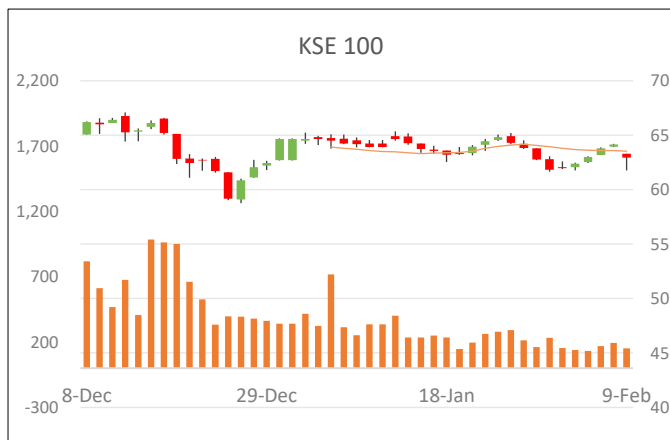


MORNING GLANCE



62,943	▼ -1201	▼ -1.87%
152 mn	YTD -2.66%	1 Year 50.86%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,743.45	39.05	0.18% ▼
DSE 30	2,138.22	-	-
SHANGHAI	2,865.90	36.21	1.28% ▲
Hang Seng	15,746.58	131.49	0.83% ▼
Nikkei 225	36,897.42	66.72	0.18% ▲
EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,572.58	22.9	0.30% ▼
DAX 30	16,926.50	37.33	0.22% ▼
USA	Value	Pts	Chg. (%)
DOW JONES	38,671.69	54.64	0.14% ▼
S&P 500	5,026.61	28.70	0.57% ▲
NASDAQ	17,962.40	179.24	1.01% ▲
Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,037.55	1.15	0.06% ▼
Oil-WTI (bbl)	76.50	0.34	0.44% ▼
Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.28	0.06	0.02% ▼
EURO/PKR	300.87	0.27	0.09% ▲
GBP/PKR	352.33	0.2	0.06% ▼
AED/PKR	76.04	0.01	0.01% ▼

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

Market Outlook

The stock market on Friday plunged by 2,362 points at the start of the trading session. However, later on, it recovered most of its intra-day losses and concluded the session in the red zone by losing 1200 points amid rising uncertainty over election results. The Benchmark KSE-100 index made an intra-day high and low at 63,305.70 (-838 points) and 61,781.76 (-2362 points) respectively while closed at 62,943.74 by losing 1200 points. Trading volume decreased to 152mn shares as compared to 195mn shares on the previous trading day. Going forward, the market is expected to remain volatile due to the likelihood of another hung parliament, as indicated by electoral results. Additionally, media reports claim that the IMF has not approved the circular debt resolution plan, and negotiations will resume with the new government. While the petroleum ministry has refuted these claims, we perceive minimal chances of IMF approval for such a plan, based on our analysis. The index is expected to test its resistance at 63,568 (200-DMA). Breaking this level would further push the index towards 65,000. However, the support for the index resides at 61,750..

Key News

International

Asia Equities Mixed as US Shares Climb, Bonds Fall: Markets Wrap

Wall Street notched a milestone, with the S&P 500 topping 5,000 amid a renewed rally in big tech and hopes the Federal Reserve will soon be able to cut rates — bolstering the outlook for corporate profits. Equities powered ahead [see more...](#)

Oil starts week lower after Israel says 'concluded' Gaza strikes

Oil prices fell in early Asian trade on Monday after Israel said it had "concluded" a series of strikes in southern Gaza, slightly easing concerns about supply from the Middle East. Brent crude futures were down 43 cents, or 0.5%, at \$81.76. [see more...](#)

Politics

Imran, Qureshi get bail in May 9 cases

Anti-Terrorism Court (ATC) Rawalpindi Judge Malik Ijaz Asif has accepted the bail of former prime minister Imran Khan and former foreign minister Shah Mahmood Qureshi in 12 cases linked to the May 9 attacks on. [see more...](#)

Economy

External debt obligations; New govt will have to introduce long-term financing plan: Moody's - Neutral

The newly-elected government will have to put in place a long-term financing plan to meet its very large external debt obligations for the next few years, says Moody's Investors Services (Moody's). Grace Lim, [see more...](#)

MORNING GLANCE

IMF mission visit linked to new govt formation – Neutral

The visit of the IMF review mission to Pakistan is conditional on the formation of federal and provincial governments, which may be by the end of the ongoing month or early next month. The upcoming mission is considered quite crucial for completion of \$3 billion Standby Arrangement (SBA), which will expire on April 12, and then finalizing the salient features of the expected medium-term bailout package to avert default on. [see more...](#)

PRR project; World Bank accepts govt request - Neutral

The World Bank has accepted the government's request for the extension of closing date and restructuring of the "Pakistan Raises Revenue (PRR)" project worth \$400 million. The bank through a letter communicated to the government that after due consideration, the International Development Association (IDA) has agreed to the request and consequently, the financing agreement is amended, besides the closing date [see more...](#)

New govt to ink loan accord with China for ML-1 – Neutral

"Everything, except finalisation of the terms and conditions related to financing/loan by the government, has been completed, as no issue about the project exists at the moment on the part of Pakistan Railways (PR), federal government or the Chinese government," the PR's Chief Executive Officer Amir Ali Baloch told Dawn on Saturday. "It will be a government-to-government (G to G) discussion wherein the new government, [see more...](#)

Uptick in FDI reflects govt's commitment to economic reforms - Neutral

In a significant economic development, Pakistan has witnessed a remarkable 35% increase in foreign direct investment (FDI) in the first half of the ongoing fiscal year 2023-24, reaching a total of \$863 million. Recent data from the State Bank of Pakistan (SBP) highlights substantial investments in December and notable inflows from China and the [see more...](#)

Sovereign dollar bonds tumble further amid election uncertainty: tradeweb - Negative

Pakistan's sovereign dollar bonds extended losses to more than 5 cents, Tradeweb data showed on Friday, as both Imran Khan and Nawaz Sharif claimed victory in neck-and-neck results from Thursday's elections in the debt-laden nation. All of its sovereign dollar bonds slid, with the September 2025.. [see more...](#)

Pakistan may face more economic misery if election result unclear - Neutral

The possibility of a political stalemate in Pakistan leading to delays in both reforms and crucial foreign funding has sparked a selloff in its international bonds and fuelled analysts' fears of further economic misery for the country. Results coming in from Thursday's election saw an unexpectedly strong showing for independents - mostly supporters of [see more...](#)

PDM economic management led to sharp rise in per capita debt – Negative

The Ministry of Finance's Fiscal Policy Statement 2024 showed a sharp rise in the debt burden during the fiscal year 2022-23, the period when PDM ruled Pakistan. The debt burden of every citizen increased by 25.2% to Rs271,624 by the end of the previous fiscal year. In absolute terms, every person's debt burden rose by Rs54,500. [see more...](#)

Forex reserves fall by \$165m - Negative

The country's total liquid foreign reserves fell by \$ 165 million during the last week due to external debt servicing. According to the State Bank of Pakistan (SBP), the total liquid foreign reserves held by the country stood at \$ 13.098 billion as of Feb 2, 2024 compared to \$ 13.263 billion as of Jan 26, 2024 During the week under review, SBP's reserves decreased by \$ 173 million to \$ 8.044. [see more...](#)

Election split tests rupee, but exporters cushion the blow - Neutral

The rupee is expected to trade in a narrow range in the coming weeks, as healthy dollar supplies from exporters offset the political uncertainty after a split election result, analysts and traders said on Saturday. The rupee gained slightly against the greenback in the interbank market this week, closing at 279.28 on Friday, [see more...](#)

Govt plans special audits of SOEs on IMF advice - Neutral

Informed sources said the Competition Commission of Pakistan (CCP) had been asked by the Ministry of Finance (MoF) to gear up for undertaking sector-specific studies of power, transport & communications, finance and oil & gas including liquid fuels like liquefied petroleum gas (LPG) and liquefied natural gas (LNG) [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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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

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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