

3rd 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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### Pricey food items push inflation to record level in April

Inflation in Pakistan surged to a record 36.4 per cent in April from a year earlier, driven mainly by skyrocketing food prices and rising energy costs, official data showed on Tuesday. The finance ministry in its recent report projected that inflation would remain in the range of 36-38pc mainly due to the rupee's depreciation and rising administered prices, which contributed to the increase in overall prices. The lower-income segment of the society is already feeling the brunt of high inflation, which has become unrelenting on the back of political instability, financial mismanagement and delay in an agreement with the International Monetary Fund. [Click to see more](#)

### Revenue collection target missed

The Federal Board of Revenue (FBR) missed its collection target by almost 17.57 per cent, or Rs103 billion, for April owing to a steep decline in imports as well as poor sales tax performance, showed provisional data on Tuesday. The revenue collection stood at Rs483bn in April as against the target of Rs586bn. This reversal of trend will make it a daunting task for the FBR field formations to make a huge recovery in May-June to achieve the annual target. However, April's collection posted no growth when compared with last year's Rs483bn. [Click to see more](#)

### Gold scales new peak on investors' buying

Despite calm in international gold markets and exchange rate stability, the yellow metal traders on Tuesday pushed up the prices to historic highs of Rs221,000 per tola and Rs189,472 per 10-gram. The prices were raised by Rs1,500 per tola and Rs1,286 per 10 grams from overnight levels. According to All Sindh Saraf Jewellers Group (ASSJG), the world gold rate remained unchanged at \$1,990 per ounce. The rupee largely stayed stable at 283.92 against the US dollar in the interbank market, while it was available at 289.50 in the open market. [Click to see more](#)

### LPG prices raised

The Oil and Gas Regulatory Authority (Ogra) on Tuesday increased the price of indigenous liquefied petroleum gas (LPG) by about Rs5 per kg, pushing up the cost of 11.8-kg domestic cylinder by almost Rs58 for this month. In a notification, Ogra set the price of LPG at Rs233.89 per kg for May against Rs228.8 per kg in April, up by Rs4.89 per kg. As such, the 11.8kg domestic cylinder was set at Rs2,759.89 for the current month against Rs2702.2 during the previous month. On the other hand, the price of commercial cylinder (45.4kg) was increased by Rs222 to Rs10,619 for May against Rs10,397 in April. [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%

## Exports plunge by 27pc in April

For the eighth month in a row, Pakistan's merchandise exports shrank by 26.68 per cent year-on-year to \$2.12 billion in April, data released by the Pakistan Bureau of Statistics showed on Tuesday. In the first 10 months (July to April) of 2022-23, exports were down 11.71pc at \$23.17bn compared to \$26.24bn in the corresponding period last year. The export proceeds are declining mainly because of internal and external factors raising fears about the closure of industrial units, especially textile and clothing. [Click to see more](#)

## Stocks rise on strong corporate results

Share prices rose on Tuesday as investors reacted positively to favourable announcements by blue-chip companies. The benchmark of the stock market closed on the higher side after Lucky Cement Ltd and the sponsor of Habib Bank Ltd announced they'd purchase their respective shares from the open market. Both stocks closed at their respective upper circuits. The investors' interest was also witnessed in United Bank Ltd, Engro Corporation Ltd, Dawood Hercules Corporation Ltd and Packages Ltd. Optimism prevailed throughout the trading session, pushing the benchmark to an intraday high of 409.30 points. As a result, the KSE-100 index settled at 41,927.64 points, up 346.79 points or 0.83 per cent from the preceding session. [Click to see more](#)

## OMCs demand 100pc increase in margins

Within months after an over 25 per cent increase, the Oil Marketing Companies (OMCs) have formally demanded 100pc increase in their profit margins on the sale of petroleum products to "ensure the survival" of the industry. "OMC's margin for high-speed diesel (HSD) and petrol should be set at Rs12 per litre", to maintain the feasibility and ensure the survival of OMCs, wrote the Oil Companies Advisory Committee (OCAC) to the federal government. The cartel representing more than three dozen oil companies and refineries said the Rs12 per litre margin would amount to less than 6pc of the current ex-refinery price. [Click to see more](#)

## Nepra wants KE to pay interest on dues

The National Electric Power Regulatory Authority (Nepra) on Tuesday hinted at charging mark up on over Rs43 billion determined by it for refund to electricity consumers in Karachi under tariff clawback mechanism and to examine the extent of delays in investment for new generation plants over the past seven years before allowing another multi-year tariff (MYT). At a public hearing on KE's petition for a generation tariff, the Karachi-based industrial consumers suggested that instead of allowing the private utility to set up plants on expensive fuel, efforts should be made to evacuate maximum power supply from the cheaper national grid to facilitate business opportunities in the country's largest industrial city suffering from additional quarterly charges and fuel cost adjustments higher than the national average. [Click to see more](#)

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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

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