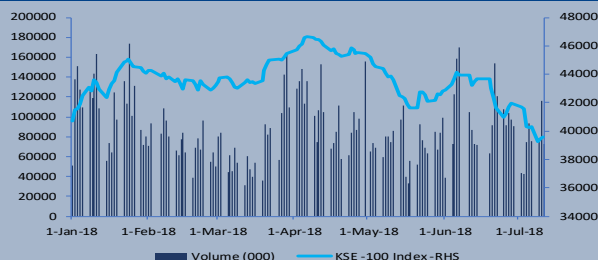


2nd October, 2023

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
CENERGY	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 , Karchahi-74000, Pakistan
Email: research@we.com.pk

Using SIFC to develop agriculture sector

Pakistan is in dire need of foreign direct investment (FDI) to improve its foreign exchange reserves and to bridge the investment gap the country is currently experiencing. Such investments are crucial to boost its agricultural and industrial production, which can lead to job creation, increased exports, and the generation of additional tax revenues. The agriculture sector has gained notable prominence among the sectors with significant potential for FDI, especially following recent media reports. Various factors, including the ongoing food crisis in the country, availability of uncultivated land spanning millions of acres, cost-effective workforce, and Pakistan's conducive agro-climatic conditions to grow a wide range of crops, make a compelling case for promoting FDI in the agriculture sector. [Click to see more](#)

Time for paradigm shift in policies

It is normal for macroeconomic imbalances to occur during economic development and growth, but they must be addressed as an ongoing process. Visionaries notice the issues at the nascent stage, others recognise a crisis when severely hit, and those least affected take it as a new normal phase. Issues should not be allowed to turn into problems which then escalate into crises. The process of development is disruptive, as are the latest technologies. But they open up new paths to economic, political and social progress. In this scenario, there is a constant tussle between winners and losers of creeping changes and sharp divergence of views that cloud the way forward. [Click to see more](#)

JCL posts profit of Rs8bn

The Board of Directors of Javedan Corporation Limited (JCL) announced the financial results for FY23 last week, as per a press release. The company reported a profit of Rs8bn, representing the company's highest-ever profit. A final cash dividend of Rs6 per share, equivalent to 60pc of the face value, was approved. This amounted to a payout of Rs2.3bn. [Click to see more](#)

Power reforms: Broken promises and rising costs

Financial globalisation has driven the microeconomic reforms in the power sector in the last 30 years. After the unbundling of the Water and Power Development Authority (WAPDA), electricity generation is being done by WAPDA, Pakistan Atomic Energy Commission and a plethora of Independent Power Producers (IPPs). Transmission function is performed by the National Transmission and Dispatch Company (NTDC), while the distribution is done through 10 DISCOs at the moment. [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%

Significance of Sukuk in Pakistan

In August 2023, the government of Pakistan successfully conducted the auction of sovereign Ijarah sukuk and issued record sukuk worth Rs371 billion (equivalent to over \$1.29 billion). It is a historic achievement for Islamic capital markets and once again proved the growing strength of the Islamic finance sector of Pakistan as it marks largest issuance of shariah compliant instrument in a single auction since the inception of the domestic sukuk programme in 2008. The issuance was approved by the Shariah Advisory Committee of the State Bank of Pakistan (SBP) and Meezan Bank acted as the Joint Financial advisor to the issue with Dubai Islamic Bank. [Click to see more](#)

PPIB urges SBP to clear \$700m dues of power projects

Private Power & Infrastructure Board (PPIB) has urged State Bank of Pakistan (SBP) to clear pending payments of \$700 million of power projects including CPEC-IPPs in order to ensure smooth development and operations of their projects. Managing Director PPIB Shah Jahan Mirza, sources said, in his letter to Deputy Governor, SBP, Saleem Ullah has referred to various letters received from Independent Power Producers, with the majority from those established under China Pakistan Economic Corridor (CPEC), wherein they have showed serious concerns regarding delays in SBP's approval for conversion of PKR to USD. [Click to see more](#)

Cnergyico imports Pakistan's first private-sector Russian crude cargo

Pakistan refiner Cnergyico has imported the country's first private-sector shipment of Russian crude oil, it said on Monday, as the cash-strapped nation takes advantage of Moscow's discounts on its oil exports. The South Asian nation has started snapping up crude oil that Russia has discounted after its exports were banned from European markets over Russia's invasion of Ukraine. Pakistan's first cargo, imported by the government, arrived in June and a second government-to-government shipment is under negotiation. [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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