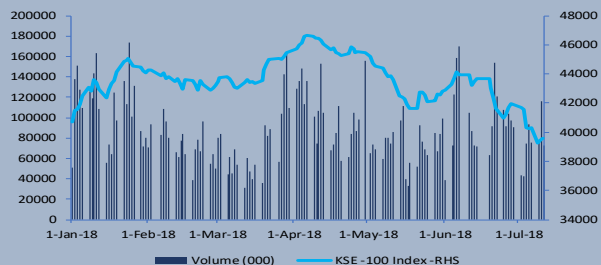


19 May, 2022

## KSE -100 Index



Source: PSX &amp; WE Research

## KSE -100 Index- Key Statistics

Open	42,751.88
High	43,161.43
Low	42,508.30
Closing	43,026.88
Change	+300.82
Volume	117,993,066

Source: PSX

## Key Economic Data

Reserves (8-Apr-22)	\$17.08bn
Inflation CPI (Jul'21-Mar'22)	10.75%
Exports - (Jul'21-Mar'22)	\$23.29bn
Imports - (Jul'21-Mar'22)	\$58.6bn
Trade Balance- (Jul'21-Mar'22)	\$(35.39)bn
Current A/C- (Jul'21-Feb'22)	\$(12.10)bn
Remittances - (Jul'21-Feb'22)	\$20.14bn

Source: SBP

## FIPI/LIPI (USD Million)

FIPI (18-May-22)	(2.24)
Individuals (18-May-22)	0.70
Companies (18-May-22)	1.574
Banks/DFI (18-May-22)	1.24
NBFC (18-May-22)	(0.04)
Mutual Fund (18-May-22)	(0.86)
Other Organization (18-May-22)	(0.29)
Brokers (18-May-22)	0.37
Insurance Comp: (18-May-22)	(0.45)

Source: NCCPL

## WE Financial Services Ltd.

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## Plan okayed to slap ban on import of 50 'luxury items'

Source: The News

POSITIVE

In order to slash the burgeoning import bill, Prime Minister Shehbaz Sharif on Wednesday approved a plan to slap a ban on the import of 50 'luxury items', including cars, mobile phones, cheese, jams, frozen food items, fish, dried fruit, cosmetics and tyres. On the other hand, the rupee continued to nosedive against the dollar in both the currency markets on Wednesday on worry about politics and Fund bailout talks for clues to bolster dwindling foreign currency reserves and stabilise the currency. However, the government does not want to impose a ban on the import of CKD and SKD cars and will seek cooperation from the industry players for slowing down imports for a few months period on account of balance of payment crisis. Now this decision of imposing a ban will be linked to the approval of the World Trade Organization (WTO) and International Monetary Fund (IMF).

## Miftah reaffirms govt resolve to undertake IMF reforms to fulfil structural benchmarks

Source: The Financial Daily

POSITIVE

Finance Minister Miftah Ismail has reaffirmed the government's commitment to undertake the reforms envisaged under the International Monetary Fund (IMF) programme and to complete the structural benchmarks. The minister said this while attending the 7th review mission of the IMF programme virtually on Wednesday. He said the government will take measures to reduce the burden on the economy while protecting the vulnerable sections of the population. He said the government understands the current economic woes and agreed that it will have to take tough decisions while mitigating the effects of inflation on the middle to low-income groups.

## Pakistan exceeds expectations as growth rate nears 6pc

Source: Dawn

POSITIVE

The projection that Pakistan's economy will grow at a rate of 5.97 per cent in 2021-22 is much higher than the projections of 4pc and 4.3pc by the International Monetary Fund and the World Bank, respectively, for the same year. The growth rate forecast of Pakistan's economy increased significantly during 2021-22, making it the second-highest economic growth recorded over the past four years suggesting recovery of the economy from the Covid-19 pandemic. The size of the economy rose to \$380 billion in 2021-22 from the revised figure of \$346.76bn the previous year. The size of the economy grew in dollar terms as the rupee strengthened against the greenback — the highest-ever increase in any year.

## World Bank to provide additional \$12bn to address global food crisis

Source: Business Recorder

POSITIVE

The World Bank on Wednesday announced an additional \$12 billion in funding for projects to address the global food security crisis, bringing the total to \$30 billion. Amid the growing shortages exacerbated by the Russian invasion of Ukraine, a key grain producer, the new funding will finance projects over the next 15 months to boost food and fertilizer production, facilitate greater trade and support vulnerable households and producers, the World Bank said. "Food price increases are having devastating effects on the poorest and most vulnerable," World Bank President David Malpass said in a statement.

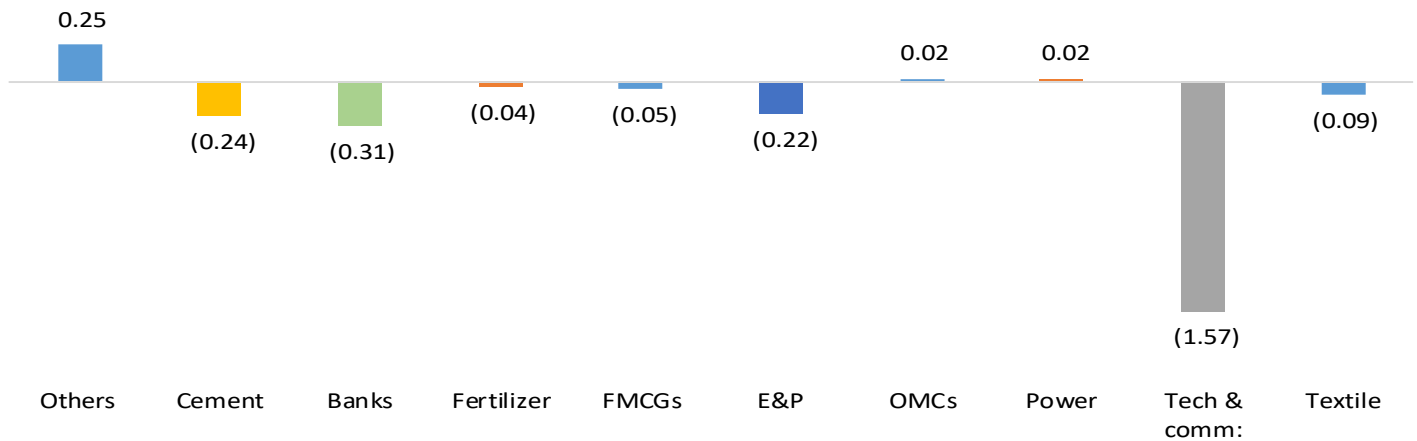
## SBP raises Rs351bn via T-bills auction, yields come down by upto 29bps

Source: Mettis Global

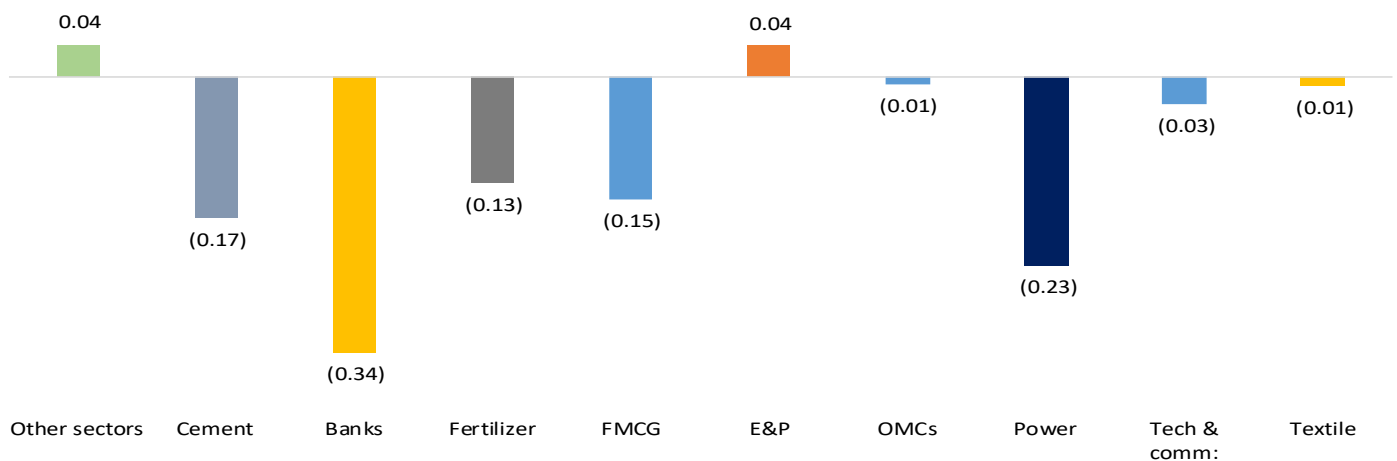
POSITIVE

The cut-off yields of T-bills were decreased by up to 29 basis points in the auction conducted by the State Bank of Pakistan (SBP) on Wednesday. The government raised Rs351 billion through the auction of three, six, and twelve-month T-bills against the target of Rs500bn and maturity of Rs279bn. The cut-off yields for 3-month, 6-month, and 12-month T-bills saw a decline of 29, 29, and 5 basis points to stand at 14.5%, 14.7%, and 14.75%, respectively.

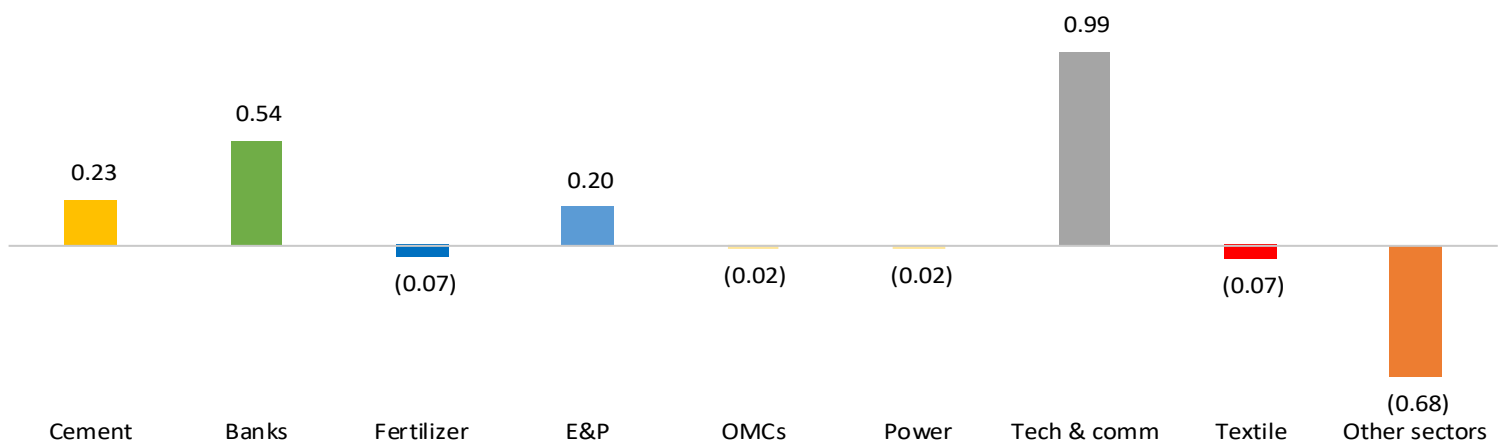
### FII Sector Wise USD (Mil)



### Mutual Funds Sector Wise USD (Mil)



### Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

## Analyst Certificate:

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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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