

16th May, 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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## Govt announces up to Rs30 reduction in prices of petroleum products

The federal government on Monday announced a massive reduction in the prices of petroleum products in the country following a declining price trend in the international oil markets. "The government has decided to reduce the existing prices of petroleum products in order to pass on the benefits of decreasing price trend of petroleum products in the international market and provide maximum relief to the masses," the finance ministry said in a press release. Finance Minister Ishaq Dar said the price of high-speed diesel (HSD) has been reduced by Rs30 per litre whereas the tariffs of petrol have been cut by Rs12 per litre. [Click to see more](#)

## Jul-Mar LSMI output declines 8.11pc YoY

The Large Scale Manufacturing Industry (LSMI) output has declined by 8.11 percent during July-March 2022-23 when compared with the same period of last year, says Pakistan Bureau of Statistics (PBS). According to the provisional Quantum Index numbers of the Large Scale Manufacturing Industries, the LSMI output decreased by 24.99 percent for March, 2023 when compared with March, 2022 and 9.09 percent when compared with February 2023. The LSMI Quantum Index numbers, estimated for July-March 2022-23, is 116.57, while it was estimated for March 2023 at 115.31. [Click to see more](#)

## ECC approves Rs7.84bn TSG as rupee cover

The Economic Coordination Committee (ECC) of the Cabinet has approved Technical Supplementary Grant (TSG) of Rs 7.840 billion as the rupee cover against \$ 42.3 million amount of the World Bank. On May 8, 2023, the Finance Division briefed the ECC that Financial Inclusion and Infrastructure Project (FIIP) was approved by the Executive Committee of National Economic Council (EcneC) on October 6, 2017 in line with the government's National Financial Inclusion Strategy (NFOS-2017). The FIP with a total portfolio of \$ 137 million was initiated as a 5-year PSDP project of the Finance Division, funded by the World Bank, set to close on December 31, 2022. However, due to initial delays and Covid-19 pandemic, the project suffered time overrun. [Click to see more](#)

## Govt debt stocks soar to record Rs57trn by Mar-end

The federal government's total debt (domestic and external) surged to Rs 57 trillion by the end of March 2023, the State Bank of Pakistan (SBP) reported on Monday. According to SPB, the central government's total domestic and external debt stocks rose by 19.42 percent during the first nine months of this fiscal year (FY23). Cumulatively, the central government's total domestic and external debt stocks rose to record level of Rs 57.122 trillion at the end of March 23 compared to Rs 47.832 trillion in June 2022, depicting an increase of Rs 9.29 trillion. [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%

## KSE-100 jumps 0.56% amid upside and downside pressures

The Pakistan Stock Exchange (PSX) saw a topsy-turvy session on Monday and the KSE-100 Index rose 0.56% as investors assumed fresh positions while awaiting political clarity. The International Monetary Fund's (IMF) rejection of news report of seeking \$8 billion in fresh financing drove buying activity at the stock market. At close, the KSE-100 Index was up 230.84 points or 0.56% to close at 41,718.42. Following a downward open, the market traded in a disorderly manner till noon. After midday, the KSE-100 Index began its ascent and erased all losses to close positive. Automobile, chemical, banking and cement sectors closed upward while oil segment closed in the red. [Click to see more](#)

## Pakistan signs debt suspension agreements worth \$20mn with Korea

Pakistan government has signed a Debt Service Suspension Agreement with the Republic of Korea to defer loans worth \$19.911 million, under the G-20 Debt Service Suspension Initiative (DSSI) framework. As per a statement released by the Ministry of Economic Affairs on Monday, the amount, which initially had to be repaid between July and December 2021, would now be repaid over a period of six years (including one-year grace period) in semi-annual instalments. "Due to the support extended by the development partners of Pakistan, the G-20 DSSI has provided the fiscal space which was necessary to deal with urgent health and economic needs of the Islamic Republic of Pakistan," read the statement. [Click to see more](#)

## Attacks on state installations part of 'conspiracy' to ban PTI

PTI Chairman Imran Khan said on Monday the attacks on state institutions during the May 9 vandalism incidents took place under a "planned conspiracy" aimed at banning his party. In a video message shared on the PTI's official Twitter handle, the former premier said: "I want to tell the nation that you want to defeat this conspiracy because a peaceful protest is your constitutional right." "This is your time for Haqeeqi Azadi. Don't waste it because such a time won't come again." Imran said the electronic media was showing a "one-sided narrative" regarding the incident that blames PTI. [Click to see more](#)

## Risk of default rises as bond yields spike

The yield on Pakistan's US dollar-denominated bond experienced a significant surge, climbing 73 basis points to 106.37% in the international market on Monday. This spike suggests an elevated risk of default on foreign debt repayment for the country. The increase in bond yields reflects the return of volatility in Pakistan's global bond market. Uncertainty looms over whether Islamabad will succeed in reviving the International Monetary Fund (IMF)'s \$6.7 billion loan programme and meet international payment obligations beyond June 2023. [Click to see more](#)

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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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