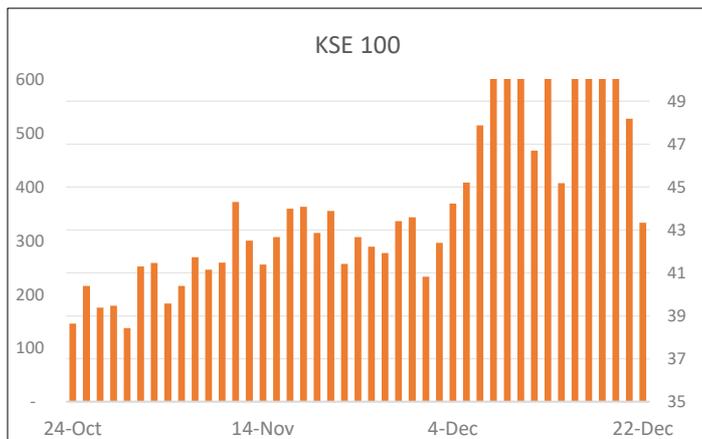


MORNING GLANCE



61,705	▼ -989	▼ -1.58%
334 mn	YTD 51.18%	1 Year 55.55%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,349.40	94.35	0.44% ▲
DSE 30	2,094.58	4.87	0.23% ▼
SHANGHAI	2,918.81	4.04	0.14% ▲
Hang Seng	16,340.41	280.72	1.69% ▼
Nikkei 225	33,254.03	84.98	0.26% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,697.51	2.78	0.04% ▲
DAX 30	16,706.18	18.76	0.11% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	37,385.97	18.38	0.05% ▼
S&P 500	4,754.63	7.88	0.17% ▲
NASDAQ	16,777.40	20.00	0.12% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,064.50	13.20	0.64% ▲
Oil-WTI (bbl)	73.49	0.4	0.54% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PAK	282.53	0.26	0.09% ▼
EURO/PAK	310.81	1.24	0.40% ▲
GBP/PAK	358.66	1.25	0.35% ▲
AED/PAK	76.93	0.07	0.09% ▼

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

Market Outlook

The stock market on Friday plunged over 900 points and concluded the session in the red zone amid rising volatility on the political front as the Supreme Court approved bail of former prime minister Imran Khan and ex-foreign minister Shah Mahmood Qureshi in the cypher case. The Benchmark KSE-100 index made an intra-day high and low at 62,995.21 (301 points) and 61,569.13 (-1124 points) respectively while closed at 61,705.09 by losing 988 points. Trading volume decreased to 334mn shares as compared to 527mn shares on the previous trading day. Going forward, we expect some short-term recovery in the market. The Resistance for the index resides at 62,500 Breaking this level would push the index towards 63,000. Contrarily, the support for the index resides at 61,000.

Key News

International

Asia Eyes Muted Open, Oil in Focus During Tensions

Stocks in Asia were mostly unchanged while currencies in the region ticked higher amid cautious trading and reduced liquidity with some markets closed for holidays. Japanese equities traded flat while other markets including Hong Kong, New Zealand and Australia were shut. Benchmarks for mainland China edged [see more...](#)

Oil prices flat as markets weigh Red Sea tensions, output uncertainty

Oil prices kept to a tight range in holiday-thinned Asian trade on Tuesday, as markets weighed the prospect of continued supply disruptions in the Red Sea against fears of higher production in 2024. Crude prices saw some strength over the past week as attacks by the Iran-aligned, Yemeni Houthi group on vessels [see more...](#)

Politics

ECP releases data of total candidates

Over 28,626 candidates for both national and provincial assemblies have submitted their nomination papers for the General Elections 2024. The final day for submitting nomination papers for the general elections was Sunday. The scrutiny process for these papers commenced [see more...](#)

Economy

IMF recipe fails to ease Pakistan's economic misery ahead of elections – Neutra

With elections round the corner the expected economic turnaround has not yet taken place despite complete adherence of the last elected and the current caretaker governments to the recipe suggested by the International Monetary Fund. The economic fundamentals have somewhat improved [see more...](#)

MORNING GLANCE

ADB approves food security assistance for CAREC states – Positive

The Asian Development Bank has approved a technical assistance project for resilient and inclusive agricultural development and food security in the Central Asia Regional Economic Cooperation (CAREC) Programme member countries including Pakistan. The overall impact of the ADB assistance will help increase inclusive, productive, resilient, and sustainable agriculture [see more...](#)

\$400m ‘Pakistan Raises Revenue’ project; WB rates implementation progress moderately satisfactory – Neutral

The World Bank has rated the overall implementation progress of Pakistan Raises Revenue project of worth \$400 million moderately satisfactory, observing that some key procurements are under way. The Bank official documents revealed that \$277.61 million, ie, 71 percent of the financing have been disbursed so far while undisbursed amount stands at \$114.39 million [see more...](#)

Vested interests may spur post-election policy reversals, World Bank fears - Neutral

The World Bank fears that following the upcoming elections, strong and organised vested interests may spur a number of potential reversals on critical policy reforms — committed to multilateral lenders — posing ‘high’ macroeconomic risks to Pakistan. The possible reversals include the rationalisation of gas and electricity subsidies, lower trade tariffs and better [see more...](#)

SBA: MoF says commitments being fulfilled – Positive

The Finance Ministry has stated that the government is fulfilling all the commitments agreed with the International Monetary Fund (IMF) under the Stand-By-Arrangement (SBA). A spokesman for the Finance Division on Saturday further stated that this was also evident from the successful completion of the first review of the Staff Level Agreement (SLA). In response to a news item by a private channel, he added that neither [see more...](#)

UNDP sees debt management bigger challenge for new govt – Neutral

The new government in Pakistan must have a plan to tackle the debt challenge, with a reform agenda enhancing financial management, increasing revenue, enforcing fiscal discipline, diversifying funding sources and effectively managing debt, suggests the United Nations Development Programme (UNDP). The UN agency’s latest publication — Development [see more...](#)

Debt, liabilities of loss-making PSEs surge - Negative

The heavily indebted government had to face an upsurge in the debts and liabilities of the Public Sector Enterprises (PSEs) in a year, which means much bigger allocations will have to be made in the budget for repayments. Successive governments have been trying to get rid of the loss-making PSEs but no one succeeded in making it possible despite continued pressure from the IMF to privatise them. [see more...](#)

Rupee holds steady as zero CAD policy keeps dollar demand in check - Neutral

The rupee is expected to maintain its stability against the U.S. dollar in the coming weeks, supported by a balanced demand and supply of the greenback and a shrinking current account deficit, analysts said on Saturday. The rupee ended the week at 282.53 per dollar, gaining 0.24 percent from Monday’s close of 283.21, according to the central bank data. [see more...](#)

Foreign currency inflow hopes aid rupee’s uptrend – Neutral

Pakistani currency maintained its uptrend for the ninth consecutive working day on Friday and touched a fresh seven-week high at slightly above Rs282.50 against the greenback in the inter-bank market on expectation of imminent foreign currency inflows. According to State Bank of Pakistan’s (SBP) data, the rupee appreciated 0.09%, or Rs0.26, and closed at Rs282.53 against the greenback. The currency [see more...](#)

Foreign currency inflow hopes aid rupee’s uptrend – Neutral

Pakistani currency maintained its uptrend for the ninth consecutive working day on Friday and touched a fresh seven-week high at slightly above Rs282.50 against the greenback in the inter-bank market on expectation of imminent foreign currency inflows. According to State Bank of Pakistan’s (SBP) data, the rupee appreciated 0.09%, or Rs0.26, and closed at Rs282.53 against [see more...](#)

High court suspends 40pc additional tax on windfall income of banks – Positive

After Islamabad and Lahore high courts, the Sindh High Court (SHC) has also suspended the SRO 1588(I)/2023 of the Federal Board of Revenue (FBR) which has imposed 40 percent additional tax on windfall income of banks. According to the latest order of the SHC, the operation of the SRO 1588(I)/2023 will remain suspended till the next [see more...](#)

DISCLAIMER

This report has been prepared by Abbasi & Company (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Abbasi & Company (Private) Limited and or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Abbasi & Company (Private) Limited accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Abbasi & Company (Private) Limited Research Department and do not necessarily reflect those of the company or its directors. Abbasi & Company (Private) Limited as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. Abbasi & Company (Private) Limited does not act as a market maker in the securities of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives do not have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company at the time of issuance of this report. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives are not currently serving or have served in the past three years as a director or officer of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives have not received compensation from the subject company in the previous 12 months. The subject company currently is not, or during the 12-month period preceding the date of publication or distribution of this report, was not, a client of Abbasi & Company (Private) Limited. We have not managed or co-managed a public offering or any take-over, buyback or delisting offer of securities for the subject company in the past 12 months and/or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company in the past 12 months. Abbasi & Company (Private) Limited does not expect to receive or intend to seek compensation for corporate advisory services or underwriting services from the subject company in the next 3 months

All rights reserved by Abbasi & Company (Private) Limited. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Abbasi & Company (Private) Limited. Action could be taken for unauthorized reproduction, distribution or publication

VALIDITY OF THE PUBLICATION OR REPORT

The information in this publication or report is, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report. The information may be subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the company, jurisdiction or financial instruments referred to in this report. The valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report and were based upon several estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein is not to be relied upon as a representation and/or warranty by Abbasi & Company (Private) Limited and/or its other associated and affiliated companies, that:

- I. Such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- II. There is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein

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

RATINGS CRITERIA

Abbasi & Company (Private) Limited employs a three-tier ratings system to rate a stock and sector, as mentioned below, which is based upon the level of expected return for a specific stock and outlook of sector. The rating is based on the following with stated time horizon

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.

RESEARCH DISSEMINATION POLICY

Abbasi & Company (Private) Limited endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc. Nevertheless, all clients may not receive the material at the same time

OTHER DISCLOSURES

The research analyst is primarily involved in the preparation of this report, certifies that:

- I. The views expressed in this report accurately reflect his/her personal views about the subject company/stock /sector and economy
- II. No part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report

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