



Market Review	Last	Change
KSE 100 Index	39,506.58	106.39
KSE 30 Index	22,549.24	16.31
KMI 30 Index	68,727.66	93.71
All Share Index	26,539.12	115.31
Market Cap. (Rs bn)	7,945.02	32.78

Volume Leaders	Close	Volume
KEL	8.78	12,218,500
DFML	22.31	11,429,500
SNGP	43.40	6,654,500
DCL	17.91	4,456,000
PAEL	72.89	4,129,000

## KSE Statistics August 24, 2016

Indices	
All Share Index	26,539.12
KSE-30TM Index	22,549.24
KSE-100TM Index	39,506.58
Turnover	
All Share Index	140,446,690
KSE-30TM Index	41,477,300
KSE-100TM Index	63,526,150

## Board Meetings

Company	Date	Time
Pak Int. Container Term Ltd.	25-08-2016	11:00
Faysal Bank Ltd	25-08-2016	9:30
Standard Chartered Bank Ltd	25-08-2016	3:30
Otsuka Pak Ltd	25-08-2016	10:30
Century Insure Co. Ltd.	25-08-2016	10:00
Saif Power Ltd	25-08-2016	11:30
Jubilee Life Insure Co. Ltd	25-08-2016	11:00
Shifa Int. Hospitals	25-08-2016	11:00
Service Industries Ltd	25-08-2016	11:30
JS Bank Ltd	25-08-2016	4:00
Kot Addu Power	25-08-2016	10:00
IGI Insure Ltd	25-08-2016	11:00
Indus Motor Co. Ltd	25-08-2016	3:00
Dawood Hercules Corporation	26-08-2016	9:30

## HASCOL: Strong growth on better volumes foreseen

Though the international crude oil prices remain volatile, the cumulative profit after taxation (PAT) of the Hascol Petroleum Limited (HASCOL) is expected to post an impressive growth of 28% YoY in 1HCY16 primarily on back of heavy rise in sales volume. The PAT of the company is expected to total Rs 662 million (EPS: Rs 5.49) in 1HCY16 which is 28% YoY higher when compared to a PAT of Rs 516 million (EPS: Rs 4.27) in 1HCY15. In addition to increased volumes, higher other income and lower effective taxation would also boost the profitability of the company. The meeting of the board of directors of the company to announce the corporate results would take place on August 30, 2016.

### Extra-ordinary growth in 2QCY16 likely

The bottom-line is expected to post a gigantic growth of 128% QoQ in 2QCY16 to Rs 460 million (EPS: Rs 3.81) as against a PAT of Rs 202 million (EPS: Rs 1.68) in 1QCY16. This significant growth in earning would be attributed better volumes and inventory gains. However hike in effective taxation due to imposition of 3% super tax would have a negative impact on the profitability. The corporate results would be accompanied with an interim cash dividend of Rs 2/share.

### Higher revenues to give key boost

The net revenue of the company is anticipated to reach Rs 44,299 million in 1HCY16 resulting in a 22% YoY growth when compared to a net revenue of Rs 36,427 million in the identical period in CY15. Though the average crude oil prices remained low during the period however higher revenues would be backed by increased sales volume. The cost of products sold would surge by 21% YoY in 1HCY16. Therefore gross profit to grow by 38% YoY in 1HCY16 reaching Rs 1,921 million as against Rs1,393 million in the similar period in CY15. Consequently, gross profit margin to reach 4.3% in 1HCY16 versus 3.8% in 1HCY15.

### Double digit growth volumes

The sales volume of the company remained robust during the period under review growing by 41% YoY in 1HCY16 to 870k tons as against 618k tons in the similar period in CY15. This was largely on back of 114% YoY and 78% YoY growth in sales volume of Mogas and High Speed Diesel respectively to 250k tons and 347k tons respectively.

Rs in million	1HCY16E	1HCY15A	YoY	2QCY16E	1QCY16A	QoQ
Net Sales	44,299	36,427	22%	23,946	20,352	18%
Gross Profit	1,921	1,393	38%	1,159	762	52%
Distribution Expenses	713	438	63%	355	358	-1%
Operating Profit	1,082	882	23%	746	336	122%
Finance Cost	207	162	28%	104	103	2%
Profit before Taxation	879	688	28%	643	236	173%
Profit after Taxation	662	516	28%	460	202	128%
EPS (Rs)	5.49	4.27		3.81	1.68	

Source: Company Reports & WE Research

### Recommendation

We have a 'Market Weight' stance on the scrip which is trading at Rs226.65/share that is above our June'17 target price of Rs211/share.

**Disclaimer:** All information contained in this publication has been researched and compiled from sources believed to be accurate and reliable at the time of publishing. However, we do not accept any responsibility for its accuracy & completeness and it is not intended to be an offer or a solicitation to buy or sell any securities. WE Financial Services & its employees will not be responsible for the consequence of reliance upon any opinion or statement herein or for any omission. All opinions and estimates contained herein constitute our judgment as of the date mentioned in the report and are subject to change without notice.

For live markets, historical data, charts/graphs and investment/technical analysis tools, please visit our website [www.weonline.biz](http://www.weonline.biz)

**WE Research is Available on Thomson Reuters, Bloomberg, S & P Capital IQ, FactSet**



# Morning Briefing

Thursday, August 25, 2016

## Key Data

### Money Market

T-Bills (3 Mths)	03-Aug-2016	5.81%
T-Bills (6 Mths)	03-Aug-2016	5.84%
T-Bills (12 Mths)	03-Aug-2016	5.80%
Policy Rate	30-Jul-2016	5.75%
Kibor (1 Mth)	24-Aug-2016	6.23%
Kibor (3 Mths)	24-Aug-2016	6.01%
Kibor (6 Mths)	24-Aug-2016	6.04%
Kibor (9 Mths)	24-Aug-2016	6.30%
Kibor (1 Yr)	24-Aug-2016	6.35%
P.I.B (3 Yrs)	24-Aug-2016	6.18%
P.I.B (5 Yrs)	24-Aug-2016	6.69%
P.I.B (10 Yrs)	24-Aug-2016	7.75%
P.I.B (15 Yrs)	24-Aug-2016	10.10%
P.I.B (20 Yrs)	24-Aug-2016	10.50%
P.I.B (30 Yrs)	24-Aug-2016	11.00%

### Commodities

Crude Oil (brent)\$/bbl	48.99
Crude Oil (WTI)\$/bbl	46.72
Cotton \$/lb	67.67
Gold \$/ozs	1,327.95
Silver \$/ozs	18.55
Malaysian Palm \$	644
GOLD (PMEX) PKR	52,500
KHI Cotton 40Kg PKR	7,073

### Portfolio Investment (U.S \$ in million)

Yearly(Jul, 2016 up to 23-Aug-2016)	-9.01
Monthly(Aug, 2016 up to 23-Aug-2016)	-27.73
Daily (23-Aug-2016)	-0.43
Total Portfolio Investment (12-Aug-2016)	6789

### NCCPL (U.S \$ in million)

FIPI (24-Aug-2016)	-2.80
Local Companies (24-Aug-2016)	-0.80
Banks / DFI (24-Aug-2016)	-1.15
Mutual Funds (24-Aug-2016)	2.00
NBFC (24-Aug-2016)	1.35
Local Investors (24-Aug-2016)	2.27
Other Organization (24-Aug-2016)	-0.21

### GDR Update

Symbol	\$.Price	PKR/\$
MCB (1 GDR= 2 Shares)	3.50	183.23
OGDC (1 GDR= 10 Shares)	12.00	125.64
UBL (1 GDR= 4 Shares)	5.60	146.59
LUCK (1 GDR= 4 Shares)	18.50	484.25
HUBC (1 GDR= 25 Shares)	29.33	122.84

### WE Financial Services

#### Corporate Office

506, Fifth Floor,  
Karachi Stock Exchange Building,  
Stock Exchange Road,  
Karachi - 74000,  
Pakistan  
URL: [www.we.com.pk](http://www.we.com.pk)

## Pivot Analysis

Company	CR	RSI	Buy 1	Buy 2	Sell 1	Sell 2	Pivot
KSE 100 INDEX	39506.58	85.47	39,398	39,289	39,580	39,654	39,471
Attock Cement	262.93	51.59	262.30	261.65	264.05	265.10	263.40
Adamjee Insurance	50.59	38.61	50.30	50.00	51.10	51.60	50.80
Askari Bank	19.21	61.19	19.00	18.75	19.35	19.55	19.15
Azgard Nine	4.16	53.45	4.15	4.10	4.25	4.30	4.20
Attock Petroleum	510.00	68.90	509.40	508.80	511.20	512.40	510.60
Attock Refinery	325.14	63.28	323.55	322.00	327.10	329.05	325.55
Bank Al-Falah	29.13	61.97	28.95	28.80	29.35	29.60	29.20
BankIslami Pak	12.19	61.00	11.85	11.55	12.35	12.55	12.05
Bank.Of.Punjab	9.08	62.86	9.00	8.95	9.15	9.20	9.05
Faysal Bank	14.89	67.43	14.75	14.65	15.00	15.15	14.90
Fauji Cement	37.54	44.46	37.30	37.10	37.75	38.00	37.55
Fauji Fert Bin	53.13	36.70	52.65	52.20	53.40	53.70	52.95
Fauji Fertilizer	111.90	38.32	111.60	111.25	112.35	112.80	112.05
Habib Bank Ltd	218.13	55.26	216.85	215.55	219.70	221.30	218.40
Hub Power	123.70	40.16	123.00	122.30	124.30	124.95	123.65
ICI Pakistan	494.19	65.61	489.65	485.10	497.60	501.05	493.05
Lucky Cement	693.14	49.18	690.10	687.05	697.10	701.05	694.05
MCB Bank Ltd	213.42	45.15	212.60	211.75	214.65	215.85	213.80
Maple Leaf Cement	106.95	44.94	105.75	104.50	107.80	108.60	106.55
National Bank	65.73	59.34	65.35	65.00	66.00	66.30	65.65
Nishat Mills	124.10	68.99	122.95	121.80	125.05	126.05	123.90
Pak Petroleum	163.76	52.28	162.80	161.85	165.40	167.05	164.45
P.T.C.L.A	15.57	45.34	15.45	15.35	15.65	15.70	15.55

CR = Yesterday's Closing Rate; RSI = 14 day RSI.

RSI Indication: Less than 30 Indicate oversold position & Greater than 70 Indicate overbought position.

## Book Closure

Company	From	To	D/B/R	Spot Date	AGM-EOGM
Allied Bank	25-08-2016	31-08-2016	17.5(II)	23-08-2016	-
Punjab Cotton Mills #	26-08-2016	02-09-2016	-	-	02-09-2016
Rafhan Maize Products	01-09-2016	08-09-2016	-	-	-
United Bank	05-09-2016	12-09-2016	30(II)	01-09-2016	-
Hussein Industries	05-09-2016	08-09-2016	-	-	07-09-2016
Arif Habib Corp #	09-09-2016	21-09-2016	-	-	21-09-2016
MCB Bank	10-09-2016	17-09-2016	40(II)	08-09-2016	-
Habib Bank	10-09-2016	16-09-2016	35(II)	-	-
Synthetic Products Enterprise	15-09-2016	21-09-2016	10(F)	08-09-2016	21-09-2016
Attock Refinery	15-09-2016	22-09-2016	50(F)	08-09-2016	22-09-2016
Attock Petroleum	15-09-2016	22-09-2016	250(F)	09-09-2016	22-09-2016
National Refinery	16-09-2016	26-09-2016	200(F)	14-09-2016	26-09-2016
Arif Habib	17-09-2016	24-09-2016	70(F)	15-09-2016	24-09-2016
Fauji Fertilizer	19-09-2016	25-09-2016	15.5(II)	15-09-2016	-
Int. Steel	19-09-2016	27-09-2016	12.5(F)	15-09-2016	27-09-2016

### Indications

# Extraordinary General Meeting

**Disclaimer:** All information contained in this publication has been researched and compiled from sources believed to be accurate and reliable at the time of publishing. However, we do not accept any responsibility for its accuracy & completeness and it is not intended to be an offer or a solicitation to buy or sell any securities. WE Financial Services & its employees will not be responsible for the consequence of reliance upon any opinion or statement herein or for any omission. All opinions and estimates contained herein constitute our judgment as of the date mentioned in the report and are subject to change without notice.

For live markets, historical data, charts/graphs and investment/technical analysis tools, please visit our website [www.weonline.biz](http://www.weonline.biz)

**WE Research is Available on Thomson Reuters, Bloomberg, S & P Capital IQ, FactSet**