

Taurus Securities Limited

A Subsidiary of National Bank of Pakistan

Weekly Market Update

Week ending October 18, 2024

KSE-100 Index 85,250 – down 0.3%WoW

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KSE-100 Index down 0.3%WoW (-233 points)

Weekly Market Update

Weekly Performance

Index	11-Oct-24	18-Oct-24	Change %
KSE - 100	85,483	85,250	-0.3%
KSE - 30	27,160	26,803	-1.3%
KSE - All Share	54,537	54,927	0.7%

YTD Performance

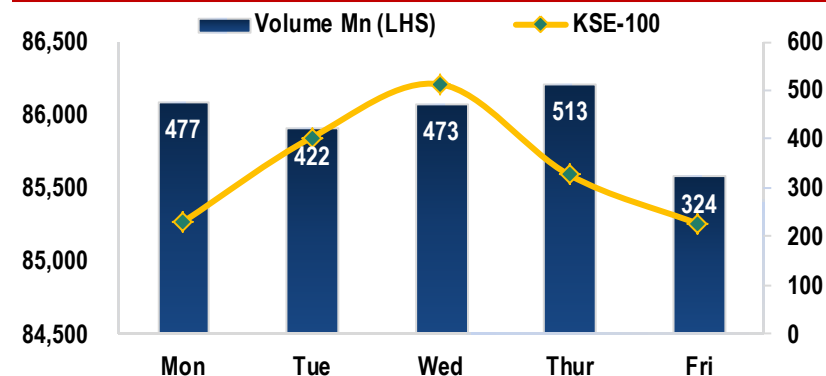
Index	29-Dec-23	18-Oct-24	Change %
KSE - 100	62,451	85,250	36.5%
KSE - 30	20,777	26,803	29.0%
KSE - All Share	41,916	54,927	31.0%

Source: PSX & TSL Research

Economic Bulletin:

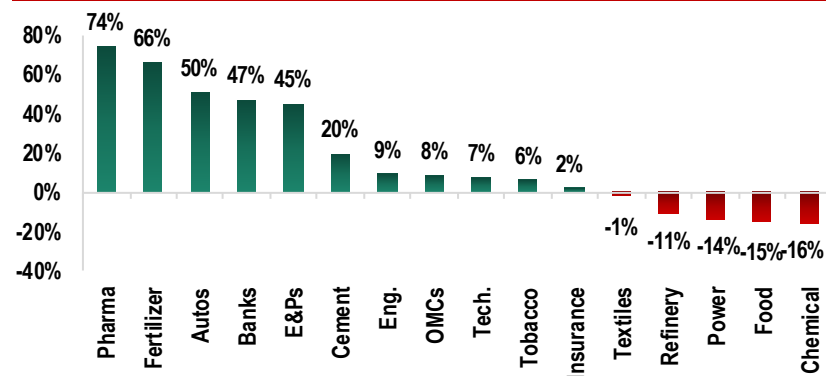
- + The SBP has projected real GDP growth between 2.5% & 3.5% for FY25
- + LSMI output increased 4.7%MoM & decreased 2.7%YoY in Aug'24.
- + RDA accounts have surpassed a remittance volume of USD 8.7Bn.
- + Pakistan's foreign exchange reserves have increased to USD 16.1Bn.
- + Government kept the price of petrol unchanged at PKR 247.03/liter.
- IMF projects external financing needs for FY25 at USD 18.8Bn.
- Pakistan's trade deficit with 9 SCO countries grew by 41%YoY in FY24.
- SPI up by 0.28%WoW for the week ended on October 17, 2024.

Market Performance for the week



Source: PSX & TSL Research

CY24TD Sector-wise return



Source: PSX & TSL Research

Weekly Market Update

Banks: - Neutral

- The SBP has announced that Raast has processed 892Mn transactions amounting to PKR 20Trn.
- Benazir Income Support Program has added six more banks to its network for cash transfers, which will reduce the reliance on a few banks and curb the influence of device agents.

Sugar: - Neutral

- The SBP has authorized banks to facilitate the export of 500,000 tons of sugar. However, the SBP has mandated that exporters must secure advance payment of export proceeds for shipments destined for Afghanistan.

OMCs: - Neutral

- The Oil Marketing Association of Pakistan has urgently sought the intervention of the Ministry of Petroleum regarding the proposed revised margins for OMCs.

Fertilizer: - Negative

- Fertilizer sales, including urea and DAP, fell 25.7%YoY amid weak agronomic conditions during Sep'24.

Textile: - Positive

- Textile exports increased by 17.9%YoY to USD 1.6Bn in Sep'24.

Insurance: - Negative

- The SECP has increased the minimum required amount of paid-up capital for insurance companies.

Refineries & OMCs: - Negative

- Oil industry has voiced serious concerns over the Government's deviation from the approved pricing formula for the computation of prices, effective October 16, 2024.

IPPs: - Negative

- The summary submitted to the federal cabinet and details of settlement with the five independent power producers reveal a mutually agreed-upon termination of contracts.
- CPPA-G has sought three years' extension in exemption on applicability of International Financial Reporting Standards (IFRS) 9, ie, till June 30, 2027, fearing expected credit loss due to its failure to clear due receivables of power sector companies.

E&Ps: - Negative

- Pakistan's oil and gas production witnessed an 8% and 7% decline, respectively, in 1QFY25, due to annual turnarounds and forced curtailments at major fields.

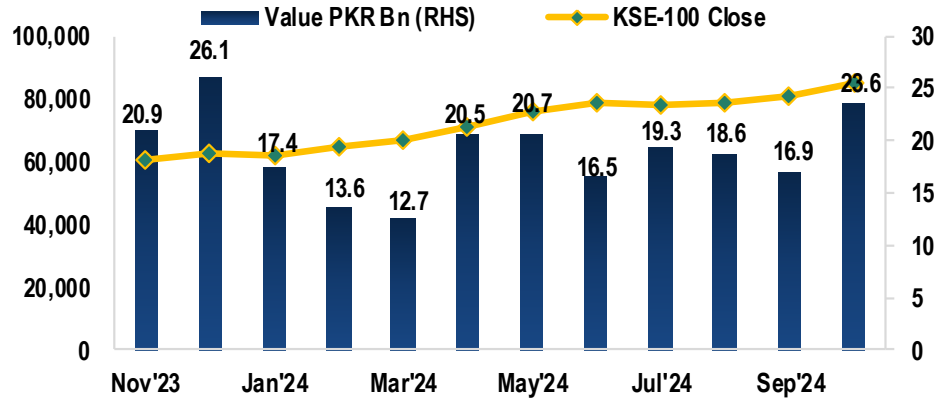
- **HUBC:** Mega Motor Company, an associated company of The Hub Power Company Limited, has entered into a Master Supply & Manufacturing Agreement with BYD Auto Industry Company Limited to manufacture, market, distribute and sell BYD brand passenger vehicles in Pakistan and Technical Licence Agreement for the Licenced products.
- **PRL:** Pakistan Refinery Limited has denied reports of entering into a partnership with a Chinese company, stating that the news clipping from October 17, 2024, is not from them.
- **FFC & NBP:** Fauji Fertilizer Company Limited has entered a sale and purchase transaction with the National Bank of Pakistan, where FFC is purchasing the entire holding of NBP's shares of Agritech Limited.
- **SLGL:** Secure Logistics Group Ltd has entered into an agreement to provide transport services to Maersk West and Central Asia Ltd.
- **AKBL:** Askari Bank Limited has successfully closed a PKR 6Bn syndicated term finance facility for JDW Sugar Mills Limited.
- **LPL:** The shareholders of Lalpir Power Limited have approved the premature termination of certain critical contracts, effective October 1, 2024, based on the terms set by the Task Force.
- **PPL:** Pakistan Petroleum Limited has commenced production from Adhi South-9, a new development well drilled under the Adhi Mining Lease.
- **SEARL:** The Searle Company Limited has officially denied circulating rumours regarding its interest in acquiring a 51% stake in Abbott Laboratories.
- **TOMCL:** The Organic Meat Company Limited has partnered with Neem Exponential Financial Services Private Limited to introduce Neem Paymenow, an Earned Wage Access (EWA) service for its employees.
- **KOHC:** The shareholders of Kohat Cement Company Limited have approved the renewal of an investment by way of short-term running finance of up to PKR 600Mn in Ultra Kraft (Private) Limited (UKPL).
- **MLCF:** VIS Credit Rating Company Limited has reaffirmed the entity ratings of Maple Leaf Cement Factory Limited at 'A' for long-term and 'A-1' for short term with a stable future outlook.

Value Traded and Volumes

Weekly Market Update

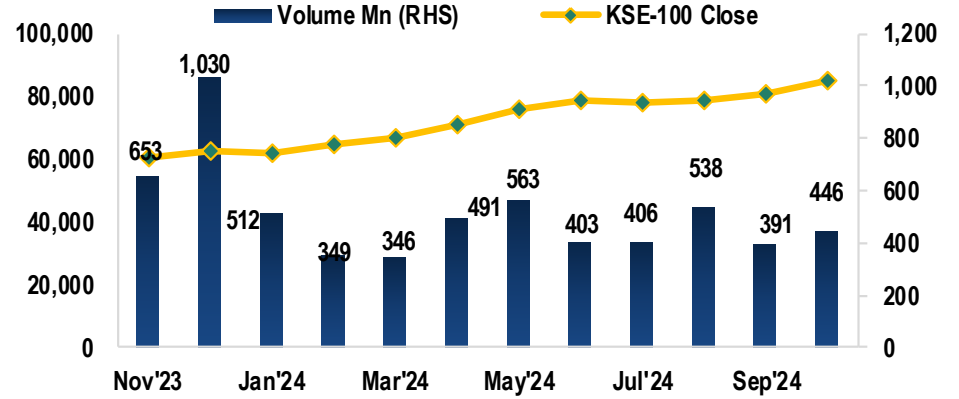
Friday, October 18, 2024

12 Months Average Value Traded (PKR Bn)



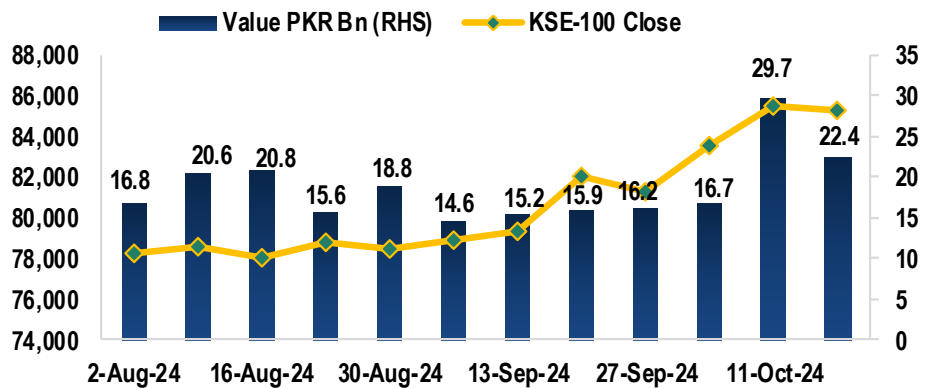
Source: PSX & TSL Research

12 Months Average Volume Traded (PKR Mn)



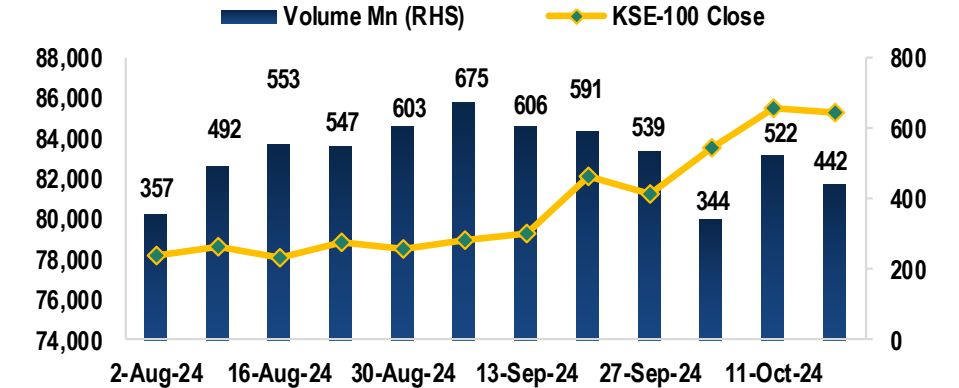
Source: PSX & TSL Research

12 Weeks Average Value Traded (PKR Bn)



Source: PSX & TSL Research

12 Weeks Average Volume Traded (Mn)



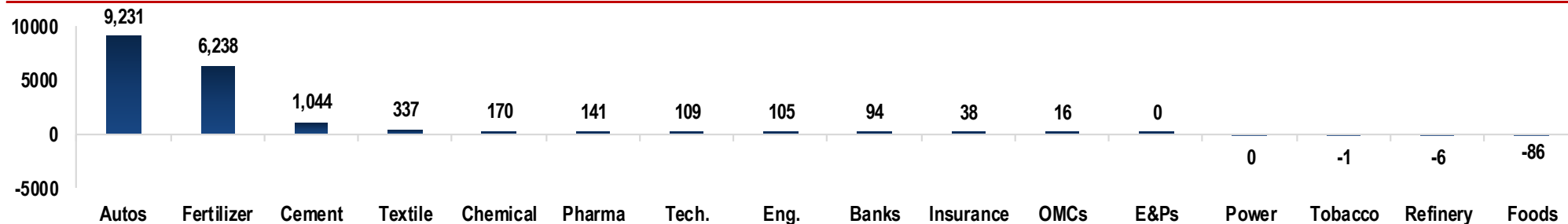
Source: PSX & TSL Research

KSE-100 Index Points Contributions

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YTD Points Contribution to KSE-100 Index by major sectors



Source: PSX & TSL Research

Top 10 Positive Contributors (WoW)

Symbol	11-Oct-24	18-Oct-24	Points
MARI	403.93	426.34	173
ATRL	312.85	386.40	101
PAKT	994.97	1196.82	82
FFC	243.75	246.67	65
INDU	1741.19	1872.02	58
ISL	64.98	72.16	35
PSX	14.35	15.27	30
INIL	141.45	156.60	29
SEARL	57.83	61.09	27
DCR	18.36	19.74	25

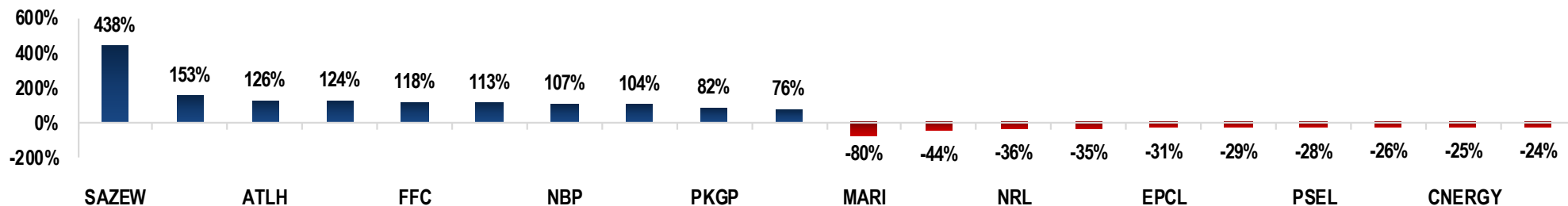
Source: PSX & TSL Research

Top 10 Negative Contributors (WoW)

Symbol	11-Oct-24	18-Oct-24	Points
POL	608.20	565.21	(180)
HUBC	106.90	102.34	(142)
MCB	257.42	247.40	(134)
UBL	299.81	292.28	(119)
ENGRO	320.73	308.17	(108)
MTL	552.50	534.92	(49)
EFERT	198.16	196.00	(42)
BAHL	108.61	106.97	(41)
HBL	136.05	134.02	(38)
CHCC	186.32	177.03	(35)

Source: PSX & TSL Research

Top 10 YTD Outperformers & Underperformers



Source: PSX & TSL Research

Top 10 Outperformers (WoW)

Symbol	11-Oct-24	18-Oct-24	Return (%)
ATRL	313	386	23.5%
PAKT	995	1197	20.3%
HGFA	7	7	13.5%
FCEPL	59	66	12.9%
JDWS	526	589	12.0%
ISL	65	72	11.0%
INIL	141	157	10.7%
DCR	18	20	7.5%
INDU	1741	1872	7.5%
PIBTL	6	7	7.1%

Source: PSX & TSL Research

Top 10 Underperformers (WoW)

Symbol	11-Oct-24	18-Oct-24	Return (%)
NPL	35	28	-20.9%
JVDC	44	38	-13.9%
BNWM	33	29	-12.0%
KAPCO	29	26	-10.8%
PIOC	205	188	-8.2%
POL	608	565	-7.1%
MEHT	510	475	-6.9%
PKGS	470	438	-6.8%
PTC	16	15	-5.2%
CHCC	186	177	-5.0%

Source: PSX & TSL Research

Foreign portfolio investment for the week

Weekly Market Update

Weekly Portfolio Flows - FIPI vs LIPI (USD Mn)												
Sectors	FIPI			LIPI								
	Gross Buy	Gross Sell	Net.	Banks	Broker	Comp.	Indivi.	Insur.	Funds	NBFCs	Others	Net.
Cement	2.19	-1.69	0.50	-0.14	-0.29	1.40	-1.23	-1.47	1.33	-0.01	-0.09	-0.50
Banks	2.88	-3.44	-0.56	0.48	-0.46	1.79	0.83	-0.05	-1.98	-0.04	-0.00	0.56
Technology	3.15	-2.58	0.57	-0.67	0.23	0.55	-0.11	0.11	-0.70	0.00	0.02	-0.57
Textile	0.53	-1.68	-1.15	-0.04	-0.00	-0.09	0.34	0.96	-0.02	0.00	0.00	1.15
Fertilizer	2.03	-3.61	-1.58	-2.17	0.46	0.87	-2.12	5.58	-1.01	-0.01	-0.03	1.58
Others	10.85	-18.21	-7.37	-12.48	1.70	21.47	-7.84	-3.07	7.73	-0.00	-0.14	7.37
OMC	1.32	-2.19	-0.88	-0.95	-0.34	0.14	1.79	-0.67	1.38	0.00	-0.48	0.88
E & P	2.50	-3.58	-1.07	-0.03	-0.44	0.09	1.77	-0.27	-0.05	0.06	-0.06	1.07
Power	3.93	-4.01	-0.08	-0.68	0.85	0.34	-0.28	-2.22	0.08	0.00	1.98	0.08
Food	10.38	-10.37	0.01	-0.02	0.00	-0.19	0.31	-1.16	1.05	0.00	-0.01	-0.01
Debt Market	0.00	0.00	0.00	0.08	-0.04	-0.60	-0.00	0.00	-0.24	0.00	0.80	-0.00
Total	39.76	-51.37	-11.61	-16.62	1.67	25.78	-6.53	-2.25	7.56	0.01	1.99	11.61

Source: NCCPL & TSL Research

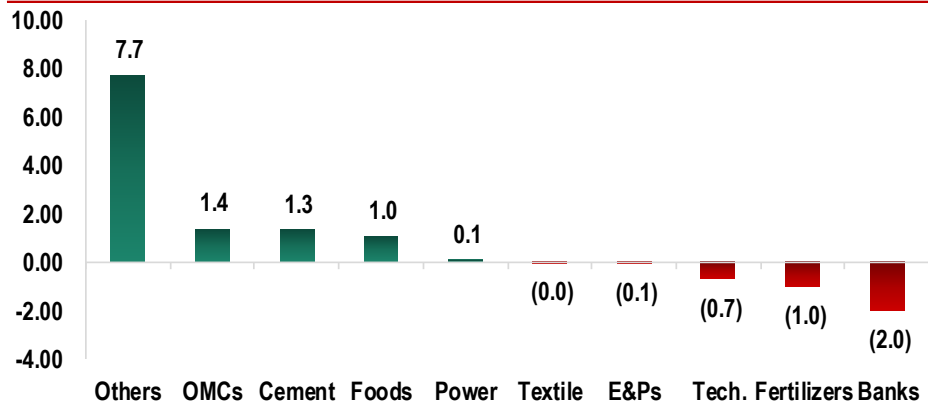
- Foreigners (including overseas Pakistanis) were net sellers of USD 11.61Mn worth of shares.
- Companies were the biggest buyers on the local front followed by Funds & Others.
- Banks were the major sellers followed by Individuals & Insurance.

Local portfolio investment flows for the week

Weekly Market Update

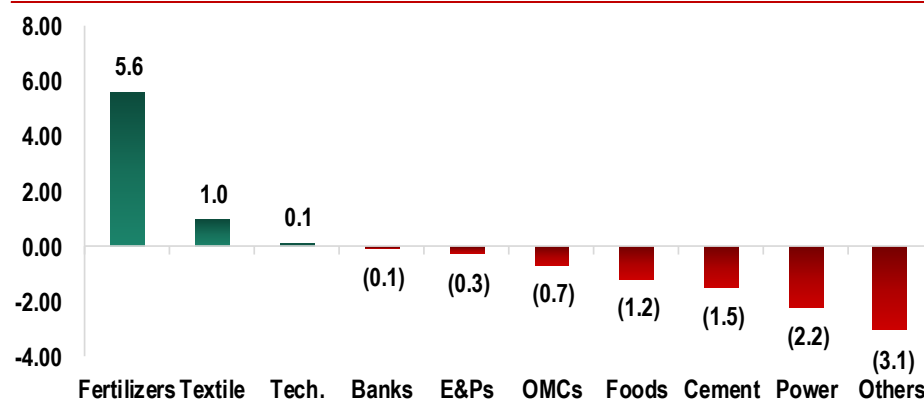
Friday, October 18, 2024

Mutual Fund activity for the week (USD Mn)



Source: NCCPL & Research

Insurance activity for the week (USD Mn)



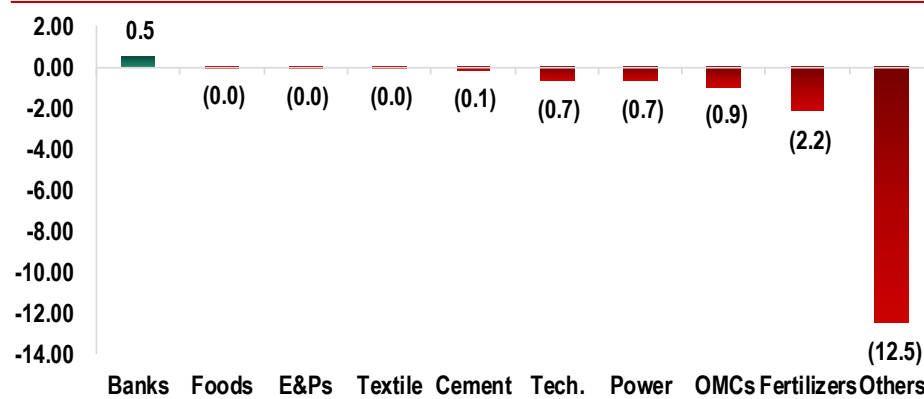
Source: NCCPL & TSL Research

Individuals activity for the week (USD Mn)



Source: NCCPL & TSL Research

Banks/DFIs activity for the week (USD Mn)



Source: NCCPL & TSL Research

Weekly Market Update

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

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