

MORNING GLANCE



41,369	▼ -145	▼ -0.35%
45 mn	YTD 1.36%	1 Year -4.87%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,688.10	67.8	0.36% ▼
DSE 30	2,181.08	4.42	0.20% ▼
SHANGHAI	3,263.68	10.71	0.33% ▲
Hang Seng	19,949.00	120.08	0.61% ▲
Nikkei 225	33,506.50	21.01	0.06% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,628.26	25.52	0.34% ▲
DAX 30	16,290.12	20.67	0.13% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	34,408.06	428.73	1.26% ▲
S&P 500	4,425.84	53.25	1.22% ▲
NASDAQ	15,185.48	179.79	1.20% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,968.00	2.7	0.14% ▼
Oil-WTI (bbl)	70.41	0.21	0.30% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	287.37	0.19	0.07% ▲
EURO/PKR	311.19	1.03	0.33% ▲
GBP/PKR	363.69	0.96	0.26% ▲
AED/PKR	78.24	0.05	0.06% ▲

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

Market Outlook

The stock market on Thursday opened on a positive note. However, later on, it lost the impetus and reversed all of its intra-day gains while concluded the session in the red zone amid the delay in the resumption of the IMF program as IMF Blasts Pakistan Budget, signaling Bailout May Not Happen. The KSE-100 index made an intra-day high and low at 41,639 (125 points) and 41,269 (245 points) respectively while closed at 41,369 by losing 145 points. Trading volume increased to 45mn shares as compared to 41mn shares on the previous trading day. Going forward, the support for the index resides at 41,250 (200 DMA). Breaking this level would further drag the index towards 41,159 (50 DMA). Contrarily, the resistance for the index resides at 41,650.

Key News

International

SGX Nifty to Microsoft shares hitting record - key triggers for Indian stock market

Asian markets traded mixed on Friday ahead of the Bank of Japan's rate decision, while US stocks ended higher overnight led by tech stocks as hype over artificial intelligence sent Microsoft shares to a record high. The S&P 500 rose for a sixth day, witnessing its longest winning run since November 2021, while the tech-heavy Nasdaq also jumped over 1% as [see more...](#)

Oil prices dip, pausing after previous session's surge

Oil prices edged lower in early trade on Friday, taking a pause from the previous session when futures gained steeply on optimism around higher energy demand from top crude importer China. Brent futures dipped 13 cents to \$75.54 a barrel by 00:08 GMT, while U.S. West Texas [see more...](#)

Politics

Amnesty International, RSF call out Pakistani authorities over cases filed against journalists to 'silence critics'

Rights organisation Amnesty International and global media watchdog Reporters Without Borders (RSF) have raised concerns and called out Pakistani authorities over cases filed against journalists in connection with the events of May 9 under sedition charges in a bid to "silence critics". "At [see more...](#)

Economy

Pakistan's ability to secure loans remains 'severely constrained' until new IMF programme: Moody's – Negative

Moody's Investor Services said on Thursday that Pakistan's ability to secure loans from bilateral and multilateral partners will "be severely constrained" until a new programme is agreed with the International Monetary Fund (IMF). Finance Minister Ishaq Dar during a press conference last week already said it will be up to a new elected government to decide on entering another IMF programme. [see more...](#)

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Moody's disputes govt's growth assumption – Negative

The government of Pakistan's budget lacks major revenue-raising or spending-containment measures to alleviate intense government liquidity pressures, says Moody's Investors Services (Moody's). The Rating Agency in its latest report on Pakistan stated that given a lack of new significant revenue-raising measures, the government's revenue projections rely mainly on the assumption that nominal GDP growth will be high and [see more...](#)

Pakistan's dollar bonds fall as IMF stalled bailout programme nears expiry – Negative

Pakistan's dollar bonds came under pressure as investors worried that chances of securing a bailout programme from the International Monetary Fund (IMF) before it expires on June 30 are fading, pushing the country closer to a sovereign default. The nation's \$1 billion bond due in April of next year fell to approximately 55 cents on the dollar on Thursday in Asian. [see more...](#)

Dar blames 'geopolitics' for stalled IMF loan – Neutral

Finance Minister Ishaq Dar continued with his 'contradictory' approach with the IMF, alleging on Thursday that geopolitics was behind a stalled loan programme as global institutions wanted Pakistan to default like Sri Lanka and then enter negotiations, but also insisting that negotiations with the Fund were ongoing and the ninth review would be complete this month. Testifying before the Senate's standing committee on finance, he once [see more...](#)

Jul-Apr LSMI output down 9.39pc YoY – Negative

The Large Scale Manufacturing Industries (LSMI) output has declined by 9.39 percent during July-April 2022-23 as compared with the same period of last year, 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 21.07 per cent for April 2023 when compared with April 2022 and 9.78 per cent when. [see more...](#)

SBP-held foreign exchange reserves rise \$107mn, now stand at \$4.02bn – Positive

Foreign exchange reserves held by the State Bank of Pakistan (SBP) increased by \$107 million, clocking in at nearly \$4.02 billion as of June 9, data released on Thursday showed. This is the first increase in reserves after six weeks. The overall number still stands at a critical level at around a month of import cover. Total liquid foreign reserves held by the country stood at \$9.38 billion. [see more...](#)

Inter-bank: rupee records marginal decline against US dollar – Neutral

The Pakistani rupee recorded a marginal decline against the US dollar with a depreciation of 0.07% in the inter-bank market on Thursday. At close, the currency settled at 287.37, a decrease of Re0.19, as per the State Bank of Pakistan (SBP) On Wednesday, the Pakistani rupee had gained some ground against the US dollar to settle at 287.18, up by 0.28% [see more...](#)

POL products' prices kept unchanged – Neutral

Federal government has decided to keep the prices of petroleum products unchanged till June 30 by slightly change ex-refinery prices and margins to oil companies ahead of Eid-ul-Adha. In a TV statement on Thursday, Finance Minister Ishaq Dar announced that prices of petrol and high speed diesel (HSD) will remain unchanged for the next fortnight. Ishaq Dar said that global oil prices rose slightly in last [see more...](#)

OGDCL commences oil & gas production from KPK field – Positive

Oil and Gas Development Company Limited (OGDCL), announced the commencement of hydrocarbon production from its oil and gas field in the district of Lakki Marwat, Khyber Pakhtunkhwa. The company announced the development in a notice to the Pakistan Stock Exchange (PSX) on Thursday. "The operator of the Wali (Bettani) Exploration License with [see more...](#)

Pakistan, Azerbaijan agree to enhance trade & energy cooperation – Positive

Pakistan and Azerbaijan on Thursday agreed to enhance bilateral cooperation in the fields of energy, trade and aviation to reflect the decades-old strong relationship between the two nations. The bilateral relations were discussed at length in a meeting between Prime Minister Shehbaz Sharif and Azerbaijan President Ilham Aliyev [see more...](#)

Honda Hasn't Sold a Single Civic in Three Months – Negative

Honda Atlas Cars Limited (HACL) is having a terrible year in terms of production and sales. The company's output was abysmal for the past three months due to supply chain issues as a result of import restrictions. To add to the problem, its cars are insanely expensive. Honda Atlas Cars Limited (HACL) is having a terrible year in terms of production and sales. The company's [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

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

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