



Karachi Stock Exchange (KSE) benchmark 100-index surged by 290.90 points on Wednesday to a new high of 21,458.90 points on foreign buying, dealers said.

Yaseen Lakhani, CEO Lakhani Securities and former chairman of KSE, said that the stock market was performing well in selected stocks of oil, cement and PICIC Growth Fund. Foreign investment includes the funds of foreigners and expatriates, besides recycled money of people in the country, he said.

The KSE-100 index surged by 290.90 points or 1.37 percent to 21,458.90 points against 21,168.00 points recorded in the last session. The index, at one time, during the intraday session reached a high level of 21,483.87 points, while the lowest level of the day was recorded at 21,168.00 points.

The KSE-30 index also improved by 204.37 points or 1.24 percent to 16,687.00 points in the session against 16,482.63 points recorded in the last session.

Lakhani said that there was a huge demand for shares of consumer goods companies because of their profits.

On the political front, there are high expectations from the PML-N regarding circular debt payments, which can be resolved through the issuance of bonds, he said. The party leadership is ready to issue tax-free bonds worth Rs500 billion. Otherwise, a 10 percent tax on all types of bonds will be issued.

He added that the PML-N has connections in the Middle East, which will boost investor confidence.

Trading was witnessed across the board, while the index was affected mostly by public sector stocks. Of a total of 388 companies stocks traded, 218 advanced, 140 declined and 30 remained unchanged.

Along with the index, the turnover increased to a record high. However, the trading value witnessed a decline, while market capitalisation also improved in the session. Turnover surged by 129 million shares to a year high of 572.42 million shares from 443.63 million shares, while the value declined to Rs15.31 billion against Rs16.52 billion. Market capitalisation rose to Rs5.21 trillion against Rs5.15 trillion recorded in the last session.

Pakistan State Oil (PSO), the largest oil marketing company in the country, and Pakistan Petroleum Limited (PPL) remained in the limelight.

PSO closed at the upper lock with a five percent increase and PPL increased by 3.8 percent. The cement sector also performed well in the market.

Zafar Moti, an analyst and senior member of the KSE, said that the market went up on foreign buying and local investors and retail clients were sidelined. There should have been some correction at this level but foreign fund buyers are not leaving the market for correction to take place, he said.

He added that it was not certain as to whether the money coming in the market was real foreign investment or routed money of investors in the country or those living abroad.

After hefty foreign inflows, the market continued its bull run with rising volumes, Samar Iqbal, senior manager equity sales at

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Topline Securities (Pvt) Ltd, said. ♦The volume has once again crossed the Rs15.3 billion-mark led by PSO, PPL and Pakistan Telecommunication Company Limited (PTCL). Mid cap stocks, such as Lotchem and DCL, also witnessed renewed interest by retail investors. The visit of China♦s prime minister to Pakistan also boosted investor sentiments.♦</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">Ahsan Mehanti, an analyst at Arif Habib Corp, said that the stocks closed at an all-time high led by oil and cement stocks on strong valuations. ♦Market sentiments remained positive after the new government♦s initiatives to deal with economic and energy crises,♦ he added.</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">An analyst at Sherman Securities said that continued foreign buying and stability on the political front have created comfort and led market players to trade in bigger volumes. Lotchem contributed the highest turnover of 62 million shares, which stood around 11 percent of the entire market.</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">The highest increase was recorded in the shares of Nestle Pak, which rose by Rs100.00 to Rs6,700.00 per share, followed by Bata (Pak) that improved by Rs90.00 to Rs1,900.00 per share. Major decline was witnessed in the shares of Unilever Food, which fell by Rs100.00 to Rs4,800.00 per share, followed by Wyeth Pak Ltd that declined by Rs33.33 to Rs1,440.87 per share.</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">Significant turnover was recorded in the stocks of Lotte Chemical, Fauji Cement, Dewan Cement, Karachi Electric Supply Company, PTCL, Lafarge Pak XD, Maple Leaf Cement, TRG Pakistan Ltd, Pakistan International Airlines and Jahangir Siddiqui Co.</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">Lotte Chemical remained the volume leader with 63.15 million shares and an increase of 85 paisas to Rs8.63 per share, followed by Fauji Cement with 52.45 million shares and a rise of 30 paisas to Rs12.06 per share.</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">Dewan Cement remained the third leading stock with 33.84 million shares and an increase of 84 paisas to Rs7.12 per share, while</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">KESC witnessed trading of 32.92 million shares with an increase of 57 paisas to Rs6.92 per share, PTCL of 9.93 million shares with a rise of 38 paisas to Rs21.05 per share, Lafarge Pak XD of 27.23 million shares with a rise of 34 paisas to Rs8.32 per share, Maple Leaf Cement of 19.44 million shares with a rise of 39 paisas to Rs21.87 per share, TRG Pakistan Ltd of 17.64 million shares with a rise of 61 paisas to Rs10.36 per share, PIA of 15.97 million shares with an increase of 91 paisas to Rs7.39 per share and 14.32 million shares of Jahangir Siddiqui Co were traded with a rise of 33 paisas to Rs12.44 per share.</p> <p style="text-align: justify;">♦</p> <p style="text-align: justify;">Shares♦ turnover in the futures market increased to 26.91 million shares from 23.63 million shares traded in the previous session. PTCL♦s May futures led the market with 5.78 million shares and a rise of 38 paisas to Rs21.13 per share, followed by Lotchem May with 4.26 million shares and an increase of 89 paisas to Rs8.66 per share. Out of 131 companies♦ shares traded in the futures market, 90 recorded gains, 39 declined and two remained unchanged.</p> <p style="text-align: justify;">

Courtesy: ♦The News</p> </p>