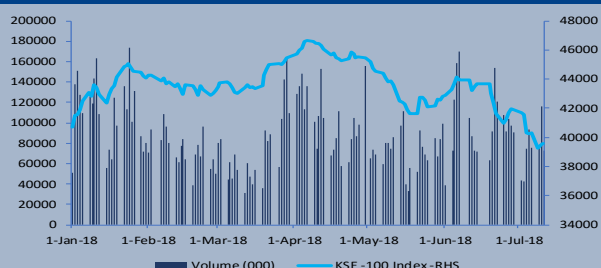


28 June, 2022

## KSE -100 Index



## KSE -100 Index- Key Statistics

Open	41,223.40
High	41,952.43
Low	41,223.40
Closing	41,878.57
Change	826.78
Volume	122,621,047

Source: PSX

## Key Economic Data

Reserves (13-May-22)	\$16.16bn
Inflation CPI (Jul'21-Mar'22)	10.75%
Exports - (Jul'21-Mar'22)	\$23.29bn
Imports - (Jul'21-Mar'22)	\$58.6bn
Trade Balance- (Jul'21-Mar'22)	\$(35.39)bn
Current A/C- (Jul'21-Feb'22)	\$(12.10)bn
Remittances - (Jul'21-Feb'22)	\$20.14bn

Source: SBP

## FIPI/LIPI (USD Million)

FIPI (27-Jun-22)	0.46
Individuals (27-Jun-22)	(0.27)
Companies (27-Jun-22)	(1.265)
Banks/DFI (27-Jun-22)	0.19
NBFC (27-Jun-22)	(0.14)
Mutual Fund (27-Jun-22)	0.49
Other Organization (27-Jun-22)	(1.17)
Brokers (27-Jun-22)	3.91
Insurance Comp: (27-Jun-22)	(2.21)

Source: NCCPL

## WE Financial Services Ltd.

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## Fertilizer prices surge on massive rupee devaluation

Source: Dawn

POSITIVE

Fertiliser prices have skyrocketed as a result of rupee depreciation and rising production costs, putting agriculture and food security in greater jeopardy than previously anticipated. Di-ammonium phosphate (DAP) is currently being sold for between Rs11,500 and Rs12,500 per bag, according to market trends. A bag of sulphate of potash (SoP) has gone up to Rs1,600 and the muriate of potash (MoP) price has jumped to Rs11,000 per bag. The urea, though out of demand, still costs Rs2,200 per bag in pockets of the province.

## Oil rises \$2/bbl after G7 vows new Russian sanctions

Source: Reuters

POSITIVE

Oil rose \$2 a barrel on Monday on the prospect of even tighter supplies loomed over the market as the Group of Seven nations promised to tighten the squeeze on Russian President Vladimir Putin's war chest while actually lowering energy prices. Brent crude futures settled \$1.97, or 1.7% higher, at \$115.09 a barrel, while U.S. West Texas Intermediate crude closed up \$1.95, or 1.8%, at \$109.57 a barrel.

## NEPRA approves Rs7.90 hike in power tariff

Source: Tribune Express

POSITIVE

The National Electric and Power Regulatory Authority (NEPRA) on Monday approved a hike of Rs7.90 in power tariff on account of fuel adjustment charges for May. According to NEPRA officials, the prices of petroleum products significantly rose over the past few months in the global market. They added the cost would have spiked further had power plants used expensive fuels.

## Pakistan inks \$107m debt suspension agreement with France

Source: Tribune Express

POSITIVE

Pakistan signed an agreement with France for the suspension of loans worth \$107 million under the G20 Debt Service Suspension Initiative (DSSI) framework, according to an official statement issued on Monday. The Economic Affairs Division said the amount, initially repayable between July and December 2021, will now be repaid over a period of six years including a one-year grace period in semi-annual installments.

## To strike staff-level pact with IMF, Rs10/litre petroleum levy on the cards

Source: The News

NEGATIVE

In order to strike a staff-level agreement with the International Monetary Fund (IMF), the government is considering slapping Rs10 per litre petroleum levy on POL [petrol, oil, lubricants] products with effect from July 1, 2022. However, there is no possibility of imposition of general sales tax (GST) on POL products from July 2022, and it will be kept at zero for the time being.

## International Steel successfully commissioned debottlenecking of CRC project

Source: Augaf

POSITIVE

International Steel Limited has informed that the state-of-the-art rewinding line with an electrolytic cleaning section has been commissioned. This has enhanced the finishing capacity of Cold Rolled Coils and sheets by 120,000 tons per annum and completed with capital expenditure of Rs. 1.235 billion. This will enable the Company to expand its already strong footprint in automobile, appliances, and Tin Mill Black Plate (TMBP) segments of the cold-rolled steel market.

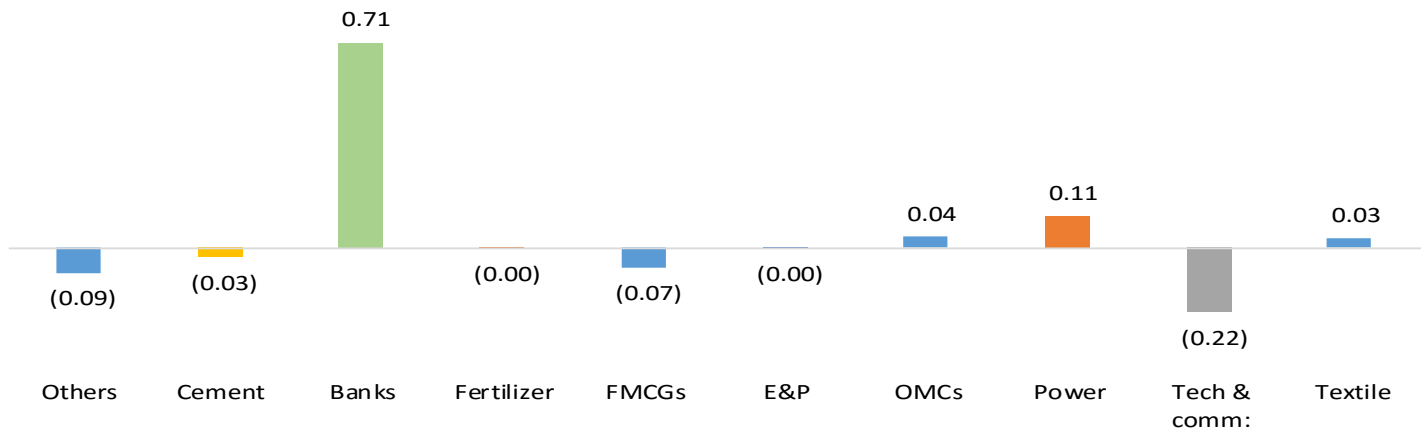
## PSX gains more than 800 points amid 'good news' from IMF

Source: Dawn

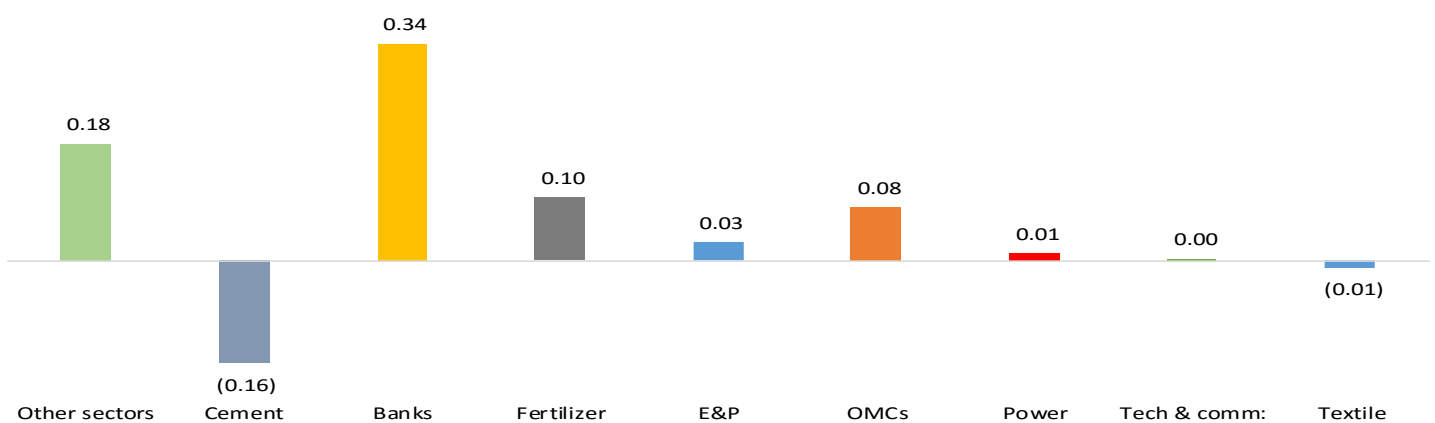
NEUTRAL

The Pakistan Stock Exchange's (PSX) benchmark KSE-100 index opened in the green on Monday, gaining over 800 points amid expected good news from the International Monetary Fund (IMF). According to the PSX website, the bourse witnessed an increase of over 450 points by 9:45am. At 10:40am, the index had reached 41,734.31 points, up 683 points, or 1.66 per cent.

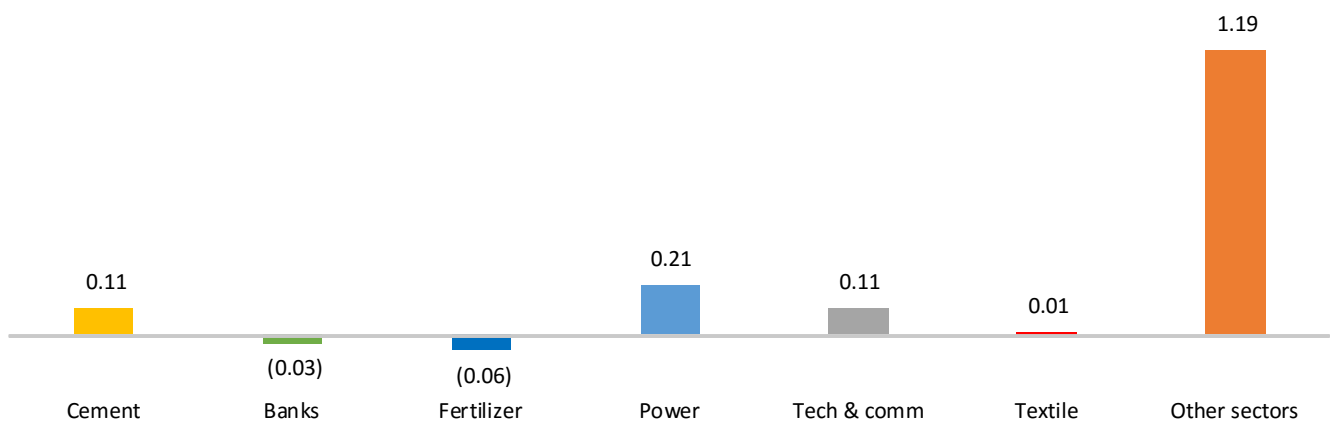
### FII Sector Wise USD (Mil)



### Mutual Funds Sector Wise USD (Mil)



### Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

## Analyst Certificate:

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## 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

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