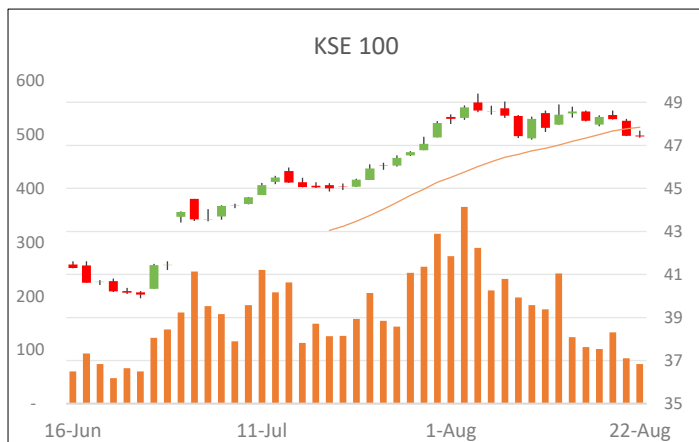


# MORNING GLANCE



47,417	▼ -31	▼ -0.07%
73 mn	YTD 16.18%	1 Year 10.72%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,396.45	2.85	0.01% ▲
DSE 30	2,136.65	14.98	0.71% ▲
SHANGHAI	3,097.79	22.54	0.72% ▼
Hang Seng	17,753.50	20.5	0.12% ▼
Nikkei 225	31,922.50	37.50	0.12% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,270.76	12.94	0.18% ▲
DAX 30	15,705.62	102.34	0.66% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,288.83	174.86	0.51% ▼
S&P 500	4,387.55	12.22	0.28% ▼
NASDAQ	14,908.96	27.72	0.19% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,928.85	2.85	0.15% ▲
Oil-WTI (bbl)	79.85	0.21	0.26% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	299.01	1.88	0.63% ▲
EURO/PKR	326.40	2.94	0.91% ▲
GBP/PKR	382.34	4.18	1.11% ▲
AED/PKR	81.41	0.51	0.63% ▲

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

## Market Outlook

The stock market on Tuesday remained volatile and concluded the session in the red zone amid rupee nears record low against US dollar.. The KSE-100 index made an intra-day high and low at 47,675.21 (227.26 points) and 47,359.17 (-88.78 points) respectively while closed at 47,417.90 by losing 31 points. Trading volume decreased to 73mn shares as compared to 84mn 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 Stock Market: Most stock markets rise on technology stocks recovery

The Asian stock markets experienced an uptick on Tuesday propelled by the rebound of technology stocks. However, concerns regarding the tightening of monetary policy by the Federal Reserve (Fed) and China's economic challenges acted as a limiting factor. At the time of writing, China's Shanghai is down 0.24% to 3,085, the Shenzhen [see more...](#)

#### Oil prices pressured by strong dollar; PMIs, inventories in focus

Oil prices crept lower in early Asian trade on Wednesday, extending losses into a third straight session as uncertainty over U.S. interest rates kept traders geared towards the dollar. Industry data signaled that U.S. crude inventories shrank slightly less than expected in the past week, while distillates grew sharply as the travel-heavy summer season [see more...](#)

### Politics

#### SC moved for suspending bills not signed by President Arif Alvi

The controversy over President Alvi's claim he did not sign the two legislations amending the Official Secrets Act and Pakistan Army Act reached the Supreme Court of Pakistan on Tuesday after a plea was filed praying for suspending both the legislations. Advocate Zulfiqar Ahmed Bhutta [see more...](#)

### Economy

#### Inflows improved in July; IMF SBA gives comfort level to multilaterals, bilaterals: MEA officials – Neutral

The staff level agreement on the Stand-By Arrangement (SBA) with the International Monetary Fund (IMF) reached on 29 June 2023 provided a comfort level to multilaterals/bilaterals and resultantly inflows improved during the first month of current fiscal year 2023-24. [see more...](#)

## MORNING GLANCE

### **PKR: a record new low – Negative**

The Pakistani rupee fell to a new record low against the US dollar, depreciating 0.63% in the inter-bank market on Tuesday. At close, the rupee settled at 299.01, a decrease of Rs1.88, as per the State Bank of Pakistan (SBP). This is the lowest level for the rupee against the greenback. On May 11, 2023, it closed at the then-record low of 298.93. On Monday, the rupee remained under pressure against the US dollar, as it settled at 297.13. [see more...](#)

### **Pakistan's power generation up nearly 5% year-on-year – Positive**

Power generation in Pakistan clocked in at 14,839 GWh (19,945MW) in July 2023, up 4.9% as compared to the same period last year. Back in July 2022, power generation stood at 14,151 GWh (19,020MW). The year-on-year (YoY) increase in the power generation was owed to higher generation from Re-gasified Liquid Natural Gas (RLNG)(37.7%), coal (21%), [see more...](#)

### **Govt Suffered Loss of Rs. 470 Billion on Electricity Distribution Due to Non-Cooperation from Provinces – Neutral**

The Senate Standing Committee on Power was apprised on Tuesday by the Power Division that a loss of Rs. 470 billion occurred on the generation and distribution of electricity due to the non-cooperation of the provinces. The committee met under the chairmanship of Senator Saifuallah Abro at the Parliament House. At the outset of the meeting, [see more...](#)

### **The exodus dilemma – Negative**

The tendency of almost all Pakistani citizens to live abroad shows that they prefer to be poor in a rich country instead of being rich in a poor country. It is reported that 1.2 million Pakistanis left Pakistan last year. The desire to seek better fortunes abroad existed in Pakistan even 50 years back. But only those who had secured jobs left the country. With the passage of time, the tendency increased, but the richer segments of the [see more...](#)

### **Gold prices soar by Rs4,600/tola on rupee devaluation – Neutral**

The price of gold witnessed a staggering increase of Rs4,600/tola on Tuesday, attributed to the ongoing devaluation of the Pakistani rupee. The All Sindh Saraf Jewellers Association reported that gold rates surged to an unprecedented high of Rs234,500/tola. This surge has left both consumers and industry insiders concerned about the implications for the local economy. Parallel with the tola increase, the cost of 10 grams of gold also experienced [see more...](#)

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### **ECP satisfied with new result compilation system**

The Election Commission of Pakistan got a briefing on the new Result Compilation System (RCS) on Tuesday and expressed its satisfaction with the mock exercise with regard to its use. Chief Election Commissioner Sikandar Sultan Raja presided over a meeting of the commission here at its secretariat, which was attended by members, secretary and other senior officers. [see more...](#)

### **Another jolt awaits power consumers as Discos seek Rs2.07 hike for July**

Despite a 26pc increase in base uniform national tariff with effect from July 1, there appears to be no respite in sight for power consumers as ex-Wapda distribution companies (Discos) have sought permission to extract almost Rs30 billion more from their subscribers next month. Through their commercial agent — the Central Power [see more...](#)

### **Pharmaceutical goods export increases 8.87% during July 2023**

The export of Pharmaceutical goods witnessed an increase of 8.87 percent during the first month of the current financial year (2023-24), against the exports of the corresponding period of last year. The country exported pharmaceutical goods worth US \$26.205 million during July 2023 against the exports of US \$24.069 million during July [see more...](#)

### **More brokers convert to trading-only category**

The Pakistan Stock Exchange (PSX) told investors on Tuesday that two brokerage houses have converted into the category of Trading-Only Securities Broker. The conversion of Progressive Securities Ltd and CMA Securities Ltd follows a string of similar transitions by about 52 PSX brokers under the new broker regime introduced by the Securities and Exchange Commission of Pakistan (SECP). [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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