

12th 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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## Govt tells IMF it will scrap fuel subsidy plan

THE government has told the International Monetary Fund (IMF) it would not implement a fuel subsidy programme as the two sides negotiate a long-delayed \$1.1 billion bailout for the country. The IMF has also said that it would "continue engagement with the government on the loan despite the ramp-up in political tensions". The remarks came after the arrest of PTI chief Imran Khan on Tuesday sparked violent protests across the country. As for fuel subsidy, Prime Minister Shehbaz Sharif in March proposed charging affluent consumers more for fuel, with the money raised used to subsidise prices for the poor who have been hit hard by inflation. [Click to see more](#)

## Budget to be presented on June 9

Finance Minister Ishaq Dar on Thursday announced that the federal budget for fiscal 2024 would be presented on June 9 and insisted that Pakistan would not default on any foreign liability, with or without an IMF programme. Speaking to journalists after a seminar organised by the National Security Division, the minister said there should be no concern over the repayment of \$3.7 billion foreign loans during May and June and a payment plan had been firmed up. He said Pakistan had fulfilled all the prior actions of the International Monetary Fund and it was now up to the lender to sign the agreement, and further tough decisions could not be taken at this stage. He hoped that China would roll over another \$2.4bn loan. [Click to see more](#)

## Digital payments halve in 'longest' internet shutdown

Point-of-sale (POS) transactions routed through main digital payment systems fell by around 50 per cent the day after former prime minister Imran Khan's arrest ignited countrywide protests and prompted authorities to shut down mobile internet services, data showed on Thursday. The reason for the slump was primarily the mobile broadband suspension, in addition to lower footfall at the limited number of stores opened due to the political turmoil. [Click to see more](#)

## Rupee hits new low near 300 vs dollar

Extending overnight losses for almost the same reasons, the rupee hit an all-time low of Rs298.93 against the US dollar in the interbank market on Thursday. In the open market, the local currency lost Rs2 to settle at 299. Meanwhile, the foreign exchange reserves of the State Bank of Pakistan (SBP) declined by \$74m to \$4.38bn for the week ending on May 5, the central bank reported on Thursday. The total reserves of the country were down by \$53m to \$9.99bn. Commercial banks' reserves, however, recorded a paltry rise of \$21m to \$5.6bn during the week. [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%

## Rs3.93 per unit tariff hike notified for KE

The National Electric Power Regulatory Authority (Nepra) on Thursday notified K-Electric to charge Rs3.93 per unit additional cost to its consumers in the current month's bill to mop up another Rs5.8bn funds as ex-Wapda distribution companies (Discos) sought to add another Rs44.5 billion burden to their consumers in next three months. In a notification issued on Thursday, the regulator said it had "decided to allow (Rs5.9342 per unit) positive fuel cost adjustment (FCA) for March, to be passed on to the consumers in their monthly bills of May". This will translate into Rs5.814bn additional revenue to KE, according to the regulatory order. [Click to see more](#)

## Stocks rally amid positive signals on IMF deal

Share prices reversed their downward trend on Thursday owing to positive signals on the macroeconomic front. The benchmark of representative shares opened on a positive note and hit an intraday high of 424 points after the International Monetary Fund (IMF) stated that it remained engaged with Pakistan on the restoration of the stalled Extended Fund Facility programme. Furthermore, a decline in international coal prices also generated investors' interest in the cement sector. But the confidence of investors took a hit as the rupee plunged against the dollar in the later part of the trading session. [Click to see more](#)

## Auto sales drop by over 80pc in April

Sales of cars, light commercial vehicles, jeeps and vans plunged by over 80 per cent year-on-year (YoY) to 4,463 units in April amid growing economic and political uncertainties. As a result, the sales halved to 114,868 units in the first 10 months of the current fiscal year compared to 227,995 units in the same period last fiscal year. On month-on-month (MoM), the sales stood lower by 52pc in April. It was the lowest monthly sales in the above categories since May 2020 Covid-19 lockdown. [Click to see more](#)

## Rs975b power subsidies proposed

The Ministry of Finance has refused to pay for the cost of inefficiency or for clearing arrears of the China-Pakistan Economic Corridor (CPEC) energy projects and has instead proposed subsidies worth over Rs975 billion for the power sector, 37% less than the money demanded. Sources say, after a meeting between the Ministry of Finance and the Ministry of Energy, the Q-Block has recommended over Rs975 billion in power subsidies for fiscal year 2023-24, starting from July. The recommended funds will mostly cover the cost of difference between consumer price and generation cost, and subsidies for Azad Jammu and Kashmir (AJK). [Click to see more](#)

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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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