

## ***Lotte Chemicals Pakistan Limited in limelight again....!***

### **PTA margins touched \$ 300 for the first time after 2011**

Current quarter has seen PTA margins gaining momentum from \$30 at the start of April and touched a high of \$300 on April 24<sup>th</sup> (for the first time after 2011). Current margin as on May 06<sup>th</sup> was seen around \$225. We expect LOTTEPTA coming out of red zone and back in profitability if the current momentum continues.

The current trend is backed by forced shutdown of major petrochemical plant in China on April 06<sup>th</sup> due to fire and explosion; Current rise in oil price may further boost price of Paraxylene (PX) and subsequently Para-**Phthalic acid** (PTA) improving PTA margins in coming days.

LOTCHEM offers a short term upside of 25% based on current momentum in PTA margins with our Target price of Rs. 8.0 per share