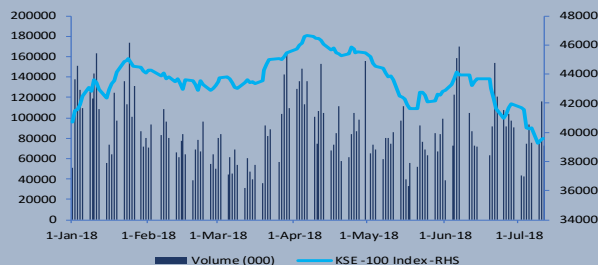


19 Sept, 2022

## KSE -100 Index



## KSE -100 Index- Key Statistics

Open	41,837.75
High	41,921.35
Low	41,603.42
Closing	41,679.49
Change	-92.60
Volume	122,860,253

Source: PSX

## Key Economic Data

Reserves (15-July-22)	\$15.24bn
Inflation CPI (Jul'21-Jun'22)	21.3%
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 (16-Sept-22)	3.48
Individuals (16-Sept-22)	(2.07)
Companies (16-Sept-22)	(0.33)
Banks/DFI (16-Sept-22)	0.64
NBFC (16-Sept-22)	0.02
Mutual Fund (16-Sept-22)	(1.99)
Other Organization (16-Sept-22)	0.18
Brokers (16-Sept-22)	0.11
Insurance Comp: (16-Sept-22)	(0.03)

Source: NCCPL

## WE Financial Services Ltd.

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Email: research@we.com.pk

## Oil prices climb on weak dollar, supply concerns

Source: Reuters

POSITIVE

Oil prices climbed on Monday as a weaker dollar and supply concerns ahead of the European Union embargo on Russian oil in December offset fears of a global recession that could dampen fuel demand. Brent crude futures rose 60 cents, or 0.7%, to \$91.95 a barrel by 0330 GMT after settling up 0.5% on Friday. U.S. West Texas Intermediate crude was at \$85.50 a barrel, up 39 cents, or 0.5%. The front-month contract expires on Tuesday.

## POL prices to change by just 8 paisa: Miftah

Source: The News

NEUTRAL

Finance Minister Mitah Ismail has said the price of petroleum products will change by just 8 paisa and a decision will be taken today. Talking to the Geo News programme 'Naya Pakistan', he said the dollar would lose its value against the Pakistani rupee soon but added the government would not interfere in it. He also claimed that the electricity tariff would come down in October. To a question on deferring fuel price adjustment charges for consumers using up to 300 units, he said it would be decided later whether the charges would be received or not.

## Saudi Arabia rolls over \$3bn deposits, says SBP

Source: The News

POSITIVE

The Saudi Fund for Development has confirmed the rollover of \$3 billion deposit for the State Bank of Pakistan (SBP) maturing on December 5, 2022, for one year. However, there was no formal announcement from the Kingdom of Saudi Arabia for provision of an additional \$1.2 billion oil facility on deferred payment. The rollover came as a big respite for the country at a time when it is struggling to secure external financing to shore up the foreign exchange reserves. As of September 9, the SBP's foreign exchange reserves stood around \$8.6 billion, shows the data released by the central bank a few days back.

## Revision of tariff: Nepra rejects plea of telecom industry

Source: Business Recorder

NEUTRAL

The National Electric Power Regulatory Authority (NEPRA) has dismissed the telecom industry's petition for revision of tariff from commercial to industrial tariff. The Federal IT Minister & Telecom Syed Amin Ul Haque; however, has expressed his concern over Nepra's decision regarding dismissal of petition of Telecom Companies to grant Industrial Electricity Tariff.

## KAPCO reports Rs335 million decline in profit

Source: Mettsi Global

NEGATIVE

Kot Addu Power Company Limited (KAPCO) announced results for FY22, wherein the company's profits decline Rs 335mn down by 3.28%, the company's stock filings on the stock exchange showed. In the filing, the company posted a profit after taxation (PAT) Rs9.89billion down 3.28% against the Rs10.23bn in FY21, translating into earnings per share of Rs11.24 against Rs11.62 in FY21. The top line of the KAPCO jumped to 63.14%, to Rs136.60bn against Rs50.35bn in FY21. Gross profit increased by 38.46%, to Rs8.53bn against Rs5.25bn in FY21. Profit Before Taxation up by 7.17%, to Rs15.52bn against Rs14.41bn in FY21. The decline in profit is mainly due to increased taxation by 25.73% and Finance costs by 28.92%.

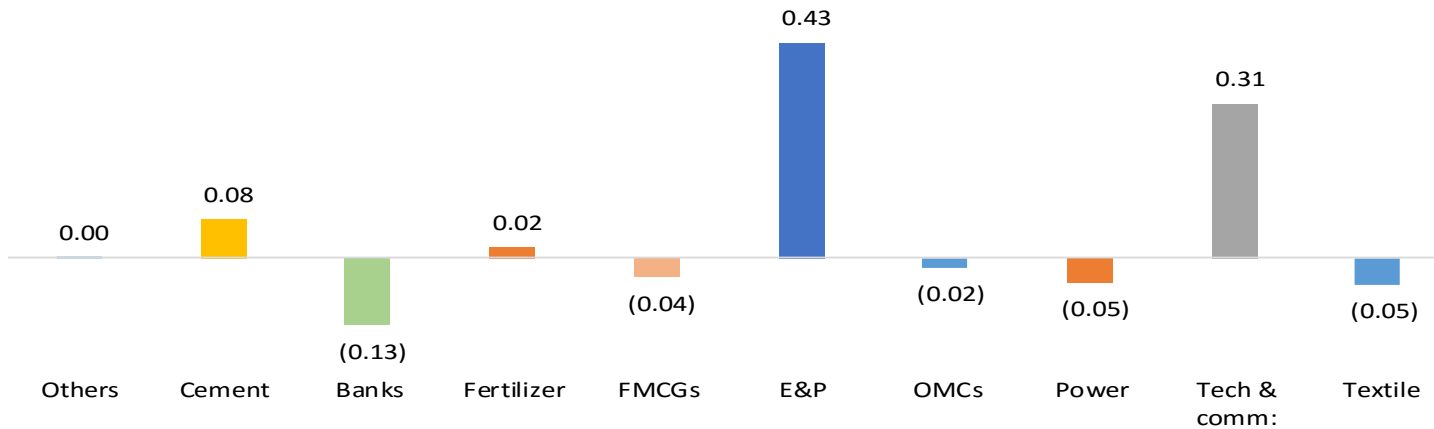
## Pakistan POL imports soar by 21.75% MoM

Source: Mettis Global

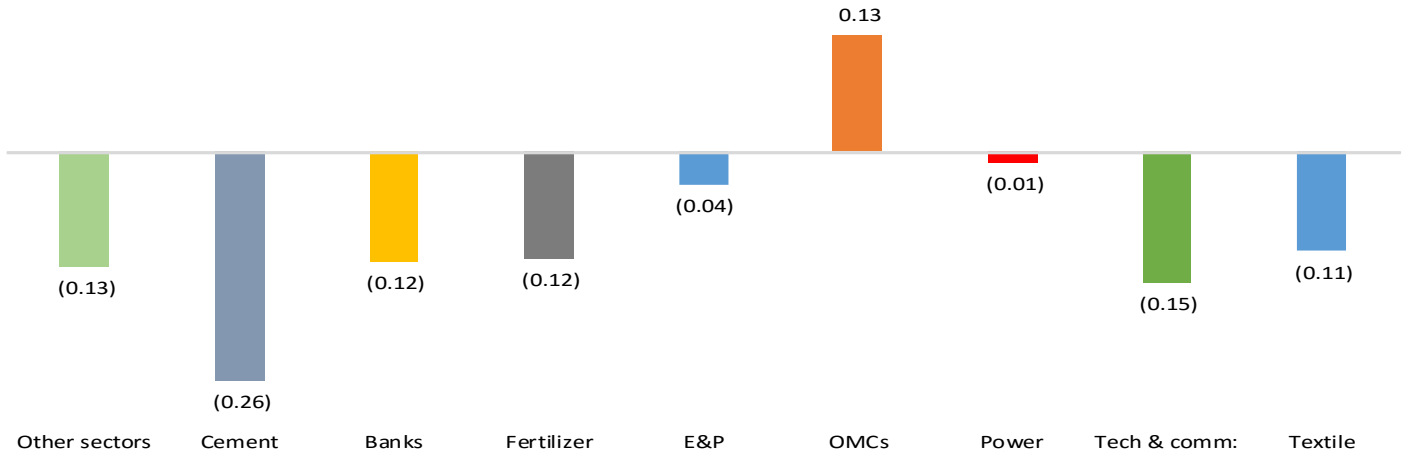
NEGATIVE

The import bill of oil is recorded at \$1.87billion in the month of August 22 soaring by 23.03% compared to \$1.44bn on July 22, data released by the Pakistan Bureau of Statistics (PBS) showed on Thursday. An increase of 23.03% in the petroleum group is due to an increase in POL imports of \$0.93bn up by 21.75% on August 22 compared to \$0.73bn on July 22. However, oil imports surged yearly by 5.85% vs to \$1.76bn on August 21.

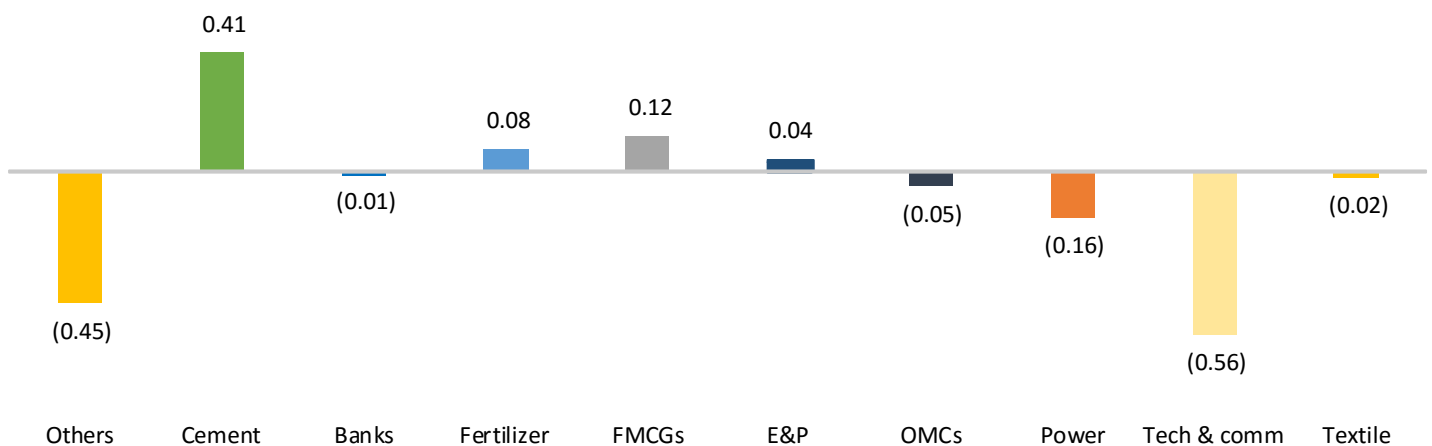
### FII Sector Wise USD (Mil)



### Mutual Funds Sector Wise USD (Mil)



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



Source: NCCPL

## 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.

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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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