

2nd May, 2023

KSE -100 Index



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
CENERGY	3.72	0.81%	7.07

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Oil drops as US rate hike concern

Oil fell on Monday as concern over the economic impact of the US Federal Reserve potentially raising interest rates and weaker Chinese manufacturing data outweighed support from new Opec+ supply cuts taking effect this month. The Fed, which meets on May 2-3, is expected to increase interest rates by another 25 basis points. The US dollar rose against a basket of currencies on Monday, making oil more expensive for other currency holders. Brent crude fell \$1.21, or 1.5 per cent, to \$79.12 a barrel at 0822 GMT, while U.S. West Texas Intermediate (WTI) crude lost 96 cents, or 1.3pc, to trade at \$75.82. [Click to see more](#)

Govt may miss primary deficit goal

The federal government issued nearly Rs620 billion in supplementary grants during the first 10 months of current fiscal year, which may lead to violation of a revised primary budget deficit target agreed with the International Monetary Fund (IMF) three months ago. With its inability to keep expenses in check, the government's problems have multiplied due to sheer failure of the Federal Board of Revenue (FBR) in achieving the tax collection target. The FBR has missed the 10-month target by around Rs400 billion, making it impossible to reach the revised fiscal goal agreed with the IMF. [Click to see more](#)

Govt borrowing surges to Rs3.06tr

Pakistan's latest bank credit data has depicted a worrisome picture, suggesting that financing for unproductive purposes has soared two times compared to over fivefold drop in funding for economic activities in the first nine and a half months of current fiscal year. According to the central bank's weekly update, commercial bank financing to governments (federal and provincial) surged to Rs3.06 trillion from July 1 to April 14, 2023 compared to Rs944.54 billion in the same period of last year. On the other hand, credit to the private sector slowed 5.44 times to Rs219.92 billion as compared to Rs1.19 trillion last year. [Click to see more](#)

Power sector a mess that requires reforms

A research study has pointed out several flaws in the power sector of Pakistan and urged the government to adopt swift governance and policy reforms as well as develop business models to boost renewable energy and liberalise energy market through deregulation and privatisation. In a report published recently, the Institute of Policy Studies (IPS) called the power sector "a mess" that required comprehensive and swift governance and policy reforms. [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%

IT industry projects contraction in exports

Experts and stakeholders have hit out at the government's apathy towards the information technology (IT) sector, which is capable of earning significant foreign exchange and reversing the ongoing economic meltdown. They cautioned economic managers that IT exports were stagnating and may even take a negative turn and called on the government to take necessary measures to address the situation. The lack of attention towards a promising sector raised serious questions about the government's priorities and its ability to steer the country out of economic crisis, they lamented. [Click to see more](#)

FED on tobacco products: Govt may get additional revenue of Rs60bn

The government has estimated to generate an additional revenue of at least Rs60 billion following raise in the Federal Excise Duty (FED) on tobacco products, according to the Federal Board of Revenue (FBR) projections for the remaining period of 2022-23. Referring to the FBR's statistics, social activists and tax experts Monday rejected the data of the multinational tobacco industry about the sudden increase in illicit cigarettes in the market after mini-budget in Feb 2023. [Click to see more](#)

PM seeks to jolt DMAs out of complacency

Prime Minister Shehbaz Sharif on Monday directed the federal and provincial institutions to remain alert in the rainy season and use all available resources to help people. He directed National Disaster Management Authority (NDMA) and Provincial Disaster Management Authorities (PDMA) to closely monitor the situation and stated that federal institutions should work in cooperation with provincial governments and departments. He said that people should be provided protection, assistance and should be shifted to safe areas immediately wherever is necessary. [Click to see more](#)

Country's future depends on job creation: SAPM

Special Assistant to Prime Minister (SAPM) Jawad Sohrab Malik, while highlighting the significance of Pakistan's 10th largest labour force in the world, has asserted that the country's economic future is contingent upon its employment rate. On the International Labour Day on Monday, the PM aide paid tribute to the determination and hard work of countless workers, acknowledging their critical contribution to Pakistan's economic progress. Malik emphasised the need for ensuring social and economic fairness for workers and providing transparent access to essential benefits such as healthcare, education and other social benefits. [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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