# The refinery surge is given back in a session: KSE-100 falls 1.01% to 170,499, ending its five-session run, as the Refinery sector sweeps 4.15% lower on CNERGY's 158m and 358 names decline

The KSE-100 fell 1.01% to 170,499 on Thursday, its sharpest fall since 14 September, ending the five-session winning run and giving back more than twice Wednesday's gain. The close is back below the 24 July low of 171,021 by about 0.31%, roughly 9.05% under the 6 July record and 1.51% above the 14 September correction low, with the run from Thursday's 169,043 cut to 0.86% and the week 0.23% lower against Friday's 170,885 with one session left. Breadth was the weakest since 14 September at 99 advancers to 358 decliners across the 494-name board, three of 33 sectors higher and five without a single advancer, and the tape was heavy on the way down: 760m, with 602m in declining names - the heaviest declining side since at least late August - against 156m in advancing ones. Wednesday's refinery surge reversed on the spot: the sector fell 4.15% in a clean sweep lower - CNERGY 5.9% on 158m, its heaviest print since 1 September, PRL 3.9% on 49m, ATRL 3.6%, NRL 3.2% - giving back more than half of the 7.57% gain in a session. The selling ran through the engines as well: Power Generation and Distribution fell 2.21% as KEL dropped 7.3% on 72m, Chemical 2.98% with 22 of 25 lower, Cement 1.33% with 17 of 19, Commercial Banks 1.1% with 18 of 19 down, and the E&Ps and Oil and Gas Marketing closed without an advancer. All four gauges fell between 1.01% and 1.08%, the All-Share the deepest.

## MACRO & INDEX OVERVIEW

| KSE-100 | KSE-30 | KMI-30 (SHARIAH) | ALL-SHARE |
|---|---|---|---|
| 170,499 | 50,740 | 244,205 | 103,103 |
| -1.01% | -1.06% | -1.06% | -1.08% |

**Market breadth** — 494 tracked names

↑ 99 advancing · 37 unchanged · ↓ 358 declining

## Market Pulse

Thursday's 760m tape went almost all one way: 602m traded in declining names against 156m in advancing ones, nearly four to one. CNERGY was the most active name, falling 5.9% on 158m the day after rising 8.4% on 150m, with PRL down 3.9% on 49m, ATRL 3.6% and NRL 3.2% on 4m completing the refinery sweep lower. KEL was the day's second-heaviest print, dropping 7.3% on 72m after Wednesday's 2.8% fall, and FNEL fell 5.9% on 60m as Monday's band run continued to unwind. WTL lost 2.9% on 43m, AGHA gave back 8.1% on 14m after Wednesday's 7.7% jump, NBP fell 3.2% on 9m, PIBTL 3.2% on 7m and BOP 0.8% on 7m, with TELE off 3.1%, SSGC 2.3% and MLCF 2.2%. The advancing side was three low-priced names - MDTL up 3.9% on 41m, TSBL 5.5% on 30m and PACE 3.3% on 22m - with HBL 0.3% on 4m and ACPL 1.6% on 2m the only index names of note higher. The heavyweights went with the board - LUCK and DGKC down 2.1%, MARI 2%, FATIMA 2.5%, UBL 1.5%, OGDC 1%, PPL 0.6%. The gainers list was band names at the limit - DSIL 10.4% on a Rs 1 move, FCIBL, ASHT, PICT and PIM - and the losers PKGI, BUXL, ASTM, CLVL and SARC all at limit-down.

## Sector micro-analysis

Three of 33 sectors closed higher, none of index weight - Textile Weaving 1.64%, Leather and Tanneries 0.75% and Glass and Ceramics 0.13% - and five closed without a single advancer, the refinery complex among them. The Refinery sector fell 4.15% with all four names lower - CNERGY 5.9%, PRL 3.9%, ATRL 3.6%, NRL 3.2% - the day after its 7.57% clean sweep higher, the E&Ps lost 0.9% with all four down on MARI's 2% and OGDC's 1%, Oil and Gas Marketing 1.73% with all ten lower on SSGC's and SNGP's 2.3%, Synthetic and Rayon 2.87% and the Exchange Traded Funds 0.89%. The engines fell together: Power Generation and Distribution lost 2.21% with 13 of 16 lower on KEL's 7.3%, Chemical 2.98% with 22 of 25 down on LOTCHEM's 2.4% and EPCL's 1.9%, Cement 1.33% with 17 of 19 lower - GWLC 2.5%, PIOC 2.3%, MLCF, LUCK and DGKC 2.1% or more - Engineering 1.35% on AGHA's 8.1% and ASTL's 1.7%, Commercial Banks 1.1% with 18 of 19 down - NBP 3.2%, UBL 1.5%, BOP 0.8% - against HBL's 0.3% rise, Fertilizer 1.09% on FATIMA's 2.5%, Technology and Communication 0.85% with 15 of 21 lower on TELE's 3.1%, WTL's 2.9% and NETSOL's 2.5%, and Pharmaceuticals 1.28% with 12 of 14 down. Apparel fell 2.13% the day after its sweep higher, Modarabas 1.84% with 17 of 19 lower, Automobile Parts and Accessories 1.54% and Cable and Electrical Goods 1.53%.

| SECTOR | AVG CHANGE | BREADTH (A / D) |
|---|---|---|
| Textile Weaving | +1.64% | 4 / 2 |
| Leather & Tanneries | +0.75% | 3 / 3 |
| Glass & Ceramics | +0.13% | 2 / 5 |
| Real Estate Investment Trust | -0.14% | 2 / 4 |
| Synthetic & Rayon | -2.87% | 0 / 4 |
| Chemical | -2.98% | 3 / 22 |
| Refinery | -4.15% | 0 / 4 |

### TOP MOVERS

**Gainers**

| | |
|---|---|
| DSIL | +10.40% |
| FCIBL | +10.00% |
| ASHT | +10.00% |
| PICT | +10.00% |
| PIM | +10.00% |

**Losers**

| | |
|---|---|
| PKGI | -10.00% |
| BUXL | -10.00% |
| ASTM | -10.00% |
| CLVL | -10.00% |
| SARC | -10.00% |

**Most active**

| | | |
|---|---|---|
| CNERGY | 158m | -5.90% |
| KEL | 72m | -7.30% |
| FNEL | 60m | -5.90% |
| PRL | 49m | -3.90% |
| WTL | 43m | -2.90% |

## Market Action

Participant flows: the internals read as Wednesday's refinery bid turning straight into supply, and the rest of the board selling with it. Down-volume of 602m was the heaviest declining side since at least late August - nearly four times the 156m in advancing names - and the refinery complex was again the weight, CNERGY's 158m at -5.9% the heaviest print for the name since 1 September and PRL's 49m at -3.9% behind it, roughly 207m of declining volume between them a day after they supplied roughly 200m of the advancing side. Around them the selling was general: KEL's 72m at -7.3% was the second-heaviest print, FNEL's 60m extended the band unwind, the banks fell 18 of 19, the cements 17 of 19 and the power names 13 of 16, with five sectors closing without an advancer and 358 names lower. The bids of size were low-priced names - MDTL's 41m, TSBL's 30m and PACE's 22m - not the engines. Wednesday's surge had already drawn foreign supply: foreign investors were net sellers of PKR 547m on 23 September, the heaviest foreign net sell since 11 September, reversing Tuesday's PKR 324m net buy. The refinery oscillation that defined August has resumed its full cycle - a 7.57% sweep higher given back by more than half within a session - and this time it took the five-session run with it.

### Outlook

- The five-session run ended where the refinery cycle turned: Thursday's 1.01% fall, the sharpest since 14 September, took the index back below the 24 July low of 171,021 to 170,499 - about 9.05% under the record and 1.51% above the correction low - with the run from 169,043 cut to 0.86% and the week 0.23% lower with a session left.
- The refinery pattern completed on schedule: Wednesday's 7.57% sweep higher, the sector's largest since 31 August, was followed within a session by a 4.15% sweep lower on CNERGY's 158m - the fifth time since 10 August a surge of that size has been given back inside a day or two - and this time the engines fell with it rather than absorbing it.
- The selling was broad and heavy rather than confined to the fringe: 602m in declining names was the heaviest declining side since at least late August, 358 names fell, the banks went 18 of 19 lower and five sectors closed without an advancer - a reversal of Wednesday's concentrated gain into a session-wide decline.

### What to watch

- Whether 171,021 is regained or the retreat resumes - Thursday closed about 0.31% below the 24 July low with the correction low of 167,971 about 1.51% beneath, and Friday decides whether the week holds Friday's 170,885 close
- Whether the refinery unwind extends - CNERGY fell 5.9% on 158m and PRL 3.9% on 49m the day after the sector's 7.57% sweep, and August's give-backs ran anywhere from a single session to five
- Whether foreign selling persisted into the reversal - Wednesday's PKR 547m net sell was the heaviest since 11 September and ended Tuesday's one-day net buy
- USD/PKR, SBP rate signals and the global crude tape