs (11.06mn shares).

News & Corporate Announcements:

Pakistan Petroleum Limited, the operator of Block 2467-16 (Shah Bandar) has notified the PSX that it has commenced the commercial gas production from Benari Development & Production Lease (Benari D&PL) in Shah Bandar Block w.e.f May 3, 2021. The Block is operated by PPL with 63% working interest (WI) along with its Joint Venture Partners, Mari Petroleum having 32% WI, Sindh Energy Holding Company Limited (SEHCL) and Government Holdings Private Limited (GHPL) with 2.5% WI each.

Meezan Bank, Pakistan's leading Islamic bank, has recently signed an agreement with Export-Import (EXIM) Bank of Pakistan to act as its consultant for developing Islamic Trade Finance, Takaful Insurance / Guarantee Products and Services for Corporate and SME (Small Medium Enterprises) Exporters under a Technical Assistance Grant provided by Islamic Development Bank (IsDB).

The State Bank of Pakistan (SBP) conducted an Open Market Operation on Tuesday in which it injected Rs.148.00 Billion into the market for 3 Days.

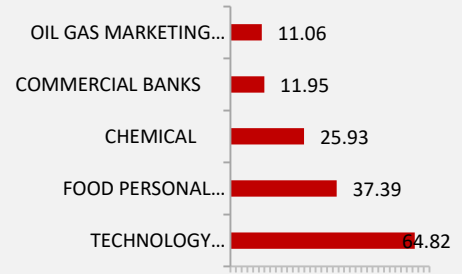
Headed by Shaukat Tarin, the National Price Monitoring Committee (NPMC) took the decision to import four million metric tons of wheat. A summary will now be presented before the Economic Coordination Committee (ECC) of the Cabinet for formal approval.

Market Highlights

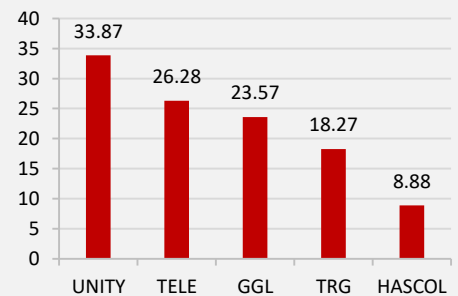
Current Index	44,563.59
Change	487.39
Percent change	1.11
High	44,620.41
Low	44,076.20
Volume traded (mn shares)	108.32
Value traded (PKR mn)	7.27

Source: PSX and AAH Research

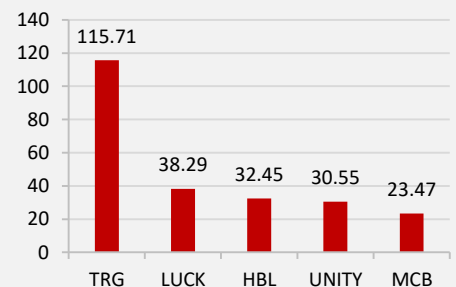
Top-5 Traded Sectors (mn shares)



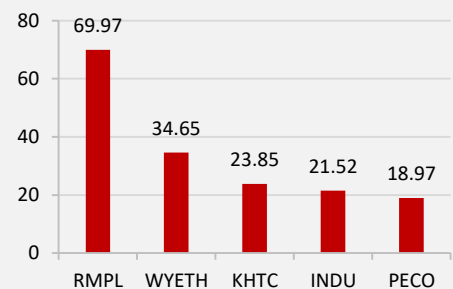
Top-5 Volume Leaders (mn shares)



Top-5 Index Movers (Points)



Top-5 Gainers (PKR)



Data Source: PSX

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited
(021) 32429665, Ext. 106

REP-055

www.jamapunji.pk



سرمایہ کاری سمجھداری کے ساتھ



Disclaimer

This report has been prepared by Aba Ali Habib Securities and is provided for information purposes only. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Aba Ali Habib Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Aba Ali Habib Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents.

In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Aba Ali Habib Securities' Research Department and do not necessarily reflect those of the company or its directors. Aba Ali Habib as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. Aba Ali Habib Securities or any of its officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by Aba Ali Habib Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Aba Ali Habib Securities. Action could be taken for unauthorized reproduction, distribution or publication.

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}

The research Analyst(s) hereby certify that the views about the company/companies and the security/securities discussed in this report accurately reflect his or her or their personal views and that s/he has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendation or views in this report. The analyst(s) is/are principally responsible for preparation of this research report and that s/he or his/her close relative/family member doesn't own 1% or more of a class of common equity securities of the following company/companies covered in this report.

THE TEAM

CEO

Zahid Ali Habib
Zahid@abaalihabib.com
(021) 32425022

RESEARCH TEAM

Contact: (021) 32429665, Ext. 106

Mohammad Zubair - Research Analyst
zubair@abaalihabib.com

Behroze Atique – Research Analyst
behroze@abaalihabib.com

Ayesha Abid – Research Analyst
ayesha.abid@abaalihabib.com

SALES TEAM

Zaheer Ahmed - Head of Institutional Sales
Zaheer.ahmed@abaalihabib.com
(021) 32418693-94

Salman Ahmed - Head of Retail Sales
(021) 32412491

Syed Khalid Ahmed - Equity Trader
Syedkhalid@abaalihabib.com
(021) 32429664

Muhammad Faisal - Equity Trader
faisal@abaalihabib.com
(021) 32464835

Office (PSX Building)

Room # 419, 419 A & 421, 4th Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi
Contact: 021-32429665
Cell: [+92 3312766771](tel:+923312766771)



https://twitter.com/Aba_Ali_Habib



<https://www.facebook.com/aah162>



<https://www.linkedin.com/company/aba-ali-habib-securities/>