

Market Summary

	30-Jun-23	15days	30days	90days	FYTD	CYTD
KSE100	41,453	0.20%	0.3%	3.6%	-0.2%	2.6%
KMI30	70,748	-0.58%	-0.8%	2.0%	2.9%	3.6%
KMIAll	20,450	-0.54%	1.8%	7.3%	-2.2%	2.3%

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

SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Week Market Cap (PKR'Bn)	Change (%) in Market Cap.
COMMERCIAL BANKS	20	301	301	(0.01)
FERTILIZER	14	208	218	(4.46)
OIL & GAS EXPLORATION COMPANIES	12	182	184	(0.73)
CEMENT	9	131	130	0.90
CHEMICAL	4	55	46	19.75
OIL & GAS MARKETING COMPANIES	3	50	46	10.30
PHARMACEUTICALS	2	30	32	(4.76)

Global Markets

	30-Jun-23	15days	30days	90days	FYTD	CYTD
UK	7,532	1.3%	-1.1%	1.3%	-4.8%	-1.1%
USA	13,788	0.0%	-6.2%	-11.4%	-20.0%	-24.1%
China	3,202	1.6%	0.1%	2.2%	6.1%	-3.5%
Japan	33,189	0.9%	-6.9%	-15.5%	-20.5%	-21.4%
India	64,719	-2.8%	-3.2%	-8.8%	-18.1%	-6.0%

Commentary

Month of June was dominated by anticipation of IMF program revival which finally converged into reality when IMF announced on Friday 30th June that its and Pakistan authorities have reached staff level agreement on policies to be supported by USD 4 Billion, nine months Stand-By Agreement (SBA). The staff-level agreement is subject to approval by the IMF Executive Board, with its consideration expected by mid-July.

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	1	6	(6)	2	2	2
LIPI (net)	(1)	(6)	6	(2)	(2)	(2)
Ind.	0.1	5	26	84	84	36
Banks/DFIs	(0.4)	(1)	14	74	74	24
Companies	(0.0)	9	17	100	100	77
M.Funds	(1.0)	(14)	(33)	(144)	(144)	(81)
Brokers	1.7	(3)	(4)	(15)	(15)	(7)
Others	0.1	2	3	25	25	9
Ins.	(1.8)	(5)	(19)	(124)	(124)	(61)
NBFC	0.0	0	2	(0)	(0)	2

In a surprise move, the monetary policy committee held an emergent meeting on 26th Jun'23 and decided to increase the benchmark policy rate to 22% - historic high levels. The MPC sees the increase in the policy rate as essential to uphold a positive real interest rate and anchor moderating inflation expectations. It aligns with the objective of reducing inflation towards the medium-term target range of 5-7% by the end of FY25.

On the other hand, The Consumer Price Index (CPI) based inflation increased to 29.4 percent on a year-on-year basis in June 2023 as compared to an increase of 38 percent in the previous month and 21.3 per cent in June 2022, says the Pakistan Bureau of Statistics (PBS). Average CPI inflation for July-June 2022-23 stood at 29.18 per cent compared to 12.15 per cent during the same period of last year. Food basket's contribution to national CPI climbed up to nearly half of total headline inflation, more than double its share five years ago - from 22 percent in FY18 to 48 percent in FY23.

Key Economic Figures

	30-Jun-23	FY19	FY20	FY21	Fy22	30-Jun
Policy Rate	10.8%	7.0%	7.0%	7.0%	13.8%	22.0%
1yr KIBOR	13.6%	7.4%	8.1%	15.7%	23.3%	29.4%
Inflation	June End	8.8%	7.8%	9.8%	21.3%	29.4%
PKR USD*	30-Jun-23	163.1	168.2	157.3	204.8	286.0

Stock Market Review

KSE-100 posted gain of 0.3% while KMI-30 posted loss of 0.8%. The start of month remain mix as investor expecting bonus share due to proposal from the government committee to imposed tax on the reserves of the company. After budget KSE-100 posted mostly negative session due to measures taken by Govt. where most of the market stakeholder expect no IMF deal based on that budget. The positive news which pushed the index towards positive were the rollover of USD1.3bn loan by the China, three consecutive current account surplus, narrow down gap of USD/PKR in open and interbank market and USD50mn investment from the UAE.

Key Economic Figures

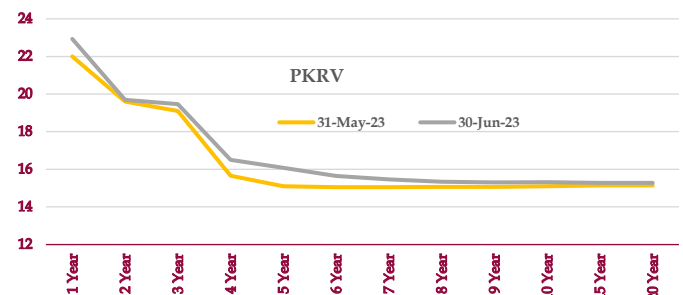
		FY19	FY20	FY21	Fy22	FY23-TD
Imports	USD'mn	51,869	46,417	56,380	72,048	56,222
Exports	USD'mn	24,257	23,462	25,304	32,450	32,449
Trade Deficit	USD'mn	(27,612)	(22,955)	(31,076)	(39,598)	(23,773)
Remittances	USD'mn	21,740	23,131	29,370	31,238	24,832
FX Reserves	USD'mn	14,482	18,886	24,398	15,742	8,864

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	22.93	95	93	175	593	763
PKRV 3Y	19.47	32	37	123	383	602
PKRV 5Y	16.08	103	98	89	147	315
PKRV 10Y	15.32	22	22	34	156	240
PKRV 20Y	15.28	13	13	18	148	178

*Inter Bank Rate

30-Jun-23



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