

7th September, 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

WE Financial Services Ltd.

TREC Holder -Pakistan Stock Exchange Ltd.
506-508 5th Floor , Pakistan Stock Exchange Building
Stock Exchange Road , Karachi-74000, Pakistan
Email: research@we.com.pk

PM aims to boost industry share

Caretaker Prime Minister Anwarul Haq Kakar has directed relevant authorities to formulate an effective strategy to increase the share of industries in Pakistan's gross national product (GNP) from the current 12 per cent to its full potential. The premier held a meeting to review the performance and targets of the Ministry of Commerce, Industries and Production. An official announcement stated that the prime minister also instructed the swift formulation of a national industrial policy to accelerate economic development and industrial production in the country. [Click to see more](#)

Crackdown 'bridges' forex market gap

The rupee rebounded in the open market on Wednesday as a crackdown on the informal currency market started to help the gap between the interbank and open-market rates edge closer to the International Monetary Fund's (IMF) target of 1.25 per cent. Meanwhile, the State Bank of Pakistan has also stepped up supervision of the foreign exchange market, ordering banks to set up separate entities to conduct forex transactions and extending a clampdown on hard-currency hoarders and smugglers. The rupee catapulted to 312 to the dollar in the open market on Wednesday from 323 a day ago. [Click to see more](#)

Inflation to stay elevated as energy becomes costlier

In an apparent move to manage high expectations, the caretaker government on Wednesday said the economy continues to face both domestic and external challenges and "massive" [petroleum price hikes](#) twice in August and [heavy electricity price](#) shocks would keep inflationary pressures at elevated levels in coming months. "The two massive fuel price hikes witnessed in August and upward adjustment in energy tariffs, would strain the inflationary pressures in the coming months", said the Economic Advisors' Wing of the Ministry of Finance in its monthly economic update & outlook for August. [Click to see more](#)

FBR sets ambitious target for tax net expansion

Pakistan's top tax machinery has set new ambitious targets for the current fiscal year to expand the taxpayer base and get more retailers integrated into the Point-of-Sale (POS) system of the Federal Board of Revenue (FBR). In FY23, the FBR claimed that 182,000 new taxpayers had joined the tax system. In a briefing to the Caretaker Prime Minister Anwarul Haq Kakar on Wednesday, the FBR held out an assurance to the premier that it would bring one million new taxpayers on the tax roll and 20,000 retailers to the POS system by the end of June 2024. It was further stated that the POS coverage is also being extended to more cities. [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%

Automakers shock buyers with fresh price hikes

The auto assemblers on Wednesday again shocked buyers of bikes, rickshaws, cars and commercial vehicles with immediate price hikes in the range of Rs10,000 to Rs350,000. Lucky Motor Corporation Ltd (LMCL) jacked up the prices of various models by up to Rs350,000 citing no reason. The new rate of Picanto Automatic, Stonic EX plus, Sportage AWD and Sportage Black (Limited Edition) is Rs3.950 million, Rs6.280m, Rs8.920m and Rs9.650m as compared to Rs3.825m, Rs6.050m, Rs8.820m and Rs9.300m. [Click to see more](#)

SBP tightens grip on exchange companies

In the midst of an intensified crackdown against foreign currency smuggling and illicit hawala-hundi operations, the State Bank of Pakistan (SBP) has unveiled a series of stringent measures aimed at reforming the currency exchange sector. Currency exchange companies categorised as 'B' have been given a three-month ultimatum to either transform into full-fledged exchange firms or face the prospect of losing their licenses. The SBP's move comes in response to concerns over the weak operational structure and inadequate compliance levels observed within category 'B' exchange companies. The central bank has now advised both category 'B' firms and franchisees to either merge with established full-fledged entities or sell their businesses to stronger counterparts. [Click to see more](#)

PM lays focus on tax reforms, sell-off process

Caretaker Prime Minister Anwaar ul Haq Kakar on Wednesday directed all relevant institutions to work together for tax reforms as increasing tax collection is the foremost priority of the government. While presiding over a high-level meeting regarding the Federal Board of Revenue (FBR) and Privatisation Division, he emphasized the need for improving relations between the federation and the provinces regarding tax documentation. The caretaker premier said that increasing the tax net is one of the priorities of the government and the FBR is an important part of the government machinery. [Click to see more](#)

Analyst Certificate:

The Research Report is prepared by the research analyst at WE Financial Services Ltd. It includes analysis and views of our research team that precisely reflects the personal views and opinions of the analysts about the subject security(ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security(ies). The views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

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

Disclaimer: This document has been prepared by Research Analysts at WE Financial Services Ltd.