

7th November, 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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Pakistan third top recipient of Chinese finance

Pakistan is the third biggest recipient of Chinese development finance worldwide with a portfolio of \$70.3 billion, according to a report released on Monday by AidData, a US-based international development research lab. Only two per cent of China's portfolio in Pakistan between 2000 and 2021 consisted of grants while the rest was in the form of loans, says the [AidData report](#) that claims to have drawn its conclusions using data from more than 5,300 sources. The average interest rate on loans was 3.72pc with an average maturity period of 9.84 years and a grace period of 3.74 years, according to the American research house. [Click to see more](#)

Rupee falls further amid smooth talks with IMF

The rupee extended losses against the US dollar in both currency markets on Monday despite smooth talks with the IMF team. The dollar surged by Rs2 in the open market giving a sense of steep PKR depreciation at Rs287 compared to Rs285 on Nov 3. The interbank market noted a decline of 98 paise to 285.29 from Rs284.31 in the previous session. Currency experts said that despite the expected positive outcome from the IMF talks, the market was not ready to stop chasing the greenback at higher rates. [Click to see more](#)

Exports to Middle East jump over 21pc

Exports to the Middle East bounced back with a growth of 21.38 per cent in the first quarter of the current fiscal year from a year ago. A surge in demand for Pakistani products was observed from countries like the United Arab Emirates, Saudi Arabia and Kuwait, according to data compiled by the State Bank of Pakistan. However, the exports to Qatar decreased during the period under review. In FY23, Pakistan's exports to the Middle East fell by 12.62pc to \$2.332bn compared to \$2.669bn in the preceding year. Pakistan witnessed a 7.24pc decline in imports totalling \$17.488bn in FY23, down from \$18.853bn in the previous year. [Click to see more](#)

Fiscal consolidation to continue till year-end

Amid [ongoing consultations](#) with the staff mission of the International Monetary Fund (IMF) for successful completion of the first quarterly review of the \$3bn Stand-By Arrangement (SBA), development programme both at the federal and provincial levels is to face the brunt of fiscal tightening to minimise budget deficit and consolidate primary fiscal surplus. The two sides started technical talks last weekend on a 9-month SBA and would remain engaged in an exchange of data on various sectors of the economy throughout the current week before entering the more crucial policy dialogue early next week for a wrap-up by Nov 16. [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%

Current account deficit forecast cut by \$2b

Pakistan has told the International Monetary Fund (IMF) that its current account deficit may remain below \$4.5 billion on the back of lower-than-projected imports – an assertion, if accepted, can significantly lessen Islamabad's external financing woes for this fiscal year. Despite a reduction in imports and other compression measures, Pakistani authorities briefed the IMF that they would be able to achieve economic growth in the range of 3% to 3.5%. The exchanges have taken place as part of ongoing talks under the first review of the \$3 billion standby arrangement. [Click to see more](#)

Experts call for power sector reforms

A discussion convened by the Lahore Economic Journalists Association (LEJA) titled 'Increase in power tariffs - impact on consumers' affordability, DISCOs recoveries, and circular debt' brought together experts who emphasised the urgent need to reduce the cost of electricity production, revise the tariff structure, and enhance the efficiency of distribution companies (DISCOs). The experts highlighted several key measures to address the ongoing challenges in Pakistan's power sector. Their suggestions included appointing more professionals within DISCOs, boosting power generation from indigenous resources and renewables, and separating non-electricity-related financial charges, such as taxes and fees, from consumers' electricity bills. The need to protect compliant consumers and penalise power thieves was also emphasised as part of a broader strategy. [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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