

Topline Market Review

Market succumbs to profit taking
KSE-100 Index: 44,233 (-224pts/-0.5%)

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Profit-taking drags KSE-100 index down 224 points (0.5%)



KSE-100

Key Numbers

KSE-100 Index (Jan 30, 2018)	44,233.11
Change (Points)	(224.19)
Change (%)	-0.50%
YTD (Since Dec 29, 2017)	9.3%
KSE Mkt Cap. (Rs bn)	9,163
KSE Mkt Cap. (US\$ bn)	82.9
Total Volume (shares mn)	282.5
Total Value (Rs bn)	9.5
Total Value (US\$ mn)	86.0
Total Future Value (Rs bn)	2.3
Total Future Value (US\$ mn)	20.6

Source: PSX

Top 10 Traded Stocks

Symbol	Value (US\$mn)	Vol. (mn shares)	Closing (Rs)	Change (Rs)	Change
HBL	5.4	3.1	195.6	(8.9)	-4.4%
FFL	4.6	25.3	20.0	1.0	5.2%
PAEL	3.7	6.8	61.2	1.1	1.9%
ASL	3.5	18.2	21.5	0.8	3.7%
DGKC	3.4	2.3	162.6	(3.4)	-2.1%
DFML	3.0	7.3	46.0	2.2	5.0%
POL	3.0	0.6	564.9	(2.8)	-0.5%
TRG	2.9	9.0	35.4	0.9	2.6%
DCL	2.5	10.7	25.6	1.2	5.0%
ISL	2.3	2.0	123.3	1.0	0.8%

Source: PSX

- Pakistan equities closed lower as investors booked profits despite reduced political noise and announcement of Senate Election on Mar 3, 2018, paving way for timely conduct of General Elections. Pressure was seen in Banking sector as investors opted for profit-taking after yesterday's gains in banking stocks amid hike in policy rate (+25bps to 6%).
- Traded volumes were up 47% whereas traded value was up 18%.
- Top 5 Index point detractors included HBL (-3.9%), UBL (-3.3%), MCB (-1.4%), LUCK (-1.2%) & DGKC (-2.1%), which withheld 256 points from the index while FFC (+2.4%), SEARL (+2.2%), MARI (+1.7%), GLAXO (+5%) & EFERT (+1.2%) added 75 points.
- On the sector front, commercial banks withheld 242 points whereas Fertilizer sector added 25 points.

- Berger Paints (BERG) announced 2QFY18 financial results reporting consolidated earnings of Rs47.9mn (EPS Rs2.6), down 35% YoY. Sales improved by 17% to Rs1.6bn whereas gross profits were up 9% to Rs432mn. Gross margins dropped to 26% in 2Q2017 versus 28% in same period last year. Other income of the company also declined by 72% to Rs9mn.
- Exide Pakistan (EXIDE) disclosed 3QFY18 results reporting loss of Rs43mn (LPS Rs5.5) as against profit of Rs65mn (EPS Rs8.4) in same period last year. Net revenues of the company were down 18% to Rs2.2bn whereas gross profits declined by 49% due to lower margins. Alongside lower gross profits, higher financial charge up 5x to Rs37mn.
- The Supreme Court (SC) on Tuesday conducted a hearing regarding the interpretation of Article 62(1)(f) of the Constitution with a view to ascertaining the period of disqualification of a member of parliament. During the hearing, the CJP said that those who appeared in court could become a party to the case but if any of the lawmakers affected by Article 62 failed to show up, then the court will issue a "one-sided" verdict. "A one-sided ruling is also based on merit," he remarked. Tareen was present in court for the hearing but the PML-N head was not, as he was attending an accountability court hearing on corruption references.
- Gwadar Free Trade Zone projects, which fall under the umbrella of the China-Pakistan Economic Corridor (CPEC), could be listed at the Pakistan Stock Exchange (PSX), a move aimed at helping Chinese investors raise funds for the Endeavour. In a statement released on Monday, the PSX said it would facilitate Chinese investors – under the broader CPEC projects – in raising funds for projects to be set up at the Gwadar Free Trade Zone and get listed at the bourse.
- SC on Tuesday imposed a fine on the Punjab Government for failing to submit its report in the Katas Raj suo motu case. A three-member bench of the apex court, headed by Chief Justice Saqib Nisar, imposed the Rs100,000 fine on the provincial government for failing to file a report explaining the scale of water utilization through sub-soil wells by nearby cement factories. The bench had issued the instructions to the provincial government on December 13 last year. "The pond and the temple at Katas Raj need to be restored," the chief justice remarked during today's hearing. The court had taken up the case based on media reports that the Katas Raj temple complex pond was drying up because cement factories nearby were drawing a large amount of water through a number of sub-soil wells, severely reducing the water table in the general area.

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