

8th June, 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
CNERGY	3.72	0.81%	7.07

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Govt shoulders some blame for economic woes

The government has conceded that lingering political instability, import controls and tight monetary policies caused the country's prevailing economic downfall, taking the blame for the turmoil it has largely pinned on the usual suspects: the PTI and the floods. However, the coalition government expects that political stability would help put the country towards economic recovery and growth path. This is one of the key themes of the economic review of the current fiscal year to be rolled out on Thursday (today) as part of the Pakistan Economic Survey 2022-23 by the coalition governments' economic team led by Finance Minister Ishaq Dar. It will be followed by the budget announcement on Friday. [Click to see more](#)

Govt in a fix over IMF demands, poll politics

The government will hope to find a balance between reforms to satisfy the International Monetary Fund and measures to win over voters in an imminent election in its budget for 2023-24 to be announced on Friday, analysts said. Pakistan's IMF programme runs out this month with about \$2.5 billion in funds yet to be released as it struggles to strike an agreement with the lender, as it grapples with record inflation, fiscal imbalances and low reserves. A general election is due by November, which the government will be hoping will end turmoil arising from a protest campaign former premier Imran Khan has led since he was ousted last year. [Click to see more](#)

20pc pay hike likely for govt employees

Ashfaq Tola, who chairs the Reforms & Resource Mobilisation Commission, said on Wednesday that the salaries of government employees would be raised by around 20 per cent in the coming budget. "Salaries of lower grade employees is very low and the scales need a major boost," Mr Tola observed. He parried a question over the perks and privileges enjoyed by bureaucrats. Ashfaq Tola was addressing a ceremony to launch a report, "Unveiling tax evasion: a closer look at five sectors in Pakistan." The report has been prepared by Ipsos, a Paris-based research organisation. It reveals that tax evasion in five sectors causes a loss of Rs956 billion annually. [Click to see more](#)

Tariffs on solar value chain to be rationalised

The coalition government, led by PML-N, has partially approved recommendations of the Tariff Policy Board (TPB) to adjust solar sector duties in the upcoming budget. However, a proposal to further reduce duties on the steel sector has been rejected. The Federal Board of Revenue (FBR) strongly opposes proposals to eliminate additional customs duties on raw materials. The TPB, led by Minister for Commerce Naveed Qamar, is the recommending body to make changes in tariffs to the Ministry of Finance. The decision will be announced in the budget 2023-24 as part of the package initiated three years ago to remove all duties on raw materials and semi-finished products used in exports. [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%

\$1tr economy targeted in 2035

The National Economic Council (NEC) on Tuesday approved the Pakistan Economic Outlook 2035 concept for increasing the size of national economy to \$1 trillion and reducing poverty to 15% - the ambitious goals that could not be achieved without political stability. The Planning Commission's documents painted a bleak picture of Pakistan in 2035, if the new goals were not achieved and the political leadership failed to ensure stability in the country. Headed by Prime Minister Shehbaz Sharif, the NEC, a constitutional body that approves macroeconomic plans, endorsed the concept of Pakistan Economic Outlook 2035. [Click to see more](#)

IT sector calls for tax exemptions

The Information Technology (IT) industry is urging the government to implement tax exemptions that will yield high returns, while also calling for funds to be allocated for skill development. The sector sees itself playing a pivotal role in boosting the national economy and is placing significant emphasis on increasing exports and nurturing local talent to create a thriving technological landscape. Pakistan Software Houses Association (P@SHA), Chairman, Muhammad Zohaib Khan highlighted the need for tax exemptions in income tax, tax on dividends, capital gains, and profits during a meeting with the Prime Minister of Pakistan.

[Click to see more](#)

Petrol levy rate may rise to Rs60 per litre

In a move that could further fuel inflation, the government is considering increasing the petroleum levy rates to a record Rs60 per litre on petroleum products. This increase is part of the government's plan to generate approximately Rs2.9 trillion in non-tax revenues in the next financial year. The proposal aims to create additional fiscal space for spending, as the government expects a 30% increase in expenditure on pension payments and the functioning of the civil government compared to the original budget for this year. [Click to see more](#)

Rs90bn allocated for parliamentarians under SDGs

The government has allocated Rs90 billion for the parliamentarians under Sustainable Development Goal achievements (SDGs) for the next fiscal year, up by 29 percent from over Rs70 billion allocated for the ongoing fiscal year. Sources said the government had allocated Rs90 billion for the SDGs achievement programme. These funds would be utilised through development schemes proposed by the parliamentarians. They added that SDGs strengthening for improving overall human development indicators in the country and the government had allocated funds in the next year PSDP for different projects including the need assessment of Health Human Resources for driving innovation and achieving SDGs 2030, National Initiatives for SDGs and establishment of federal SDGs support unit projects. [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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