



47,447	▼ -771	▼ -1.60%
84 mn	YTD 16.25%	1 Year 9.65%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19393.6	83.45	0.43% ▲
DSE 30	2,121.67	13.01	0.62% ▲
SHANGHAI	3,095.39	2.41	0.08% ▲
Hang Seng	17,722.00	110.00	0.62% ▲
Nikkei 225	31,810.00	257.50	0.82% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,257.82	4.61	0.06% ▼
DAX 30	15,603.28	29.02	0.19% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,463.69	36.97	0.11% ▼
S&P 500	4,399.77	30.06	0.69% ▲
NASDAQ	14,936.69	241.85	1.65% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,925.25	2.25	0.12% ▲
Oil-WTI (bbl)	80.05	0.07	0.09% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	297.13	1.13	0.38% ▲
EURO/PKR	323.46	2.71	0.84% ▲
GBP/PKR	378.16	2.61	0.69% ▲
AED/PKR	80.90	0.61	0.76% ▲

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

Market Outlook

The stock market on Monday plunged over 700 points and concluded the session deep into the losses amid the current account posted a deficit of \$809 million in July. The KSE-100 index made an intra-day high and low at 48,234.25 (15.76 points) and 47,432.71 (-786 points) respectively while closed at 47,447 by losing 771 points. Trading volume decreased to 84mn shares as compared to 132mn shares on the previous trading day. Going forward, we expect the market to remain volatile as it has reached its support level. The index is currently at support at 47,400. Breaking this level can further drag it towards 46,700. However, the current resistance of the index resides at 48,300.

Key News

International

Asian stocks struggle to move up amid rising Treasury yields, China's growth concerns

Treasury yields hit new decade highs in Asia on Tuesday as traders grew wary of how long interest rates might need to stay elevated, with the higher risk-free rate putting a dampener on stocks even as beaten-down Chinese markets attempted a rebound. Benchmark 10-year US Treasury yields rose about 2.5 basis points (bps) in early Tokyo [see more...](#)

Oil prices muted amid doubts over China demand, U.S. rate outlook

Oil prices kept to a tight range on Tuesday after a weak start to the week, as investors weighed the prospect of softer Chinese demand after a disappointing interest rate cut, while also awaiting more signals on U.S. monetary policy. The prospect of tighter markets this year, especially following steep production cuts by Saudi Arabia [see more...](#)

Politics

Caretaker law minister Irfan Aslam calls on CJP

Caretaker Federal Minister for Law, Justice and Parliamentary Affairs Irfan Aslam Monday called on Chief Justice of Pakistan (CJP) Umer Ata Bandial and discussed legal matters with him. It was learnt that the newly inducted law minister in the caretaker setup met CJP Umer Ata Bandial and [see more...](#)

Economy

\$2.89bn borrowed from multiple financing sources in July – Neutral

The country borrowed \$2.890 billion from multiple financing sources during the first month (July) of the current fiscal year 2023-24 compared to \$185 million borrowed during the same period of 2022-23, revealed the Economic Affairs Division (EAD) data. The government had budgeted \$2.4 billion from the International [see more...](#)

MORNING GLANCE

Jul-Mar FY23; New loan pacts worth \$7.228bn signed with development partners: EAD – Neutral

A prudent external debt management strategy coupled with strong institutional arrangements is necessary for managing external debt and improving the repayment capacity of the country, said the Economic Affairs Division (EAD). The Division, on Monday, released, "Third quarterly report on foreign economic assistance July-March 2022-23," which noted that [see more...](#)

Rupee remains under pressure, settles at 297.13 against US dollar – Negative

The Pakistan rupee remained under pressure against the US dollar, depreciating 0.45% in the inter-bank market on Monday. At close, the rupee settled at 297.13, a decrease of Rs1.35, as per the State Bank of Pakistan (SBP). This is its weakest closing level since May 11 and also precariously near the all-time historic low against the US dollar in the inter-bank market. [see more...](#)

Govt collects Rs75bn PL in July – Neutral

The government collected Rs 75 billion in July 2023 on account of petroleum levy (PL), a key source of revenue for the federal government as it is not part of the divisible pool, due to an increase in the levy to Rs 55 per litre on petrol. If this trend is sustained for the remaining 11 months of the current year, the government will be able to exceed its ambitious PL budgeted target of Rs 869 billion by Rs 31 billion. [see more...](#)

Refineries seek early opening of escrow accounts for upgrade projects – Neutral

The Oil and Gas Regulatory Authority (OGRA) and local refineries would meet on Wednesday to decide the modalities of agreements for opening joint Escrow Accounts under the newly passed Brownfield Refinery Policy. Local refineries want the opening of the joint Escrow Accounts at earliest to avoid the losses they might incur in case of delay of opening of [see more...](#)

K-Electric wins injunction in Cayman against Pakistan case - Neutral

IGCF SPV 21 Limited, an indirect shareholder of K-Electric Limited (PSX: KEL), has reported the issuance of a judgment and interim injunctive order by the Grand Court of the Cayman Islands, KEL's filing on the PSX showed today. This comes as a result of an action brought forth by IGCF SPV 21 against Al-Jomaih Power Limited and Denham Investment Ltd., the "Other Shareholders," citing [see more...](#)

Caretaker govt all set to give nod: Power distribution firms to be transferred to provinces – Neutral

The federal caretaker government is all set to finalise a framework of operational, financial, and structural policy matters of ex-Wapda distribution companies (XWDISCOs) "to improve their performance". The federal cabinet has given its nod for transfer of control of XWDISCOs to the provincial governments. The decision to transfer ownership [see more...](#)

Lucky Cement completes installation of 25MW captive solar power plant – Positive

Lucky Cement, one of Pakistan's largest cement manufacturer, on Monday announced the successful commissioning of its 25MW captive solar power plant located in Karachi. The development was shared by Lucky Cement in a notice to the Pakistan Stock Exchange (PSX). "We are pleased to announce the successful [see more...](#)

Mashreq says will commence banking operations soon – Neutral

Mashreq, one of the leading financial institutions in the MENA region, has announced the successful incorporation in Pakistan and will commence banking operations very soon. To mark this significant occasion, a high-level Mashreq delegation including senior members of the executive committee visited Pakistan [see more...](#)

Pakistan, Saudi Arabia sign Air Services Agreement – Neutral

The governments of Pakistan and Kingdom of Saudi Arabia signed Air Services Agreement (ASA) here on Monday, informed a spokesman. Director General of Civil Aviation Authority (CAA) of Pakistan Khaqan Murtaza and President of General Authority of Civil Aviation (GACA) of Kingdom of Saudi Arabia Abdul Aziz Al Duailej signed the agreement on behalf of Government of Pakistan and [see more...](#)

CPPL sells Kraft paper lines I, II for Rs58.6m – Positive

Cherat Packaging Limited (PSX: CPPL) has received a sum of Rs58.6 million from the sale of its old Kraft Paper sack Lines I and II, as revealed in the company's filing on the local bourse today. To note, CPPL had made disclosures regarding the sales of its paper sack lines on June 22, 2022, and February 16, 2023. The notice further stated that the company will be able to meet the limited [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:

- 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

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