

MORNING GLANCE



| | | |
|--------|------------|---------------|
| 78,801 | ▲ 8 | ▲ 0.01% |
| 198 mn | YTD 21.87% | 1 Year 65.03% |

| ASIA | Value | Pts | Chg. (%) |
|------------|-----------|--------|----------|
| NIFTY 50 | 24,823.15 | 11.65 | 0.05% ▲ |
| DSE 30 | 2,090.59 | 42.96 | 2.10% ▲ |
| SHANGHAI | 2,852.34 | 2.03 | 0.07% ▼ |
| Hang Seng | 17,784.00 | 171.90 | 0.98% ▲ |
| Nikkei 225 | 38,002.00 | 417.5 | 1.09% ▼ |

| EUROPE | Value | Pts | Chg. (%) |
|----------|-----------|--------|----------|
| FTSE 100 | 8,327.78 | 39.78 | 0.48% ▲ |
| DAX 30 | 18,633.10 | 139.71 | 0.76% ▲ |

| USA | Value | Pts | Chg. (%) |
|-----------|-----------|--------|----------|
| DOW JONES | 41,175.08 | 462.30 | 1.14% ▲ |
| S&P 500 | 5,634.61 | 63.97 | 1.15% ▲ |
| NASDAQ | 19,720.87 | 229.03 | 1.18% ▲ |

| Commodities | Value | Chg. | Chg. (%) |
|---------------|----------|------|----------|
| Gold (t oz.) | 2,546.15 | 0.15 | 0.01% ▼ |
| Oil-WTI (bbl) | 75.33 | 0.50 | 0.67% ▲ |

| Currencies | Value | Chg. | Chg. (%) |
|------------|--------|------|----------|
| USD/PAKR | 279.10 | 0.25 | 0.09% ▲ |
| EURO/PAKR | 311.13 | 0.22 | 0.07% ▼ |
| GBP/PAKR | 365.87 | 0.93 | 0.25% ▲ |
| AED/PAKR | 76.52 | 0.04 | 0.05% ▲ |

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

Market Outlook

The stock market on Friday remained positive in the first half of day. However, selling was experienced in the second half and concluded the session in the green zone amid profit taking by the investors. The Benchmark KSE-100 index made an intra-day high and low at 79,173.94 (380.53 points) and 78,760.02 (-33.39 points) respectively while closed at 78,801.42 by gaining 8.01 points. Trading volume increased to 198mn shares as compared to 185mn shares on the previous trading day. Going forward, we expect the market to remain rangebound. The index is anticipated to face upcoming resistance at 79,200 and 79,500, while finding support at 78,500.

Key News

International

Asian Stocks Rise as Investors Count Down to Cuts

Asian stocks advanced for a third session and the yen strengthened to a three-week high as the prospect of Federal Reserve interest rate cuts on the horizon stoked sentiment. Shares in Australia and Hong Kong climbed on Monday, benefiting from Chair Jerome Powell's Jackson Hole speech, when he said the "time has come" to pivot [see more...](#)

Oil prices rise with no Gaza ceasefire in sight

Oil prices rose in Asian trade on Monday, extending a rebound from the prior session as media reports showed no progress towards an Israel-Hamas ceasefire while hostilities in the region persisted. Oil markets were also buoyed by optimism over lower U.S. interest rates, after comments from Federal Reserve [see more...](#)

Politics

Pakistan invites Modi to SCO moot

Pakistan has extended an invitation to Indian Prime Minister Narendra Modi, along with other leaders of the Shanghai Cooperation Organisation (SCO), for the upcoming Council of Heads of Government (CHG) meeting scheduled for October 15-16 in Islamabad. The invitation follows Pakistan's rotation into the chairmanship of the CHG, the SCO's second-highest decision-making body. [see more...](#)

Economy

Pakistan seeks \$1.5bn increase in Saudi lending - Neutral

Pakistan has reportedly requested Saudi Arabia to increase its lending by about \$1.5 billion from its existing \$5bn portfolio to help bridge the external financing gap needed for the IMF's 37-month bailout package pending its executive board approval. As a practice, all three friendly bilateral partners — Saudi Arabia, China and the UAE — must confirm to the IMF, through their executive directors, their \$12bn loan rollovers to Pakistan, informed sources said. Separately, the government has now notified a finance minister-led committee that also included [see more...](#)

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Govt plans to borrow Rs5.6tr in Aug-Oct - Neutral

The government has planned to borrow Rs5.6 trillion from banks in August-October, reflecting the severity of the liquidity despite projecting an ambitious revenue collection target for the current fiscal year. The SBP has uploaded the government's plan to raise Rs5.59tr through auctions of Treasury Bills and Pakistan Investment Bonds during the three months. [see more...](#)

\$3.7m project for disaster preparedness completed - Neutral

The United Nations Development Programme (UNDP) has successfully completed a \$3.7 million project to strengthen disaster preparedness and response in coastal areas and reduce tsunami risks and their potential impact on coastal communities in Pakistan. The project, named Strengthening Tsunami and Earthquake Preparedness in Coastal Areas of [see more...](#)

Govt to streamline remittances – Neutral

The Executive Director of the State Bank of Pakistan, Syed Sohail Jawad, announced on Saturday that the government is committed to integrating overseas Pakistanis into the national financial system. Speaking on PTV News, he acknowledged the challenges faced by overseas Pakistanis in sending money to their families in Pakistan, citing the process as expensive and time [see more...](#)

Taxation turns realty less attractive to foreigners - Neutral

Pakistan's multi-layered property taxation may reduce its attractiveness for real estate investment compared to some neighbouring countries despite having specific individual tax category advantages. The latest report, Pakistan's Real Estate Taxes & [see more...](#)

FBR Likely to Miss August Tax Collection Target – Negative

Sources told ProPakistani that Chairman FBR Rashid Langrial on Sunday held a Video Link Conference (VLC) with all Chief Commissioners Inland Revenue (IR) and Commissioners IR to deliberate the strategy to achieve August 2024 Revenue Targets and Quality of Assessment Work., [see more...](#)

Oil, gas depletion trend reverses - Positive

In a surprising turnaround, Pakistan has reversed the historical trend of depleting oil and gas reserves as it reported a 26% boost in crude oil deposits and a 2% increase in gas reserves in the six-month period ended June 30, 2024. New discoveries and an upward revision in recoverable reserves have bolstered by one year the lifespan of [see more...](#)

Petrol, diesel set for third straight fortnightly cut – Positive

For the third consecutive fortnight, the prices of major petroleum products — petrol and high-speed diesel (HSD) — are estimated to drop by around Rs5-6 per litre mainly because of the lower international market for the next fortnight starting September 1. Informed sources said the prices of petrol and HSD [see more...](#)

MPCL refutes claims of gas discovery in Balochistan - Neutral

Mari Petroleum Company Limited (PSX: MARI) has clarified today that recent social media reports about a gas discovery in Chagai, Balochistan, are false. MPCL has made no such discovery," the company said As a responsible organization, MPCL remains committed to upholding the highest standards of transparency [see more...](#)

Financing of Diamer-Bhasha project; Govt weighing different options – Neutral

The federal government is reportedly weighing different options to finance Diamer Bhasha Hydropower Project as development partners are reluctant to commit financing of about \$ 10 billion (\$ 8 billion + \$ 2 billion cost [see more...](#)

FATIMA announces plan to acquire stake in Agritech Limited – Neutral

Fatima Fertilizer Company Limited (PSX: FATIMA) has announced its intention to acquire a stake in Agritech Limited (PSX: AGL), according to a notice issued to the PSX today. FATIMA plans to invest in convertible [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 |

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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