



April 16,  
2021

## Stocks end the week flat at 45,305 points

The benchmark index changed direction to bullish trends on Friday, adding 119 points on weekly basis to close at 45,305.63 points. Volumes remained low at 173mn shares traded on the back of truncated trading hours during the holy month. Reduction in POL prices to cater for recovery and support of economic activity received positive sentiments from investors. PM Imran Khan announced PKR 446bn worth of Sindh specific development budget today, further boosting morale and result expectations of variety of sectors. Increase in foreign reserves to \$23bn backed by the inflows from Eurobonds further elevated investors' spirit. Despite all the positive momentum, Covid continued its deadly presence in the country as a death toll of 110 and 5,364 new infection cases were recorded. Going forward, we expect the market to remain range-bound, tracking on Covid and Law & order situation of the country.

During the week market witnessed three bullish and two bearish sessions, arriving at a weekly gain of meagre 119points, 0.26% WoW. KSE-100 remained ranged-bound throughout the week, major influenced by the following factors: i) Rising Covid infection rate, with daily infections registering above +5000, forced NCOC to implement broader lockdowns on national level which dented investors' sentiments. ii) Market is experiencing lower trading volume due to shorter working hours during the holy month. iii) Pakistan's monthly remittances increased 44% YoY to ~ USD 2.7bn in Mar'21, providing further strengthen on external front. iv) Ministry of Finance upgraded growth forecast to 2.9% for the current fiscal year projected faster than expected economic recovery.

During the week Pakistan witnessed growing popularity on the global stage as Russia, Germany, Turkey and Japan have taken initiatives to improve bilateral trade and improve economic cooperation. However, country-wide protests by TLP followers hindered business activities during the pandemic times to further dampen investors' confidence.

Among market participants' foreigners remained net seller during the week amounting to USD 0.99mn, primarily contributed by corporates amounting to USD 1.44mn. Whereas local investors remained net buyer amounting to USD 0.99mn, mainly contributed individuals (USD 9.77mn), others (USD 3.89mn) and brokers (USD 0.97mn). While companies became net seller with the amount of USD 8.77mn.

## News of the week:

### PM announced development package worth Rs446bn for Sindh today Economy | Positive

Prime Minister Imran Khan announced a historic development package worth 446 billion rupees for Sindh province during his day-long visit to Sukkur on Friday. It will prove to be a guarantor for the socio-economic development of the backward districts of Sindh province. The package envisages the construction of the Nai Gaj dam which will help irrigate 28800 acres of land as well as 306 kilometre long Sukkur-Hyderabad motorway. | [Click for more info.](#)

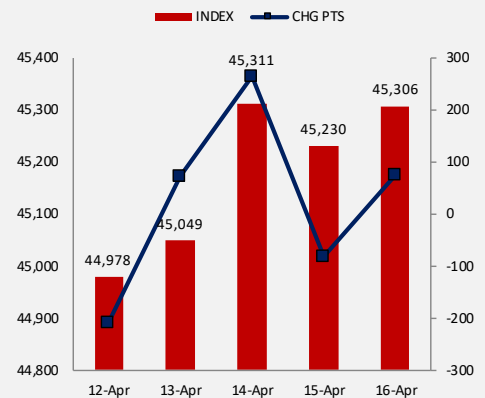
### PM, Turkish President discuss Afghan peace, bilateral ties Economy | Positive

Pakistan and Turkey have agreed to continue the momentum of high-level exchanges to transform bilateral relations into strategic economic partnerships. The consensus to this effect was reached during a telephonic conversation between Prime Minister Imran Khan and Turkish President Recep Tayyip Erdogan. The two leaders discussed issues of mutual interest including further strengthening of bilateral relations in all areas. | [Click for more info.](#)

KSE-100	L-WEEK	C-WEEK	CHNG	% CHNG
INDEX	45,186	45,306	119	0.26%
WEEK HIGH	45,250	45,467	217	0.48%
WEEK LOW	43,473	44,757	1,285	2.95%
VOLUME (MN)	971	634	-337	-34.73%
VALUE US\$ (MN)	439	341	-98	-22.32%
AVERAGE	44,367	45,175	808	1.82%
MKT CAP (PKR)	1.95	1.95	0.00	0.09%
FII NET (US\$ MN)	-9.51	-0.99	-1.06	N/A

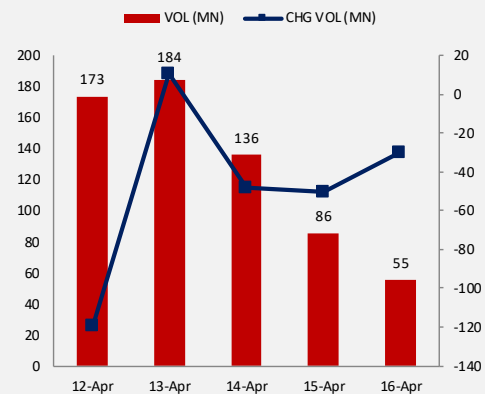
Source: PSX

### KSE-100 INDEX



Data Source: PSX

### KSE-100 INDEX VOLUME



Data Source: PSX

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REP-055



## Govt cuts petrol price by Rs1.79, diesel by Rs2.32 per litre

Economy | **Positive**

The Prime Minister has approved a reduction in petrol prices by 1.79 rupees and the price of diesel by 2.32 rupees, applicable from tomorrow. In a tweet today, Finance Minister Hammad Azhar said Kerosene has been reduced by 2.06 while the Light Diesel Oil has been reduced by 2.21. He said this follows the reduction in prices of 1.55 rupees for petrol and 3 rupees for diesel announced by the government on 1st April. | [Click for more info.](#)

## Asad Umar reviews progress on KCR, Green Line BRT projects

Economy | **Neutral**

Federal Minister for Planning, Development and Special Initiatives Asad Umar chaired a meeting to review the pace of the Green Line BRT and KCR projects here in Islamabad on Wednesday. Secretary Railways, CEO PPP Authority, SIDCL, DG Planning Railways and senior officials participated in the meeting. | [Click for more info.](#)

## Pakistan, Japan to further expand economic cooperation

Economy | **Positive**

His Excellency Ambassador of Japan said that Japan greatly values its bilateral relations with Pakistan. He briefed the Finance Minister about operations of the Japanese entities in Pakistan and expressed confidence that business and economic linkages would further strengthen between the two countries. Both reviewed the spectrum of business and investment relations and identified areas for further strengthening and expanding economic cooperation. | [Click for more info.](#)

## MCB Bank voluntarily winds up its subsidiary

MCB | **Neutral**

MCB Bank Limited (PSX: MCB) has decided to voluntarily wind up Financial Management and Services, a wholly-owned subsidiary of the Bank, subject to compliance with all applicable legal requirements by the Company.. | [Click for more info.](#)

## MUGHAL's BMR project expected to commence in early June'21

MUGHAL | **Positive**

Mughal Iron and Steel Industries Limited has issued its quarterly project progress report in respect of Power Plant Project and BMR of Bar Re-rolling, being financed partly or fully by Right Issue, for the quarter ended March 31, 2021. In its quarterly progress report, the company has informed that the power plant project had already been completed. | [Click for more info.](#)

## Textile exporters urge government to allow duty free import of cotton yarn

Economy | **Positive**

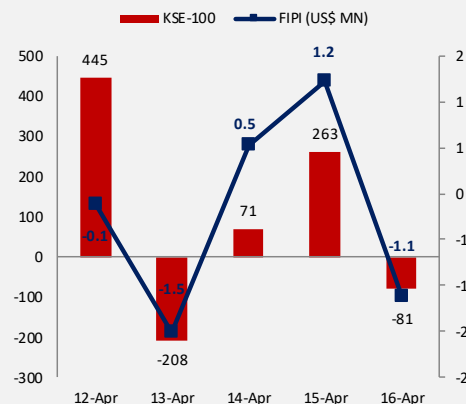
Textile exporters appeal the Government to allow duty free import of cotton yarn till time the government achieves its set cotton production target of 10.5 million bales. To ease down the cotton yarn availability crisis, it is also imperative that to also place ban on export of cotton yarn from Pakistan or impose 10% duty on export of cotton yarn from Pakistan. | [Click for more info.](#)

## French Embassy advises citizens to leave Pakistan

Economy | **Negative**

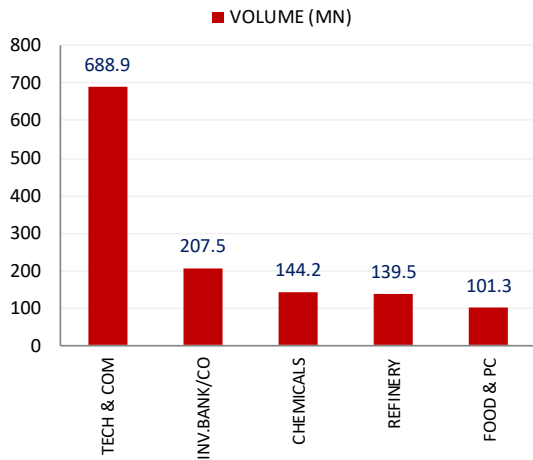
The French Embassy in Pakistan on Thursday advised all French nationals and companies to temporarily leave the country, following violent anti-France protests this week. "Due to the serious threats to French interests in Pakistan, French nationals and French companies are advised to temporarily leave the country," the embassy said in an email to French citizens. | [Click for more info.](#)

### KSE-100 RETURN & FIPI FLOWS

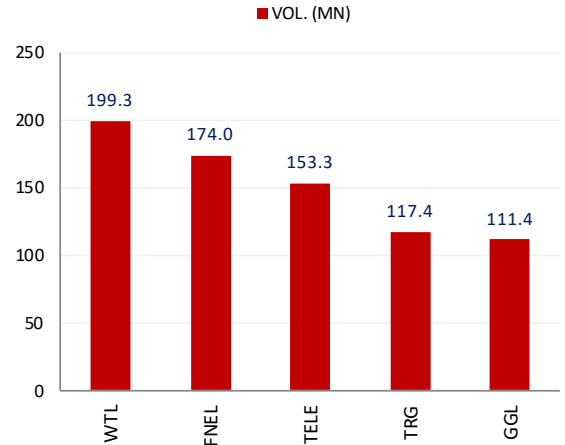




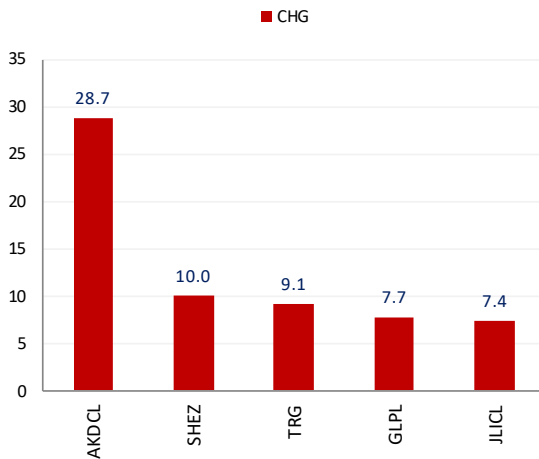
## TOP 5 SECTORS OF THE WEEK



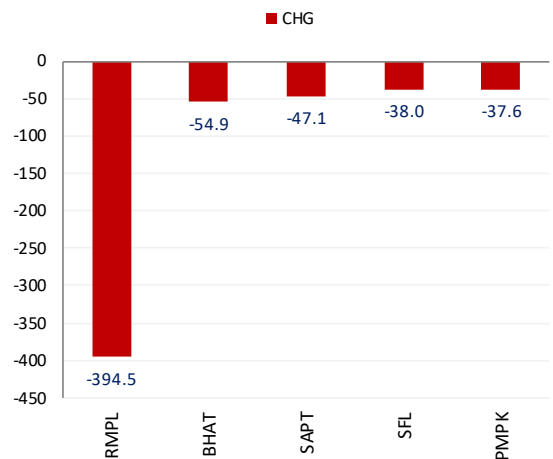
## TOP 5 VOLUME LEADERS OF THE WEEK



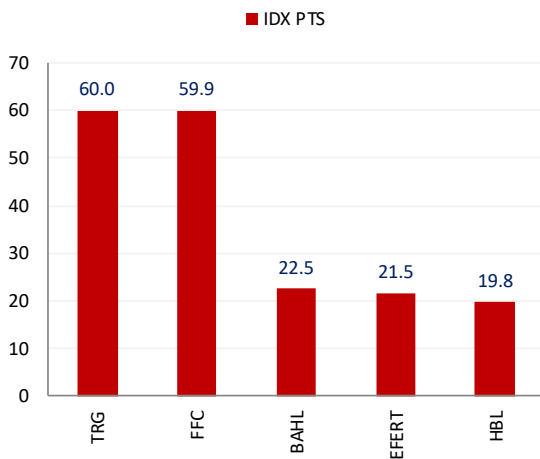
## TOP 5 PRICE GAINERS OF THE WEEK



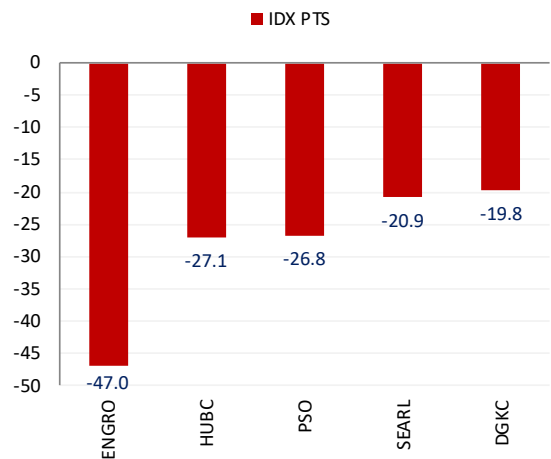
## TOP 5 PRICE LOSERS OF THE WEEK



## TOP 5 PARTICIPANTS OF THE WEEK (+ive)



## TOP 5 PARTICIPANTS OF THE WEEK (-ive)

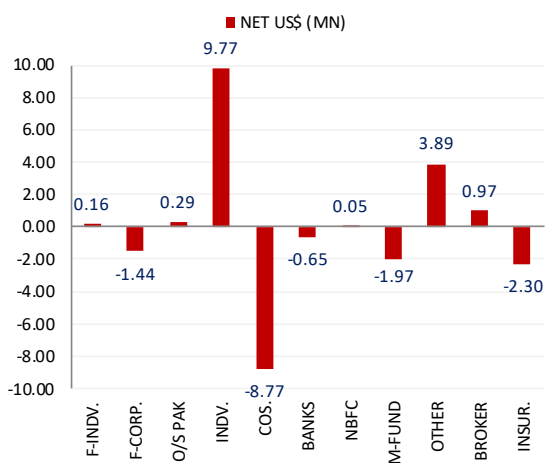




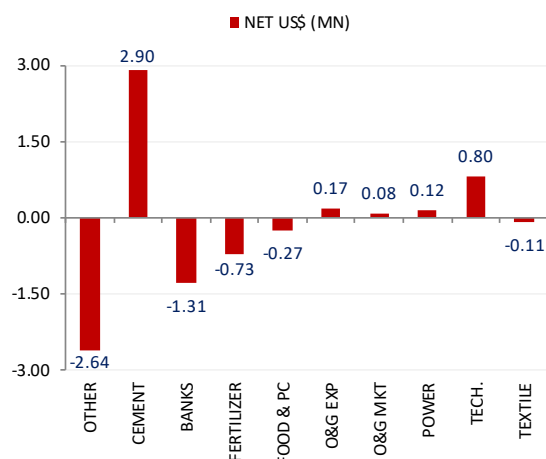
## Foreign & Local Portfolio Investments

SECTOR	F-INDV	F-CORP	O/S PAK	NET US\$	INDV.	COS.	BANKS	NBFC	M-FUND	OTHER	BROKER	INSUR
OTHER	-0.06	-2.27	-0.32	<b>-2.64</b>	3.17	-3.45	0.41	0.03	1.78	0.04	1.16	-0.49
CEMENT	0.00	2.77	0.13	<b>2.90</b>	0.05	-1.59	-0.08	0.00	0.35	-0.04	-0.10	-1.48
BANKS	0.21	-1.91	0.39	<b>-1.31</b>	0.52	-3.38	0.25	0.01	0.66	2.46	0.06	0.73
FERTILIZER	0.00	-0.67	-0.06	<b>-0.73</b>	-0.22	0.18	-0.21	0.00	-1.61	0.30	-0.06	2.34
FOOD & PC	0.01	-0.25	-0.03	<b>-0.27</b>	2.41	-0.50	0.34	0.00	0.52	0.00	-0.92	-1.57
O&G EXP	0.00	0.22	-0.05	<b>0.17</b>	0.27	0.08	0.02	0.00	-1.00	0.24	0.23	0.00
O&G MKT	-0.02	0.32	-0.22	<b>0.08</b>	-0.10	0.06	0.10	0.00	0.87	-0.03	0.81	-1.80
POWER	0.00	0.27	-0.15	<b>0.12</b>	-0.05	-0.03	-0.47	0.00	-0.23	0.69	-0.02	0.00
TECH.	0.01	0.18	0.61	<b>0.80</b>	3.41	0.06	-1.21	0.00	-3.27	0.23	0.00	-0.04
TEXTILE	0.00	-0.11	0.00	<b>-0.11</b>	0.31	-0.19	0.20	0.00	-0.02	0.01	-0.18	-0.01
<b>NET US\$</b>	<b>0.16</b>	<b>-1.44</b>	<b>0.29</b>	<b>-0.99</b>	<b>9.77</b>	<b>-8.77</b>	<b>-0.65</b>	<b>0.05</b>	<b>-1.97</b>	<b>3.89</b>	<b>0.97</b>	<b>-2.30</b>

PORTFOLIO INVESTMENT BY CLIENT



PORTFOLIO INVESTMENT BY SECTORS





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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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