



48,565	▲ 141	▲ 0.29%
124 mn	YTD 18.99%	1 Year 11.81%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,434.55	6.25	0.03% ▲
DSE 30	2,124.62	18.32	0.85% ▼
SHANGHAI	3,174.80	1.37	0.04% ▼
Hang Seng	18,390.00	165	0.89% ▼
Nikkei 225	31,957.50	281	0.87% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,389.64	117.51	1.57% ▼
DAX 30	15,767.28	136.97	0.86% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	34,946.39	361.24	1.02% ▼
S&P 500	4,437.86	51.86	1.16% ▼
NASDAQ	15,037.65	167.94	1.10% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,935.75	0.55	0.03% ▲
Oil-WTI (bbl)	80.77	0.22	0.27% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	291.51	3.02	1.05% ▲
EURO/PAKR	318.38	1.12	0.35% ▲
GBP/PAKR	369.81	3.14	0.86% ▲
AED/PAKR	79.36	0.81	1.03% ▲

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

Market Outlook

The stock market on Tuesday remained volatile throughout the day and concluded the session in the green zone amid the depreciation of PKR against USD. The KSE-100 index made an intra-day high and low at 48,794.12 (369.72 points) and 48,293.02 (131.38 points) respectively while closed at 48,585.72 by gaining 141 points. Trading volume decreased to 124mn shares as compared to 242mn shares on the previous trading day. Going forward, we expect the market to remain volatile. The index is likely to test its support at 48,280. Breaking this level can further drag it towards 47,800. However, the resistance of the index resides at 49,000, breaking this level will indicate the resumption of bullish trend.

Key News

International

Asia shares decline as faltering Chinese economy sets off global slide

Asian shares declined Wednesday amid worries over discouraging data on China, as well as over the future of the U.S. economy. Japan's benchmark Nikkei 225 dropped 1.1% in morning trading to 31,879.84. Australia's S&P/ASX 200 dove 1.4% to 7,204.00. South Korea's Kospi dipped 1.2% to 2,539.48. Hong Kong's Hang Seng slipped 1.2% to [see more...](#)

Oil falls on China worries despite tighter US supply

Oil prices edged down in early trading on Wednesday, extending losses from a 1% drop in the previous session, as the lingering impact of weak economic data from China, the world's biggest oil importer, outweighed declining U.S. stockpiles. futures fell 21 cents to \$84.68 a barrel at 0249 GMT, while U.S. West Texas Intermediate [see more...](#)

Politics

Nawaz Sharif likely to land in Pakistan 'mid-September'

Pakistan Muslim League-Nawaz (PML-N) supremo Nawaz Sharif is likely to return to Pakistan by mid of next month, The News learnt on Tuesday. A Sharif family source, who spoke on the condition of anonymity, said that Nawaz will leave for Pakistan from London "after a month". [see more...](#)

Economy

LSMI output down 10.26pc YoY – Negative

The Large Scale Manufacturing Industries (LSMI) output has declined by 10.26 percent during the fiscal year 2022-23 when compared with the same period of 2021-22, says the Pakistan Bureau of Statistics (PBS). According to the provisional Quantum Index numbers of the Large Scale Manufacturing Industries (QIM), the LSMI output decreased by 14.96 percent for June 2023 when [see more...](#)

MORNING GLANCE

PKR at its weakest level – **Negative**

The Pakistani rupee closed at its weakest level against the US dollar in the inter-bank market since May 11, depreciating 1.04% on Tuesday. At close, the rupee settled at 291.5, as per the State Bank of Pakistan (SBP). This is its weakest closing since May 11 this year, when the rupee settled near the 299 level. Its fall on Tuesday comes as the caretaker setup took over from the coalition government to run affairs of the economy [see more...](#)

US ready to work with caretaker government – **Neutral**

The US on Tuesday expressed its readiness to work with the caretaker government in Pakistan on issues of mutual interest, including the conduct of free and fair elections. “We look forward to working with the interim prime minister and his team as they prepare to hold elections,” the State Department principal deputy spokesperson said during the press briefing. He acknowledged that the US was aware of the allied government’s [see more...](#)

Prices of petrol, diesel increased by upto Rs20 – **Negative**

The caretaker government has announced an increase in the ex-depot price of petroleum products up to Rs 20 per litre with effect from August 16 to 31. In a late night announcement, the caretaker Prime Minister approved an increase in the ex-depot price of petrol by Rs 17.50 and high speed Diesel (HSD) by Rs 20 per litre for second half of August. In this respect Finance Division stated, “Petroleum price in the international market [see more...](#)

PARCO to export 2nd cargo of 50,000 tonnes fuel oil – **Neutral**

Pak Arab Refinery Limited (PARCO) will export 50,000 tonnes of furnace oil (FO) by the end of this month, to take care of the glut, The News learnt on Tuesday. This would be the refinery’s second export cargo during the current financial year, as it exported 50,000 tonnes of FO in the last month too. Amidst the high stocks across the country, PARCO holds the largest stockpile of FO at above 55 percent of the total stock of fuel oil [see more...](#)

Textile sector will continue to face economic headwinds: APTMA – **Negative**

The textile sector will continue to experience economic headwinds related to high interest rates, exchange rate depreciation, high power tariffs, an increase in the cost of raw materials and suspension of the zero-rating status in the fiscal year 2024. All Pakistan Textile Mills Association (APTAM) in a report, “Overview of Pakistan’s commitments under The [see more...](#)

Packages Limited loses Rs1.89bn due to South African subsidiary – **Negative**

Packages Limited (PSX: PKGS) has suffered a massive loss of Rs1.889 billion due to its South African subsidiary, Flexible Packages Convertors (Proprietary) Limited (FPC), the company’s filing on PSX showed today. FPC, which is 63.5% owned by Packages Limited through its wholly-owned subsidiary Anemone Holdings Limited (AHL), [see more...](#)

Pakistan’s wheat production projected to soar to 28m tonnes: USDA – **Positive**

Pakistan is projected to produce 28 million tonnes of wheat, significantly higher than last year’s production and exceeding the average for the country over the last 5 years (2018-2022), according to the forecast by the United States Department of Agriculture (USDA). The USDA forecasts a bumper harvest of all major crops [see more...](#)

Acquiring Escorts Bank shares; Public announcement of intention received – **Neutral**

Escorts Investment Bank Limited has received a notice of public announcement of intention from Arif Habib Limited, who are acting as Manager to the Offer on behalf of M/S RMS (Private) Limited (the acquirer) to acquire up to 87.96 percent shares of the Escorts Investment Bank Limited. “The aforementioned intention has been notified [see more...](#)

KSA to join Reko Diq as shareholder – **Positive**

The civil-military run Special Investment Facilitation Council (SIFC) has approved hiring of consultants to reduce shareholdings of Pakistan and Canada’s Barrick Gold equally in favour of Saudi Arabia in the Reko Diq gold and copper mine project. The formal decision to bring in another country in the Reko Diq project was taken this week by the apex committee of the SIFC, highly placed sources told The Express [see more...](#)

Real estate sector; ‘Commercial projects are attracting local, foreign investment’ – **Neutral**

Commercial real estate projects, including shopping centres and malls, are a catalyst to attract healthy local and foreign investment, stirring the economic activities as hubs of businesses at a massive scale in a mega city. According to Musamir Arif Siddiqui, COO TwentyOne Builders and Developers, [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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To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

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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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