

23rd November, 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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## Uplift funds skewed in favour of PDM lawmakers' projects

Discretionary spending by parliamentarians under the Sustainable Development Goals Achievement Programme (SAP) accounted for more than a third of the total federal development expenditure in the first four months of the fiscal year, official data showed on Wednesday. The disproportionate funding towards parliamentarians' schemes under SAP, whose discretionary funds are considered a tool to muster political support, continues despite a change of government in August and raises concerns over equitable resource distribution, especially during an election year. Since the vast majority of lawmakers in the previous assembly belonged to the Pakistan Democratic Movement-led coalition, the SAP spending seems skewed in favour of their projects. [Click to see more](#)

## Two councils formed to boost exports

In a strategic move to boost the country's exports, the Ministry of Commerce has established two powerful export advisory councils to devise a strategy for the promotion of textile and non-textile products. The councils will be tasked with developing sector-specific strategies to increase export volumes, according to two notifications issued by the commerce ministry on Wednesday. These councils are set to formulate policy guidelines within an eight-week time frame. These guidelines will then be presented to the Special Investment Facilitation Council (SIFC) for approval. [Click to see more](#)

## Questions raised over Rs510bn transmission plan

Almost all the provinces and distribution companies as well as the power regulator have raised questions over the revised Rs510 billion investment plan for transmission system to be implemented by the National Transmission and Despatch Company (NTDC) over three years (2023-25). Similar objections were raised by provinces in January this year over insufficient allocations for evacuation of power from their priority power plants when the NTDC had proposed an investment outlay of about Rs370bn for the same (2023-25) period. [Click to see more](#)

## Banks told to deposit windfall tax by Nov 30

In what appears to be a major move, the Federal Board of Revenue (FBR) on Wednesday notified the imposition of a 40 per cent tax on windfall income, profit and gains earned by banks from foreign exchange transactions over the past two years. Banks are required to deposit the tax amount with the FBR by Nov 30. However, the deadline may be extended to Dec 15, if a valid justification is provided to the Commissioner of Income Tax. The one-time tax is projected to generate a revenue of approximately Rs42 billion. [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%

## IMF expects dollar price to improve

Pakistan is likely to seek a waiver from the International Monetary Fund (IMF) for violating the condition of restricting the difference between inter-bank and open market currency rates as the lender improves its assumption for the average dollar price to Rs300. Highly placed sources said that compared to July's underlying assumption of Rs305.2 to a dollar, the IMF "is now assuming the average price of US currency at a little below Rs300 by June next year". They said that due to the breach of the condition of keeping the gap between currency rates at banks and foreign exchange companies at 1.25%, Pakistan would have to secure a waiver from the IMF board for qualifying for the next loan tranche.

[Click to see more](#)

## IT exports increase by 16% in October

Pakistan's Information Technology sector in October 2023 posted a 16% month-on-month growth, indicating a promising future for this particular industry. Export figures of the telecom, computer, and IT sector in October, as per the State Bank of Pakistan (SBP), stood at \$238 million against \$206 million in September 2023. Segment-wise, telecom, computer, and IT services posted 49%, 9%, and 50% growth, respectively, on a MoM basis. According to Topline Research, IT exports in October on a monthly basis mainly increased due to a higher number of working days compared to September 2023 and a higher realisation of proceeds by banking channels, which increased by 5% in October.

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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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