

March 5, 2010

## Pakistan

## Market flat despite 21 week high foreign buying

## WEEKLY REVIEW



The market ended on a positive note despite weak sentiments in the start of the week due to uncertainties surrounding CGT's modalities and appointment of the new finance minister. Foreign interest in oil and banking sector scrips alongside recovery in rupee in the open market eased off investor's concerns and provided the much needed boost to the market. NBP and UBL result announcements were the key highlights of the week, both posting an EPS of Rs16.92 and Rs8.26 respectively. Overall, the KSE-100 index remained relatively flat at 9,626 level, with volumes registering a decline of 9%WoW to come in at 129mn shares.

## Rupee appreciation bolsters investor confidence

Initially, uncertainty regarding modalities of CGT and appointment of new finance minister caused investors to stay on the sidelines. This is reflected from overall low level of volumes witnessed in the outgoing week. However, Rupee appreciation by over Rs1/US\$ in the open market, mainly on the back of improved foreign reserves (up US\$430mn WoW to US\$14.8bn) eased off investor concerns regarding further rupee depreciation, helping the market to recover.

## Corporate Results: NBP leads the way

In the outgoing week, NBP & UBL announced their 2009 earnings which were above market expectations. NBP posted strong earnings of Rs18.2bn (EPS: Rs16.92) along with a cash dividend & bonus issue of 75% & 25% respectively, leading to a flurry of activity in the scrip (up 5%WoW). Investor interest remained intact in the scrip as it announced earning's growth of 10.3% (EPS: Rs8.26) and a cash dividend of 25%.

## Foreign buying at 21 week high

Foreigners remained net buyers in the market, accumulating shares worth US\$24mn - 21 week high level. Banks also accumulated shares worth US\$3.7mn, where as companies emerged as net seller of US\$15mn.

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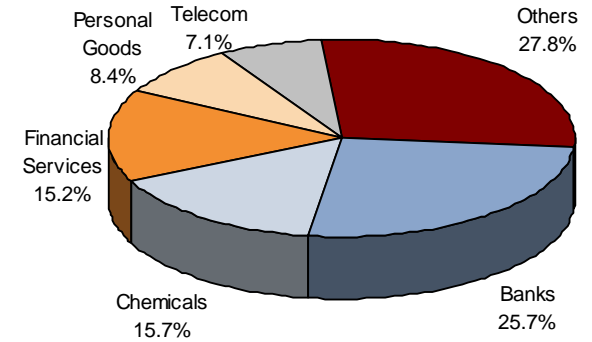
KSE Ready Market	This Weekend	Last Weekend	% Δ
KSE-100 Index	9,626.29	9,657.79	-0.3%
KSE Market Cap (Rs. bn)	2,753.28	2,773.47	-0.7%
KSE Market Cap (US\$ bn)	32.53	32.65	-0.4%
Avg daily vol during week (Sh mn)	128.68	141.43	-9.0%
Avg daily value during week(Rsbn)	4.80	5.00	-4.0%
Avg daily value during week(US\$m)	56.46	58.76	-3.9%

KSE Futures Market	This Weekend	Last Weekend	% Δ
Avg. daily volume (Shares mn)	2.52	6.41	-60.6%
Avg. daily value (Rs. mn)	250.10	308.65	-19.0%
KSE ready future spread (%)	11.21	3.58	763bps

Regional Markets	This Weekend	Last Weekend	%Δ
China (SSEA)	3,031.06	3,051.94	-0.7%
India (BSESN)	16,994.49	16,429.55	3.4%
Indonesia (JKSE)	2,578.77	2,549.03	1.2%
Korea (KOSPI)	1,634.57	1,594.58	2.5%
Malaysia (KLSE)	1,299.78	1,270.78	2.3%
Philippines (PSI)	3,069.63	3,043.75	0.9%
Taiwan (TWII)	7,666.26	7,436.10	3.1%

Top performers of JS Universe	This Weekend	Last Weekend	%Δ
Sui Southern Gas Co. Ltd.	17.46	16.25	7.4%
National Bank Of Pakistan	92.99	88.18	5.5%
Askari Bank Ltd.	26.12	24.82	5.2%
Nishat Mills Ltd.	57.75	55.04	4.9%
Adamjee Insurance Co. Ltd.	122.32	117.33	4.3%
Lucky Cement Limited	73.48	70.62	4.0%
Pakistan Refinery Ltd.	97.95	94.45	3.7%
Lafarge Pakistan Cement Ltd	3.51	3.42	2.6%
Pakistan Oilfields Ltd.	237.54	233.01	1.9%
Kot Addu Power	45.45	44.63	1.8%
D. G. Khan Cement Co.	29.10	28.59	1.8%

## Top sectors by volume



KSE Future Details	This Weekend Vol.(mn)	Last Weekend Vol.(mn)	This Weekend Val.(mn)	Last Weekend Val.(mn)	This Weekend Spread	Last Weekend Spread
POL-MAR	1.74	0.04	400.79	7.92	14.04%	6.33%
AICL-MAR	0.89	0.07	107.94	8.14	15.85%	3.96%
NBP-MAR	0.98	0.14	91.25	12.17	5.42%	6.76%
PSO-MAR	0.06	0.03	17.16	9.65	5.33%	3.51%
ANL-MAR	0.90	0.24	15.98	4.64	4.93%	9.62%
MCB-MAR	0.07	0.06	15.37	13.46	3.70%	6.39%
OGDC-MAR	0.08	0.05	9.62	6.26	-5.17%	-4.44%
LUCK-MAR	0.11	0.04	8.40	2.87	8.57%	1.84%
ENGRO-MAR	0.02	0.07	4.17	12.82	2.21%	7.59%
DGKC-MAR	0.13	0.13	3.51	3.73	-21.26%	-12.14%
<b>TOTAL</b>	<b>5.24</b>	<b>10.45</b>	<b>684.45</b>	<b>204.65</b>	<b>11.21%</b>	<b>3.58%</b>

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