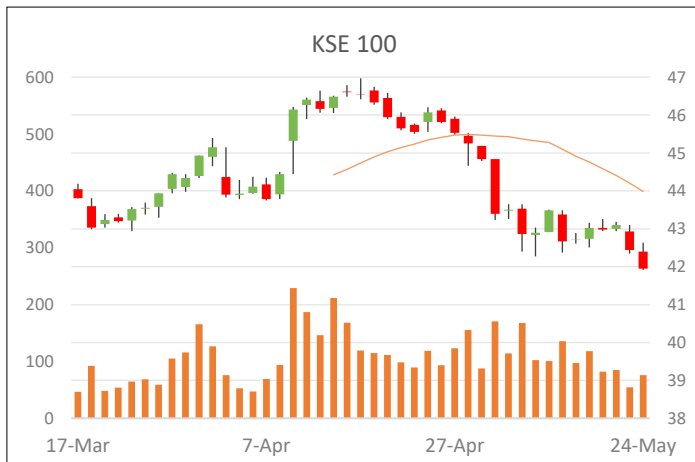


MORNING GLANCE



41,950






▼ -490



▼ -1.16%




76 mn



YTD -5.93%





1 Year -9%

ASIA		Value	Pts	Chg. (%)
	NIFTY 50	16,125.15	89.55	0.55% ▼
	DSE 30	2,295.05	14.69	0.63% ▼
	SHANGHAI	3,077.94	7.02	0.23% ▲
	Hang Seng	20,115.00	2.90	0.01% ▲
	Nikkei 225	26,731.50	16.64	0.06% ▼

EUROPE		Value	Pts	Chg. (%)
	FTSE 100	7,484.35	29.09	0.39% ▼
	DAX 30	13,919.75	255.65	1.80% ▼

USA		Value	Pts	Chg. (%)
	DOW JONES	31,928.62	48.38	0.15% ▲
	S&P 500	3,941.48	32.27	0.81% ▼
	NASDAQ	11,769.84	264.44	2.20% ▼

Commodities		Value	Chg.	Chg. (%)
	Gold (t oz.)	1,858.55	6.85	0.37% ▼
	Oil-WTI (bbl)	111.06	1.29	1.18% ▲

Currencies		Value	Chg.	Chg. (%)
	USD/PKR	200.40	0.6	0.30% ▼
	EURO/PKR	213.66	0.51	0.24% ▲
	GBP/PKR	251.83	0.66	0.26% ▼
	AED/PKR	54.52	0.16	0.29% ▼

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

Market Outlook

KSE-100 on Tuesday remained under immense selling pressure throughout the day and concluded the session deep into the losses amid political and economical unrest. The index made an intra-day high and low at 42,638 (197 points) and 41,916 (-524 points) respectively while closed at 41,950 by losing 490 points. Trading volume has increased to 76mn shares as compared to 54mn shares on the previous day. Going forward, the market is likely to rebound as UAE rolls over \$2 billion Pakistan debt and Saudi Arabia finalizing extension of \$3bn deposit. However political unrest remains a concern. The resistance for the index resides at 42,800. Crossing this level can further push the index towards 43,500. However, the support for the index resides at 41,000.

Key News

International

Asian stocks shrug off Wall St weakness but growth concerns remain

Asia stocks opened mostly in positive territory on Wednesday even as global growth concerns and weak U.S. economic data weighed on Wall Street overnight. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.35%, Australian shares were up 0.33%, and Seoul and Taiwan both ticked upwards 0.61% and 0.2%. [see more...](#)

Oil prices climb on prospects for tighter supply as demand rises

Oil prices rose in early trade on Wednesday, boosted by tight supplies and the prospect of rising demand from the upcoming start of the U.S. summer driving season. Brent crude futures for July rose 46 cents, or 0.4%, to \$114.02 a barrel by 0020 GMT. U.S. West Texas Intermediate (WTI) crude futures for July delivery was up 58 cents, or 0.5%, to \$110.35 a barrel. [see more...](#)

Politics

State flexes its muscles to curb PTI power show

After deciding not to allow Imran Khan's 'Azadi March' on the capital, the government on Tuesday rounded up over 1,000 PTI leaders and workers in a crackdown designed to derail the party's plans for a massive power show in Islamabad. Section 144 was imposed in Lahore, the twin cities of Rawalpindi and Islamabad and Karachi, [see more...](#)

Economy

Saudi Arabia finalising extension of \$3bn deposit to Pakistan: Saudi Minister of Finance- Positive

Saudi Arabia is finalising the extension of the kingdom's \$3 billion deposit to Pakistan, Saudi Minister of Finance Mohammed al-Jadaan told Reuters. "We are currently finalising extending the \$3 billion deposit to Pakistan," he said on the sidelines of the World Economic Forum in Davos. Last year, Saudi Arabia deposited \$3 billion in Pakistan's central bank to help support its foreign reserves. [see more...](#)

MORNING GLANCE

14 sessions of decline: Rupee falls to 201.41 against dollar - **Negative**

The rupee extended its fall for the 14th consecutive session against the US dollar on Tuesday as lack of developments in the government's talks with the International Monetary Fund (IMF), prolonged political uncertainty and lack of clarity on the future of the economy hammered the local currency. The rupee fell to 201.41, down 0.24%, against the US dollar in the inter-bank market on Tuesday. The political uncertainty is expected [see more...](#)

Toyota IMC has Achieved Over 60 Percent Localization - **Positive**

Toyota Indus Motor Company (IMC) has picked up pace in achieving vehicle production indigenization. In its recent journalists' meetup, the company apprised the audience about having gained 65 percent localization of parts. Toyota IMC claims to have arranged for 30+ technical assistance and technology transfer agreements with foreign companies to procure various technologies and parts. [see more...](#)

Auto financing facility tenor reduced by SBP - **Negative**

The State Bank of Pakistan (SBP) has announced to reduce the maximum tenor of auto finance facility by two years with immediate effect. The SBP has amended the Regulation R-11 of Prudential Regulations for Consumer Financing (PRCF) related to auto loans and financing to reduce the maximum tenor of auto loans being provided by the banks to the customers. As per amendment in Regulation R-11 of PRCF the maximum [see more...](#)

FCCL allotted 800 million shares to Fauji Foundation for amalgamation of Askari Cement - **Neutral**

Fauji Cement Limited has allotted 800,493,615 shares of Rs10 each of FCCL, credited as fully paid up to Fauji Foundation on 24th May 2022, duly sanctioned by Lahore High Court Rawalpindi bench, as per the scheme of arrangement for the amalgamation of Askari Cement Limited with and into Fauji Cement Limited. [see more...](#)

Moody's expects Pakistan's Islamic banking growth to continue to outpace conventional banking - **Neutral**

Pakistan's Islamic banking industry is growing rapidly with a combination of a predominantly Muslim population, still modest financial inclusion, and the commitment of the government and regulators as the key driving forces, says Moody's Investors Service in a report published today. "We expect growth in Islamic banking to continue to materially outpace conventional banking, reaching a market share of total assets and deposits [see more...](#)

UAE rolls over \$2 billion Pakistan debt - **Positive**

The United Arab Emirates (UAE) has rolled over \$2 billion debt for one year amid central bank's call to arrange more loans to stabilise foreign exchange reserves that depleted by one-fourth in just two weeks. In addition to securing the rollover, the Pakistani authorities on Monday managed a statement from the International Monetary Fund (IMF) to calm the jittery markets that could further undermine the value of the rupee against the US dollar. [see more...](#)

SBP increase Overnight Reverse Repo Ceiling rate to 14.75% - **Negative**

SBP Overnight Reverse Repo (Ceiling) rate will be at 14.75% i.e. 100 bps above the SBP Policy Rate. Yesterday, SBP has decided to increase 'Policy Rate' (Target Rate) from 12.25% to 13.75%. The SBP Overnight Repo (Floor) rate will be at 12.75% i.e. 100 bps below the SBP Policy Rate. Accordingly, the Floor and Ceiling levels for the Interest Rate Corridor [see more...](#)

PM seeks plan aimed at boosting IT&T exports - **Neutral**

Prime Minister Shehbaz Sharif has directed Information Technology and Telecom Division to submit a plan to enhance IT & Telecom export to \$ 15 billion in the next two years after due consultation process with the stakeholders. At a recent high-level meeting, he assured all possible support to the IT & Telecom Division for achieving this target. It was pointed out that the presentation was received at [see more...](#)

Import of various products - **Neutral**

Directorate General of Customs Valuation, Karachi has revised customs values on the import of ceramic/porcelain sanitary wares from Turkey/Thailand/Indonesia/Malaysia; Acrylic Yarn (raw white and dyed) of all origin; low-end brand shoes, slippers, sandals, chappals and joggers of all origin; values of spices/herbs and edible gums and values of [see more...](#)

Investment in securities by directors, employees - **Neutral**

The Securities & Exchange Commission of Pakistan (SECP) has made it mandatory for the Asset Management Companies (AMCs) to put in place appropriate policies and procedures which govern trading or investment in securities by AMC employees, directors, sponsors their spouses and dependent children. Through a notification issued on Tuesday, the SECP has issued draft amendments to the Non-Banking Finance Companies and Notified Entities Regulations, 2008. [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:

- 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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