

July 03, 2009

Pakistan

A positive beginning to FY10

The market rose 4.3%, posting its biggest gain since first week of April as the Index closed the week at 7,471 level. The rally was led by energy stocks followed by fertilizer & telecom. Investors breathed a sigh of relief as all major sectors performed well. The stock market also welcomed the decrease in NSS rates & start of the new fiscal year, while foreigners continued their renewed interest in the bourse.

Expectation of positive developments from the IMF meetings starting from Friday also kept the market upbeat. Average daily volume were hence recorded at 135.6mn, up 24% WoW.

NSS rates down by 50-184bps

Rates on National Saving Scheme were slashed by 50-184bps in line with declining PIB yields. Rates on Regular Income Certificate were slashed by 160bps to 12% while rates on Special Saving Certificate were cut by 133bps to 11.67%. This has re-generated investor interest in blue chip stocks offering high dividend yields.

Energy Stocks lead the way

Refinery, E&P and OMC's lead the way this week posting handsome gains of 8.5%, 6.0% and 5.3%, respectively. Revision in oil prices are expected to improved refinery margins in absolute terms and anticipation of better than expected earnings in E&P sector led the rally. Fertilizer sector posted an increase of 4.4%WoW on the back of rising feedstock prices which lead companies to increase urea price by Rs10/bag. Telecom sector also rose by 2.8% after an earlier than expected dividend offered by PTCL.

Net foreign buying of US\$9.7mn

Foreigners continued their renewed interest in the bourse, resulting in net buying of US\$9.7mn. Cumulative data for the month of June shows net monthly buying for the first time in eight months. Furthermore, in the outgoing FY09 foreigners remained on the selling side with net selling of US\$ 445mn.

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KSE Ready Market	This Weekend	Last Weekend	% Δ
KSE-100 Index	7,471.28	7,163.04	4.3%
KSE Market Cap (Rs. bn)	2,205.35	2,120.58	4.0%
KSE Market Cap (US\$ bn)	27.05	26.06	3.8%
Avg daily vol during week (Sh mn)	135.58	109.01	24.4%
Avg daily value during week(Rsbn)	6.42	4.65	38.2%
Avg daily value during week(US\$m)	78.79	57.08	38.0%

KSE CFS Market	This Weekend	Last Weekend	% Δ
KSE CFS Vol. (Shares mn)	0.09	0.13	-31.0%
KSE CFS Value (Rs. bn)	0.00	0.01	-24.7%
KSE CFS Value (US\$ mn)	0.06	0.08	-24.7%
KSE CFS Average Rate	50.00%	0.00%	5000bps

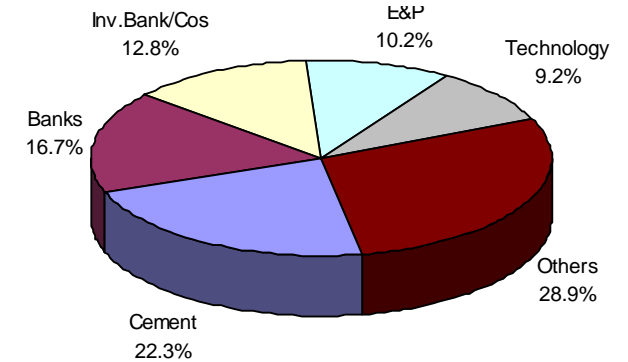
Regional Markets	This Weekend	Last Weekend	%Δ
China (SSEA)	3,088.37	2,928.21	5.5%
India (BSESN)	14,913.05	14,764.64	1.0%
Indonesia (JKSE)	2,075.30	2,040.19	1.7%
Korea (KOSPI)	1,420.04	1,394.53	1.8%
Malaysia (KLSE)	1,078.71	1,075.77	0.3%
Philippines (PSI)	2,431.34	2,477.44	-1.9%
Taiwan (TWII)	6,665.40	6,463.56	3.1%

Top performers of JS Universe	This Weekend	Last Weekend	%Δ
Pakistan Refinery Ltd.	103.95	81.81	27.1%
Attock Refinery Ltd.	144.36	126.65	14.0%
Kot Addu Power	45.01	40.62	10.8%
Allied Bank Limited	39.91	36.39	9.7%
Pakistan State Oil Co. Ltd.	227.01	207.17	9.6%
Stand.Chart.Bank	8.96	8.20	9.3%
Habib Bank Ltd	95.53	88.25	8.2%
National Bank Of Pakistan	71.35	66.12	7.9%
Oil & Gas Dev.Co	83.91	78.12	7.4%
Pakistan Oilfields Ltd.	155.47	146.79	5.9%

WEEKLY REVIEW



Top sectors by volume



KSE CFS Details	This Week	Last Week	This Week	Last Week	This Week	Last Week
	Vol. (m)	Vol. (m)	Val. (bn)	Val. (bn)	Rate (%)	Rate (%)
NBP	0.03	0.03	0.00	0.00	0.00%	0.00%
POL	0.01	0.01	0.00	0.00	0.00%	0.00%
PPL	0.00	0.00	0.00	0.00	0.00%	0.00%
UBL	0.01	0.01	0.00	0.00	50.00%	0.00%
DGKC	0.01	0.02	0.00	0.00	0.00%	0.00%
PSO	0.00	0.00	0.00	0.00	0.00%	0.00%
ENGRO	0.00	0.00	0.00	0.00	0.00%	0.00%
BOP	0.02	0.02	0.00	0.00	0.00%	0.00%
AICL	0.00	0.00	0.00	0.00	0.00%	0.00%
MCB	0.00	0.00	0.00	0.00	0.00%	0.00%
OGDC	0.00	0.01	0.00	0.00	0.00%	0.00%
BAFL	0.01	0.03	0.00	0.00	0.00%	0.00%
TOTAL	0.09	0.13	0.00	0.01	50.00%	0.00%

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