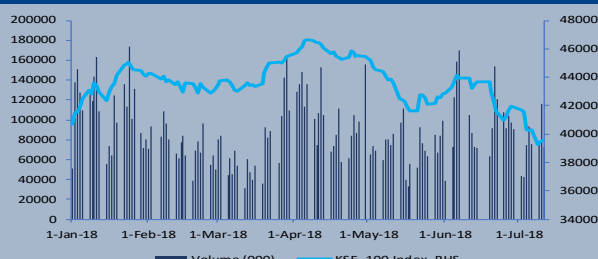


25th July, 2023

## KSE -100 Index



Source: PSX &amp; 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
CENERGY	3.72	0.81%	7.07

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## Govt refuses to budge on power tariff hike

Despite strong opposition from consumers, the power division and the power regulator did not budge from increasing national uniform electricity tariff by up to 26pc (Rs7.5 per unit) with effect from July 1, 2023 as committed to the International Monetary Fund (IMF). At a public hearing presided over by National Electric Power Regulatory Authority (Nepra) Chairman Tauseef H. Farooqui, trade and industrial bodies, mostly from Karachi, protested over such a massive price hike, saying the industry was already at its last leg of survival and the additional burden would lead to closure of businesses, wipe out export market as products become uncompetitive and add to the employment losses. [Click to see more](#)

## Margins raised to appease petrol dealers

The federal government has agreed to increase the margin of petroleum dealers by Rs 1.64 per litre after a marathon meeting on Monday, in a bid to forestall a strike threatened by dealers. This was the second round of talks between Minister of State for Petroleum Musadik Malik and Pakistan Petroleum Dealers Association (PPDA) representatives, along with other stakeholders of the oil industry and government departments. According to sources, petroleum dealers expressed reservations over the proposed increase but gave in at the end of a marathon meeting which lasted several hours. [Click to see more](#)

## Power tariff raised due to IMF conditions, says PM Shehbaz

Prime Minister Shehbaz Sharif has said the government has raised the electricity tariff because of the tough IMF conditions, but added that 63 per cent of the domestic consumers using up to 200 units per month would be exempted from the power tariff increase. Besides, he said, a partial subsidy was also being given to the consumers of up to 300 units per month which comprise around 31 per cent of the total domestic consumers. [Click to see more](#)

## LNG supply: Framework agreement inked with Azerbaijan

In a bid to help fulfill country's energy requirements through cooperation in the fields of oil and gas, Pakistan has signed a framework agreement with Azerbaijan for LNG procurement on flexible terms. The agreement was signed between Pakistan LNG Limited and the State Oil Company of the Azerbaijan Republic (SOCAR) on Monday in the presence of Prime Minister Shehbaz Sharif. This agreement has been described as major achievement for Pakistan towards fulfilling its energy needs after importing the Russia crude oil. [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%

## ‘Under CPEC various projects, including Gwadar port, have achieved full operational capacity’

Pakistan and China have vowed to take China-Pakistan Economic Corridor (CPEC) and Belt and Road Initiative (BRI) initiative to the next level from vision to reality as in the second phase of industrial cooperation under this mega project will bring high-quality economic development in the region. This was a crux of a two-day international conference titled, “Decade of China-Pakistan Economic Corridor and Belt & Road Initiative-From Vision To Reality”, jointly organised by the Ministry of Planning and in collaboration with the Embassy of the Republic of China here on Monday. [Click to see more](#)

## No tariff hike for power consumers up to 200 units: PM Shehbaz

Prime Minister Shehbaz Sharif said on Monday that the increase in the power tariff would not affect those using up to 200 units per month. He made the remarks while addressing a ceremony in Lahore during which Pakistan LNG Limited and Azeri company Socar signed a framework agreement for liquefied natural gas (LNG). Last week, the federal cabinet had [approved](#) the power regulator's request to increase the national average tariff, which will see some residential consumers paying up to Rs7.50 more per unit. The cabinet had approved the hike through a summary and the decision was conveyed to the National Electric Power Regulatory Authority (Nepra) on Saturday. [Click to see more](#)

## A precarious economic crisis and IMF's reforms

Pakistan is facing a severe economic crisis that has been exacerbated by the global energy crisis, the COVID-19 pandemic, and rising inflation. According to the finance division report, the country's current account deficit, which measures the gap between its foreign earnings and spending, has widened to 6.4% of GDP in the first quarter of FY23, compared to 1.1% in the same period last year. This has put pressure on the country's foreign exchange reserves, which have fallen to \$13.5 billion as of June 2023, barely enough to cover three months of imports. According to the SBP, the Pakistani rupee has also depreciated by more than 24% against the US dollar in the past seven months. [Click to see more](#)

## Dar assures PIA of maximum support

Finance Minister Ishaq Dar on Saturday assured the Pakistan International Airlines (PIA) of maximum support for the improvement of its services, aiming to transform it into a profit-oriented entity for the country. PIA Chief Executive Officer (CEO) Air Vice Marshal Muhammad Amir Hayat called on the finance minister and discussed matters related to the national flag carrier, besides requesting further financial support from the government. [Click to see 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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