

# Taurus Securities Limited

A Subsidiary of National Bank of Pakistan

## Weekly Market Update

Week ending April 22, 2022

KSE-100 45,553 down 2.2% WoW

### Top 10 Outperformers (WoW)

Symbol	15-Apr-22	22-Apr-22	Return (%)
LOTCHEM	16	19	18.7%
APL	302	325	7.7%
OGDC	82	85	4.3%
EFUG	100	104	3.8%
PPL	73	76	3.6%
EPCL	84	85	2.2%
FFC	119	122	2.2%
MUREB	411	420	2.2%
JVDC	47	48	2.1%
EFERT	94	96	1.9%

Source: PSX & TSL Research

### Top 10 Underperformers (WoW)

Symbol	15-Apr-22	22-Apr-22	Return (%)
AVN	107	83	-22.3%
PGLC	7	6	-13.4%
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MUGHAL	90	83	-8.2%
YOUW	6	6	-8.1%
KAPCO	31	29	-8.1%
PKGS	433	400	-7.6%

Source: PSX & TSL Research

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Date of Publication: April 22, 2022

# KSE 100-Index down 2.2%WoW (-1,049 points)

Friday, April 22, 2022

## Weekly Market Update

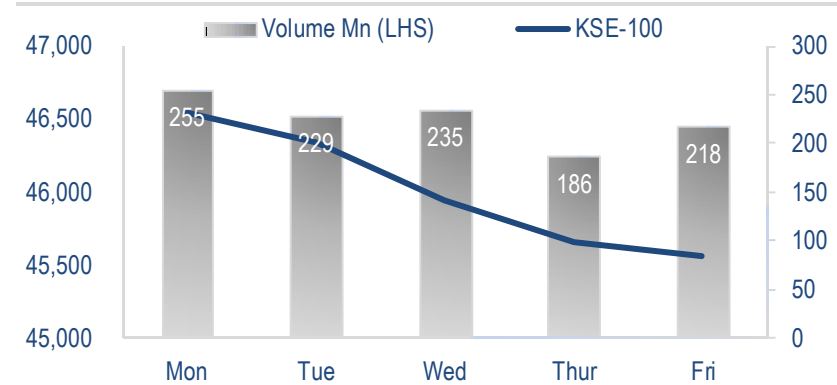
Weekly Performance			
Index	15-Apr-22	22-Apr-22	Change %
KSE - 100	46,602	45,553	-2.2%
KSE - 30	17,906	17,589	-1.8%
KSE - All Share	31,576	31,014	-1.8%
YTD Performance			
Index	31-Dec-21	22-Apr-22	Change %
KSE - 100	44,596	45,553	2.1%
KSE - 30	17,502	17,589	0.5%
KSE - All Share	30,727	31,014	0.9%

Source: PSX & TSL Research

### Economic Bulletin:

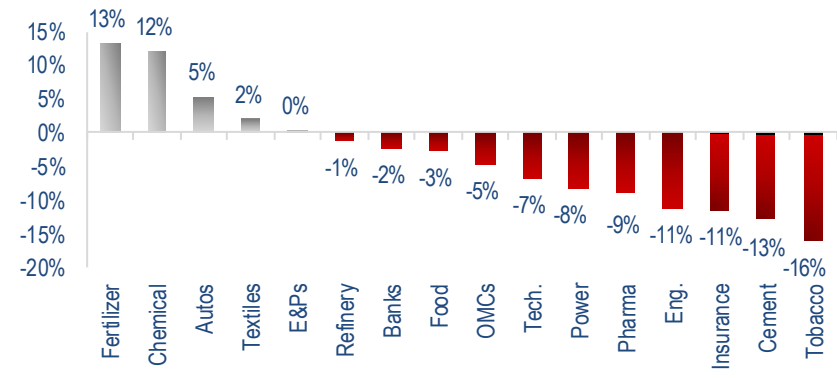
- + IMF foresees Pakistan's economic growth at 4.2% in FY23.
- CPPA has sought an increase of PKR 3.16/unit for Mar'22 under FCA.
- PTI Government borrowed USD 49.2Bn in its 45-month stint.
- Bitter pill of PKR 20 rise in petrol-diesel prices under consideration.
- Pakistan's trade gap rose by 12% YoY to USD 3.64Bn in Mar'22.
- FDI drops 2% YoY to USD 1.28Bn in 9MFY22.
- Pakistan's foreign exchange reserves have decreased to USD 17Bn.

### Market Performance for the week



Source: PSX & TSL Research

### CY22TD Sector-wise return



Source: PSX & TSL Research

# Sector Updates

## Weekly Market Update

### **Banks: - Positive**

- The Federal Government plans to borrow over PKR 5Trn from the domestic banking sector during the next three months of 2022 to finance the fiscal deficit.
- Banking sector spread jumps by 9bpsMoM to 4.67% in Mar'22.
- Banks' deposits reach PKR 20.5Trn in Mar'22.

### **Steel: - Negative**

- Global steel demand is likely to grow 0.4% to 1.84Bn tones this year, slowing from a 2.7% gain in 2021, hit by the uncertain outlook created by the conflict in Ukraine and rising.

### **Autos: - Positive**

- Auto financing rises to PKR 364Bn in March 2022. up 1.9%MoM, 27.7%YoY.

### **Pharmaceuticals: - Positive**

- Drug manufacturers have increased the prices of various medicines including life-saving drugs.

### **Telecom: - Neutral**

- OICCI has asked the Punjab Government to slash the rate of GST on telecom services from 19.5% to 13% in the coming budget 2022-23.

### **Refineries: - Positive**

- Singapore Gross Refining Margins – Asian benchmark – touched USD 20 per barrel mark – highest level at least since 2012 on the back of rising demand for refined products globally. This is expected to benefit National Refinery, Attock Refinery, CENERGY and Pakistan refinery as they process crude into refined products.

### **Textile: - Neutral to Positive**

- APTMA has urged the Government to announce a minimum support price (MSP) PKR 8,000 per maund for the cotton crop immediately.
- Textile exports surge 25%YoY to USD 14.2Bn in 9MFY22.

### **Technology: - Positive**

- Pakistan earned US USD 1.7Bn by providing different Information Technology (IT) services to various countries during the 8MFY22.

# Major company announcements

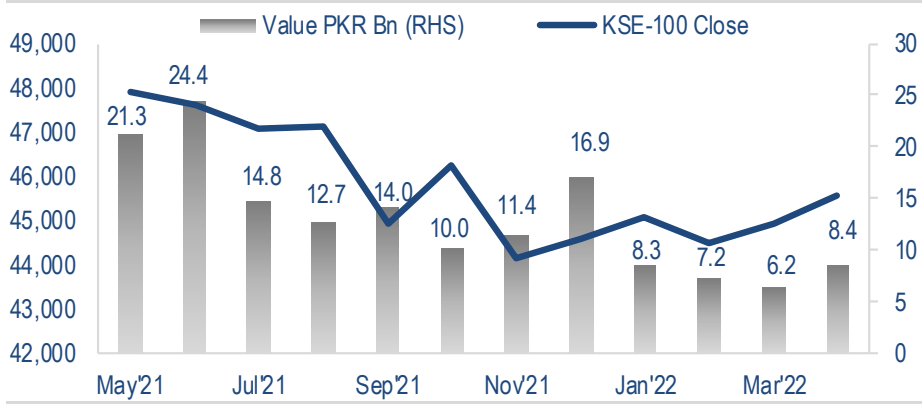
## Weekly Market Update

- **PSO:** With record PKR 520Bn receivables on its books, Pakistan State Oil Limited is struggling with oil supply management as private firms and banks try to limit their exposure and volatile international oil market players prefer cash and higher premium.
- **INDU:** Indus Motor Company Limited has resumed bookings for its cars at the same old rates. The company had suspended bookings for its entire lineup on account of “current uncertain and volatile market conditions”.
- **TGL:** Tariq glass Limited has informed that one of the furnaces producing float glass (Unit-I) has outlived its useful campaign life and closed for rebuild / major repair on April 18, 2022.
- **LUCK:** Lucky Motor Corporation Ltd has raised the prices of its vehicles by PKR 200,000-PKR 300,000 for the second time in less than two months.
- **WAVES:** National Bank of Pakistan has approved financing of PKR 1.5Bn to kick start the affordable housing project being developed by Waves Singer Pakistan Limited.
- **NICL:** Nimir Industrial Chemicals Limited has successfully completed the first phase of the expansion of the Chlor Alkali (Caustic Soda) plant, which has started its commercial operations.
- **EFERT:** Engro Fertilizer Limited has increased its Urea prices by PKR 100 per bag to PKR 2,018 per bag.
- **MLCF:** The directors of Maple Leaf Cement Factory Limited have recommended to shareholders to purchase/buy back up to a maximum of 25Mn issued ordinary shares of the face value of PKR 10 each by the company at the spot/current share price.
- **EPCL:** The directors of Engro Polymer and Chemicals Limited have approved a CAPEX of USD 4Mn for conducting Basic Engineering followed by a Front-End Engineering Design (FEED) study in relation to de-bottlenecking its VCM production facility to 300 KT per annum. Further, the Company has announced the successful commissioning of pure Oxygen based VCM technology at a cost of PKR 2.2Bn.

# Value Traded and Volumes

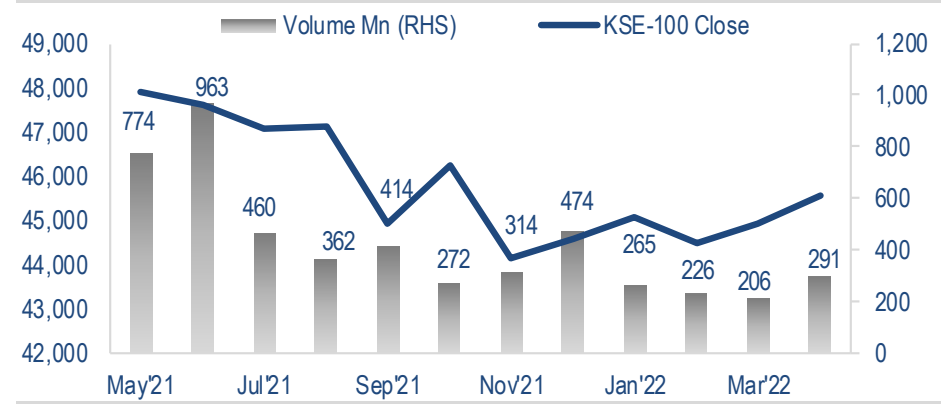
## Weekly Market Update

12 Months Average Value Traded (PKR Bn)



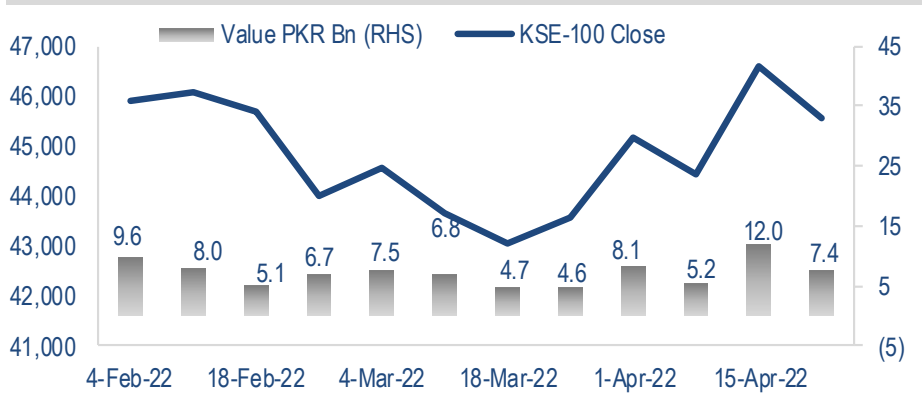
Source: PSX & TSL Research

12 Months Average Volume Traded (PKR Mn)



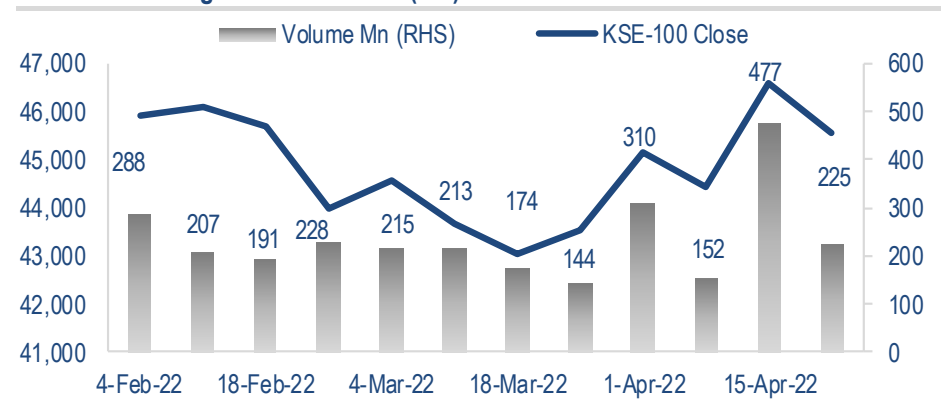
Source: PSX & TSL Research

12 Weeks Average Value Traded (PKR Bn)



Source: PSX & TSL Research

12 Weeks Average Volume Traded (Mn)



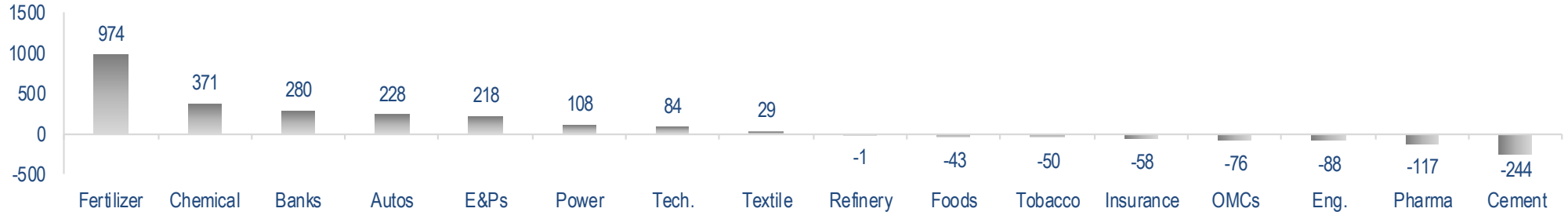
Source: PSX & TSL Research

# KSE 100-Index Points Contribution

Friday, April 22, 2022

## Weekly Market Update

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



Source: PSX &amp; TSL Research

### Top 10 Positive Contributors (WoW)

Symbol	15-Apr-22	22-Apr-22	Points
OGDC	81.89	85.44	56
FFC	119.24	121.85	45
PPL	73.49	76.14	43
LOTCHEM	16.01	19.01	28
EFERT	94.22	96.04	27
POL	380.71	386.81	20
EPCL	83.61	85.46	15
APL	301.84	324.94	14
EFUG	100.00	103.75	6
FFBL	24.58	24.93	4

Source: PSX &amp; TSL Research

### Top 10 Negative Contributors (WoW)

Symbol	15-Apr-22	22-Apr-22	Points
HBL	116.25	111.31	(90)
BAHL	71.49	66.74	(85)
LUCK	609.61	584.59	(70)
SYS	408.14	392.01	(66)
PSEL	1670.00	1544.75	(66)
MEBL	146.86	141.03	(59)
ENGRO	291.58	284.69	(54)
MCB	152.14	147.99	(43)
CHCC	146.60	132.01	(42)
HMB	49.00	46.05	(34)

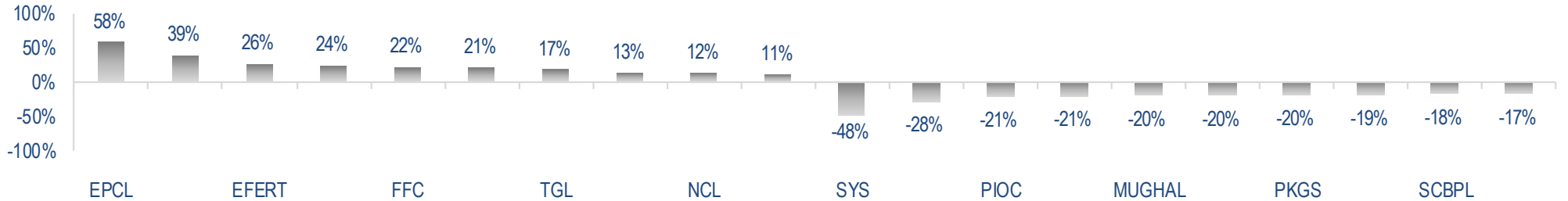
Source: PSX &amp; TSL Research

# Outperformers and Underperformers

Friday, April 22, 2022

## Weekly Market Update

### Top 10 YTD Outperformers & Underperformers



Source: PSX & TSL Research

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Source: PSX & TSL Research

# Foreign portfolio investment for the week

Friday, April 22, 2022

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	1.18	(1.13)	0.05	0.24	0.08	(0.14)	1.42	0.16	(1.81)	0.02	(0.02)	(0.05)
Banks	0.63	(2.36)	(1.73)	1.34	(0.59)	(2.06)	2.71	0.39	0.02	(0.00)	(0.07)	1.74
Technology	3.83	(3.22)	0.61	(0.45)	(0.18)	0.18	0.77	(0.07)	(0.57)	0.00	(0.30)	(0.62)
Textile	0.17	(0.12)	0.05	0.19	0.04	(0.05)	0.51	0.07	(0.79)	0.00	(0.02)	(0.05)
Fertilizer	0.95	(0.99)	(0.04)	(3.26)	0.23	1.64	1.03	0.14	(0.43)	(0.00)	0.70	0.04
Others	6.57	(6.54)	0.03	0.14	0.49	2.00	1.04	(0.31)	(3.20)	(0.01)	(0.19)	(0.04)
OMC	0.52	(0.55)	(0.03)	0.19	(0.05)	(0.18)	0.20	(0.03)	(0.12)	0.00	0.01	0.03
E & P	0.70	(0.76)	(0.05)	0.30	0.22	(0.60)	(0.74)	(0.61)	1.29	(0.02)	0.22	0.06
Power	0.59	(0.31)	0.28	0.07	(0.06)	0.08	0.15	(0.00)	(0.51)	(0.00)	0.00	(0.28)
Food	0.52	(0.66)	(0.14)	0.01	0.33	0.01	(0.06)	(0.07)	(0.18)	0.00	0.10	0.14
<b>Total</b>	<b>15.66</b>	<b>(16.64)</b>	<b>(0.97)</b>	<b>(1.24)</b>	<b>0.52</b>	<b>0.87</b>	<b>7.03</b>	<b>(0.33)</b>	<b>(6.31)</b>	<b>(0.01)</b>	<b>0.44</b>	<b>0.97</b>

Source: NCCPL & TSL Research

- Foreigners (including overseas Pakistanis) were net sellers of USD 0.97Mn worth of shares.
- Individuals were the biggest buyers on the local front followed by Companies.
- NBFCs were the major sellers followed by Banks.

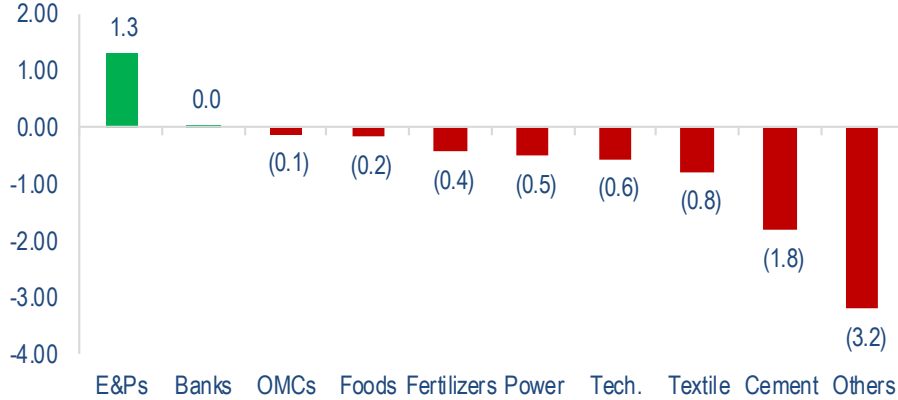


# Local portfolio investment flows for the week

Friday, April 22, 2022

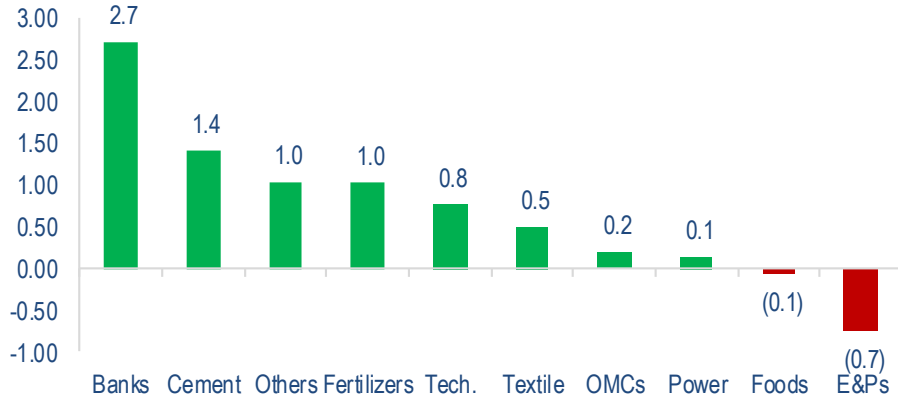
## Weekly Market Update

**Mutual Fund activity for the week (USD Mn)**



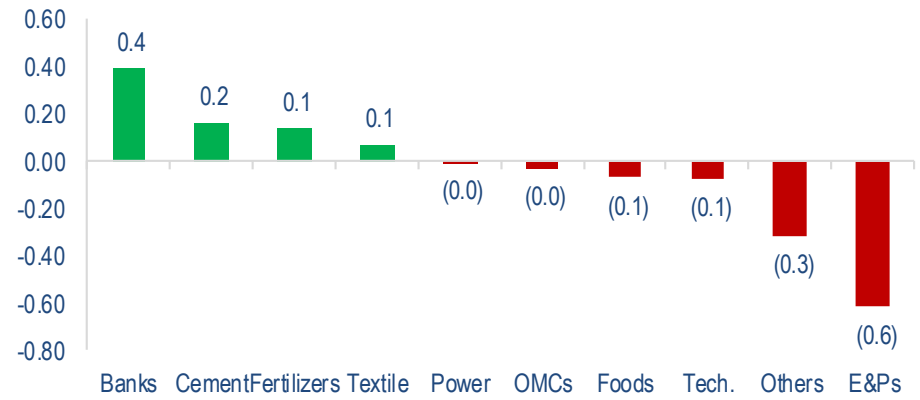
Source: NCCPL & Research

**Individuals activity for the week (USD Mn)**



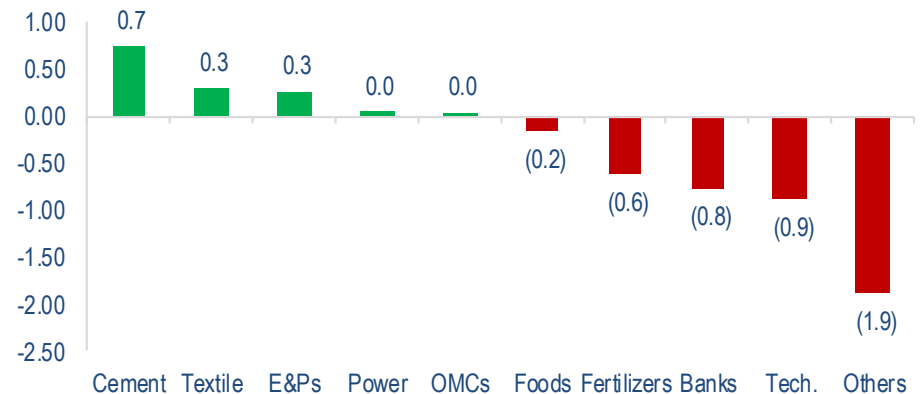
Source: NCCPL & TSL Research

**Insurance 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

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