

12th January, 2024

KSE -100 Index



Source: PSX & WE Research

Market- Key Statistics

	Current	Previous	Change
KSE100 Index	59,260.43	58,899.84	360.59
All Shares Index	39,685.95	39,473.92	212.03
KSE30 Index	19,701.16	19,562.81	138.35
KMI30 Index	100,970.07	100,182.52	787.55
Volume (mn)	272,723.39	229,035.21	43,688

Source: PSX

Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
TREETR2	4.86	(-14.74%)	8,606,075
POWERPS	7.49	(-11.78%)	1,500
LSEPL	3.05	(-6.73%)	20,000
ABL	77.11	(-5.96%)	500
FTMM	3.5	(-5.66%)	1,500

Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
CWSM	1.8	(7.78%)	15,500
CLOV	20.01	(7.52%)	131,500
BNWM	33.33	(7.52%)	4,500
AGIL	92.24	(7.51%)	30,500
GLPL	182.91	(7.50%)	600

Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
TREETR2	4.86	(-14.74%)	8,606,075
AVN	65.6	-4.91%	2,379,580
SYM	4.22	-2.93%	1,468,000
PRL	25.61	-0.31%	1,458,861
NETSOL	114.3	-2.77%	1,349,241

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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IMF board nod allows disbursement of \$700m

In a significant development, the Executive Board of the International Monetary Fund (IMF) announced on Thursday that it had successfully concluded the first review of Pakistan's economic reform programme, backed by the [Stand-By Arrangement](#) (SBA), paving the way for an immediate disbursement of SDR 528 million, equivalent to approximately \$700m. This latest disbursement brings the cumulative total under the arrangement to an impressive SDR 1.422 billion, roughly \$1.9bn. The financial support provided by the IMF underscores the global confidence in Pakistan's commitment to implementing essential economic reforms. [Click to see more](#)

Concerns mount within FBR about 'reforms'

The proposed restructuring of the Federal Board of Revenue (FBR) has heightened uncertainty within the field formation due to escalating tensions among tax groups concerning the nature and extent of the reforms, Dawn has learned from knowledgeable sources. This uncertainty could potentially affect revenue collection, a concern that is particularly significant given the current political instability that has already strained the country's economy. The FBR is struggling to recover its revenue collection, yet it remains on track to meet the target committed with the International Monetary Fund (IMF). [Click to see more](#)

Govt fails to woo a single investor for solar project

In a major setback, no bid was received for setting up a 600-megawatt solar power project at Muzaffargarh despite multiple revisions in incentives and extensions in deadlines given by the Private Power & Infrastructure Board (PPIB) — a one-window power sector entity of the federal government. This was the first pilot project for the acquisition of renewable energy through international competitive bidding (ICB) in line with the projections under the long-term Indicative Generation Capacity Expansion Plan (IGCEP). Multiple rounds of bidding were held and revisions in incentives were made since late 2022 under the already approved Framework Guidelines for Fast-Track Solar PV Initiatives 2022.

[Click to see more](#)

SBP reserves fall

The foreign exchange reserves held by the State Bank of Pakistan (SBP) dipped \$66 million during the week ended on Jan 5, 2024. The central bank on Thursday announced that its foreign exchange holdings fell to \$8.154bn due to debt repayments during the week. Pakistan is bound to arrange \$24bn to meet external obligations during the current fiscal year. This outflow has kept the exchange rate under stress. However, the local currency continued its winning streak for the seventh consecutive session against the US dollar in the inter-bank market. The greenback lost two paise to close at Rs281.11 on Thursday.

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Key Economic Data

Reserves (25-Nov-23)	\$9.45bn
Inflation CPI Nov'23	24.5%
Exports - (Jul'22-Jun'23)	\$31.79bn
Imports - (Jul'22-Jun'23)	\$80.18bn
Trade Balance- (Jul'22-Jun'23)	\$(44.77)bn
Current A/C- (Jul'22-Jun'23)	\$(17.4)bn
Remittances - (Jul'22-Jun'23)	\$29.45bn

Source: SBP

FIPI/LIPI (USD Million)

FIPI (27-Nov-23)	0.565
Individuals (27-Nov-23)	0.444
Companies (27-Nov-23)	2.934
Banks/DFI (27-Nov-23)	(0.036)
NBFC (27-Nov-23)	0.00695
Mutual Fund (27-Nov-23)	(0.836)
Other Organization (27-Nov-23)	0.399
Brokers (27-Nov-23)	(2.856)
Insurance Comp: (27-Nov-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%

SIFC takes steps to save Rs149b

The Special Investment Facilitation Council has approved a proposal to drop 76 provincial projects worth Rs121 billion and to freeze further spending on the parliamentarians' schemes and prime minister's initiatives, bringing in line the federal spending with constitutional obligations. The SIFC's decision will save Rs149 billion of the federal government during the current fiscal year –in a move that is important to correct the past wrong priorities of the federal government. However, despite the decision, the federal government would still be spending on 247 provincial nature projects and it would need another nearly Rs800 billion in the coming years to complete the work on these schemes. [Click to see more](#)

Govt set to pay \$27.5b debt by Nov

The central bank has reported that Pakistan has to pay \$27.47 billion in foreign debt and interest cost over one year till the end of November 2024 and arrangements have already been made to pay a large proportion of the debt under the IMF loan programme. Optimus Capital Management Research Analyst Maaz Azam said Pakistan was all set to acquire another IMF loan programme to ensure smooth repayment of debt after the ongoing standby arrangement ended in March 2024. At the same time, there was a pressing need to execute plans for increasing export earnings and the inflow of workers' remittances as well as attract higher foreign investment to lessen reliance on new debt, he said. [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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