

10th July, 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
CENERGY	3.72	0.81%	7.07

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Pharmaceutical sector granted major tax relief

The government has provided major tax relief to the pharmaceutical sector by allowing the reduced rate of one percent sales tax on the import of all kinds of raw materials used for the basic manufacture of pharmaceutical active ingredients and pharmaceutical products from July 1, 2023. Previously, reduced rate of one percent sales tax was not applicable on the import of all kinds of raw materials of the pharmaceutical industry. Similarly, minimum rate of one percent sales tax was also not applicable on pharma raw materials having multiple usages. Now, the same inputs having multiple usages can be imported at a reduced rate of only one percent sales tax. [Click to see more](#)

Trade with China crosses 'psychological barrier' of \$20bn

Irfan Iqbal Sheikh, President Federation of Pakistan Chambers of Commerce and Industry (FPCCI), has apprised that bilateral trade volume of Pakistan with China has crossed the psychological barrier of \$20 billion and stood at \$20.8 billion in FY22; and, China has emerged as the most important source of investments into Pakistan's energy and infrastructure sectors. In fact, China is the most reliable economic partner of Pakistan, he added. It is pertinent to note that Yang Yundong, Consul General of China in Karachi, assured the business community of Pakistan of his full support in forging B2B cooperation to further enhance trade, investments and economic relations. [Click to see more](#)

Third-party participation in CPEC: draft modalities finalised

Ministry of Foreign Affairs (MoFA) has finalized draft modalities for third-party participation in China Pakistan Economic Corridor (CPEC) to attract investment from countries or entities other than China, well-informed sources in Ministry of Planning. This was disclosed at a CPEC progress meeting presided over by the Minister for Planning, Development and Special Initiatives, Ahsan Iqbal, convened to finalized agenda for 12th Special Joint Coordination Committee (JCC) on CEPC meeting on July 11, 2023 in Beijing. [Click to see more](#)

After oil, more goods start arriving from Russia

At least two cargo containers loaded with pulses and other goods arrived at Torkham late on Friday from Russia under the Transport International Route (TIR) agreement. Officials said that the consignment, the first of its type, was part of the TIR bilateral trade treaty signed with Russia in March this year during the Moscow visit of Federal Minister for Communication Asad Mehmood. They said that with the signing of the agreement and the arrival of the first consignment, the two countries were now formally linked through bilateral trade. [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%

PSX issues 'guidance notes' on disclosure

The Pakistan Stock Exchange (PSX) has issued "guidance notes" for listed companies about the disclosure of material information and reporting obligations under the existing PSX regulations. The PSX notified the guidance notes — intended to provide "greater clarity and transparency" — at a time when many listed companies seemingly fail to timely inform the exchange about material information that sometimes causes an "unusual movement" in either the price or the volume of traded shares. For example, the PSX sought on July 7 (Friday) clarifications from two companies — LSE Proptech Ltd and Data Agro Ltd — regarding a substantial change in their share prices in June. [Click to see more](#)

Exports to Middle East fall

Pakistan's exports to the Middle East dipped 12.28 per cent year-on-year to \$2.127 billion in the first 11 months of FY23, mainly driven by a substantial decline in exports to the United Arab Emirates. The exports to Saudi Arabia increased while other countries of the region dipped, according to data compiled by the State Bank of Pakistan. Nearly 62pc of total exports to the region go to the UAE market alone. However, it suffered a decline of 20.46pc to \$1.341bn in 11MFY23 from \$2.425bn over the corresponding months last year (FY22). [Click to see more](#)

Polls will be held on time, assures IMF

A delegation of the International Monetary Fund (IMF) has assured former prime minister and PTI Chairman Imran Khan that general elections in Pakistan will be held on time. On Friday, officials of the global money lender held a meeting with the PTI chief at his Lahore's Zaman Park residence with Mission Chief Nathan Porter joining it virtually. The former premier expressed support for a recently reached bail-out deal with the IMF. The global lender said it was, in the lead-up to general elections in autumn, seeking support of the main political parties, including the PTI, for the new nine-month \$3 billion stand-by arrangement and policies associated with the programme. [Click to see more](#)

Food spikes fuel weekly inflation to 28.5pc

The short-term inflation, based on the Sensitive Price Index (SPI), posted a year-on-year increase of 28.55 per cent for the week ending on July 6, showed the official data released on Friday. The short-term inflation decelerated in the past eight weeks in the wake of a slight decrease in petroleum prices. The short-term inflation remained over 45pc for three weeks in May. It reached an all-time high at 48.35pc for the week ending on May 4. On a week-on-week basis, the SPI increased by 0.7pc. [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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