

MORNING GLANCE



74,531	▲ 732	▲ 0.99%
257 mn	YTD 15.26%	1 Year 78.65%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	22,255.60	37.75	0.17% ▲
DSE 30	2,015.24	25.14	1.23% ▼
SHANGHAI	3,140.34	5.44	0.17% ▼
Hang Seng	19,073.71	41.35	0.22% ▼
Nikkei 225	38,517.50	203.00	0.53% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,428.13	13.14	0.16% ▲
DAX 30	18,723.63	18.59	0.10% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	39,558.11	126.60	0.32% ▲
S&P 500	5,246.68	25.26	0.48% ▲
NASDAQ	18,322.77	124.16	0.68% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,366.00	6.10	0.26% ▲
Oil-WTI (bbl)	78.62	0.60	0.77% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.35	0.15	0.05% ▼
EURO/PKR	300.24	-	-
GBP/PKR	348.49	-	-
AED/PKR	76.26	0.01	0.01% ▼

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

Market Outlook

The stock market on Tuesday remained bullish throughout the day and concluded the session in the green zone amid increased investor confidence and market stability fostered the stock exchange performance. The Benchmark KSE-100 index made an intra-day high and low at 74,575.30 (776.19 points) and 73,977.00 (177.89) respectively while closed at 74,531.19 by gaining 732.08 points.. Trading volume decreased to 257mn shares as compared to 309mn shares on the previous trading day. Going forward, we expect the market to remain positive as index reaches all time high on account of optimistic development in the IMF project as Citi sees new \$8bn IMF loan deal by July. The resistance for the index resides at 75,000. Breaking this level would further push the index towards 76,000. Contrarily, the support for the index resides at 73,200.

Key News

International

Asian Stocks Follow US Rally Before CPI Report: Markets Wrap

Stocks in Asia rose, following a big tech-led rally in US benchmarks, as investors look to key inflation data later Wednesday for clues on the Federal Reserve's next steps. The MSCI Asia Pacific Index - a gauge for benchmarks [see more...](#)

Oil Advances With Supply in Focus as US Stockpiles Seen Lower

Oil advanced after an industry report showed shrinking US stockpiles, and traders looked ahead to a report from the International Energy Agency that may shed light on market balances into the second half. Brent rose toward \$83 after a 1.2% drop on Tuesday as persistent US [see more...](#)

Politics

Protesters call off march in AJK after demands met

Protesters called off the march a day after Prime Minister Shehbaz Sharif approved a grant of 23 billion rupees to help meet most of their demands, which included subsidies on flour and electricity prices. The alliance's head, Shaukat Nawaz Mir, announced. [see more...](#)

Economy

Citi sees new \$8bn IMF loan deal by July - Positive

Wall Street bank Citi expects Pakistan to reach an agreement with the International Monetary Fund (IMF) for a new four-year program of up to \$8 billion by end-July, and recommends going long on the country's 2027 international bond, as Reuters reported. Pakistan last month completed a short-term \$3bn Stand-By Arrangement but Islamabad has stressed the need for a fresh, longer term,. [see more...](#)

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H1FY24: Driven by agri sector, real GDP grew 1.7pc: SBP - Positive

The report said the real GDP, driven by agriculture sector, grew by 1.7 percent in the first half of FY24 compared to 1.6 percent in the same period in FY23, and a contraction of 1.9 percent in the second half of FY23. The report contains the analysis prepared on data outturns for the July-December FY24. [see more...](#)

FBR proposes Rs1.3trn new taxation measures - Neutral

Sources told Business Recorder that the FBR has shared the initial sketch of budget proposals with the International Monetary Fund (IMF). The FBR has chalked out new taxation measures including additional taxes, withdrawal of exemptions and zero-ratings and taxation of real estate/retail sectors. The FBR has estimated to collect Rs 1.2 trillion to Rs 1.3 trillion [see more...](#)

Govt unveils broader privatisation plan for state-owned enterprises – Neutral

The announcement came after PM Shehbaz headed a meeting on the privatisation process of loss-making state enterprises, according to a statement from his office. According to state-run Radio Pakistan, the premier said that the government's job is not to do business but to ensure a business [see more...](#)

Foreign investment peaks at 30-month high, soars by 84% – Positive

The influx of foreign portfolio investments has seen a remarkable 84% surge, catapulting to a 30-month high, now standing firmly at Rs501.30 billion. This surge stands in stark contrast to the dismal investment figures of Rs272.54 billion recorded just a year ago in June 2023. The rebound in foreign investments aligns with the performance of Pakistan's benchmark KSE 100- [see more...](#)

Cnergyico halts refinery due to excess petroleum stocks – Neutral

Cnergyico Pk Limited, the country's largest oil refinery, has announced a temporary shutdown due to unavoidable ullage issues pertaining to alarmingly high petroleum product stocks. The company informed the Pakistan Stock Exchange (PSX) through a notice on Tuesday that these stocks include. [see more...](#)

PPIB asks SECMC to supply Thar coal to LEPCL - Neutral

According to the PPIB, LEPCL's 6600-MW coal power project at Port Qasim was commissioned in March 2022 and is supplying reliable electricity to the national grid. The project was conceived on imported coal in 2015; however, to reduce dependence on imported fuels and [see more...](#)

Ghazi Fabrics Int'l Ltd. temporarily halts spinning unit operations - Neutral

In response to the ongoing economic challenges and escalating operational costs, Ghazi Fabrics International Limited (GFIL) has taken the decision to temporarily shut down its spinning units. The decision was communicated through a notice to the PSX on. [see more...](#)

SECP issues manual for complying with regulatory framework for Modarabas – Neutral

The Securities and Exchange Commission of Pakistan (SECP) has released a comprehensive guide to facilitate Modaraba Companies and Modarabas in complying with requirements of the Modaraba Ordinance 1980, Modaraba Rules 1981, Modaraba Regulations 2021, and. [see more...](#)

Beleaguered PSM under ECC focus - Neutral

These directions were issued by the ECC, in its meeting held on May 7, 2024, during discussion on a proposal of MoI&P, titled "approval for disbursement of salary of PSM employees from January 2024 to June 2024 for the financial year, 2023-24 (projected)." Industries & Production Division briefed the ECC presided over by Finance Minister, Senator Muhammad Aurangzeb that Pakistan Steel Mills was [see more...](#)

Blocking SIM cards of non-filers: IHC stays govt decision - Neutral

A single bench of Chief Justice Aamer Farooq heard the petition of a private telecom operator through its counsel Barrister Salman Akram Raja and issued the stay orders in this matter. During the hearing, the petitioner's lawyer argued that the constitutional amendment [see more...](#)

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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DCF	Discounted Cash Flows
PE	Price to Earnings Ratio	PB	Price to Book Ratio	BVPS	Book Value Per Share
EPS	Earnings Per Share	DPS	Dividend Per Share	ROE	Return of Equity
ROA	Return on Assets	SOTP	Sum of the Parts	JPB	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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Stock Rating	Expected Total Return	Sector Rating	Sector Outlook
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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The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

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