



April 6,
2021

Bulls make a strong comeback, add 856.49 points to the index

Domestic equities rallied on Tuesday after 3 consecutive bearish sessions. Investors' confidence was revitalized on the back of government's upbeat efforts to curtail inflationary pressure in upcoming months. While rising corona cases pose caution for the country, government's gradual increase in restrictions and widespread vaccination drives supports long term economic recovery. On global scale, crude oil prices faced high volatility due to rise in Covid cases in UK and India. Going forward, we believe market to track on Covid situation in the country.

The major scrips that deducted from the index were TRG (102 pts), LUCK (65.72 pts), HUBC (41 pts), HBL (32 pts), and SYS (27 pts). The index found its support and resistance at 43,548.21 points and 44,478.24 points, respectively.

Sector-wise, Technology & Communication sector took the spotlight today, generating a volume of 76mn shares. Refinery sector was the runner up, clocking in a total volume of 37mn shares. Chemical sector was the third-most traded sector amassing a volume of 20mn shares.

The bourse witnessed a volume of 305mn shares, with the value traded clocking in at PKR 16.11bn. The advance-to-decline ratio favored the bulls as 257 scrips closed green, 77 closed red and 23 remained unchanged.

News & Corporate Announcements:

The upper house of the parliament unanimously passed the Pakistan Single Window Bill, 2021 that would pave the way for improved ease of doing business (EODB) in cross-border trade.

The National Price Monitoring Committee (NPMC) noted that sugar price might start declining in Pakistan following reduction in its prices in the international market.

The government of Pakistan has acquired an additional debt of Rs.14.74 billion during the week ended March 26, 2021, which brings its total net borrowing for ongoing fiscal year 2021 to Rs.669.83 billion. As of prior week, the government had borrowed a net sum of Rs.655.09 billion.

Prospects for a multispeed recovery, with advanced economies recovering more quickly than most other economies, raise concerns for emerging markets as potential monetary surprise tightening by US Federal Reserve, tends to curb global investor risk appetite and trigger capital outflows from emerging markets.

Foreign Minister Shah Mehmood Qureshi said Pakistan would welcome if Russia made an investment for the revival of Pakistan Steels Mills (PSM) or other projects.

The Board of Directors of JS Global Capital Limited has proposed to purchase/ buyback up to a maximum of 3,991,525 issued ordinary shares (13.06% of the total outstanding shares) of the company, having face value of Rs10 each at a purchase price of Rs80 per share.

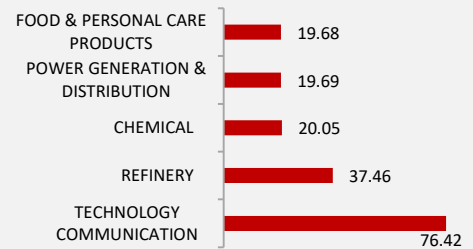
Maple Leaf Cement Factory Limited (MLCF), in an announcement to Exchange, said the existing clinker capacity of brownfield clinker production line-3 located at Iskanderabad, which commenced its production on May 21, 2019, has been enhanced by 500 tons per day of clinker from 7,300 tons to 7,800 tons per day of clinker due to a debottlenecking and Balancing, Modernization and Replacement program.

Market Summary

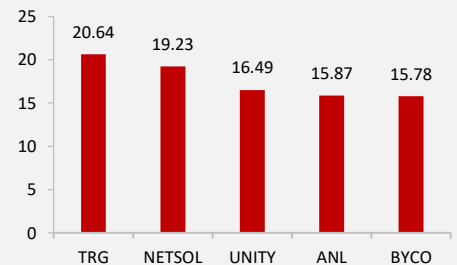
Current Index	44,404.70
Change	856.49
Percent change	1.97%
High	44,478.24
Low	43,548.21
Volume traded (mn shares)	157.97
Value traded (PKR mn)	10.6

Source: PSX and AAH Research

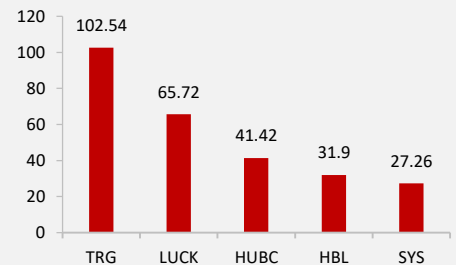
Top-5 Traded Sectors (mn shares)



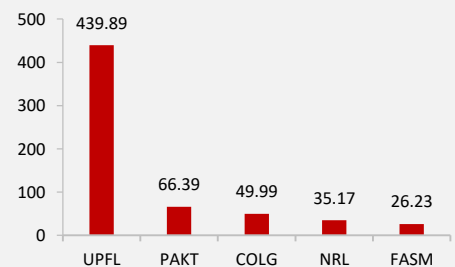
Top-5 Volume Leaders (mn shares)



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



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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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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 Bahalim – 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)



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