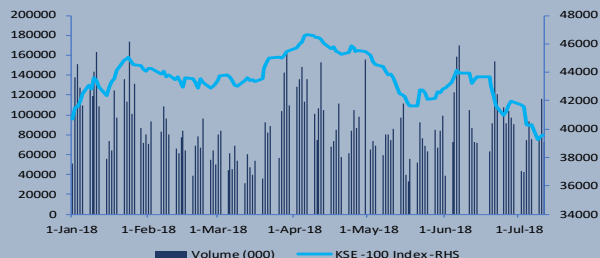


17th May, 2023

KSE -100 Index



Source: PSX & WE Research

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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Cash-strapped govt squanders money on image-building

The current fiscal year is about to close with extraordinarily tight fiscal positions and the austerity policy of the PDM government, but discretionary spending on development schemes for constituencies of parliamentarians of the coalition partners and publicity continues to grow. The Economic Coordination Committee (ECC) of the Cabinet on Tuesday enhanced the allocations for parliamentarian's constituencies under the so-called Sustainable Development Goals Achievement Programme (SDGs-AP) by Rs1bn to Rs91bn when it approved a total of nine supplementary grants worth about Rs11bn. [Click to see more](#)

Govt amends rules for Pak-Tajikistan transit trade

The government has amended the Tajikistan-Pakistan transit trade rules, which will cover inward and outward flows at Karachi, Qasim and Gwadar ports. The amendments were made through a customs notification, SRO560 of 2023, by amending an earlier notification. As part of the rules, registration of foreign businesses and other users with the Customs Computerised System to issue user ID or password will be carried out through the office of directorate general reforms and automation in Karachi. Vehicles transporting transit and bilateral goods will be licensed by the competent authorities of the contracting parties as transport operators authorised to conduct international transportation. [Click to see more](#)

Nepra refuses Rs32 per unit tariff for Jamshoro project

The National Electric Power Regulatory Authority (Nepra) on Tuesday showed reluctance to allow about Rs32 per unit generation tariff for the 660-megawatt Jamshoro coal-based power plant as inordinate delays escalated its cost despite payment of loan commitment charges to the Asian Development Bank for years. "Who will pay such a high tariff?" questioned Nepra Chairman Tauseef H. Farooqui who presided over a public hearing on the issue. He said the regulator also had to protect the interests of the consumers and hence could not allow such a high tariff. [Click to see more](#)

Honda to resume production 'soon'

Honda Atlas Cars Ltd (HACL) on Monday announced that it was preparing to resume its production thanks to a slight improvement in the accessibility of trade finance facility for the supply chain with a hope to increase the same gradually. In a stock filing, the company did not give an exact date for resuming the production activities. An official in HACL told *Dawn* that it was not clear yet when the production would be resumed, but possibly by the "end of this month." The local assembly of Honda vehicles remains suspended since March 9 due to restrictions on opening letters of credit for the import of completely knocked kits. [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%

Rs9b released for equity injection into power plant

The federal government has released Rs9 billion for equity injection in an attempt to kick-start work on the stalled 660-megawatt Jamshoro coal-based power plant. A local bank had earlier refused to extend financing of Rs10 billion owing to the federal government's reluctance to provide funds for equity injection. Pakistan has been paying commitment charges to a foreign lender for years as work on the project ground to a halt in the absence of necessary financing. The Asian Development Bank (ADB) had committed funds for the Jamshoro coal-fired power plant but equity could not be arranged. [Click to see more](#)

Despite uncertainties, rupee remains stable

Despite the tumultuous state of Pakistani politics and economy, the local currency managed to maintain stability, closing at approximately Rs285 against the US dollar in the interbank market on Tuesday. The State Bank of Pakistan (SBP) reported a slight increase of Rs0.01, with the currency settling at Rs284.96 against the greenback compared to the previous day's close. According to the Exchange Companies Association of Pakistan (ECAP), the local currency weakened by Rs1 in the open market, reaching Rs292/\$ compared to Rs291/\$ the day before. [Click to see more](#)

Current account surplus drops 42 times to \$18m

Pakistan's current account has recorded a modest surplus of \$18 million in April, a figure significantly lower than market expectations. The surplus was achieved after the central bank made some pending import payments during the month. However, the drop in the export of goods and services, a decrease in remittances, and an increase in the import of services prevented the country from achieving a healthy current account surplus similar to the previous month of March, which stood at \$750 million. [Click to see more](#)

10% super tax to stay in upcoming fiscal year

Contrary to its promise to the business community, the government has no plans to repeal the 10% super tax imposed on the wealthy in the upcoming fiscal year. The Reform Commission has also recommended collecting this tax in advance from the public. Sources within the Federal Board of Revenue (FBR) informed The Express Tribune that there is currently no proposal to withdraw the 1% to 10% tax imposed on affluent individuals and companies. However, they added that the final decision rests with the political leadership, which initially assured that the super tax would only be imposed for one year - fiscal year 2022-23, concluding on June 30th. [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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