

19th 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
CNERGY	3.72	0.81%	7.07

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## Govt gets a paltry \$8.1bn in financing

Without the IMF umbrella, Pakistan's external financing pipeline appeared drying up as it received 38 per cent lower inflows — only \$8.1 billion in the first 10 months (July-April) of the current fiscal year against over \$13bn in the same period last year. The pace of dwindling inflows could also be seen from the fact that \$8.1bn receipts in 10 months of this fiscal year stood at just 35.5pc of the \$22.8bn full-year budget target — implying a constant precarious position of the foreign exchange reserves despite tight import curbs. The foreign assistance so far suggests the annual target would be missed by a wide gap. In April alone, Pakistan received only \$359m, down 57pc when compared to \$842m in November 2022. [Click to see more](#)

## Banks to pay if depositors lose funds to digital frauds: SBP

The State Bank has warned banks that they would be held responsible for lost account holder funds if they failed to take preventive measures to combat social engineering and other digital banking frauds on time. "Banks are required to compensate the customers due to delay on their part in taking timely remedial and control measures such as delay in blocking digital channels, delay in raising dispute requests, etc.," the central bank said in a statement on Thursday. The number of complaints against fraud, particularly about digital transactions, has been increasing fast, as reflected in a banking ombudsman's report. [Click to see more](#)

## State Bank reserves decline by \$72m

The external debt repayments further slashed the foreign exchange reserves of the State Bank of Pakistan (SBP) by \$72 million to \$4.31 billion during the week ending on May 12, announced the central bank on Thursday. While the fear of default is haunting the country, the declining remittances and FDI inflows put the SBP's reserves in a weaker position. Miftah Ismail, the former finance minister, said on Thursday that the government is not aware of the true extent of the economic crisis. [Click to see more](#)

## Exports to ME fall

Pakistan's exports to the Middle East shrank 14.18 per cent year-on-year to \$1.912 billion in the first 10 months of FY23, mainly driven by a substantial decline in exports to the United Arab Emirates. The exports to the region saw a mixed trend with an increase to Saudi Arabia, while a decline to other countries of the region, data compiled by the State Bank of Pakistan showed on Thursday. The UAE has emerged as the leading country for Pakistan's export of goods as nearly 63pc of the total exports to the region go to the UAE market alone, however, it suffered a decline of 22.19pc to \$1.206bn in 10MFY23 from \$1.550 over the corresponding months last year (FY22). [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%

## Pakistan, Iran locked in big embrace

Prime Minister Shehbaz Sharif on Thursday said that Pakistan and Iran had decided to finalise the free trade agreement soon to exploit the immense potential in trade and investment. The bilateral ties and cooperation were discussed in a meeting between Prime Minister Shehbaz Sharif and Iranian President Ebrahim Raisi after the two leaders inaugurated the Mand-Pishin border market. Following the “very productive and positive” meeting, the prime minister told a gathering of local elders that the two sides had decided to move forward in the areas of trade, investment, information technology, agriculture and other sectors. [Click to see more](#)

## Jul-Apr foreign borrowings down 37.7pc to \$8.123bn YoY

The government has borrowed \$8.123 billion from multiple financing sources including \$900 million from foreign commercial banks during the first 10 months (July-April) of 2022-23 compared to \$13.033 billion borrowed during the same period of last fiscal year, showing a decline of around 37.7 percent. The Economic Affairs Division data shows that the country borrowed \$900 million from foreign commercial banks during the 10 months of the current fiscal year 2022-23 including \$700 million in February. However, no loans were borrowed from foreign commercial banks during April 2023. The country had received \$2.623 billion from foreign commercial banks during the same period of last year. [Click to see more](#)

## Stocks plunge 392 points on political instability

Stocks dipped on Thursday as political instability pushed down the benchmark index of the Pakistan Stock Exchange to an intraday low of 422.02 points. The KSE-100 index opened in the green, but the momentum dissipated quickly owing to rising political temperature amid the expected arrest of former prime minister Imran Khan. Investors' participation remained varied, with third-tier equities leading the volume board. Investors opted to remain on the sidelines in the absence of any positive trigger. Profit-taking also took place in blue-chip stocks, which had seen a rally during the last few days. [Click to see more](#)

## Rs50bn spent on PSM since its shutdown

The federal government has spent about Rs 50 billion on Pakistan Steel Mills (PSM) since it shut down its operations in mid of 2015 on salaries, supply of gas and other heads without any output. The government is extending Rs 3.5 billion per annum to PSM, of which salary bill is about 400 million per month since Mills' closure which has now declined to Rs 110-120 million per annum after retrenchment of employees. In addition, Rs 70-80 million per month is being spent to supply of gas. [Click to see more](#)

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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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