











## MORNING GLANCE









45,514	▲ 358	▲ 0.79%
207 mn	YTD 11.51%	1 Year 8.72%

ASIA	Value	Pts	Chg. (%)
 NIFTY 50	19,384.30	55.1	0.28% ▼
 DSE 30	2,192.08	1.30	0.06% ▲
 SHANGHAI	3,221.23	25.10	0.79% ▲
 Hang Seng	19,330.50	469.55	2.49% ▲
 Nikkei 225	32,420.00	476.07	1.49% ▲

EUROPE	Value	Pts	Chg. (%)
 FTSE 100	7,416.11	133.59	1.83% ▲
 DAX 30	16,023.00	232.66	1.47% ▲

USA	Value	Pts	Chg. (%)
 DOW JONES	34,347.43	86.01	0.25% ▲
 S&P 500	4,472.16	32.90	0.74% ▲
 NASDAQ	15,307.23	188.16	1.24% ▲

Commodities	Value	Chg.	Chg. (%)
 Gold (t oz.)	1,964.75	3.05	0.16% ▲
 Oil-WTI (bbl)	76.03	0.28	0.37% ▲

Currencies	Value	Chg.	Chg. (%)
 USD/PKR	277.48	1.09	0.39% ▼
 EURO/PKR	305.91	0.85	0.28% ▼
 GBP/PKR	359.14	0.12	0.03% ▲
 AED/PKR	75.54	0.3	0.40% ▼

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

### Market Outlook

The stock market on Wednesday surged by over 300 points and concluded the session in the green zone amid optimism over the revival of the IMF program as investors expected approval of a loan in an Executive Board meeting. The KSE-100 index made an intra-day high and low at 45,582 (427 points) and 45,200 (45 points) respectively, while closed at 45,515 by gaining 359 points. Trading volume decreased to 207mn shares as compared to 248mn shares on the previous trading day. Going forward, it is anticipated that the market will maintain a positive trend during the first half of the day, as IMF approves SBA for Pakistan. Nevertheless, 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 index is anticipated to face upcoming resistances at 45,800 and 46,000, while finding support at 45,200.

### Key News

#### International

##### Asian markets to inflation data - check out key triggers for Indian stock market

Asian markets traded mostly higher on Thursday following gains in US stocks after cooling inflation in the world's largest economy bolstered hopes that the Federal Reserve could end its interest rate hikes soon. In June, US consumer prices advanced 3%, their smallest year-on-year [see more...](#)

##### Oil prices tick higher as dollar tumbles on soft CPI data

Oil prices rose in Asian trade on Thursday, hovering near three-month highs as softer-than-expected U.S. inflation data helped ease some anxiety over rising interest rates. But gains were somewhat limited as traders also digested recent data showing an unexpected build in U.S. oil inventories [see more...](#)

#### Politics

##### Govt's tenure to end on Aug 14: PM

Prime Minister Shehbaz Sharif Wednesday said the tenure of the incumbent government is ending on the 14th of August and then the Election Commission of Pakistan has to announce the election date. This, he stated, while [see more...](#)

#### Economy

##### Expectedly, IMF board approves \$3bn 9-mth SBA – Positive

The International Monetary Fund (IMF)' Executive Board on Wednesday approved a nine-month Stand-By Arrangement (SBA) for Pakistan for an amount of \$3 billion. The Board's approval allows for immediate disbursement of SDR894 million (or about US\$1.2 billion). The Fund stated that Pakistan's economic reform program aims to support immediate efforts to stabilise the economy and guard [see more...](#)

**UAE deposits \$1bn to support forex reserves – Positive**

Pakistan has received deposits of \$1 billion from the United Arab Emirates (UAE), Finance Minister Ishaq Dar announced here on Wednesday. In a televised message on Wednesday, the finance minister said the friendly country — the UAE had made a commitment in the recent past regarding giving additional \$1 billion deposits to Pakistan. On Wednesday, the UAE placed these deposits with the State Bank of Pakistan (SBP), which [see more...](#)

**Treasury bill yields move up – Negative**

Treasury bills yields rose at an auction on Wednesday, in line with market expectations, since the central bank increased its key discount rate by 100 to 22 percent. The cut-off yield on the three-year T-bill rose by 80 basis points (bps) to 22.7999 percent. The yield on the six-month paper was up by 99 bps to 22.9600 percent. The yield on 12-month paper ended 99 bps higher at 22.9897 percent. At the auction the central bank sold [see more...](#)

**Govt negotiating second cargo of discounted Russian crude – Neutral**

The State Minister for Petroleum, Dr Musadik Malik, on Wednesday said that talks with Russia are continuing to buy a second shipment of discounted crude oil. Speaking at a presser, he said that there was no scenario under which the country was not benefiting from Russian crude as “we are finalising another cargo”. He said that the first cargo of 100,000 tons of [see more...](#)

**Aramco to analyse Pakistan’s proposal for deep conversion refinery – Neutral**

Pakistan’s engineering, procurement, construction (EPC)-F mode proposal for the deep conversion refinery to be built by Saudi Arabia is being analysed by Aramco, a senior official of the Energy Ministry told The News on Wednesday. Before going into a formal agreement, the official said, both countries have to first sign the charter of commitments to be followed by many [see more...](#)

**Govt currently focusing on GCC for attracting investment, NA body told – Neutral**

Pakistan has investment proposals from different countries but currently the government is focusing on Gulf Cooperation Council (GCC). The National Assembly Standing Committee on Board of Investment (BOI) was informed by Additional Secretary, Ministry of Board of Investment, that they have investment proposals from many different countries but currently they are focused [see more...](#)

**K-Electric; Majority owners of offshore holding seek direct stake – Neutral**

The majority shareholders of an offshore holding company that owns most of Pakistani power company K-Electric said on Wednesday they have initiated legal proceedings to seek direct ownership of a stake in the utility. The power utility’s holding structure has widely been considered an impediment to its acquisition by China’s state-owned [see more...](#)

**Tied to managing circular debt; Impact of power tariff rebasing not assessed as yet: govt – Neutral**

Minister for Power, Khurram Dastgir Khan on Wednesday said exact impact of rebasing of electricity tariff on consumers has not yet been finalized as it is linked to the approach to manage power sector circular debt. Responding to a question during a press conference convened to comment on recent remarks by Israel on human rights situation in Pakistan, the [see more...](#)

**Bank deposits rise 12pc to Rs25.5tr in June – Positive**

Bank deposits rose 12 percent to Rs25.5 trillion in June from Rs22.8 trillion a year earlier, the State Bank of Pakistan data showed on Wednesday. Deposits in the banking sector grew by 5 percent in June over the previous month. In May 2023, the deposits totaled Rs24.3 trillion. On a quarter-on-quarter basis, the deposit inflows rose by 8 percent. “The rupee/dollar parity has an effect on deposits as well since people [see more...](#)

**SEARL signs license agreement with Mabwell for biological medicines – Positive**

The Searle Company Limited (PSX: SEARL) has entered into a License Agreement with Mabwell Pharmaceuticals, China, the latest company’s filing showed. Under this agreement, the company will manufacture, register, and market the Denosumab Biosimilars drugs in Pakistan. This partnership will benefit the patients in Pakistan by providing [see more...](#)

**Country aims \$1bn pharma exports by 2025, says Qamar – Neutral**

Federal Minister of Commerce Syed Naveed Qamar said Wednesday that Pakistan’s objective is to increase pharmaceutical exports to US\$1 billion by 2025 and US\$5 billion by 2030. Speaking at the 6th Pakistan Pharma Summit and Pharma Export Summit and Awards (PESA) 2023, the minister outlined the government’s plans to [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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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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The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

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