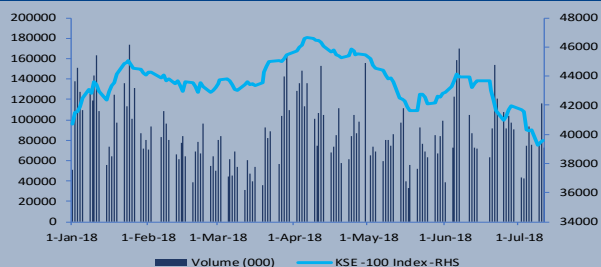


30 June, 2022

KSE -100 Index



KSE -100 Index- Key Statistics

Open	41,781.13
High	41,813.67
Low	41,119.19
Closing	41,297.73
Change	-467.89
Volume	78,947,560

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 (29-Jun-22)	(0.24)
Individuals (29-Jun-22)	4.90
Companies (29-Jun-22)	(0.484)
Banks/DFI (29-Jun-22)	(0.22)
NBFC (29-Jun-22)	(0.12)
Mutual Fund (29-Jun-22)	(1.12)
Other Organization (29-Jun-22)	(0.14)
Brokers (29-Jun-22)	(0.60)
Insurance Comp: (29-Jun-22)	(1.98)

WE Financial Services Ltd.

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Stock Exchange Road, Karachi-74000, Pakistan
Email: research@we.com.pk

Fuel prices may hike up to Rs16.89/litre

Source: The News

NEGATIVE

The domestic prices of diesel and petrol are expected to rise by Rs16.89 and Rs4.55/litre excluding Petroleum Levy (PL) and General Sales Tax (GST) in the next fortnight, The News has learnt. If the government charges the PL of Rs10/litre on diesel and petrol along with the GST, the diesel price will increase massively from July 01, 2022. The ex-depot price of petrol has been worked out at Rs238.44 for the next fortnight compared to Rs233.89/litre for the current fortnight, an increase of Rs4.55/litre. If Rs10 PL and 17 percent GST are added, the petrol price will rise to around Rs290/litre from July 1, 2022.

Finance ministry sees more tough times ahead

Source: Dawn

NEGATIVE

Hinting at a further increase in the policy rate by the State Bank of Pakistan, the Ministry of Finance anticipates 'blurred growth prospects' for the economy, which could be marred by the prevailing inauspicious global environment and higher domestic inflation, going beyond 15 per cent, in the upcoming fiscal year set to begin on Friday. "Despite achieving the growth of 5.97pc in FY2022, the underlying macroeconomic imbalances associated with domestic and international risks are making growth outlook indistinct,".

Government Raised PKR 915 billion Excess in T-Bill Auction to Clear Circular Debt

Source: Augaf

POSITIVE

On June 29, 2022 SBP raised PKR 1,715 billion through auction of market treasury bills against target of PKR 800 billion. Bank sources said government mopping up excess amount aim to reduce amount of circular debt. One of the IMF conditions of IMF has been to reduce line losses, circular debt and reform energy sector State Bank of Pakistan also mopped PKR 207 billion through sale of floater bonds. The government received total bids of worth PKR 2,370 billion and the highest bids of PKR 1,901 billion for 3 Month T-bills followed by PKR 279 billion for 6 Months and PKR 190 billion for 12 Months.

Oil prices slide after three-day rally

Source: Augaf

NEGATIVE

Oil prices fell on Wednesday after rising in the previous three sessions as the market tussled between concerns about the global economy and tight global oil supplies. Brent crude futures for August dropped 84 cents, or 0.7%, to \$117.14 a barrel by 0444 GMT. The August contract will expire on Thursday and the more-active September contract was at \$113.17, down 63 cents, or 0.6%. U.S. West Texas Intermediate (WTI) crude futures slid 54 cents, or 0.5%, to \$111.22 a barrel.

Rupee gains Rs1.7 against dollar amid hopes of IMF programme revival

Source: The News

POSITIVE

s Pakistan received the Memorandum of Economic and Fiscal Policies (MEFP) from the International Monetary Fund (IMF) for the combined seventh and eighth reviews, the local unit gained Rs1.75 against the US dollar in the interbank market on Wednesday. The local unit was trading at Rs204 during intra-day trade, but dropped to Rs205 against the dollar when the market closed, according to the State Bank of Pakistan.

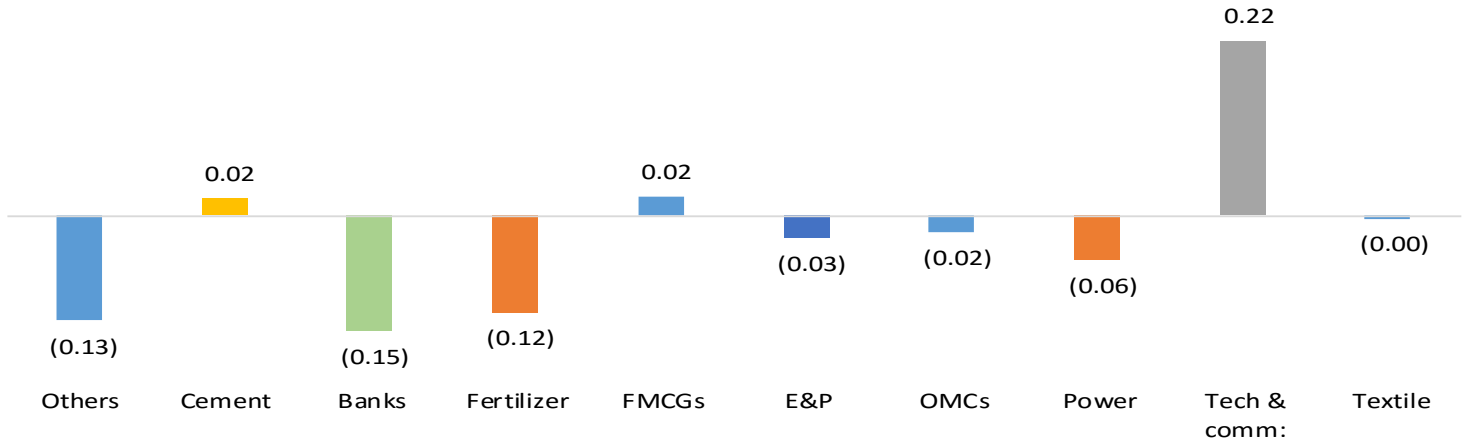
Auto industry likely to shrink over 30% in FY23: company study

Source: Business Recorder

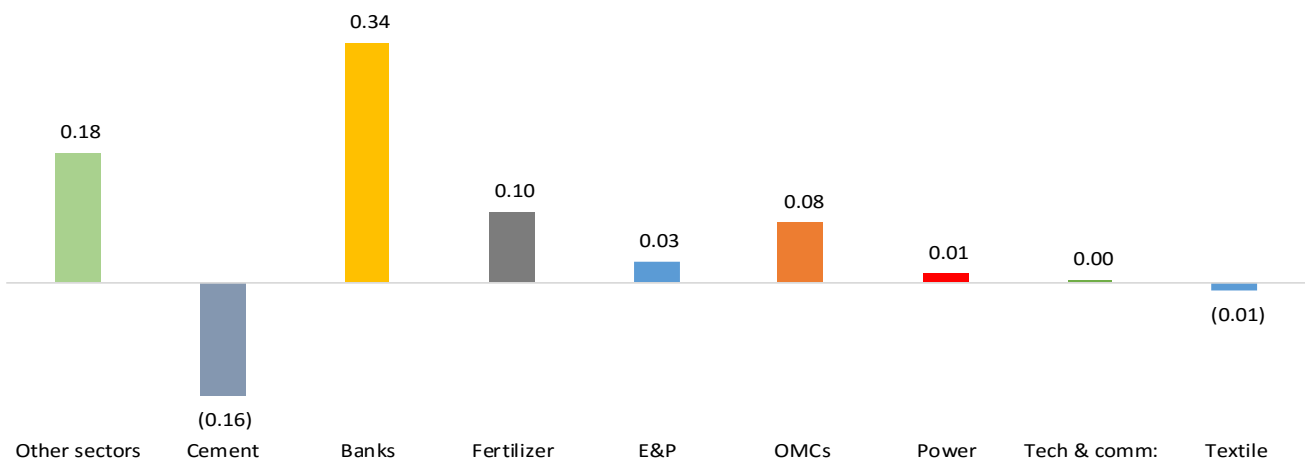
NEGATIVE

After a record year, car makers in Pakistan are now bracing for a massive slowdown in the next 12 months with rupee depreciation, additional taxes, and high fuel prices all taking a toll on the industry's prospects. The auto industry of Pakistan is about to close a blockbuster year where it is expected to record its highest-ever industry sales of over 360,000 units, nearly 50% higher year-on-year. This number includes passenger cars, light commercial vehicles, jeeps, trucks and buses.

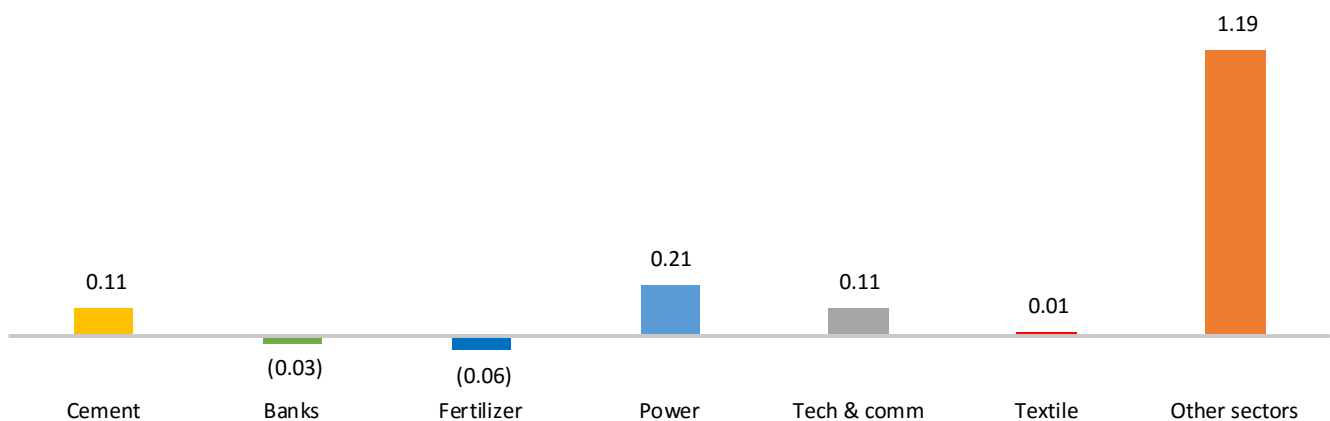
FIPI Sector Wise USD (Mil)



Mutual Funds Sector Wise USD (Mil)



Banks/DFIs Sector Wise USD (Mil)



Source: NCCPL

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.

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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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