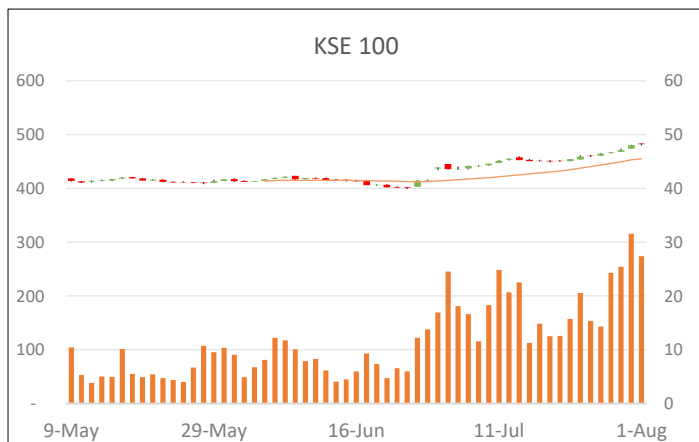


# MORNING GLANCE



48,230	▲ 195	▲ 0.41%
274 mn	YTD 18.17%	1 Year 20.35%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,733.55	20.25	0.10% ▼
DSE 30	2,157.41	2.46	0.11% ▼
SHANGHAI	3,265.77	25.18	0.77% ▼
Hang Seng	19,599.50	410.5	2.05% ▼
Nikkei 225	32,730.50	736	2.20% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,666.27	33.14	0.43% ▼
DAX 30	16,240.40	206.43	1.26% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	35,630.68	71.15	0.20% ▲
S&P 500	4,576.73	12.23	0.27% ▼
NASDAQ	15,718.01	38.99	0.25% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,983.95	5.15	0.26% ▲
Oil-WTI (bbl)	82.12	0.75	0.92% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	287.54	0.90	0.31% ▲
EURO/PKR	315.78	0.37	0.12% ▼
GBP/PKR	368.23	0.2	0.05% ▼
AED/PKR	78.28	0.24	0.31% ▲

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

## Market Outlook

The stock market on Tuesday opened on a bullish note. However, later on, it lost the impetus and oscillated back and forth while concluding the session in the green zone amid govt. hikes petrol prices by Rs19.95 per litre. The KSE-100 index made an intra-day high and low at 48,441.84 (407 points) and 47,998.26 (-36 points) respectively while closed at 48,230 by gaining 200 points. Trading volume decreased to 274mn shares as compared to 316mn shares on the previous trading day. Going forward, we expect the market to remain volatile, the resistance for the index resides at 48,500. Breaking this level would further push the index towards 48,800. Contrarily, the support for the index resides at 48,000.

## Key News

### International

#### Asian shares slip echoing Wall Street's retreat from rally

Asian shares dipped Wednesday after Wall Street took a step back from its big rally as markets tried to digest a slew of earnings. Japan's benchmark Nikkei 225 dove 1.8% in morning trading to 32,871.85. Australia's S&P/ASX 200 fell 0.8% to 7,390.30. South Korea's Kospi slid 1.1% to 2,636.62. Hong Kong's Hang Seng dipped 1.5% to 19,713.43, while the Shanghai Composite lost 0.5% to 3,273.90. [see more...](#)

#### Oil prices jump over 1% on massive U.S. inventory drawdown

Oil prices rose in Asian trade on Wednesday, sticking to over three-month highs as industry data pointed to a substantially larger-than-expected drawdown in U.S. inventories over the past week. While further gains in prices were somewhat held back by a strong dollar, the inventory data pointed to a further tightening in global supplies following steep [see more...](#)

### Politics

#### Elections to be held on 2023 census: PM Shehbaz

The premier, whose government is expected to hand over the country's reins to a caretaker setup this August, shared this during a recorded interview on Aaj News show 'Faisla Aap Ka', which was aired on Tuesday. "We have to hold the elections on the basis of the new census ... When a census has been conducted, the [polls] should be held on its basis [see more...](#)

### Economy

#### Three 'key' sectors; Govt optimistic about investment prospects – Neutral

Finance Minister Ishaq Dar has stated that some friendly countries are interested to invest in Pakistan's agriculture, minerals and mines as well as the IT sector. Addressing a mineral summit on Tuesday, the finance minister said [see more...](#)

## MORNING GLANCE

### Exports, imports fall double digits in July – **Positive**

Pakistani exports declined 12.7 percent in the first month of the current fiscal, while the month-on-month drop was 8.6 percent as per data released by the Pakistan Bureau of Statistics on Tuesday. PBS data showed that imports also witnessed a substantial decrease of 13.75 percent compared to the previous month and 26.4 percent compared to the same month a year ago. The trade bulletin for July 2023 revealed that goods exports [see more...](#)

### FBR surpasses July revenue collection target – **Positive**

The Federal Board of Revenue (FBR) has provisionally collected Rs538 billion during July 2023 against the assigned monthly target of Rs534 billion, reflecting an increase of Rs4 billion. According to the provisional information released by the FBR on Tuesday, total tax collection in July 2023 amounted to Rs538 billion against Rs458 billion during July 2022, reflecting a growth of 16.6 percent. The FBR stated that amid all the economic challenges [see more...](#)

### Official reserve assets stand at \$9.55bn as of June 30: SBP – **Neutral**

The official reserve assets, including foreign currency reserves, IMF reserve position, Special Drawing Rights (SDRs), gold, and other reserve assets, stood at \$9.55 billion as of June 30, 2023, according to the latest data revealed by State Bank of Pakistan (SBP). The foreign currency reserves comprised of securities, currency, and deposits held with other national central [see more...](#)

### Inflation cools to 28.3pc in July amid broad price relief – **Neutral**

Inflation rate slowed for the second straight month to 28.3 percent in July, as price pressures eased across most categories except health and recreation, official data showed on Tuesday. The consumer price index (CPI), a key measure of inflation, fell from 29.4 percent in June and a record peak of 38 percent in May, the Pakistan Bureau of Statistics (PBS) said. The rate was still higher than the 24.9 percent recorded in July [see more...](#)

### Govt hikes petrol and HSD prices, albeit 'reluctantly' – **Negative**

The coalition government of Pakistan Muslim League-Nawaz (PML-N) has allowed a significant raise of nearly Rs20 per litre in the prices of petrol and high-speed diesel (HSD) with effect from August 1, 2023, owing to an increase in petroleum prices globally, Pakistan State Oil (PSO) exchange rate adjustment, and customs duty. The Oil and Gas Regulatory Authority (OGRA) has recommended increasing the ex-depot [see more...](#)

### Oil sales down 6 percent in July 2023 – **Neutral**

Pakistan's oil sales decreased 6 percent in the first month of the current fiscal compared to the same month of the last financial year on account of lower furnace oil (FO) sales for power generation. On month-on-month basis, sales of petroleum products remained stable in July of this fiscal compared to the month of June last financial year. Higher prices of petroleum products as well as low [see more...](#)

### Pakistan LNG skips awarding tender to Trafigura bid – **Neutral**

Pakistan LNG Limited (PLL) did not award a tender to commodities trader Trafigura, which had offered bids to deliver two spot cargoes of liquefied natural gas (LNG) to the South Asian nation next year, an industry source said on Tuesday. Trafigura had offered bids of \$23.47 per million British thermal units (mmBtu) for an LNG import [see more...](#)

### EPCL enters into supplemental agreement with SSGC for gas supply – **Positive**

The management of Engro Polymer & Chemicals Limited (PSX: EPCL) has announced that the company has entered into Supplemental Agreement with Sui Southern Gas Company Limited (PSX: SSGC) for the supply of gas from August 01 to September 30, 2023, the company's filing on PSX revealed today. EPCL requires the gas supply for [see more...](#)

### Pakistan eyes to cash in on India's rice export ban – **Positive**

Pakistan's rice exports are expected to increase in the current fiscal year as the country can take advantage of an Indian ban on rice exports and tap into new markets in Russia and Mexico, a trade body said on Tuesday. Chela Ram Kewlani, chairman of the Rice Exporters Association of Pakistan (REAP), told reporters that Pakistan exported 3.7 million tonnes of rice worth \$2.14 billion in the last fiscal year, despite [see more...](#)

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## DEFINITION OF TERMS

<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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