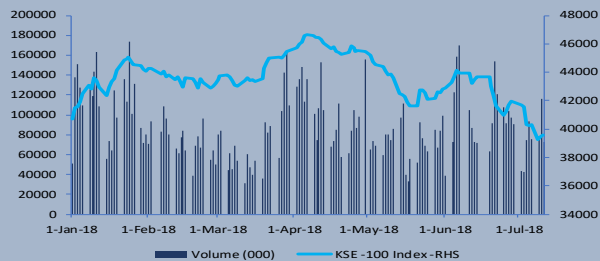


5th May, 2023

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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IMF to discuss Pakistan's budget plans as funding lifeline nears

The International Monetary Fund (IMF) is preparing to discuss Pakistan's budget plans for the coming financial year, as part of a long-awaited bailout tranche from the lender for the cash-strapped nation, the IMF's Pakistan mission chief told *Reuters* on Thursday. Negotiations over key budget targets such as the fiscal deficit are one of the last hurdles before the IMF approves a staff-level agreement to release \$1.1 billion in funding, which has been delayed for months, that is crucial for Pakistan to resolve an acute balance of payments crisis. A successful staff level agreement (SLA) for the 9th review, which has been pending since November, will unlock the \$1.1 billion tranche. [Click to see more](#)

Cash-surplus banks park Rs705bn in govt papers

The government raised Rs705 billion through an auction of market treasury bills despite Rs1.195 trillion bids offered mostly by banks on Wednesday. The bidding trend showed that banks were saturated with liquidity and willing to park maximum in the government papers. The government remained around its target of Rs750bn but the accepted amount was much higher than the maturing amount of Rs630bn. The revenue shortfall during the first 10 months of the current fiscal reported at Rs381bn but the cash-starved government has already borrowed about Rs3 trillion from commercial banks. [Click to see more](#)

Power companies allowed to extract another Rs8.4bn

The National Electric Power Regulatory Authority (Nepra) on Wednesday concluded that ex-Wapda distribution companies (Discos) and K-Electric would charge between 34 paise and Rs3.70 additional fuel cost, respectively, from their consumers for power consumed in March, under monthly fuel cost adjustment (FCA) mechanism. The decisions were made on the completion of two separate public hearings. The Discos and KE would together thus pass on a cumulative additional burden of about Rs8.4 billion on consumers across the country under the FCA in the current month's bills. This would entail additional revenue of about Rs5.47bn to the KE and Rs2.95bn to Discos. [Click to see more](#)

Cement sales plunge

Cement makers continued to struggle with declining construction activities as their domestic sales in April and 10MFY23 plunged by 25.13 per cent and 16.23pc, respectively. As per data released by the All Pakistan Cement Manufacturers Association (APCMA), local sales in April stood at 2.531 million tonnes as against 3.380m tonnes in April 2022. The 10MFY23 domestic despatches shrank to 33.095m tonnes from 39.506m tonnes in the same period last fiscal. Export despatches increased by 168.61pc to 420,677 tonnes from 156,613 tonnes in April 2022. However, exports during 10MFY23 dipped 28pc to 3.456m tonnes from 4.800m tonnes in the same period last fiscal year. [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%

Energy conservation to help save \$6.4b

The government has targeted to save \$6.4 billion by implementing energy conservation measures under the National Energy Efficiency and Conservation Policy (NEECP) 2023. The Cabinet Committee on Energy, chaired by Prime Minister Shehbaz Sharif, has recently approved the policy. It is aimed at establishing an energy conservation tribunal (ECT) to address issues related to energy efficiency and conservation standards. It encourages private investment in energy conservation and efficiency projects by developing the Super ESCO Model to mitigate investment risks and issue energy saving certificates and bonds. [Click to see more](#)

Rs1.54tr in power subsidies sought

The Ministry of Energy has demanded Rs1.54 trillion in power subsidies for the next fiscal year, a colossal amount that is 70% more than this year's revised budget, aimed at reducing circular debt to a level agreed with the International Monetary Fund (IMF). The demand is surprising since the government has twice increased electricity tariffs in the outgoing fiscal year in order to reduce subsidies and control circular debt. Sources in the Ministry of Energy told The Express Tribune that Rs1.54 trillion was needed in fiscal year 2023-24 for avoiding any further increase in circular debt and settling arrears. [Click to see more](#)

Forex reserves fall by \$6m to \$4.46b

The foreign exchange reserves held by the central bank fell by 0.12% on a week-on-week basis to \$4.46 billion, according to data released by the State Bank of Pakistan (SBP) on Thursday. On April 28, 2023, the SBP's foreign currency reserves stood at \$4,457.2 million, down by \$6 million as compared to \$4,462.8 million on April 20. The central bank gave no reason for the decrease in reserves. Overall, the liquid foreign currency reserves held by the country, including the net reserves held by banks other than the SBP, stood at \$10,043.2 million. The net reserves held by banks amounted to \$5,586 million. [Click to see more](#)

Pakistan-Turkiye trade in goods agreement comes into force

Trade in Goods Agreement between Pakistan and Turkiye has come into force from May 1, 2023, as per mutual agreement. In August, 2022 the Trade in Goods Agreement was signed by the Turkish Minister for Trade, Mehmet Mus and Federal Minister for Commerce Syed Naveed Qamar, which was witnessed by Prime Minister Shehbaz Sharif. Syed Naveed Qamar said that the agreement would open up new opportunities to boost bilateral trade across various sectors. He stressed the need to increase business-to-business interaction for strengthening trade and investment relations between the brotherly countries. [Click to see more](#)

Analyst Certificate:

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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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