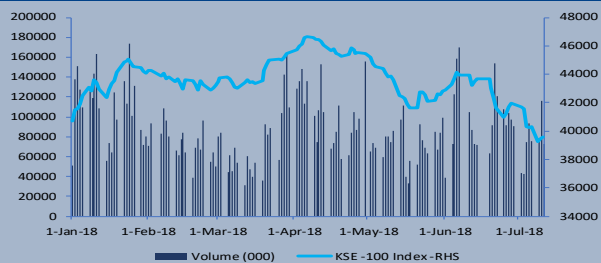


2nd June, 2023

KSE -100 Index



Source: PSX & WE Research

Market- Key Statistics

	Current	Previous	Change
KSE100 Index	41,793.87	41,585.54	208.33
All Shares Index	27,358.27	27,195.81	162.46
KSE30 Index	15,551.73	15,662.84	-111.11
KMI30 Index	71,775.28	71,468.53	306.75
Volume (mn)	272,723.39	229,035.21	43,688

Source: PSX

Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
GATI	323.71	(-7.50%)	100
ATM	64	(-6.84%)	500
PINL	6.01	(-5.35%)	500
DLL	200	(-3.80%)	100
KOSM	2.3	(-2.95%)	10,000

Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
HASCOL	6.27	(11.17%)	6,978,000
NICL	47.57	(7.48%)	13,500
SSOM	107.35	(7.38%)	1,000
PASL	0.75	(7.14%)	5,500
SITC	254	(7.12%)	200

Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
HASCOL	6.27	(11.17%)	6,978,000
OGDC	89.83	(3.40%)	2,972,588
PPL	71.89	(4.60%)	1,774,459
SNGP	42.99	(2.65%)	1,268,503
FFL	5.74	(0.70%)	1,233,500

Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (mn)
TELE	8.11	1.00%	23.46
TPLP	15.18	-0.52%	14.63
GGL	11.44	0.62%	10.65
PAEL	11.03	-0.54%	9.16
CNERGY	3.72	0.81%	7.07

WE Financial Services Ltd.

TREC Holder - Pakistan Stock Exchange Ltd.
506-508 5th Floor, Pakistan Stock Exchange Building
Stock Exchange Road, Karachi-74000, Pakistan
Email: research@we.com.pk

Govt looks for new IMF loan deal beyond stalled review

A fresh IMF bailout programme has become inevitable as the lender remains adamant that Pakistan bridge the external financing gap of \$6 billion for this fiscal year and reach an understanding on the next year's budgetary framework before the current loan deal expires on June 30. Informed sources said the government would be formally approaching the International Monetary Fund for a new programme early next fiscal year after completing the much-delayed ninth quarterly review on a positive note. A new loan deal, they said, was important because the country would need more than \$25bn in external financing during the next fiscal year, something that could not be raised from commercial banks and capital markets without an IMF umbrella. [Click to see more](#)

Inflation hits record high as political turmoil simmers

Consumer inflation raced to 38 per cent in May, the highest annual rise in prices on record, driven mainly by skyrocketing costs of food, house rents, electricity and gas bills, and transport, official data showed on Thursday. Non-perishable foods and transport costs climbed more than 50pc over May 2022, while average inflation for this fiscal year has reached 29.2pc, the Pakistan Bureau of Statistics said. The May reading exceeded the finance ministry's projection of 34-36pc for the month and comes as political turmoil continues to roil the country. [Click to see more](#)

FBR misses revenue collection target for FY23 by 6.47pc

The Federal Board of Revenue (FBR) missed its collection target by Rs430 billion or 6.47pc to Rs6.21 trillion for the first 11 months of the fiscal year 2023 (11MFY23) against the target of Rs6.64tr, leaving behind a huge shortfall to plug in the month of June to achieve the annual target. The tax authorities, however, recorded a 16pc growth of over Rs5.37tr collected in July-May FY22. The revenue collection saw a steep decline in imports as well as poor sales tax performance, showed provisional data on Thursday. The revenue collection stood at Rs572bn in May against the target of Rs621bn, showing a shortfall of Rs49 billion. [Click to see more](#)

Rupee appreciates by Rs13 in open market

The rupee rose sharply against the US dollar in the open market on Thursday, gaining Rs13 to close at Rs298, according to the Forex Association of Pakistan. Analysts said the rise in the value of the rupee in the open market came after the State Bank of Pakistan (SBP) [allowed banks](#) to acquire US dollars from the interbank market for the settlement of card-based cross-border transactions with the International Payment System. The SBP issued a circular on Wednesday, which indicates that this is a short-term move as the permission granted to banks will end on July 31. Prior to today's movement, the open market dollar rate was higher by around Rs30 compared to the interbank market, where the greenback had closed at Rs285.47 yesterday. [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 (10-Mar-23)	0.565
Individuals (10-Mar-23)	0.444
Companies (10-Mar-23)	2.934
Banks/DFI (10-Mar-23)	(0.036)
NBFC (10-Mar-23)	0.00695
Mutual Fund (10-Mar-23)	(0.836)
Other Organization (10-Mar-23)	0.399
Brokers (10-Mar-23)	(2.856)
Insurance Comp: (10-Mar-23)	(0.621)

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\$	281.5	283.2	-0.60%
PKR / EUR	294	295	-0.34%
PKR / GBP	331.5	331	0.15%
PKR / JPY	2.06	2.06	0.00%
PKR / SAR	74.3	74.2	0.13%
PKR / AED	76.4	76.8	-0.52%
PKR / AUD	184.5	182.5	1.10%

Petrol drops to Rs262/litre after second cut in a row

The government on Wednesday reduced fuel prices by Rs5 to 8 per litre for the next fortnight in line with the global market trend. In a video address, Finance Minister Ishaq Dar said the price of petrol had been reduced by Rs8 per litre, whereas the price of high-speed diesel — the most inflationary item — and that of light diesel oil (LDO) was cut by Rs5 each. The rate of kerosene, however, has been left unchanged. It's the second consecutive reduction in the price of petrol and the third for high-speed diesel. [Click to see more](#)

Ecneec clears four projects worth Rs120bn

The Executive Committee of the National Economic Council (Ecneec) on Wednesday approved four development projects in Azad Kashmir, Gilgit-Baltistan and Khyber Pakhtunkhwa with a total estimated cost of Rs120.185bn. Presided over by Finance Minister Ishaq Dar, the meeting of the committee was also attended by Minister for Planning and Development Ahsan Iqbal, SAPM on Finance Tariq Bajwa, Senator Nisar Ahmed Khuhro from Sindh and federal secretaries and other senior officers from federal ministries and provincial governments. The Ecneec approved a project of the AJK government to be executed by the Power Development Organisation for the establishment of a 48-megawatt Shounter Hydropower Project in Neelum Valley District at an updated cost of Rs14.985bn including a foreign exchange component (FEC) of Rs12.737bn. [Click to see more](#)

LPG becomes cheaper by Rs37 per kg

The Oil and Gas Regulatory Authority (Ogra) on Thursday made a substantial reduction of Rs37.13 per kg in the price of liquefied petroleum gas (LPG) with effect from June 1, 2023. It slashed the price of 11.8kg domestic LPG cylinder by Rs438.22, or Rs37.13 per kg. In its monthly review, the regulator fixed the price of domestic cylinder at Rs2,321.67, which was lower than Rs2,759.89 in the previous month of May. The reduction has also been made in the per-ton price of LPG for June. Its new price is Rs196,752.04 per ton, down by Rs37,136.80 as compared to the price of Rs233,888 per ton in May. [Click to see more](#)

SBP paves the way for digital currency

Pakistan's central bank is making strides in the world of digital banking and aims to introduce a digital currency similar to cryptocurrencies such as Bitcoin in the near future. Additional Director of the Digital Financial Services Group at the State Bank of Pakistan (SBP), Shoukat Bizinjo revealed that numerous central banks worldwide, including Pakistan's, are exploring the concept of CBBCs (callable bull/bear contracts) as a potential avenue for launching digital currencies. "Pakistan's central bank is currently reviewing and consulting with other central banks regarding CBBCs and digital currency," Bizinjo stated during the 16th International Conference on Mobile Commerce 2023, organised by Total Communications. [Click to see more](#)

Analyst Certificate:

The Research Report is prepared by the research analyst at WE Financial Services Ltd. It includes analysis and views of our research team that precisely reflects the personal views and opinions of the analysts about the subject security(ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security(ies). The views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

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

Disclaimer: This document has been prepared by Research Analysts at WE Financial Services Ltd.