

# Taurus Securities Limited

A Subsidiary of National Bank of Pakistan

## Weekly Market Update

Week ending December 03, 2021

KSE-100 43,233 down 2%WoW

### Top 10 Outperformers (WoW)

| Symbol | 26-Nov-21 | 3-Dec-21 | Return (%) |
|--------|-----------|----------|------------|
| PSO    | 165       | 175      | 6.2%       |
| FATIMA | 34        | 35       | 4.1%       |
| HBL    | 119       | 123      | 3.2%       |
| PKGS   | 490       | 504      | 2.9%       |
| HMB    | 44        | 45       | 2.8%       |
| NBP    | 33        | 34       | 2.4%       |
| UBL    | 140       | 144      | 2.4%       |
| DCR    | 12        | 12       | 2.0%       |
| PAKT   | 1030      | 1050     | 1.9%       |
| SML    | 48        | 49       | 1.9%       |

Source: PSX & TSL Research

### Top 10 Underperformers (WoW)

| Symbol | 26-Nov-21 | 3-Dec-21 | Return (%) |
|--------|-----------|----------|------------|
| ATRL   | 148       | 128      | -13.7%     |
| JSCL   | 17        | 15       | -12.3%     |
| UNITY  | 25        | 22       | -12.1%     |
| TRG    | 87        | 78       | -10.9%     |
| PAEL   | 23        | 21       | -10.1%     |
| BYCO   | 6         | 6        | -10.0%     |
| NRL    | 275       | 248      | -9.8%      |
| CEPB   | 76        | 69       | -9.7%      |
| KTML   | 61        | 55       | -9.7%      |
| AVN    | 93        | 84       | -9.5%      |

Source: PSX & TSL Research

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Date of Publication: December 03, 2021

# KSE 100-Index down 2%WoW (-881 points)

Friday, December 03, 2021

## Weekly Market Update

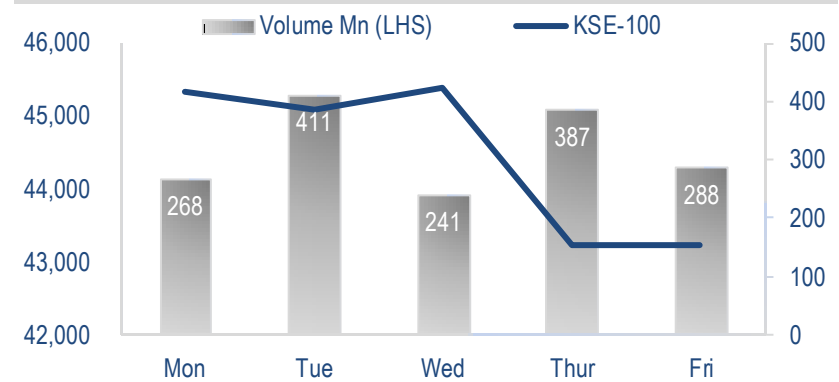
| Weekly Performance |           |          |          |
|--------------------|-----------|----------|----------|
| Index              | 26-Nov-21 | 3-Dec-21 | Change % |
| KSE - 100          | 44,114    | 43,233   | -2.0%    |
| KSE - 30           | 17,034    | 16,718   | -1.9%    |
| KSE - All Share    | 30,302    | 29,611   | -2.3%    |
| YTD Performance    |           |          |          |
| Index              | 31-Dec-20 | 3-Dec-21 | Change % |
| KSE - 100          | 43,755    | 43,233   | -1.2%    |
| KSE - 30           | 18,180    | 16,718   | -8.0%    |
| KSE - All Share    | 30,780    | 29,611   | -3.8%    |

Source: PSX & TSL Research

### Economic Bulletin:

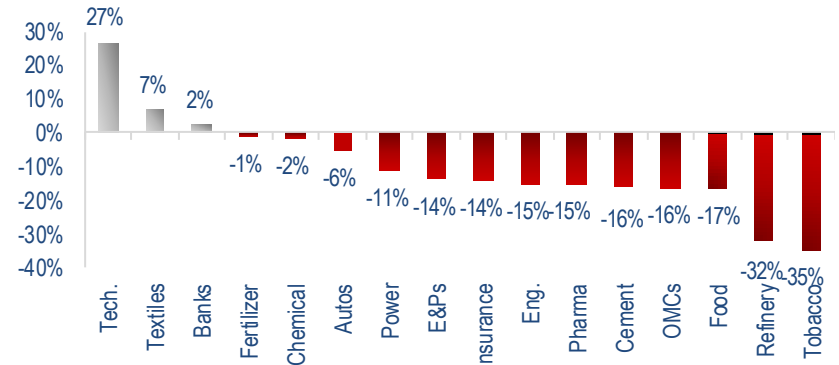
- + SBP signs agreement for USD 3Bn with Saudi Fund for Development.
- 'Mini-budget' with adjustments worth PKR 600Bn finalized.
- Nov'21 NCPI clocks-in at 11.53%YoY/2.98%MoM.
- FCA for Oct'21;Nepa approves PKR 4.74/unit raise in Discos' tariffs.
- Pakistan's trade deficit rose 163%YoY to USD 5.1Bn in Nov'21.
- Pakistan's foreign exchange reserves have decreased to USD 22.5Bn.

### Market Performance for the week



Source: PSX & TSL Research

### CY21TD Sector-wise return



Source: PSX & TSL Research

### Refineries: - Positive to Positive

- A looming crisis of unavailability of petroleum products in the country has been averted as the government released PKR 30Bn to independent power producers with a direction to lift furnace oil from refineries.
- Local refineries have asked the Federal Government to take immediate measures for High Sulphur Furnace Oil (HSFO) upliftment from the refineries to safeguard the strategic assets of the country.

### OMCs: - Positive

- Petroleum and lubricant sales clocked in at 1.75Mn tons in Nov'21.
- ECC has green-lighted an increase of 23-25% in dealers' and oil companies' commission on petrol and diesel effective from Dec 16.

### Fertilizer: - Positive

- The Government has ensured uninterrupted gas supplies to the urea plants for boosting domestic production for the Rabi season.

### Construction Materials: - Positive

- SBP has increased the limit of banks' exposure to housing and construction to 25% from 15% of their aggregate advances and investments.

### Technology: - Neutral

- The Government has so far released funds amounting to PKR 4.13Bn during the current fiscal year to execute Information Technology and Telecommunication projects under PSDP 2021-22.

### Textile: - Positive

- Exports of readymade garments witnessed an increase of 22.34%YoY during 4MFY22.
- Pakistan's cotton production soared by 54%YoY to 7.2Mn bales up to December 01, 2021.

### E&Ps: - Neutral

- OPEC+ has said it would review supply additions ahead of its next scheduled meeting if the Omicron variant dents demand, but prices were still on course for the sixth week of declines.

# Major company announcements

Friday, December 03, 2021

## Weekly Market Update

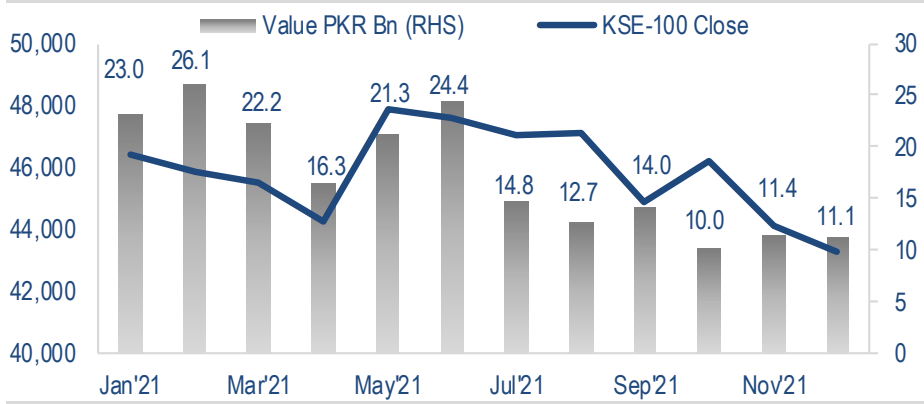
- **ATRL:** Protesting over furnace oil imports instead of procurement from local refineries, Attock Refinery Limited has expressed its inability to increase kerosene production and warned of gradual closure of its refining units owing to surplus stocks.
- **ASL & ISL:** Owing to the notable decline in international CRC and HRC prices, Aisha Steel Limited ( ASL) and International Steel Limited (ISL) have decreased their prices by PKR 8,000 per ton.
- **SSGC:** Sui Southern Gas Company (SSGC) has suspended gas to CNG stations due to an extraordinary increase in demand with the advent of the winter season.
- **KEL:** NEPRA has notified an increase of 69 paisa per unit in electricity tariff for the month of July for K-Electric on account of fuel charges.
- **LUCK:** Samsung has finally started production in Pakistan, lifting hopes of the authorities and the industry that this would cut down the import bill of the country in the months to come.
- **HUBC, KAPCO, LPL & PKGP:** The Government has released second installment of PKR 135Bn to 20 Independent Power Producers (IPPs) against their total outstanding receivables for selling electricity to the Central Power Purchasing Agency (CPPA).
- **SNGP:** Sui Northern Gas Pipelines Ltd (SNGP) has sought 150% hike in gas price. The petition of gas utility in connection with review of its estimated revenue requirement for FY 2021-22 was discussed at a hearing organized by OGRA.
- **TELE:** Supernet Limited and PAKSAT International have signed a strategic partnership to expand the existing relationship.
- **TPLP:** TPL Properties Limited has announced that the SECP has accorded its approval for selling the company's developmental assets to TPL REIT Management Company Limited, with a target fund size of PKR 80Bn to be raised from local and international investors.
- **TRG:** Mr. Muhammad Ziaullah Khan Chishti has resigned as the Chief Executive Officer and a Director of TRG Pakistan Limited.

# Value Traded and Volumes

Friday, December 03, 2021

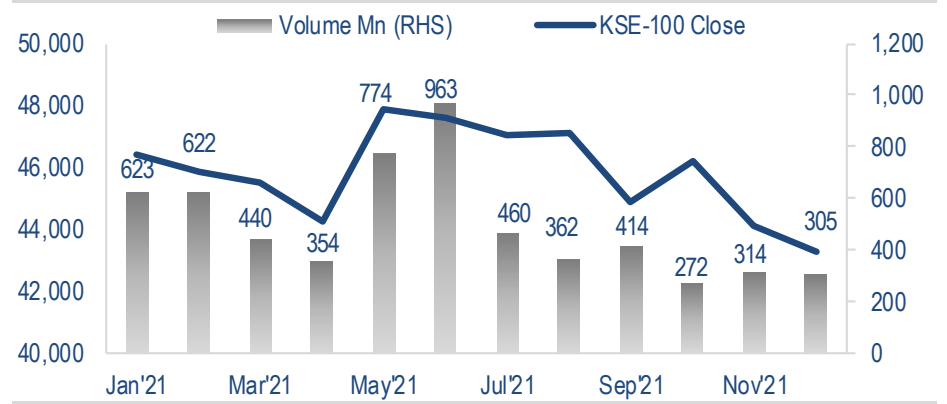
## Weekly Market Update

12 Months Average Value Traded (PKR Bn)



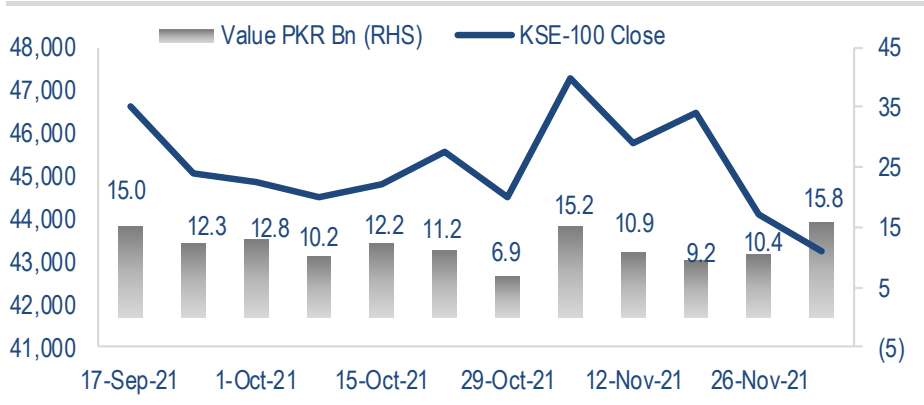
Source: PSX & TSL Research

12 Months Average Volume Traded (PKR Mn)



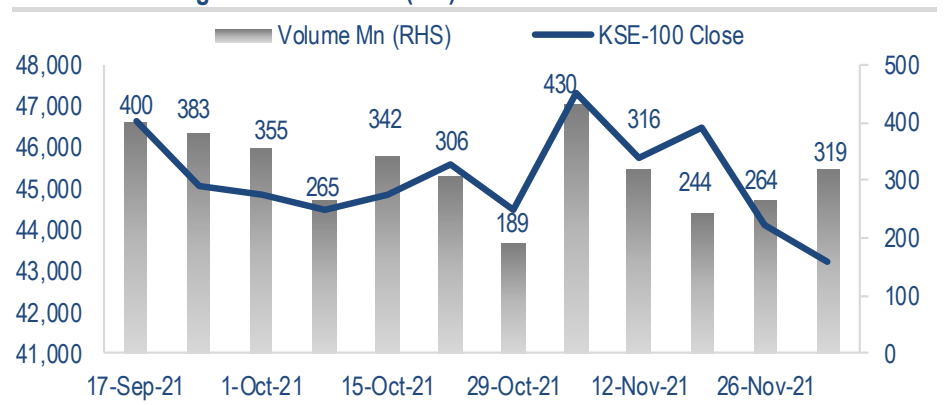
Source: PSX & TSL Research

12 Weeks Average Value Traded (PKR Bn)



Source: PSX & TSL Research

12 Weeks Average Volume Traded (Mn)



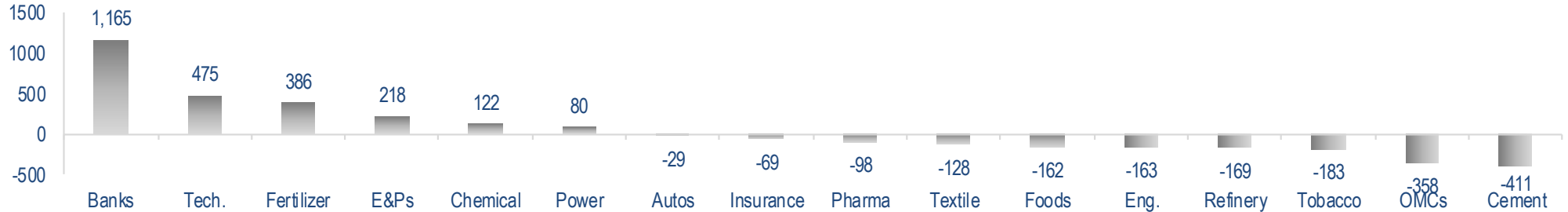
Source: PSX & TSL Research

# KSE 100-Index Points Contribution

Friday, December 03, 2021

## Weekly Market Update

### YTD Points Contribution to KSE-100 Index by major sectors



Source: PSX &amp; TSL Research

### Top 10 Positive Contributors (WoW)

| Symbol | 26-Nov-21 | 3-Dec-21 | Points |
|--------|-----------|----------|--------|
| PSO    | 165.00    | 175.20   | 45     |
| HBL    | 119.43    | 123.20   | 31     |
| PPL    | 70.45     | 71.37    | 20     |
| HMB    | 43.79     | 45.02    | 14     |
| UBL    | 140.46    | 143.80   | 14     |
| CHCC   | 135.08    | 135.30   | 12     |
| NBP    | 32.95     | 33.75    | 8      |
| ICI    | 709.16    | 720.91   | 6      |
| FATIMA | 34.02     | 35.41    | 3      |
| SHFA   | 192.03    | 194.94   | 2      |

Source: PSX &amp; TSL Research

### Top 10 Negative Contributors (WoW)

| Symbol | 26-Nov-21 | 3-Dec-21 | Points |
|--------|-----------|----------|--------|
| LUCK   | 693.31    | 647.94   | (84)   |
| TRG    | 87.43     | 77.86    | (83)   |
| SYS    | 761.75    | 729.50   | (62)   |
| MARI   | 1700.75   | 1604.74  | (58)   |
| MEBL   | 148.56    | 146.04   | (47)   |
| POL    | 348.73    | 334.77   | (43)   |
| EFERT  | 74.05     | 72.68    | (36)   |
| FFC    | 100.83    | 99.38    | (28)   |
| UNITY  | 25.14     | 22.09    | (28)   |
| HUBC   | 72.06     | 71.45    | (27)   |

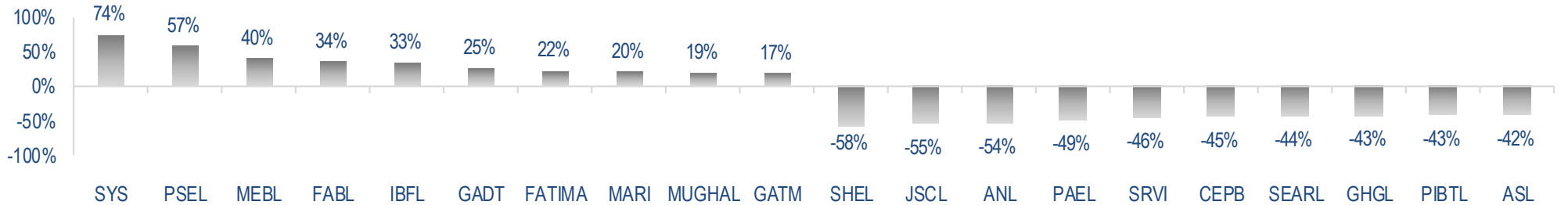
Source: PSX &amp; TSL Research

# Outperformers and Underperformers

Friday, December 03, 2021

## Weekly Market Update

### Top 10 YTD Outperformers & Underperformers



Source: PSX &amp; TSL Research

### Top 10 Outperformers (WoW)

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Source: PSX &amp; TSL Research

# Foreign portfolio investment for the week

Friday, December 03, 2021

Weekly Market Update

| Weekly Portfolio Flows - FIPI vs LIPI (USD Mn) |              |                 |                |             |             |              |              |               |             |             |              |              |
|--|--------------|-----------------|----------------|-------------|-------------|--------------|--------------|---------------|-------------|-------------|--------------|--------------|
| Sectors  | FIPI         |                 |                | LIPI        |             |              |              |               |             |             |              |              |
|  | Gross Buy    | Gross Sell      | Net.           | Banks       | Broker      | Comp.        | Indivi.      | Funds         | NBFC        | Others      | Insur.       | Net.         |
| Cement   | 16.47        | (31.23)         | (14.76)        | 2.45        | 0.75        | (1.46)       | 5.97         | 0.81          | (0.02)      | 0.31        | 5.94         | 14.75        |
| Banks  | 20.68        | (47.83)         | (27.16)        | 0.91        | 0.14        | 18.89        | 5.23         | 2.27          | 0.04        | 1.15        | (1.48)       | 27.16        |
| Technology                                     | 8.96         | (8.36)          | 0.60           | 0.63        | (0.25)      | 2.05         | (0.72)       | (1.98)        | 0.00        | 0.04        | (0.36)       | (0.60)       |
| Textile  | 0.32         | (0.37)          | (0.05)         | 0.12        | (0.12)      | (0.18)       | 0.20         | (0.29)        | (0.02)      | 0.27        | 0.06         | 0.05         |
| Fertilizer                                     | 6.58         | (15.75)         | (9.17)         | 2.63        | 0.24        | 1.13         | 3.55         | 0.46          | 0.02        | 0.73        | 0.40         | 9.17         |
| Others   | 8.47         | (11.09)         | (2.63)         | (0.51)      | (0.63)      | 2.52         | 0.09         | (3.74)        | (0.00)      | 0.85        | 4.05         | 2.62         |
| OMC  | 2.05         | (4.20)          | (2.15)         | (0.07)      | (0.01)      | (0.04)       | (0.79)       | 1.22          | 0.03        | 0.21        | 1.60         | 2.15         |
| E & P  | 4.63         | (10.08)         | (5.44)         | 2.32        | 0.50        | 1.26         | (0.28)       | (0.51)        | 0.12        | 0.27        | 1.77         | 5.44         |
| Power  | 3.26         | (5.72)          | (2.46)         | 0.34        | (0.12)      | 0.96         | 0.53         | 0.66          | 0.00        | (0.02)      | 0.11         | 2.46         |
| Food   | 2.99         | (2.63)          | 0.36           | (0.38)      | (0.23)      | 0.60         | 1.70         | (1.32)        | 0.00        | 1.12        | (1.85)       | (0.36)       |
| <b>Total</b>                                   | <b>74.41</b> | <b>(137.26)</b> | <b>(62.84)</b> | <b>8.45</b> | <b>0.27</b> | <b>25.73</b> | <b>15.48</b> | <b>(2.42)</b> | <b>0.17</b> | <b>4.92</b> | <b>10.24</b> | <b>62.84</b> |

Source: NCCPL &amp; TSL Research

- Foreigners (including overseas Pakistanis) were net sellers of USD 62.84Mn worth of shares.
- Companies were the biggest buyers on the local front followed by Individuals.
- Mutual Funds were the major sellers.

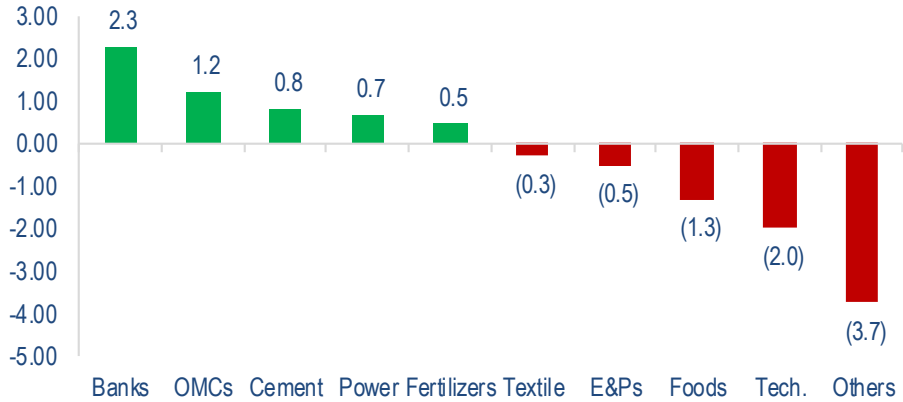


# Local portfolio investment flows for the week

Friday, December 03, 2021

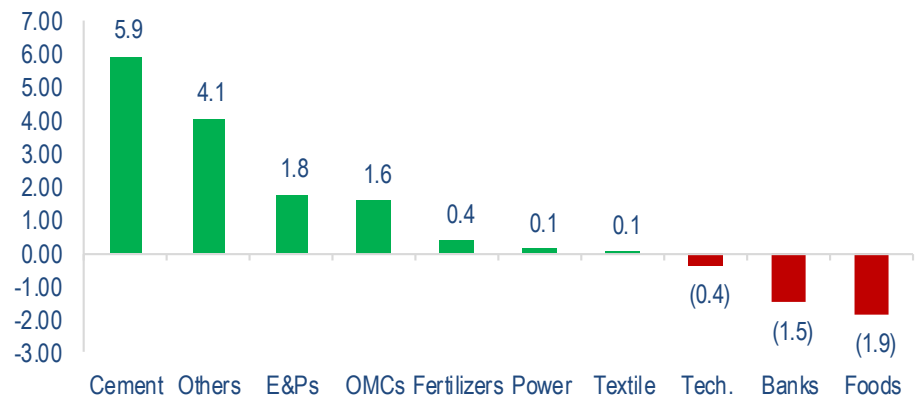
## Weekly Market Update

Mutual Fund activity for the week (USD Mn)



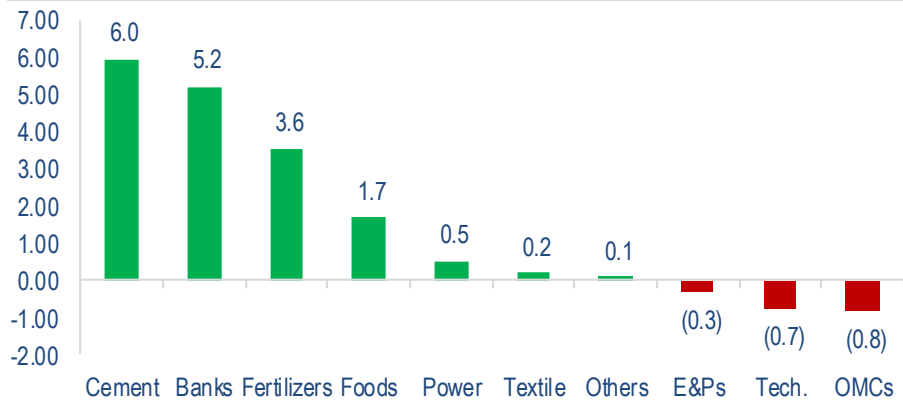
Source: NCCPL & Research

Insurance activity for the week (USD Mn)



Source: NCCPL & TSL Research

Individuals activity for the week (USD Mn)



Source: NCCPL & TSL Research

Banks/DFIs activity for the week (USD Mn)



Source: NCCPL & TSL Research

# Important Disclosure

**SECP Research Entity Notification Number: REP-040**

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## Valuation Methodology

To arrive at our period end target prices, TSL uses different valuation methodologies including

- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

**SECP JamaPunji Portal link:** [www.JamaPunji.pk](http://www.JamaPunji.pk)

## Frequently Used Acronyms

|      |                           |      |                         |      |                         |
|------|---------------------------|------|-------------------------|------|-------------------------|
| TP   | Target Price              | DDM  | Dividend Discount Model | FCF  | Free Cash Flows         |
| FCFE | Free Cash Flows to Equity | FCFF | Free Cash Flows to Firm | DCF  | Discounted Cash Flows   |
| PE   | Price to Earnings ratio   | PB   | Price to Book ratio     | BVPS | Book Value per Share    |
| EPS  | Earnings per Share        | DPS  | Dividend per Share      | ROE  | Return on Equity        |
| ROA  | Return on Assets          | SOTP | Sum of the Parts        | JPB  | Justified Price to Book |