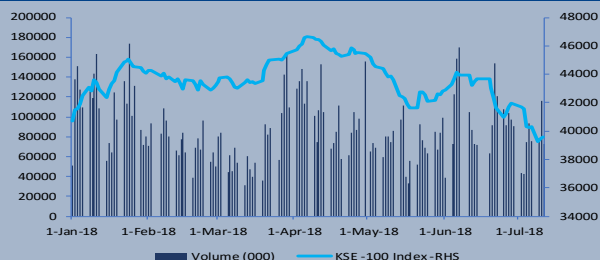


23 Dec, 2022

### KSE -100 Index



### Market- Key Statistics

	Current	Previous	Change
KSE100 Index	39,838.33	39,342.89	495.44
All Shares Index	26,952.04	26,674.92	277.12
KSE30 Index	14,683.24	14,459.95	223.29
KMI30 Index	67,003.64	65,875.75	1,127.89
Volume (mn)	193.57	165.92	27.65

Source: PSX

### Top Losers-KSE100 Index

Symbol	Price	% Change	Volume
RICL	4.82	-13.46	500
ASL	6.51	-10.21	25000
FIBLM	3.55	-8.97	500
GHNL	36.15	-6.66	2500
MDTL	1.85	-6.09	67000

### Top Winners-KSE100 Index

Symbol	Price	% Change	Volume
SHNI	3.20	+14.29	14000
MSOTPS	8.26	+13.77	00
DSIL	2.71	+12.45	289000
ESBL	3.93	+10.70	36000
FECM	3.29	+9.67	4000

### Volume Leaders KSE-All Index

Symbol	Price	% Change	Volume (Mn)
LOTCEM	25.65	-0.43	0.66
PSMC	134.50	+4.11	0.30
PAEL	12.70	-1.3	0.18
CENERGY	3.84	-0.26	0.14
PRL	12.90	-2.49	0.12

### Volume Leaders KMI-30 Index

Symbol	Price	% Change	Volume (Mn)
CENERGY	3.84	-0.26	0.14
UNITY	13.85	-0.72	4.66
GHAN	11.10	-6.25	3.82
TELE	6.50	+1.40	3.21
HUBC	59.40	-0.44	2.41

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### SBP forex reserves fall to level less than 40 days of imports

The foreign exchange reserves held by the State Bank of Pakistan (SBP) plunged over \$500 million to their lowest level since April 2014 during the week that ended on December 16, the central bank said on Thursday. The central bank, in its weekly statement, said the foreign currency reserves held by the SBP were recorded at \$6,116.2 million during the week under review, down \$584 million compared with \$6,700 on December 9. (News) [Click here for more...](#)

### S&P downgrades Pakistan's credit rating

S&P Global Ratings has downgraded Pakistan's credit rating in the wake of its quickly depleting foreign exchange reserves – which are close to hitting a nine-year low at \$6.11 billion on Thursday. “The nation's credit score was cut by a notch to CCC+ from B- by S&P, which expects Pakistan's dwindling foreign reserves to remain under pressure in the coming year, just as political risks linger.” (Tribune) [Click here for more...](#)

### CDWP clears seven projects costing Rs116b

The Central Development Working Party (CDWP) on Thursday cleared seven development projects worth Rs115.80 billion in a meeting held under the chairmanship of Federal Minister for Planning, Development and Special Initiatives Ahsan Iqbal. (Tribune) [Click here for more...](#)

### OGDCL makes 2nd discovery in a week

Only three days after making a discovery at Chak-5 Dim South-3 in Sindh, the Oil and Gas Development Company Limited (OGDCL) announced a second oil and gas discovery, this time at in District Sanghar. (Tribune) [Click here for more...](#)

### 15% of money laundering cases dismissed

About 15% of money laundering cases that the Federal Board of Revenue (FBR) registered against taxpayers could not withstand scrutiny of a provincial court – a figure that may appear small to the taxmen but may have ruined the social and economic life of people. (Tribune) [Click here for more...](#)

### Lucky's new line starts work

Despite an economic downturn, Lucky Cement has completed the construction of an additional production line with capacity of 3.15 million tons per annum (MTPA), which may lead to a price war among cement producers as demand remains sluggish. (Tribune) [Click here for more...](#)

### Auto parts export to US on the rise

Pakistan's exports of auto parts to the United States (US) are on the rise, which can be further increased by creating linkages between Pakistani and US companies for joint ventures and technology collaboration. (Tribune) [Click here for more...](#)

### SBP may hike policy rate further

Pakistan's economic woes are not over yet. A local research house has anticipated that the central bank will hike its key policy rate even further by one percentage point to 17% and that by June/December 2023, the currency will gradually depreciate to Rs250/263 against the US dollar. The IMF's Extended Fund Facility (EFF) program has once again fallen off track amid delays in completion of the ninth review of the domestic economy. (Tribune) [Click here for more...](#)

## Key Economic Data

Reserves (09-Dec-22)	\$12.57bn
Inflation CPI Nov'22	23.8%
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 (21-Dec-22)	1.00
Individuals (21-Dec-22)	(0.89)
Companies (21-Dec-22)	0.766
Banks/DFI (21-Dec-22)	0.08
NBFC (21-Dec-22)	(0.00)
Mutual Fund (21-Dec-22)	0.51
Other Organization (21-Dec-22)	(0.37)
Brokers (21-Dec-22)	(0.74)
Insurance Comp: (21-Dec-22)	(0.37)

Source: NCCPL

## Commodities

Commodities	Current	Previous	Change
Cement (Rs./bag)	1,043	1,038	0.48%
DAP (PKR/bag)	9,527	9,653	-1.31%
Urea Fertilizer (PKR/bag)	2,531	2,544	-0.51%
Gold Spot (USD/oz)	1,818.52	1,814.13	0.24%
Gold Future (USD/oz)	1,827.80	1,825.40	0.13%
WTI Spot (USD/bbl)	78.75	78.59	0.20%
WTI Future (USD/bbl)	78.80	78.24	0.72%
FOREX Reserves (USD bn)	12.57	12.58	-0.09%

## Exchange Rates– Open Market Bids

Local (PKR)	Current	Previous	Change
PKR / US\$	232.25	231.80	0.19%
PKR / EUR	257.00	254.50	0.98%
PKR / GBP	295.50	295.00	0.17%
PKR / JPY	2.24	2.06	8.74%
PKR / SAR	64.50	63.80	1.10%
PKR / AED	68.00	66.40	2.41%
PKR / AUD	151.01	151.49	-0.32%

## Governor removes Parvez Elahi as Punjab CM

Punjab Governor Baligh Ur Rehman on Thursday night de-notified Chaudhry Pervaiz Elahi as the Chief Minister Punjab and dissolved the provincial cabinet here. The development came days after Pakistan Tehreek-e-Insaf (PTI) Chairman Imran Khan announced the dissolution of the Punjab and Khyber Pakhtunkhwa assemblies on December 23. (News) [Click here for more...](#)

## SBP's forex reserves fall to 8-year low at \$6.1 billion

In its latest weekly update on Thursday, Pakistan's central bank reported the country's foreign exchange reserves have depleted to \$6.11 billion. "During the week ended on December 16, 2022, SBP's reserves decreased by \$584 million to \$6,116.2 million due to external debt repayment," SBP said in a statement. (Tribune) [Click here for more...](#)

## Oil climbs on expected drop in Russian exports, offsets US storm impact

Oil prices rose on Friday on expectations of lower Russian crude exports from the Baltic region in December, offsetting worries that a looming Arctic storm across the United States could snuff out transport fuel demand growth this holiday season. Brent crude rose 88 cents, or 1.1 per cent, to \$81.86 a barrel by 0148 GMT, while US West Texas Intermediate crude was at \$78.41 a barrel, up 92 cents, or 1.2pc higher. (Dawn) [Click here for more...](#)

## Fauji Fertiliser shuts DAP plant

Fauji Fertiliser Bin Qasim Ltd (FFBQL) on Thursday announced that it has shut down its DAP plant from Dec 21 to manage DAP inventory due to the demand and supply situation in the market. In a stock filing the company, without giving the period of temporary shutdown period, said that it would also manage planned annual maintenance activity at the plant in January to ensure reliability and sustainable safe operations. (Dawn) [Click here for more...](#)

## Banks directed to speed up agri-financing

The State Bank of Pakistan (SBP) has asked banks to implement the Kissan Package in 'letter and spirit' to achieve the agriculture credit target of Rs1.8 trillion set for the current fiscal year. (Dawn) [Click here for more...](#)

## Energy stocks pull up KSE-100 after 3 days of selling

The benchmark KSE-100 index rebounded on Thursday after witnessing a sell-off for the last three days, with analysts attributing the rise to energy sector stocks. The index closed at 39,838.33 points, up 495.44 points or 1.26 per cent. It reached an intraday high of 583.45 points, or 1.48pc, around 2:30pm. (Dawn) [Click here for more...](#)

## Reduction in circular debt of gas sector by 70pc: PM directs Petroleum, Finance Divisions to prepare master plan

Prime Minister Shehbaz Sharif has directed Petroleum and Finance Divisions to prepare a master plan to reduce circular debt of the gas sector by 70 percent from existing Rs 1.6 trillion to Rs 500 billion by December 28, 2022, sources close to the finance minister told Business Recorder. (BR) [Click here for 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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