

# MORNING GLANCE



45,590

▲ 82

▲ 0.18%

47 mn

YTD 11.7%

1 Year 8.55%

ASIA	Value	Pts	Chg. (%)
 NIFTY 50	20,070.00	76.80	0.38% ▲
 DSE 30	2,133.97	5.06	0.24% ▲
 SHANGHAI	3,120.06	3.01	0.10% ▼
 Hang Seng	17,933.00	77	0.43% ▼
 Nikkei 225	33,085.00	370.00	1.13% ▲

EUROPE	Value	Pts	Chg. (%)
 FTSE 100	7,525.99	1.54	0.02% ▼
 DAX 30	15,654.03	61.5	0.39% ▼

USA	Value	Pts	Chg. (%)
 DOW JONES	34,575.53	70.46	0.20% ▼
 S&P 500	4,467.44	5.54	0.12% ▲
 NASDAQ	15,348.53	58.79	0.38% ▲

Commodities	Value	Chg.	Chg. (%)
 Gold (t oz.)	1,930.70	1.8	0.09% ▼
 Oil-WTI (bbl)	88.86	0.34	0.38% ▲

Currencies	Value	Chg.	Chg. (%)
 USD/PKR	298.82	1.07	0.36% ▼
 EURO/PKR	320.97	0.53	0.16% ▼
 GBP/PKR	372.60	1.84	0.49% ▼
 AED/PKR	81.35	0.3	0.37% ▼

Source: dps.psx.com.pk, investing.com, forex.com



## Market Outlook

The stock market on Wednesday remained volatile throughout the day and concluded the session in the green zone amid the likelihood of policy rate hike in upcoming MPC meeting on 14 Sep. The Benchmark KSE-100 index made an intra-day high and low at 45,732.72 (224 points) and 45,500.21 (-8 points) respectively while closed at 45,590.92 by gaining 82 points. Trading volume decreased to 47mn shares as compared to 58mn shares on the previous trading day. Going forward, the support for the index resides at 45,300. Breaking this level would further drag the index towards 44,500. Contrarily, the resistance for the index resides at 46,000.



## Key News

### International

#### Asian Stocks Advance; Japan to Sell 20-Year Bonds

Stocks in Asia climbed on cautious optimism the Federal Reserve may pause rate hikes following the US inflation report that was in line with estimates. The dollar slipped. Japan's Nikkei 225 outperformed the region and equities in South Korea gained as a benchmark index for the region snapped a two-day loss. US stock futures also rose. Japanese share [see more...](#)

#### Oil prices inch higher with more US, Chinese economic cues on tap

Oil prices rose slightly in Asian trade on Thursday as the prospect of tighter supplies helped traders look past concerns over rising U.S. inflation, while focus remained on more upcoming economic data from the U.S. and China. Crude prices saw some consolidation in the prior session, as data showed that U.S. consumer inflation grew slightly [see more...](#)

### Politics

#### President proposes elections be held on Nov 6, 2023

President Dr Arif Alvi, Wednesday, wrote another letter to Chief Election Commissioner (CEC) Sikandar Sultan Raja and said that under Article 48 (5), the general election to the National Assembly should be held on November 6, 2023 (Monday), within 90 days after the dissolution of the National Assembly. According to the letter, whereas Article 48 [see more...](#)

### Economy

#### IFC commits \$1.5bn in short, long-term investments – Positive

International Finance Corporation (IFC) committed approximately \$1.5 billion in short and long-term investments in Pakistan in fiscal year 2023-24, doubling its investments from the previous year amid a backdrop of economic challenges in the country, said [see more...](#)

## MORNING GLANCE

### **Dollar crunch ties govt hands over syndicated financing – Negative**

The caretaker government has been facing a tough situation in arranging dollar loans for the import of petroleum products, as \$3.3 billion syndicate financing from Islamic Development Bank (IsDB) might be available at over 10 percent interest rate. Amid scarcity of dollars, the government will need to request the Kingdom of Saudi Arabia (KSA) for continuation of [see more...](#)

### **ECC advocates beleaguered PIA's sell-off – Negative**

The Economic Coordination Committee (ECC) of the Cabinet has directed that emphasis should be given to PIACL's privatisation instead of restructuring as the national flag-carrier is on active list of privatisation, well informed sources told Business Recorder. Ministry of Aviation briefed the ECC on September 6, 2023 that PIACL, the national flag carrier was owned by the government of Pakistan to the extent of [see more...](#)

### **Liquidity crunch: Information dept staff in missions abroad without salary – Negative**

The press attaches and a press counsellor in certain diplomatic missions have not been paid their salaries for the last three months due to dollar liquidity crunch, provoking a massive hue and cry. The finance ministry has been conveying that the foreign exchange limits have already been exhausted, so their salaries cannot be released even for the current month, [see more...](#)

### **PIA on verge of collapse, says airline director – Negative**

Pakistan International Airlines (PIA) is on the verge of collapse as a top official of the national flag carrier has warned that flight operations are feared to be suspended by September 15 if emergency funds are not provided, Geo News has learnt. Speaking to Geo News on Wednesday, a senior director of the national flag carrier said the number of operational planes had been reduced to 16 from 23, which led to the. [see more...](#)

### **Rupee turns in mixed performance - Neutral**

The development comes a day after the rupee rose 0.42 per cent in the interbank market to below 300, a barrier it crossed for the first time on Aug 24. According to the State Bank of Pakistan, the rupee gained 1.07 against the greenback, from yesterday's close of 299.89, to close at 298.82 today. Meanwhile, the Forex Association of Pakistan (FAP) said that the rupee depreciated in the open market. The dollar was changing hands [see more...](#)

### **Banks and FIs; MoF to do away with direct credit lines – Neutral**

The Finance Ministry has reportedly decided to do away with direct credit lines from banks/financial institutions approved early to meet financial requirements of the country, well-informed sources told Business Recorder. Sharing the details, sources said the Finance Division (Debt Management Office) in its letter of August 23, 2023 requested Public [see more...](#)

### **PKR's upward march for fifth consecutive session – Positive**

The Pakistani rupee continued to march upwards against the US dollar, appreciating for the fifth consecutive session to settle at 299.89 in the inter-bank market on Tuesday. At close, the rupee was up Rs1.27 or 0.42%, as per the State Bank of Pakistan (SBP). Cumulatively, the rupee has appreciated over 2% in the last five sessions after it hit a record low of 307.1 last week. Its increase in the open market, however, has been much more [see more...](#)

### **Dewan auto required to hold buyback – Neutral**

The regulatory action demanding that the auto-part maker hold a compulsory share buyback follows its non-compliance of many regulations, particularly those relating to the payment of penalties and other dues to the exchange, including the listing fees for two years. Upon completion of the buyback process by the company's sponsors, the exchange will delist DAEL, which has already been [see more...](#)

### **Another big hike in fuel prices on the cards - Negative**

The interim government may announce, once again, a significant raise in the ex-depot prices of petroleum products up to Rs10 per litre with effect from September 16, 2023, according to estimates. According to oil sector estimates, a massive increase in the price of petrol by Rs10 per litre, high-speed diesel (HSD) by Rs9 per litre, kerosene oil (KERO) by Rs10 per litre, and light diesel oil (LDO) by Rs8 per litre is expected in the next fortnight of September. [see more...](#)

### **Exports to nine regional states dip over 14pc – Negative**

The country's exports to Afghanistan, China, Bangladesh, Sri Lanka, India, Iran, Nepal, Bhutan and the Maldives dipped to \$260.983 million — just 12.62pc of total exports of \$2.068bn in July. The decline is not confined to exports but imports especially from China also saw a steep decline in July from a year ago. In FY23, exports to regional countries dipped 21.1pc to \$3.331bn on a year-on-year basis. [see more...](#)

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<b>TP</b>	Target Price	<b>DDM</b>	Dividend Discount Model	<b>FCF</b>	Free Cash Flows
<b>FCFE</b>	Free Cash Flows to Equity	<b>FCFF</b>	Free Cash Flows to Firm	<b>DCF</b>	Discounted Cash Flows
<b>PE</b>	Price to Earnings Ratio	<b>PB</b>	Price to Book Ratio	<b>BVPS</b>	Book Value Per Share
<b>EPS</b>	Earnings Per Share	<b>DPS</b>	Dividend Per Share	<b>ROE</b>	Return of Equity
<b>ROA</b>	Return on Assets	<b>SOTP</b>	Sum of the Parts	<b>JPB</b>	Justified Price to Book

## VALUATION METHODOLOGY

To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

- I. Discounted Cash Flow Model
- II. Dividend Discount Model
- III. Relative Valuation Model
- IV. Sum of Parts Valuation

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BUY	Greater than 15%	Overweight	Positive
HOLD	Between -5% to 15%	Market Weight	Neutral
SELL	Less than and equal to -5%	Underweight	Negative

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