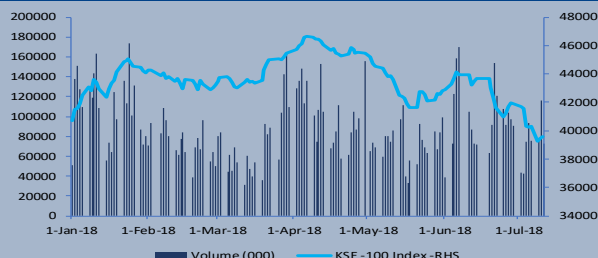


2nd Feb, 2023

KSE -100 Index



Market- Key Statistics

	Current	Previous	Change
KSE100 Index	40,619.94	40,673.06	(53.12)
All Shares Index	27,085.05	27,100.87	(15.82)
KSE30 Index	15,170.41	15,190.43	(20.02)
KMI30 Index	69,371.12	69,439.38	(68.26)
Volume (mn)	130.97	152.51	(21.54)

Source: PSX

Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
GFIL	3.71	(-14.71%)	500
SIEM	587.58	(-7.50%)	6,150
TSML	56.6	(-7.35%)	500
DADX	35.2	(-7.05%)	500
PRET	556	(-6.70%)	50

Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
PINL	7.52	-15.34%	22,500
GEMPAPL	7.76	-14.79%	43,500
DATM	8.08	-14.12%	9,000
JUBS	2.89	-12.02%	500
PMI	1.64	-9.33%	500

Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
PPL	74.62	(-2.62%)	7,303,240
SEARL	55.9	3.23%	3,711,402
OGDC	86.4	(-1.03%)	2,554,291
HUBC	65.6	2.13%	1,647,657
DFML	14.3	-1.35%	1,189,500

Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (mn)
PPL	74.50	(-2.78%)	6.94
SEARL	54.15	3.14%	3.23
OGDC	86.25	(-1.20%)	2.41
PIOC	53.80	1.17%	0.83
MLCF	21.81	0.32%	0.83

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Inflation jumps to 48-year high of 27.6pc in January

The annual consumer inflation hit 27.6 per cent last month, the highest in 48 years, as prices of food and transport continued to remain elevated amid economic turmoil, official data showed on Wednesday. On a month-on-month basis, the Consumer Price Index (CPI), which measures the overall change in consumer prices based on a representative basket of goods and services over time, rose 2.9pc in January, the Pakistan Bureau of Statistics said. [Click to see more](#)

IMF bailout vital to meet external obligations

In the absence of IMF umbrella, Pakistan's external financing pipeline appeared drying up as it received 40 per cent lower inflows – only \$5.596 billion in the first half of the current fiscal year against \$9.4bn in the same period last year. The inflows amounted to just 24.5pc of the \$22.8bn budget target implying that without an immediate revival of the fund programme, the country would be unable to meet its external obligations with a higher pace of outflows as the State Bank of Pakistan's foreign exchange reserves dropped to just above \$3bn last week. [Click to see more](#)

IMF unimpressed by plan to contain Rs952b circular debt

The International Monetary Fund (IMF) asked Pakistan on Wednesday to plug unbudgeted Rs675 billion power subsidies with a mix of electricity tariff increase and other revenue enhancing measures, while finding serious deficiencies in the revised 'Circular Debt Management Plan' (CDMP) of Rs952 billion. [Click to see more](#)

'Economic growth to contract by 0.3%'

Fitch Solutions has projected Pakistan's economic growth to contract by 0.3% in the current fiscal year 2023 after the government allowed the local currency to devalue by a net 14.2% against the US dollar in the past four working days. The rupee closed at Rs268/83 in the interbank market on Tuesday, in the backdrop of other actions by the government to revive the International Monetary Fund (IMF) loan programme. [Click to see more](#)

Pakistan's debt-to-GDP ratio in a danger zone of 70%

With Pakistan's debt-to-GDP ratio in a danger zone of 70%, and between 40% and 50% of government revenues earmarked for interest payments this year, only default-stricken Sri Lanka, Ghana, and Nigeria are worse off. Just \$500 million of interest or 'coupon' payments are due on Pakistan's international bonds this year, but the chief of the central bank has said \$3 billion is needed to meet overall external debt payments. [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)	(0.28)
Individuals (31-Jan-23)	1.58
Companies (31-Jan-23)	0.32
Banks/DFI (31-Jan-23)	(0.037)
NBFC (31-Jan-23)	0.060
Mutual Fund (31-Jan-23)	(0.49)
Other Organization (31-Jan-23)	(0.052)
Brokers (31-Jan-23)	(0.37)
Insurance Comp: (31-Jan-23)	(0.72)

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\$	269.00	270.00	-0.37%
PKR / EUR	287.8	287.20	0.21%
PKR / GBP	326.3	326.00	0.09%
PKR / JPY	2.50	2.50	0.00%
PKR / SAR	70.50	70.50	0.00%
PKR / AED	73.00	72.50	0.69%
PKR / AUD	188.90	188.90	0.00%

Jan food prices rise 43pc YoY

The Consumer Price Index-based inflation increased to 27.6 per cent on a year on-year basis in January 2023 as compared to an increase of 24.5 per cent in the previous month and 13 per cent in January 2022, says the Pakistan Bureau of Statistics (PBS). The CPI in the first seven months (July-January) of the current fiscal year on average remained at 25.40 per cent compared to 10.26 per cent during the same period of the last fiscal year.

PM to open K3 nuclear power plant today

Prime Minister Shehbaz Sharif has stated that he is going to inaugurate the K3 today (Thursday) which would increase the total electricity production from nuclear power plant in Karachi to 2200 MW. The prime minister stated this while talking to Chinese Atomic Energy Authority (CAEA) Vice Chairman Liu Jing, Pang Chunxue, Director General of the Chinese Embassy in Pakistan, and other high-level Chinese officials who participated in the meeting.

High inflation, low growth and falling forex

Data uploaded in the report indicates a 1.7 billion dollars decline in remittances during the first half of the current year compared to the same period the year before (a decline of 11.1 percent), exports declined by 6.6 billion dollars (6.8 percent decline), foreign direct investment dipped by 654 million dollars (58 percent decline), portfolio investment plummeted from negative 45.5 to negative 1032 million dollars, Public Sector Development Programme(including grants to provinces) decreased by 122 billion rupees (48.4 percent) and credit to private sector from 1043.1 to 703.6 million rupees which contributed to a decline in November 2021 Large Scale Manufacturing Sector growth of 6 per cent to negative 5.50 percent in the comparable period this year.

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Stock Ratings

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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