

1st March, 2023

KSE -100 Index



Market- Key Statistics

	Current	Previous	Change
KSE100 Index	40,510.37	40,784.13	-273.76
All Shares Index	26,679.75	26,867.67	-187.92
KSE30 Index	15,186.94	15,351.53	-164.59
KMI30 Index	69,762.41	69,707.80	54.61
Volume (mn)	126,275.11	158,070.40	31,795

Source: PSX

Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
IML	9.5	(-9.52%)	2,500
SAIF	9.72	(-8.30%)	3,000
KOHTM	11.82	(-7.80%)	500
PRET	528.18	(-7.50%)	150
BUXL	70.54	(-7.49%)	500

Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
HMM	5.89	19.72%	4,000
SMBL	2.3	7.98%	7,000
ESBL	3.44	7.50%	500
GCILB	6.45	7.50%	500
STJT	84.9	7.47%	2,000

Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
MLCF	24.2	(-2.62%)	973,424
TRG	107.68	(-1.67%)	762,745
OGDC	80.43	(-2.65%)	724,814
BAFL	31	(-0.13%)	605,110
PPL	61	(-3.07%)	594,036

Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (mn)
OGDG	80.40	-2.69%	0.046
FCCL	11.38	-2.33%	0.040
PPL	60.70	-3.7%	0.025
ATRL	158.00	-1.99%	0.024
TPLP	14.71	-1.47%	0.021

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Govt unhappy as IMF 'shifts goalposts'

The government has been trying to put on a brave face in its struggle to unlock critical funding from the IMF, but background discussions with officials reveal the administration is quite nervous beneath its confident exterior, as it finds it increasingly difficult to convince the Fund to release a loan instalment. The International Monetary Fund (IMF) has changed interpretations of at least four prior actions ahead of reaching a staff-level agreement (SLA) on the direly needed economic bailout. Sources say the authorities are extremely annoyed at the latest situation, describing it as 'maltreatment'. [Click to see more](#)

PM banking on ADB support to stabilise economy

Raising hopes for a semblance of economic stability, the prime minister has claimed the Asian Development Bank (ADB) was willing to help Pakistan, and that a deal with the IMF will be signed in the next few days. Prime Minister Shehbaz Sharif on Tuesday met an ADB delegation comprising executive directors of Japan, China and South Korea. A statement from the PM Office said the delegation expressed the resolve to continue working closely with Pakistan in addressing the economic challenges. During the meeting, Mr Sharif claimed the staff-level agreement with the International Monetary Fund would be reached within the next few days. [Click to see more](#)

Dar announces 5-rupee cut in petrol price

Finance Minister Ishaq Dar on Tuesday announced a reduction in the price of petrol by Rs5 per litre. Addressing a video message, he said the new price of petrol was now Rs267 per litre from Rs272. He added that the price of high-speed diesel would remain unchanged at Rs280 per litre. "Kerosene oil's current price of Rs202.73 is being brought to Rs187.73 after a reduction of 15 rupees. Light-diesel, which is at Rs196.68, is being brought to Rs184.68 after a reduction of 12 rupees," the finance minister said. [Click to see more](#)

Investors rue pending tax refunds of Rs93bn

The pending tax refunds of multinational companies operating in Pakistan have grown to Rs93 billion, up 15 per cent from October 31, 2022, when the representative body of foreign investors last took up this matter with the revenue collection authority. A tax refund is a payment to the taxpayer after it has paid to the government more tax than it owes. [Click to see more](#)

LEAs, local administrations given 'free hand' to control prices

Federal and provincial law enforcement agencies and district administrations will have "a free hand" in dealing with profiteers and hoarders during the month of Ramazan. The directive was issued by Prime Minister Shehbaz Sharif who chaired a meeting on Monday to review the availability and prices of essential food items during Ramazan. Removing all reins, the prime minister ordered "operation clean-up" at warehouses, shops and markets hoarding essential items before Ramazan. [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 (28-Feb-23)	0.368
Individuals (28-Feb-23)	(1.5)
Companies (28-Feb-23)	2.72
Banks/DFI (28-Feb-23)	0.354
NBFC (28-Feb-23)	0.0088
Mutual Fund (28-Feb-23)	(1.868)
Other Organization (28-Feb-23)	(0.141)
Brokers (28-Feb-23)	(0.499)
Insurance Comp: (28-Feb-23)	0.552

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\$	263.7	263.2	0.19%
PKR / EUR	276.5	274.5	0.73%
PKR / GBP	315	312.8	0.70%
PKR / JPY	2.06	2.06	0.00%
PKR / SAR	69.8	69.3	0.72%
PKR / AED	74	73.75	0.34%
PKR / AUD	174.5	173	0.87%

SBP likely to hike policy rate by 200bps

The State Bank of Pakistan (SBP) has preponed its Monetary Policy Committee's (MPC) meeting to Thursday to consider hiking its key policy rate by an estimated 200 basis points on the recommendation of the International Monetary Fund (IMF). Currently, the policy rate stands at 17% – a 25-year high. The central bank said on its Twitter handle, "The forthcoming meeting of the MPC has been preponed and will now be held on Thursday, March 02, 2023." [Click to see more](#)

Islamabad baffled by IMF moving goalposts

Pakistan on Tuesday once again sought the US help to conclude a desperately-needed deal with the International Monetary Fund (IMF). It is "rare" that despite implementing tough decisions with high political cost, the coalition government has to deal with a situation where the global lender keeps changing the goalposts constantly. The request for the US help was made by Finance Minister Ishaq Dar in a virtual meeting with US Deputy Secretary of Treasury Wally Adeyemo, according to the government sources. [Click to see more](#)

Rupee drops 0.60% to Rs261.50 against dollar

The Pakistani currency dropped 0.60%, or Rs1.58, to an almost one-week low at Rs261.50 against the US dollar in the interbank market, ending the previous four-day winning streak on Tuesday. The currency partially lost ground against the greenback on conflicting reports about the revival of the International Monetary Fund (IMF) loan programme. Finance ministry's former advisor Dr Khaqan Najeeb said in a short commentary, "A delay in the IMF creates jitteriness which is why the rupee slid (to) 261.50 in the interbank." [Click to see more](#)

Debt Rs10.4tr higher than limit

The federal government on Tuesday released data on the sorry state of Pakistan's public debt, revealing that debt burden was Rs10.4 trillion higher than the legally allowed limit and that many risks have increased in the last fiscal year – making the burden unsustainable. The Debt Policy Statement 2023 showed how badly the country's debt had been managed during fiscal year 2021-22. The statement was released with a delay against a timeline set under the Fiscal Responsibility and Debt Limitation Act of 2005. [Click to see more](#)

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Stock Ratings

WE Financial Services Ltd. uses three rating categories, depending upon return from 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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