

5th April, 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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## Industry slams 100bps hike in interest rate

While slamming another 100 basis points hike in the benchmark interest rate to a record 21 per cent, the business community on Tuesday questioned the government's approach of fighting inflation by jacking up lending rates saying the strategy has failed to produce desired results but slowed down economic activities. "The entire business community has refused to accept the 100 basis points hike in the policy rate to an all-time high at 21 per cent," announced Federation of Pakistan Chambers of Commerce and Industry President Irfan Iqbal Sheikh.

[Click to see more](#)

## Lenders trim Pakistan's growth forecast to 0.4pc

The World Bank on Tuesday projected about four million people falling below the lower middle-income poverty line amid economic growth plummeting to just 0.4 per cent against a budgeted target of 5pc. Meanwhile, the Asian Development Bank (ADB) has forecast Pakistan's economic growth plunging to 0.6pc from 6pc last year owing to the prevailing political crisis, flood-oriented economic losses, foreign exchange challenges and tighter macroeconomic policies at home and a challenging external environment. [Click to see more](#)

## SBP hikes policy rate by 100bps to record 21pc to rein in inflation

The State Bank of Pakistan (SBP) has decided to hike the policy rate by 100 basis points (bps) to 21 per cent, its highest-ever level, according to a press release issued on Tuesday. The announcement came after a meeting of the bank's Monetary Policy Committee (MPC). "The MPC noted that inflation in March 2023 rose further to 35.4pc, and is expected to remain high in the near term. However, there are early indications of inflation expectations plateauing, albeit at an elevated level," a press release issued by the central bank said. [Click to see more](#)

## Pakistan sees lowest output of cotton in four decades

The country has produced 34 per cent less cotton this year as compared with the crop yield last season, reveals data with Pakistan Cotton Ginners Association (PCGA). The final figures for the crop year 2022-23 show that Pakistan produced 4,912,069 bales, the lowest in around four decades, of cotton against 7,441,833 in the 2021-22 season, a year-on-year decline of 2,528,764 bales or 34pc loss. [Click to see more](#)

## Pakistan's exports fall 15pc for seventh month in a row

Pakistan's exports of merchandise shrank for the seventh month in a row dipping by 14.76 per cent year-on-year to \$2.36 billion in March, reflecting fear of massive layoffs in the export sector of the country. In the first nine months (July to March) of 2022-23, exports were down 9.87pc at \$21.04bn compared to \$23.35bn in the corresponding period last year, according to data released by the Pakistan Bureau of Statistics on Monday. [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%

## Local cement sales drop 29pc

Amid a persistent slowdown in construction activities, domestic cement sales dropped year-on-year 29 per cent to 3.356 million tonnes in March. Despite a 48.46pc year-on-year jump to 438,433 tonnes in March, the export shipments witnessed a fall of 35pc during July-March of 2022-23. As per the data released by All Pakistan Cement Manufacturers Association (APCMA), total cement despatches — exports and local sales — declined year-on-year by 24pc to 3.795m tonnes in March. [Click to see more](#)

## Petroleum consumption contracts sharply

High oil prices, massive drop in auto sales, low power generation and economic slowdown restricted the country's overall oil products sales which declined by nine per cent in March and 21pc during the first nine months of the current fiscal year (9MFY23). This is the lowest monthly sales figure in 35 months, since February-April 2020. Oil sales in March this year stood at 1.1 million tonnes compared to 1.22m tonnes in February and 1.82m tonnes in March last year. Total sales in 9MFY23 declined to 12.80m tonnes from 16.26m tonnes during the same period last year. [Click to see more](#)

## SBP expects IMF revival, \$10b reserves by June

Pakistan is on the brink of a financial breakthrough, as the State Bank of Pakistan (SBP) anticipates the International Monetary Fund (IMF) loan programme worth \$6.5 billion will soon be revived. The bank has projected that the foreign exchange reserves will be above \$10 billion by the end of June 2023, according to SBP Governor Jameel Ahmad. Speaking at an analyst briefing on the latest monetary policy statement, Ahmad stated that the bank had revised down its projection for the current account deficit (CAD) to below \$6 billion for the current fiscal year. [Click to see more](#)

## 'Pakistan at risk amid critically low reserves'

The Asian Development Bank (ADB) warned on Tuesday that Pakistan is at dire risk because of low foreign exchange reserves, foreseeing the country will have the highest inflation and the second lowest economic growth among 46 Asian nations. "A return to political stability with the formation of a new government after scheduled general elections will improve business sentiment," said the Asian Development Outlook, the flagship publication of the Manila-based lending agency which was released on Tuesday. [Click to see more](#)

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## Stock Ratings

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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