

MORNING GLANCE



46,013	▲ 256	▲ 0.56%
68 mn	YTD 12.73%	1 Year 10.01%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,819.95	92.90	0.47% ▲
DSE 30	2,137.10	7.11	0.33% ▼
SHANGHAI	3,134.45	17.73	0.57% ▲
Hang Seng	17,905.50	296.57	1.63% ▼
Nikkei 225	32,487.50	122	0.37% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,478.19	36.47	0.49% ▲
DAX 30	15,740.30	21.64	0.14% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,576.59	75.86	0.22% ▲
S&P 500	4,457.49	6.35	0.14% ▲
NASDAQ	15,280.23	21.71	0.14% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,946.35	3.65	0.19% ▲
Oil-WTI (bbl)	87.03	0.48	0.55% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	302.95	1.99	0.65% ▼
EURO/PKR	324.49	2.18	0.67% ▼
GBP/PKR	378.50	1.7	0.45% ▼
AED/PKR	82.48	0.54	0.65% ▼

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

Market Outlook

The stock market on Friday remained positive for the majority part of the day and concluded the session in the green zone amid rupee maintained its positive run against the US dollar in the open market. The KSE-100 index made an intra-day high and low at 46,077.38 (320 points) and 45,728.89 (-28 points) respectively while closed at 46,013.48 by gaining 256 points. Trading volume decreased to 68mn shares as compared to 99mn shares on the previous trading day. Going forward, we expect the market to remain positive amid the initiation of major tax drive against defaulters and crackdown on dollar smuggling. The index currently has a resistance around 46,300. Breaking this level can further push it towards 47,000. However, the current support of the index resides at 45,500.

Key News

International

Asian stocks trade mixed, yen advances on Ueda

Asian equities traded mixed in a cautious open while the yen was on the front foot following potentially hawkish remarks by the Bank of Japan governor. Stocks fell in South Korea and rose in Japan, where financial stocks led the gains. Futures for Hong Kong equities were unchanged as the market is scheduled to reopen after a closure Friday due to a heavy rainstorm. [see more...](#)

Oil prices slip from near 10-month high, Brent holds \$90

Oil prices fell from a near 10-month high on Monday, seeing a measure of profit taking after a stellar rally over the past month, although bets on tightening supplies still kept Brent above key levels. Markets turned cautious before key U.S. inflation data due later this week, which is largely expected to factor into interest rates. A Federal Reserve meeting is also on tap later in September. [see more...](#)

Politics

US, Saudi Arabia and India eye trade corridor

The United States, Saudi Arabia, India and other nations are discussing a possible infrastructure deal that could reconfigure trade between the Gulf and South Asia, linking Middle Eastern countries by railways and connecting to India by port, according to US officials aware of the [see more...](#)

Economy

World Bank reaffirms support for Pakistan's economy – Positive

Akhtar warmly welcomed the World Bank delegation and underscored Pakistan's deep appreciation for its development partnership with the organisation. She specifically commended the dedicated efforts of the World Bank's country team in Islamabad for their contributions to Pakistan's economic development. [see more...](#)

MORNING GLANCE

Pakistan paving way for major KSA investments – Positive

In an effort to attract \$25-30 billion in investments from the Kingdom of Saudi Arabia in copper, mineral, refinery and solar projects, Pakistan will need to address three major concerns of Riyadh to materialize multibillion-dollar investments in viable projects. The much-hyped Special Investment Facilitation Council (SIFC), jointly supervised and operated by the military establishment and civilian [see more...](#)

USAID 'Invest in Pakistan' conference; US announces \$40m new diaspora investment - Positive

The United States announced the mobilisation of more than \$40 million in new US-Pakistani diaspora investment at the USAID "Invest in Pakistan" conference, here on Saturday. Four diaspora partners concluded four new Memoranda of Understanding with the United States Agency for International Development (USAID) valued at \$44 million – increasing total diaspora [see more...](#)

New visa regime announced to make an 'open Pakistan' - Neutral

Caretaker Prime Minister Anwaar-ul-Haq said on Saturday that important decisions have been taken for an 'open Pakistan' from the platform of SIFC through new visa regime. After the second consecutive day of apex committee of Special Investment Facilitation Council (SIFC), in a televised statement, the caretaker prime minister said that under new visa regime overseas business community and businessmen [see more...](#)

Finance minister says govt to go for rollover of deposits – Neutral

Caretaker Finance Minister Shamshad Akhtar on Friday said the interim government would go for a rollover of the deposits from other countries upon their maturity. Addressing a press conference in Islamabad with other caretaker federal ministers after a meeting of the Special Investment Facilitation Council, Akhtar said the interim government needed to revive the economy [see more...](#)

Govt to borrow Rs11 trillion from domestic market in Q2 - Negative

The government aims to borrow Rs11.04 trillion from the domestic debt market in the next three months to finance its budget deficit. For the months of September through October, most of the anticipated borrowing will be done through Market Treasury Bills with maturities of three, six, and twelve months. According to the auction calendar released by the [see more...](#)

'Massive' crackdown on hoarders, smugglers announced – Neutral

Caretaker Federal Minister for Interior Sarfaraz Ahmed Bugti announced to launch a massive crackdown on hoarders, saying there will be zero tolerance for smuggling and hoarding. Addressing a news conference on Sunday evening along with Caretaker Federal Minister for Information and Broadcasting Murtaza Solangi, he said all the [see more...](#)

Rupee gains as exporters sell dollar holdings – Positive

The State Bank of Pakistan reported the closing price of the dollar at Rs302.95 in the interbank market on Friday, compared to Rs304.94 the previous day, reflecting a decline of Rs2. The dollar has been declining throughout the current week in both markets, but the decrease in the open market was notably higher. Bankers noted that exporters played a role in the decline of the [see more...](#)

SNGPL losses shrink by Rs1.43bn in a year – Positive

Sui Northern Gas Pipelines Ltd (SNGPL) has plugged natural gas losses worth Rs1.431 billion by saving 620 million cubic feet (MMCF). Amjad Aslam, Senior General Manager, SNGPL, said owing to strenuous efforts in controlling unaccounted for gas (UFG) losses of Lahore region, the gas utility managed to reduce losses in Lahore region by 620 MMCF amounting Rs1,431 billion as compared to last year. [see more...](#)

Pakistan seeks first spot LNG cargo in over a year - Positive

Pakistan Gasport is looking to buy a spot liquefied natural gas (LNG) cargo for November delivery, its chairman Iqbal Ahmed told Reuters on Thursday, which would be the country's first spot LNG deal since June 2022. LNG is crucial for Pakistan, where natural gas accounts for over a third of power generation and local gas reserves are insufficient to address growing electricity demand in a country of [see more...](#)

Gas tariff may go up by 50% - Negative

The prices of gas is expected to increase by more than 50% next week following the International Monetary Fund asking the caretaker government, which has apparently decided to pass on the losses in this sector to the people, to jack up its rate. The annual loss of the gas sector is Rs350 billion while its total circular debt has hit Rs2.70 trillion. According to sources, the tariffs of Sui Northern Gas Pipelines Limited [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

Muhammad Umair Javed

Phone: (+92) 42 38302028

Ext: 117

Email: umairjaved@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