

Market Summary

	31-Mar-23	15days	30days	90days	FYTD	CYTD
KSE100	40,001	-4.06%	-1.0%	-1.0%	-3.7%	-1.0%
KMI30	69,338	-3.66%	1.4%	1.6%	0.8%	1.6%
KMIAll	19,050	-3.95%	-1.5%	-4.7%	-8.9%	-4.7%

KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Week Market Cap (PKR'Bn)	Change (%) in Market Cap.
SECTORS				
COMMERCIAL BANKS	15	301	316	(4.70)
FERTILIZER	8	224	232	(3.56)
OIL & GAS EXPLORATION COMPANIES	14	189	190	(0.47)
CEMENT	5	113	110	2.07
CHEMICAL	4	44	44	0.33
OIL & GAS MARKETING COMPANIES	2	49	49	0.65
PHARMACEUTICALS	2	35	35	0.08

Global Markets

	31-Mar-23	15days	30days	90days	FYTD	CYTD
UK	7,632	-2.9%	3.7%	-2.4%	-6.1%	-2.4%
USA	12,222	-4.1%	-6.9%	-14.4%	-9.8%	-14.4%
China	3,273	-1.4%	1.2%	-5.6%	3.8%	-5.6%
Japan	28,041	-3.7%	-1.9%	-6.9%	-5.9%	-6.9%
India	58,992	-2.3%	0.7%	3.1%	-10.1%	3.1%

Commentary

Rising political and judicial noises and uncertainty regarding IMF program, yet again, dominated another month as investors cautiously observe the market and political scenario to amend their future plans. Prices instability has added to woes as masses feel the pressure of inflation with CPI for Mar'23 hitting over 35%, which is highest in six decades. IMF program saga still persists as Finance Minister is expected to meet IMF in April. Pakistan's chase for IMF funds has been met with hesitations as Fund also wanted some assurances in Pakistan's ability to raise funds from friendly countries.

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	(0)	(9)	8	(19)	7	8
LIPI (net)	0	9	(8)	19	(7)	(8)
Ind.	(0.7)	(6)	9	132	58	9
Banks/DFIs	4.6	3	10	103	60	10
Companies	4.5	34	60	112	82	60
M.Funds	(0.4)	(8)	(47)	(177)	(111)	(47)
Brokers	0.2	(5)	(4)	(15)	(11)	(4)
Others	0.9	1	6	34	22	6
Ins.	(8.6)	(9)	(42)	(167)	(105)	(42)
NBFC	0.0	0	0	(3)	(2)	0

Pakistan's trade deficit narrowed by ~35% to USD 22.9 billion during 19MFY23 (July-March) compared to ~USD35 billion during the same period of last fiscal year(SPLFY). Imports declined by 25.34% during the period under review by going down from USD 58.859 billion last fiscal year to USD 43.946 billion during the current year. On a year-on-year basis, exports witnessed a decline of 14.76% and were recorded at USD 2.367 billion in March 2023 against the exports of USD 2.777 billion in March 2022.

Key Economic Figures

		FY19	FY20	FY21	Fy22	31-Mar
Policy Rate	31-Mar-23	10.8%	7.0%	7.0%	13.8%	20.0%
1yr KIBOR	31-Mar-23	13.6%	7.4%	8.1%	15.7%	22.4%
Inflation	Mar End	8.8%	7.8%	9.8%	21.3%	35.4%
PKR USD*	31-Mar-23	163.1	168.2	157.3	204.8	283.8

Meeting of Monetary Policy Committee is expected to held on 4th April where much anticipated hike will be announced. Market analysts is expecting hike of 200bps with 3M KIBOR already touching 22.08. SBP already hiked 300bps during the month of Mar'23 to satisfy IMF conditions and bridged the gap between inflation and interest rates.

Key Economic Figures

		FY19	FY20	FY21	Fy22	FY23-TD
Imports	USD'mn	51,869	46,417	56,380	72,048	42,506
Exports	USD'mn	24,257	23,462	25,304	32,450	23,417
Trade Deficit	USD'mn	(27,612)	(22,955)	(31,076)	(39,598)	(19,089)
Remittances	USD'mn	21,740	23,131	29,370	31,238	17,994
FX Reserves	USD'mn	14,482	18,886	24,398	15,742	9,816

Stock Market Review

KSE-100 posted loss of 1.3% while KMI-30 posted gains of 0.8%. During the month, the bears dominated the stock market and the KSE-100index suffered a loss of 510pts to settle at 40,001pts levels. The IMF program has encountered a setback, as the lending authority seeks to ensure compliance with fresh prerequisites mainly securing written assurances from friendly countries for financial assistance. Although, the government has already fulfilled the many tough conditions which rendered the market sentiments including (i) interest rate hike by 300bps (ii) withdrawal of energy subsidies to big export industries (iii) market based currency exchange rate and (iii) increasing petrol and high-speed diesel prices. Technology, Fertilizer & Miscellaneous kept market in red.

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	21.18	18	123	418	544	873
PKRV 3Y	18.24	1	7	260	441	609
PKRV 5Y	15.19	3	(68)	58	207	317
PKRV 10Y	14.98	(26)	(51)	122	213	310
PKRV 20Y	15.10	(9)	(15)	130	162	280

Money Market Review

SBP conducted T-Bills auction on 22nd Mar in which yields for 3M, 6M & 12M settled at 21.9995%, 21.9901% & 21.4899%. It is expected that in upcoming auction, it may go further higher keeping in view monetary policy rate and inflation.

*Inter Bank Rate

31-Mar-23

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