

6th October, 2023

KSE -100 Index



Source: PSX & WE Research

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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PIA's sell-off plan discussed with World Bank

Privatisation Minister Fawad Hassan Fawad on Thursday reiterated the government's firm resolve to divest major loss-making state-owned enterprises to avoid a substantial financial drain of resources and make them efficient. During a meeting with World Bank Resident Director Najy Benhassine, the minister also discussed the privatisation agenda with a specific focus on the divestment of PIA and other state-owned entities for optimising the performance of ex-Wapda distribution companies (Discos). [Click to see more](#)

Taxing low-income citizens is 'insane advice': industry

With citizens already braving high food prices, massive power bills and expensive fuel, a World Bank concern that the income tax exemption threshold for salaried individuals is "suboptimally high" has rubbed salt into many already festering wounds. In Pakistan, salaried people earning Rs50,000 or below per month are currently exempt from any tax. So, if the government goes on to follow the World Bank's recommendation, many more citizens already struggling to make ends meet will find it even more difficult to survive in a challenging economic environment. [Click to see more](#)

Discos allowed to extract Rs26.5bn more

The National Electric Power Regulatory Authority (Nepra) on Thursday notified an additional fuel cost adjustment (FCA) of Rs1.71 per unit for consumers of ex-Wapda distribution companies (Discos) with a net financial impact of Rs26.5 billion for electricity consumed in August. The "adjustment of Rs1.7141/kWh shall apply to all the consumer categories except Electric Vehicle Charging Stations (EVCS) and lifeline consumers. The said adjustment shall be shown separately in the consumers' bills based on units consumed in August. Discos shall reflect the fuel charges adjustment in respect of July in October bills", said Nepra's notification that would yield about Rs26.5bn additional funds to Discos. [Click to see more](#)

Weak rupee drives up external debt

The central government's debt, both within the country and to foreign entities, surged by nearly a third in the 12 months through August, reaching close to Rs64 trillion, State Bank of Pakistan data showed on Thursday. The 29 per cent increase in debt amounted to Rs14.4tr, as the figure stood at Rs49.57tr by the end of August 2022. Of the total amount, domestic debt rose 23pc to Rs39.79tr, up from Rs32.15tr in August 2022, whereas external debt jumped 39pc to Rs24.17tr, up from Rs17.42tr a year ago. [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%

Provinces empowered to fix sugar price, LHC rules

The Lahore High Court (LHC) on Thursday declared that the provincial government had the power to control the prices of sugar and other essential food items. The provincial government can exercise these powers through appropriate legislation by the provincial assembly, it said. [Click to see more](#)

Government debt soars to Rs64 trillion

The federal government debt has surged to a staggering Rs64 trillion by the end of August 2023, reflecting an alarming increase of over 29% in just one year. This unsettling trend has raised concerns about fiscal sustainability and the adverse impacts of steep currency devaluation come at a time when the World Bank has cautioned Pakistan about the growing risks of its macroeconomic framework. The State Bank of Pakistan (SBP) reported, on Thursday, that the federal government's debt has soared by Rs14.5 trillion, constituting a substantial 29.2% rise compared to the same period last year. [Click to see more](#)

IT sector set to become third largest exporter

Pakistan's software and IT sector is on the verge of becoming the country's third-largest export sector, with industry insiders projecting export earnings to reach a substantial \$3 billion in the fiscal year 2023-24. This impressive growth underscores the pivotal role of technology in driving the nation's economic development. Speaking at the 12th Edition of the Bank of Future Forum (BOFF) 2023, Asif Peer, Managing Director, and CEO of Systems Limited, highlighted the remarkable progress of Pakistan's IT exports, emphasising that they are poised to reach \$3 billion in the current year. He also noted that Saudi Arabia and the UAE represent substantial markets for Pakistan's IT products. [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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