

10th May, 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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Arrangements made for \$3.7bn debt repayment: ministry

Amid continuous delays to the staff-level agreement with International Monetary Fund (IMF), the government on Tuesday said arrangements had been made to meet external obligations of \$3.7 billion by end-June. In a statement, the Ministry of Finance said \$3.7bn had to be repaid during the remaining period of the current fiscal year ending June 30. "This should not be any cause of concern as arrangements have been made for the rollover/repayment of this debt", it said, adding that significant inflows were also in the pipeline during this period. The PMLN-led coalition government had averted the default and the economy was now on a course to stability and growth, it added. [Click to see more](#)

Bank lending to state-run firms jumps to Rs282bn

Credit to public sector enterprises (PSEs) soared to Rs282 billion in the first 10 months of the current fiscal year compared to just Rs14bn in the same period of last year reflecting the extremely poor financial health of the state-run companies. Data issued by the State Bank of Pakistan on Tuesday showed the growth of credit to PSEs was abnormally high compared to previous years' net withdrawal of Rs43bn at the end of FY22 and Rs53bn in FY21. Bankers said the flow of loans reflects the critical economic conditions of these state-run enterprises. Most of the PSEs were incurring losses for many years and the government keeps them floating with taxpayers' money. [Click to see more](#)

Equities melt amid rising political tensions

Share prices tumbled on Tuesday amid a rapidly deteriorating political situation. The stock market witnessed some buying interest after trading opened on a negative note. However, the news about the arrest of former prime minister Imran Khan dampened the confidence of investors and caused a sharp drop in the index of representative shares. Decent volumes were recorded across the board while third-tier stocks remained in the limelight. As a result, the KSE-100 index settled at 41,373.81 points, down 455.68 points or 1.09 per cent from the preceding session. The overall trading volume increased 13.4pc to 203.1 million shares. The traded value went up 22.4pc to \$20.5m on a day-on-day basis. [Click to see more](#)

Pakistan could default without IMF bailout, warns Moody's

Pakistan could default without an International Monetary Fund (IMF) bailout as its financing options beyond June are uncertain, the credit ratings agency Moody's Investor Service said on Tuesday. "We consider that Pakistan will meet its external payments for the remainder of this fiscal year ending in June," Grace Lim, a sovereign analyst with the ratings company in Singapore, told Bloomberg, according to a Dawn.com report. "However, Pakistan's financing options beyond June are highly uncertain. Without an IMF programme, Pakistan could default given its very weak reserves," he said. [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%

Currency dips, gold shines

The Pakistani currency has once again come under pressure against the US dollar amid further delays in the revival of the International Monetary Fund (IMF) loan programme. The currency dropped 0.35% to Rs284.84 against the dollar in the interbank market, moving by almost Re1 after a prolonged period. However, the surge in gold prices in the global market has supported the precious metal, which hit a new all-time high in domestic markets on Tuesday, soaring by 1.41% to Rs230,100 per tola. The ongoing uncertainty surrounding the IMF loan programme has been a major contributing factor to the drop in the rupee. [Click to see more](#)

Oil, gas firms post profits in face of debt

Pakistan's state-run oil and gas companies are facing a serious challenge of circular debt that is putting the oil and gas supply chain and their future investment plans at stake. Despite witnessing growth, the companies are struggling to cope with the mounting debt that could collapse the entire industry. Circular debt has been piling up for years, and all governments have failed to find a solution to the problem. It has now crossed a staggering Rs1.6 trillion. According to industry experts and officials, circular debt has the potential to bring down the entire oil and gas supply chain if the government fails to clear it. Pakistan's economy is already grappling with high inflation, regressed growth, and increasing financial vulnerabilities in FY23. [Click to see more](#)

IHC declares IK's arrest on court premises legal

The Islamabad High Court (IHC) declared that Chairman Pakistan Tehreek-e-Insaf (PTI) Imran Khan's arrest on the court's premises "legal". A single bench of Chief Justice Aamer Farooq Tuesday on Tuesday after hearing the counsels had reserved the order, which was announced late at night. The court also issued notices to the secretary interior and the inspector-general of Islamabad police over contempt of court. The court also issued instructions to the registrar to lodge an FIR, and to submit a report on the inquiry by May 16. A heavy contingent of Rangers arrested the PTI chief on the IHC premises when he came to the court to seek bail in multiple FIRs registered against him. [Click to see more](#)

Soghri exploration licence: ECC approves grant of more free area to OGDCL

The Economic Coordination Committee (ECC) of the Cabinet has approved the grant of additional (free) area of 15.88 sq kms in Soghri exploration license to the Oil and Gas Development Company Limited (OGDCL). The Ministry of Energy submitted a summary to the ECC stating that the OGDCL has requested for grant of an additional (free) area of about 15.88 sq km in Soghri exploration license on the basis that a geological structure which is extending into a free area in the Northeastern part of Soghri exploration license (EL), where the company intends to drill an exploratory well. [Click to see more](#)

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Stock Ratings

WE Financial Services Ltd. uses three rating categories, depending upon return from 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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