

## ACPL DIGEST

Equity Research | Monday, 17 May, 2021

## Textile Composite

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
NCL	BUY	Dec 21	90	46.20	94.8 ▲	56.8	0.8	FY21E	1.75	3.8	9MFY21	15.11	FY21E	20.97	2.2	240	108
ILP	BUY	Dec 21	80	65.60	22.0 ▲	19.9	3.3	FY21E	2.00	3.0	9MFY21	5.29	FY21E	7.26	9.0	869	130
GATM	BUY	Dec 21	60	47.43	26.5 ▲	32.6	1.5	FY21E	1.50	3.2	9MFY21	8.08	FY21E	9.59	4.9	428	107

## Oil &amp; Gas Exploration Companies

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
OGDC	BUY	Dec 21	125	92.67	34.9 ▲	160.0	0.6	FY21E	6.10	6.6	9MFY21	15.45	FY21E	21.04	4.4	4,301	645
PPL	BUY	Dec 21	100	82.60	21.1 ▲	126.7	0.7	FY21E	-	0.0	9MFY21	14.01	FY21E	18.48	4.5	2,721	482
POL	HOLD	Dec 21	400	360.06	11.1 ▲	141.9	2.5	FY21E	36.60	10.2	9MFY21	33.74	FY21E	42.24	8.5	284	108
MARI	BUY	Dec 21	1,800	1503.38	19.7 ▲	698.0	2.2	FY21E	6.00	0.4	9MFY21	175.08	FY21E	237.10	6.3	133	22

## Pharmaceuticals

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
HINOON	BUY	Dec 21	750	598.57	25.3 ▲	115.8	5.2	CY21E	18.00	3.0	1QCY21	10.74	CY21E	42.97	13.9	35	9
SEARL	BUY	Dec 21	320	230.46	38.9 ▲	66.5	3.5	FY21E	3.00	1.3	9MFY21	8.98	FY21E	13.82	16.7	240	108
AGP	HOLD	Dec 21	120	109.68	9.4 ▲	30.2	3.6	CY21E	3.50	3.2	1QCY21	1.37	CY21E	5.50	19.9	280	84

## Technology &amp; Communication

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
SYS	SELL	Dec 21	380	449.36	15.4 ▼	52.9	8.5	CY21E	5.00	1.1	1QCY21	3.83	CY21E	17.82	25.2	123	62

## Food &amp; Personal Care Products

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
MFL	HOLD	Dec 21	28	24.40	14.8 ▲	55.3	0.4	FY21E	-	0.0	9MFY21	0.12	FY21E	0.26	93.8	122	47
TOMCL	SELL	Dec 21	27	28.85	6.4 ▼	23.3	1.2	FY21E	-	0.0	9MFY21	1.88	FY21E	2.47	11.7	112	50
UNITY	BUY	Dec 21	45	35.71	26.0 ▲	5.9	6.1	FY21E	0.90	2.5	9MFY21	2.68	FY21E	3.74	9.5	994	76

## Real Estate Investment Trust

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
DCR	BUY	Dec 21	11	10.50	4.8 ▲	23.1	0.5	FY21E	1.17	11.1	9MFY21	0.90	FY21E	1.21	8.7	2,224	556

## Commercial Banks

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	Recent EPS		Expected EPS		P/E (F)	Shares ('mn)	Free Float ('mn)
MCB	BUY	Dec 21	205	163.52	25.4 ▲	160.4	1.0	CY21E	20.00	12.2	1QCY21	5.73	CY21E	29.14	5.6	1,185	415
BAHL	BUY	Dec 21	90	68.06	32.2 ▲	71.9	0.9	CY21E	5.00	7.3	1QCY21	4.14	CY21E	15.05	4.5	1,111	722
BAFL	BUY	Dec 21	42	31.61	32.9 ▲	51.2	0.6	CY21E	4.00	12.7	1QCY21	1.95	CY21E	7.35	4.3	1,777	563
BOP	BUY	Dec 21	11	7.70	42.9 ▲	19.8	0.4	CY21E	1.00	13.0	1QCY21	0.69	CY21E	2.80	2.8	2,644	1,116

## Cement

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
FCCL	BUY	Dec 21	28	22.75	23.1 ▲	14.4	1.6	FY21E	1.50	6.6	9MFY21	1.89	FY21E	2.52	9.0	1,380	759
ACPL	BUY	Dec 21	200	161.23	24.0 ▲	120.5	1.3	FY21E	3.50	2.2	9MFY21	6.98	FY21E	9.83	16.4	137	23
MLCF	BUY	Dec 21	58	42.64	36.0 ▲	28.5	1.5	FY21E	1.00	2.3	9MFY21	2.37	FY21E	3.26	13.1	1,098	267
CHCC	HOLD	Dec 21	190	167.44	13.5 ▲	51.7	3.2	FY21E	1.00	0.6	9MFY21	11.44	FY21E	15.49	10.8	194	106

## Engineering

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
MUGHAL	BUY	Dec 21	120	90.10	33.2 ▲	32.4	2.8	FY21E	3.00	3.3	9MFY21	9.97	FY21E	13.02	6.9	252	61
ASTL	BUY	Dec 21	55	37.56	46.4 ▲	37.4	1.0	FY21E	1.50	4.0	9MFY21	3.12	FY21E	3.73	10.1	297	74
AGHA	BUY	Dec 21	35	27.50	27.3 ▲	22.6	1.2	FY21E	-	0.0	9MFY21	2.77	FY21E	3.48	7.9	576	120

## Automobile Parts &amp; Accessories

	Stance	Target Price		LDCP	Upside (%)	BV (T)	P/B (T)	Dividend		D/Y - F (%)	EPS		EPS	P/E (F)	Shares ('mn)	Free Float ('mn)	
PTL	BUY	Dec 21	75	61.51	21.9 ▲	40.5	1.5	FY21E	-	0.0	9MFY21	5.71	FY21E	7.03	8.7	42	140

Source: ACPL Research, Company Financials, PSX

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### DEFINITION OF TERMS

<b>TP</b>	Target Price	<b>DDM</b>	Dividend Discount Model	<b>FCF</b>	Free Cash Flows
<b>FCFE</b>	Free Cash Flows to Equity	<b>FCFF</b>	Free Cash Flows to Firm	<b>DCF</b>	Discounted Cash Flows
<b>PE</b>	Price to Earnings Ratio	<b>PB</b>	Price to Book Ratio	<b>BVPS</b>	Book Value Per Share
<b>EPS</b>	Earnings Per Share	<b>DPS</b>	Dividend Per Share	<b>ROE</b>	Return of Equity
<b>ROA</b>	Return on Assets	<b>SOTP</b>	Sum of the Parts	<b>JPB</b>	Justified Price to Book

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

### VALUATION METHODOLOGY

To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

- I. Discounted Cash Flow Model
- II. Dividend Discount Model
- III. Relative Valuation Model
- IV. Sum of Parts Valuation

### RATINGS CRITERIA

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Stock Rating	Expected Total Return
BUY	Greater than 15%
HOLD	Between -5% to 15%
SELL	Less than and equal to -5%

Sector Rating	Sector Outlook
Overweight	Positive
Market Weight	Neutral
Underweight	Negative

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