

11th September, 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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## No plan to scan bank lockers for dollars

Rumours circulating on various mainstream and social media outlets this past week suggested that the interim government had plans to launch a massive crackdown on bank lockers nationwide in a bid to collect much-needed foreign exchange. Reports claiming that authorities were gearing up for a significant operation against the illegal hoarding of dollars and would be deploying special scanners that could detect foreign currency in lockers were shared like wildfire, prompting an outcry. However, both the State Bank of Pakistan (SBP) and the Federal Investigation Agency (FIA) have refuted these claims. [Click to see more](#)

## Discos shake up formations as action against theft intensifies

After a massive reshuffle in the Lahore Electric Supply Company (Lesco) as part of a [government crackdown](#) on electricity theft, other power distribution firms have also transferred hundreds of officials, the power division's secretary said on Saturday. Including Lesco, the 10 power distribution companies (Discos) have reshuffled their entire 1,914 officers posted at various tiers of the field formations — circles, divisions and sub-divisions headed by superintending engineers (SEs or managers), executive engineers (XENs or deputy managers) and sub-divisional officers (SDOs or assistant managers). [Click to see more](#)

## Punjab govt appeals against sugar price stay

The caretaker government of Punjab has filed an application before the Lahore High Court (LHC), requesting the withdrawal of a stay order granted in favour of the sugar mills, restraining the authorities from finalising the price of the commodity. The government stated that the sugar mills had challenged a notification, the Punjab Foodstuffs (Sugar) Order 2023, issued by the food department on July 28 empowering the cane commissioner to fix the ex-mill price of sugar after hearing the representative body of the millers. It said a consultative process was initiated in pursuance of the notification for the determination of sugar price, which has also been assailed by the millers before the court. [Click to see more](#)

## Will unwarranted rate increase solve problems?

The State Bank of Pakistan (SBP) is mulling over monetary policy decision this week. The economic contraction is so severe that this entire fiscal year will be marred with economic, social and political chaos. Entire population — educated or not — is either discussing dollar rate or inflationary trends in fuel and food prices. Granted that central bank's primary job constitutes reining in inflation, but will the expected interest rate hike solve the problems or add to them? Firstly, inflation in Pakistan is not led by excessive demand (demand-pull). Purchasing power is negligible and neither is economy overheating to create shortages or abnormal profits. [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%  |

## Caretakers likely to ease the woes of power sector

The power sector's capacity payment is likely to touch Rs 3.766 trillion per annum by FY 31, 75 per cent of total electricity bill, which will make electricity affordability unsustainable for all categories of consumers. Capacity payment which was just Rs 185 billion per annum in FY 13 is now hovering around Rs 1.954 trillion. However, during this period Energy Purchase Price (EPP) which was Rs 663 billion in FY 13 has now touched the mark of Rs 904 billion and it will be Rs 1.246 billion by FY 31. "CPP which was 22 per cent of total tariff in FY 13 will be 75 per cent in FY 31," the sources added. [Click to see more](#)

## Smuggling of Iranian oil into Pakistan

Pakistan is facing loss of more than Rs60 billion annually due to smuggling of more than 2.81 billion litres of oil from Iran to Pakistan, in which, 90 government officials and 29 politicians are also involved. It is reported in the media that the Civil Intelligence Agency has submitted its report on smuggling of oil and dollar to the Prime Minister House, in which, it has been revealed that the proceeds from oil smuggling are also used by terrorists. According to the report of the civil intelligence organisation, as many as 995 petrol pump stations across the country are engaged in the sale of smuggled Iranian oil. [Click to see more](#)

## Unchallenged tax demand case

The Federal Tax Ombudsman (FTO) is waiting for the response of the Federal Board of Revenue (FBR), Chief Commissioners Corporate Tax Office and Regional Tax Office, Lahore to explain reasons for not taking measures to recover unchallenged multi-million tax demands from a China-based company for the tax years (2007-2012). It is reliably learnt that despite the fact that summons have been issued by FTO against the FBR officers (Member Operations, CCIRs CTO & RTO, Lahore) for their long meaningful silence to recover unchallenged tax demand runs into Rs632 million, no one at FBR is ready to recover the lawful taxes out of a biggest tax fraud scam. [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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