



September 9, 2020

Stocks closed flat amid volatile session, adds 37 points on intraday recovery in international oil prices

Taking cues from yesterday, market started the day on negative note and remained largely volatile as benchmark KSE-100 oscillated between negative and positive pole. During the early trading hours benchmark KSE-100 index dipped as much as 350 points, however recovery in international oil prices brought the bourse back in control of bulls which helped it pare the losses. Going forward, we believe market to remain volatile and to take breather at current level before making its next move owing to fluctuation in oil prices coupled with improving macro-economic indicators. The benchmark KSE-100 index added marginal 37.06 points to close above 42,000 level. During the session, the index found its support and resistance at 41,610.73 ppts and 42,196.17 ppts, respectively.

Sector-wise Technology & Communication sector remained in limelight throughout the trading session which fetched total volume of 172.93mn shares. Oil & Gas Marketing Companies (OMC) sector was the second most traded sector which recorded total volume of 83.23mn shares followed by Refinery sector which fetched volume of 64.87mn shares.

The bourse witnessed the volumes of 707mn shares, while traded value clocked in at PKR 21.32bn. The advance to decline ratio remained in the favour of bulls where 199 closed green, 163 scrips closed red and 21 remained unchanged.

News & Corporate Announcements:

Crude oil prices fell on Wednesday as the global coronavirus outbreak continues to threaten global economies while further fueling demand concerns. International benchmark Brent crude was trading at \$39.67 per barrel at 0607 GMT for a 0.27% decrease after closing Tuesday at \$39.78 a barrel.

Pakistani rupee (PKR) depreciated by 9 paisa against US Dollar (USD) in today's interbank session as the currency closed the day's trade at PKR 166.53 per USD, against yesterday's closing of PKR 166.43 per USD.

Sazgar Engineering Works Limited (SAZEW) sold 1,222 units of Auto Rickshaw during the month of August, i.e. around 9.60% higher than the sales made in the previous month.

The State Bank of Pakistan will soon initiate a formal launch of its Roshan Digital Accounts. However, the banks are already opening Roshan Digital account under the soft launch.

Thal Limited (THALL) has reported 18.4% YoY decline in its net profits for FY20 from Rs 3.96 billion to Rs 3.23 billion.

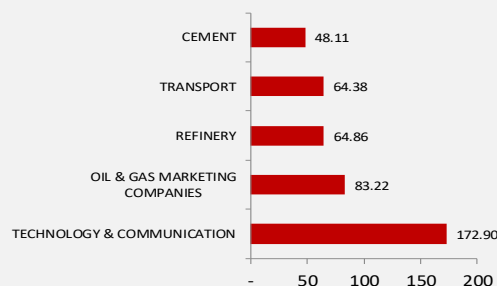
Discovery of 1 trillion+ cubic feet of gas in Kalat, Balochistan, brings good news in controlling Pakistan's energy crisis for the residential and commercial sector," said the minister

Market Highlights

Current Index	42,022.25
Change	37.06
Percent change	0.09%
High	42,196.17
Low	41,610.73
Volume traded (mn shares)	399.1
Value traded (PKR mn)	14.895

Source: PSX and AAH Research

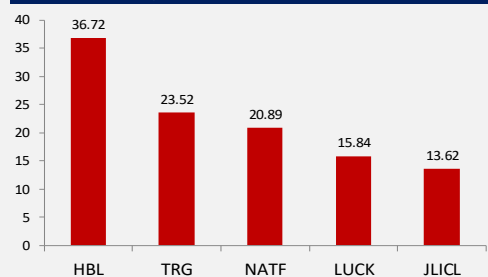
Top-5 Traded Sectors (mn shares)



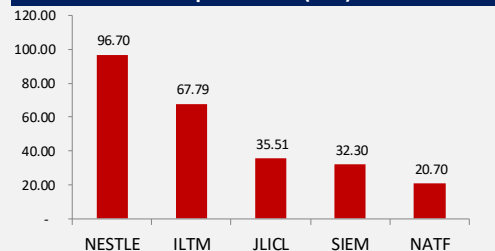
Top-5 Volume Leaders (mn shares)



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

DAILY CLOSING NOTE



Disclaimer

This report has been prepared by Aba Ali Habib Securities and is provided for information purposes only. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Aba Ali Habib Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Aba Ali Habib Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents.

In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Aba Ali Habib Securities' Research Department and do not necessarily reflect those of the company or its directors. Aba Ali Habib as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. Aba Ali Habib Securities or any of its officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by Aba Ali Habib Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Aba Ali Habib Securities. Action could be taken for unauthorized reproduction, distribution or publication.

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}

The research Analyst(s) hereby certify that the views about the company/companies and the security/securities discussed in this report accurately reflect his or her or their personal views and that s/he has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendation or views in this report. The analyst(s) is/are principally responsible for preparation of this research report and that s/he or his/her close relative/family member doesn't own 1% or more of a class of common equity securities of the following company/companies covered in this report.

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

Radha Kirshan Khatri – Research Analyst
Rk.khatri@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

Karachi Office

Room # 419, 419 A & 421, 4th Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi

Contact: 021-32429665

Cell: [+92 3312766771](tel:+923312766771)



https://twitter.com/Aba_Ali_Habib



<https://www.facebook.com/aah162>



<https://www.linkedin.com/company/aba-ali-habib-securities/>