

14 June, 2022

KSE -100 Index



KSE -100 Index- Key Statistics

Open	42,045.57
High	42,069.65
Low	40,833.50
Closing	40,879.93
Change	-1,134.80
Volume	62,710,521

Source: PSX

Key Economic Data

Reserves (13-May-22)	\$16.16bn
Inflation CPI (Jul'21-Mar'22)	10.75%
Exports - (Jul'21-Mar'22)	\$23.29bn
Imports - (Jul'21-Mar'22)	\$58.6bn
Trade Balance- (Jul'21-Mar'22)	\$(35.39)bn
Current A/C- (Jul'21-Feb'22)	\$(12.10)bn
Remittances - (Jul'21-Feb'22)	\$20.14bn

Source: SBP

FIPI/LIPI (USD Million)

FIPI (13-Jun-22)	(0.35)
Individuals (13-Jun-22)	3.44
Companies (13-Jun-22)	8.243
Banks/DFI (13-Jun-22)	(0.59)
NBFC (13-Jun-22)	(0.09)
Mutual Fund (13-Jun-22)	(2.38)
Other Organization (13-Jun-22)	(0.39)
Brokers (13-Jun-22)	(7.19)
Insurance Comp: (13-Jun-22)	(0.68)

Source: NCCPL

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Refineries, OMCs to get Rs25.61 billion

Source: Augaf

POSITIVE

ECC approved Rs. 25.61 billion for Petroleum Division for the disbursement of Price Differential Claims (PDCs) to OMCs/Refineries for the first fortnight of June, 2022 and additional requirements of previous fortnight. The meeting of the Economic Coordination Committee (ECC) of the Cabinet was chaired by Federal Minister for Finance and Revenue Mr. Miftah Ismail at Finance Division, today.

Government approves Rs 36 billion to SNGPL for setting payables of PSO, PPL

Source: Augaf

POSITIVE

Economic Coordination Committee (ECC) approved Rs. 36 billion in favor of Petroleum Division to maintain the sustainability of the LNG supply chain as well as import of petroleum products. The allocated amount shall be released to SNGPL against its pending claims in respect of cost of RLNG diversion to domestic sector for setting off the payable of PSO and PPL against RLNG supply. The meeting of the Economic Coordination Committee (ECC) of the Cabinet was chaired by Federal Minister for Finance and Revenue Mr. Miftah Ismail at Finance Division, today.

Rupee continues slide, plunges to 204 against USD

Source: Tribune Express

NEGATIVE

The Pakistani rupee shed at least Rs1.75 against the US dollar in the interbank market to reach Rs204.10 before noon on Monday. The rupee had closed at Rs202.35 against the dollar on Friday, as per the State Bank of Pakistan (SBP). Similarly, the Pakistan Stock Exchange (PSX) touched a two-year low at 41,231 points by losing 784 points in the morning. The volatility in the stock market and exchange rate came after a statement by Finance Minister Miftah Ismail on Saturday wherein he had talked about a delay in the revival of the bailout package by the International Monetary Fund (IMF).

Diesel may jump Rs53, petrol Rs18/litre

Source: The News

NEGATIVE

The prices of diesel and petrol may go up by Rs53 and Rs18/litre, respectively, if the government passed on the full impact of global oil markets to consumers, rolling back the subsidy completely in a push to redeem the IMF loan, industry officials said on Monday. Oil sector calculations project the ex-depot price of high speed diesel (HSD) at Rs257.14/litre for the fortnight starting from June 15, 2022 against Rs204.15/litre on June 01, 2022, showing an increase of Rs52.99. The ex-depot price of petrol has been worked out at Rs227.8/litre for the next fortnight of June compared to Rs209.87/litre on June 01, 2022, a difference of Rs18.01.

Car sales inch up by 4% MoM in May

Source: Mettis Global

POSITIVE

The passenger car sales in May 2022 were recorded at 19,395, showing a nominal increase of 4.13% MoM against 18,626 units sold in April 2022 as sales are reverting back to their normalized level, the monthly data from the Pakistan Automotive Manufacturers Association (PAMA) showed on Monday.

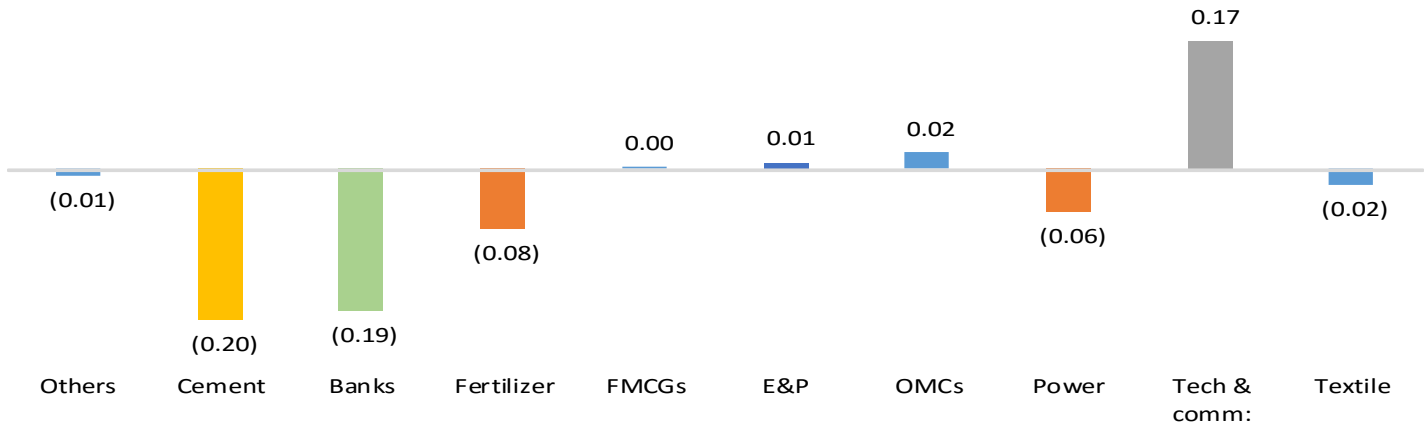
Govt to control inflation within two to three months: Miftah Ismail

Source: Mettis Global

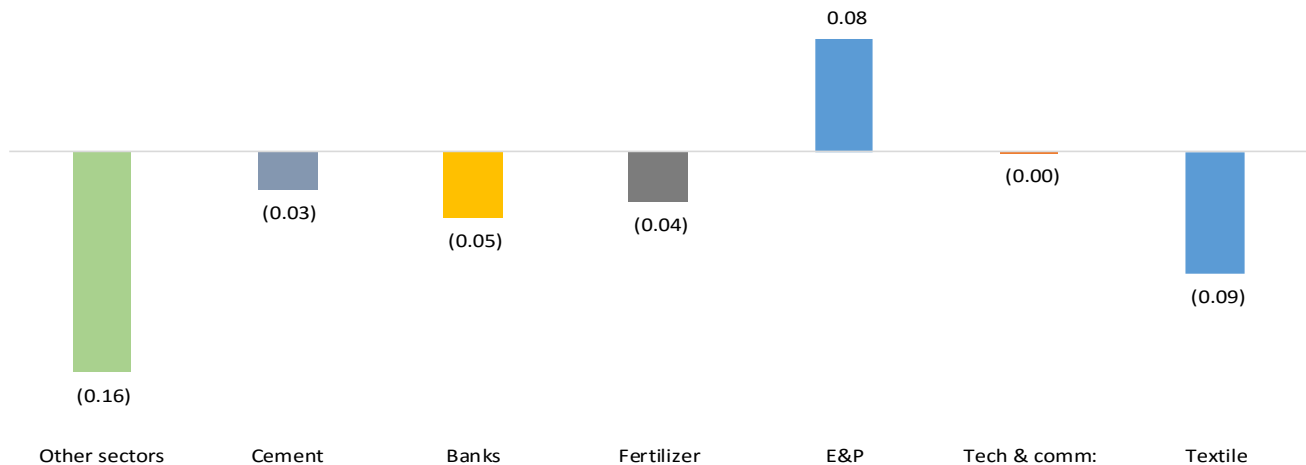
NEUTRAL

Federal Minister for Finance Miftah Ismail on Monday said that the government was trying hard to control inflation and it will be overcome in two to three months. "It was the responsibility of the government to put the country's economy on right track," he said while talking to a private news channel. He said to mitigate the deficit, the program's revival with International Monetary Fund (IMF) was necessary to bring down inflation at the earliest, for the betterment of the economy.

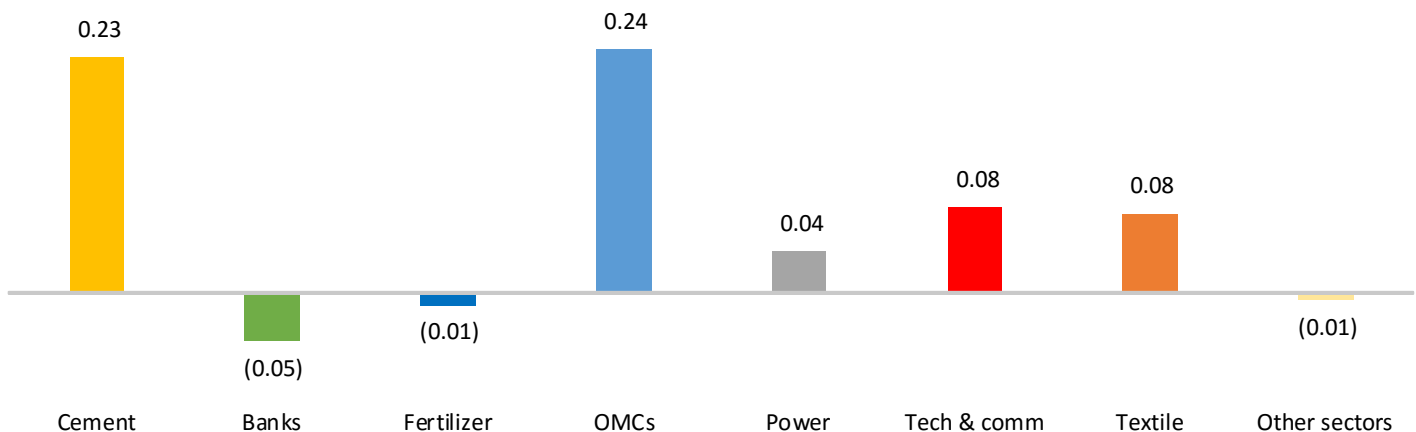
FII Sector Wise USD (Mil)



Mutual Funds Sector Wise USD (Mil)



Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

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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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