

15th Feb, 2023

## KSE -100 Index



## Market- Key Statistics

	Current	Previous	Change
KSE100 Index	41,716.95	41,714.78	-24.83
All Shares Index	27,852.09	27,866.69	-14.60
KSE30 Index	15,651.14	15,682.28	-31.14
KMI30 Index	71,788.93	72,189.53	-400.60
Volume (mn)	192,288,20	281,814,75	-89,526

Source: PSX

## Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
AIRLINK	23.1	(-1.70%)	1,000
JSCL	11.51	(-1.54%)	10,000
MDTL	1.95	(-1.51%)	10,000
CPHL	26.55	(-1.26%)	4,184
LOADS	6.75	(-1.03%)	1,000

## Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
SSOM	103.55	7.50%	500
STJT	105.3	7.38%	500
FCSC	1.29	5.74%	500
ELSM	128.99	5.24%	200
OCTOPUS	58	3.28%	3,000

## Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
SSGC	12.17	0.00%	1,490,619
SNGP	47.7	0.59%	1,264,022
DOL	25	3.18%	1,040,500
BAHL	55.5	0.34%	1,001,000
OGDC	98.85	0.00%	565,775

## Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (mn)
OGDC	98.90	-2.14%	15.11
PPL	79.90	-0.14%	12.55
MLCF	22.40	1.04%	7.66
CINERGY	3.72	-0.53%	3.86
GGL	10.94	2.53%	2.85

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## Fitch sees 'real possibility' of default

The Fitch Ratings agency on Tuesday downgraded Pakistan's long-term foreign-currency issuer default rating (IDR) to 'CCC-', from 'CCC+' due to worsening liquidity, political volatility and decline of foreign-exchange reserves to critically low levels. A CCC minus rating denotes a very high level of default risk. One of the three major global rating agencies, Fitch said it did not typically assign outlooks to sovereigns with a rating of 'CCC+' or below. [Click to see more](#)

## Gas price hike brings Sindh-Punjab energy cost disparity to the fore

The latest increase in gas prices seems to have pitched the industrialists of Punjab against those of Sindh. Newspaper ads by the All Pakistan Textile Mills Association-North demand that the government do away with different gas rates for the export-oriented industrial units of Punjab and Sindh by adopting a uniform price of \$7 per million British thermal unit (mmBtu). After the latest hike, Punjab-based industrialists are supposed to pay \$9 per mmBtu, which is almost three times higher than the gas rate enjoyed by their Sindh-based counterparts. [Click to see more](#)

## Rupee gains 3.4pc vs dollar in 11 days

Higher exchange rates attracted extensive dollar selling especially from exporters which enabled the rupee to recover Rs9.24 against the greenback during the last 11 days. The US currency peaked at an all-time high at Rs276.58 on Feb 3 against the rupee mainly due to extreme volatility in exchange rates stemming from the government's attempt to manage the exchange parity artificially low which created a grey market providing speculators much space for manipulation and profiteering. [Click to see more](#)

## Toyota prices increased again

Despite a steep fall in sales amid plant closure, Indus Motor Company (IMC) has increased the prices of various Toyota vehicles for the second time in less than a month by Rs200,000-Rs890,000. The company said that economic uncertainties and the extremely volatile rupee have adversely impacted the cost of manufacturing, making it difficult for the company to hold the current indicative selling price thus compelling it to pass on some impact to the market. [Click to see more](#)

## Shares plunge 566 points after gas tariff hikes

Shares at the Pakistan Stock Exchange plunged on Tuesday with the benchmark KSE-100 index sliding over 500 points as analysts attributed the slump to weakening macroeconomic indicators and uncertainty over a pending review with the International Monetary Fund (IMF) for the release of a \$1.2 billion tranche. The KSE-100 index closed down 566 points, or 1.36 per cent. [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-Feb-23)	0.444
Individuals (13-Feb-23)	0.91
Companies (13-Feb-23)	0.43
Banks/DFI (13-Feb-23)	0.17
NBFC (13-Feb-23)	0.0044
Mutual Fund (13-Feb-23)	(1.64)
Other Organization (13-Feb-23)	(0.19)
Brokers (13-Feb-23)	0.0088
Insurance Comp: (13-Feb-23)	(0.14)

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\$	271	269.03	0.73%
PKR / EUR	287	288.93	-0.67%
PKR / GBP	326.5	325.8	0.21%
PKR / JPY	2.06	2.06	0.00%
PKR / SAR	71.5	71.6	-0.14%
PKR / AED	74.3	73.16	1.56%
PKR / AUD	183	184.5	-0.81%

## Pakistan plans to quadruple domestic coal-fired power, move away from gas

Pakistan plans to quadruple its domestic coal-fired capacity to reduce power generation costs and will not build new gas-fired plants in the coming years, Energy Minister Khurram Dastgir Khan told *Reuters* on Monday, as it seeks to ease a crippling foreign-exchange crisis. A shortage of natural gas, which accounts for over a third of the country's power output, plunged large areas into hours of darkness last year. A surge in global prices of liquefied natural gas (LNG) after Russia's invasion of Ukraine and an onerous economic crisis had made LNG unaffordable for Pakistan. [Click to see more](#)

## In midnight offensive, govt raises GST to 18%

The government on Tuesday increased the general sales tax (GST) rate to 18% and drastically enhanced taxes on cigarettes with immediate effect to collect Rs115 billion out of the planned Rs170 billion mini-budget. The federal cabinet took the step to implement another condition set by the International Monetary Fund (IMF) for the revival of the derailed \$6.5 billion programme after President Arif Alvi refused to promulgate an ordinance sent by the government. [Click to see more](#)

## Another fuel price hike on the cards

The government is likely to drop another petrol bomb on the masses on Feb 16 (Thursday) after it already jacked up the prices by Rs35 per litre on Jan 29, two days ahead of schedule. The masses should get ready to bear a heavy jolt as the prices of petroleum products will be increased by up to 12.5 per cent for the second half of ongoing Feb 2023. [Click to see more](#)

## SBP takes steps aimed at timely realisation of export proceeds

The State Bank of Pakistan (SBP) has taken some new measures to ensure timely realization of export proceeds. Para 33 of Chapter 12(Exports) of the Foreign Exchange (FE) Manual provides the procedure for dealing with cases relating to non-realization or delay in realization of the export proceeds. A new Para 33A has been inserted after Para 33 to take fresh measures for timely realization of export proceeds. [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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