

KARACHI : Stocks at the Karachi share market extended their winning streak into the fourth week on Monday with the KSE-100 index posting hefty gains of 228.88 points or one per cent to 23,657.81. Investors were eagerly waiting for energy policy.

Net buying by foreigners of \$6.13 million worth stocks set the tone of the market. Among local participants, 'companies' also mopped up shares worth \$5.70 million, hoping to supplement the operating income with dividends in the next quarter earnings.

Banks and individuals however, took profit at the high levels, offloading shares valued at \$5.51 and \$4.49m.

Analyst Ahsan Mehanti at Arif Habib Corp commented that the stocks closed again at new all-time high amid speculations of good corporate earnings ahead of major result announcements due this week and hopes of early resolution of circular debt issues following CCI meeting to be held on Tuesday.

Improved cement and textile exports data for FY13, lower than expected current account deficit, renewed hopes for privatisation of SOEs and higher global commodities played a catalyst role in bullish activity at KSE despite concerns for falling foreign exchange reserves and rupee dollar parity.

Dealers at Sherman Securities observed that PTC and PSO led the rally initially. PTC, on the back of expected improvement in earnings as grey trafficking is being targeted. PSO was up on the belief that energy policy, expected on Tuesday would help solve circular debt problems. PPL was up 1pc on the back of news of discovery that would impact company's earnings positively by Re1.

OGDC was up 2.6pc as the stock has been under-performing lately. BOP led the volumes with 63 million shares contributing 19 to the total turnover.

The stock was up 0.7pc on the back of news that its right shares, paid for by investors, have not yet reached the investors signifying that there may not be additional float at least in the short run. Analyst Fahad Ali at JS Global said that investors booked gains in banking sector and switched to the cement sector.

E&P, OMC: The market saw PSO and OGDC post decent gains to close up by 4.9pc and 2.8pc respectively.

Fertiliser sector also remained under pressure where Engro Corporation hit its 'upper circuit' but then lost ground and eventually closed up by 1.3pc.

Turnover increased 37pc to 327 million shares on Monday, from 238m shares the previous Friday. Trading value also jumped by 49pc to Rs13.4bn from Rs9.1bn, signifying brisk activity in some of the heavy-weight stocks.

Market capitalisation saw addition of Rs63bn to Rs5.766trn, from Rs5.703trn last Friday.

Among the top-10 volume leaders, Bank of Punjab with 63m shares shed 5 paise to Rs15.02.

The second-tier cement stocks again managed to attract investor interest.

Fauji Cement with the second highest turnover at 39m shares gained 57 paise to Rs14.95; Lafarge Cement was up by 30 paise to Rs9.83 on 18m shares and Maple Leaf Cement, which had posted good

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Written by Administrator

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gains in the last two days of previous week, edged higher by 4 paisa on Monday to Rs28.61 on 11m shares.

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PTCL rallied by Rs1.24 or to its ♦upper circuit♦ and closed at Rs26.80 on 26m shares; PIA lost 21 paisa to Rs8.78 on 12m shares; NBP plunged by 65 paisa to Rs54.65 on 7m shares; Engro Corporation added Rs2.31 to Rs175.54 on 6m shares; Pakgen Power was up by 51 paisa to Rs26.02 on 6m shares and Faysal Bank rose by 21 paisa to Rs12.48 on 6m shares.

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