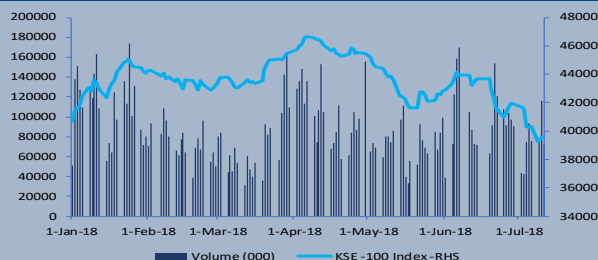


20th June, 2023

## KSE -100 Index



Source: PSX &amp; 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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## Pak Suzuki shuts car, bike plants for want of parts

Pak Suzuki Motor Company Ltd has announced to keep its motorcycle and four-wheeler plants closed from June 22 to July 8. In a stock filing on Monday, the company said it was suspending production due to a shortage of parts and accessories owing to a mechanism introduced in May 2022 by the State Bank of Pakistan for taking prior approval for the import of completely knocked-down kits, which had adversely affected the clearance of consignments, thus affecting inventory levels. Pak Suzuki kept its four-wheeler plant shut for over 75 days from August 2022 till June 19. [Click to see more](#)

## Current account posts \$255m surplus in May

The country posted a surplus of \$255 million in May compared to a \$1,506m deficit in the same month last year thus grossly reducing the current account deficit (CAD) in the outgoing fiscal year. A late-night despatch from the State Bank of Pakistan (SBP) on Monday showed the CAD narrowed by 80.58 per cent to just \$2.943bn during July-May FY23 from \$15.16bn in the same period of last fiscal year. Despite a sharp reduction in CAD, the fears of sovereign default are still looming as the government fails to boost its dwindling foreign exchange reserves amid sharp contraction in exports and remittances. [Click to see more](#)

## Record Rs313bn uplift projects in Rs750.5bn Balochistan budget

With an eye on the upcoming elections, the Chief Minister Mir Abdul Qadoos Bizenjo-led Balochistan government on Monday presented a populist budget for the fiscal year 2023-24, envisaging an expansionary spending plan of Rs750.5 billion that carries a record development stimulus of Rs313.3bn in spite of a resource crunch. The budget presented by Finance Minister Zamaruk Khan Achakzai proposed to raise the pay of government employees by 35pc for BPS-1 to BPS-16 and 30pc for BPS-17 to BPS-22, while pensions have been increased by 17.5pc in line with the federal decision. The minimum wages have been revised up to Rs32,000 a month. [Click to see more](#)

## Punjab budget lacks clarity on allocations

The short-term Punjab budget for 2023-24 lacks basic information and some of the provisions made under various heads need clarification including the bloc allocation of Rs325 billion for development schemes and Rs70bn subsidy for the poor. "The budget document lacks details about the allocations made for various sectors. The budget has been distributed among sectors/departments in the form of bloc allocations which are very confusing,". "The government must ensure the provision of detail on all budgetary allocations," the official requesting anonymity added. [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%

## Talks soon for transferring container terminal to UAE

The government on Monday decided to hold formal negotiations with the UAE's Abu Dhabi Ports (ADP) for the speedy transfer of the Container Terminal from Karachi Port Trust (KPT). This may be the first commercial transaction for the divestment of public sector assets to friendly countries under a recently enacted law – Inter-Governmental Commercial Transaction Act 2022 – through direct negotiations in a speedy manner without going through the tedious and long-drawn process under the privatisation law. The KPT has already taken over the control of the Container Terminal (Berths 6 to 9 at East Wharf) from Pakistan International Container Terminal (PICT) whose 21-year agreement expired on June 17 and has signed a short-term services contract with the same firm until June 30 to maintain operations without any extra management fee. [Click to see more](#)

## 680 points lost on IMF-driven panic selling

Stock prices tumbled on Monday on negative macroeconomic triggers as the representative index of the Pakistan Stock Exchange dropped below the psychological level of 41,000 points. It attributed the selling spree to the calendar of the International Monetary Fund's Executive Board, which didn't have Pakistan as its agenda item until Jun 30, which is the expiry date of the currently stalled loan programme. Institutional selling triggered after the IMF calendar-related development and thus dented the sentiments of investors broadly, it added. [Click to see more](#)

## Textile exports shrink to \$15bn

Textile and clothing exports contracted by 14.72 per cent year-on-year to \$15.03 billion during the first 11 months of the outgoing fiscal year. The decline in production is mainly attributable to a surge in the cost of production and a liquidity crunch, according to data released by the Pakistan Bureau of Statistics (PBS) on Monday. The export figures for May paint a bleak picture as they witnessed a sharp decline of 19.57pc to \$1.32bn from \$1.64bn in the corresponding month of the previous year. The government is facing an uphill battle in meeting its export target, which could further exacerbate the strain on the country's depleting foreign exchange reserves. The textile and clothing sector, a key contributor to exports, is grappling with multiple challenges. [Click to see more](#)

## Pakistan not on IMF board's agenda

The International Monetary Fund (IMF) Executive Board has issued meetings scheduled till June 29, but Pakistan is not on the agenda as the 9th review under the Extended Fund Facility (EFF) programme remains pending. The current IMF programme of \$6.5 billion is scheduled to end on June 30, 2023, with around \$2.6 billion remaining undisbursed. [Click to see more](#)

## 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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