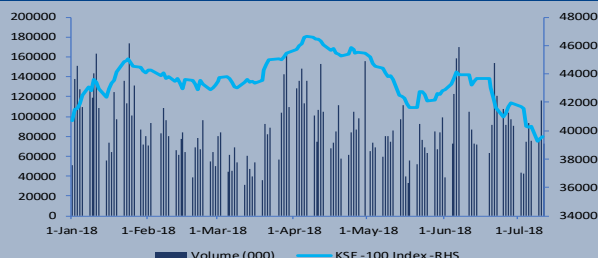


1st Feb, 2023

## KSE -100 Index



## Market- Key Statistics

	Current	Previous	Change
KSE100 Index	40,673.06	39,871.27	801.79
All Shares Index	27,100.87	26,673.22	427.65
KSE30 Index	15,190.43	14,897.72	292.71
KMI30 Index	69,439.38	67,995.54	1443.84
Volume (mn)	152.51	140.43	(174.76)

Source: PSX

## Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
SKRS	9.58	(-9.45%)	72,500
SBL	6.01	(-7.54%)	1,000
PSEL	2,095.13	(-7.50%)	100
SHJS	45.79	(-7.49%)	500
EFGH	12.49	(-7.48%)	18,500

## Top Winners-KSE100 Index

Symbol	Price	% Change	Volume (mn)
DATMDEF	7.08	(16.45%)	4,000
SIBL	4.90	(13.95%)	500
HICL	5.66	(8.64%)	500
EPCLPS	12.98	(8.17%)	5,000
PIAA	4.00	(8.11%)	5,596,000

## Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume (Mn)
PPL	76.9	(-0.81%)	6,703,826
PIAA	4	8.11%	5,596,000
HBL	73.5	1.69%	3,272,896
OGDC	87.5	(-0.34%)	2,973,739
GATM	21.5	(4.98%)	2,710,806

## Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (Mn)
PPL	76.85	-0.81	7.79
MLCF	21.34	-0.09	5.18
TPLP	15.79	-0.13	3.4
OGDG	87.50	-0.34	3.3
FCCL	11.31	-0.70	3.09

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## IMF seeks political consensus for revival of \$6.5b bailout

The International Monetary Fund (IMF) on Tuesday expressed concerns that the opposition might create hurdles in the way of implementing tough economic decisions, urging the government to meet all the "requirements" for the completion of the much-delayed programme review. (Tribune) [Click to see more](#)

## Rs952b to be added to circular debt

A revised Circular Debt Management Plan (CDMP) has revealed that a staggering Rs952 billion more will be added to the country's circular debt in a 'business as usual' move – a hole that the government now wishes to plug by increasing the price of electricity and - Rs675 billion in additional subsidies. The government has proposed the imposition of three separate quarterly tariff adjustments, ranging from 69 paise per unit to Rs3.21 per unit from February to May this year to reduce a gap of Rs73 billion, showed details. (Tribune) [Click to see more](#)

## KE tariff to go down by Rs10.8 per unit

The National Electric Power Regulatory Authority (Nepra) indicated on Tuesday that it would reduce power tariff by Rs10.80 per unit for K-Electric (KE) consumers and by Rs2.32 per unit for the consumers of other power distribution companies (DISCOs) on account of fuel charge adjustment (FCA) for December 2022. (Tribune) [Click to see more](#)

## Gold sees highest single-day plunge in Pakistan

As the rupee slightly recovered against the US dollar, gold price in Pakistan on Tuesday registered its highest single-day drop. Investors also kept a close watch on the US Federal Reserve's interest rate hike decision and policy outlook. (The News) [Click to see more](#)

## IMF hopes spark rally, take PSX to 40,000

Bulls maintained their control over Pakistan Stock Exchange (PSX) throughout the outgoing week as the benchmark KSE-100 index surged over 2,000 points in the wake of optimism about progress in talks with the International Monetary Fund (IMF). The week commenced on a flat note with slight gains as investors remained cautious ahead of the monetary policy announcement on expectations of a hike of 100 basis points (bps) in the key policy rate. (Tribune) [Click to see more](#)

## Barrick makes initial payment of \$3m to Balochistan govt

Barrick Gold Corporation has paid the first \$3 million to the Balochistan government as part of the new Reko Diq partnership. After the signing of agreements, Barrick and the Government of Balochistan recently agreed upon the timetable for the disbursement of committed funds to the province. The new Reko Diq agreement ensures that benefits from the project start accruing to the people of Balochistan well before the mine goes into production through advance royalties and social development funds. (BR) [Click to see more](#)

## Key Economic Data

Reserves (20-Jan-23)	\$9.45bn
Inflation CPI Dec'22	24.5%
Exports - (Jul'21-Jun'22)	\$31.79bn
Imports - (Jul'21-Jun'22)	\$80.18bn
Trade Balance- (Jul'21-Jun'22)	\$(44.77)bn
Current A/C- (Jul'21-Jun'22)	\$(17.4)bn
Remittances - (Jul'21-Jun'22)	\$29.45bn

Source: SBP

## FIPI/LIPI (USD Million)

FIPI (31-Jan-23)	(0.36)
Individuals (31-Jan-23)	0.26
Companies (31-Jan-23)	(0.95)
Banks/DFI (31-Jan-23)	1.08
NBFC (31-Jan-23)	0.026
Mutual Fund (31-Jan-23)	0.15
Other Organization (31-Jan-23)	0.49
Brokers (31-Jan-23)	0.48
Insurance Comp: (31-Jan-23)	(1.2)

Source: NCCPL

## Commodities

Commodities	Current	Previous	Change
Cement (Rs./bag)	1,043	1,043	0.00%
DAP (PKR/bag)	9,429	9,527	-1.03%
Urea Fertilizer (PKR/bag)	2,626	2,531	3.75%
Gold Spot (USD/oz)	1,928.15	1,926.92	0.06%
Gold Future (USD/oz)	1,929.40	1,924.25	0.27%
WTI Spot (USD/bbl)	79.27	81.20	-2.38%
WTI Future (USD/bbl)	79.68	81.33	-2.03%
FOREX Reserves (USD bn)	9.45	10.44	-9.48%

## Exchange Rates– Open Market Bids

Local (PKR)	Current	Previous	Change
PKR / US\$	270.00	267.63	0.89%
PKR / EUR	287.20	290.22	-1.04%
PKR / GBP	326.00	330.48	-1.36%
PKR / JPY	2.50	2.50	0.00%
PKR / SAR	70.50	71.23	-1.02%
PKR / AED	72.50	72.78	-0.38%
PKR / AUD	188.90	190	-0.58%

## Govt rolls out first measures as IMF mission begins talks

On the opening day of make-or-break talks with the International Monetary Fund (IMF), the government on Tuesday increased liquefied petroleum gas (LPG) price by 30 per cent and finalized a minimum of Rs6 per unit average increase in electricity rates between now and August. (Dawn) [Click to see more](#)

## Govt sees spike in inflationary pressures

Highlighting 'immediate pressures' on fiscal account owing to revenue collection challenges, heavy interest payments and rehabilitation spending, the government on Tuesday increased its inflation forecast to 26 per cent — more than double the budgeted 11.5pc target. (Dawn) [Click to see more](#)

## Automakers suspend production

Faced with a demand slump and raw material shortages amid unfavourable economic conditions, Indus Motor Company (IMC) on Tuesday announced a fourth production suspension from Feb 1-14. Also, Agriauto Industries Ltd (AIL), an auto vendor, announced a partial closure this month due to a sharp decline in demand for parts and accessories from major automakers. The assembler of Toyota vehicles in a stock filing said it would resume production from Feb 15 on a single shift basis until further notice. (Dawn) [Click to see more](#)

## PKR appreciates by Rs1.74 in interbank as export proceeds flow in

The rupee, which recently hit a record low, appreciated by Rs1.74 against the US dollar in the interbank market on Tuesday. The local currency closed at Rs267.89, up 0.65 per cent from yesterday's close of Rs269.63. (Dawn) [Click to see more](#)

## Country braces for fuel shortages?

Pakistan could face a crunch in fuel supplies in February as banks have stopped financing and facilitating payments for imports due to depleting foreign exchange reserves, traders and industry sources said. The South Asian nation is facing a balance of payments crisis and the plummeting value of the Pakistani rupee is pushing up the price of imported goods. Energy comprises a large chunk of Pakistan's import bill. (BR) [Click to see more](#)

## IMF revises GDP growth projections downward

The IMF World Economic Outlook (WEO) Update "inflation peaking amid low growth" projected Pakistan's GDP growth at two per cent for 2023 and four per cent for 2024. However, the IMF WEO report released in October 2022, had projected GDP growth rate for Pakistan at 3.5 per cent for 2023 against six per cent in 2022, but it did not include the impact of the floods. (BR) [Click to see more](#)

## Govt plans to convert Rs800bn PHL debt into public debt

The government has prepared a plan to impose multiple surcharges of over Rs 4/kWh on consumers across the country including those of the KE and conversion of Power Holding Limited's (PHL) debt of Rs 800 billion to public debt. (BR) [Click to see more](#)

## Analyst Certificate:

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WE Financial Services Ltd. uses three rating categories, depending upon return form current market price, with Target period as December 2021 for Target Price. In addition, return excludes all type of taxes. For more details kindly refer the following table;

Potential to target price	
Buy Upside	More than +10% from last closing price
HOLD	In between -10% and +10% from last closing price
SELL	Less than -10% from last closing price

## Equity Valuation Methodology

WE Research uses the following valuation technique(s) to arrive at the period end target prices;

- Discounted Cash Flow (DCF)
- Dividend Discount Model (DDM)
- Relative valuation (P/E, P/B, P/S)
- Equity & Asset return based (EVA, Residual income)

## Risks

The following risks may potentially impact our valuations of subject security(ies);

- Market Risk
- Interest Rate Risk
- Exchange rate risk

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