

3rd July, 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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Business leaders hope IMF deal to restore investor confidence

Welcoming the signing of the \$3 billion nine-month Stand-By Arrangement (SBA) with the IMF, the business community hopes the deal would end uncertainty and restore the confidence of local and foreign investors direly needed to revive the economy. Businessmen Group (BMG) Chairman Zubair Motiwalla said this Staff-Level Agreement (SLA) would bring economic stability besides restoring foreign investors' confidence, stability in the rupee-dollar parity and positive impact on the stock market. [Click to see more](#)

Regional exports fall as sales to China shrink by a quarter

Pakistan's exports to nine neighbouring countries recorded a significant decline of 19.68 per cent during the first 11 months of the outgoing FY23, according to data gathered by the State Bank of Pakistan (SBP). This drop is largely attributed to a decrease in shipments to China. Notably, the decline in trade is not limited to exports alone, as imports, particularly from China, have also witnessed a sharp decrease in the 11MFY23. In line with the government's cost-cutting measures, the clearance of import containers had been delayed in FY23, and the SBP has given low priority to opening letters of credit for consumer goods. [Click to see more](#)

Rupee rallies in open market

A day after Pakistan reached a Staff-Level Agreement (SLA) with the International Monetary Fund, the local currency staged a sharp recovery to Rs280-Rs283 against the US dollar in the open market on Saturday, significantly lower than the official price. Currency exchange companies kept their airport branches open for travellers where hoarders rushed to get their dollars exchanged for rupees fearing further decline in rates. Pakistan reached a nine-month Stand-By Arrangement (SBA) with the IMF for \$3 billion which is expected to be approved by the Fund's board in mid of this month. [Click to see more](#)

LCCI asks political parties to sign charter of economy for stability

The Lahore Chamber of Commerce and Industry (LCCI) has termed successful negotiations for a \$3 billion deal with the International Monetary Fund (IMF) a good omen for the country's economy. The LCCI has also appreciated the efforts by Prime Minister Shehbaz Sharif in maturing the deal through repeated contacts with the IMF chief. "While the funds may not be disbursed all at once, the agreement will dispel speculations of a potential default, thereby putting an end to the detrimental effects of rupee devaluation, brain drain and capital drain," said Kashif Anwar, the LCCI president, in a statement on Saturday. [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%

Pakistan set to become 4th biggest IMF debtor

Pakistan will become the fourth largest International Monetary Fund (IMF) borrower in the world after receiving additional loans of \$3 billion in the next nine months under the standby arrangement from the global lender. According to the lender's data, as on March 31, 2023, Pakistan was ranked fifth in the list of countries with the highest borrowing from the IMF. However, after receiving another \$3 billion in the next nine months under the standby arrangement made two days ago, Pakistan will move to the fourth place in this list. [Click to see more](#)

Finance Act comes into effect

The federal government has acceded to the five demands of the International Monetary Fund (IMF) and has implemented the steps mentioned in the Finance Act, 2023, which has also been uploaded on the website of the taxman, the Federal Board of Revenue (FBR). According to the Finance Act, 2023, additional taxes of Rs415 have been imposed. The rate of income tax for people who earn more than Rs200,000 per month or Rs2.4million per annum has been increased by 2.5% to 22.5%. People with Rs2.4 million annual income will also pay a fixed income tax of Rs165,000. [Click to see more](#)

PTI accused of seeking to scuttle IMF deal

Federal Minister for Planning, Development and Reform Ahsan Iqbal has said that there was a state of mourning in the ranks of Pakistan Tehreek-e-Insaf (PTI) following Pakistan's deal with the International Monetary Fund (IMF), maintaining that the agreement will put Pakistan's economy back on track. Addressing a press conference in Narowal on Sunday, Ahsan Iqbal accused the PTI leadership of lobbying throughout the world for scuttling the IMF deal. The federal minister was of the view that no other party in the country's entire history had taken anti-state steps which the PTI had taken in such a short span of time. [Click to see more](#)

Bilawal for further increasing trade with Japan

Foreign Minister Bilawal Bhutto-Zardari on Sunday declared his intention to boost trade and promote diplomatic ties with Japan. Addressing at a function organized by the Pakistani diaspora in Tokyo Sunday, Bilawal appreciated Japanese contributions to technology. He underscored the importance of Pakistanis living abroad, saying, "The overseas Pakistanis are our assets, who are playing vital role to promote bilateral ties between Pakistan and Japan." The Foreign Minister said both countries can benefit from investment in agriculture and livestock. [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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