

15 June, 2022

## KSE -100 Index



## KSE -100 Index- Key Statistics

Open	40,871.99
High	41,115.79
Low	40,657.88
Closing	41,054.68
Change	174.75
Volume	55,761,379

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 (14-Jun-22)	0.03
Individuals (14-Jun-22)	2.01
Companies (14-Jun-22)	(0.071)
Banks/DFI (14-Jun-22)	(0.30)
NBFC (14-Jun-22)	(0.07)
Mutual Fund (14-Jun-22)	(0.50)
Other Organization (14-Jun-22)	(0.24)
Brokers (14-Jun-22)	(0.02)
Insurance Comp: (14-Jun-22)	(0.85)

Source: NCCPL

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## Persistent cash bleeding of power sector to drown economy: Miftah Ismail

Source: The News

NEGATIVE

Miftah said Imran Khan took 79 per cent of total public debt and liabilities out of the total debt burden in the 75-year history of the country. Federal Finance Minister Miftah Ismail has said the persistent cash bleeding in the power sector could drown the economy. The debt servicing has gone up by 260 per cent; it stood at Rs1,499 billion in the fiscal year 2017-18, but now it is going to stand at Rs3,950 billion," he said while addressing the National Budget Conference 2022-23 organised by the Mir Khalilur Rahman Memorial Society in collaboration with the ICMA here on Tuesday.

## Pakistan facing debt in 'excess of \$250bn': UNDP

Source: Business Recorder

NEGATIVE

The United Nations Development Programme (UNDP) has said that Pakistan is currently facing challenging economic situation with a debt in "excess of Rs 50 trillion (\$250 billion)". The Ministry of Economic Affairs Division (EAD) in collaboration with the UNDP have organized a high-level policy seminar titled "global economic situation and effective debt management strategies" on June 21, 2022 in Islamabad to discuss solution to debt management.

## DGKC in process to export Cement to US

Source: Mettis Global

POSITIVE

D.G Khan Cement Company (DGKC) is in process to ship 50,000 tons of the building material to the US, Bloomberg reported today. The ship is currently loading cement at a Karachi port for delivery to Houston. Speaking to MG News, Company CFO Inayat Ullah Niazi stated "We are exporting cement to USA which is a new market" As per the latest PBS data, Pakistan's cement exports in the month of May'22, went down by 10.2% MoM to stand at \$2.6 billion.

## Oil prices rise as tight supply counters China COVID, recession worries

Source: Mettis Global

POSITIVE

Oil prices rose on Tuesday as tight global supply outweighed worries that fuel demand would be hit by a possible recession and fresh COVID-19 curbs in China. Brent crude futures rose 94 cents, or 0.9%, to \$123.21 a barrel at 1029 GMT, while U.S. West Texas Intermediate (WTI) crude rose 79 cents, or 0.7% to \$121.72 a barrel. Tight supply has been aggravated by a drop in exports from Libya amid a political crisis that has hit output and ports.

## EU organises Business Forum to encourage Pakistani SMEs to boost trade

Source: Business Recorder

POSITIVE

Senior European Union diplomat said on Tuesday that EU-Pakistan Business Forum was working to enable exporters to reap full benefits from the EU-granted GSP+ concessions to Islamabad. Addressing the participants of the fourth edition of the EU-Pakistan Business Forum in Peshawar, Chargé d'Affaires of the EU Delegation to Pakistan Thomas Seiler said that the body would also help traders explore bilateral trade opportunities and identify new sectors in order to expand the export base.

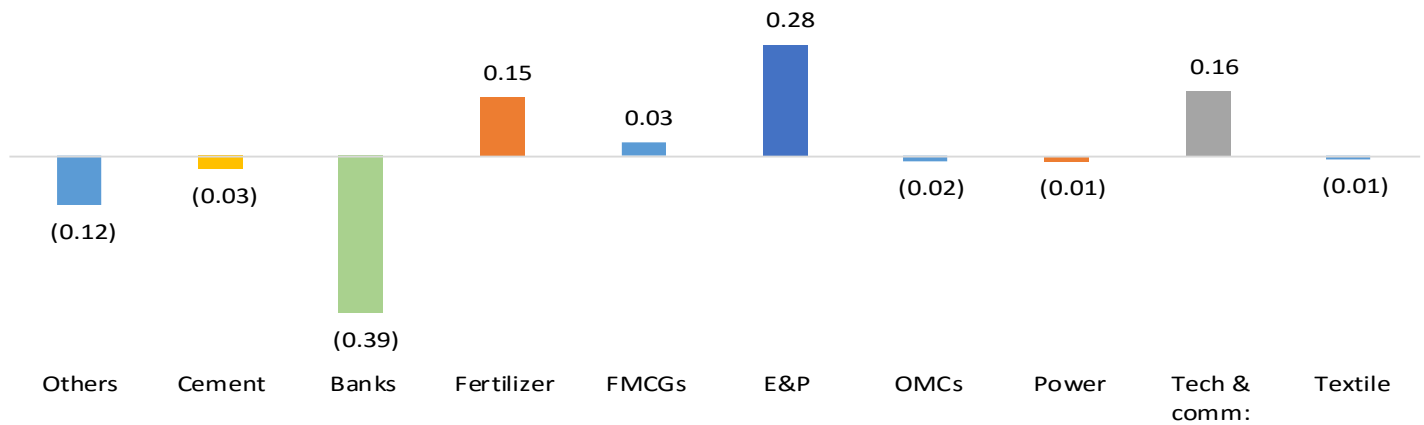
## Dollar continues to extend gains, closes above Rs205

Source: Dawn

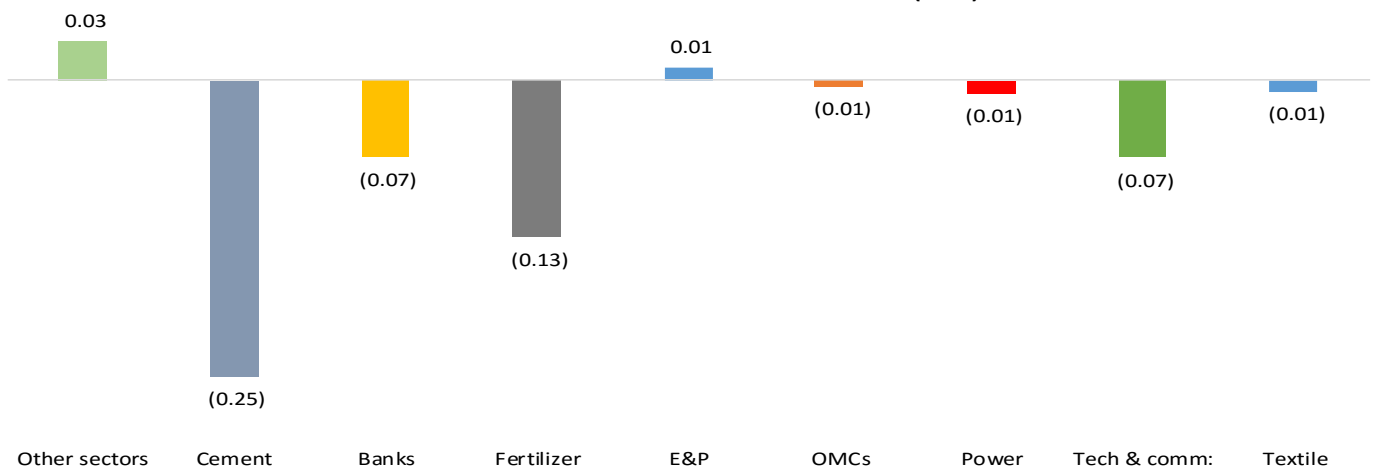
NEGATIVE

After hitting a new peak on Monday, the US dollar extended its gains against the rupee in the interbank market and rose past the Rs205 mark by closing time on Tuesday—a trend that is largely attributed to the dollar strengthening in global markets, a dearth of dollar inflows and the central bank's depleting foreign exchange reserves. According to the Forex Association of Pakistan (FAP), the greenback appreciated Rs1.35 from the previous day's close of Rs203.90 and climbed to Rs205.25 by closing time. Since the inception of the new government in April, the dollar had risen by Rs21 until Monday (June 13).

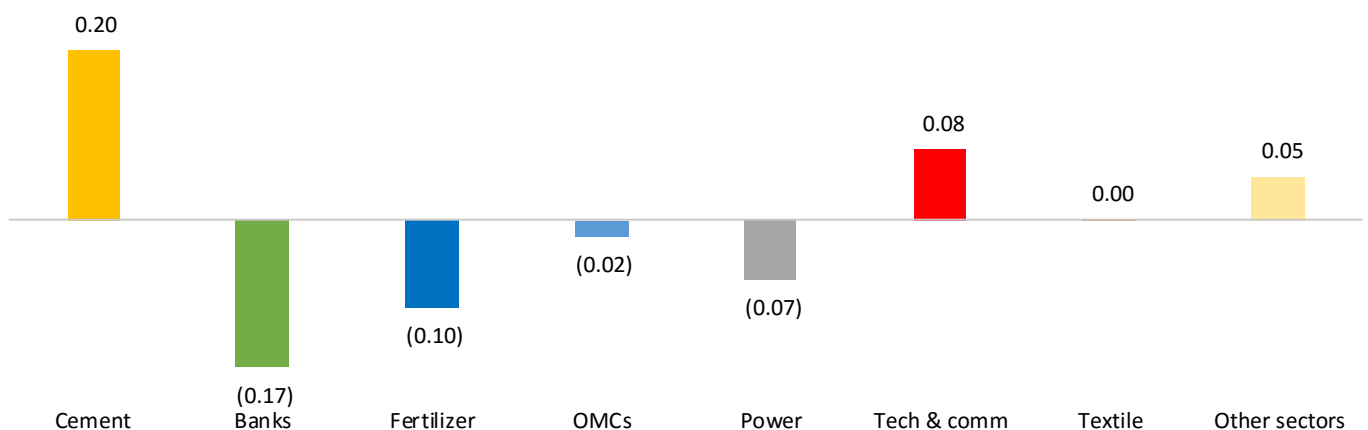
### FII Sector Wise USD (Mil)



### Mutual Funds Sector Wise USD (Mil)



### Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

## Analyst Certificate:

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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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