

13th June, 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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Rs151 billion 'subsidy' to shield power users from line losses

In a bid to offset the burden shouldered by power consumers due to the line losses of distribution companies (Discos), the government has decided to introduce a 'budgeted' subsidy to the tune of Rs151 billion to provide relief to customers across the country, except Karachi. For the port city, however, a Rs315bn package has been prepared that is aimed at making tariffs uniform by providing K-Electric billions of rupees in tariff differential subsidy (TDS), which would bring the cost of electricity in the provincial capital of Sindh on a par with the rest of the country. [Click to see more](#)

Pakistan's Russian crude shipment paid in Chinese currency

Pakistan paid for its first government-to-government import of Russian crude in Chinese currency, State Minister for Petroleum Musadik Malik said on Monday — a significant shift in its US dollar-dominated export payments policy. The first cargo of discounted Russian crude oil arranged under a new deal struck between Islamabad and Moscow [arrived](#) in Karachi on Sunday. It is currently being offloaded at the port. Malik, talking to *Reuters* by phone, did not disclose the commercial details of the deal, including pricing or the discount that Pakistan received, but said the payment was made in Chinese currency. [Click to see more](#)

State bank keeps policy rate unchanged at 21pc

The State Bank of Pakistan (SBP) has decided to keep the policy rate unchanged at 21 per cent for the next two months, according to a press release issued on Monday. The announcement came after a meeting of the bank's Monetary Policy Committee (MPC). "The MPC assessed inflation is more likely to have peaked in May 2023. Weak domestic demand; ease in inflation expectations of consumers and businesses; downward trend in global commodity prices; and high base effect, are the major determining factors behind this assessment," the central bank's statement said. [Click to see more](#)

Auto sector shows signs of recovery amidst YoY decline

Pakistan witnessed a glimmer of hope in the auto sector as automobile sales in May 2023 recorded a month-on-month recovery of 19%. However, it is crucial to note that this improvement comes with a staggering year-on-year decline of 77%. The Pakistan Automotive Manufacturers Association (PAMA) report revealed that approximately 5.3 thousand units were sold during this period. The rebound in monthly sales can be attributed to the impressive performance of PSMC, which experienced a remarkable 101% increase. However, the YoY dip can be attributed to the adverse impact of rising inflation, which has significantly affected consumer affordability. [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%

Senate panel rejects 3 major ST measures

The Senate Standing Committee on Finance rejected three major sales tax measures including a one-year extension in tax exemptions to the erstwhile tribal areas up to June 30, 2024, an increase in sales tax from 12 to 15 percent on supplies made by the point of sales (POS) retailers dealing in leather/ textile products, and sales tax on consumer goods sold under the brand names/ trade-marks. During the review of the Finance Bill, 2023, on Monday at the Parliament House, the committee, unanimously, rejected the exemption of sales tax on supplies and import of raw materials, plant and machinery and supply of electricity to the industrial units and consumers. [Click to see more](#)

Chinese official apprised of IMF ambivalence

Pang Chunxue, chargé d'affaires, Embassy of the People's Republic of China, called on Finance Minister Senator Ishaq Dar at Finance Division, said a *press release* issued on Monday. Finance Minister Senator Ishaq Dar greeted the chargé d'affaires for joining back after a break and extended good wishes to her. The Finance Minister appreciated the deep-rooted historical bilateral relations between Pakistan and China and much-admired the Chinese support to Pakistan on multiple fronts. He also highlighted the need to deepen bilateral relations further in economic, trade, and financial sectors. [Click to see more](#)

Sinosure reduces coverage for Pakistan's projects to 70pc from 95pc

Chinese national insurance company M/s Sinosure has reduced its coverage for Pakistan's projects to 70 per cent from 95 per cent and banks are now asking for 25 per cent coverage from third party. This was revealed by the representative of CHIC Pak Power (Private) Company Limited (CPPCL) at a public hearing which continued for nearly two hours and 30 minutes. The company intends to establish a 300-MW coal-fired power plant at Gwadar on imported coal, after the Chinese government clearly refused to set up the plant in Thar on the Thar-coal. Prime Minister Shehbaz Sharif has also approved setting up of this project on the imported coal. [Click to see more](#)

MoS for reforms in pension bill

Minister of State for Finance Dr Aisha Ghaus Pasha has stated that there is a need to reform the pension bill as rapidly increasing liabilities of civil and military pension is a sizeable part of current expenditure which is simply unsustainable. The minister stated this in response to the questions of the media after the break of the morning sitting of the Senate Standing Committee on Finance presided over by Senator Saleem Mandviwala that began deliberation on the Finance Bill, 2023. The state minister said that the civil and military pension chunk was significant in the current expenditure and this is the area where reforms are important as there has been a rapid increase in this liability, which is not sustainable. [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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