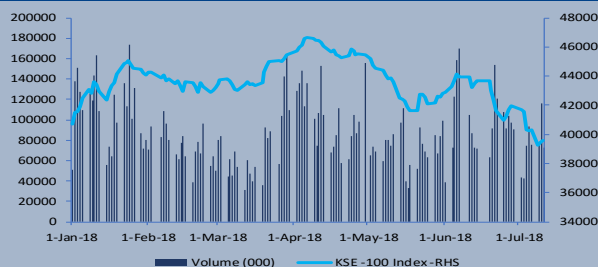


30 May, 2022

KSE -100 Index



Source: PSX & WE Research

KSE -100 Index- Key Statistics

Open	42,990.73
High	43,554.75
Low	42,771.75
Closing	42,861.45
Change	+319.74
Volume	236,797,768

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- May-22)	0.38
Individuals (27- May-22)	1.52
Companies (27- May-22)	0.137
Banks/DFI (27- May-22)	(0.89)
NBFC (27- May-22)	(0.08)
Mutual Fund (27-May-22)	(0.17)
Other Organization (27- May-22)	(0.23)
Brokers (27-May-22)	1.60
Insurance Comp: (27- May-22)	(2.27)

Source: NCCPL

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IMF programme: Raise in base power tariff by Rs7-7.5/unit on the cards

Source: The News

POSITIVE

To ensure restoration of the IMF program, a massive increase in electricity base tariff by up to Rs7-7.50 per unit is on the cards within the next 2-3 weeks, which is to be enforced from July 1, 2022, top official sources told The News. "The current average base tariff stands at Rs16.64 per unit, which will go up to Rs24.14 per unit with the expected raise of Rs7-7.50 per unit." Official sources said that the IMF has been asking for a long time a hike in electricity base tariff for 2022-23 as new power plants and transmission and distribution projects have been included in the national grid.

Pakistan accept Chinese offer for import of urea on defer payment

Source: Augaf

POSITIVE

Economic Coordination Committee (ECC) after deliberation allowed TCP to import 200,000 MT Granular Urea from China on G2G basis on deferred payment basis within 90 days. Earlier, Ministry of Industries and Production submitted summary on Chinese offer for import of Urea by TCP on G2G basis. Federal Minister for Finance and Revenue Mr. Miftah Ismail presided over meeting of the Economic Coordination Committee (ECC) of the Cabinet at Finance Division, today. Federal Minister for Industries and Production Makhdoom Syed Murtaza Mehmood,

ECC approved payment of Rs 62.27 billion to OMCs and Refineries

Source: Augaf

POSITIVE

The Economic Coordination Committee (ECC) approved Technical Supplementary Grants/Supplementary Grants of Rs. 62.27 billion for Ministry of Energy, Petroleum Division. The amount will be used for making payment of Price Differential Claim to OMCs refineries for the second fortnight of May 2022.

OGDCL makes 4 discoveries, injects 8 operated wells in production gathering system

Source: Mettis Global

POSITIVE

The Oil and Gas Development Company Limited (OGDCL) has made four hydrocarbon discoveries, having an expected cumulative daily production potential of 39 MMCF gas and 2,850 BBL of oil, during the first nine months of the current fiscal year. During the period under review, the company carried out 70 work-over jobs comprising 12 with a rig and 58 rig-less to arrest the natural decline and sustain production from mature wells. Moreover, it completed pressure build-up survey jobs at various wells of producing fields including Mela, Pasahki, Nashpa, Qadirpur, Maru-Reti, Uch and Kunnar to induce improvement in the current well flow parameters.

Country needs \$36b in foreign loans

Source: Tribune Express

NEUTRAL

Finance Minister Miftah Ismail has announced that Pakistan is expected to reach an agreement with the International Monetary Fund (IMF) in June, as the country is projected to need \$36-37 billion in foreign financing in the next fiscal year. He revealed that at present the government was not considering raising fresh foreign debt from the global capital market and commercial banks after the country's international bonds lost almost one-third of their value, while their yields went up significantly.

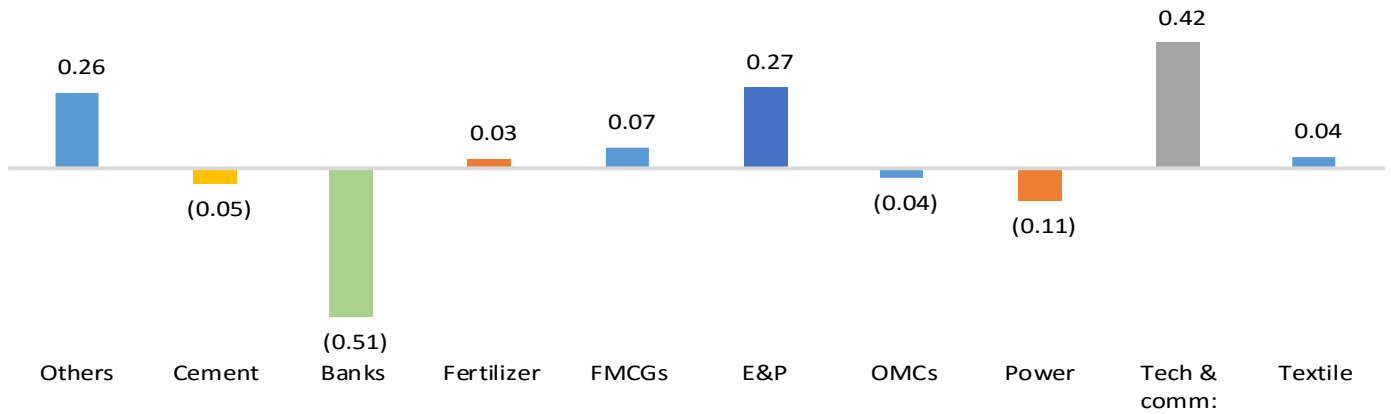
Pakistan is open to buy cheap oil from Russia: Miftah Ismail

Source: Augaf

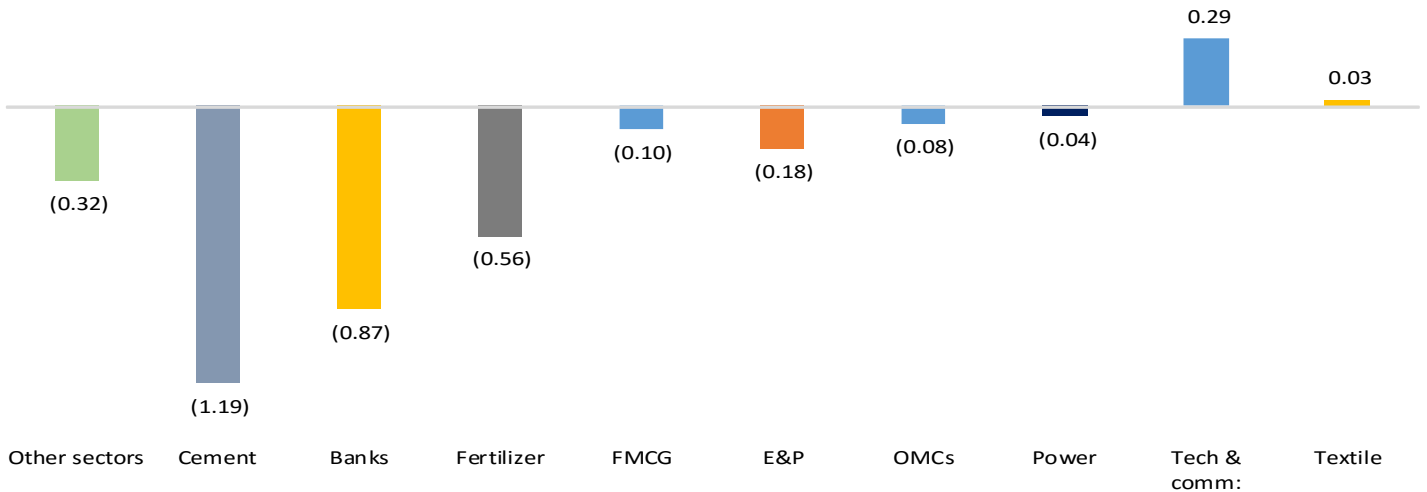
POSITIVE

Finance Minister Miftah Ismail while talking to a program of private TV channel said that the PTI government had not made any agreement with Russia for buying cheap oil. There was no response from Moscow to Hamad Azhar's letter but the new government will try to get wheat from Russia. And if Russia finds a way, cheap oil will also be bought. Regarding petroleum prices he said subsidy on petroleum products will be further abolished. Miftah Ismail also said that delay in decision on petroleum subsidy caused loss of Rs 135 billion to national exchequer.

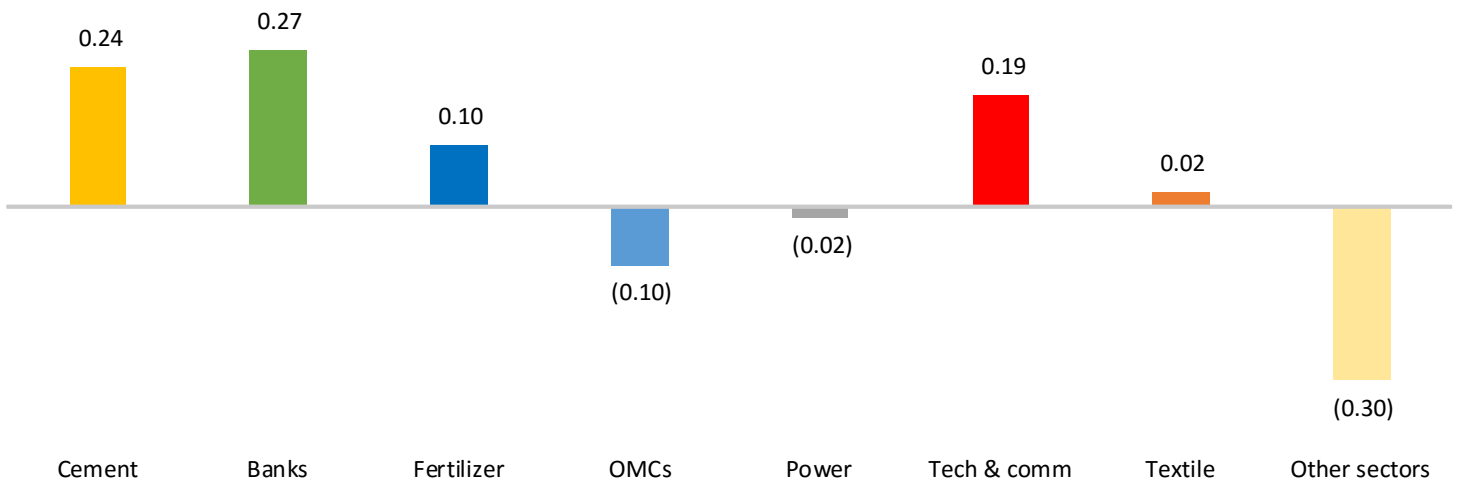
FII Sector Wise USD (Mil)



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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