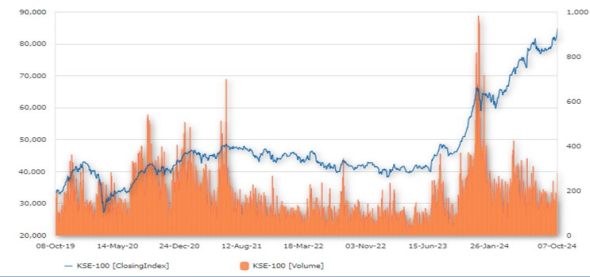


30 July, 2025

KSE -100 Volume



KSE -100 Index- Key Statistics

Open	139,380.05
High	140,331.01
Low	137,636.37
Closing	137,964.81
Change	(1,415.24)
Volume	212,749,381

Source: PSX

Key Economic Data

Reserves (18-Jul-2025)	\$19.918 bn
Inflation CPI (Jun'25)	3.2%
Exports - (Jun'25)	\$2.543 bn
Imports - (Jun'25)	\$4.866 bn
Trade Balance- (Mar'25)	\$(2.323) bn
Current A/C- (Mar'25)	\$1,195 Mn
Remittance - (Jun'25)	\$3.406 bn

Source: SBP

FIPI/LIPI (USD Million)

FIPI (29-Jul-25)	0.05
Individuals (29-Jul-25)	1.78
Companies (29-Jul-25)	(0.12)
Banks/DFI (29-Jul-25)	4.67
NBFC (29-Jul-25)	(0.14)
Mutual Funds (29-Jul-25)	(1.85)
Other Organization (29-Jul-25)	(3.19)
Brokers (29-Jul-25)	(1.15)
Insurance Comp: (29-Jul-25)	(0.07)

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

Oil steady after big gains on Trump's Russia ultimatum

Source: Reuters

NEUTRAL

Oil prices rose slightly on Wednesday following a 3% surge the previous day, driven by fears of supply shortages after former U.S. President Donald Trump shortened the deadline for Russia to end the war in Ukraine, threatening 100% secondary tariffs on its trade partners. Brent crude climbed to \$72.65 per barrel, and WTI to \$69.23, their highest levels since June 20. Analysts warned that such tariffs could deter key buyers like China and India from purchasing Russian oil, potentially removing 2.3 million barrels per day from global markets. While China is unlikely to comply, India may reduce imports. Meanwhile, the U.S. and EU reached a trade agreement avoiding broader tensions, and Venezuelan oil supply remains uncertain as companies await U.S. approvals to operate.

MPC meeting today

Source: Business Recorder

NEUTRAL

The Monetary Policy Committee (MPC) of the State Bank of Pakistan is scheduled to meet today, chaired by Governor Jameel Ahmad, to discuss key economic issues and decide on the monetary policy stance. In its last meeting on June 16, 2025, the MPC maintained the policy rate at 11 percent due to anticipated inflationary pressures. However, many market analysts now expect a rate cut of 50 to 100 basis points, citing improvements in the current account and an increase in foreign exchange reserves. The policy decision will be announced at a press conference following the meeting.

June 2024 to April 2025: SBP buys \$7.2bn from local FX market

Source: Business Recorder

NEUTRAL

Between June 2024 and April 2025, the State Bank of Pakistan (SBP) purchased \$7.23 billion from the domestic foreign exchange market to support its reserves and meet external debt obligations. According to Arif Habib Limited, only \$885 million of this amount contributed to an increase in the country's foreign exchange reserves, while the majority was used for debt servicing. In April 2025 alone, the SBP bought \$473 million, with the highest monthly purchase of \$1.15 billion recorded in November 2024.

Diplomats briefed on implementation of IMF-backed economic agenda

Source: The News International

POSITIVE

Pakistan has reaffirmed its commitment to the IMF-backed reform agenda, signaling a shift from economic stabilisation to long-term reform and growth, during a high-level engagement with the diplomatic community. Federal Minister for Power Sardar Awais Ahmad Khan Leghari and Minister of State for Finance Bilal Azhar Kayani briefed ambassadors and senior diplomats from key global partners, including the US, EU, UK, and others, on reforms aimed at enhancing competitiveness, transparency, and resilience. The discussions highlighted investment opportunities worth \$2-3 billion in Pakistan's power sector, with a focus on grid modernisation, renewables, and energy efficiency, alongside plans to privatise three electricity distribution companies by early 2026. Minister Kayani presented macroeconomic progress and the FBR chairman outlined the FBR Transformation Plan, which includes digitisation, AI-based audit tools, and improved taxpayer services to broaden the tax base and increase compliance. The diplomatic corps welcomed the briefing and acknowledged Pakistan's commitment to responsible and sustainable economic management.

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

Projects to lure UAE investment near completion

Source: Business Recorder

NEUTRAL

The Pakistani government is finalizing a list of major investment-ready projects to present to the United Arab Emirates (UAE), including the ML-1 railway (particularly Karachi–Rohri section), LNG power plants, Islamabad Airport, Diamer Bhasha and Mohmand dams, and climate-related initiatives. However, confusion has arisen between the Special Investment Facilitation Council (SIFC) and Pakistan's Embassy in the UAE, particularly regarding the LNG projects, as the embassy claims it has not been informed about any such proposals and has requested clarity from the Ministry of Foreign Affairs. Meanwhile, Prime Minister Shehbaz Sharif has revised the composition of the Special Committee on UAE Investment, which is tasked with reviewing and prioritizing commercially viable and strategically aligned projects for early engagement under a government-to-government investment framework. The newly restructured committee includes key cabinet members, SIFC officials, and representatives from the military and private sector. Its mandate is to align investment opportunities with both Pakistan's development goals and the UAE's strategic interests. Separately, the FPCCI has urged for an extension of the UAE visa waiver for Pakistani investors.

Fuel prices likely to drop for next fortnight

Source: The News International

POSITIVE

Fuel prices in Pakistan are expected to decrease starting August 1, 2025, due to fluctuations in international oil prices and adjustments in the exchange rate. Petrol is likely to drop by Rs9.07 to Rs263.08 per litre, while high-speed diesel (HSD) may decline by Rs3.73 to Rs280.62 per litre. However, prices of kerosene oil and light diesel oil (LDO) are projected to rise by Rs3.55 and Rs2.33 per litre respectively. The anticipated changes follow slight declines in global crude benchmarks in mid-July, though prices edged up again recently, with current premiums on petrol and HSD at \$6.76 and \$3.20 per barrel respectively.

Virtual assets adoption: Govt holds key meeting with banks, exchange firms

Source: Business Recorder

POSITIVE

The federal government has intensified efforts to adopt virtual assets by holding a high-level meeting in Islamabad to engage banks, exchange companies, and the jewellery sector with Pakistan's emerging regulatory framework for cryptocurrencies. Chaired by SBP Governor Jameel Ahmad and attended by Pakistan Crypto Council CEO and SAPM on blockchain Bilal bin Saqib, the meeting aimed to brief stakeholders on the recently approved Virtual Assets Act, 2025. This law establishes the Pakistan Virtual Asset Regulatory Authority (PVARA), a federal body responsible for licensing and regulating entities dealing in digital assets, ensuring compliance with global standards like FATF. Bilal bin Saqib emphasized Pakistan's readiness for digital asset adoption and called for stakeholder cooperation, highlighting the growing local interest in cryptocurrencies. It was also disclosed that exchange companies and banks would soon be licensed to operate in the crypto space. Meanwhile, SBP is working on launching a pilot project for a digital currency and finalizing supporting legislation, aligning Pakistan with global central bank trends.

FBR delays Finance Act steps, eases importers declarations

Source: Business Recorder

POSITIVE

The Federal Board of Revenue (FBR) has postponed the implementation of a key provision from the Finance Act 2025 until July 30, 2025, allowing importers to file goods declarations (GDs) before a vessel's berthing or a vehicle's cross-over at land borders without the need for prior payment of duties and taxes. This deferral was announced through SRO.1360(I)/2025, issued on Tuesday. Under the updated rules, duty and tax payments will be required only after assessment is completed for GDs filed in advance. The FBR has directed the Chief Collector of Customs, Appraisement (South), Karachi, to ensure this change is reflected in the WeBOC system. Additionally, the explanation under Section 79 of the Customs Act has been revised to allow GD assessments at dry ports to be conducted in a manner and location as prescribed by the Board.

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

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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 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

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