

Topline Market Review

KSE-100 Index: 42,760 (-48 pts/-0.1%)

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Despite high volumes stocks closed -48pts

KSE-100

Key Numbers

KSE-100 Index (Aug 7, 2018)	42,760.13
Change (Points)	(48.53)
Change (%)	-0.11%
YTD (Since Dec 29, 2017)	5.7%
KSE Mkt Cap. (Rs bn)	8,766
KSE Mkt Cap. (US\$ bn)	70.5
Total Volume (shares mn)	239.5
Total Value (Rs bn)	9.9
Total Value (US\$ mn)	80.0
Total Future Value (Rs bn)	3.2
Total Future Value (US\$ mn)	25.7

Source: PSX

Top 10 Traded Stocks

Symbol	Value (US\$m)	Vol. (mn shares)	Closing (Rs)	Change (Rs)	Change
DGKC	10.6	10.9	120.9	4.4	3.6%
PAEL	5.4	16.2	41.5	0.8	2.1%
LUCK	4.6	1.0	557.7	11.2	2.1%
LOTCHEM	3.8	33.4	14.2	0.4	2.8%
FCCL	3.4	16.1	26.0	1.0	4.0%
OGDC	3.3	2.7	152.4	(0.2)	-0.1%
TRG	3.0	11.2	33.4	(0.0)	-0.1%
MLCF	2.9	6.1	58.9	2.6	4.5%
SNGP	2.9	3.6	99.1	0.3	0.3%
EPCL	2.7	9.7	34.5	(1.0)	-2.7%

Source: PSX

- The Benchmark index started out on positive note with index climbing 233pts. However, due to lack of triggers, the market later succumbed to selling pressure and closed down 48pts.
- Interest was seen in LOTCHEM with 33.3mn shares (57% of total volume) traded hands as the company announced 2Q2018 result which was better than street consensus, but in-line with our estimates. The stock closed up 3%.
- With rumors of a possible price increase of up to Rs10 per cement bag, across the board activity was seen in cement stocks with MLCF (+4.5%), PIOC (+4.4%), FCCL (+4%), DGKC (3.6%), CHCC (+3.4%), and LUCK (+2.1%) ending up in green while the sector added 101 pts to index.
- Investors remained speculative in technology and transport stocks in anticipation of better quarterly results. Consequently, both sectors cumulatively contributed 24 pts to the index.
- Trading volumes and value were up 56% and 48%, respectively in today's session.

- Lotte Chemical Pakistan (LOTCHEM) announced its 2Q2018 result posting an EPS of Rs0.65 up 21x YoY. Higher than expected earnings was a result of improved PTA-PX margins of around US\$170/ton in 2Q2018 vs. US\$80/ton in 2Q2017 and 43% YoY higher sales.
- The official data revealed by Pakistan Bureau of Statistics (PBS) indicates that the imports of petroleum group summed up to 23.7% of the total import bill during FY18. The total bill of petroleum group was recorded at US\$60.87bn during FY18 up by 32.1% YoY.
- The Indus Motor Company (INDU) is expected to launch Toyota's most popular variant of Corolla, XLI 1.3 by the end of this month with upgraded features. These include 4 speed automatic (super electronic controlled transmission), dual SRS airbags and immobilizer. Indus is expected to change the dynamics of auto industry by launching this model equipped with latest features specs.
- The circular debt surged to Rs656bn and owing to that Central Power Purchasing Agency Guaranteed (CPPA-G) served notices to 6 Independent Power Products (IPPs) due to non-payment under the PPAs. The list included Atlas Power, HUBCO-Narowal, Liberty Power Tech, Nishat Chunian Power, Orient Power and Saif Power.
- Jean François Cautain, the ambassador to Pakistan from European Union mentioned that EU is ready to support the new government of Pakistan in removing its name from Financial Action Task Force (FATF) grey list. Pakistan is expected to comply with 26 points within 15-months in order to get its name off from the grey list. Adding to that, the ambassador mentioned that EU had no objection to the proposed Iran-Pakistan gas pipeline project.
- Election Commission of Pakistan (ECP) today has decided to halt election results of 32 national and provincial assemblies' constituencies.

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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

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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
Under Weight	< Weight in KSE-100 Index

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