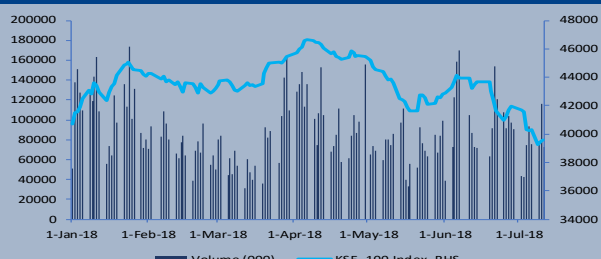


28th Feb, 2023

KSE -100 Index



Market- Key Statistics

| | Current | Previous | Change |
|------------------|------------|------------|---------|
| KSE100 Index | 40,784.13 | 40,707.76 | 76.37 |
| All Shares Index | 26,867.67 | 26,883.75 | -16.08 |
| KSE30 Index | 15,351.53 | 15,325.88 | 25.65 |
| KMI30 Index | 69,707.80 | 69,939.43 | -231.63 |
| Volume (mn) | 158,070.40 | 153,435.20 | 462.52 |

Source: PSX

Top Losers-KSE100 Index

| Symbol | Price | % Change | Volume |
|--------|-------|----------|--------|
| AGL | 4.05 | (-4.25%) | 10,000 |
| POL | 424 | (-4.15%) | 66,271 |
| FEROZ | 153 | (-3.05%) | 2,000 |
| INDU | 861.1 | (-2.49%) | 2 |
| OLPL | 19.01 | (-2.41%) | 1,000 |

Top Winners-KSE100 Index

| Symbol | Price | % Change | Volume |
|--------|-------|----------|--------|
| CWSM | 1.3 | 8.33% | 500 |
| LEUL | 13.65 | 7.90% | 500 |
| ALNRS | 56.64 | 7.50% | 500 |
| ELSM | 123 | 7.15% | 300 |
| PRET | 661 | 7.13% | 50 |

Volume Leaders KSE-All Index

| Symbol | Price | % Change | Volume |
|--------|-------|----------|---------|
| ATRL | 168.6 | 0.50% | 438,201 |
| WTL | 1.33 | 0.00% | 437,417 |
| SEARL | 54 | (-0.33%) | 107,890 |
| PRL | 12.7 | (-0.24%) | 100,450 |
| HUBC | 70.5 | (-0.16%) | 100,347 |

Volume Leaders KMI-30 Index

| Symbol | Price | % Change | Volume (mn) |
|--------|-------|----------|-------------|
| TPLP | 15.25 | 4.02% | 11.94 |
| MLCF | 25.05 | 1.33% | 4.51 |
| CNERGY | 3.52 | -1.12% | 3.49 |
| PPL | 65.70 | -1.41% | 2.82 |
| PIOC | 57.91 | 1.45% | 2.67 |

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Govt to recover up to Rs14.23 per unit in fuel cost from consumers

Energy Minister Khurram Dastgir Khan on Monday told the parliament that the government would recover Rs9.90 to Rs14.24 per unit outstanding fuel costs from consumers of less than 300 units in an 8-month staggered schedule. Mr Dastgir said an additional surcharge of Rs3.82 per unit would also be imposed on those using above 300 units to fund power sector loans under the insistence of the International Monetary Fund (IMF). [Click to see more](#)

Shehbaz constitutes austerity monitoring committee

Prime Minister Shehbaz Sharif on Sunday formally constituted a committee to monitor the implementation of 'ambitious' austerity measures announced a few days ago. A notification regarding the constitution of the committee was issued at the directive of the prime minister. The committee would oversee the implementation of decisions taken during the federal cabinet meeting on Feb 22. The principal accounting officer of each ministry, division and department would submit recommendations to implement the measure before the committee by Feb 27. [Click to see more](#)

LEAs, local administrations given 'free hand' to control prices

Federal and provincial law enforcement agencies and district administrations will have "a free hand" in dealing with profiteers and hoarders during the month of Ramazan. The directive was issued by Prime Minister Shehbaz Sharif who chaired a meeting on Monday to review the availability and prices of essential food items during Ramazan. Removing all reins, the prime minister ordered "operation clean-up" at warehouses, shops and markets hoarding essential items before Ramazan. He said those charging exorbitant prices when people are already facing economic difficulties should be dealt with an iron hand. [Click to see more](#)

Finance: Rupee's recovery is temporary

From an all-time low of Rs276.58 a US dollar on February 3, the rupee gradually rose to 259.99 on February 24 — a recovery of 6 per cent — as crippling import restrictions remained in place. But it may come under renewed pressure in the April-June quarter. The external sector fundamentals are still too weak to lend lasting support to the local currency. The massive decline in the current account deficit from \$2.467 billion in January 2022 to just \$242 million in January 2023 must be seen in its correct perspective. [Click to see more](#)

Beyond default — Iran via the US

Pakistan has been suffering from chronic governance issues for the past several decades. Inheriting the post-colonial bureaucracy and with its manageable population of 30 million (West Pakistan, 1947), the country managed to get by in the early days. The population continued to grow to 70m in 1971 and to 130m in 1998, but it remained unfashionable and politically incorrect to talk about harmonizing the country's demographics. [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 (27-Feb-23) | 1.243 |
| Individuals (27-Feb-23) | (1.737) |
| Companies (27-Feb-23) | 1.093 |
| Banks/DFI (27-Feb-23) | (0.475) |
| NBFC (27-Feb-23) | 0.00167 |
| Mutual Fund (27-Feb-23) | (0.371) |
| Other Organization (27-Feb-23) | 0.0731 |
| Brokers (27-Feb-23) | (0.538) |
| Insurance Comp: (27-Feb-23) | 0.710 |

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\$ | 263.2 | 266.8 | -1.35% |
| PKR / EUR | 274.5 | 275.9 | -0.51% |
| PKR / GBP | 312.8 | 313.25 | -0.14% |
| PKR / JPY | 2.06 | 2.06 | 0.00% |
| PKR / SAR | 69.3 | 69.35 | -0.07% |
| PKR / AED | 73.75 | 71.5 | 3.15% |
| PKR / AUD | 173 | 182 | -4.95% |

'FED will discourage travelers'

The federal excise duty (FED) imposed on air tickets via the Finance Supplemental Bill 2023 revisions, has raised serious concerns among customers and travel traders. Former chairman and executive board member of the Travel Agents Association of Pakistan (TAAP) Nadeem Sharif lamented that, "The COVID-19 pandemic hit air travels the hardest and just when the business started recovering, the government slapped FEDs. This may result in paradoxical situation." [Click to see more](#)

DISCOS will not be privatized

The National Assembly Standing Committee on the Power Division, on Monday, was told that the distribution companies (DISCOs) were not being privatised. The committee, chaired by Sardar Mehmood Khan Mazari, was further informed that recovery of those feeders with losses will be outsourced alone. Minister for Power, Khurram Dastgir said that it was imperative to eradicate power pilferage in order to reduce power tariffs. "All big consumers will be switched to the Advanced Metering Infrastructure (AMI) System by June," he added. [Click to see more](#)

WAPDA discusses financing with ADB

A 5-member delegation of the Asian Development Bank (ADB) called on Water and Power Development Authority (WAPDA) Chairman (Retd) Lt Gen Sajjad Ghani on Monday to discuss development priorities, roadmaps and financing of WAPDA projects. The delegation was briefed about how WAPDA was implementing a low-cost, clean and green energy generation plan on priority. This was being done in order to minimise the country's dependence on costly thermal electricity being generated on imported fuel and counter its adverse impact on the environment. [Click to see more](#)

25pc GST on luxury items

The Federal Board of Revenue (FBR) will move a summary to the federal cabinet for imposing a higher rate of 25 percent sales tax on the import of a wide range of luxury and non-essential items. The FBR has obtained the enabling powers of the federal government under the Finance (Supplementary) Act, 2023, to levy 25 percent sales tax on the import of luxury items. The FBR is now fully empowered to impose 25 percent sales tax at the import stage but the approval needs to be taken from the federal cabinet in this regard. [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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