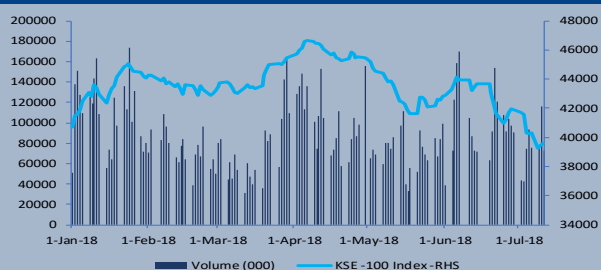


04 July, 2022

KSE -100 Index



KSE -100 Index- Key Statistics

Open	41,579.76
High	41,744.87
Low	41,535.51
Closing	41,630.35
Change	89.52
Volume	66,142,093

Source: PSX

Key Economic Data

Reserves (13-May-22)	\$16.16bn
Inflation CPI (Jul'21-Mar'22)	10.75%
Exports - (Jul'21-Mar'22)	\$23.29bn
Imports - (Jul'21-Mar'22)	\$58.6bn
Trade Balance- (Jul'21-Mar'22)	\$(35.39)bn
Current A/C- (Jul'21-Feb'22)	\$(12.10)bn
Remittances - (Jul'21-Feb'22)	\$20.14bn

Source: SBP

FIPI/LIPI (USD Million)

FIPI (1-Jul-22)	0.46
Individuals (1-Jul-22)	0.76
Companies (1-Jul-22)	0.129
Banks/DFI (1-Jul-22)	(0.10)
NBFC (1-Jul-22)	1.49
Mutual Fund (1-Jul-22)	(0.40)
Other Organization (1-Jul-22)	(0.39)
Brokers (1-Jul-22)	(0.24)
Insurance Comp: (1-Jul-22)	(1.72)

Source: NCCPL

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Trade deficit hits highest level on record as imports soar

Source: Dawn

NEGATIVE

Pakistan's trade deficit ballooned to an all-time high of \$48.66 billion in the outgoing fiscal year from \$30.96bn a year ago, indicating an increase of 57 per cent on the back of higher-than-expected imports, provisional official data showed on Saturday. The trade deficit reached such an alarming level despite a ban imposed on more than 800 items in May. The coalition government's battle against a bloated trade gap has failed to produce the desired result as it widened by 32.3pc to \$4.84bn in June from \$3.66bn a year ago. It was largely driven by an almost double increase in imports compared to exports.

Interloop earn record \$53 million in export sales during June 2022

Source: Augaf

POSITIVE

Interloop Limited exported quantity worth of US \$ 53 million during the month of June 22, according to Company's Chief Executive Officer. "I am delighted to share that Interloop Limited posted record monthly export sales of US \$ 53 million [for June 2022], taking the total to 435 Million US \$ (in export sales) during the FY 2021-22." says company's Chief Executive Officer Navid Fazil. He added, "Interloop family is overjoyed to earn the much required foreign currency for Pakistan. While the coming financial year brings a lot of challenges, we as a team are committed to continue our march towards achieving our vision 25 goals."

PM orders making closed power plants functional

Source: The News

NEUTRAL

Prime Minister Shehbaz Sharif directed the authorities concerned on Sunday to take immediate steps for making functional the closed power plants and sought a report entailing clear reasons for the current load-shedding. The premier promised that the PMLN-led national government would overcome the issue like in the past, as he himself was monitoring the load-shedding across country. The prime minister also ordered for resolving provincial issues of drinking water provision and agricultural facilities on priority basis.

Delay in extension of generation licence hurts KAPCO

Source: Business Recorder

NEGATIVE

Kot Addu Power Company Limited (KAPCO) is reportedly in distress due to a prolonged delay in extension of ten years in its generation licence, saying that due to the uncertainty/ delay, the company's financial statements may be qualified by its external auditors for the financial year ending June 30, 2022. The company's concerns have been communicated by its Chief Executive, Aftab Mahmood Butt, in a letter to National Electric Power Regulatory Authority (NEPRA). Generation licence of KAPCO was set to expire on September 21, 2021. The company, in accordance with applicable regulations, duly filed an application before the NEPRA for renewal/ extension of its generation licence for a period of ten years.

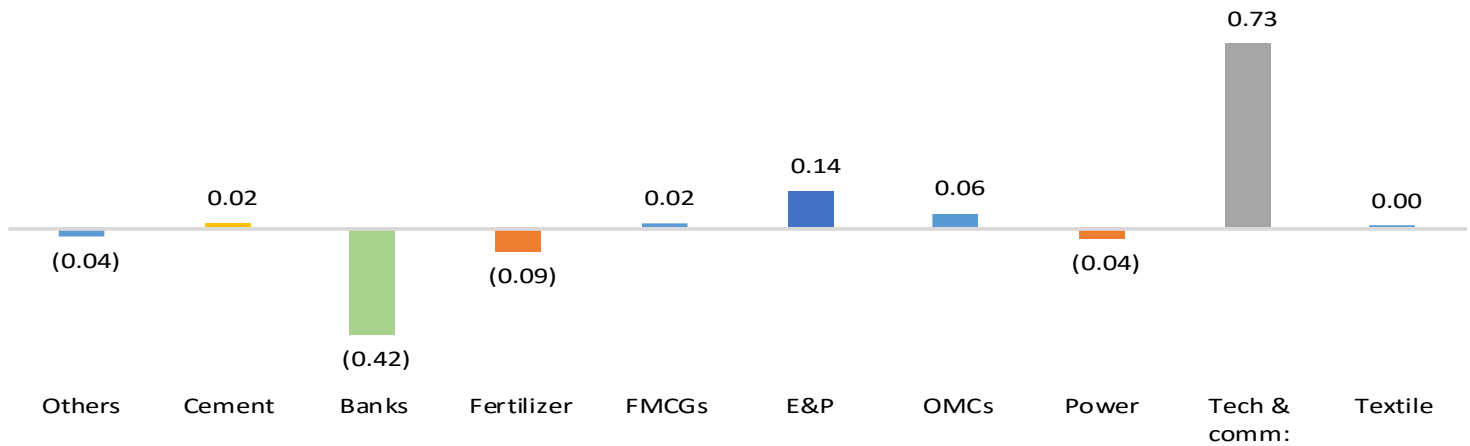
Nepa public hearing today: KE seeks Rs11.33/unit tariff hike

Source: Business Recorder

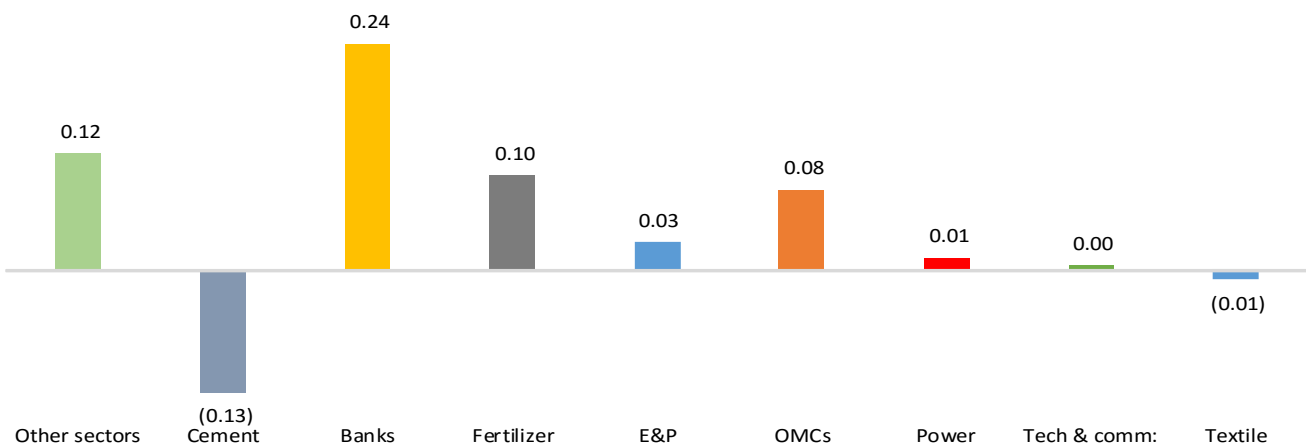
NEUTRAL

National Electric Power Regulatory Authority (NEPRA) is all set to conduct a public hearing on Monday (today) on KE's request for increase of Rs 11.33 per unit in its tariff to pass on additional financial burden of Rs 22.65 billion to the consumers for May under the monthly Fuel Charges Adjustment (FCA) mechanism. According to the power utility, FCA calculation for May 2022 is based on CPPA-G's requested rate for the month of May 2022 and it is subject to adjustment based on determination for May 2022 to be issued by Nepa.

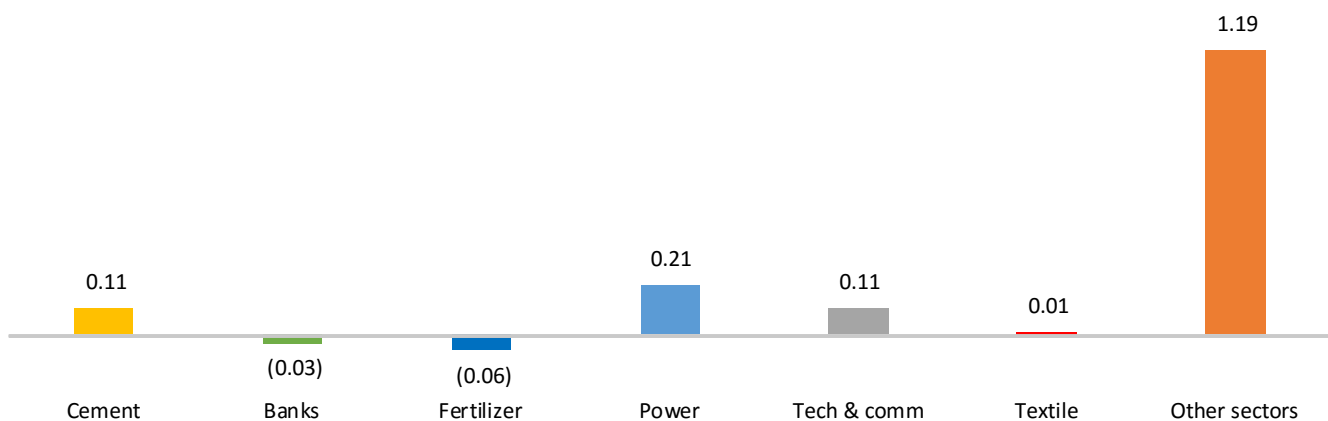
FII Sector Wise USD (Mil)



Mutual Funds Sector Wise USD (Mil)



Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

Analyst Certificate:

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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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