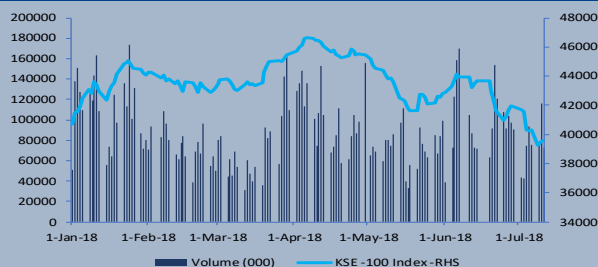


07 Sept, 2022

KSE -100 Index



KSE -100 Index- Key Statistics

Open	41,834.38
High	41,927.05
Low	41,682.63
Closing	41,860.36
Change	1.06
Volume	52,481,043

Source: PSX

Key Economic Data

Reserves (15-Jul-22)	\$15.24bn
Inflation CPI (Jul'21-Jun'22)	21.3%
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 (06-Sept-22)	(1.24)
Individuals (06-Sept-22)	0.66
Companies (06-Sept-22)	0.704
Banks/DFI (06-Sept-22)	(0.08)
NBFC (06-Sept-22)	0.18
Mutual Fund (06-Sept-22)	(0.48)
Other Organization (06-Sept-22)	0.02
Brokers (06-Sept-22)	0.33
Insurance Comp: (06-Sept-22)	(0.10)

Source: NCCPL

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Power tariff hiked by Rs3.39/unit

Source: The News

POSITIVE

The National Electric Power Regulatory Authority (NEPRA) Tuesday approved a hike in the electricity tariff by Rs3.39 per unit. The power regulator has hiked the power tariff under the quarterly fuel adjustment mechanism. Already burdened with inflation and rising prices of petroleum products, people will have bear an additional burden of Rs95 billion in this regard.

RDA inflows reach close to \$5b

Source: Tribune Express

POSITIVE

The inflow of investment in Roshan Digital Accounts (RDA) hit the \$5 billion mark in August 2022, helping stabilise Pakistan's foreign currency reserves and shielding the rupee in foreign exchange markets. Overseas Pakistanis sent \$187 million through the RDA in August 2022, taking total gross inflows to \$4.98 billion in two years since launch of the investment scheme in September 2020, reported Arif Habib Limited citing central bank's data on Tuesday.

Central government debt jumps to Rs50.5tr by July 2022

Source: Mettis Global

NEGATIVE

The total debt of the central government surged by 26.7% YoY to Rs50.5 trillion as of July 2022, compared to Rs39.9tr in July 2021, the data released by the State Bank of Pakistan (SBP) showed on Tuesday. On a sequential basis, the central government debt has moved up by 5.7%, compared to Rs47.8tr recorded in June 2022. The increase in debt burden is primarily attributed to borrowing from domestic and foreign sources to cover the fiscal deficit.

Oil prices sink on demand fears

Source: Tribune Express

NEGATIVE

Oil prices fell on Tuesday as concern returned about the prospect of more interest rate hikes and Covid-19 lockdowns weakening fuel demand, reversing a two-day rally on OPEC+'s first output target cut since 2020. Brent crude was down \$2.89, or 3%, to \$92.85 at 1655 GMT. US West Texas Intermediate (WTI) fell from Monday's trading to \$86.84, down 3 cents from Friday's close.

PKR falls by Rs1.56 in interbank market

Source: Dawn

NEGATIVE

The rupee extended its losses for the second consecutive session this week, falling by Rs1.56 against the dollar in the interbank market on Tuesday. Data shared by the State Bank of Pakistan showed the local currency closed at Rs221.42 per dollar after depreciating 0.7 per cent. Bostan said he expected the "sharp decline" in the rupee's value to stop once funding amounting to \$4 billion was received from friendly countries.

PSMC extends plant closure

Source: Tribune Express

NEGATIVE

Pak Suzuki Motor Company (PSMC) has announced an extension in its plant shutdown due to a shortage of Completely Knocked Down (CKD) parts. Analysts fear this will put pressure on local vendors. Restrictions had adversely impacted the clearance of import consignments which resultantly affected inventory levels.

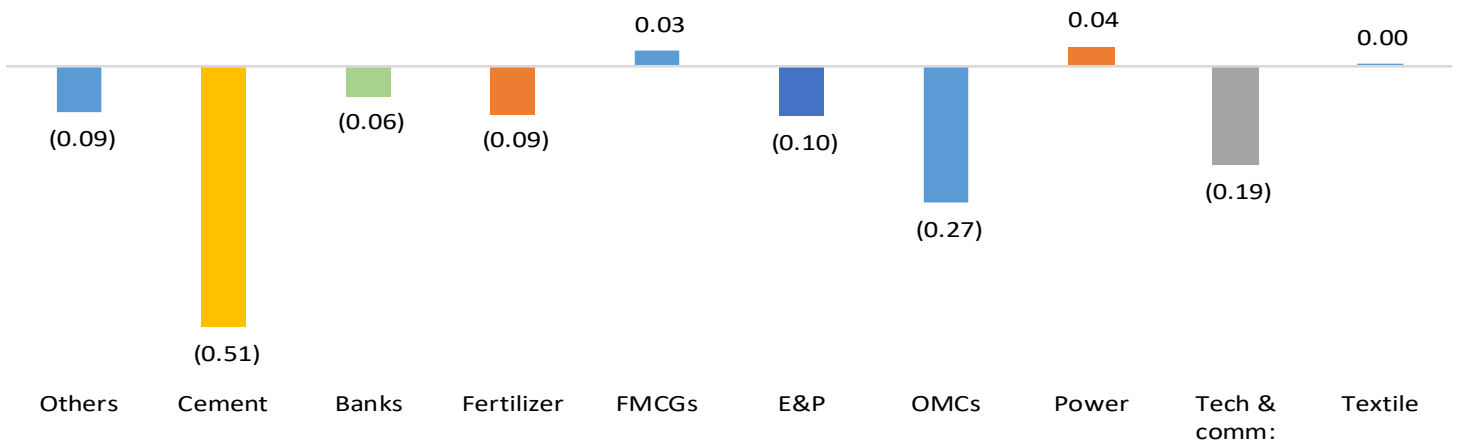
Cotton needs of textile industry: ICA, APTMA agree to enhance cooperation

Source: Buisness Recorder

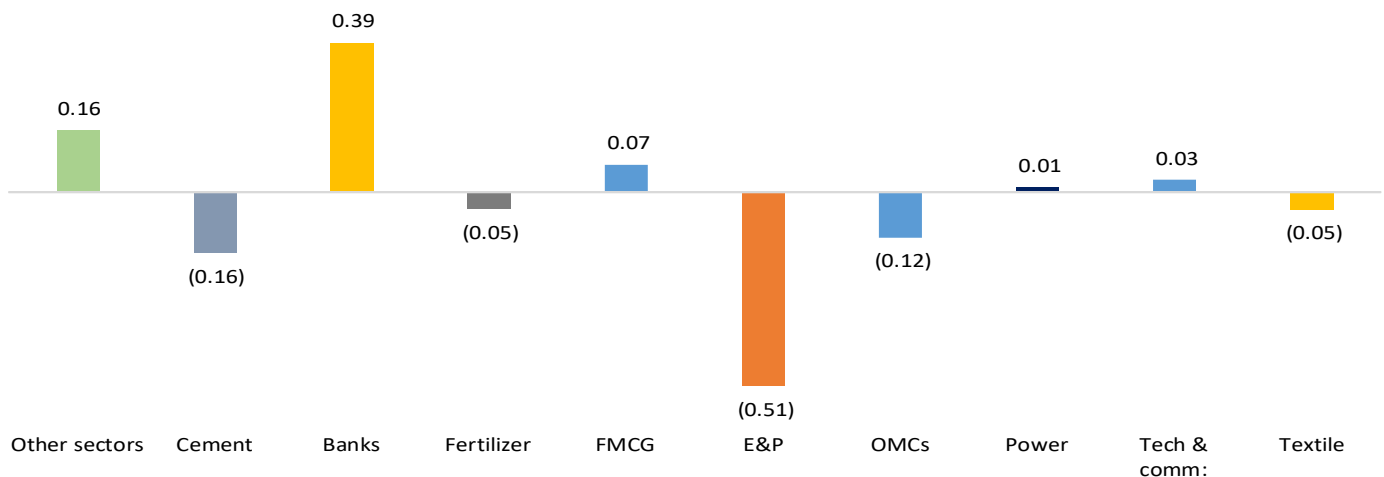
NEUTRAL

All Pakistan Textile Mills Association (APTMA) and the International Cotton Association (ICA) have agreed to enhance cooperation on the cotton needs of the textile industry in Pakistan. Alex Hsu announced to hold a training seminar in Pakistan regarding the ICA rules in the month of October. He said the objective of organizing the seminar would be to apprise the APTMA members about the cotton trade, challenges and possible solutions vis a vis issues being faced by Pakistani cotton buyers in the hands of suppliers.

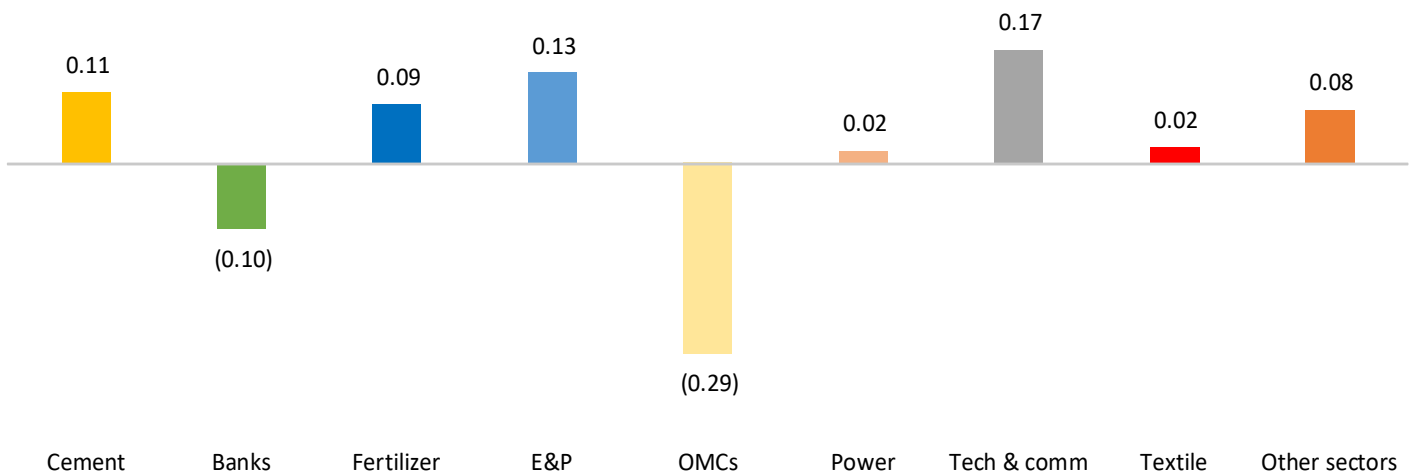
FIPI Sector Wise USD (Mil)



Mutual Funds Sector Wise USD (Mil)



Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

Analyst Certificate:

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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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