

Market Summary

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

	15-May-23	15days	30days	90days	FYTD	CYTD	SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Week Market Cap (PKR'Bn)	Change (%) in Market Cap.
KSE100	41,718	0.33%	3.8%	1.4%	0.4%	3.2%	COMMERCIAL BANKS	21	314	323	(2.57)
KMI30	71,637	-0.99%	2.2%	1.0%	4.2%	4.9%	FERTILIZER	14	216	216	0.21
KMIAll	19,777	-0.04%	2.8%	-1.1%	-5.4%	-1.1%	OIL & GAS EXPLORATION COMPANIES	13	188	194	(3.06)
							CEMENT	8	123	118	4.87
							CHEMICAL	3	45	45	1.31
							OIL & GAS MARKETING COMPANIES	3	49	49	(0.64)
							PHARMACEUTICALS	2	34	35	(2.31)

Global Markets

	15-May-23	15days	30days	90days	FYTD	CYTD
UK	7,778	1.2%	1.2%	2.3%	-7.8%	-4.2%
USA	12,365	-1.1%	-2.0%	-3.3%	-10.8%	-15.4%
China	3,311	0.4%	0.8%	-0.5%	2.7%	-6.7%
Japan	29,626	-2.6%	-3.8%	-6.8%	-10.9%	-11.9%
India	62,346	-2.0%	-3.1%	-2.1%	-15.0%	-2.4%

Commentary

Fortnight was dominated by political chaos with unprecedented protests with no sight of any slow down in political turmoil, weaken PKR & delay in IMF negotiations, economy is expected to remain under pressure. To exacerbate the issues, IMF's recent statement noted that Pakistan must stay within the policy framework agreed for the ninth review and also, secure sufficient funding from friendly countries, hence resulting in delays in securing IMF installment.

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	1	(20)	(19)	(25)	(6)	(5)
LIPI (net)	(1)	20	19	25	6	5
Ind.	2.6	12	(1)	109	73	25
Banks/DFIs	0.1	8	13	93	70	20
Companies	(2.7)	12	58	116	91	68
M.Funds	(1.2)	(10)	(28)	(150)	(124)	(60)
Brokers	1.0	0	(7)	(13)	(13)	(5)
Others	(0.2)	(1)	2	28	23	7
Ins.	(0.3)	(3)	(19)	(156)	(114)	(51)
NBFC	(0.0)	1	1	(2)	(0)	2

According to data released by the State Bank of Pakistan (SBP) on Wednesday, the inflow of foreign remittances into Pakistan has sharply dropped by 29% during the month of April 2023. The inward remittances fell to \$2.21 billion compared to \$3.12 billion in the same month of the previous month.

Slow down was evident in LSM as it witnessed a decline of ~25% year-on-year in March 2023, the largest drop since May 2020 (during the pandemic), data released by the Pakistan Bureau of Statistics (PBS). The LSM data released by the PBS with base year 2015-16 showed that the main contributors towards overall decline of -8.11% are, food (-1.62), tobacco (-0.57), textile (-3.16) garments (2.94), petroleum products (-0.68), cement (-0.85), pharmaceuticals (-1.30), and automobiles (-1.85). The poor performance in the industrial sector reflects the overall economic slowdown across various sectors in the ongoing fiscal year. The inability of the industries to secure Letters of Credit in the wake of government's recent measures due to dollar shortage has dented production.

Key Economic Figures

		FY19	FY20	FY21	Fy22	15-May
Policy Rate	15-May-23	10.8%	7.0%	7.0%	13.8%	21.0%
1yr KIBOR	15-May-23	13.6%	7.4%	8.1%	15.7%	22.3%
Inflation	Apr End	8.8%	7.8%	9.8%	21.3%	36.4%
PKR USD*	15-May-23	163.1	168.2	157.3	204.8	285.0

Pakistan Bureau of Statistics (PBS) calculated a Sensitive Price Index (SPI) for the week ending 11 May 2023 at 48.02 percent year on year basis. With dwelling PKR and uncertainties pertaining to IMF program and upcoming general elections, inflation will likely to remain in firm grip for upcoming months.

Key Economic Figures

		FY19	FY20	FY21	Fy22	FY23-TD
Imports	USD'mn	51,869	46,417	56,380	72,048	51,614
Exports	USD'mn	24,257	23,462	25,304	32,450	29,220
Trade Deficit	USD'mn	(27,612)	(22,955)	(31,076)	(39,598)	(22,394)
Remittances	USD'mn	21,740	23,131	29,370	31,238	22,742
FX Reserves	USD'mn	14,482	18,886	24,398	15,742	9,990

Stock Market Review

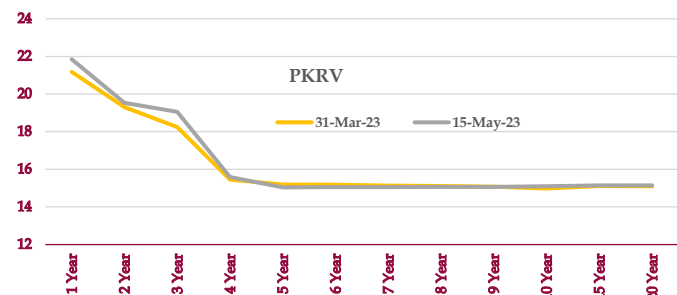
Political events and economic issues kept stock market at bay as KSE-100 posted negligible gains of 0.33% while KMI-30 clocked at loss of 0.99%. Commercial banks (-2.57%), Oil & Gas Exploration companies (-3.06%) and pharmaceuticals (-2.31%) remained red while cement sector posted gains of 4.87% on the back of better than expected sector performance.

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	21.85	9	17	380	620	717
PKRV 3Y	19.05	78	85	191	334	550
PKRV 5Y	15.04	-	(11)	(47)	138	219
PKRV 10Y	15.10	1	(1)	50	206	222
PKRV 20Y	15.15	-	1	69	223	174

*Inter Bank Rate

15-May-23



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