JS Research

April 09, 2010

Pakistan

WEEKLY REVIEW

KSE: Volumes surge to a 26 week high

A host of macro and micro events encouraged activity at the KSE, resulting in a 45% WoW jump in volumes to 252mn shares, a 26 week high. Concerns on the macro front following reports of the fiscal deficit target being missed, were allayed with the Rupee strengthening against the dollar and T-bill yields going down, indicating interest rates are due to follow suit in the medium term. The parliamentary approval for the 18th amendment further enhanced investor sentiments in the market.

Economics and politics push market up 1.6%

Despite news of likelihood that the fiscal deficit may cross the revised 5.1% target in FY10, the market remained unaffected, as the Rupee gained 0.5% against the US$ and the T-Bill yields fell by 8-10bps. The latter development hinted at interest rates coming down in future. The passage of the 18th amendment by the parliament was a clear sign of harmony on the political front. Investors in response to all this remained bullish throughout, leading the market to rise by 1.6% WoW.

Banks emerge as outplayers

The Banking scrips benefited on a positive outlook emerging from the quarterly sector results suggesting provisions are heading south. Apart from this, a variety of stocks remained in the limelight this week including LOTPTA (↑ 13%) on news of the parent company's expansion plans, SILK (↑ 21%) following its rights issue, ANL (↑ 3%) after the announcement of its subsidiary Agritech Ltd.'s listing and Pak Reinsurance (↑ 13%) post its healthy dividend payout (Rs3).

Individuals and Financial Institutions lead sellers

Foreigners continued to invest heavily and their net buying came at US$21.9mn, with Individuals and Financial Institutions being the major sellers with a total of US$11.7mn and US$17.1mn, respectively.

angela.memon@js.com
92 21 111-574-111 (Ext. 3097)

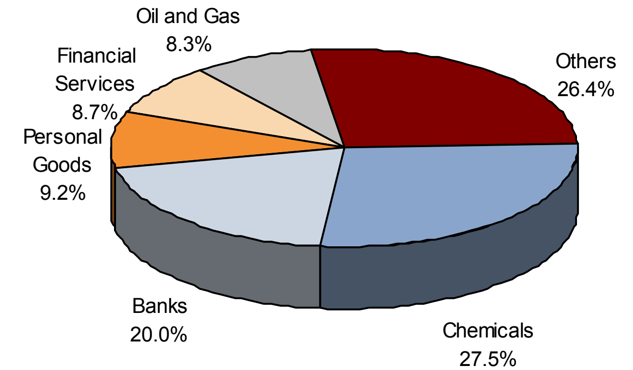
KSE Ready Market	This Weekend	Last Weekend	% Δ
KSE-100 Index	10,586.46	10,416.52	1.6%
KSE Market Cap (Rs. bn)	2,993.45	2,951.63	1.4%
KSE Market Cap (US$ bn)	35.62	34.97	1.9%
Avg daily vol during week (Sh mn)	252.19	174.19	44.8%
Avg daily value during week(Rsbn)	8.69	7.78	11.7%
Avg daily value during week(US$mn)	103.56	92.47	12.0%

KSE Futures Market	This Weekend	Last Weekend	% Δ
Avg. daily volume (Shares mn)	6.80	8.15	-16.5%
Avg. daily value (Rs. mn)	596.17	595.01	0.2%
KSE ready future spread (%)	6.24	6.62	-38bps

Regional Markets	This Weekend	Last Weekend	%Δ
China (SSEA)	3,145.35	3,157.96	-0.4%
India (BSESN)	17,933.14	17,692.62	1.4%
Indonesia (JKSE)	2,845.01	2,830.00	0.5%
Korea (KOSPI)	1,724.47	1,723.49	0.1%
Malaysia (KLSE)	1,333.98	1,335.94	-0.1%
Philippines (PSI)	3,256.12	3,161.80	3.0%
Taiwan (TWII)	8,092.03	8,025.93	0.8%

Top performers of JS Universe	This Weekend	Last Weekend	%Δ
Lotte Pakistan PTA Ltd.	12.59	11.17	12.7%
Faysal Bank Limited	19.35	17.57	10.1%
Attock Refinery Ltd.	129.20	121.13	6.7%
National Bank Of Pakistan	74.76	70.61	5.9%
Allied Bank Limited	64.09	61.00	5.1%
National Refinery Ltd.	194.21	185.20	4.9%
Pakistan Telecommunication	22.29	21.31	4.6%
Pak Suzuki Motor Co. Ltd.	86.12	82.79	4.0%
Engro Polymer	15.88	15.28	3.9%
Stand.Chart.Bank	8.28	7.98	3.8%
Fauji Fertilizer Co. Ltd.	117.21	113.24	3.5%

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-APR	1.80	1.88	446.54	461.02	0.98%	12.36%
AICL-APRB	1.70	0.20	198.25	25.68	21.05%	0.52%
ENGRO-APR	0.25	1.02	52.40	209.99	3.51%	0.82%
OGDC-APR	0.19	0.26	25.64	34.30	-0.46%	0.05%
NBP-APR	0.28	0.51	20.67	36.05	2.56%	2.59%
ANL-APR	1.33	0.24	18.21	3.29	12.73%	10.38%
PSO-APR	0.04	0.08	13.34	26.51	5.81%	2.70%
DGKC-APR	0.39	3.27	12.02	104.47	1.70%	1.63%
MCB-APR	0.05	0.15	11.23	31.28	1.28%	2.99%
NML-APR	0.11	0.09	5.90	4.91	6.30%	-2.98%
TOTAL	**6.68**	**9.85**	**849.42**	**1,130.16**	**6.24%**	**6.62%**

JS Global Capital Limited

6th Floor, Faysal House, Main Shahrah-e-Faisal, Karachi

Research:
Email: js.research@js.com
Fax: 92 (21) 3280 0163

Report Compiled By:
Email: raheel.ashraf@js.com
Tel: 92 (21) 111-574-111

JS RESEARCH IS AVAILABLE ON BLOOMBERG, THOMSON REUTERS & CAPITAL IQ