

Topline Market Review

KSE-100 Index: 42,745 (+1,096pts/+2.63%)

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Attractive Valuations entice investors

KSE-100

Key Numbers

KSE-100 Index (May 22, 2018)	42,744.82
Change (Points)	1,096.17
Change (%)	2.63%
YTD (Since Dec 29, 2017)	5.6%
KSE Mkt Cap. (Rs bn)	8,828
KSE Mkt Cap. (US\$ bn)	76.4
Total Volume (shares mn)	140.8
Total Value (Rs bn)	7.2
Total Value (US\$ mn)	62.4
Total Future Value (Rs bn)	5.2
Total Future Value (US\$ mn)	45.4

Source: PSX

Top 10 Traded Stocks

Symbol	Value (US\$mn)	Vol. (mn shares)	Closing (Rs)	Change (Rs)	Change
UBL	5.5	3.7	169.0	3.7	2.2%
SNGP	4.2	4.9	98.7	4.7	5.0%
DGKC	3.6	3.1	131.4	3.9	3.1%
MCB	3.5	2.0	199.8	2.4	1.2%
FCCL	3.1	14.0	25.7	1.1	4.5%
ENGRO	2.6	1.0	302.5	13.9	4.8%
PAEL	2.4	7.4	37.4	1.6	4.5%
HBL	2.0	1.3	175.2	3.4	2.0%
OGDC	1.9	1.4	162.5	2.3	1.4%
FFC	1.9	2.3	94.2	4.2	4.5%

Source: PSX

- Investor's in Pakistan equities have finally broken their silence after benchmark index's loss 8% in month to date (till yesterday). Market recorded highest gain in percentage terms in 2018, increasing by 2.6% (1,097 points) to close at 42,745 index level.
- Higher oil prices and attractive valuations renewed investor's interest in the market. This coupled with news of inflows in Emerging Market after a long period of selloff further bolstered market sentiments.
- Oil sector remained amongst top contributors to index during today's trading session as Brent touched US\$80 due to tightened global supply. Among scrips, POL closed at its upper lock while PPL gained 4% in its value.
- Fertilizer scrips also remained in limelight due to likely rise in urea prices by Rs60-100/bag, we believe. Where Fauji Fertilizer (FFC) and Fauji Fertilizer Bin Qasim (FFBL) closed at their ceilings. While, Engro Fertilizer (EFERT) and Fatima Fertilizer (FATIMA) gained 3% each.

- JDW Sugar Mills (JDW) announced its financial results for Mar 18 quarter, where company posted earnings of Rs149mn vs. Rs1.2bn in corresponding period of last year due to decline in revenues by 17% YoY and decline in GP margins by 23ppts YoY to 3.4%.
- Investors added money to exchange-traded funds that buy emerging market stocks and bonds last week, reversing three weeks of losses. Inflows to U.S.-listed emerging market ETFs that invest across developing nations as well as those that target specific countries totaled \$327 million in the week ended May 18, compared with losses of \$1.2 billion in the previous period, according to data compiled by Bloomberg.
- A crucial meeting between Prime Minister Shahid Khaqan Abbasi and Leader of the Opposition Khursheed Shah to decide on the name of a caretaker premier ended inconclusively on Tuesday as both the government and the opposition failed to agree on a candidate for the post.
- Deposed prime minister Nawaz Sharif, reading out his final statement in the accountability court, said the Joint Investigation Team (JIT) probing the Sharif family made no serious effort to record the statement of the Qatari prince despite his willingness to participate in the probe.
- In a significant development, India will be sending its delegation to Pakistan to participate in the anti-terrorism conference being held in Islamabad, under the banner of the Shanghai Cooperation Organization (SCO).
- The Sindh High Court on Tuesday issued a contempt of court notice to K-Electric CEO Tayyab Tareen, National Electric Power Regulatory Authority (NEPRA) Chairman Tariq Sadozi and others over unannounced load shedding in the port city, Express News reported.

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Neutral	Stock will perform in line with the average total return of stocks in universe
Sell	Stock will underperform the average total return of stocks in universe

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Rating	Sector’s Proposed Weight in Portfolio
Over Weight	> Weight in KSE-100 Index
Market Weight	= Weight in KSE-100 Index
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