

23rd 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
CENERGY	3.72	0.81%	7.07

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## Population attains new mark amid economic slump

The total population of Pakistan has reached 249,566,743 (249.566 million), as per the initial results of the seventh national and first-ever digital population census 2023, said Chief Census Commissioner and Chief Statistician, Pakistan Bureau of Statistics (PBS), Naeemuz Zafar. While addressing a press conference, the Census Commissioner stated that as far as the province-wise breakdown is concerned, "Punjab is the most populous province with its population crossing 127,474,000 (127.4 million). Sindh's population is over 57,931,000 (57.93 million). The Khyber-Pakhtunkhwa population reached 39,823,138 (39.823 million), while Balochistan's population is over 21,977,000 (21.9 million). The population of the federal capital, Islamabad, has reached 2,359,422 (2.35 million)."

[Click to see more](#)

## Rs67bn loss caused thru misuse of subsidised RLNG for EoUs

Directorate General of Audit Petroleum and Natural Resources has found shortcomings in supply of subsidized RLNG to Export Oriented Units (EoUs), which was massively misused as no monitoring mechanism was framed by the ministry of Commerce (MoC) and Federal Board of Revenue (FBR) for checking exports and foreign remittances by individual EoUs. No analysis was undertaken of present level of exports and remittance by the five export oriented sectors in order to set overall/ EOU-wise targets for export/ remittances. Concessionary regime for supply of gas/ RLNG was initiated by the Ministry of Energy (Petroleum Division) in September/ October, 2018. [Click to see more](#)

## FY24 Budget: Rs9.2trn tax collection target expected

The tax collection target of the Federal Board of Revenue (FBR) would be fixed within the range of Rs 9 trillion to Rs 9.2 trillion for 2023-24. The tax projections for 2023-24 would be finalized keeping in view the massive shortfall in revenue collection of the FBR during 2022-23. The rates of certain withholding taxes and sales tax/excise duty would be further raised in the coming budget (2023-24). The FBR has proposed some major measures for the documentation of the economy. The FBR has also proposed direct taxes measures for the taxation of assets and other revenue generation measures. [Click to see more](#)

## Swelling circular debt also affects NPPs

As the country's energy sector is facing a cumulative circular debt of stock of over Rs 4 trillion, Nuclear Power Plants (NPPs) are also victim of indecisions of federal government entities with respect to payment of overdue receivables. Of Rs 4 trillion total circular debts, Rs 2.6 trillion is related to power sector whereas the stock of petroleum sector stands at Rs 1.7 trillion. The organizational affairs of Pakistan's nuclear power plants, established by Pakistan Atomic Energy Commission (APEC), are being run by the Strategic Plans Division (SPD).

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## 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%

## Russia to commence direct shipping service by 25th

A direct containerized shipping service between Karachi and Saint Petersburg is going to be launched by May 25, 2023, signalling a transformative shift in bilateral trade between Pakistan and Russia. The launch of a direct containerized shipping service between Karachi and Saint Petersburg is set to reshape trade relations between both countries, with immense business opportunities and the potential to extend bilateral trade up to USD\$20 billion, said Abdullah Farooq, CEO of Pak Shaheen (PVT) Ltd. He said the maiden Russian vessel, part of the Neco Line service, loaded with 2000 transshipment containers, is scheduled to arrive at Karachi port on May 25, 2023, and would return to Russia with Pakistani products, such as textiles, leather goods, and others. [Click to see more](#)

## KSE-100 sheds over 400 points amid political tension, speculation over IMF deal

Stocks fell on Monday amid political polarisation and speculation that Staff Level Agreement (SLA) with International Monetary Fund (IMF) over a long-awaited bailout tranche may not materialise after all. The Pakistan Stock Exchange's (PSX) benchmark KSE-100 index opened on a positive note but turned bearish within minutes and maintained a steady decline through the day, eventually shedding 404.12 points, or 0.97 per cent, to close at 41,195.06 points. The expectations of new taxation with the upcoming budget coupled with Imran Khan's statement that there are 80 per cent chances that he would be arrested on Tuesday sent the market on a downward spiral. [Click to see more](#)

## Rs1500bn earned in profits: TMA says Dar's remarks display 'anti-export bias'

Towel Manufacturing Association of Pakistan on Monday termed the finance minister's remarks that exporters have earned Rs 1500 billion in profits as "anti-export bias." "This accusation displays his anti-export bias, and his lack of understanding of the basic issues," Central Chairman TMA, Tahir Jahangir said. He said that the minister is "alluding" to the devaluation of the rupee devaluation against the dollar over the last four months. The inter-bank value of the rupee in the first week of January was Rs 226 against the dollar comparing to its current rate of Rs 285, he said. [Click to see more](#)

## Internet, IT devices: SBP advocates cut in duties and taxes

The State Bank of Pakistan (SBP) has asked for reduction of the duties and taxes on internet and IT devices for rapid growth of IT sector. According to SBP, fast evolving IT industry requires consistent and concerted efforts to be led by the Prime Minister office or a dedicated Ministry for coordination among public and private institutions. In Pakistan, the driven by both enabling policies of the government and the central bank, availability of low-cost human capital, and the onset of the pandemic, both IT exports and tech start-ups have witnessed sharp growth in recent years and become one of the leading foreign exchange earning segments of economy. [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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