

MORNING GLANCE



41,330	▼ -342	▼ -0.82%
91 mn	YTD 1.26%	1 Year -4.96%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,534.40	99.45	0.53% ▼
DSE 30	2,202.70	4.09	0.19% ▲
SHANGHAI	3,218.87	14.31	0.45% ▲
Hang Seng	18,349.50	115.23	0.63% ▲
Nikkei 225	30,985.50	97.62	0.32% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,446.14	75.93	1.01% ▼
DAX 30	15,664.02	244.89	1.54% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	32,908.27	134.51	0.41% ▼
S&P 500	4,179.83	25.69	0.61% ▼
NASDAQ	14,254.09	100.9	0.70% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,981.20	0.9	0.05% ▼
Oil-WTI (bbl)	68.46	0.37	0.54% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	285.47	0.12	0.04% ▲
EURO/PKR	304.48	0.55	0.18% ▼
GBP/PKR	352.61	0.03	0.01% ▲
AED/PKR	77.72	0.06	0.08% ▲

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

Market Outlook

The stock market on Wednesday plunged over 300 points and concluded the session in the red zone amid the delay in the resumption of IMF programme, which led to negative market sentiment. The KSE-100 index made an intra-day high and low at 41,852 (181 points) and 41,265 (407 points) respectively while closed at 41,330 by losing 342 points. Trading volume decreased to 91mn shares as compared to 104mn shares on the previous trading day. Going forward, the resistance for the index resides at 42,084. Going forward, the support for the index resides at 41,328(200 DMA). Breaking this level would further drag the index towards 40,933 (50 DMA) . Contrarily, the resistance of the index resides at 41,700.

Key News

International

US passes debt ceiling bill, SGX Nifty down - Key triggers that my dictate Indian market today

Asian markets were trading mixed on Thursday as investors remained cautious amid the passage of US debt ceiling bill and the release of manufacturing data of several Asian countries, including China. In the US, the House of Representatives passed a bill to suspend the \$31.4 trillion debt ceiling on Wednesday, with majority support from both [see more...](#)

Oil Edges Higher After Debt-Deal Reached and China Data Beats

Oil edged higher as traders found relief in progress made to a debt-deal that will avert a US default, and as Chinese manufacturing data beat expectations. West Texas Intermediate rose above \$68 a barrel after losing around 6% over the previous two sessions. Oil erased earlier loss [see more...](#)

Politics

Islamabad accountability court grants Imran bail in Al-Qadir Trust case till June 19

The PTI chief arrived at the Federal Judicial Complex shortly after the Islamabad High Court (IHC) directed him to approach a relevant accountability court within three working days. The Al-Qadir Trust case alleges that the PTI chief and his wife, Bushra Bibi, obtained billions of rupees and land [see more...](#)

Economy

IMF bailout: govt still hopeful, optimistic

Minister of State for Finance Aisha Ghaus Pasha Wednesday said the prime minister and the ministry of finance are in total commitment to the International Monetary Fund (IMF) programme and "we are not thinking anything without the Fund programme. She stated this while responding to the questions of the media after the meeting of the Senate Standing Committee on Finance. [see more...](#)

MORNING GLANCE

Rs62bn short of Rs621bn monthly target; May provisional tax collection stands at Rs559bn – Negative

The Federal Board of Revenue (FBR) has provisionally collected Rs 559 billion in May 2023 against the monthly target of Rs 621 billion, reflecting a shortfall of Rs 62 billion in May 2023. Now the FBR has to collect over Rs 1.4 trillion in June 2023 for achieving the increased tax collection target of Rs 7.6 trillion for 2022-23. So far So far, the FBR has collected Rs 6,200 billion during the [see more...](#)

Price of petrol cut by Rs8, diesel's by Rs5 - Neutral

Federal government on Wednesday reduced the prices of petroleum products up to RS 8 per litre, or 2.9 percent, with effect from June 1, 2023 Finance Minister Ishaq Dar announced on TV the new prices of petroleum products for next 15 days of June. Despite no significant change in exchange rate and global oil prices in May, the government still decided to reduce the price of petrol by Rs 8 per litre, high speed diesel (HSD) and light diesel [see more...](#)

Out-of-court settlement; KE asked to start talks on Rs47bn clawback dispute - Neutral

National Electric Power Regulatory Authority (Nepra) on Wednesday once again urged K-Electric (KE) to start negotiations on out of court settlement dispute on clawback of Rs 47 billion, supposed to be refunded to consumers. This issue came under discussion at a public hearing held in Nepra on KE's requests in positive adjustments in Fuel Charges Component (FCA) for [see more...](#)

IPSs settlement; Banks can buy dollars from interbank market: SBP - Positive

The State Bank of Pakistan (SBP) Wednesday allowed banks to purchase US dollars from interbank for settlement of card-based cross border truncations with International Payment Schemes (IPSs) to reduce the pressure in the open currency market. Previously, as per the SBP directives, authorized dealers were allowed to purchase USD from any exchange company [see more...](#)

Supernet makes offer for 18.6% shares of IT company HCL - Positive

Supernet Infrastructure Solutions Private Limited (PSX: GEMSPNL) has made an offer to acquire 92,890 shares constituting approximately 18.578% of the issued and paid-up capital of Hallmark Company Limited (PSX: HCL), the company's filing on PSX showed today. Topline Securities Limited, manager to the offer, on behalf of the acquirers, has submitted a Public [see more...](#)

TPL Insurance to acquire assets, liabilities - Positive

TPL Insurance Limited has announced to Acquire Assets and Liabilities of New Hampshire Insurance Company's Pakistani Branch Board of Directors of TPL has approved a draft Scheme of Arrangement under Section 279 to Section 282 and Section 285 of the Companies Act, 2017. The scheme outlines the acquisition of the assets and liabilities of the Pakistani Branch of New Hampshire Insurance Company (NHIC). Upon [see more...](#)

Edible oil, ghee prices slashed by wide margin - Positive

The price cut applies to various brands of ghee and cooking oil being sold at the utility stores operated by the Utility Stores Corporation across the country. The government issued a notification to announce the new prices, which the notification said, have taken effect from Wednesday, May 31 According to the notification, the edible oil price has been reduced by Rs93 per liter at the utility store, while the [see more...](#)

Market says likelihood of tax on companies' reserves getting green signal 'low' - Neutral

The government, eyeing to attract Rs9.2 trillion tax revenue target for 2023-24, a 20% year-on-year growth from 2022-23 budgeted numbers, had reportedly been contemplating the imposition of a tax on accumulated reserves of companies in the budget set to be announced on June 9. Among several measures proposed by the Reform and Revenue [see more...](#)

Exporters to get \$9 MMbtu gas tariff for May, June - Neutral

The government has decided on the continuation of the concessionary tariff of \$9 MMbtu for the months of May and June 2023 to five export-oriented sectors, according to a notification issued by the Ministry of Energy The decision will entail a supplementary grant of Rs4 billion by enabling Sui Northern Gas Pipelines Limited (SNGPL) to disburse a subsidy of Rs2bn each for the months of May and June 2023. [see more...](#)

ECNEC approves four projects worth Rs120bn - Neutral

A meeting of the Executive Committee of the National Economic Council (ECNEC), Wednesday, approved four development projects worth over Rs120 billion for the AJK, Gilgit-Baltistan, and Khyber-Pakhtunkhwa. The ECNEC considered and approved a project of the government of AJK to be executed by the Power Development Organization, AJK, for the Establishment of 48MW Shounter Hydropower [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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- 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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