

Topline Market Review

KSE-100 Index -1.8% WoW (-813 points)

Topline Research

research@topline.com.pk

Tel: +9221-35303330

Topline Securities, Pakistan



www.jamapunji.pk

ASIAMONEY

Best Local Brokerage House
Brokers Poll 2011-14, 2016-17



Best Local Brokerage House 2015-16

Market again fell by 1.8% during the week, after losing 1.2% in last week

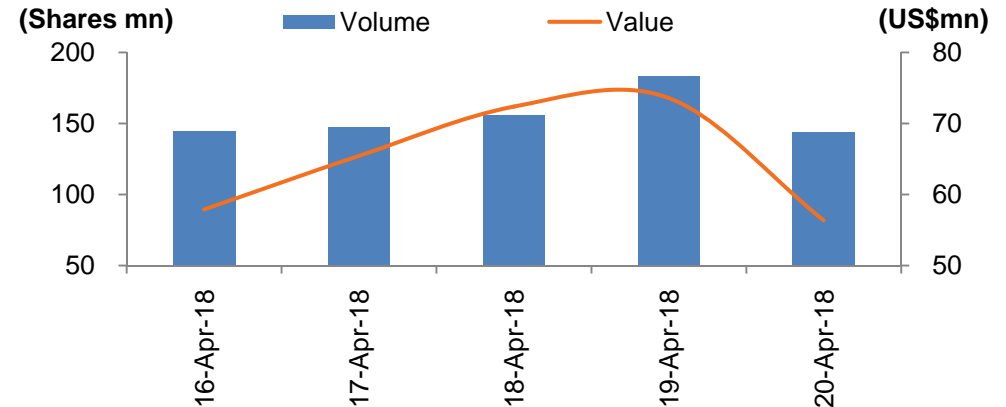


Market Weekly Data

KSE-100 Index	45,259.34
1-Week Change (%)	-1.8%
Market Cap (Rs tn)	9.3
1-Week Change (%)	-1.2%
Market Cap (US\$ bn)	80.7
1-Week Change (%)	-1.2%
1-Week Avg. Daily Vol (shares mn)	155.1
1-Week Avg. Daily Value (Rs bn)	7.5
1-Week Avg. Daily Value (US\$ mn)	65.1

Source: PSX

KSE Volume & Value



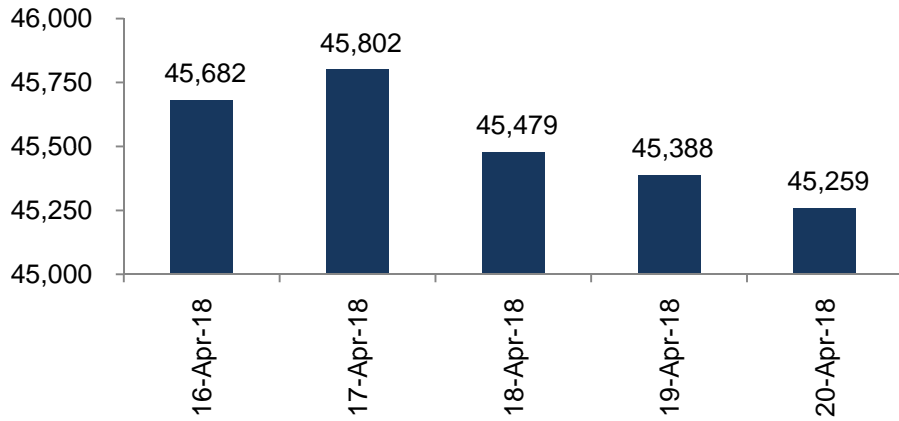
Source: PSX

- Pakistan equities trimmed 1.8% during the outgoing week, that remained dull where investors' sentiments deteriorated further due to 1) prevailing uncertainty over political/economic front, and 2) lack of excitement/positive surprises in corporate results. As a results, total trading volumes and value during the week went down by 37% and 19%, respectively.
- Banking sector stocks emerged as the main laggard and deducted 244 points from index, as major banking scrips like UBL and HBL went down by 4% and 6% during the ongoing week. Anticipation of further provision charge and one time pension cost kept the stocks under pressure, we believe.
- While, Cement sector remained second most straggler and eroded 185 points from the index on rumors of cement price decline.
- Engro Polymers, Lotte chemicals and KEL remained top traded symbols during the week with traded volume of 52mn, 46mn and 43mn shares, respectively.
- Foreigners were net seller during the week amounting to US\$41.8mn vs. net buying of US\$17.5mn last week. On the other hand, amongst local investors Mutual Funds were net buyers of US\$24.6mn whereas Insurance were net sellers of US\$2.1mn.

Important News, Views & Corporate Announcements

- Rafhan maize (RMPL) announced its financial results for 1Q2018, where company reported EPS of Rs118, flat vs. last year. However, GP margins of the company were down by 2ppts to 26%. Company also declared dividend of Rs100/share.
- Pakistan Cables (PCAL) announced its financial results for 9MFY18, where company recorded EPS of Rs7.94, down by 28% YoY due to 4ppts YoY decline in GP margins and 99% YoY increase in finance cost. The board has also recommended 25% right shares at premium of Rs150/share.
- Macter interational (MACTER) announced its financial results for 3QFY18, where earnings of the company clocked in at Rs2.5/share, flat vs. last year, taking 9MFY18 earnings to Rs5.82/share, up by 7% YoY. Company also announced DPS of Rs1.4.
- Lotte chemicals declared its 1Q2018 results, where company recorded EPS of Rs0.23/share despite of the 17% YoY growth in revenue and ~4.5ppts YoY improvement in GP margins. Limited growth in earnings could be attributed to higher effective tax rate of 57%.
- International industries (INIL) announced its financial results for 3QFY18, where company reported EPS of Rs7.7, up by 16% YoY due to increase in topline by 5% YoY. Company also notified about board's consideration to subscribe 25% rights of the Pakistan Cables.
- Nimir resins (NRSL) announced its financial results for 3QFY18, where company reported EPS of Rs0.25 vs. Rs0.23 during the corresponding period of last year. The gross margins of the company went down by ~4-5ppts YoY to 7.4%.
- Chief Justice of Pakistan (CJP) Mian Saqib Nisar ordered the Khyber Pakhtunkhwa (K-P) government to take action against fake doctors across the province and gave a one-week deadline for shutting them down.
- Pakistan's current account deficit continued to expand, adding to the worries of economic managers as the gap widened 50.6% YoY to \$12.03 billion in the nine months of the current fiscal year.

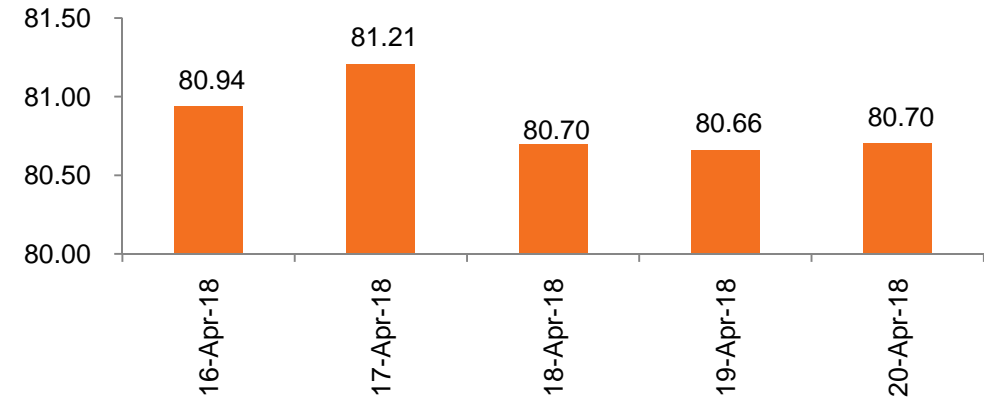
KSE-100 Index



Source: PSX

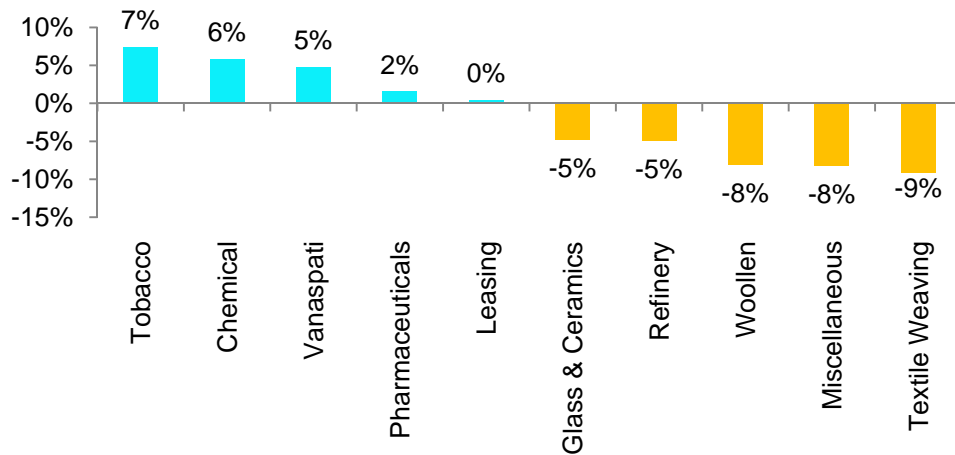
KSE Market Capitalization

(US\$bn)



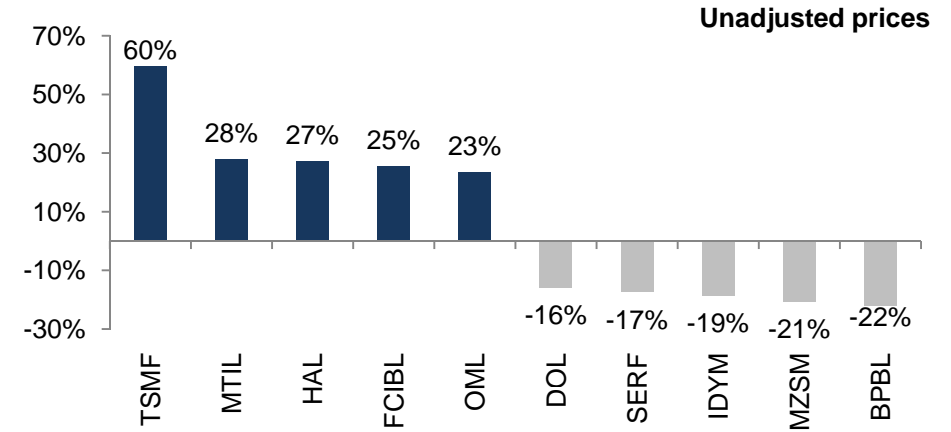
Source: PSX

Market Cap. Sector-wise Return: Top 5 Gainer / Loser of the week



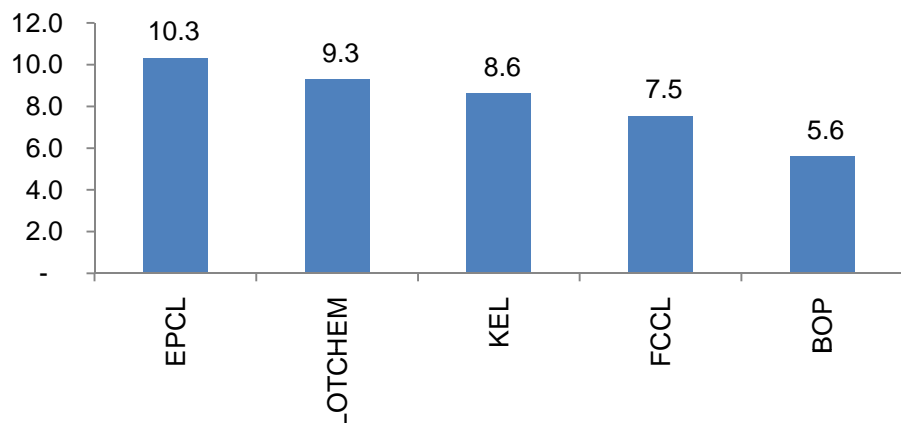
Source: PSX

All Share Index: Top 5 Gainer / Loser of the week



Source: PSX

Top 10 Average Volume Leaders



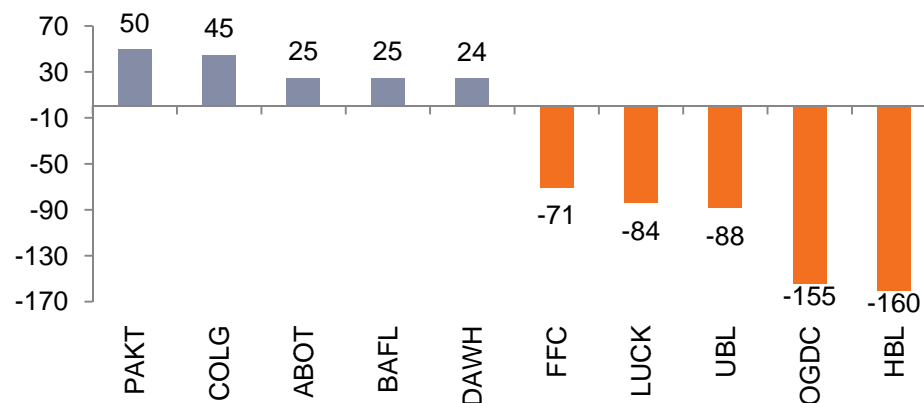
Source: PSX

Foreign: G.Buy, G.Sell & Net Sector-wise During the Week

(US\$m)	Gross Buy	Gross Sell	Net
Oil and Gas Exploration Companies	14.9	(60.9)	(46.0)
Fertilizer	4.3	(3.0)	1.3
Cement	3.9	(2.6)	1.2
Food and Personal Care Products	8.9	(8.0)	0.9
Textile Composite	0.3	(0.6)	(0.4)
Technology and Communication	0.7	(0.7)	(0.1)
Power Generation and Distribution	0.4	(1.1)	(0.7)
Commercial Banks	7.0	(10.7)	(3.8)
Oil and Gas Marketing Companies	0.8	(2.4)	(1.6)
All other Sectors	13.1	(5.8)	7.3
Total	54.1	(95.8)	(41.8)

Source: NCCPL

Top 10 KSE-100 Index Points Contributors



Source: PSX

Foreign: Buying, Selling & Net During the Week

	Gross Buy	Gross Sell	Net
16-Apr-18	21.4	(60.8)	(39.5)
17-Apr-18	10.1	(9.3)	0.8
18-Apr-18	8.5	(8.2)	0.3
19-Apr-18	9.0	(9.3)	(0.3)
20-Apr-18	5.1	(8.3)	(3.1)
Weekly	54.1	(95.8)	(41.8)
Month to Date	172.1	(192.8)	(20.7)
Year to Date	858.4	(847.9)	10.5

Source: NCCPL

Local Banks: G.Buy, G.Sell & Net Sector-wise During the Week

(US\$m)	Gross Buy	Gross Sell	Net
Cement	1.5	(1.4)	0.1
Fertilizer	0.7	(3.2)	(2.5)
Food	0.0	(0.5)	(0.4)
Oil and Gas Expl.	7.3	(2.1)	5.2
Oil and Gas Mark.	1.4	(0.9)	0.6
Power	0.1	(0.8)	(0.7)
Banks	0.6	(1.2)	(0.5)
Telecom	0.4	(0.6)	(0.1)
Textile	0.3	(0.5)	(0.2)
Other Sectors	5.4	(3.6)	1.8
Total	17.9	(14.7)	3.2

Source: NCCPL

Local Funds: G.Buy, G.Sell & Net Sector-wise During the Week (12-15th)

(US\$m)	Gross Buy	Gross Sell	Net
Cement	1.6	(7.4)	(5.9)
Fertilizer	5.0	(1.9)	3.1
Food	0.3	(0.1)	0.2
Oil and Gas Expl.	19.2	(2.0)	17.1
Oil and Gas Mark.	2.7	(2.2)	0.5
Power	2.8	(0.5)	2.3
Banks	6.5	(3.4)	3.1
Telecom	0.3	(0.0)	0.3
Textile	1.5	(0.2)	1.4
Other Sectors	8.8	(6.4)	2.4
Total	48.8	(24.1)	24.6

Source: NCCPL

Local Banks: G.Buy, G.Sell & Net During the Week (12-15th)

(US\$ mn)	Gross Buy	Gross Sell	Net
16-Apr-18	4.1	(2.3)	1.7
17-Apr-18	4.0	(2.5)	1.5
18-Apr-18	2.5	(3.0)	(0.4)
19-Apr-18	3.1	(3.0)	0.2
20-Apr-18	4.2	(3.9)	0.3
Weekly	17.9	(14.7)	3.2
Month to Date	54.3	(75.9)	(21.7)
Year to Date	228.0	(309.0)	(81.2)

Source: NCCPL

Local Mutual Funds: G.Buy, G.Sell & Net During the Week (12-15th)

(US\$ mn)	Gross Buy	Gross Sell	Net
16-Apr-18	19.5	(4.6)	14.9
17-Apr-18	6.0	(4.3)	1.6
18-Apr-18	5.2	(6.1)	(0.9)
19-Apr-18	8.2	(6.0)	2.2
20-Apr-18	9.8	(3.1)	6.7
Weekly	48.8	(24.1)	24.6
Month to Date	176.2	(99.9)	76.7
Year to Date	633.8	(582.9)	51.2

Source: NCCPL

Board Meetings & AGM

Board Meetings				
S. No	Company	DATE	Pakistan Time	Venue
1	Pakistan State Oil Co. Ltd.	Saturday, April 21, 2018	09:30 a.m.	Karachi
2	Kohat Cement Company Ltd.	Saturday, April 21, 2018	11:00 a.m.	Lahore
3	Engro Corporation Limited	Monday, April 23, 2018	10:00 a.m.	Karachi
4	Adamjee Insurance	Monday, April 23, 2018	12:30 p.m.	Lahore
5	Pakistan Petroleum Limited	Tuesday, April 24, 2018	11:00 a.m.	Karachi
6	Fauji Fertilizer Bin Qasim Ltd	Tuesday, April 24, 2018	11:00 a.m.	Islamabad
7	Maple Leaf Cement Factory	Tuesday, April 24, 2018	03:00 p.m.	Lahore
8	Pak Elektron Limited	Wednesday, April 25, 2018	10:30 a.m.	Lahore
9	Pak Suzuki Motor Co. Ltd.	Wednesday, April 25, 2018	11:30 a.m.	Karachi
10	The Bank of Punjab	Wednesday, April 25, 2018	02:30 p.m.	Lahore
11	Fauji Fertilizer Company Ltd	Wednesday, April 25, 2018	10:30 a.m.	Rawalpindi
12	MCB Bank Limited	Wednesday, April 25, 2018	11:00 a.m.	Lahore
13	Packages Limited	Wednesday, April 25, 2018	11:30 a.m.	Lahore
14	Dawood Hercules Corporation	Wednesday, April 25, 2018	11:00 a.m.	Karachi
15	Cherat Cement Company Ltd	Wednesday, April 25, 2018	11:00 a.m.	Karachi
16	Allied Bank Limited	Wednesday, April 25, 2018	11:00 a.m.	Lahore
17	The Hub Power Company Ltd	Thursday, April 26, 2018	10:00 a.m.	Karachi
18	Fatima Fertilizer Company Ltd	Thursday, April 26, 2018	02:30 p.m.	Lahore
19	The Searle Company Limited	Thursday, April 26, 2018	04:00 p.m.	Karachi
20	Engro Foods Limited	Thursday, April 26, 2018	03:00 p.m.	Karachi
21	Lucky Cement Limited	Thursday, April 26, 2018	11:30 a.m.	Karachi
22	Thal Limited	Thursday, April 26, 2018	10:00 a.m.	Karachi
23	Oil & Gas Development Co Ltd	Friday, April 27, 2018	10:30 a.m.	Karachi
24	Habib Bank Limited	Friday, April 27, 2018	11:30 a.m.	Islamabad
25	Indus Motor Company Limited	Friday, April 27, 2018	10:00 a.m.	Karachi
26	National Bank of Pakistan	Friday, April 27, 2018	09:00 a.m.	Karachi
27	IGI Holdings Limited	Friday, April 27, 2018	10:30 a.m.	Karachi

Source: PSX

Shareholder Meetings				
S. No	Company	DATE	Pakistan Time	Venue
1	Adamjee Insurance Company	Monday, April 23, 2018	11:00 a.m.	Lahore
2	Shell Pakistan Ltd.	Tuesday, April 24, 2018	10:30 a.m.	Karachi
3	Engro Corporation	Tuesday, April 24, 2018	10:00 a.m.	Karachi
4	Fauji Fertilizer Co. #	Wednesday, April 25, 2018	09:30 a.m.	Rawalpindi
5	Pak Elektron Ltd.	Wednesday, April 25, 2018	11:30 a.m.	Lahore
6	Pakistan Suzuki Motors	Wednesday, April 25, 2018	09:30 a.m.	Karachi
7	P.T.C.L	Thursday, April 26, 2018	10:30 a.m.	Islamabad
8	Engro Foods Ltd.	Thursday, April 26, 2018	10:00 a.m.	Karachi
9	Honda Atlas Cars (Pakistan) #	Thursday, April 26, 2018	10:30 a.m.	Lahore

Source: PSX

EOGM

Analyst Certification and Disclosures

The research analyst(s), denoted by an “AC” on the cover of this report, primarily involved in the preparation of this report, certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject companies/securities/sectors and (2) no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Furthermore, it is stated that the research analyst or its close relative have neither served as a director/officer in the past 3 years nor received any compensation from the subject company in the past 12 months.

Additionally, as per regulation 8(2)(i) of the Research Analyst Regulations, 2015, we currently do not have a financial interest in the securities of the subject company aggregating more than 1% of the value of the company.

Rating System

Topline Securities employs three tier ratings system to rate a stock, as mentioned below, which is based upon the level of expected return for a specific stock. The rating is based on the following with time horizon of 12-months.

Rating	Expected Total Return
Buy	Stock will outperform the average total return of stocks in universe
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

For sector rating, Topline Securities employs three tier ratings system, depending upon the sector’s proposed weight in the portfolio as compared to sector’s weight in KSE-100 Index:

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

Ratings are updated daily to account for the latest developments in the economy/sector/company, changes in stock prices and changes in analyst’s assumptions or a combination of any of these factors.

Valuation Methodology

To arrive at our 12-months Target Price, Topline Securities uses different valuation methods which include: 1). Present value methodology, 2). Multiplier methodology, and 3). Asset-based methodology.

Research Dissemination Policy

Topline Securities endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc. Nevertheless, all clients may not receive the material at the same time.

Disclaimer

This report has been prepared by Topline 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, Topline 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 Topline 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 Topline Research Department and do not necessarily reflect those of Topline or its directors. Topline as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report.

All rights reserved by Topline 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 Topline Securities. Action could be taken for unauthorized reproduction, distribution or publication.