

MORNING GLANCE



77,084	▼ -1142	▼ -1.46%
169 mn	YTD 19.21%	1 Year 58.57%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,049.95	667.75	2.70% ▼
DSE 30	1,900.85	14.66	0.78% ▲
SHANGHAI	2,860.70	44.64	1.54% ▼
Hang Seng	16,698.36	247.15	1.46% ▼
Nikkei 225	31,078.00	4839.5	13.47% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,008.23	166.48	2.04% ▼
DAX 30	17,336.85	305.29	1.73% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	38,877.59	859.67	2.16% ▼
S&P 500	5,215.67	130.89	2.45% ▼
NASDAQ	17,984.75	456.1	2.47% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,444.85	24.95	1.01% ▼
Oil-WTI (bbl)	73.00	0.52	0.71% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	278.90	0.15	0.05% ▼
EURO/PAKR	304.69	3.76	1.25% ▲
GBP/PAKR	356.13	2.13	0.60% ▲
AED/PAKR	76.29	-	-

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

Market Outlook

The stock market on Monday remained bearish throughout the day and concluded the session in the red zone as global market rout intensifies. The Benchmark KSE-100 index made an intra-day high and low at 78,330.09 (104.11 points) and 76,943.24 (1,282.74 points) respectively while closed at 77,084.48 by losing 1,141.50 points. Trading volume decreased to 169mn shares as compared to 203mn shares on the previous trading day. Going forward, we anticipate the market will remain volatile until there is stabilization in the global markets. During this period, investor confidence is likely to remain subdued due to concerns over a potential global recession influenced by economic conditions in the US. The index is anticipated to face upcoming support at 76,800 and 76,500 while finding resistance at 77,500.

Key News

International

Japanese Stocks Bounce Back as US Futures Rally

Japanese equities powered higher, leading gains in Asia, as they retraced some of the losses sustained in Monday's global rout that wiped out billions across markets from New York to London. US equity futures also advanced and Treasuries fell. Japan's two key share [see more...](#)

Oil Climbs From Seven-Month Low as Equities Claw Back Losses

Oil advanced from a seven-month low as equities rebounded and the halting of production from Libya's biggest field refocused attention on the Middle East. Brent climbed toward \$78 a barrel after tumbling more than 5% over the previous three sessions, and West Texas Intermediate [see more...](#)

Politics

Gandapur warns to stage sit-in at D-Chowk if permission not granted for rally

Khyber Pakhtunkhwa Chief Minister Ali Amin Gandapur announced Monday that the Pakistan Tehreek-e-Insaf (PTI) would stage its next power show in Islamabad which will be converted into a sit-in if NOC is not granted for a rally. No one can stop us from [staging a rally]," said Gandapur while addressing the PTI public gathering held to mark the one-year imprisonment of the party founder Imran Khan. [see more...](#)

Economy

PM forms task force on energy issues – Positive

Prime Minister Shehbaz Sharif has constituted a Task Force to suggest a way forward to the current energy issues including supervision of implementation of structural reforms in the power sector. According to the notification, the Task Force will be headed by the Power Minister Sardar Awais Khan Leghari and will comprise of former caretaker Minister for Power and Petroleum Muhammad Ali as Special Assistant [see more...](#)

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SC urged to order govt stop making payments to IPPs – Neutral

The Supreme Court has been urged to direct the secretaries of ministries of energy, water and power and others to stop making payments to the IPPs as it cannot be justified to be lawful within the framework of the Constitution, the Power Purchase Agreements, the Implementation President Lahore High Court Bar Association and the Bar Association, on [see more...](#)

Govt establishes task force to digitalize FBR – Positive

For comprehensive and end to end digitalization of the Federal Board of Revenue (FBR), the Prime Minister has constituted a Task Force on Digitalization of FBR, with immediate effect. The task force will be chaired by Minister of State for Finance & Revenue with the Co-Chair Major General Syed Ali Raza, DG C41. The Terms of Reference (ToR)s of the Task Force include [see more...](#)

Senate panel doubts govt assertion of decreased spending - Neutral

A parliamentary panel has expressed skepticism over the federal government's claim of cutting down its expenditure and stated that if it was serious it should have devolved ministries and divisions to the provinces under the 18th Constitutional Amendment [see more...](#)

SECP registers 2,864 new companies in July – Neutral

The Securities and Exchange Commission of Pakistan (SECP) registered 2,864 new companies in July 2024, said a press release issued today. This signalled an increase of 25% from the corresponding month last year and marked the highest number of companies ever registered in a month. [see more...](#)

Govt to retire expensive power plants – Neutral

The federal government has decided to retire expensive power plants to reduce electricity prices in the country. This information was shared by the top bosses of Power Division with a delegation of Muttahida Qaumi Movement (Pakistan) on Monday in which electricity issues in Karachi, Hyderabad and capacity payment issues of Independent [see more...](#)

KE extends bill payment dates by 10 days for July, August - Neutral

K-Electric (KE) on Monday extended the deadline for payment of electricity bills by 10 days as applied in other distribution companies across the country. Due date for K-Electric bills due in July [and] August have been extended by 10 days as applied in other distribution companies [see more...](#)

APTMA urges further rate cuts as Pakistan's real interest rate reaches regional peak - Neutral

he All Pakistan Textile Mills Association (APTMA) has urgently called for additional interest rate reductions to alleviate borrowing costs and stimulate economic growth. The association's plea comes as recent inflation data for July reveals a year-on-year (YoY) inflation [see more...](#)

Indus Motor temporarily closes production due to supply chain issues - Negative

Indus Motor Company Limited on Monday announced the temporary closure of its production plant due to ongoing supply chain challenges. The plant will be closed from August 6 to August 8, 2024, according to a disclosure made by the company. [see more...](#)

BYD to launch electric vehicles in Pakistan on August 17th – Positive

BYD, a leading New Energy Vehicle (NEV) manufacturer from China, will join forces with Mega Motor Company (Private) Limited, a subsidiary of Hub Power Company Limited (HUBCO), to host a grand brand launch on August 17th in Pakistan. This launch will [see more...](#)

Govt defers NBP privatization - Neutral

The government, on Monday, deferred a decision on the privatisation of the National Bank of Pakistan (NBP) due to a legal obstacle. This move contradicts an earlier commitment made to the International Monetary Fund (IMF) to remove the special status of seven [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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