Institute of Business Management
Weekend PSX Bulletin
July 28th 2017

Market Summary

KSE 100 started positively on Monday and added 623 points, in first 3 days. Amid political uncertainty, the benchmark index took a nose dive of 1669 points on Friday before Panamagate verdict hearing. The Index closed positively at 45,912 points, gaining 617 points (1.36% WoW). KSE 30 closed at 23854 points, adding 214 points to the index (0.89% WoW).

FIP/LIP

A net selling of USD13.15mn was observed during the week from foreign investors with a major disinvestment from Foreign Corporates. For local investor portfolio, Mutual Funds were net seller of USD 28.23mn while the Individuals and Banks.DFI were net investors of USD28.78 and USD17.7mn respectively, making net local investment of USD 13.15mn, for the week.

Volume Gainers

Average trading volumes increased from 135mn shares to 198mn shares (48% WoW). Activity was focused in retail favorite stocks, which included ANL (86.6mn), TRG (75.8mn), BOP (53.6mn), SSGC (51.2mn) and EPCL (51.0mn).

Commodities

Commodities ralled during the week as gold closed at USD1268.4/oz. Starting negatively at the start, gold futures gaining USD 34(1.85% WoW) for the week amid falling greenback. Crude Oil gained USD2.92 (6.28%) to close at USD49.71. Brent Oil also increased by USD 3.22 to close at USD 52.52 for the week.

Market Triggers

- SBP policy rate remain unchanged at 5.75%, citing missing targetted inflation levels and higher doestic demand.
- Political termoil related to Panamagate scandal verdict, which resulted in a signle day market drop 1669 points.
- Falling foreign reserves to USD20.4bn (1.89% WoW).
- Positive news from Indus Motors, Honda Atlas cars and Pak Suzuki Motors.
- Intention of OGDCL to acquire an exploration and production firm in Middle East or Africa worth USD500mn.