

 **KARACHI:** The Karachi Stock Exchange benchmark 100-index witnessed correction of over 200 points on Thursday on institutional selling, dealers said.

Azfer Naseem, vice president and head of research at Elixir Securities, said selling pressure was witnessed in selective stocks held by public sector on the news that a large institute is selling shares of state-controlled companies in the market. Government-owned companies remained in pressure, while there was no major correction as there is a huge liquidity in the market, he said.

The KSE-100 index fell by 202.54 points, or 0.85 percent, to close at 23,573.68 points against 23,776.22 points recorded in the last session. The index witnessed upward movement in the morning but later it declined and closed on the negative note. The highest index of the day remained at 23,869.65 points, while the lowest level of the day remained at 23,551.71 points.

The KSE-30 index also declined by 187.59 points, or 1.01 percent, to close at 18,430.18 points in the session against 18,617.77 points recorded in the last session.

Profit-taking was witnessed across-the-board with oil and gas sector remained in the limelight. Of a total of 377 active companies in the session, 178 ended in the positive territory, 188 in the negative zone and 11 companies remained unchanged.

Turnover improved slightly but trading value and market capitalisation declined in the market. The turnover improved by two million shares to 305.10 million from 303.68 million shares. Trading value declined to Rs11.92 billion against Rs13.97 billion, while market capitalisation fell to Rs5.75 trillion against Rs5.79 trillion recorded in the last session.

Zafar Moti, an analyst and a senior member of the KSE, said that correction became visible in the market with a decline of more than 200 points amid institutional selling. Share price of big scrips of oil and other sectors declined, as investors booked profits, he said.

The market, that was recording intraday session profit-taking for a few sessions, finally declined, which was healthy for the market and it could further go down towards the 23,000 points mark, he said.

Ahsan Mehanti, an analyst at Arif Habib Corporation, said that profit-taking was witnessed in selective stocks across-the-board on the concerns over political uncertainty ahead of the presidential elections due on July 30.

Security unrest in the country after Sukkur blast, fall in the global commodities and stocks played a catalytic role in the bearish activity at the KSE, despite support in cement stocks after the US pledge on Bhasha Dam to ease energy crisis, he said.

Nur Ali Barkat Ali, an analyst at KASB Securities, said the bulls did attempt to regain strength earlier in the session; however, they failed to gather enough grip and succumbed to nervousness. Indicators have also taken a sharp plunge and now advocate an upper hand for corrective forces in the near-term, he said.

Veerbhan Bajaj, an analyst at JS Global, said the rollover week of future contracts triggered selling in the National Bank of Pakistan (NBP), Engro, Adamjee Insurance and Pakistan State Oil (PSO). However, cement sector performed well with Fauji Cement Company Limited (FCCL) and Maple Leaf Cement

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continuing their positive momentum, he said.

Samar Iqbal, senior manager equity sales at Topline Securities (Pvt) Ltd, said the index lost 0.8 percent amid profit-taking in oil, banking and fertiliser sectors, while telecommunication and cement stocks remained supportive.

The NBP, which has been rallying for the last few sessions closed four percent down, while Engro also declined by over four percent, she said. Pakistan Telecommunication Company Limited remained in the limelight after unconfirmed news of government efforts to control grey trafficking, while FCCL and MLCF hit their upper circuit breakers amid expectations for better June earnings.

PTCL was among the top volume leaders backed by the news of reinstatement of International Clearing House (ICH) by the ministry in order to control grey traffic, which increased its share price by 2.7 percent.

An analyst at Sherman Securities said the market opened in the green but gradually showed profit-taking. The Oil and Gas Development Company Limited (OGDC), PSO and Pakistan Oilfields (POL) closed down by 0.5 percent, 1.5 percent and 0.9 percent, respectively. The news about non-supply of gas had brought down the sentiment for Engro, which closed down by 4.4 percent, he said.

Pressure was witnessed in commercial banks due to profit-taking where MCB Bank closed down by 0.9 percent, NBP closed down by 4.4 percent and Bank Alfalah closed down by three percent.

Highest increase was recorded in the shares of Siemens Pakistan, which rose by Rs37.27 to Rs782.77 per share; followed by Mitchells Fruit that improved by Rs25.67 to Rs540.62 per share. Major decline was witnessed in the shares of Bata (Pak), which fell by Rs39 to Rs1,750 per share; followed by Wyeth Pak Ltd that declined by Rs20 to Rs1,890 per share.

Significant turnover was recorded in the stocks of Fauji Cement, National Bank, Bank of Punjab, Lafarge Pakistan, Pakistan Telecommunication Company Limited, Maple Leaf Cement, Jahangir Siddiqui Co, Pak Elektron Ltd, DG Khan Cement and Byco Petroleum.

Fauji Cement remained the volume leader with 45.18 million shares on an increase of Re1 to close at Rs16.19 per share; followed by the National Bank with 30.37 million shares on a decline of Rs2.83 to Rs57.18 per share.

The Bank of Punjab remained the third leading stock with 26.50 million shares on a decline of 10 paisas to Rs13.54 per share, Lafarge Pakistan's 24.98 million shares with an increase of 42 paisas to Rs10.45 per share, PTCL's 20.60 million shares with an increase of 76 paisas to Rs27.82 per share, Maple Leaf Cement recorded trading of 13.92 million shares with an increase of Rs1.31 to Rs32.09 per share, Jahangir Siddiqui Co witnessed trading of its 11.61 million shares with an increase of one paisa to Rs13.07 per share, Pak Elektron Ltd's 5.35 million shares were traded with an increase of Re1 to Rs17.53 per share, DG Khan Cement's 4.98 million shares were traded with a decline of 73 paisas to Rs95.13 per share and 4.55 million shares of Byco Petroleum were traded with an increase of 19 paisas to Rs10.78 per share.

Shares turnover in the futures market surged to 59.65 million shares from 36.23 million traded in the previous session. FCCL August futures led the market with 12.87 million shares with an increase of Re1 to Rs16.40 per share; followed by NBP August futures with 9.29 million shares on a decline of Rs2.94 at Rs57.91 per share.

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