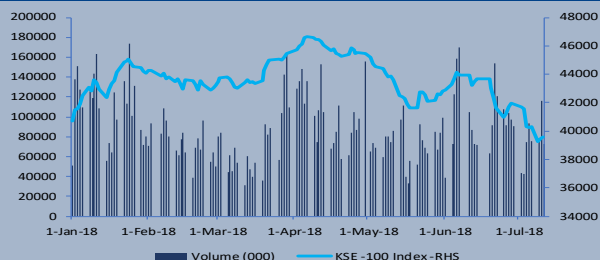


2nd March, 2023

KSE -100 Index



Market- Key Statistics

	Current	Previous	Change
KSE100 Index	40,412.77	40,510.37	-97.60
All Shares Index	26,639.72	26,679.75	-40.03
KSE30 Index	15,153.16	15,186.94	-33.78
KMI30 Index	68,406.74	69,762.41	-1,355.67
Volume (mn)	167,370,25	126,275,11	41,095

Source: PSX

Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
IML	9.5	(-9.52%)	2,500
SAIF	9.6	(-9.43%)	49,500
FPJM	1.26	(-9.35%)	500
DEL	5.08	(-9.29%)	805,500
PASL	0.61	(-8.95%)	343,500

Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
HMM	5.92	20.33%	23,500
UCAPM	1.79	15.48%	2,000
UVIC	4	13.96%	55,500
HIRAT	1.67	12.84%	12,000
GRYL	3.89	12.75%	7,500

Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
WTL	1.31	1.55%	20,211,767
HUBC	70.48	0.11%	7,963,118
MLCF	24.22	(-2.53%)	7,500,828
CENERGY	3.42	(-1.72%)	7,312,980
MCB	117.83	0.83%	7,090,626

Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (mn)
MLCF	24.25	-2.41%	7.5
CENERGY	3.41	-2.01%	7.31
OGDC	80.75	-2.26%	6.05
PPL	61.70	-1.95%	4.62
MEBL	94.90	-0.03%	3.84

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Inflation hits highest level on record, will rise further

Last month, prices rose at the fastest pace ever in the country's history, according to available data, with food, beverage and transport costs driving inflation to a point where analysts fear "families will have to make choices and sacrifices". Monthly inflation, measured by a basket of products called the Consumer Price Index (CPI), jumped to 31.6 per cent in February year-on-year, the Pakistan Bureau of Statistics said on Wednesday. This was the highest annual rate since available data, i.e. July 1965. [Click to see more](#)

Govt slaps power surcharge for next fiscal year

The government surrendered to another IMF demand on Wednesday, imposing a surcharge of up to Rs3.23 per unit on electricity consumers across the country from July 1. The move is aimed at generating Rs335 billion more in revenue over the next fiscal year to finance the power sector's debt and liabilities. Consumers of K-Electric would be facing double jeopardy, as the government also gave the Karachi power utility the go-ahead to increase tariff by Rs1.56 per unit in the current month and then another Rs6.11 per unit in April and May, to ensure uniform electricity rates on a par with other distribution companies in the country. [Click to see more](#)

Merchandise exports shrink 19pc in February

Pakistan's exports of merchandise shrank for the sixth month in a row dipping by 18.67 per cent year-on-year to \$2.30 billion in February, stoking fears of massive layoffs in the industrial sector. In the first eight months (July to February) of 2022-23, exports were down 8.65pc at \$18.79bn compared to \$20.57bn in the corresponding period last year. The drop shows the government would find it difficult to achieve the export target this fiscal year. [Click to see more](#)

PKR plunges by Rs4.6 in interbank market

The Pakistani rupee's value declined sharply in the interbank market on Wednesday, with the local currency closing at Rs266.11 per dollar, according to the State Bank of Pakistan (SBP). This equates to a depreciation of 1.76 per cent from yesterday's close of Rs261.5 a dollar. [Click to see more](#)

Shares lose 98 points on IMF delay, impending rate hike

Shares at the Pakistan Stock Exchange (PSX) fell on Wednesday, with analysts attributing the downtrend to a delay in signing the staff-level agreement (SLA) with the International Monetary Fund (IMF) for a desperately needed economic bailout, as well as, the impending rate hike. The benchmark KSE-100 index reached an intraday low of 480.65 points, or 1.19 per cent, around 11am. However, it closed at 40,412.77 points, down 97.6 points or 0.24pc. [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 (01-Mar-23)	(0.0035)
Individuals (01-Mar-23)	(0.214)
Companies (01-Mar-23)	3.186
Banks/DFI (01-Mar-23)	(0.173)
NBFC (01-Mar-23)	0.0020
Mutual Fund (01-Mar-23)	(2.625)
Other Organization (01-Mar-23)	(0.405)
Brokers (01-Mar-23)	(0.392)
Insurance Comp: (01-Mar-23)	0.623

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\$	271	263.7	2.77%
PKR / EUR	279	276.5	0.90%
PKR / GBP	317	315	0.63%
PKR / JPY	2.06	2.06	0.00%
PKR / SAR	70.8	69.8	1.43%
PKR / AED	74.6	74	0.81%
PKR / AUD	174.5	174.5	0.00%

Oil prices rise as China factory bounce boosts demand outlook

Oil prices extended gains for a second session on Wednesday after a strong jump in manufacturing in China, the world's top crude importer, boosted the outlook for global fuel demand. Brent crude futures for May rose 46 cents, 0.6 per cent, to \$83.91 a barrel at 0445 GMT. US West Texas Intermediate (WTI) crude for April gained 42 cents, or 0.6pc, to \$77.47 a barrel. [Click to see more](#)

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. [Click to see more](#)

Ministry jacks up inflation forecast

Highlighting pressures on food and non-food prices in coming months, the finance ministry on Tuesday further increased its inflation forecast to 30 per cent from its earlier projection of 26pc before easing out gradually. The Consumer Price Index-based inflation on a year-on-year basis will be 28-30pc in coming months, said the ministry in its monthly economic update & outlook for February, adding that the recent political and economic uncertainties were pushing up inflationary expectations. [Click to see more](#)

KE aims to make 95% of Karachi outages-free

The management of K-Electric (KE) has pledged to make 95% of Karachi free from load-shedding by investing Rs484 billion to bring improvement in its network over the next seven years. It plans to bring transmission and distribution (T&D) losses down to 12.8% by 2030 under the investment plan. [Click to see more](#)

Analyst Certificate:

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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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