



December
2, 2020

Improving economic indicators push the KSE-100 index past the 42,000 barrier

Bulls steered the market yet again as the KSE-100 benchmark index pushed through the 42,000 level towards the end of session. Positive economic signals that stemmed from improvement in export figures for the month of November and downward trend in CPI number strengthened the investors' confidence. The sentiment was further improved on the back of government's effort to procure Covid-19 vaccines as early as the first quarter of CY21, which we believe will further diffuse the pandemic uncertainty. Based on these cues, the bourse closed with the increase of 362 points, taking the KSE-100 benchmark index to the 42,027.38 points.

Sector-wise, Technology & Communication sector continued to steal the spotlight as a total volume of 85mn shares was traded. Cement sector remained the second most traded sector clocking in a total of 49mn shares. Refinery sector followed as the third most traded sector with a total volume of 48mn shares.

The major scrips that pulled the market into the green zone were BAML (+42 pts), TRG (+41 pts), MTL (+40 pts), HUBC (+24 pts) and LUCK (+23 pts). The bourse found its support and resistance at 41,665.27 points and 42,074.11 points respectively.

The bourse witnessed a volume of 476mn shares and a total value of PKR 20.39bn. The advance to decline ratio favored the bulls as 213 scrips closed green, 119 closed red whereas 37 remained unchanged.

News & Corporate Announcements:

Adviser to Prime Minister on Commerce and Investment, Abdul Razak Dawood on Wednesday informed that the Economic Coordination Committee (ECC) of the cabinet, approved removal of Regulatory Duty on Cotton Yarn.

As per the data released by OCAC, overall volumetric sales of petroleum products increased 21% YoY in Nov'20 to 1.72 MTs as compared to 1.69 MTs in Oct'20 and 1.42 MTs in SPLY.

South Korea's Hyundai Motor Group said on Wednesday it will introduce an electric vehicle-only platform early next year that will use its own battery technology to cut production time and costs.

The Islamabad High Court (IHC) on Wednesday decided to declare former prime minister Nawaz Sharif a proclaimed offender in the Al-Azizia and Avenfield references.

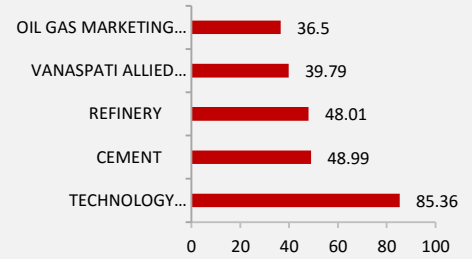
Pakistani rupee (PKR) depreciated by 65 paise against US Dollar (USD) in today's interbank session as the currency closed the day's trade at PKR 160.46 per USD, against yesterday's closing of PKR 159.82 per USD.

Market Summary

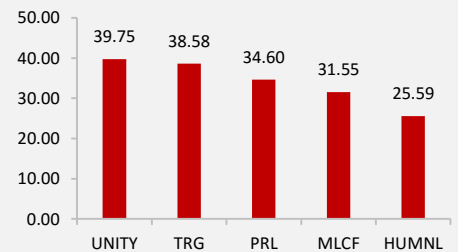
Current Index	42,027.38
Change	362.11
Percent change	0.87
High	42,074.11
Low	41,665.27
Volume traded (mn shares)	280.95
Value traded (PKR mn)	14.89

Source: PSX and AAH Research

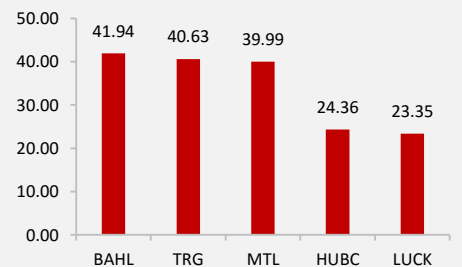
Top-5 Traded Sectors (mn shares)



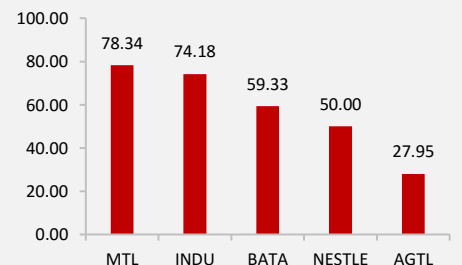
Top-5 Volume Leaders (mn shares)



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}

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.

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