

4th December, 2023

## KSE -100 Index



Source: PSX &amp; WE Research

## Market- Key Statistics

	Current	Previous	Change
KSE100 Index	59,260.43	58,899.84	360.59
All Shares Index	39,685.95	39,473.92	212.03
KSE30 Index	19,701.16	19,562.81	138.35
KMI30 Index	100,970.07	100,182.52	787.55
Volume (mn)	272,723.39	229,035.21	43,688

Source: PSX

## Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
TRETR2	4.86	(-14.74%)	8,606,075
POWERPS	7.49	(-11.78%)	1,500
LSEPL	3.05	(-6.73%)	20,000
ABL	77.11	(-5.96%)	500
FTMM	3.5	(-5.66%)	1,500

## Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
CWSM	1.8	(7.78%)	15,500
CLOV	20.01	(7.52%)	131,500
BNWM	33.33	(7.52%)	4,500
AGIL	92.24	(7.51%)	30,500
GLPL	182.91	(7.50%)	600

## Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
TRETR2	4.86	(-14.74%)	8,606,075
AVN	65.6	-4.91%	2,379,580
SYM	4.22	-2.93%	1,468,000
PRL	25.61	-0.31%	1,458,861
NETSOL	114.3	-2.77%	1,349,241

## 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
CNERGY	3.72	0.81%	7.07

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## Interest payments remain a challenge as govt paints rosy economic picture

Painting a positive overall macroeconomic picture, the caretaker government is now hoping for a downhill journey from the painful inflation rate and a further increase in economic activities over the coming months. "Pakistan's economy is on a gradual but promising path to recovery. The stride of economic revival initiatives is driving a surge in economic activity," said the Economic Advisers' Wing of the Ministry of Finance in its monthly [Economic Update & Outlook](#), but warned that higher mark-up payments could put significant pressure on expenditures. [Click to see more](#)

## Pakistan moves closer to signing landmark trade agreement with GCC

Pakistan and Saudi Arabia have reached a consensus on the investment modalities, paving the path for the ratification of a much-awaited free trade agreement with the Gulf Cooperation Council (GCC), a development that has been pending for the last 19 years. A high-powered delegation, led by Interim Commerce Minister Gohar Ejaz, held the final round of discussions with the GCC's chief negotiator in Riyadh on Saturday. The goal was to finalise the investment segment of the FTA, a critical move preceding the GCC Foreign Ministers' meeting in Doha on Sunday, where the FTA with Pakistan is expected to receive approval. [Click to see more](#)

## Stagnant exports — a wake-up call for auto part makers

Auto parts exports have shown a lethargic growth in the last seven years despite holding a regular prestigious auto show in Pakistan and active participation of local vendors in global auto exhibitions. Exports stood at \$16 million in FY18 and after some ups and downs, they reached \$27m in FY22 but fell to \$22m in FY23. During July-October FY24, exports dipped to \$7.1m from \$8m in the same period last year, according to the Pakistan Bureau of Statistics (PBS) data. The export of auto parts also depends on the world market scenario relating to demand and supply situation, exchange rate parity and the country's economic conditions. [Click to see more](#)

## Cement sales show subdued growth

Local cement despatches posted a marginal rise of two per cent to 16.688 million tonnes during the first five months of the current fiscal year, a tepid pick up in construction activities. However, cement exports surged 104pc to 3.129m tonnes in July-November from 1.529m tonnes in the same period last year. As a result, the cumulative despatches (local and exports) grew 11pc to 19.816m tonnes from 17.883mn tonnes in 5MFY23, data released by All Pakistan Cement Manufacturers Association (APCMA) showed. In contrast, the cumulative cement sales year-on-year dipped 2.12pc to 3.924m tonnes in November. [Click to see more](#)

## Key Economic Data

Reserves (25-Nov-23)	\$9.45bn
Inflation CPI Nov'23	24.5%
Exports - (Jul'22-Jun'23)	\$31.79bn
Imports - (Jul'22-Jun'23)	\$80.18bn
Trade Balance- (Jul'22-Jun'23)	\$(44.77)bn
Current A/C- (Jul'22-Jun'23)	\$(17.4)bn
Remittances - (Jul'22-Jun'23)	\$29.45bn

Source: SBP

## FIPI/LIPI (USD Million)

FIPI (27-Nov-23)	0.565
Individuals (27-Nov-23)	0.444
Companies (27-Nov-23)	2.934
Banks/DFI (27-Nov-23)	(0.036)
NBFC (27-Nov-23)	0.00695
Mutual Fund (27-Nov-23)	(0.836)
Other Organization (27-Nov-23)	0.399
Brokers (27-Nov-23)	(2.856)
Insurance Comp: (27-Nov-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%

## Services exports grow in October

The export of services maintained a positive trajectory for the fourth consecutive month rising 5.63 per cent year-on-year to \$656.03 million in October. The downturn in commodity exports also reversed in November and October after a continual fall in the current fiscal year, according to data compiled by the Pakistan Bureau of Statistics. In rupee terms, the export of services grew 34.26pc in October to Rs183.922bn against Rs136.989bn in the corresponding month last year. The export of services rose 3.34pc to \$2.42bn in July-October against \$2.34bn in the same months last year. In rupee terms, they surged year-on-year 33.66pc to Rs696.47bn in 4MFY24. [Click to see more](#)

## SBP seeks protection for MFB deposits

The Deposit Protection Corporation (DPC) has proposed that the deposits of clients of microfinance banks (MFBs) should be safeguarded, as they will be largely unsafe in the event of collapse of any such financial institution. DPC, a subsidiary of the State Bank of Pakistan (SBP), provides guarantees that clients of scheduled banks will get full return of their deposits of up to Rs500,000 each. Around 94% of the total 73 million accountholders had deposits below or around half a million rupees as of June 2023. Scheduled banks include larger commercial, conventional and Shariah-compliant banks, but they do not comprise MFBs. In the Annual Report 2022-23, the DPC said 11 MFBs were serving 98.2 million depositors with a deposit base of around Rs520 billion as of June 2023. [Click to see more](#)

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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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