

## MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	45,174.67	231.06	0.51% ▲
NIFTY 50	14,677.80	18.7	0.13% ▼
DSE 30	2,192.65	5.78	0.26% ▲
SHANGHAI	3,516.22	25.84	0.74% ▲
Hang Seng	28,080.62	70.62	0.25% ▲
BIST 100	1,441.33	3.54	0.24% ▼
MOEX	3,637.60	0.22	0.01% ▲
CSE All-Share	7,228.23	66.46	0.93% ▲
Nikkei 225	27,744.00	340.47	1.21% ▼
KLCI	1,592.03	9.51	0.60% ▲

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,043.61	80.28	1.15% ▲
DAX 30	15,416.64	216.96	1.43% ▲
CAC 40	6,385.14	96.81	1.54% ▲
FTSE MIB	24,766.09	280.08	1.14% ▲
SMI 20	11,120.77	86.87	0.79% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	34,382.13	360.68	1.06% ▲
S&P 500	4,173.82	61.32	1.49% ▲
NASDAQ 100	13,393.12	283.97	2.17% ▲
US Dollar Index	90.41	0.09	0.10% ▲

Source: Investing.com

GULF	Value	Value	Pts
ADX General	6,427.94	218.52	3.52% ▲
Tadawul All-Share	10,322.68	94.49	0.92% ▲
QE General	10,925.24	-	-
Premier Market	6,234.50	-	-

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,850.50	12.40	0.67% ▲
Silver (t oz.)	27.73	0.37	1.33% ▲
Oil-WTI (bbl.)	65.56	0.20	0.31% ▲
Oil-Brent (bbl.)	68.90	0.19	0.28% ▲
Steel Scrap (tons)	499.00	11	2.16% ▼
Cotton (lb.)	83.22	0.65	0.79% ▲

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	153.60	0.5	0.32% ▼
EURO/PKR	185.50	0.50	0.27% ▲
GBP/PKR	213.50	0.5	0.23% ▼
JPY/PKR	1.44	-	-
CNY/PKR	23.65	-	-
AED/PKR	42.00	0.5	1.18% ▼
SAR/PKR	41.00	1	2.38% ▼
CAD/PKR	123.50	1	0.80% ▼
AUD/PKR	118.50	0.5	0.42% ▼

Source: Forex.com.pk



### Market Outlook

KSE-100 Thursday remained volatile in majority part of the day and concluded the session in the green zone amid fresh buying interest was witnessed in the market in the end. The index made an intra-day high and low at 45,245(302 points) and 44,889 (-54 points) respectively while closed at 45,175 by gaining 231 points. Trading volume has been decreased to 79mn shares as compared to 129mn shares on the previous day. Going forward, we expect the market to remain volatile amid uncertainty regarding COVID-19 and announcement of annual budget. The index is likely to test its support at 44,900, breaking this level would further drag the index towards 44,400. However, the resistance for the index resides at 45,800.

### Key News

#### International

##### Asia shares left listless by mixed China data

Asian share markets turned mixed on Monday as data on Chinese retail sales missed expectations though industrial output stayed solid, while more evidence of global inflation pressures helped gold to a three-month peak. Chinese retail sales rose 17.7% in April on a year ago, [see more...](#)

##### Oil edges lower as COVID-19 restrictions in Asia fuel demand concerns

Oil prices edged lower on Monday as the recovery of a major U.S. pipeline network eased concerns over supply and a new wave of COVID-19 restrictions in Asia fuelled fears of lower demand. Gasoline shortages that have plagued the U.S. East Coast slowly eased on Sunday, with 1,000 more stations receiving supplies as Colonial Pipeline's [see more...](#)

#### Politics

##### PM discusses Palestine situation with Mahathir

Prime Minister Imran Khan and former Malaysian prime minister Dr Mahathir Mohamad exchanged views on the grave situation in Palestine on Sunday. Imran Khan received a telephone call from Dr Mahathir Mohamad, says a Prime Minister Office statement. [see more...](#)

## MORNING GLANCE

### Economy

#### **Morgan Stanley Capital International raises Pakistan weight to 0.023pc in EM index - Positive**

The MSCI on Wednesday announced outcome of its Semi-Annual Index review which to the surprise of some major market participants was addition of Lucky Cement to the MSCI Pakistan Index under the MSCI Global Standard Index in place of Oil and Gas Development Company (OGDC), which was eased out as it fell short of the criteria. [see more...](#)

#### **CPEC facilitates Pakistan's pursuit of becoming regional transshipment hub - Positive**

Experts and officials believe that the vast transport infrastructure of the China-Pakistan Economic Corridor (CPEC) and its Gwadar port will play a major role in the country's pursuit of its goal especially at the time when it has started enhancing trade ties with landlocked Afghanistan and the Central Asian countries. [see more...](#)

#### **Remittances likely to slow down - Negative**

Pakistan's economy is likely to grow by 2% against the central bank's projection of 3% in the current fiscal year 2020-21 and it is strongly expected to slightly shake next week when the bank is estimated to report a drop in receipt of workers' remittances from overseas Pakistanis for the month of April compared to March. [see more...](#)

#### **OGRA postpones modifying prices of petroleum products - Neutral**

The Oil and Gas Regulatory Authority (OGRA) has postponed the announcement of new prices of petroleum products. Local media reports state that the announcement regarding new prices of petroleum products could be made on May 16 as OGRA did not prepare the summary following Eidul Fitr holidays. [see more...](#)

#### **Auto assemblers flexing muscles for another price hike - Neutral**

As the auto assemblers anticipate jump in vehicle prices on account of spiralling raw material prices on world markets, another cost pressure has emerged following removal of export tax rebate by China on 146 kinds of steel products from May 1, 2021. [see more...](#)

#### **Pakistan for JVs with China in livestock sector, SEZs - Neutral**

Pakistan is looking for joint ventures with China to upgrade livestock and fisheries industries and explore opportunities in special economic zones (SEZs), minister said. [see more...](#)

#### **World Bank Redeploys \$153 Million to Support Pakistan's COVID-19 Vaccine Drive - Positive**

The World Bank's Board of Executive Directors today approved the restructuring of the Pandemic Response Effectiveness in Pakistan (PREP) project, originally approved in April 2020, to redeploy \$153 million to support the ongoing national vaccine drive in Pakistan. [see more...](#)

#### **Govt budgetary borrowing falls by 42pc in 10MFY21 - Positive**

The government's borrowing for budgetary support sharply declined by 42 per cent in the first 10 months of the current fiscal year, indicating a trend that may result in lower fiscal deficit for the year. [see more...](#)

#### **Rs2 trillion stimulus revives Pakistan economy - Neutral**

Pakistan economy is on solid growth path and has potential to grow at much higher rate in next five years despite a challenging environment across the globe, experts say. [see more...](#)

#### **Pakistan economic growth projected to be 3pc: Baqir - Positive**

Pakistan's economic growth rate is expected to be three percent this fiscal year, said Governor State Bank of Pakistan (SBP) Dr. Reza Baqir. [see more...](#)

#### **Rs4bn allocation against RLNG supply - Negative**

The Economic Coordination Committee (ECC) of the Cabinet has refused to allocate Rs 4 billion against the supply of RLNG to export-oriented sectors, saying that the Petroleum Division should meet the requirement from its available balance at this stage, sources close to the Secretary Petroleum told Business Recorder. [see more...](#)

#### **Exports to EU rise by 17pc in 10 months - Positive**

Pakistan's exports to the European Union (EU) grew by over 17 per cent in the first ten months of the current financial year, largely due to the Generalised System of Preferences-Plus (GSP+) scheme. [see more...](#)

#### **APTMA for continuation of competitive tariffs - Neutral**

The patron-in-chief of All Pakistan Textile Mills Association (APTMA) Gohar Ejaz asked the government for continuation of Regionally Competitive Tariffs of \$6.5/mmbtu of Gas/RLNG and 7.5 cents / kWh of electricity. [see more...](#)

## ANNOUNCEMENTS

Dates	Time	Symbol	Announcement	EPS	EPS - SPLY	Growth	Dividend (PKR)	Bonus (%)	Right (%)
18-May-21	11:00 AM	SMBL	Others	-	-	-	-	-	-
20-May-21	11:00 AM	MIRKS	Half Year	-	-	-	-	-	-
20-May-21	03:00 PM	SKRS	Quarterly	-	-	-	-	-	-

Source: PSX

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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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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

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

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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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