

24th May, 2023

KSE -100 Index



Source: PSX & 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
CNERGY	3.72	0.81%	7.07

WE Financial Services Ltd.

TREC Holder - Pakistan Stock Exchange Ltd.
506-508 5th Floor, Pakistan Stock Exchange Building
Stock Exchange Road, Karachi-74000, Pakistan
Email: research@we.com.pk

Budget on June 9: Expand tax base urgently

Prime Minister Shehbaz Sharif has asked the economic team that concrete steps should be taken to increase the revenue by broadening the tax net. The prime minister chaired a meeting regarding the preparation of the budget for the financial year 2023-24 and the meeting was informed that the budget for the next fiscal year will be presented on June 9, 2023, after approval from the federal cabinet. The meeting was informed that the Pakistani economy is moving towards financial stability and the financial deficit is continuously decreasing. The prime minister was briefed on the budget preparations by the economic team. Additionally, a briefing was also given on the revised and next year's projections of revenue. [Click to see more](#)

Sindh, Balochistan: Textile units hit by massive gas shortages

Textile sector is facing a severe crisis of gas supply and massive textile mills in Sindh and Balochistan have shut down their production due to shortage and disruption of gas supply. According to Zahid Mazhar, Chairman All Pakistan Textile Mills Association (APTMA), Southern Zone, the textile industry of Sindh and Balochistan are presently compelled to close their production or operate at 50 percent of their production capacity due to severe shortage and disruption of gas supply along with low gas pressure. This disruption of gas supply is despite the fact that the government has increased gas tariff in February 2023 by around 30 percent, he mentioned. [Click to see more](#)

Govt to announce 'alternative plan' for economic woes before budget

Power Minister Khurram Dastgir has said an "alternative strategy" will be announced before the upcoming budget — scheduled to be presented on June 9 — to deal with "economic troubles and the fascist assault on Pakistan". He shared this on *Dawn News* show 'Live with Adil Shahzeb' on Sunday, when asked about the country's growing economic woes and reports that the government could announce an alternative strategy since a staff-level agreement with the International Monetary Fund (IMF) to secure a \$1.1 billion tranche seemed unlikely. A staff-level accord to release a \$1.1bn tranche out of a \$6.5bn IMF package has been delayed since November, with nearly 100 days gone since the last staff-level mission to Pakistan. That is the longest such gap since at least 2008. [Click to see more](#)

Petroleum imports slip 18pc

The imports of the petroleum group witnessed a significant decline of 17.96 per cent during the July-April period of FY23 compared to the previous year, Pakistan Bureau of Statistics data showed on Monday. This drop can be attributed to a sharp reduction in consumption, which was a direct result of a slowing economy amidst unprecedented inflationary pressures. The country also witnessed the highest-ever increase in fuel prices. Moreover, both local production and the export of petroleum products from the country suffered negative growth, exacerbating the overall situation. [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%

Govt decides to set up five more anti-smuggling courts

The government has decided to constitute five additional Anti-Smuggling Courts for speedy trial of smuggling cases during the ongoing national crackdown on the smugglers. It is learnt that the federal cabinet on Tuesday approved the constitution of five special courts. The decision was made through a circulation summary presented by the Ministry of Law and Justice. Three of these courts will be located in Balochistan, while one will be established in Sindh and another in Punjab. Under the Customs Act of 1969, the designated cities for these special courts include Karachi, Quetta, Chaman, Noshki, and Multan. [Click to see more](#)

Who threw blanket of secrecy over govt-NCA deal?: It was decision of Cabinet

Pakistan Tehreek-e-Insaf (PTI) Chairman and former premier Imran Khan on Tuesday appeared before the National Accountability Bureau (NAB) in the £190 million National Crime Agency (NCA) scam commonly known as the Al-Qadir Trust case. Khan arrived at the NAB Rawalpindi office at around 11:30 am after appearing before Anti-Terrorism Court (ATC) and then entered the anti-graft body office at 11:48 am for appearing before the NAB's joint investigation team (JIT) for recording his statement. Khan left the NAB office at 4:15 pm. Security officials stopped the vehicle carrying Khan at the gate and did not allow Khan's personal security to accompany him. [Click to see more](#)

FBR considering documenting non-filers' property deals

The Federal Board of Revenue (FBR) is considering some major taxation proposals to document transactions of non-filers in the real estate sector and effectively tax immovable properties through the Finance Bill 2023. The Finance Bill 2023 is expected to introduce major amendments to the Income Tax Ordinance 2001 to implement the budgetary measures relating to the immovable properties from July 1, 2023. In this connection, the FBR is seriously examining these new budget proposals for the next fiscal year. However, the final decision has yet to be taken by the government. [Click to see more](#)

PBIF chief says difficult to run country without IMF programme

Chairman of National Business Group Pakistan, President Pakistan Businessmen and Intellectuals Forum (PBIF), Mian Zahid Hussain has said it will be very difficult to run the country without the IMF programme. Previous debts will have to be repaid at the rate of US 25 billion dollars annually, which will be a nightmare for Pakistan, he said. Mian Zahid Hussain said that the government should present an alternative economic model to the public in view of the delay in the IMF programme. He said that the country's difficulties should not be increased by making irresponsible statements about the economic situation and instead of political sloganeering decisions should be taken according to the ground realities. [Click to see more](#)

Analyst Certificate:

The Research Report is prepared by the research analyst at WE Financial Services Ltd. It includes analysis and views of our research team that precisely reflects the personal views and opinions of the analysts about the subject security(ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security(ies). The views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

Stock Ratings

WE Financial Services Ltd. uses three rating categories, depending upon return form 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

Disclaimer: This document has been prepared by Research Analysts at WE Financial Services Ltd.