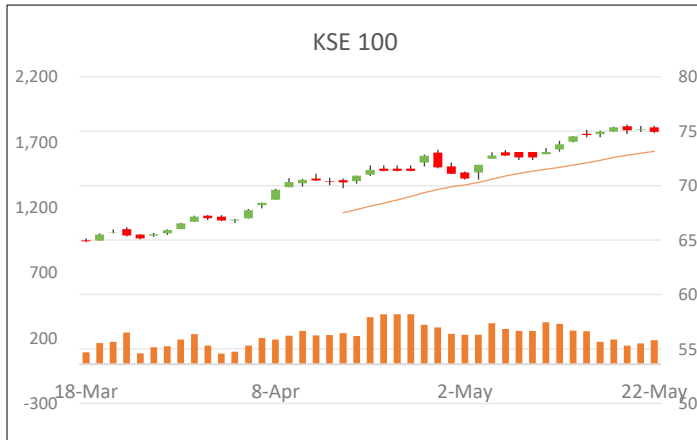


MORNING GLANCE



74,956	▼ -251	▼ -0.33%
183 mn	YTD 15.92%	1 Year 82.38%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	22,597.80	68.75	0.31% ▲
DSE 30	1,938.88	76.36	3.79% ▼
SHANGHAI	3,134.59	23.95	0.76% ▼
Hang Seng	18,991.00	204.6	1.07% ▼
Nikkei 225	39,054.50	436.50	1.13% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,370.33	46.12	0.55% ▼
DAX 30	18,682.11	44.65	0.24% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	39,671.04	201.95	0.51% ▼
S&P 500	5,307.01	14.4	0.27% ▼
NASDAQ	18,705.20	8.6	0.05% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,372.35	20.55	0.86% ▼
Oil-WTI (bbl)	77.07	0.5	0.64% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.45	-	-
EURO/PKR	302.75	0.59	0.20% ▲
GBP/PKR	353.57	-	-
AED/PKR	76.32	0.06	0.08% ▲

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

Market Outlook

The stock market on Wednesday remained positive in the first half of the day, followed by a decline in the last trading hours and concluded the session in the red zone amid profit taking by the investors. The Benchmark KSE-100 index made an intra-day high and low at 75,513.89 (307.12 points) and 74,835.48 (-371.29) respectively while closed at 74,956.67 by losing 250.10 points. Trading volume increased to 183mn shares as compared to 160mn shares on the previous trading day. Going forward, it is anticipated the possibility of profit taking in the short term. The index is anticipated to face upcoming support at 74,500 and 74,000, while finding resistance at 75,500.

Key News

International

US Futures Gain on Nvidia, Dollar Holds Rally

US equity futures rallied following upbeat earnings from Nvidia Corp. released after the New York close, which reinforced optimism for the global artificial intelligence boom. Nvidia said second-quarter revenue will be about \$28 billion, beating analysts' estimates. The company also announced a 10-for-1 stock [see more...](#)

Oil Extends Decline for Fourth Session on Hawkish Fed Outlook

Oil extended losses after closing at the lowest level in three months on Wednesday on signs the Federal Reserve may hold interest rates higher for longer, which could weigh on energy demand. Brent fell for a fourth session toward \$81 a barrel and West Texas Intermediate [see more...](#)

Politics

Cipher case: FIA submits plea to present Lu's statement

The Federal Investigation Agency (FIA) prosecutor, Wednesday, submitted an application before the Islamabad High Court (IHC), seeking its permission to present US Diplomat Donald Lu's statement before the US House Committee on Foreign Affairs, as evidence in the cipher case. In this regard, the FIA prosecutor submitted the application to present additional documents [see more...](#)

Economy

Pakistan authorities told: Bailout deal to come after approval of IMF-dictated budget - Neutral

The visiting IMF team has conveyed to the authorities that the next bailout package under the Extended Fund Facility (EFF) would only be considered after presenting an aligned upcoming budget and securing its approval from parliament. This arrangement could pave the way for kick-starting formal parleys and signing a staff-level agreement for clinching the fresh bailout package with the possibility to augment it through [see more...](#)

MORNING GLANCE

FBR to issue uniform tax recovery rules in budget- Neutral

The Federal Board of Revenue (FBR) will issue uniform sales tax, income tax and federal excise recovery rules in budget (2024-25) under the policy of harmonisation of taxes. Sources told Business Recorder that when a liability of tax arises in accordance with the provisions [see more...](#)

Mid-year review: 77pc borrowing for financing fiscal deficit thru domestic sources: MoF - Neutral

The government has borrowing around 77 percent for financing of federal fiscal deficit was through domestic sources, according to the Finance Ministry. The mid-year review report of fiscal year 2023-24 of Finance Ministry said that the report gives a mid-year comparison [see more...](#)

Budget proposals: OICCI for standardising GST rates and policies – Neutral

The Overseas Investors Chamber of Commerce and Industry (OICCI) in its taxation proposals for the upcoming Budget 2024-25 has emphasized the need for standardizing the sales tax rates and policies nationwide, implementing a single sales tax return system under the “Pakistan Revenue Authority” and gradually [see more...](#)

Govt raises Rs97bn via auction for PIBs – Neutral

The State Bank of Pakistan (SBP) conducted the auction for the sale of Pakistan Investment Bonds (PIBs) on May 22, 2024 and received bids amounting to Rs 204 billion for the sale of 3-year, 5-year and 10-year bonds. However, no bid was received for 15-year, 20-year and 30-year long-term investment bonds. Out of total bids, the federal government borrowed [see more...](#)

Power production drops by 14% – Negative

Power production, in April, witnessed a staggering 14% decline, plummeting to 8,640 gigawatt-hours (GWh), attributed to a significant surge in electricity prices, a slowdown in industrial activities, and a notable migration of businesses and households towards solar power from the national grid, thus exacerbating the burden of capacity payment and circular debt on the nation. Despite a rise in temperature during [see more...](#)

Chinese firms show interest in partnering with Pakistan Refinery Limited - Neutral

Chinese companies have shown a strong interest in partnering with Pakistan Refinery Limited (PRL) for its Refinery Expansion & Upgrade Project (REUP). Pakistan Refinery Limited shared this development with the Pakistan [see more...](#)

Tax sectors with higher GDP share: OICCI - Neutral

Major overseas investors, in their taxation proposals for the upcoming budget for fiscal year 2024-25, have asked the federal government to consider taxing the untapped sectors which have a high potential and a huge share in the country’s gross domestic product (GDP). These sectors include immovable property, [see more...](#)

No super tax payable on income falling under FTR: Karachi ATIR – Positive

The Appellate Tribunal Inland Revenue (ATIR), Karachi, has declared that no super tax is payable on income falling under the Final Tax Regime (FTR) of exporters. The ATIR Division Bench-III Karachi has issued an order in the matter of a textile exporter against Commissioner Inland [see more...](#)

PABC faces logistical disruptions due to security issues at Chaman - Neutral

Pakistan Aluminum Beverage Cans Limited (PABC) has said that it is facing significant logistical disruptions due to ongoing security issues at the Chaman border, affecting its export operations to Afghanistan. This comes at a critical time when the company is already facing [see more...](#)

Manufacturers urge FBR to maintain current mobile phone tariff structures - Neutral

The Pakistan Mobile Phone Manufacturers Association (PMPMA) has called on the Federal Board of Revenue (FBR) to honor the commitments made by the government to investors and refrain from increasing the tariff structures for mobile phones. In a recent meeting with the FBR, the PMPMA delegation expressed concerns that increasing [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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- 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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The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

PREPARED BY

Haroon Abdul Razzaq

Phone: (+92) 42 38302028

Ext: 116

Email: haroon@abbasiandcompany.com

RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com