



March 7,
2019

Bourse continue bearish trend, drops 274 points

Benchmark index started the Thursday's trading session with a positive note, climbing more than 166 points in early hours as government swiftly pass the second supplementary bill in NA. However, gains were short-lived as index dropped 274. points in later hours to close at 39,294.10 points. Investors' sentiments remained weak during the day as macroeconomic and political concerns seem to override the incentives announced in finance bill.

During the day bourse found its support and resistance at 39,257.99 points and 39,747.18 points. The major laggards responsible for dragging down the market were OGDC (-PKR 3.54), HUBC (-PKR 1.63), BAHL (-PKR 1.74), PPL (-PKR 1.92) and UBL (-PKR 1.97), cumulatively shed 146.59 ppts from the index.

Sector-wise, the cement sector remained under pressure as the news circulate that players and northern region have slashed prices by PKR 15-20/bag, among major cement scrips, LUCK lost PKR 6.11 from its share value followed by BWCL (-PKR 1.36), ACPL (-PKR 0.88) and DGKC (-PKR 0.73).

The bourse witnessed the volumes of 83mn shares, up by 2% DoD. The traded value clocked in at PKR 3.8bn. The advance to decline ratio remained in the favour of bears where 211 scrips declined, 107 scrips advanced and 20 remained unchanged.

Commercial banks sector was the top traded sector in today's session with the share volumes of 15.25mn shares followed Chemical (11.18mn shares), Cement (9.33mn shares), Miscellaneous (5.98mn shares) and Technology & Communication (5.66mn shares).

News & Corporate Announcements:

PMPK has reported its net profit at Rs. 543 million for the year ended December 2018, which increased substantially by 184.36% as compared to last year's profit. The company reported its earnings per share at Rs.1.68 for the said period.

Bata Pakistan Limited has announced a minor falloff in its annual net profits when compared to the earnings last year. The company has declared its net income at Rs.1.50 billion (EPS: Rs.198.6) during CY18, against that of Rs.1.52 billion (EPS: Rs.201.65) recorded for CY17.

Prime Minister Imran Khan has directed to complete construction work of Kartarpur corridor swiftly. In a statement in Islamabad on Thursday, he directed Frontier Works Organization (FWO) to complete standard work on the Pakistani side of the border well in time.

Saudi Foreign Minister Adel al-Jubeir arrived in Islamabad on Thursday as part of global efforts to de-escalate tensions between Pakistan and India.

China's Vice Foreign Minister Kong Xuanyou has reiterated China's support to Pakistan for peace and stability in the region and also acknowledged Islamabad's measures against terrorism.

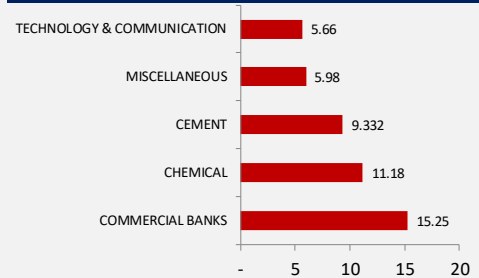
The Supreme Court on Thursday took notice of the delay in the treason trial of former military ruler Pervez Musharraf.

Market Highlights

Current Index	39,294.10
Change	-274.00
Percent change	-0.69%
High	39747.18
Low	39257.99
Volume traded (mn shares)	46.35
Value traded (PKR mn)	2,979.

Source: PSX and AAH Research

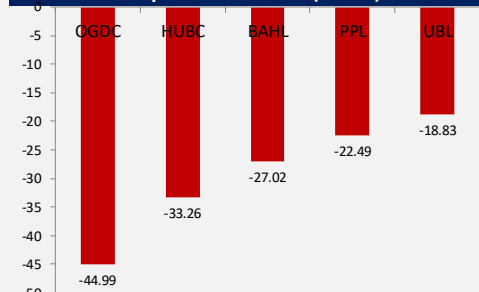
Top-5 Traded Sectors (mn shares)



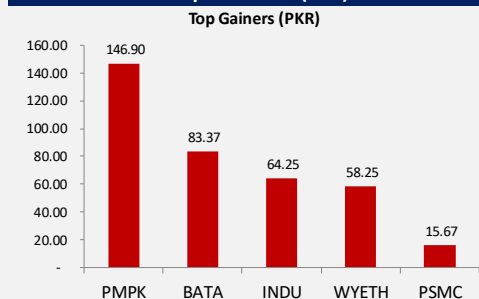
Top-5 Volume Leaders (mn shares)



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.

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