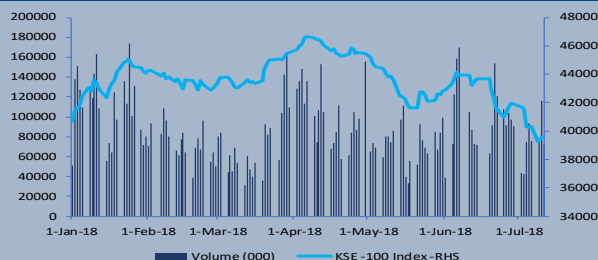


15th January, 2024

## KSE -100 Index



Source: PSX &amp; WE Research

## Market- Key Statistics

	Current	Previous	Change
KSE100 Index	59,260.43	58,899.84	360.59
All Shares Index	39,685.95	39,473.92	212.03
KSE30 Index	19,701.16	19,562.81	138.35
KMI30 Index	100,970.07	100,182.52	787.55
Volume (mn)	272,723.39	229,035.21	43,688

Source: PSX

## Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
TRETR2	4.86	(-14.74%)	8,606,075
POWERPS	7.49	(-11.78%)	1,500
LSEPL	3.05	(-6.73%)	20,000
ABL	77.11	(-5.96%)	500
FTMM	3.5	(-5.66%)	1,500

## Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
CWSM	1.8	(7.78%)	15,500
CLOV	20.01	(7.52%)	131,500
BNWM	33.33	(7.52%)	4,500
AGIL	92.24	(7.51%)	30,500
GLPL	182.91	(7.50%)	600

## Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
TRETR2	4.86	(-14.74%)	8,606,075
AVN	65.6	-4.91%	2,379,580
SYM	4.22	-2.93%	1,468,000
PRL	25.61	-0.31%	1,458,861
NETSOL	114.3	-2.77%	1,349,241

## 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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## The remittances crunch

The inflow of remittances to Pakistan has yet to show a satisfactory trajectory since January 2022. The monthly inflow of remittances for the first three quarters of 2023 was lower than both the previous year and 2021. The count of remittances from January to November 2023 was \$23.96 billion, reflecting a decrease of \$3.83bn compared to the corresponding period in 2022 and \$4.6bn compared to 2021. The World Bank, in its report titled "Leveraging Diaspora Finances for Private Capital Mobilisation," has projected a 10 per cent decrease in remittance flows to Pakistan for the current fiscal year. [Click to see more](#)

## From lined legacy to modernised channel

One of the two main perennial canals of Kotri Barrage, Akram Wah or the lined channel, will no longer be a lined channel once its remodelling and rehabilitation phase is done under World Bank funded Sindh Water and Agriculture Transformation (SWAT) project. Its remodelling and improvement will be done for Rs898 million by Sindh Irrigation and Drainage Authority (Sida) under SWAT, for which an agreement has been signed between Managing Director (MD) Sida and Project Implementation Consultants (PIC) for proposed works. The channel is a perennial canal on the left bank of the Indus River and takes off from Kotri Barrage. It was the only channel, out of Sindh's 14 main canals, that was lined in Sindh. [Click to see more](#)

## Emerging consensus

In a challenging, complex situation, one can see consensus-building surfacing on how to resolve major issues, both by design as well as by independent actions of various stakeholders/institutions that tend to work in harmony. A major issue on which near-consensus or consensus is so obvious is that elections should be held as scheduled on February 8. And that long-term policies can only be formulated by a representative government empowered by the electorate with a fresh mandate. It is generally realised that public policies, including reforms of the International Monetary Fund (IMF), need to have national ownership to ensure their effective implementation and improved governance. [Click to see more](#)

## Developing Sukuk ETFs – a new asset class for investors

The successful issuance and listing of Pakistan's first sovereign Sukuk at the PSX worth Rs30 billion and overwhelming demand from investors reaching close to Rs400 billion has opened the door for regular issuance of Shariah-compliant instruments and it could stimulate the development of new Islamic capital market instruments like Sukuk Exchange-traded Fund (ETF) and Sukuk tokenisation. It is expected that the Ministry of Finance will now aggressively offer Sukuk (Islamic bonds) of different tenures through the PSX and will be able to benefit from the liquidity available with the investors looking for Shariah-compliant returns at much more attractive rates as compared to conventional offerings. [Click to see more](#)

## Key Economic Data

Reserves (25-Nov-23)	\$9.45bn
Inflation CPI Nov'23	24.5%
Exports - (Jul'22-Jun'23)	\$31.79bn
Imports - (Jul'22-Jun'23)	\$80.18bn
Trade Balance- (Jul'22-Jun'23)	\$(44.77)bn
Current A/C- (Jul'22-Jun'23)	\$(17.4)bn
Remittances - (Jul'22-Jun'23)	\$29.45bn

Source: SBP

## FIPI/LIPI (USD Million)

FIPI (27-Nov-23)	0.565
Individuals (27-Nov-23)	0.444
Companies (27-Nov-23)	2.934
Banks/DFI (27-Nov-23)	(0.036)
NBFC (27-Nov-23)	0.00695
Mutual Fund (27-Nov-23)	(0.836)
Other Organization (27-Nov-23)	0.399
Brokers (27-Nov-23)	(2.856)
Insurance Comp: (27-Nov-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%

## Lessons learnt for telecom sector

The telecommunications sector has always been regarded as a catalyst for economic development for countries, particularly the developing ones, by fostering growth in services, finance, and emerging technologies. However, the recent exit of Telenor from the Pakistani market has ignited a debate to identify if it is just an isolated event or if there are more intricate aspects plaguing the industry. In this discourse, we delve into the multifaceted issues leading to the exit of the pioneer telecom operator and propose viable solutions for a sustainable and thriving sector. [Click to see more](#)

## Transforming textile value chain

Pakistan's Textile Value Chain (TVC), a cornerstone of the economy, is undergoing a transformative journey. As the nation's largest and oldest manufacturing industry, it plays a crucial role in sustained exports and GDP contribution, aligning with global trends for accountability and business optimisation. Despite textiles being a major player in Pakistan's economy, a significant number of firms still operate in a non-integrated structure. Nevertheless, the industry successfully exports a substantial percentage of its total output. In integrated sectors, each participant contributes to the value addition of textile goods. The paradox of a long-standing economic powerhouse with predominantly non-integrated factories highlights both the resilience and challenges encountered by the Textile Value Chain (TVC) in Pakistan. Pakistan is a major producer, consumer, and exporter of cotton yarn globally. [Click to see more](#)

## Analyst Certificate:

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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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