



March 6,
2019

KSE-100 index loses 120 points amid lack of positive triggers

Bearish trend extends into the second consecutive session of the benchmark index. Bourse dropped over 120.41 points on Wednesday to close at 39,568.10 points due to lack of positive triggers. Weak domestic cues on the economic front and continuous border tension with India kept investors' sentiments subdued. Lower volumes were witnessed as market expectations are uncertain.

During the day bourse found its support and resistance at 39,494.88 points and 39,845.59 points. The major laggards responsible for dragging down the market were OGDC (-PKR 1.76), HBL (-PKR 1.37), MCB (-PKR 1.58), PSO (-PKR 3.33) and PMPK (-PKR 150), cumulatively shed 87.47ppts from the index.

Sector-wise, the OMCs sector remained under pressure, among major OMC scrips, SHEL lost PKR 13.83 from its share value followed by PSO (-PKR 3.33), HASCOL (-PKR 2.34) and SNGP (-PKR 0.86).

The bourse witnessed the volumes of 81mn shares, down by 50% DoD. The traded value clocked in at PKR 3.9bn. The advance to decline ratio remained in the favour of bears where 179 scrips declined, 139 scrips advanced and 25 remained unchanged.

Commercial banks sector was the top traded sector in today's session with the share volumes of 21.7mn shares followed Cement (12.2mn shares), Power Generation & Distribution (6.1mn shares), Vanaspati & Allied Industries (5.9mn shares) and Chemical (3.8mn shares).

News & Corporate Announcements:

XCMG and HSS Group of China on Wednesday expressed their commitment to bring in investment of \$2 billion in Pakistan's housing and manufacturing sectors.

DGISP Major General Asif Ghafoor said it was up to New Delhi to follow Pakistan's decision of releasing captured Indian pilot as a peace gesture and decide whether it wanted to move towards de-escalation or continue pursuing a warmongering agenda.

Pursuant to the news items being published in the print media regarding the inauguration of Tarbela IV (T4) hydropower project, Ministry of Water Resources would like to state that the contents of such media reports appear as not in sync with the complete facts of the operative parts of the investigation report.

Oil fell towards \$65 a barrel on Tuesday, pressured by the restart of Libya's biggest oilfield and on expectations for an increase in US crude inventories.

The Civil Aviation Authority (CAA) has finalised the National Aviation Policy 2019, after consultation with all stakeholders. Final approval for the policy will be given by the federal cabinet.

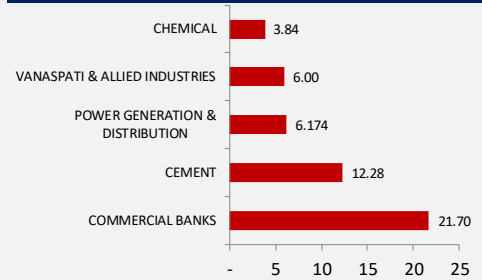
The federal secretary of the finance division on Tuesday warned that Pakistan might face economic sanctions over non-implementation of Financial Action Task Force (FATF) recommendations.

Market Highlights

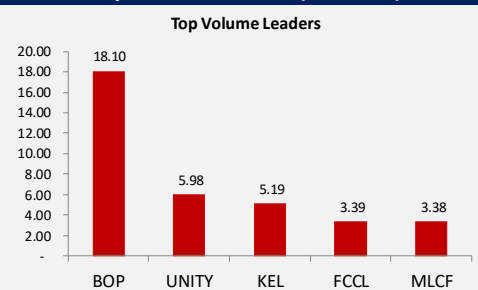
Current Index	39,568.10
Change	-120.41
Percent change	-0.30%
High	39845.59
Low	39494.88
Volume traded (mn shares)	61.61
Value traded (PKR mn)	3.411.

Source: PSX and AAH Research

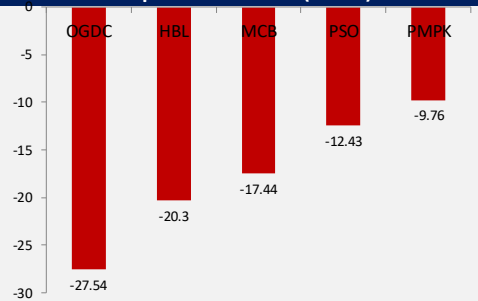
Top-5 Traded Sectors (mn shares)



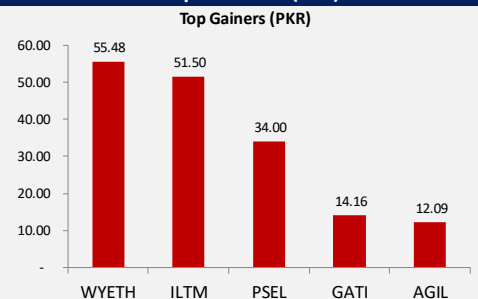
Top-5 Volume Leaders (mn shares)



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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