

Topline Market Review

Politics spooks market, index tanks on low volumes

KSE-100: 42,347pts (-1.4%/-586pts)

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Politics spook investors again, traded value sheds 44%



KSE-100	
Key Numbers	
KSE-100 Index (Jan 15, 2018)	42,347.49
Change (Points)	(586.23)
Change (%)	-1.37%
YTD (Since Dec 29, 2017)	4.6%
KSE Mkt Cap. (Rs bn)	8,801
KSE Mkt Cap. (US\$ bn)	79.6
Total Volume (shares mn)	130.5
Total Value (Rs bn)	5.8
Total Value (US\$ mn)	52.7
Total Future Value (Rs bn)	2.3
Total Future Value (US\$ mn)	20.8

Source: PSX

Top 10 Traded Stocks						
Symbol	Value (US\$mn)	Vol. (mn shares)	Closing (Rs)	Change (Rs)	Change	
SNGP	3.5	3.3	118.6	0.3	0.3%	
ENGRO	3.2	1.2	289.2	1.9	0.7%	
ISL	2.9	3.0	109.9	(5.3)	-4.6%	
PAEL	2.6	5.4	53.3	(2.0)	-3.5%	
DGKC	2.5	2.0	137.5	0.3	0.2%	
TRG	2.4	8.6	31.3	(1.6)	-5.0%	
ANL	2.4	19.1	14.0	0.3	2.3%	
LUCK	2.3	0.4	580.6	1.3	0.2%	
UBL	2.2	1.2	206.6	(4.9)	-2.3%	
HBL	2.2	1.2	194.8	(4.4)	-2.2%	

Source: PSX

- As expected investors were clearly spooked by upcoming street protests by opposition parties (from January 17), hence opting to remain on the sidelines. Consequently KSE-100 index tanked 586pts/1.4% to close at 42,347pts mark.
- Despite WTI crude oil trading well above US\$64/bbl, little support was seen from E&Ps besides OGDC.
- Participation receded significantly where volumes were down 44% d/d to 130mn shares, similarly traded value was down by 45% to Rs5.8bn. Excluding Jan 1st, this is lowest activity since December 20, 2017, confirming end of Santa rally.
- Top 10 Index point decliners were HBL (-2.2%), UBL (-2.7%), FFC (-2.7%), POL (-3.5%), PPL (-1.3%), PSO (-3.5%), MCB (-1.7%), ISL (-4.5%), TRG (-5%) & INIL (-5%); withholding 334pts, while ENGRO (+0.3%), OGDC (+0.1%), DAWH (+0.9%), ABL (-0.6%) & BAHL (+0.1%) added 37pts.
- On the sector front; index heavy Banks shed 150pts, followed by E&Ps which eroded 74pts, Fertilizer was down 51pts, OMCs 45pts, Engineering 43pts, Power 29pts, Tech 24pts & Cement 21pts, whereas no major sectors were positive.

- Four soldiers of Pakistan Army were martyred when Indian forces opened unprovoked fire across the Line of Control in Kashmir Monday morning. According to the army's media wing, soldiers were working on lines communication maintenance in the Jandrot and Kotli sectors of Azad Jammu and Kashmir when they were attacked with heavy mortar fire. Pakistan Army responded to the attack and killed three Indian soldiers and injured many others.
- The National Accountability Bureau (NAB) filed on Monday a review petition against the Supreme Court's judgment in the Hudaibia case. The apex court, on December 15, 2017, had dismissed NAB's appeal to reopen the Hudaibiya Paper Mills case against the Sharif family. The NAB, in its review petition, stated that the Supreme Court ruled on its appeal in three days, adding that a reinvestigation of the case cannot be stopped.
- The National Accountability Bureau (NAB) submitted on Monday its clause-wise response to former finance minister Ishaq Dar's plea in the Islamabad High Court (IHC) to suspend corruption proceedings against him. In its response to the IHC, NAB pleaded the court to dismiss the stay order halting the trial, stating that a proclaimed offender has to present himself before the court to get relief. IHC Justice Athar Minallah and Justice Miangul Aurangzeb will take up the plea on Wednesday.
- Amreli Steels (ASTL) notified quarterly progress report regarding expansion of Dhabeji plant, wherein commercial operations date has been pushed to last week of March 2018 due to extended time taken in cold commissioning of plant.
- Cherat Packaging (CPPL) informed that work on installation & commissioning of flexible packaging project is in progress; equipment has been ordered from Windmoller & Holscher, civil works contract has been awarded & is ongoing at satisfactory pace, while new staff is also being hired. CPPL is confident they will commission the project by July 2018.
- Mughal Iron & Steel Industries (MUGHAL) notified quarterly progress report regarding BMR of existing bar re-rolling mill & power generation capacity, wherein 2nd engine for captive power plant has been commissioned while remaining 4 engines have been procured and partial shipment has arrived, civil works of bar re-rolling mill are in progress & First shipment has also been effected. MUGHAL expects completion of projects in 2Q2018.

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