

KSE SNAPSHOT



Bulls & Bears

Volumes were higher than previous day's and volatility was restricted; where the level is approaching the next resistance of 10,500-10,600. It seems that market may take correction after testing the resistance, however market would take a fresh rally if sustains above the resistance level with consistent volumes in coming days. Strategy is to sell on highs and avoid chasing the prices. LUCK, NBP and ICI are still technically sound.

Punter's Call

Uncertainty over the central bank's move on policy rate was cleared with the results of T-bill auction yesterday, it seems clear that SBP would maintain status quo on discount rate. Along with this result season is reflecting investors' interest in the market. We feel that volumes have been resumed and market may continue its upward march, we like POL and ICI.

News & Views

- Lucky Cement, the largest cement manufacturing company of Pakistan, after taken hostage by a group of people who claim themselves as union leaders has been forced to close down and all its production activities are lying shut since last five days.
- The cash-strapped Pakistan State Oil (PSO) increased spending on oil imports by over 32 percent to Rs 537.372 billion during financial year 2009-10 against Rs 363.087 billion in 2008-09 due to low throughput by oil refineries.
- Prime Minister Syed Yousuf Raza Gilani on Wednesday constituted a Special Committee headed by Finance Minister Dr Abdul Hafeez Shaikh to finalise collection of Reformed GST within two weeks.
- The Federal Board of Revenue has decided to continue with the existing sales tax regime under the Sales Tax Act, 1990 till the federal government resolves all issues relating to sales tax on services sector with provinces.
- The State Bank of Pakistan (SBP) on Wednesday granted No Objection Certificate (NOC) to Faysal Bank Limited for the purchase of Royal Bank of Scotland Pakistan operation.
- Government on Wednesday granted an exploration licence to Oil and Gas Investments Limited (OGIL) for Block No 2667-12 (Baran) located in Sindh.
- Urea sales went up 2.3 per cent to 3.03 million tonnes against 2.97 million tonnes during the identical period last year.
- With rising overdraft to Rs39 billion, the Pakistan State Oil (PSO) Wednesday gave an ultimatum to power companies to clear their dues by July 31.

ECONOMIC INDICATORS

Annual	2009/2010
External Debt	\$54.2bn
Per Capita Income (2009)	\$1046
GDP Growth (2009)	2.00%
Avg CPI (Jul-Feb)	20.77%

Monthly April

Trade Balance	\$-1.28mn
Exports	\$ 1.74bn
Imports	\$ 3.01bn

Weekly

July 16, 2010

Reserves	16.62bn
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KSE-100(28-07-2010)

10,436.29

KSE Volume (Shrs)	93.82Mn
KSE Market Cap (PKR)	2,925Bn
KSE Market Cap (USD)	34.14Bn
52 Weeks High	10,677.47Pts
52 Weeks Low	7,491.76Pts
52 Weeks (Avg)	9,542.64Pts

KIBOR

Bid Offer

1-Month	11.85	12.35
3-Months	12.08	12.33
6-Months	12.16	12.41

T-Bills

Bid Offer

3-Months	12.15	12.05
6-Months	12.33	12.25
12-Months	12.47	12.37

Exchange Rate

Bid Offer

PKR/USD	85.61	85.63
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COMODITIES

Price Change

WTI Crude	77.15	00.16↑
Gold (USD/oz)	1168.40	06.00↑
Silver – Futures	17.59	00.15↑

BOARD MEETINGS

29-JUL-2010	FFC
30-JUL-2010	UBL
06-AUG-2010	PSO
06-AUG-2010	PPL

INTERNATIONAL MARKETS

Change

NIKKIE-225	9,725	-27↓
DOW	10,497	-39↓
FTSE	5319	-46↓
BSE	17955	-2↓
HANGSENG	21068	-23↓

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