

16th June, 2023

KSE -100 Index



Market- Key Statistics

	Current	Previous	Change
KSE100 Index	41,793.87	41,585.54	208.33
All Shares Index	27,358.27	27,195.81	162.46
KSE30 Index	15,551.73	15,662.84	-111.11
KMI30 Index	71,775.28	71,468.53	306.75
Volume (mn)	272,723.39	229,035.21	43,688

Source: PSX

Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
GATI	323.71	(-7.50%)	100
ATM	64	(-6.84%)	500
PINL	6.01	(-5.35%)	500
DLL	200	(-3.80%)	100
KOSM	2.3	(-2.95%)	10,000

Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
HASCOL	6.27	(11.17%)	6,978,000
NICL	47.57	(7.48%)	13,500
SSOM	107.35	(7.38%)	1,000
PASL	0.75	(7.14%)	5,500
SITC	254	(7.12%)	200

Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume
HASCOL	6.27	(11.17%)	6,978,000
OGDC	89.83	(3.40%)	2,972,588
PPL	71.89	(4.60%)	1,774,459
SNGP	42.99	(2.65%)	1,268,503
FFL	5.74	(0.70%)	1,233,500

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
CENERGY	3.72	0.81%	7.07

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Baku to start shipping 'cheap' LNG from next month

Following a two-day visit by Prime Minister Shehbaz Sharif, Azerbaijan on Thursday agreed to start shipments of LNG cargoes to Pakistan at "cheaper rates" from next month, said the Prime Minister's Office in a statement. According to the Prime Minister's Office, the prime minister held a meeting with Azerbaijan President Ilham Aliyev at Zagulba Palace wherein it was decided that Azerbaijan will start sending shipments of LNG to Pakistan from next month. Every month, one cargo on concessional rates will reach Pakistan. [Click to see more](#)

Dar blames 'geopolitics' for stalled IMF loan

Finance Minister Ishaq Dar continued with his 'contradictory' approach with the IMF, alleging on Thursday that geopolitics was behind a stalled loan programme as global institutions wanted Pakistan to default like Sri Lanka and then enter negotiations, but also insisting that negotiations with the Fund were ongoing and the ninth review would be complete this month. Testifying before the Senate's standing committee on finance, he once again stressed that the country would meet its obligations with or without the Fund's bailout package. He said no reason had been given by the IMF for the "unnecessary delay" behind the ninth review, which has been pending since November. "IMF or no IMF, Pakistan will not default," he added. [Click to see more](#)

SBP reserves up by \$107m to \$4bn

Foreign exchange reserves held by the State Bank of Pakistan (SBP) increased by \$107 million to \$4 billion during the week ending June 9, 2023. However, Pakistan reportedly paid \$1bn to China on Monday, which brought down the SBP reserves to \$3bn. The finance ministry neither confirmed nor denied the media report. Finance Minister Ishaq Dar has expressed disappointment over the way the International Monetary Fund (IMF) is dealing with Pakistan vis-à-vis the bailout package, saying the lender is wasting his time. [Click to see more](#)

Govt to continue with power subsidy despite IMF objections

Energy Minister Khurram Dastgir has said that despite objections by the International Monetary Fund (IMF), the government would continue with its plans to dole out a huge power subsidy. Speaking at a press conference in Hyderabad, he said Pakistan had managed issues without IMF's support and hoped that "we can pass more days without this support". He admitted that the IMF had become a "verifying institution" for financial matters because other countries offer support after the Fund's certification. [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 (10-Mar-23)	0.565
Individuals (10-Mar-23)	0.444
Companies (10-Mar-23)	2.934
Banks/DFI (10-Mar-23)	(0.036)
NBFC (10-Mar-23)	0.00695
Mutual Fund (10-Mar-23)	(0.836)
Other Organization (10-Mar-23)	0.399
Brokers (10-Mar-23)	(2.856)
Insurance Comp: (10-Mar-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%

Petroleum prices unchanged

The government on Thursday decided to keep the prices of all petroleum products unchanged, except light diesel oil, for the next fortnight ending June 30 in line with the international market. In a pre-recorded brief statement on national hook-up, Finance Minister Ishaq Dar said the final price calculations provided by the Oil & Gas Regulatory Authority (Ogra) at the close of business hours suggested there was no impact on prices although international prices had slightly gone up over the past fortnight. Therefore, he said the prices would remain unchanged for the next fortnight. As such, the ex-depot rates of high-speed diesel, petrol and kerosene would be maintained at Rs253 and Rs262 and Rs164.07 per litre. [Click to see more](#)

Retailers reject tax hike, reduction in business hours

An increase in fixed retail tax from 12 per cent to 15pc and restricting business hours for retail outlets to 8pm will lead to a big drop in sales, store closures and job losses, warned an umbrella body on Thursday. Since the retail sector accounts for 18 per cent of the country's GDP — \$62 billion out of \$360bn — a significant reduction in demand for local textile products will have severe consequences. Closure of stores at 8pm could cause a 25-30 per cent drop in revenue and result in a sales loss of \$15bn. [Click to see more](#)

Corporates cancel EOGMs in droves

Dozens of listed companies have said in the last few days they're cancelling the extraordinary general meetings (EOGMs) that were announced before June 9, the day Finance Minister Ishaq Dar presented the 2023-24 budget. An EOGM is a huddle of a company's shareholders held between two annual general meetings to address a major issue requiring their urgent approval to meet regulatory requirements. The stated objective of these EOGMs, which were announced before June 9 and are now being cancelled in droves, was to increase the authorised capital. [Click to see more](#)

Jul-Apr LSMI output down 9.39pc YoY

The Large Scale Manufacturing Industries (LSMI) output has declined by 9.39 percent during July-April 2022-23 as compared with the same period of last year, says the Pakistan Bureau of Statistics (PBS). According to the provisional Quantum Index numbers of the Large Scale Manufacturing Industries (QIM), the LSMI output decreased by 21.07 per cent for April 2023 when compared with April 2022 and 9.78 per cent when compared with March 2023. The LSMI Quantum Index Number (QIM) was estimated for April 2023 is 104.65. QIM estimated for July-April 2022-23 is 115.46. The provisional quantum indices of LSMI for April 2023 with the base year 2015-16 have been developed on the basis of the latest data supplied by the source agencies i.e. the OCAC, Ministry of Industries and Production, Ministry of Commerce and Provincial Bureaux of Statistics (BoS). [Click to see more](#)

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Stock Ratings

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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