



February
20, 2021

Stocks see volatile trading before FATF meeting, adds 419 points during the week

Bourse witnessed see-saw trading throughout the week, concluded trading with the addition of over 419 points as investors' remained cautious in anticipation of the FATF review scheduled to begin from Monday (22nd Feb'21). Positive momentum in bourse was supported by the successful conclusion of IMF's staff-level discussion with authorities, final go ahead by executive board will result in USD 500mn tranche under EFF. Domestic cues remained largely positive as the government made significant progress on acquisition/distribution of Covid-19 vaccines among front-line workers. Political scene remained muted during the week as both the government and opposition prepared their candidates for the Senate election to be held on 3rd of Mar'21.

On the global front, international markets remained mixed during the week as international oil prices witnessed added volatility due to the winter storm in Texas that resulted in disruptions to oil production, infrastructure, and refineries. Analyst expects oil prices to recover quickly as US oil inventories deplete quicker than expected.

During the week, KSE-100 index witnessed two bearish and three bullish trading sessions, where it cumulatively surged by 0.9% compared to last week. During the week the average traded volume in benchmark stood at 595mn shares, while the average value stood at PKR 25.36bn.

Among market participants' foreigners remained net seller during the week amounting to USD 0.57mn, primarily contributed by corporates amounting to USD 8.41mn. Whereas local investors remained net buyer amounting to USD 0.57mn, mainly contributed companies (USD 5.53mn), individuals (USD 4.59mn) and m-funds (USD 3.15mn). While insurance remained net seller with the amount of USD 9.06mn.

News of the week:

SBP makes Digital and Card Transactions easier and more secure Economy | Neutral

In order to promote digital payments, SBP has been taking steps to make them more secure, introducing new features and promoting their use. Now the consumers will only have Europay MasterCard Visa (EMV) Chip and PIN compliant payment cards, which will be active right from the day issued to them for payments and online e-commerce services. | [Click for more info.](#)

National Foods witnesses an 83% growth in profits during 1HFY21 despite higher expenses

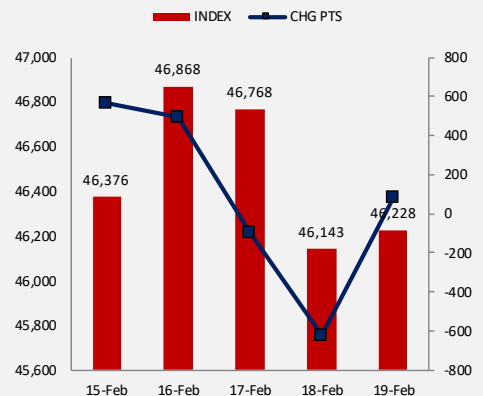
NATF | Positive

National Foods Limited has posted earnings of Rs. 944 million (EPS: 4.4) for the half-year ended December 31, 2020, i.e. nearly 83% higher as compared to the earnings of the same period last year. | [Click for more info.](#)

KSE-100	L-WEEK	C-WEEK	CHNG	% CHNG
INDEX	45,808	46,228	419	0.92%
WEEK HIGH	47,072	47,306	234	0.50%
WEEK LOW	45,728	45,808	80	0.18%
VOLUME (MN)	1,349	1,218	-131	-9.72%
VALUE US\$ (MN)	558	490	-69	-12.29%
AVERAGE	46,381	46,476	95	0.21%
MKT CAP (PKR)	2.00	2.00	0.00	0.01%
FII NET (US\$ MN)	-3.16	-0.57	-0.59	N/A

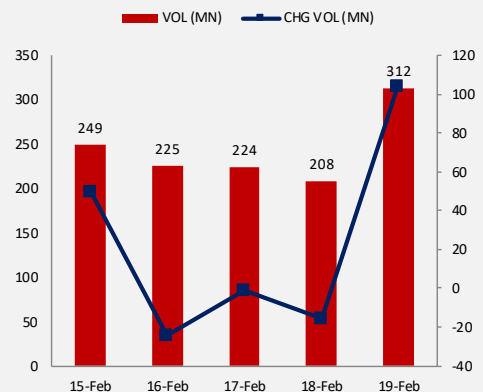
Source: PSX

KSE-100 INDEX



Data Source: PSX

KSE-100 INDEX VOLUME



Data Source: PSX

Contd.. | Page 2

Research Team

research@abaalihabib.com

Aba Ali Habib Securities (Pvt) Limited
(021) 32429665, Ext. 106

REP-055



PSEB to sign MoU with Pakistan Stock Exchange soon

Economy | Neutral

Pakistan Software Export Board (PSEB) will sign a Memorandum of Understanding (MoU) with the Pakistan Stock Exchange (PSX) soon, ensuring sustainable growth of Pakistan's IT sector in the country. | [Click for more info.](#)

Weekly SPI Increases by 9.92% YoY

Economy | Neutral

The Weekly Sensitive Price Indicator (SPI) for the Combined Group increased by 0.55% during the week ended Feb 18, 2021 while the SPI increased by 9.92% compared to the corresponding period from last year. | [Click for more info.](#)

Imports of Power Generating Machines surge 2.7x in January

Economy | Neutral

The import bill of the Machinery group increased by 6% MoM and 9% YoY to clock in at \$919.567 million in the month of January 2021. According to the data issued by the Pakistan Bureau of Statistics (PBS), the major portion of import was associated with Telecom in terms of value, showing an increase of 23% YoY and a decline of 12.28% MoM to stand at \$227 million during Jan'21. This was followed by the imports of Power Generating Machinery which were recorded at \$191.27 million, up significantly by 168% YoY and 25.3% MoM. While the import bill of Electrical Machinery & Apparatus stood at \$151.2 million in Jan'21. | [Click for more info.](#)

Govt. working on system to increase revenue collection in country: Finance Minister

Economy | Neutral

Inaugural meeting of the 10th National Finance Commission was held in Islamabad on Thursday with Finance Minister Dr. Abdul Hafeez Shaikh in the chair. During the deliberations, members of the Commission highlighted emergent financial issues, including the need to increase the size of the pie for everyone, the rising burden of pension payments, and the need for closer coordination between federal and provincial revenue collecting agencies. | [Click for more info.](#)

Pakistan to receive 2.8 million doses of AstraZeneca vaccine under COVAX scheme on March 2

Economy | Positive

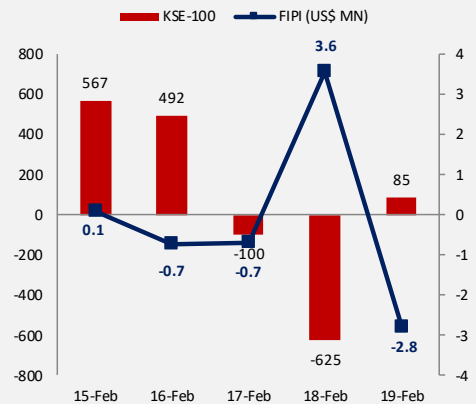
Pakistan to receive 2.8 million doses of AstraZeneca's COVID-19 vaccine on March 2, its first batch under the GAVI/WHO COVAX vaccine initiative and will start giving doses to the over 60s. | [Click for more info.](#)

Economic Coordination Committee (ECC) of the Cabinet held on 19th Feb'21

Economy | Neutral

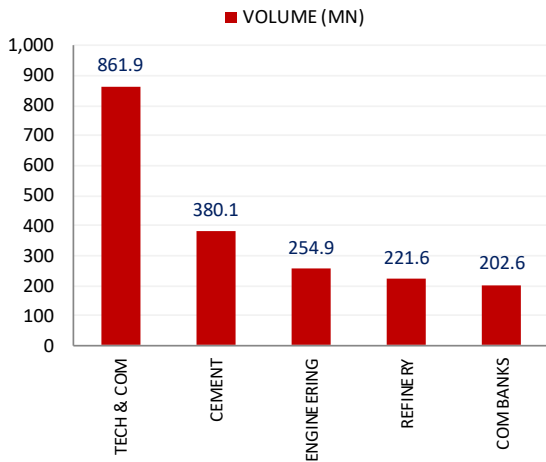
Federal Minister for Finance and Revenue, Dr. Abdul Hafeez Shaikh, chaired the meeting of the Economic Coordination Committee (ECC) of the Cabinet. | [Click for more info.](#)

KSE-100 RETURN & FIPI FLOWS

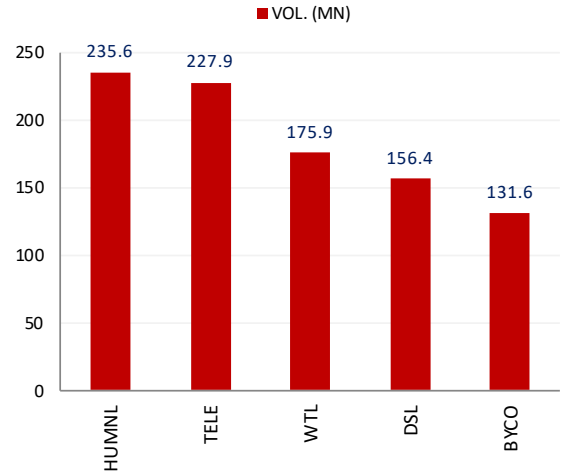




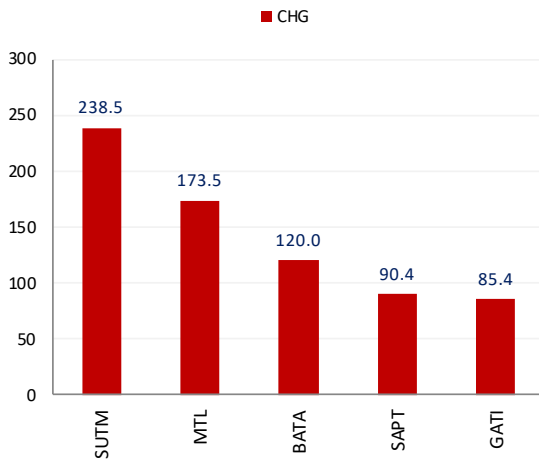
TOP 5 SECTORS OF THE WEEK



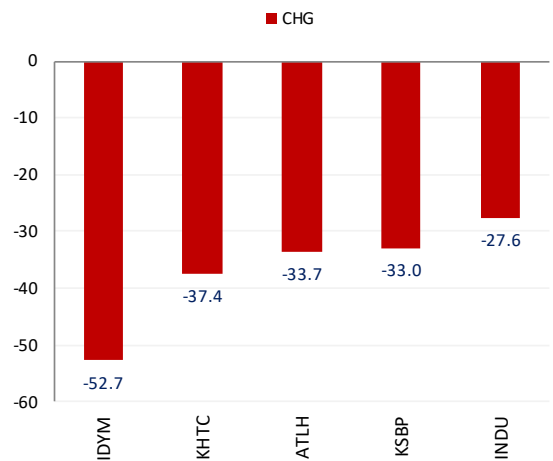
TOP 5 VOLUME LEADERS OF THE WEEK



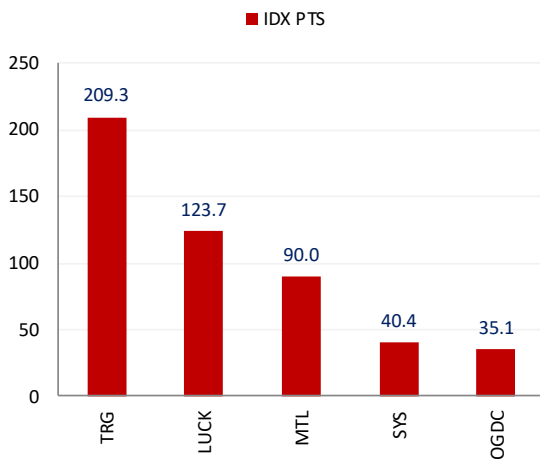
TOP 5 PRICE GAINERS OF THE WEEK



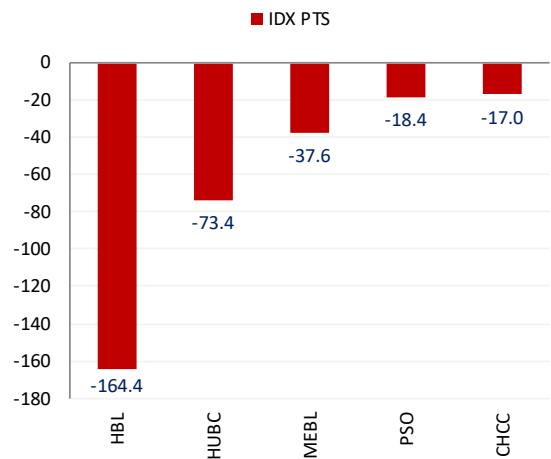
TOP 5 PRICE LOSERS OF THE WEEK



TOP 5 PARTICIPANTS OF THE WEEK (+ive)



TOP 5 PARTICIPANTS OF THE WEEK (-ive)

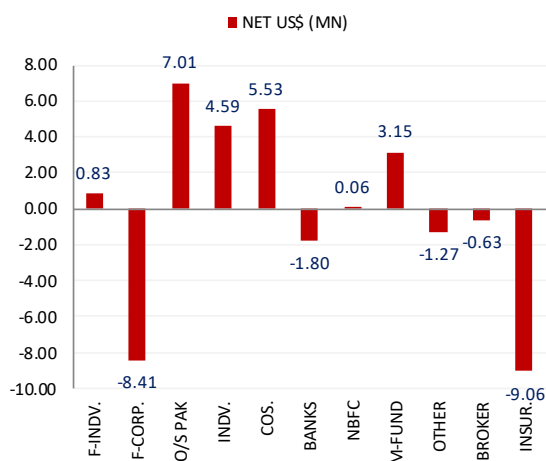




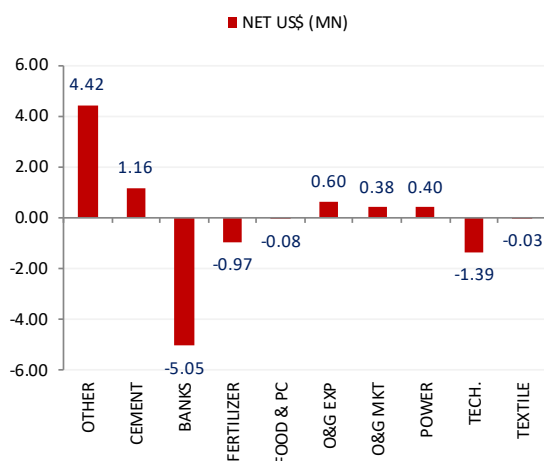
Foreign & Local Portfolio Investments

SECTOR	F-INDV	F-CORP	O/S PAK	NET US\$	INDV.	COS.	BANKS	NBFC	M-FUND	OTHER	BROKER	INSUR
OTHER	0.19	-0.97	5.20	4.42	-8.82	1.52	1.72	-0.03	1.03	-0.85	-1.48	2.50
CEMENT	0.26	-1.20	2.10	1.16	5.13	-0.35	-1.09	-0.05	2.39	-0.48	0.40	-7.12
BANKS	0.38	-5.67	0.24	-5.05	5.84	1.76	-1.79	0.08	0.22	0.36	0.93	-2.34
FERTILIZER	0.00	-1.21	0.24	-0.97	0.78	0.89	0.04	0.14	-0.72	0.29	-0.26	-0.18
FOOD & PC	0.00	-0.65	0.57	-0.08	1.00	-0.46	0.12	0.00	-0.24	0.07	-0.49	0.08
O&G EXP	0.00	0.80	-0.20	0.60	-0.22	-0.11	0.17	0.00	0.87	-0.28	-0.13	-0.89
O&G MKT	-0.01	-0.10	0.48	0.38	0.93	-0.48	0.36	-0.07	0.09	-0.93	-0.29	0.01
POWER	0.00	0.07	0.33	0.40	1.56	-1.00	0.70	0.01	-1.14	0.05	0.00	-0.56
TECH.	0.00	0.39	-1.78	-1.39	-0.57	1.36	-0.78	0.00	-0.06	0.33	0.74	0.37
TEXTILE	0.01	0.13	-0.17	-0.03	-1.03	2.40	-1.25	-0.01	0.74	0.17	-0.05	-0.93
NET US\$	0.83	-8.41	7.01	-0.57	4.59	5.53	-1.80	0.06	3.15	-1.27	-0.63	-9.06

PORTFOLIO INVESTMENT BY CLIENT



PORTFOLIO INVESTMENT BY SECTORS





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

Behroze Atique Bahalim – Research Analyst
behroze@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

Office (PSX Building)

Room # 419, 419 A & 421, 4th Floor, Pakistan Stock Exchange, I.I. Chundrigarh Road, Karachi
Contact: 021-32429665
Cell: [+92 3312766771](tel:+923312766771)