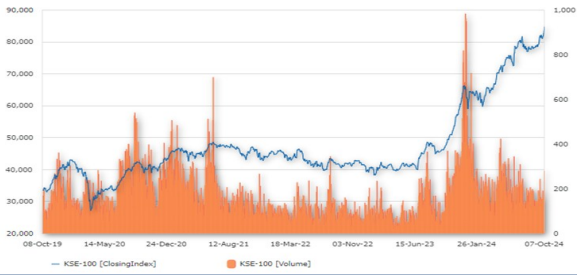


03 July, 2025

KSE –100 Volume



KSE –100 Index– Key Statistics

Open	128,199.42
High	130,545.94
Low	128,616.11
Closing	130,344.03
Change	2,144.61
Volume	345,493,446

Source: PSX

Key Economic Data

Reserves (11-Apr-2025)	\$15.662 bn
Inflation CPI (Mar'25)	0.69%
Exports - (Mar'25)	\$2.617 bn
Imports - (Mar'25)	\$4.736 bn
Trade Balance- (Mar'25)	\$(2.199) bn
Current A/C- (Mar'25)	\$1,195 Mn
Remittance - (Mar'25)	\$4.055 bn

Source: SBP

FIPI/LIPI (USD Million)

FIPI (02-Jul-25)	(2.46)
Individuals (02-Jul-25)	(4.58)
Companies (02-Jul-25)	5.92
Banks/DFI (02-Jul-25)	(0.12)
NBFC (02-Jul-25)	0.03
Mutual Funds (02-Jul-25)	3.18
Other Organization (02-Jul-25)	(3.16)
Brokers (02-Jul-25)	0.86
Insurance Comp: (02-Jul-25)	0.33

Source: NCCPL

WE Financial Services Ltd.

TREC Holder –Pakistan Stock Exchange Ltd.
506-508 5th Floor , Pakistan Stock Exchange Building
Stock Exchange Road , Karachi-74000, Pakistan
Email: research@we.com.pk

Govt committed to turning country into a \$1trn economy by 2035: minister

Source: Business Recorder

POSITIVE

Federal Minister for Planning Ahsan Iqbal reaffirmed the government's commitment to transforming Pakistan into a \$1 trillion economy by 2035, emphasizing the crucial role of credible, disaggregated data in achieving this goal. During his visit to the Pakistan Bureau of Statistics, he highlighted the need for data-driven, scientific planning to address key issues such as energy, exports, food security, and youth employment, ensuring transparency and accountability. He was also briefed on the dynamic capabilities of the URAAN Pakistan Data Centre, which supports modern governance and strategic development under the Uraan Pakistan initiative.

Govt slashes port charges by 50% at Port Qasim to boost exports

Source: Profit Pakistan

POSITIVE

The Ministry of Maritime Affairs has announced a 50% reduction in port charges for export-oriented cargo at Port Qasim, effective immediately, to support exporters and enhance the port's competitiveness. The reduced rates apply to wharfage and transshipment container charges for one year, including concessions for specific terminals like Marginal Wharf Berths 1 and 2, Fotco, and Fauji Akbar Portia. Maritime Affairs Minister Junaid Anwar Chaudhry stated the initiative aims to boost exports and attract cargo traffic, particularly from Central Asian countries such as Uzbekistan, which currently rely on European or Iranian ports. As part of broader reforms, LNG handling charges and containerized cargo charges at the DP World terminal have also been cut, though empty containers are excluded from the discounts.

Govt cuts National Savings profit rates

Source: The News International

NEGATIVE

The government has reduced profit rates on most National Savings Schemes, with cuts ranging from 15 to 59 basis points, effective June 27, 2025, as per data from National Savings via Topline Securities. The steepest reductions were in Islamic accounts, where both the Sarwa Islamic Term and Saving Accounts dropped by 59bps to 9.75%. Regular Income Certificates fell by 36bps to 11.16%, Special Savings Certificates by 30bps to 10.6%, and Defence Savings Certificates by 15bps to 11.76%. Senior citizen-oriented products, including the Pensioners Benefit Account, Behbood Saving Certificate, and Shuhada Family Welfare Account, saw uniform cuts of 24bps to 13.2%. The standard Savings Account rate remained unchanged at 9.5%.

SIFC seeks policy overhaul to revive \$6bn refinery upgrade plans by end-September

Source: The News International

POSITIVE

The Special Investment Facilitation Council (SIFC) has directed authorities to revise the Brownfield Refinery Policy 2023 by September 31 and introduce new incentives to rescue \$6 billion in stalled refinery upgrade projects hindered by a sales tax exemption impasse with the IMF. The IMF rejected government proposals to restore zero-rated status or apply a 10% sales tax on petroleum products, citing weak enforcement by the FBR. This deadlock has rendered crude imports ineligible for tax adjustments, slashing project viability and undermining a \$1.6 billion government incentive package. Refinery CEOs have urged resolution of the issue in the FY26 budget and called for seven years of tax policy stability to support Euro-V upgrades. As a temporary measure, the ECC approved a Rs1.87/litre increase in the Inland Freight Equalization Margin to mitigate refinery and OMC losses. Additionally, the SIFC endorsed the revival of the JJVL LPG-NGL extraction plant under a new agreement with SSGC, with operations to resume by July 31, 2025, and gas pricing aligned to Ogra's WACOG.

KSE –100 Index– Key Statistics

PIB (3Y) (09-Apr-25)	11.88%
PIB (5Y) (09-Apr-25)	12.34%
PIB (10Y) (09-Apr-25)	12.79%
T-Bills (3M) (16-Apr-25)	12.32%
T-Bills (6M) (16-Apr-25)	12.01%
T-Bills (1Y) (16-Apr-25)	11.99%
POLICY RATE	11.00% p.a
SUKUK (Cutoff rate/Price)	10.9999/90.1146

Source: PSX & SBP

Lucky Motor announces price hike of up to Rs700,000 for KIA cars starting July 1

Source: Profit Pakistan

NEGATIVE

Lucky Motor Corporation (LMC) has announced significant price increases across several of its vehicle models effective July 1, 2025, citing the newly imposed NEV Levy in the federal budget, continued depreciation of the Pakistani Rupee, and rising global freight costs. Key price hikes include PKR 499,000 for the Stonic EX+, PKR 600,000 for the Sportage L HEV, and up to PKR 700,000 for Sorento HEV AWD and the Carnival. EV models like the EV5 Air, EV5 Earth, and EV9 remain unchanged. LMC clarified that all orders invoiced on or after July 1 will follow the revised ex-factory prices and that any new taxes or currency-related price shifts will be passed on to customers. While reaffirming its commitment to quality and value, the company stated the adjustments are essential to sustain operations amid challenging economic conditions.

New levies to raise fuel oil prices

Source: Express Tribune

NEGATIVE

The Oil Companies Advisory Council (OCAC) has warned the Special Investment Facilitation Council (SIFC) that newly imposed petroleum and climate support levies on furnace oil—effective July 1, 2025—will raise its price by over 80%, threatening the viability of key industries, shipping, and independent power producers (IPPs). In a formal letter, OCAC Chairman Adil Khattak criticized the Rs82,077 per metric ton petroleum levy and Rs2,665 climate levy as unsustainable and imposed without industry consultation. He emphasized that such a steep price hike will cripple industrial operations dependent on furnace oil, eliminate domestic demand, reduce tax revenue, and force local refineries into loss-making exports. The OCAC also argued that the levies contradict the government's stated goals of supporting manufacturing and undermine recent IPP tariff renegotiations by making furnace oil-based power generation uneconomical. The council urged immediate intervention by SIFC to withdraw the levies and ensure policy consistency, warning that failure to act could trigger industrial shut-downs and broader economic instability.

APCMA seeks cut in duties, taxes: Cement's domestic sales drop during FY2024-25

Source: Business Recorder

NEGATIVE

During the fiscal year 2024–2025, Pakistan's cement sector saw a 3.05% decline in domestic sales, falling to 37.017 million tons from 38.181 million tons in the previous year, prompting the All Pakistan Cement Manufacturers Association (APCMA) to urge the government to reduce duties and taxes on cement, a basic necessity. Despite the domestic slump, the industry experienced a strong export growth of 29.46%, with volumes rising to 9.204 million tons. Overall, total cement dispatches grew marginally by 2.05% to 46.221 million tons. North-based mills saw a decline in both domestic sales and total dispatches, though exports rose by 15.56%, while South-based mills reported a 5.21% drop in local sales but a significant 33.04% export increase, leading to a 12.38% rise in total dispatches. In June 2025 alone, domestic dispatches plummeted by 15.65% year-on-year, but exports surged by 81.70%, underscoring the industry's increasing reliance on foreign markets amid weakening domestic demand, which APCMA identifies as a key challenge to sectoral growth.

Pakistan looking to sell excess LNG amid supply glut curbing local gas output: report

Source: Profit Pakistan

NEGATIVE

Pakistan is facing a liquefied natural gas (LNG) surplus due to a significant drop in gas-fired power generation, driven by the rise of cheaper solar power, leading to a supply glut that could cost domestic producers up to \$378 million annually. The country has at least three excess LNG cargoes from Qatar, with no immediate domestic use, and is exploring options such as offshore storage and resale through rented tankers. However, Pakistan's long-term contract with QatarEnergy may restrict resale due to destination clauses. Although five Qatari cargoes have already been deferred to 2026 without penalty, further renegotiation is deemed complex and time-consuming. The oversupply has forced domestic producers to curtail output, and power plants that once operated under must-run contracts have been sidelined, contradicting earlier expectations of high summer demand. The situation underscores the growing challenge of managing inflexible LNG import contracts in a rapidly evolving energy landscape.

WE Financial Services Ltd.

TREC Holder –Pakistan Stock Exchange Ltd.
506-508 5th Floor, Pakistan Stock Exchange Building
Stock Exchange Road, Karachi-74000, Pakistan
Email: research@we.com.pk

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.

Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

Stock Ratings

WE Financial Services Ltd. uses three rating categories, depending upon return from current market price, with Target period as December 2018 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

Disclaimer: This document has been prepared by Research Analysts at WE Financial Services Ltd.