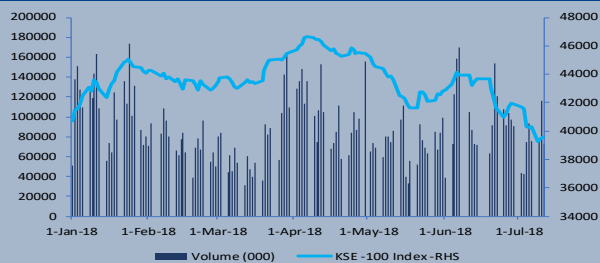


14th March, 2023

## KSE -100 Index



Source: PSX &amp; WE Research

## Market- Key Statistics

|                  | Current    | Previous   | Change |
|------------------|------------|------------|--------|
| KSE100 Index     | 41,856.85  | 41,793.87  | 62.98  |
| All Shares Index | 27,464.97  | 27,358.27  | 106.70 |
| KSE30 Index      | 15,657.62  | 15,551.73  | 105.89 |
| KMI30 Index      | 72,528.07  | 71,775.28  | 752.79 |
| Volume (mn)      | 289,229.99 | 272,723.39 | 16,506 |

Source: PSX

## Top Losers-KSE100 Index

| Symbol | Price | % Change | Volume  |
|--------|-------|----------|---------|
| ALNRS  | 48.05 | (-7.17%) | 500     |
| SHFA   | 106   | (-2.75%) | 100     |
| KHTC   | 366   | (-1.89%) | 400     |
| ASL    | 6.65  | (-1.48%) | 88,171  |
| OGDC   | 91.9  | (-1.39%) | 771,735 |

## Top Winners-KSE100 Index

| Symbol | Price | % Change | Volume |
|--------|-------|----------|--------|
| FECM   | 3.17  | (18.28%) | 2,500  |
| GRYL   | 3.45  | (15.00%) | 6,000  |
| PASL   | 0.79  | (8.22%)  | 500    |
| SHJS   | 40.57 | (7.50%)  | 500    |
| NICL   | 51.13 | (7.48%)  | 9,500  |

## Volume Leaders KSE-All Index

| Symbol | Price | % Change | Volume    |
|--------|-------|----------|-----------|
| HASCOL | 6.16  | (0.33%)  | 1,548,500 |
| TELE   | 8.45  | (2.42%)  | 1,381,000 |
| OGDC   | 91.9  | (-1.39%) | 771,735   |
| SNGP   | 42.5  | (-1.05%) | 239,325   |
| AGL    | 5.15  | (0.78%)  | 237,500   |

## Volume Leaders KMI-30 Index

| Symbol  | Price | % Change | Volume (mn) |
|---------|-------|----------|-------------|
| TELE    | 8.17  | -0.97%   | 25.80       |
| OGDC    | 92.00 | -1.30%   | 18.45       |
| TPLP    | 15.30 | -0.91%   | 12.53       |
| CENERGY | 3.73  | -0.80%   | 11.27       |
| PPL     | 71.90 | -1.25%   | 10.94       |

## WE Financial Services Ltd.

TREC Holder - Pakistan Stock Exchange Ltd.  
506-508 5th Floor, Pakistan Stock Exchange Building  
Stock Exchange Road, Karchahi-74000, Pakistan  
Email: research@we.com.pk

## Delay in IMF deal may cause Pakistan to pause repayments

Pakistan will need to pause debt repayments if it does not secure funding from the International Monetary Fund soon enough, a US bank warned as diplomatic circles in Washington indicated that Islamabad is close to signing a deal with the IMF. But the Bank of America team which prepared the report, also said that China, a close ally, can rescue Pakistan because of its close ties with the country. [Click to see more](#)

## PM Shehbaz approves Rs8,500 per 40kg as cotton support price

In a significant step aimed at facilitating cotton farmers, Prime Minister Shehbaz Sharif on Monday appro-ved its support price at Rs8,500 per 40 kilograms. The prime minister while chairing a meeting of the Agriculture Task Force directed the authorities concerned to place the matter before the Economic Coordination Committee on priority. He urged the provinces to ensure the implementation of the new cotton price. PM Shehbaz described cotton as the backbone of the country's textile sector and expressed the confidence that the step would help the growers in a considerable manner. [Click to see more](#)

## Oil prices tick up on China demand and weaker dollar

Oil prices ticked up in Monday Asian late morning trade, reversing a weak start as a recovery in Chinese demand and a weaker dollar provided support to a market rattled by the prospect of possible further US interest rate increases. After initially slipping, Brent crude futures were up 19 cents, or 0.23 per cent, to \$82.97 per barrel by 0410 GMT. West Texas Intermediate crude futures (WTI) ticked up by 20 cents, or 0.26pc, to \$76.88 a barrel. [Click to see more](#)

## Govt bodies told to restrict assignment accounts to NBP

The government has tightened its fiscal controls by restricting the federal and provincial entities to ensure that all their assignment accounts for development projects and non-development expenditures are opened and operated only through the National Bank of Pakistan (NBP), which would be treated as part of the Treasury Single Account (TSA) of the federal government. To conduct this exercise as required by the International Monetary Fund (IMF), the government has issued fresh guidelines for opening and operating the so-called Asaan (Easy) Assignment Accounts. [Click to see more](#)

## Banks lent 83% deposits to govt in Feb

The State Bank of Pakistan (SBP), on Monday, reported that bank deposits grew 15% in one-year to Rs22.92 trillion in February, compared to Rs19.91 trillion in the same month of last year. The financial institutions utilised a large portion of the deposits in lending to the government, causing a sluggish growth in credit to the private sector amid an economic slowdown. [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 (13-Mar-23)               | (0.487)    |
| Individuals (13-Mar-23)        | (1.880)    |
| Companies (13-Mar-23)          | 7.184      |
| Banks/DFI (13-Mar-23)          | (2.670)    |
| NBFC (13-Mar-23)               | (0.000448) |
| Mutual Fund (13-Mar-23)        | 0.867      |
| Other Organization (13-Mar-23) | (0.602)    |
| Brokers (13-Mar-23)            | (1.746)    |
| Insurance Comp: (13-Mar-23)    | (0.664)    |

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\$  | 283.5   | 281.5    | 0.71%  |
| PKR / EUR   | 299.5   | 294      | 1.87%  |
| PKR / GBP   | 338.6   | 331.5    | 2.14%  |
| PKR / JPY   | 2.06    | 2.06     | 0.00%  |
| PKR / SAR   | 75      | 74.3     | 0.94%  |
| PKR / AED   | 77      | 76.4     | 0.79%  |
| PKR / AUD   | 184.5   | 184.5    | 0.00%  |

## Officials urge businesses towards localisation

Government high officials have urged the Pakistani business community to start working on import substitution, the localisation of imported products and to promote exports in order to become competitive in the global economy. Localisation means producing required products and parts locally instead of continuing to rely on imports. This would also mean replacing imported energy with renewable energy like hydroelectricity to contain the cost of energy - currently standing at one-third of the overall import bill. [Click to see more](#)

## Mar-Sept key imports: govt needs \$8.5bn

With total foreign exchange reserves of \$4.3 billion as of 9th March 2023 Pakistan requires a total of \$ 8.5 billion to meet its fuel requirements and other critical imports of March- September 2023. Of total Forex requirement, 38 per cent will be for crude oil, 19 per cent for MOGAS, 14 per cent for HSD, 27 per cent for LNG, 1 per cent for jet fuel, and 1 per cent for plant, machinery, equipment tools, etc. According to Petroleum Division sources, during March- September 2023, country's requirement for crude oil will be 5,110,442 MT, MOGAS 1,800,000 MT, HSD 1,320,000 MT, LNG 214,200 MT, and jet fuel 100,000 MT.

[Click to see more](#)

## US help to be sought for clinching IMF bailout

The government has reportedly decided to seek the United States' role in reaching a staff-level deal with the International Monetary Fund (IMF). Media reports while quoting sources claimed that Foreign Minister Bilawal Bhutto-Zardari has already spoken to senior US authorities and now Finance Minister Ishaq Dar will be reaching out to Ambassador Donald Blome to seek the Biden Administration's role in reaching a staff-level deal with the IMF. [Click to see more](#)

## Accord signed on supply of 100MW of electricity to Gwadar

Pakistan and Iran signed on Monday an agreement on supply of 100MW of electricity to Gwadar in Makran Division, which would now be presented to the federal cabinet for formal approval. On the instructions of Prime Minister Shehbaz Sharif, Minister for Energy Khurram Dastgir Khan visited Iran from March 10 to March 13, where he held meetings with his Iranian counterpart Ali Akber Mehrabian. [Click to see more](#)

## Analyst Certificate:

The Research Report is prepared by the research analyst at WE Financial Services Ltd. It includes analysis and views of our research team that precisely reflects the personal views and opinions of the analysts about the subject security(ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security(ies). The views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

## Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

## 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

**Disclaimer:** This document has been prepared by Research Analysts at WE Financial Services Ltd.