



April 5,
2021

KSE-100 index tanks 753 points as new Covid strain tests hospitalization capacity of the country

Benchmark index takes another brunt of bears on Monday, shedding away 752.74 points during the session to fall back to 43,548.21 level. KSE-100 aligned with international markets to follow downwards trends as Covid-19 outbreak has regained its hasty spread on the global scale. Although private vaccination facilities have been established in major metropolises, the slow acquisition of virus jabs by government continue to pose risk to masses. Local positivity ratio has averaged around 9% in past few weeks, with 3,500 virus patients on critical care which is the highest since the virus started. On economic front, exponential growth in trade deficit data for the month of Mar'21 also shattered participants' confidence in bourse. Investors' participation remained dull as traded volumes arrived at 302mn shares by the close of session. Going forward, we believe market to encounter volatility on pandemic situation in the country.

The major scrips that deducted from the index were TRG (-94 pts), SYS (-47 pts), HBL (-42 pts), LUCK (-40 pts), and UBL (-32 pts). The index found its support and resistance at 43,471.19 points and 44,431.24 points, respectively.

Sector-wise, Technology & Communication sector took the spotlight today, generating a volume of 53mn shares. Refinery sector was the runner up, clocking in a total volume of 39mn shares. Engineering sector was the third-most traded sector amassing a volume of 31mn shares.

The bourse witnessed a volume of 302mn shares, with the value traded clocking in at PKR 13.42bn. The advance-to-decline ratio favored the bears as 65 scrips closed green, 281 closed red and 9 remained unchanged.

News & Corporate Announcements:

The State Bank of Pakistan (SBP) conducted an Open Market Operation on Monday in which it injected Rs.87.00 Billion into the market for 4 Days.

The government has released Rs1,686.644 million during the first nine months of the current fiscal year to execute petroleum sector projects under the Public Sector Development Programme (PSDP 2020-21).

Pakistan reports positivity ratio of 9.96%, 43 deaths in last 24 hours. The highest number of critically ill patients were admitted to the hospital for a consecutive day since the pandemic began last year. With these latest statistics, the country's total number of confirmed cases stands at 692,231.

Prime Minister Imran Khan sought public support to overcome corruption, inflation, Covid-19 pandemic and increasing obscurity in society and assured the nation that he would not take any decision that will be against the interests of the country, including trade with India and IMF conditions.

Driven by strong domestic demand from housing projects and a rebound in exports, the Cement industry has posted the highest-ever monthly growth of 44.4% YoY in March'21.

Pak Elektron Limited (PAEL) has unveiled its financial results for the year ended December 31, 2020. As per results, the company has posted net profits of Rs 223 million, depicting a significant increase of 26% YoY when compared to net profits of Rs 177 million in the same period last year.

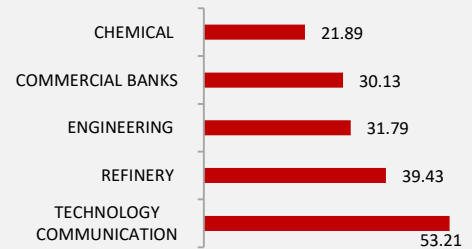
National Centre of GIS and Space Applications (NCGSA) has invited proposals from faculty members and researchers to conduct research with focus on sustainable socio-economic development of Pakistan through Space Science, Technology and its Applications.

Market Summary

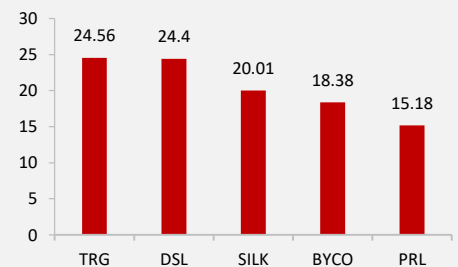
Current Index	43,548.21
Change	-752.74
Percent change	-1.7%
High	44,431.24
Low	43,471.19
Volume traded (mn shares)	139.19
Value traded (PKR mn)	9.63

Source: PSX and AAH Research

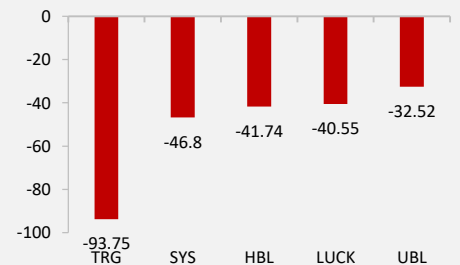
Top-5 Traded Sectors (mn shares)



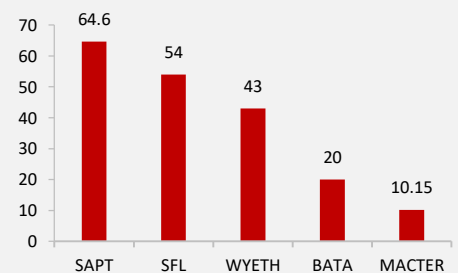
Top-5 Volume Leaders (mn shares)



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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