



June 9,
2021

Benchmark index ends below 48,000 level amid profit-booking

The KSE-100 index gave up last week's gain as selling pressure during the mid-day trading dragged the benchmark 370.36 points lower. Index faced stern resistance throughout the week at the key 48,000 level, which led the nervous investors to resort to profit-booking at elevated equities prices. Investors' confidence remained weak during the trading as the government continued to discuss key relief measures for the upcoming budget with the IMF. On the other hand, technology and communication sectors continue to lead volume frenzy in PSX while attracting ~ 65% of total volumetric turnover. Benchmark index ended Wednesday's session at 47,777.62 points.

Sector-wise, Technology & Communications remained in the spotlight with a total volume traded of 885mn shares. Power Gen. & Dist. sector was the second most traded which witnessed 110mn shares being traded today. Miscellaneous sector was the third most traded sector with 40mn shares.

The total volume and value traded today were 1,355mn shares and PKR 23.18bn respectively, continuing to depict an upward trend from the previous day. The advance to decline ratio favored the bears as 123 scrips closed green, 254 closed red and 14 remained unchanged.

News & Corporate Announcements:

Sazgar Engineering (SAZEW) informed PSX through its notice that the company sold 912 units of three wheelers in May'21 which is -11% MoM lower, on the other hand, company's production declined -22% MoM to 955 units.

The Board of Directors of KAPCO in its meeting held in Lahore, has announced cash dividend of PKR 5 per share for the year ended on June 30, 2021.

The total Deposits held by Commercial Banks have shown a growth of 16% YoY to Rs17.95 trillion, while Advances remained muted as it grew by just 5% YoY to Rs8.8tn during the month under review.

PKR settled higher by 9 paise against US Dollar (USD) in an interbank session as the currency closed the day's trade at PKR 155.69 per USD, against yesterday's closing of PKR 155.78 per USD.

Planning Minister Asad Umar on Tuesday hoped to secure financing for the Mainline-I project of the China-Pakistan Economic Corridor (CPEC) in next fiscal year, saying that one of the irritants in reaching a deal was the Chinese banks' reluctance to lend new loans.

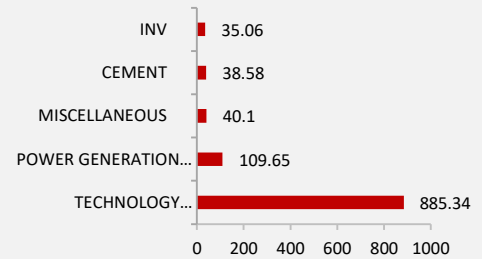
Pakistan administered its milestone 10 millionth anti-Covid vaccine on Wednesday at a ceremony held at the National Command and Operation Centre (NCOC).

Market Summary

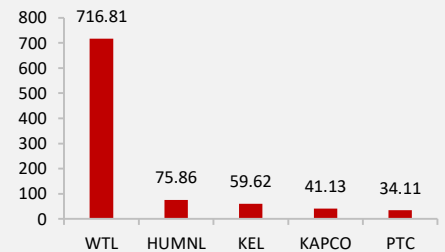
Current Index	47,777.62
Change	-370.36
Percent change	-0.77
High	48,311.92
Low	47,725.94
Volume traded (mn shares)	296.72
Value traded (PKR mn)	12.36

Source: PSX and AAH Research

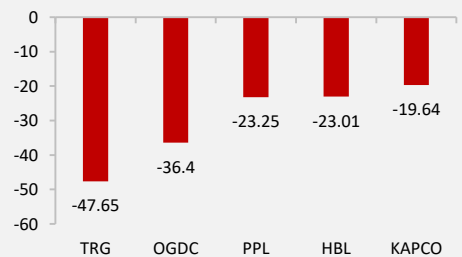
Top-5 Traded Sectors (mn shares)



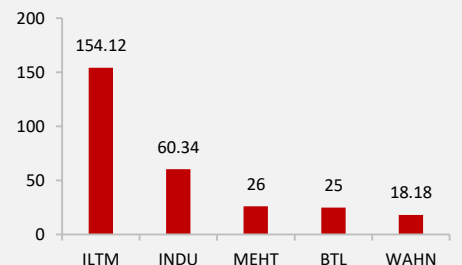
Top-5 Volume Leaders (mn shares)



Top-5 Index Movers (Points)



Top-5 Gainers (PKR)



Data Source: PSX

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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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