

18th April, 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
CNERGY	3.72	0.81%	7.07

WE Financial Services Ltd.

TREC Holder - Pakistan Stock Exchange Ltd.
506-508 5th Floor, Pakistan Stock Exchange Building
Stock Exchange Road, Karachi-74000, Pakistan
Email: research@we.com.pk

Motion seeking Rs21bn for polls in Punjab rejected

The National Assembly on Monday rejected a motion seeking a supplementary sum of Rs21 billion to the Election Commission of Pakistan (ECP) for general elections in Punjab, putting the fate of elections in jeopardy as Supreme Court of Pakistan's deadline to issue funds for polls in Punjab and Khyber Pakhtunkhwa ended. As the apex court had issued orders to the State Bank of Pakistan (SBP) to release Rs21 billion by April 17 (Monday) for elections in two provinces from Federal Consolidated Fund (FCF) "lying under its control and management". It had also instructed the SBP to send an "appropriate communication" to this effect to the Finance Ministry in this regard. [Click to see more](#)

Oil steady as market awaits China GDP data

Oil prices were steady on Monday as investors eyed Chinese economic data for signs of demand recovery in the world's second-largest oil consumer. Brent crude futures nudged 7 cents lower to \$86.24 a barrel by 0746 GMT, while US West Texas Intermediate crude was at \$82.47 a barrel, down 6 cents. Both contracts notched their fourth weekly gain last week - the longest-such streak since mid-2022. The release of China's first-quarter gross domestic product (GDP) data this week is expected to be positive for commodity prices, with the International Energy Agency (IEA) forecasting it will account for most of 2023 demand growth. The data are due to be published at 0200 GMT on Tuesday. [Click to see more](#)

World Bank calls for simpler tax regime

Pakistan's tax system needs an overhaul to simplify provisions, close loopholes and ensure equitable distribution of tax burden, the World Bank has said in its latest report. The report, 'Enabling a Modern and Efficient Tax System', said despite strategies and proclaimed intentions over the last two decades, the outcomes remain to be attained. "Instead of a complete system overhaul, which may be infeasible from a political economy perspective, a carefully prioritised approach that bundles reforms with compensation mechanisms, stakeholder consultations and continued investments in taxpayer services may be more promising," the review noted. [Click to see more](#)

Ministry releases Rs129b for development projects

Despite financial constraints and disruptions caused by floods last year, the Ministry of Planning has released Rs129 billion for development projects under the Public Sector Development Programme (PSDP) for the fourth quarter of the year 2022-23. The Water Resource Division and the Higher Education Commission (HEC) have been given top priority in the PSDP, a news release said on Sunday. In the last quarter of 2021-22, there was a zero release for the PSDP, which resulted in the government shrinking the PSDP from Rs700 billion to Rs550 billion. According to the latest data provided by the planning ministry, an amount of Rs129 billion has been released for development projects under the PSDP for the fourth quarter (2022-2023). [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%

Import of spare-parts: Hubco concerned at forex 'unavailability'

M/s Hub Power Company (Hubco) has raised serious concerns on non availability of foreign exchange for necessary spare parts, which falls within the terms of Pakistan Political Event and Force Majeure under Article 13 of PPA. The power company's CFO, Muhammad Saqib, in a letter to Managing Director PPIB has drawn his attention to the severe challenges being faced by the Company in importing spare parts for its plant due to which it is restrained from undertaking timely maintenance to ensure capacity. The issues in importing are directly attributable to the constricted availability of foreign exchange in the country.

[Click to see more](#)

Guddu plant repair: GE seeks clearance of all dues by 30th

M/s General Electric (GE) has sought payment of all outstanding invoices by April 30, 2023 for uninterrupted services at Guddu site as several parts need repair. M/s GE has sent two letters recently to all the concerned authorities in which it has cited reference of its letter of March 13, 2023 in relation to mandatory Spare Parts (Exhibit B) which are required to perform GT15 major inspection. [Click to see more](#)

Gas supply restored: LDPL withdraws OFME notice

M/s Liberty Dharki Power Limited (LDPL) has withdrawn Other Force Majeure Event (OFME) notice served on Sui Northern Gas Pipeline Limited (SNGPL) after restoration of gas supply to the power complex. Emran Ahmed Khan, Co-Chief Executive Officer, LDPL, in letter to CEO CPPA-G and Managing Director SNGPL has stated that through its letter of March 17, 2023 declared Other Force Majeure Event under Article 13.1(c) of the Power Purchase Agreement (PPA) read with Section 2.8 of the Settlement Terms of the PPA Amendment. [Click to see more](#)

Jul-Feb LSMI output declines 5.56pc YoY

The Large Scale Manufacturing Industries (LSMI) output has declined by 5.56 per cent during the first eight months (July-February) of 2022-23 when compared with the same period of last year, says the Pakistan Bureau of Statistics. According to the provisional Quantum Index numbers (QIM) of the Large Scale Manufacturing Industries, the LSMI output decreased by 11.59 per cent for February 2023 when compared with February 2022 and 0.50 per cent when compared with January 2023. The LSMI Quantum Index Number (QIM) was estimated for July-February, 2022-23 at 116.64, while it was estimated for February 2023 at 126.13. [Click to see more](#)

Analyst Certificate:

The Research Report is prepared by the research analyst at WE Financial Services Ltd. It includes analysis and views of our research team that precisely reflects the personal views and opinions of the analysts about the subject security(ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security(ies). The views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

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

Disclaimer: This document has been prepared by Research Analysts at WE Financial Services Ltd.