



45,155	▲ 570	▲ 1.28%
248 mn	YTD 10.63%	1 Year 7.87%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,439.40	83.50	0.43% ▲
DSE 30	2,190.78	0.68	0.03% ▼
SHANGHAI	3,217.58	3.79	0.12% ▼
Hang Seng	18,882.25	222.42	1.19% ▲
Nikkei 225	31,973.50	230.07	0.71% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,282.52	8.73	0.12% ▲
DAX 30	15,790.34	117.18	0.75% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,261.42	317.02	0.93% ▲
S&P 500	4,439.26	29.73	0.67% ▲
NASDAQ	15,119.06	73.42	0.49% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,943.35	6.25	0.32% ▲
Oil-WTI (bbl)	75.01	0.18	0.24% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.57	0.67	0.24% ▲
EURO/PKR	306.76	4.52	1.50% ▲
GBP/PKR	359.02	5.09	1.44% ▲
AED/PKR	75.84	0.18	0.24% ▲

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

## Market Outlook

The stock market on Tuesday remained positive throughout the day and concluded the session in the green zone amid optimism over the revival of the IMF program as investors expect approval of a loan in an Executive Board meeting that is to be scheduled on 12th July. The KSE-100 index made an intra-day high and low at 45250 (665 points) and 44,691 (106 points) respectively while closed at 45156 by gaining 571 points. Trading volume increased to 248mn shares as compared to 183mn shares on the previous trading day. Going forward, the possibility of correction couldn't be ruled out in the short term as all the technical indicators have been exhausted. Therefore, we advise our investors to take profits on strength and consider the dips as buying opportunities. The support for the index resides at 45,000. Breaking this level would further drag the index towards 44,700. Contrarily, the resistance for the index resides at 45,400.

## Key News

### International

#### Asian shares rise, dollar dips as traders await US inflation data

Asian shares nudged higher and the dollar was at a two-month low on Wednesday ahead of crucial U.S. inflation data that will help gauge whether the Federal Reserve is at the end of its aggressive rate hike policy. The Japanese yen strengthened against most major currencies and last fetched 139.43 against the dollar, its highest in a month. [see more...](#)

#### Oil rises as dollar slides before CPI data, Brent nears \$80

Oil prices rose in Asian trade on Wednesday, with Brent coming close to bullish levels as the dollar sank ahead of key U.S. inflation data, while Chinese stimulus measures and a potential build in U.S. stockpiles were also in focus. Crude prices had surged on Tuesday, tracking weakness in [see more...](#)

### Politics

#### PPP wants NA dissolved by Aug 8: Naveed Qamar

Commerce Minister Syed Naveed Qamar said on Tuesday the Pakistan Peoples Party had suggested the government dissolve all the assemblies on August 8. "However, the decision to dissolve the assemblies has to be taken [see more...](#)

### Economy

#### IMF Board scheduled to consider \$3bn SBA today – Neutral

The International Monetary Fund's Executive Board is scheduled to consider the 9-month stand-by arrangement (SBA) of \$3 billion for Pakistan on Wednesday (July 12). According to the IMF Executive Board calendar available on its website, the next meetings are scheduled for July 12, 13, 17, 19, and 20, 2023; however, Pakistan is not on the agenda till the filing of this report. [see more...](#)

## MORNING GLANCE

### **Saudi deposits land just prior to key event – Positive**

Pakistan has received deposits of \$2 billion from Saudi Arabia – a day before the International Monetary Fund’s Executive Board is scheduled to consider the \$3 billion stand-by arrangement (SBA) for the country. Finance Minister Ishaq Dar in a televised message on Tuesday said that the friendly country - Saudi Arabia had made a commitment in the recent past regarding giving additional \$2 billion deposits to Pakistan. On Tuesday [see more...](#)

### **OMCs seek 100pc rise in margins on POL products – Neutral**

The oil sector has sought a 100 percent increase in the margins of oil marketing companies (OMCs) on petroleum products, citing a higher cost of doing business following a 20-year slump in diesel demand, The News learnt on Tuesday. Oil industry representatives held a meeting with the Oil and Gas Regulatory Authority (OGRA) on Tuesday and presented the sector’s concerns and demands viz-a-viz the challenging business environment in the country. [see more...](#)

### **PRL eyes \$5 billion investment after refineries upgrade – Positive**

Pakistan Refinery Limited (PRL) is eyeing \$5 billion investment after an upgrade at all its existing refineries, which will result in 5 deep conversion refineries collectively capable of refining around 350,000 barrels per day (bpd) of crude oil, Tariq Kirmani, chairman of the board of directors at PRL, said in a statement. The company is making strides towards enhancing and modernising its refining capabilities through a Refinery Expansion and Upgrade [see more...](#)

### **\$5bn Chashma-5 N-plant to produce power at Rs20 per unit – Neutral**

The dollar-deficient Pakistan is said to have accepted a bitter pill of \$ 5 billion Chashma-5 (C-5) nuclear power plant at electricity price of about Rs20 per unit, substantially higher than Thar coal projects besides shelving renewable energy projects, well-informed sources told Business Recorder. Last month, China and Pakistan signed a Memorandum of Understanding [see more...](#)

### **Car sales plunge 82pc in June; 59pc in FY23 – Negative**

The country’s car sales plunged by 82 percent year-on-year in June 2023 due to non-production days, higher prices of cars and a decline in purchasing power, data showed on Tuesday. However, sales increased on month-on-month basis. In FY23, a total of 96,812 units were sold, down 59 percent against 234,180 units sold during FY22. Analyst Sunny Kumar at Topline Securities said, “The non-availability of CKDs, escalating car prices [see more...](#)

### **Indus Motor signs pact with Toyota Egypt – Positive**

Marking a historic turning point, Indus Motor Company (IMC) has become the first auto manufacturer to open gates to the global supply chain by signing an agreement with Toyota Egypt to export high-quality products starting July 2023. Whilst this collaboration is a remarkable achievement for IMC and a significant step towards establishing its global footprint, it is also the first time for any local automotive part [see more...](#)

### **Ecnec clears health, energy projects worth over Rs1tr – Neutral**

Federal Minister for Finance and Revenue Ishaq Dar presided over the meeting also attended by Commerce Minister Syed Naveed Qamar, SAPM on Finance Tariq Bajwa, SAPM on Revenue Tariq Mehmood Pasha, Senator Nisar Ahmad Khuhro from Sindh and Himayatullah Khan Advisor Finance Khyber Pakhtu-nkhwa government besides federal [see more...](#)

### **Rs10bn women empowerment programme unveiled - Neutral**

Addressing the ceremony, he said women are more than 50 percent of the country’s population, adding that women are an integral part of the society. “Women are serving on important positions in the country,” said the prime minister, and stressed upon provision of equal opportunities to them as they consisted of half of the country’s population. [see more...](#)

### **SC says taxing statute should be strictly construed regardless - Neutral**

A three-judge bench, headed by Chief Justice Umar Ata Bandial and comprising Justice Muhammad Ali Mazhar and Justice Ayesha A Malik heard the petitions of persons engaged in the business of processing, manufacturing, weaving, packing and marketing of various textiles, apparel and terry towel products against the Sindh High Court’s judgment [see more...](#)

### **InfraZamin to extend credit guarantees for Sindh projects - Neutral**

InfraZamin Pakistan CEO Maheen Rahman said the company has signed a memorandum of understanding (MoU) with the Public-Private Partnership Unit (PPPU) of the Sindh government, which will remove the need for bank collaterals by reducing the implied credit risk. Financing for infrastructure projects of the Sindh government [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

## 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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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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