



75,575	▼ -303	▼ -0.40%
191 mn	YTD 16.88%	1 Year 81.38%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	23,263.90	733.20	3.25% ▲
DSE 30	1,856.99	17.85	0.95% ▼
SHANGHAI	3,077.89	0.6	0.02% ▼
Hang Seng	18,432.00	28.96	0.16% ▲
Nikkei 225	38,759.50	181	0.46% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,262.75	12.63	0.15% ▼
DAX 30	18,610.27	112.33	0.61% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,571.03	115.29	0.30% ▼
S&P 500	5,283.40	5.89	0.11% ▲
NASDAQ	18,601.30	64.65	0.35% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,365.60	3.7	0.16% ▼
Oil-WTI (bbl)	73.70	0.52	0.70% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	278.50	0.2	0.07% ▼
EURO/PAKR	302.60	0.35	0.12% ▼
GBP/PAKR	354.30	-	-
AED/PAKR	76.29	0.06	0.08% ▼

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

## Market Outlook

The stock market on Monday opened on a positive note. However, later on, it lost the impetus and concluded the session in the red zone amid uncertainty prevailing among the investors. The Benchmark KSE-100 index made an intra-day high and low at 76,209.96 (331.49 points) and 75,495.38 (-383.09) respectively while closed at 75,575.25 by losing 303.22 points. Trading volume decrease to 191mn shares as compared to 244mn shares on the previous trading day. Going forward, we anticipate a volatile and mixed outlook in the market due to uncertainties surrounding the upcoming federal budget, coupled with some optimistic news regarding the expected rate cut. The index is anticipated to face upcoming support at 74,700 and if it breaks below this level then the market would drop till 74,000, while finding resistance at 76,000.

## Key News

### International

#### Asian Bonds Rally as US Data Boost Rate-Cut Bets: Markets Wrap

Asian stocks struggled for traction, as investors weighed concerns about the health of the US economy against stronger expectations for early Federal Reserve policy easing. Shares declined in Japan and South Korea, while those in Hong Kong and mainland China fluctuated. US equities futures [see more...](#)

#### Oil Pushes Lower as OPEC+ Plan Spurs Concerns About Ample Supply

Oil extended losses from the lowest settlement in almost four months after OPEC+'s plan to return barrels to the market earlier than expected raised concerns about oversupply. Brent fell below \$78 a barrel after the August contract tumbled 3.4% on Monday. West Texas Intermediate was under. [see more...](#)

### Politics

#### Major boost for PTI as IHC acquits Imran, Qureshi in cipher case

IHC Chief Justice Aamer Farooq and Justice Miangul Hassan Aurangzeb announced the short verdict after accepting the appeals of the former premier and diplomat against their convictions in the case. The court order, copies of which are available with Dawn.com, said they.. [see more...](#)

### Economy

#### PM defers IMF's proposed tax hike on salaried individuals - Neutral

Prime Minister Shehbaz Sharif has deferred the approval to increase the effective income tax rate for salaried individuals, raising hopes to block the controversial condition set by the International Monetary Fund (IMF). Instead, the premier instructed the finance ministry to request the IMF to drop the proposal.. [see more...](#)

## MORNING GLANCE

### **Contractual obligations, rollovers, loans: PM's China visit aims at getting a breathing space – Neutral**

This was revealed by various stakeholders on condition of strict anonymity. The wish list is very ambitious and it is doubtful if China will approve all three items on the list, independent economists commented to BR They argued that the delays in pending contractual dues to Chinese companies is. [see more...](#)

### **Final date for federal budget yet to be decided - Neutral**

According to an office memorandum issued by the Ministry for Parliamentary Affairs on May 24, a copy of which is available with Business Recorder, the budget session will be summoned on June 5. According to the sources in Parliament House, the final date for the presentation of the federal budget for the fiscal year 2024-25 is yet to be decided due to a pre-scheduled [see more...](#)

### **SBP likely to lower policy rate: S&P GMI – Positive**

The analysis was produced by S&P Global Market Intelligence, not S&P Global Ratings, which is a separately managed division of S&P Global. Key highlights from the analysis include; the realized headline consumer price index (CPI) inflation of 11.8 per cent for May was considerably lower than the.. [see more...](#)

### **Business confidence improves by 4pc: OICCI survey - Positive**

Rehan Shaikh, President of OICCI said that the OICCI Business Confidence Index has shown some positive signs of economic recovery, rising to negative 14 percent in March-April 2024 from negative 18 percent in the previous survey of October-November 2023. He said this upward trend, albeit small, indicates a more optimistic business environment supported by improving economic growth, a stable exchange [see more...](#)

### **Inflation slows to 11.8pc in May, lowest in 30 months – Positive**

The CPI on average during the first eleven months (July-May) of the current fiscal year 2023-24 stood at 24.52 per cent compared to 29.16 per cent during the same period of last fiscal year. On a month-on-month basis, it decreased to -3.2 per cent in May 2024 as compared to a decrease of 0.4 per cent in the previous month and an increase of 1.6 per cent in May 2023.. [see more...](#)

### **Trade deficit narrows 15.2% YoY in 11MFY24 - Positive**

Pakistan's trade deficit in the eleven months of fiscal year 2023-24 has reduced by 15.2% YoY to \$21.73bn as compared to a deficit of \$25.64bn in 11MFY23. Meanwhile, in May 2024, the trade deficit has edged higher by 0.1% YoY to \$2.11bn as compared to a deficit of \$2.11bn recorded in the same month last year, according to data released by. [see more...](#)

### **Sinopec not interested in refinery project – Neutral**

Pakistan State Oil (PSO) is reportedly interacting with Bank of China/ Sinopec for establishment of either an oil refinery or petrochemical refinery with an investment of over \$ 10 billion. Recently, Pakistan sought viewpoint of Chinese company which showed no interest in any type of refinery. Minister for Planning, Development and Special [see more...](#)

### **Pak-Arab Pipeline's credit ratings held steady at 'AAA' by PACRA – Neutral**

Pakistan Credit Rating Agency Limited (PACRA) has maintained entity ratings of Pak-Arab Pipeline Company Limited at "AAA" for long term and "A1+" for short term with a stable outlook forecast, latest press. [see more...](#)

### **OGDCL commences hydrocarbon production at Chanda-7 Well in Khyber Pakhtunkhwa - Positive**

According to a notice sent to the Pakistan Stock Exchange (PSX) on Monday, OGDCL said that Chanda-7 well has been successfully tested, completed and brought into production. The structure of Chanda-7 was delineated, drilled and tested using the Company's in-house expertise. The well reached a depth of 5492 metres, targeting the. [see more...](#)

### **April FCA: KE seeks provisional adjustment - Neutral**

According to sources, the FCA under the interim tariff –March 2023 has been calculated at (Rs1.18) per unit, the FCA under reference monthly cost Rs0.44 per unit and FCA-reference yearly average cost (Rs0.74) per unit. Scenario 1, FCA-reference interim (difference between actual fuel cost versus reference fuel). [see more...](#)

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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

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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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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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