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WEEKLY NEWSLETTER

by The Zeal



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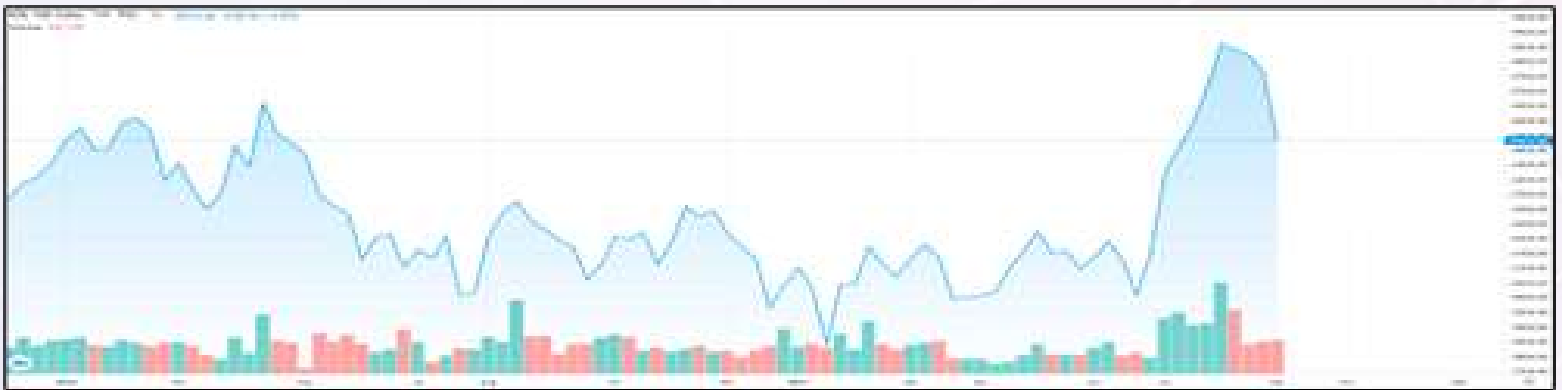
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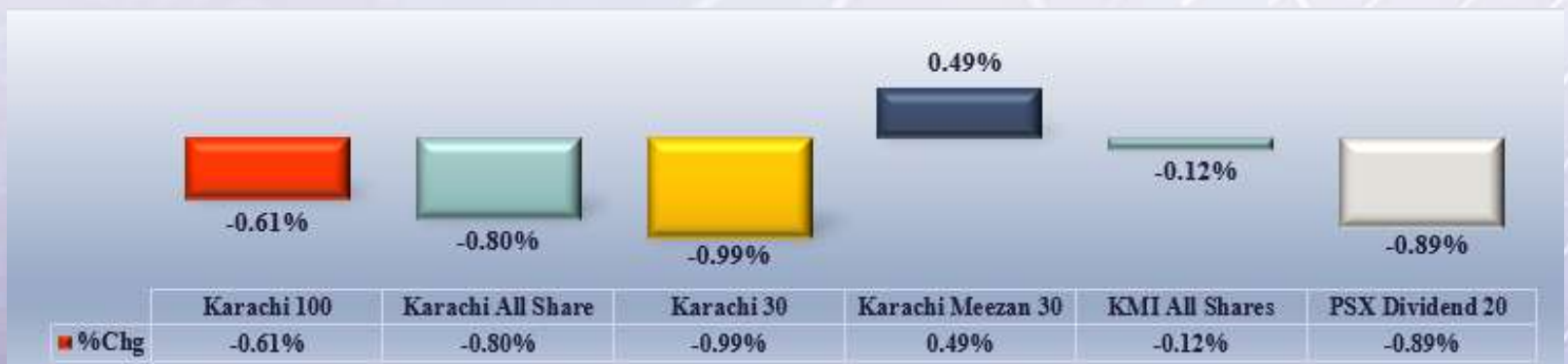
KSE-100 INDEX Weekly Performance Review:

The KSE-100 Index had a dynamic week, concluding with a loss of 0.56% and a closing figure of 45,753.52 points. The week commenced with bearish sentiments, largely driven by market expectations of a potential interest rate hike of up to 200 basis points. However, sentiment improved in the final session as the State Bank of Pakistan (SBP) opted to maintain the policy rate at 22%. Foreign investors, on the other hand, continued to be net sellers throughout the week, with the majority of selling activity observed in the banking sector. Nonetheless, it's crucial to acknowledge the prevailing macroeconomic uncertainties, which might persist, casting a shadow of negative sentiment.

The decline in the KSE-100 Index was predominantly attributed to the underperformance of sectors such as Commercial Banks, Fertilizer, Food & Personal Care Products, Automobile Assembler, and Paper & Board. Consequently, the index experienced a notable decline, sliding from 46,071.19 to 45,468.27, signaling a clear and robust negative momentum. Nevertheless, the week drew to a close with the index settling at the 45,753.52 level.



PSX All Indices – Weekly Performance (%Change)



Karachi 100 Technical Analysis:



The KSE-100 Index has undergone a correction and is currently resting at 45,753.52 points. Looking forward to the upcoming week, the Index finds itself at a crossroads. A breach of the critical support range between 45,200 and 44,700 points could potentially pave the way for subsequent targets at 43,400 and 41,600 points. Conversely, if the index maintains its current upward momentum, the prospective upside targets are situated within the range of 48,200 to 48,800 points. At present, the Relative Strength Index (RSI) is positioned at 43.75, signifying a state of market equilibrium. Simultaneously, the Moving Average Convergence Divergence (MACD) continues to indicate a prevailing bearish sentiment for the forthcoming week. These technical indicators offer valuable insights for investors as they navigate the market in the days ahead.

Technical Indicators:

Name	Value	Action
RSI(14)	58.488	Buy
STOCH(9,6)	94.867	Overbought
STOCHRSI(14)	48.462	Neutral
MACD(12,26)	1568.68	Buy
ADX(14)	36.906	Buy
Williams %R	-8.443	Overbought
CCI(14)	29.8406	Neutral
ATR(14)	1622.1992	High Volatility

Moving Averages:

Period	Simple	Exponential
MA5	47140.83	46541.6
	Sell	Sell
MA10	46667.4	46016.98
	Sell	Buy
MA20	44030.77	44659.9
	Buy	Buy
MA50	42297.66	43331.7
	Buy	Buy
MA100	43024.96	42740.78
	Buy	Buy
MA200	42334.24	42535.51
	Buy	Buy

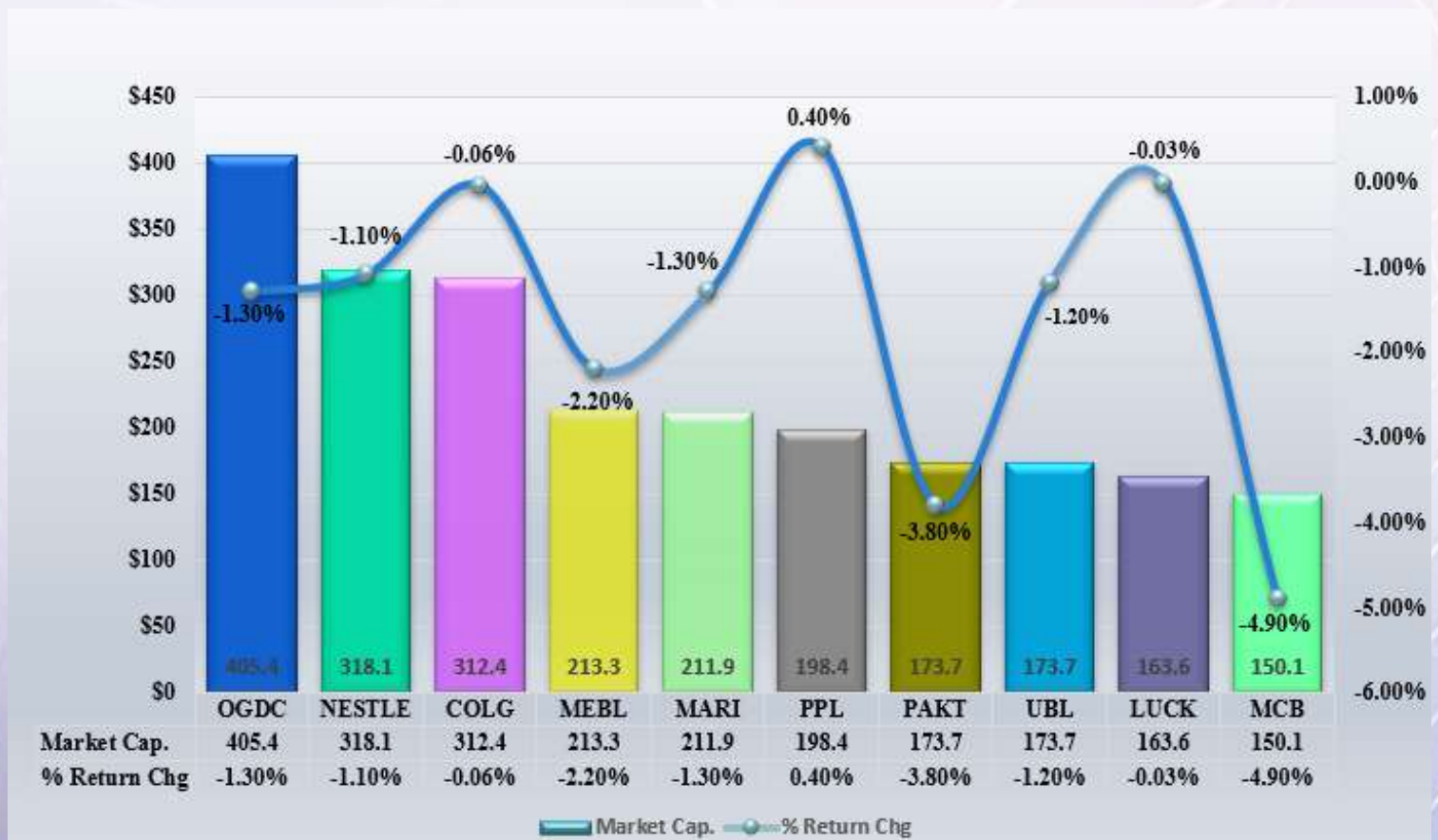
Pivot points of KSE-100:

Name	S3	S2	S1	Pivot Points	R1	R2	R3
Classic	44934.14	45175.57	45594.53	45835.96	46254.92	46496.35	46915.31
Fibonacci	45175.57	45427.84	45583.69	45835.96	46088.23	46244.08	46496.35
Camarilla	45831.87	45892.41	45952.94	45835.96	46074.02	46134.55	46195.09
Woodie's	45022.9	45219.95	45683.29	45880.34	46343.68	46540.73	47004.07
DeMark's	-	-	45715.24	45896.32	46375.63	-	-

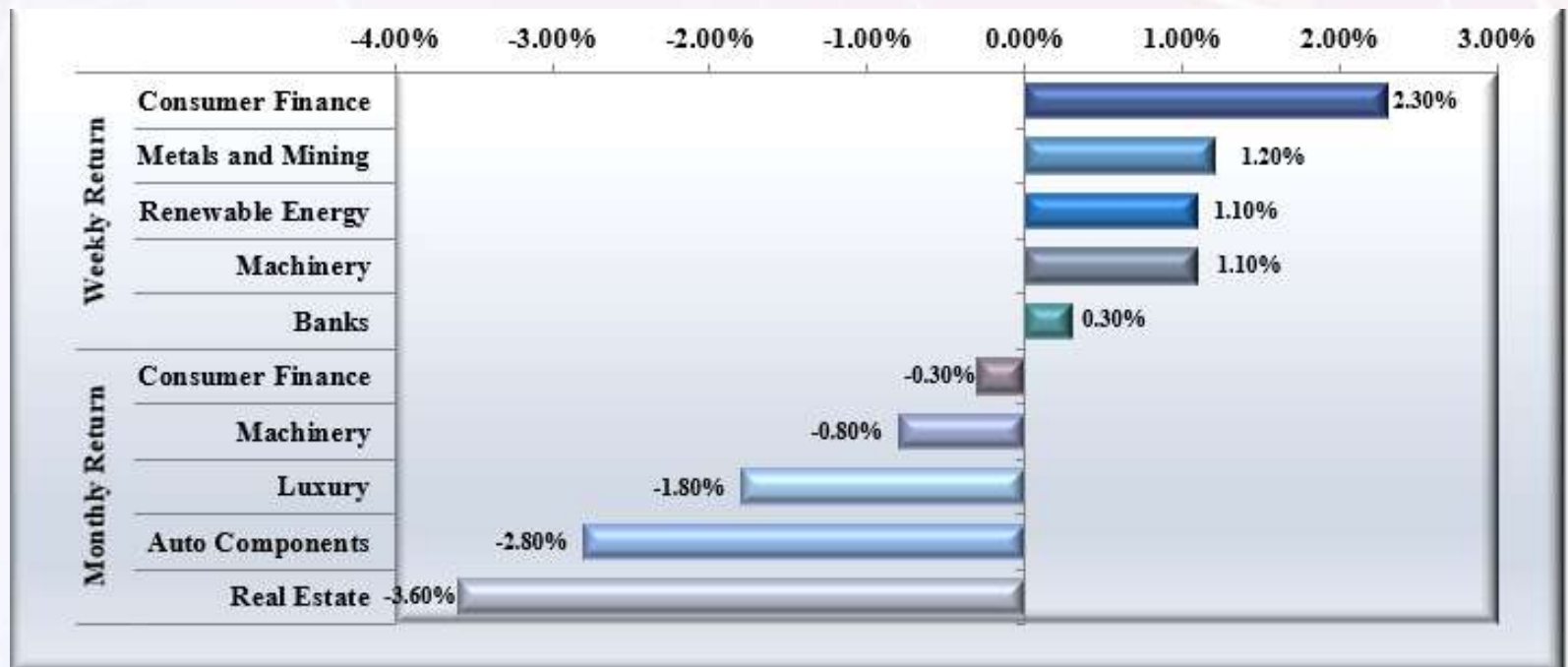
PAK Market Sector Analysis - P/E ratio & Weekly return (Times x & % Chg.)



PAK Market Top 10 Market Cap Companies & Weekly return (PKR Bil. & %Chg)



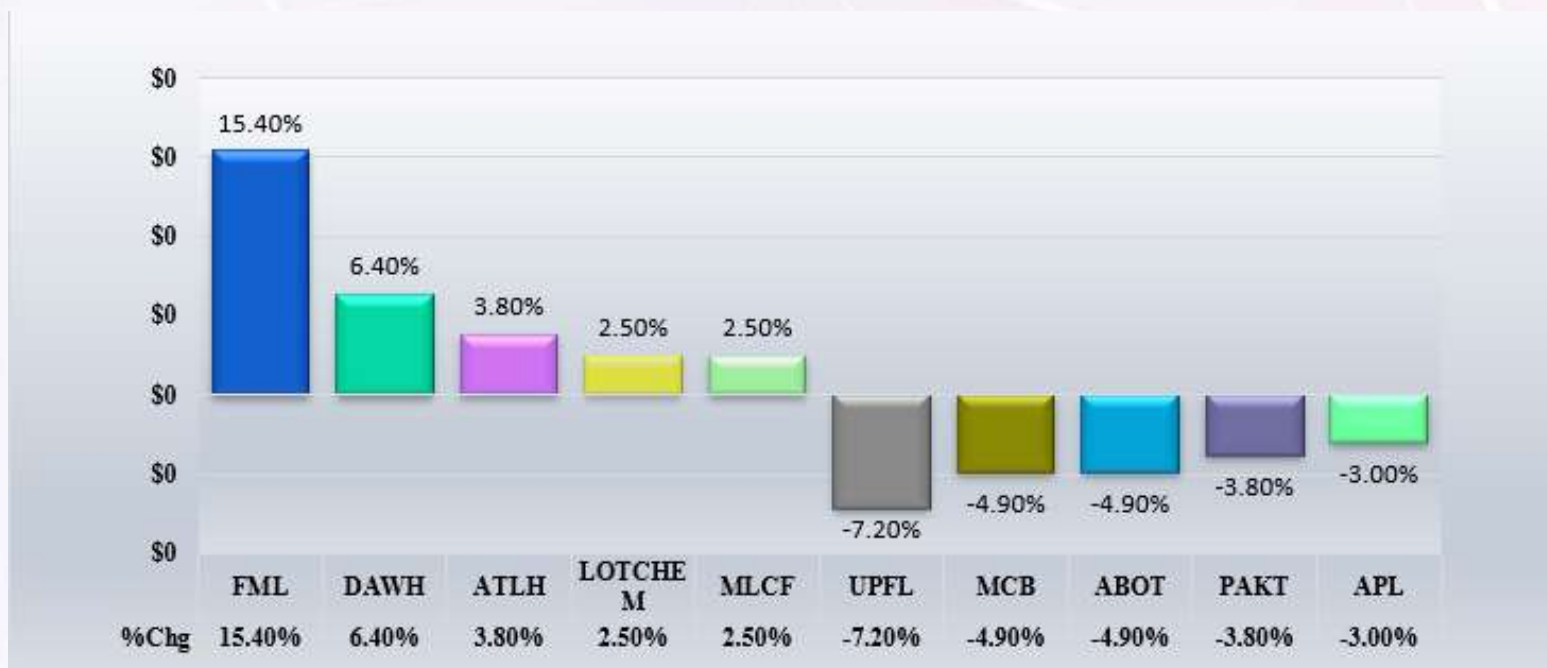
PSX Industries - Weekly and Monthly Returns:



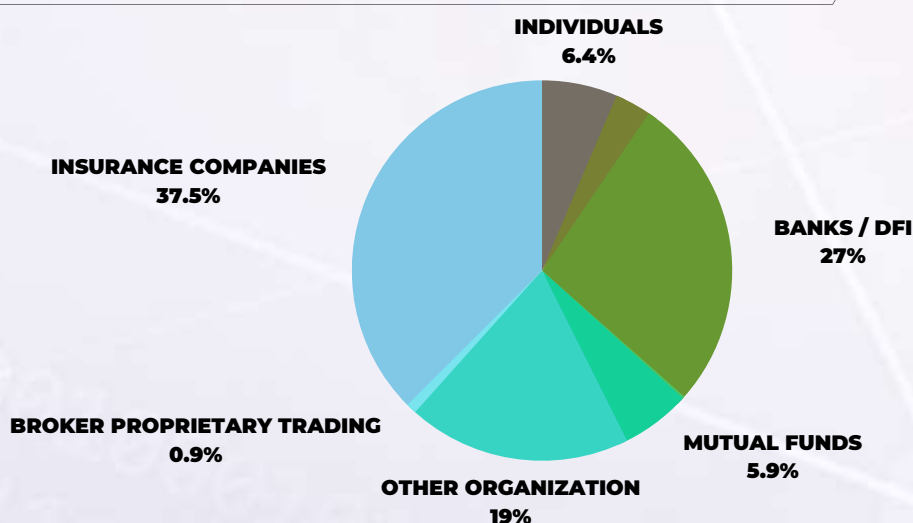
PSX Top industry: Gainers & Losers - P/S Ratio Analysis (Return%, P/E Times)



PSX Gainers & Losers of the Week:(% Change in Price)



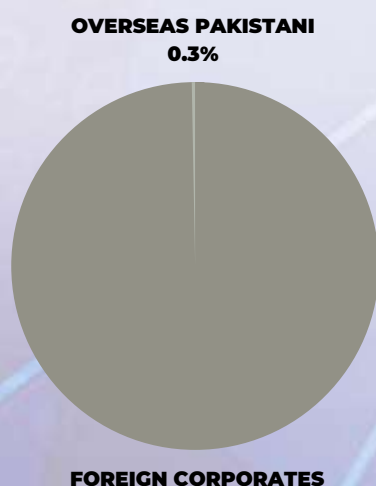
LIPI Net Buy / (Sell) - PKR



LIPI Analysis:

LIPI displayed an overall net-buying trend this week as compared to the previous week.

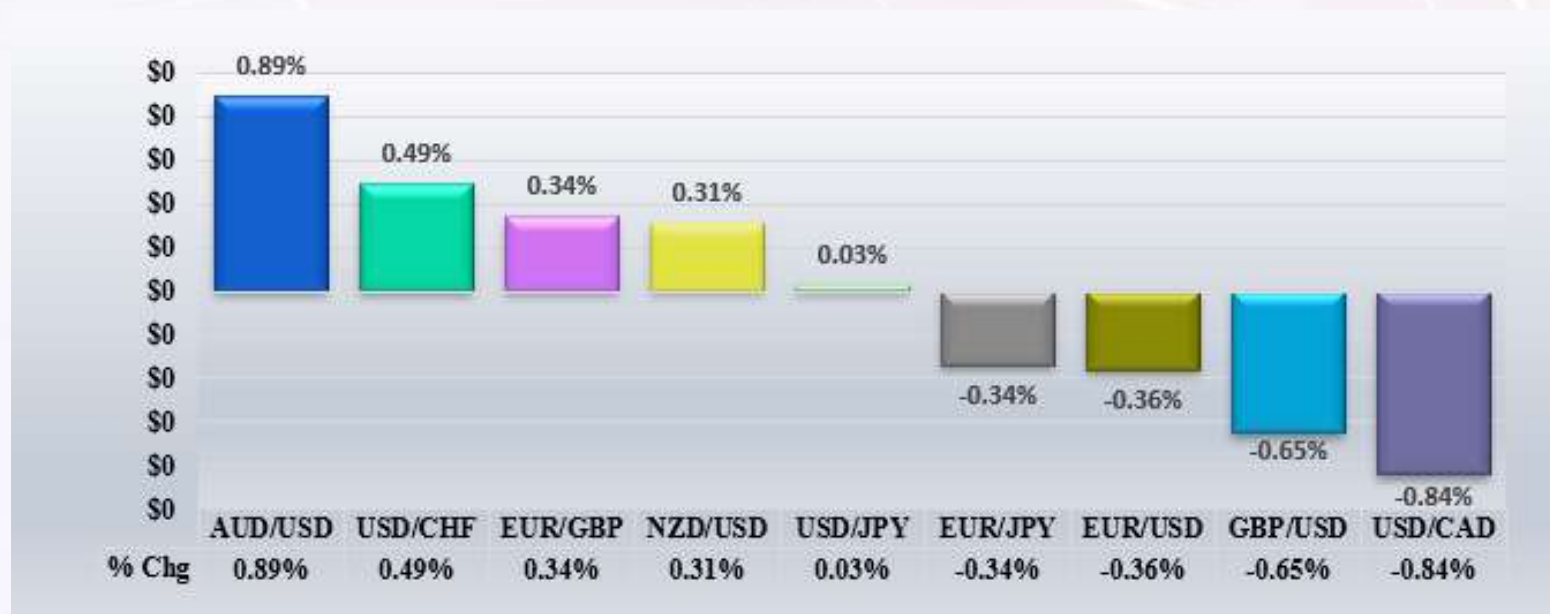
FIPI Net Buy / (Sell) - PKR



FIPI Analysis:

FIPI (Data of Foreign Individual, Foreign Corporates & Overseas Pakistani), displayed an overall net-selling trend this week as compared to the previous week.

International Major Currency's weekly performance



- The index faces downward pressure following recent peaks. A modest recovery in the broader risk sentiment is placing weight on the US Dollar. In the upcoming US economic calendar, we have Industrial Production and flash Consumer Sentiment figures to look out for.
- EUR/USD witnessed a rebound on Friday, albeit from multi-month lows, as it heads towards a weekly loss. The Euro is nearing the end of its ninth consecutive week of losses against the US Dollar, marking its lengthiest negative streak since its inception.
- GBP/USD is hovering around the 1.2400 mark, having recently reached a fresh multi-month low at 1.2385. The British Pound is underperforming on Friday, primarily due to diminishing expectations of further rate hikes by the Bank of England. Despite a correction in the US Dollar Index, the pair has failed to capitalize on it.
- USD/JPY is holding steady near 147.50, with a marginal 0.02% gain on the day. Positive US data released on Thursday indicates that the US economy remains robust, with inflation rebounding in August. The Bank of Japan (BoJ) has indicated that a policy pivot will not be considered unless wage and inflation data align with its forecasts.
- AUD/USD is on the rise, driven by positive economic data from China and reductions in the Required Reserve Ratio (RRR). The US Dollar (USD) has retreated from its six-month high, with further declines seemingly limited. US data points to a slight moderation in production costs, but consumer spending remains resilient.
- The USD/CAD pair is extending its decline towards the 1.3500 level during the early European session on Friday. Crude oil prices are rallying and reaching their highest levels since November 2022, which is boosting the commodity-linked Canadian Dollar (Loonie) against the US Dollar (USD) and acting as a headwind for the USD/CAD pair.

Major Closing Exchange rates (At 15 September, 2023):

Currency	Symbol	Buying	Selling
Australian Dollar	AUD	198	200
Bahrain Dinar	BHD	795.46	803.46
Canadian Dollar	CAD	220	222.2
China Yuan	CNY	40.72	41.12
Euro	EUR	321.5	324.5
Japanese Yen	JPY	2	2.09
Kuwaiti Dinar	KWD	968.3	977.3
New Zealand \$	NZD	175.01	177.01
Qatari Riyal	QAR	81.28	81.98
Saudi Riyal	SAR	79.15	79.9
Swiss Franc	CHF	334.14	336.64
U.A.E Dirham	AED	81.7	82.5
UK Pound Sterling	GBP	375.5	379
US Dollar	USD	296.8	299.8

Major News & Events Effect Major Currencies:

Date	Currency	News & Events
Tue, Sep 12	AUD	NAB Business Confidence
	GBP	Claimant Count Change
	GBP	Average Earnings Index 3m/y
	EUR	German ZEW Economic Sentiment
Wed, Sep 13	GBP	GDP m/m
ThuSep 14	AUD	Employment Change
	AUD	Unemployment Rate
	EUR	Main Refinancing Rate
	EUR	Monetary Policy Statement
	EUR	ECB Press Conference
Fri, Sep 15	EUR	ECB President Lagarde Speaks

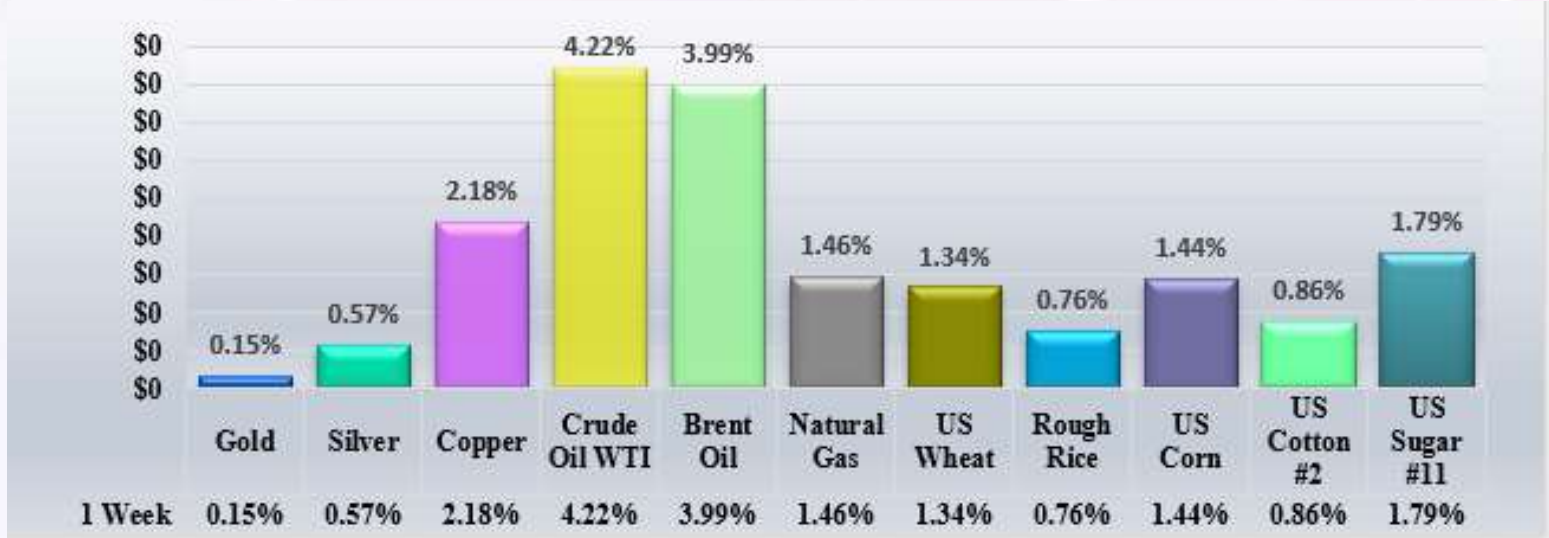
World Major Indices Weekly Performance: % Change



World International Markets Weekly Performance



International Major Commodities Weekly performance / Major News & Events Effect Major Commodities:



- Crude oil prices are undergoing a correction in anticipation of the upcoming release of US economic data. WTI crude oil recently attained its highest point this year at \$90.56, driven by expectations of a constrained supply of this vital commodity. The retracement in the value of the US Dollar (USD) may offer support to bolster oil prices further.
- The price of gold continues its upward trajectory for the second consecutive day, with trading reaching levels near \$1,920 per troy ounce during the early hours of the European session on Friday. This positive movement can be attributed to a modest correction in the value of the US Dollar (USD), providing support to the precious metal.

Date	Currency	News & Events
Wed, Sep 13	USD	CPI m/m
Thu, Sep 14	USD	PPI m/m
	USD	Unemployment Claims
Fri, Sep 15	CNY	Industrial Production y/y
	USD	Empire State Manufacturing Index
	USD	Prelim UoM Consumer Sentiment

PAK Market Weekly Earnings Calendar:

Symbol	Company Name	Last Close	BC From	BC To	Payout
INDU	Indus Motor Company Limited	919.06	20-09-23	27-09-23	D=290%
INIL	International Industries Limited	88.97	20-09-23	27-09-23	D=20%
MARI	Mari Petroleum Company Limited	1589.8	20-09-23	26-09-23	D=580%

Major News & Events:

- The benchmark KSE-100 index opened up by 337 points or 0.74% as the market welcomed the SBP's decision to keep the policy rate unchanged at 22%, contrary to the expectations of a 100-200 basis points hike.
- Contrary to market expectations, the Monetary Policy Committee of the State Bank of Pakistan (SBP) on Thursday kept the key policy rate unchanged at 22%.
- Foreign exchange reserves held by the State Bank of Pakistan (SBP) decreased by another \$140 million on a weekly basis, clocking in at \$7.64 billion as of September 8, data released on Thursday showed.
- The Pakistani rupee continued to improve against the US dollar, appreciating for the seventh consecutive session to settle at 297.96 in the inter-bank market on Thursday.
- The International Finance Corporation (IFC), a member of the World Bank, committed approximately \$1.5 billion in short- and long-term investments in Pakistan in fiscal year 2023, doubling its investments from the previous year amidst a backdrop of economic challenges in the country, read a press statement issued on Tuesday.
- Domestic bullion ended its seven-day downward trend on Tuesday, gaining some respite, with the price of 24-karat gold rebounding by Rs5,600 to reach Rs215,000 per tola.
- World Bank country director for Pakistan Najy Benhassine met with caretaker Minister for Finance Dr Shamshad Akhtar on Saturday and indicated that "joint efforts are targeting disbursements of around US\$2.0 billion during the current financial year," according to a statement issued by the Ministry of Economic Affairs.
- Exports of Pakistan's textile sector continued to maintain a downward trajectory, clocking in at \$1.48 billion in August compared to \$1.58 billion recorded in the same month of the previous year for a year-on-year decline of 6%, showed provisional data released by the All Pakistan Textile Mills Association (APTMA) on Saturday.
- K-Electric Limited (PSX: KEL) has revealed its financial statements for the year ended June 30, 2023, as per which the company has recorded a substantial loss after tax of 30.98bn (LPS: Rs1.21), compared to a profit of Rs8.52bn (EPS: Rs0.31) in the same period last year (SPLY).
- The Board of Directors of Meezan Bank Limited (PSX: MEBL) has approved the establishment of an Exchange Company with an initial paid-up capital of up to Rs1 billion, the bank's filing on PSX revealed today.
- Agha Steel Industries Limited (PSX: AGHA) has entered into a contract for the acquisition of a 50 cubic meter (m3) blast furnace for backward integration with its existing Arc furnace, the company's filing on the local bourse revealed today.

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