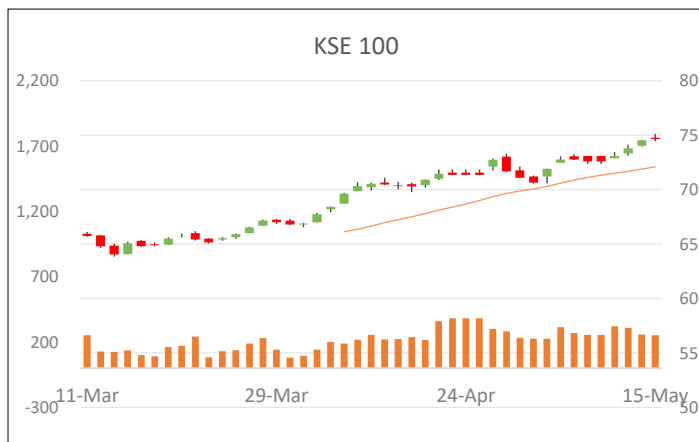


MORNING GLANCE



| | | |
|--------|------------|---------------|
| 74,663 | ▲ 132 | ▲ 0.18% |
| 251 mn | YTD 15.47% | 1 Year 77.74% |

| ASIA | Value | Pts | Chg. (%) |
|------------|-----------|--------|----------|
| NIFTY 50 | 22,200.55 | 17.3 | 0.08% ▼ |
| DSE 30 | 2,015.24 | 25.14 | 1.23% ▼ |
| SHANGHAI | 3,131.50 | 11.60 | 0.37% ▲ |
| Hang Seng | 19,281.00 | 207.29 | 1.09% ▲ |
| Nikkei 225 | 38,658.00 | 277.50 | 0.72% ▲ |

| EUROPE | Value | Pts | Chg. (%) |
|----------|-----------|--------|----------|
| FTSE 100 | 8,445.80 | 17.67 | 0.21% ▲ |
| DAX 30 | 18,875.35 | 158.93 | 0.85% ▲ |

| USA | Value | Pts | Chg. (%) |
|-----------|-----------|--------|----------|
| DOW JONES | 39,908.00 | 349.89 | 0.88% ▲ |
| S&P 500 | 5,308.15 | 61.47 | 1.17% ▲ |
| NASDAQ | 18,596.65 | 273.88 | 1.49% ▲ |

| Commodities | Value | Chg. | Chg. (%) |
|---------------|----------|------|----------|
| Gold (t oz.) | 2,392.75 | 2.15 | 0.09% ▼ |
| Oil-WTI (bbl) | 79.05 | 0.42 | 0.53% ▲ |

| Currencies | Value | Chg. | Chg. (%) |
|------------|--------|------|----------|
| USD/PKR | 278.50 | 0.15 | 0.05% ▲ |
| EURO/PKR | 300.24 | 0.01 | 0.00% ▲ |
| GBP/PKR | 348.49 | 0.01 | 0.00% ▲ |
| AED/PKR | 76.26 | 0.01 | 0.01% ▲ |

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

Market Outlook

The stock market on Wednesday remained bullish in the first half of the day, followed by a brief correction in the second half and concluded the session in the green zone as Pakistan's macroeconomic conditions and investment opportunities improved. The Benchmark KSE-100 index made an intra-day high and low at 75,115.32 (584.13 points) and 74,440.87 (-90.32) respectively while closed at 74,663.98 by gaining 132.79 points. Trading volume decreased to 251mn shares as compared to 257mn 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. The resistance for the index resides at 75,000. Breaking this level would further push the index towards 75,300. Contrarily, the support for the index resides at 74,000.

Key News

International

Asian Stocks Rally, Dollar Weakens After US CPI

Asian shares and currencies rose, following gains on Wall Street as the latest US inflation data reinforced bets for Federal Reserve policy easing. Stocks climbed in Australia, South Korea and mainland China, while those in Hong Kong also advanced after returning from a holiday. Japanese equities pared [see more...](#)

Oil Makes Headway on US Stockpile Decline and Wider Risk-On Mood

Oil rose for a second day, buoyed by shrinking US stockpiles and a wider risk-on mood triggered by signs of ebbing US inflation. Global benchmark Brent topped \$83 a barrel after climbing 0.5% on Wednesday, while US benchmark West Texas Intermediate was over \$79. US oil inventories fell by 2.5 million [see more...](#)

Politics

Imran gets bail in £190m case

The Islamabad High Court (IHC), Wednesday, granted bail to Pakistan Tehreek-e-Insaf (PTI) founder Imran Khan in the 190 million UK pound case. A division bench of Chief Justice Aamer Farooq and Justice Tariq Mehmood Jahangiri announced the verdict which it had reserved earlier after [see more...](#)

Economy

IMF expresses serious concerns over uncontrolled circular debt in Pakistan - Neutral

The International Monetary Fund (IMF) has expressed strong concerns over the uncontrolled growth of circular debt in Pakistan. The circular debt in the energy sector has surged by a staggering amount of Rs150 billion, raising alarms about its potential impact on the country's economy. There are apprehensions that the [see more...](#)

MORNING GLANCE

Pakistan can become a \$1 trillion economy by 2035: minister - Positive

Federal Minister for Planning, Development, and Special Initiatives Ahsan Iqbal said that there is a need for political stability and continuity of economic policies to put Pakistan on a sustained growth trajectory and attain prosperity for the people. [see more...](#)

Govt domestic debt, liabilities rise 23.21% YoY to Rs43.91tr in March - Neutral

The total government domestic debt and liabilities have increased by 23.21% YoY to Rs43.91 trillion in March 2024, compared to Rs35.64tr in March 2023, the latest data released by the State Bank of Pakistan (SBP) showed. On a sequential basis, domestic debt and liabilities have risen by [see more...](#)

Turkiye President likely to visit very soon – Neutral

Turkiye President Recep Tayyip Erdogan is likely to visit Pakistan within a couple of days on the invitation of Prime Minister Shehbaz Sharif, well informed sources in Commerce Ministry told Business Recorder. The concerned Ministries, sources said, have started consultation to finalize agenda to be discussed during the visit of Turkiye President [see more...](#)

FBR proposes WHT raise on cash withdrawal from banks – Neutral

The Federal Board of Revenue (FBR) has proposed to raise withholding tax on cash withdrawal from the banks by non-filers from 0.6 percent to 0.9 percent to generate additional revenue of Rs 15-20 billion during 2024-25. Sources told Business Recorder that the proposal is part of the government policy to penalize non-filers of income [see more...](#)

March LSMI output up 2.04pc YoY – Positive

The Large Scale Manufacturing Industries (LSMI) output increased by 2.04 per cent for March 2024 when compared with March 2023 and decreased by 9.35 per cent when compared with February 2024, says Pakistan Bureau of Statistics (PBS). Overall, Large Scale Manufacturing Sector has shown a growth of -0.10% during July-March 2023-24 when compared with the same period of [see more...](#)

Savings Mobilized by NSS records net outflow of Rs9.7bn in March - Neutral

The net payments of Savings Mobilized by National Savings Schemes (NSS) stood at Rs9.7 billion in March as compared to payments of Rs3.27bn in the previous month, the latest data issued by the State Bank of Pakistan (SBP) [see more...](#)

Govt cuts petrol price by Rs15.4 per litre - Neutral

The federal government has reduced the price of petrol by a significant Rs15.39 per litre to Rs273.1, providing a major relief to the masses grappling with Asia's highest inflation The decline is on top of the Rs5.45 cut from the last fortnight. Moreover, according to a notification issued by the Finance Division, the price of High-Speed [see more...](#)

PD gets PM's nod for power tariff hike – Neutral

The Power Division has reportedly obtained Prime Minister's approval to further enhance electricity tariff, ie, up to 10 percent of the total cost and reduction of variable charges to ensure tariff remains neutral for end consumers, besides recovery of taxes from relevant segments instead of through electricity bills and [see more...](#)

Fertilizer offtake drops 6.3% YoY in April 2024 - Neutral

The country's overall nutrient offtake fell 6.3% YoY to 244,000 tons during April 2024 as compared to an offtake of 260,000 tons in the same month last year, the latest monthly report of fertilizer offtake issued by the National Fertilizer Development Company (NDFC) showed. Among the nutrients, nitrogen, and Phosphate offtake increased significantly by 40.5% and 84.4%, while potash offtake dropped 9.2% on a [see more...](#)

Car manufacturers make the case for stopping import of used cars - Neutral

Industry sources reveal that during the first eight months of the fiscal year 2023-24 alone, the import of used cars has caused over Rs 45 billion in losses to the local industry and economy. Initially intended for overseas Pakistanis, the allowance for used car imports has been [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 |

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

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- 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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