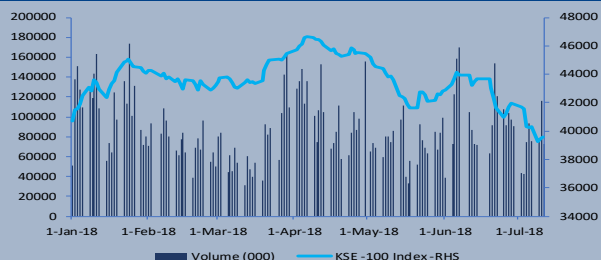


22nd Feb, 2023

KSE -100 Index



Market- Key Statistics

| | Current | Previous | Change |
|------------------|-----------|-----------|---------|
| KSE100 Index | 40,949.84 | 40,673.64 | 276.20 |
| All Shares Index | 27,079.88 | 27,009.12 | 70.76 |
| KSE30 Index | 15,432.64 | 15,324.95 | 107.69 |
| KMI30 Index | 70,750.65 | 70,184.34 | 566.31 |
| Volume (mn) | 96,480.52 | 92,697.66 | 1,847.6 |

Source: PSX

Top Losers-KSE100 Index

| Symbol | Price | % Change | Volume |
|--------|-------|-----------|--------|
| FUDLM | 4.86 | (-16.92%) | 13,500 |
| RUBY | 2.81 | (-9.35%) | 500 |
| SFL | 918 | (-7.48%) | 40 |
| JATM | 16.11 | (-7.41%) | 4,000 |
| AABS | 353 | (-7.35%) | 500 |

Top Winners-KSE100 Index

| Symbol | Price | % Change | Volume |
|--------|-------|----------|--------|
| SMCPL | 13.25 | 8.16% | 500 |
| QUET | 17.74 | 7.45% | 1,500 |
| GWLC | 17.2 | 7.43% | 7,500 |
| PRET | 631 | 7.42% | 50 |
| EMCO | 25.65 | 7.28% | 500 |

Volume Leaders KSE-All Index

| Symbol | Price | % Change | Volume |
|--------|-------|----------|------------|
| MLCF | 23.76 | 6.26% | 11,136,036 |
| NCPL | 14.44 | (-3.99%) | 1,716,500 |
| PIOC | 57.03 | 3.48% | 1,357,607 |
| WTL | 1.18 | 0.86% | 1,334,917 |
| SPEL | 11.4 | 5.85% | 819,000 |

Volume Leaders KMI-30 Index

| Symbol | Price | % Change | Volume (mn) |
|---------|--------|----------|-------------|
| OGDC | 90.65 | 1.07% | 0.368 |
| CYNERGY | 3.66 | 0.83% | 0.032 |
| MLCF | 22.45 | 2.32% | 0.027 |
| PPL | 72.18 | 1.39% | 0.158 |
| ENGRO | 299.80 | -0.07% | 0. |

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IMF staff-level pact likely this week

With the implementation of all major prior actions, Pakistan is eyeing a staff-level agreement with the International Monetary Fund (IMF) this week which will also pave the way for much-awaited credit flows from other bilateral and multilateral lenders. A day after the passing of the Supplementary Finance Bill 2023 in the National Assembly, the top economic team of the PMLN-led coalition government on Tuesday briefed the parliamentary committees on finance on all conditions agreed upon with the Fund. [Click to see more](#)

Automakers pass on GST hike to buyers

While continuously increasing the prices on the pretext of rupee devaluation and rising raw material prices, assemblers on Tuesday passed on the impact of one per cent hike in general sales tax to the consumers. Indus Motor Company (IMC) had already raised prices thrice in one month. In the fourth price jump, the company has announced new price of Yaris 1.3 MT, 1.3 CVT, 1.3 H MT, 1.3 H CVT, 1.5 MT and 1.5 CVT to Rs4.316 million, Rs4.588m, Rs4.558m, Rs4.790n, Rs4.911m and Rs5.213m from Rs4.279m, Rs4.549m, Rs4.519m, Rs4.749m, Rs4.869m and Rs5.169m. [Click to see more](#)

NO QUICK END TO CRISIS IN SIGHT

Various possibilities regarding how to bring the economy back on track are being discussed in financial, trade and industry circles, and it is becoming clearer that there may be no short-term remedy for our economic troubles. Instead, there appears to be a growing consensus that the suffering of the common people may continue for a historically much longer period even if the IMF comes to the country's support. [Click to see more](#)

FDI doubles to \$222m

After witnessing a net divestment in December 2022, the foreign direct investment (FDI) more than doubled to \$222 million in January compared to \$110m inflows recorded in the same month last year. The State Bank of Pakistan's latest data issued on Monday showed that FDI improved mainly on inflows from China and Japan. Due to persistent political and economic uncertainties, the FDI inflows plunged 44.2pc to \$683.5m during the first seven months of this fiscal against \$1.22bn in the same period of last year. [Click to see more](#)

Fuel cost for power generation rises 59pc

The cost of fuel for electricity generation in January went up 59 per cent to Rs11.20 per unit from a month ago, according to data recently released by the National Electric Power Regulatory Authority. The rise in the fuel cost was triggered by a decline in hydel- and nuclear-based power generation. [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 (17-Feb-23) | 0.383 |
| Individuals (17-Feb-23) | (0.813) |
| Companies (17-Feb-23) | 1.61 |
| Banks/DFI (17-Feb-23) | (0.42) |
| NBFC (17-Feb-23) | 0.0031 |
| Mutual Fund (17-Feb-23) | (0.31) |
| Other Organization (17-Feb-23) | (0.20) |
| Brokers (17-Feb-23) | 0.36 |
| Insurance Comp: (17-Feb-23) | (0.61) |

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\$ | 264.5 | 265 | -0.19% |
| PKR / EUR | 282 | 279.2 | 1.00% |
| PKR / GBP | 314.8 | 315.8 | -0.32% |
| PKR / JPY | 2.06 | 2.06 | 0.00% |
| PKR / SAR | 70.1 | 70 | 0.14% |
| PKR / AED | 72.1 | 72.8 | -0.96% |
| PKR / AUD | 178 | 178 | 0.00% |

Steel bar prices swell by 30pc in 7MFY23

Amid a declining trend in the world's iron and steel scrap market, consumers continued to face multiple price shocks in steel bar prices in the first seven months of the current fiscal year due to massive rupee devaluation. Manufacturers raised steel bar prices by 30 per cent from July 1, 2022 to Jan 31, as a result of a 35pc rupee devaluation which had increased the landed cost of imported items thus offsetting the benefit of the falling trend on world markets. [Click to see more](#)

Price of diesel to go up by Rs10 per litre

In order to meet a shortfall in revenue, the government has decided to increase the rate of the petroleum development levy (PDL) during the upcoming two months which will result in the price of diesel going up by an additional Rs10 per litre. While the government had targeted collection of Rs855 billion on account of PDL, its projected collection only amounted to Rs680 billion. Therefore, in order to bridge this gap of Rs175 billion, the government has decided to increase the rate of PDL by Rs5 per litre on diesel from March 1 and Rs5 per litre from April 1, 2023. [Click to see more](#)

NTDC completes 29km transmission line

The National Transmission and Despatch Company Limited (NTDC) has successfully completed the 29 km section of a double-circuit transmission line from Polan to Gwadar. The addition of this new transmission line to Pakistan's transmission system in the region will enable the import of additional power of 100 MW from Iran. [Click to see more](#)

Govt decides not to shift Gwadar power plant to Thar

While bowing before pressure from Beijing, Islamabad has reportedly decided not to change the location of 300-MW coal-fired power plant from Gwadar to Thar, in addition to allowing a three-year extension in its financial close Chinese leadership, sources said, conveyed to Prime Minister Shehbaz Sharif during his last visit to Beijing that relocation of coal-fired power plant from Gwadar to Thar means a new project which China is not ready to do as it has taken a principled decision not to start any new coal project. [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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