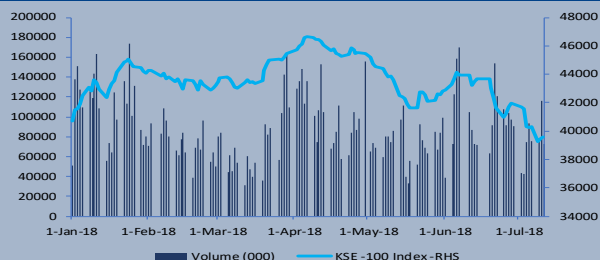


18th May, 2023

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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\$18bn penalty feared if Pakistan doesn't complete Iran gas project

The Public Accounts Committee expressed concern on Wednesday that Pakistan would have to pay a staggering amount of \$18 billion in penalty if the country did not go ahead with the Iran-Pakistan Gas Pipeline project. "The US should pay the penalty if it does not approve of Pakistan and Iran going ahead with the gas pipeline project. The USA will have to do away with double standards — being lenient with India in meeting its energy needs while punishing Pakistan for the same," said Public Accounts Committee (PAC) Chairman Noor Alam Khan. The observation came after the Ministry of Foreign Affairs (MoFA) informed the PAC through a letter that a meeting with the US ambassador would be arranged after his return from Washington. [Click to see more](#)

Dollar again crosses Rs300 in open market

Once again the dollar breached the Rs300-barrier in the open market on Wednesday, widening the exchange rate differential to over Rs14 compared to the interbank market. Currency dealers said the shortage of dollars was the main reason for the price hike, however, other factors also influenced the exchange rate in the open market. The dollar was traded as high as Rs301 in the open market while the Exchange Companies Association of Pakistan (ECAP) reported the closing price as Rs299.70. This rate was Rs14.30 higher than the interbank rate of Rs285.40 against the dollar on Wednesday. [Click to see more](#)

Miftah says SBP reserves will drop below \$2bn by September end

The economic situation is going to be "very difficult" in coming months, with liquid foreign exchange reserves of the central bank likely to drop below the critical level of \$2 billion by the end of September, said former finance minister Miftah Ismail on Wednesday. Addressing a meeting of businesspeople at the German consulate, the estranged PML-N leader who served two brief stints as finance minister said the ongoing economic crisis is "not like the old recessions we had". [Click to see more](#)

American businesses seek steps to boost FDI

The American Business Council of Pakistan (ABC) on Wednesday met with top members of the government's economic team to discuss various measures for ease of doing business, encourage foreign direct investment (FDI), and boost economic growth. The delegation led by ABC president Jamshed Safdar held separate meetings with Commerce Minister Naveed Qamar, Minister of State for Revenue Tariq Pasha and SAMP on Revenue Tariq Bajwa, and Securities & Exchange Commission of Pakistan (SECP) chairman Akif Saeed. During the meetings, the ABC delegation discussed the ease of doing business, the standardisation of taxation and revenue policy, and the protection of international investors and their local interests to ensure continued economic growth. [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%

Stocks falter as political temperature rises

Share prices settled on the lower side after hovering within a short range throughout the trading session on Wednesday. The benchmark of representative shares traded in the green initially but moved both ways later on because of political noise as well as recent developments on the front of the International Monetary Fund programme. Stocks dipped in the final trading hour as investors chose to book profits. Volumes remained strong across the board, with third-tier equities dominating the volume board. A downtrend in the currency market also contributed to the negative sentiments on the national bourse.

[Click to see more](#)

Govt raises Rs444bn through T-bills

The government raised Rs444.4 billion, exceeding the target of Rs375bn set for the treasury bills auction on Wednesday. The highest amount of Rs334.1bn was raised for the three-month tenor against the bids of Rs452.3bn at 21.99 per cent. For six- and 12-month papers, the government raised Rs2bn and Rs7.2bn at 21.91pc and 21.99pc, respectively. In addition to Rs343.3bn through the auction of T-bills, the government also raised Rs101bn through the non-bids operation. The government borrowed Rs148.4bn more than the maturity amount of Rs296bn, indicating a serious liquidity crunch amid revenue shortfalls and a widening fiscal deficit.

[Click to see more](#)

Jul-Apr ITeS export remittances down 3pc to \$2.133bn YoY

Pakistan's IT and IT-enabled Services (ITeS) export remittances declined by three percent during the first 10 months of the current fiscal year 2022-23 and stood at \$2.133 billion compared to \$2.199 billion during the same period of last fiscal year. According to the official data, on a year-on-year (YoY) basis, the sector's exports remittances decreased by around 23 percent and remained at \$191 million in April 2023 compared to \$2249 million in April 2022. On a month-on-month basis, the sector's export remittances decreased by 15 percent compared to \$224 million in March 2023.

[Click to see more](#)

Petroleum sector: Govt plans to curtail circular debt to Rs600bn

The Petroleum Division has devised a strategy for curtailing Rs1.7 trillion petroleum sector circular debt to Rs600 billion by the end of fiscal year 2022-23. Secretary Petroleum Division Captain Muhammad Mahmood (ret'd) revealed this in a meeting of the Public Accounts Committee (PAC) on Wednesday. Under the chairmanship of Noor Alam Khan, the committee examined the Audit Report of the Petroleum Division for 2021-22.

[Click to see more](#)

Analyst Certificate:

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Stock Ratings

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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