

February 12, 2010

Pakistan

Market flat despite positive results

WEEKLY REVIEW



The result season is in full swing with POL, APL and NRL out with their results while PSO, ICI, NML, HBL and KAPCO being few amongst those in line for next week. Though APL, NRL and POL posted healthy earnings, they failed to trigger a rally being broadly in line with expectations. Rumours also circulated with regards to capital gain tax on brokers, which kept the market further subdued. Moreover, higher than expected CPI acted as a dampener, while trade deficit and remittances numbers brought no surprises to the market and hence, failed to trigger a rally. Overall the market remained lacklustre, closing at 9,806 level (up 0.4%WoW) with average daily volumes of 172mn (down 11%).

APL, NRL and POL; 1HFY10 result reviews

APL posted a PAT of Rs1,489mn (EPS: Rs25.86), reflecting a growth of 1.5%YoY and announced a cash dividend of Rs10/share. NRL posted a PAT of Rs1,154mn (EPS: Rs14.43) compared to a loss of Rs793mn (Loss per share of Rs9.92) for 1HFY09. POL in its 1HFY10 posted a net profit of Rs3.3bn (EPS Rs14), a decline of 14%YoY. Though the result for POL was above expectations, it failed to drive the market in the proceeding sessions.

Economic data roundup

CPI for Jan 2010 stood at 13.7% which turned out to be a negative for the market, being higher than analyst expectations. In addition, the intently followed cut-off yields on 3-month, 6-month and 12-month T-bills slightly went up, which did little to improve sentiments. Remittances rose by 21.53%YoY to stand at US\$5,198mn (July-Jan 2010) while trade deficit shrunk by 22% to US\$8bn due to negative growth in imports.

Companies emerge as net buyers

Companies emerged as net buyers of US\$4.7mn while mutual funds were the net sellers of US\$8.8mn.

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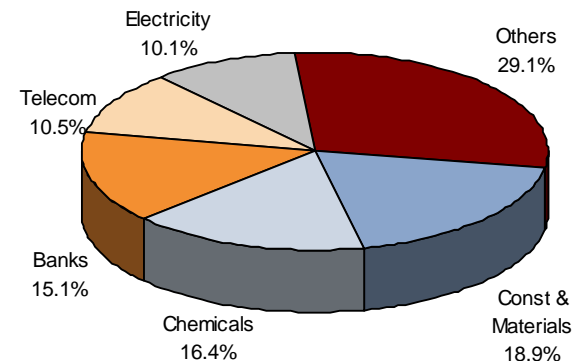
KSE Ready Market	This Weekend	Last Weekend	% Δ
KSE-100 Index	9,805.87	9,769.73	0.4%
KSE Market Cap (Rs. bn)	2,820.53	2,810.10	0.4%
KSE Market Cap (US\$ bn)	33.25	33.09	0.5%
Avg daily vol during week (Sh mn)	172.20	193.51	-11.0%
Avg daily value during week(Rsbn)	4.80	5.77	-16.7%
Avg daily value during week(US\$mn)	56.54	67.84	-16.7%

KSE Futures Market	This Weekend	Last Weekend	% Δ
Avg. daily volume (Shares mn)	1.86	2.01	-7.5%
Avg. daily value (Rs. mn)	249.97	250.24	-0.1%
KSE ready future spread (%)	12.70	12.13	58bps

Regional Markets	This Weekend	Last Weekend	%Δ
China (SSEA)	3,018.13	2,995.31	0.8%
India (BSESN)	16,152.59	16,224.95	-0.4%
Indonesia (JKSE)	2,534.14	2,593.22	-2.3%
Korea (KOSPI)	1,593.66	1,616.42	-1.4%
Malaysia (KLSE)	1,253.39	1,265.03	-0.9%
Philippines (PSI)	2,949.65	2,914.87	1.2%
Taiwan (TWII)	7,441.84	7,542.04	-1.3%

Top performers of JS Universe	This Weekend	Last Weekend	%Δ
Sui Southern Gas Co. Ltd.	15.75	14.64	7.6%
Engro Polymer	17.55	16.40	7.0%
Bank Of Punjab Limited.	20.20	19.04	6.1%
Askari Bank Ltd.	29.66	28.10	5.6%
Sui Northern Gas Ltd.	26.72	25.38	5.3%
Allied Bank Limited	66.07	63.01	4.9%
Pak Suzuki Motor Co. Ltd.	92.30	88.45	4.4%
NIB Bank Limited	5.02	4.82	4.1%
National Refinery Ltd.	179.39	174.21	3.0%
Indus Motor Company Limited	215.32	209.34	2.9%
D. G. Khan Cement Co.	30.42	29.63	2.7%

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-FEB	1.86	1.10	435.12	258.13	15.25%	18.53%
OGDC-FEB	0.29	0.45	34.20	52.51	-7.31%	-3.09%
MCB-FEB	0.11	0.20	24.96	43.91	8.52%	6.82%
PSO-FEB	0.06	0.05	19.52	14.28	5.87%	5.05%
ENGRO-FEB	0.09	0.23	17.31	41.05	9.57%	15.18%
NBP-FEB	0.09	0.29	7.18	23.61	4.83%	10.56%
NML-FEB	0.11	0.19	7.17	11.65	19.30%	11.42%
AICL-FEB	0.06	0.15	6.62	17.77	19.20%	10.52%
ANL-FEB	0.20	0.29	4.54	6.25	-4.66%	2.42%
PPL-FEB	0.02	0.16	4.50	30.91	-2.40%	0.89%
TOTAL	3.08	3.69	566.40	519.82	12.70%	12.13%

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