



41,099	▼ -96	▼ -0.23%
44 mn	YTD 0.69%	1 Year -5.49%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,348.00	33.60	0.18% ▲
DSE 30	2,195.81	5.21	0.24% ▲
SHANGHAI	3,218.42	27.81	0.86% ▼
Hang Seng	19,185.00	246.25	1.27% ▼
Nikkei 225	30,623.50	334.27	1.08% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,762.95	8.04	0.10% ▼
DAX 30	16,152.86	71.13	0.44% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	33,055.51	231.07	0.69% ▼
S&P 500	4,145.58	47.05	1.12% ▼
NASDAQ	13,672.54	177.21	1.28% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,976.70	2.20	0.11% ▲
Oil-WTI (bbl)	73.73	0.82	1.12% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	288.23	1.23	0.43% ▲
EURO/PKR	312.75	2.33	0.75% ▲
GBP/PKR	356.06	0.7	0.20% ▼
AED/PKR	78.20	0.32	0.41% ▼

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 red zone amid the delay in the resumption of IMF program & ongoing political uncertainty. The index made an intra-day high and low at 41,296 (101 points) and 41,099 (-96 points) respectively while closed at 41,099 by losing 96 points. Trading volume decreased to 44mn shares as compared to 47mn shares on the previous trading day. Going forward, the support for the index resides at 40,978 (50 DMA). Breaking this level would further drag the index towards 40,500. Contrarily, the resistance for the index resides at 41,365 (200 DMA).

Key News

International

Asia subdued as talks on US debt ceiling remain at an impasse

Asian equities were muted Wednesday as negotiations over raising the US debt ceiling remained at an impasse, sapping sentiment for risk taking. In Japan, the Nikkei 225 slid 0.77% and the Topix fell 0.35% in early trade. South Korea's Kospi was 0.2% lower, with the Kosdaq was down 0.34%. In Australia, the S&P/ASX 200 was down 0.3% in early [see more...](#)

Oil Price surge as US oil and fuel supplies tighten, OPEC considers output cuts

Oil prices gained on Wednesday after U.S. oil and fuel supplies tightened and as a warning from the Saudi energy minister to speculators raised the prospect of further OPEC output cuts. Brent crude futures rose 86 cents, or 1.1%, to \$77.70 a barrel by 0007 GMT, while the U.S. West Texas Intermediate crude (WTI) gained 88 cents, or 1.2%, to \$73.79 a barrel. [see more...](#)

Politics

Supreme Court adjourns Punjab elections delay case till Wednesday

The Supreme Court of Pakistan (SC) on Tuesday adjourned the Punjab assembly election delay case till Wednesday while stating that the rights of millions of people in the country are linked to polls, according to Aaj News. During the hearing of the Election Commission of Pakistan's (ECP) petition to [see more...](#)

Economy

Govt to announce 'alternative plan' for economic woes before budget: Khurram Dastgir - Neutral

Power Minister Khurram Dastgir has said an "alternative strategy" will be announced before the upcoming budget — scheduled to be presented on June 9 — to deal with "economic troubles and the fascist assault on Pakistan". He shared this on Dawn News show 'Live with Adil Shahzeb' on Sunday, when asked about the country's growing [see more...](#)

MORNING GLANCE

WB says country in want of 10m houses - Neutral

Pakistan's housing shortage is currently estimated at approximately 10 million units and growing with about half of this shortage occurring in urban areas, says the World Bank. The bank in a study, "Towards a More Nuanced Approach to Measuring Housing Affordability Evidence from Pakistan", noted that in urban areas 47 percent of households live in over-crowded housing units in informal settlements [see more...](#)

Systems Limited renews loans to its subsidiaries and associates - Neutral

Systems Limited (PSX: SYS), a leading IT company in Pakistan, has renewed the loans it had extended to its subsidiary and associated companies worth Rs590 million, resolutions passed in the 46th Annual General Meeting (AGM) showed today. The loans are aimed at supporting the growth and development of the company's ventures in various sectors. [see more...](#)

Pak Suzuki shuts motorcycle plant till June 10 - Negative

Pak Suzuki Motor Company (PSMC) has once again announced that it will shut its motorcycle plant until June 10, 2023. The automaker shared the development in a notice to the Pakistan Stock Exchange (PSX) on Tuesday. It said the decision was made due to the ongoing government import restrictions that have affected the auto sector, causing a shortage of inventory "Due to shortage of inventory level, the management [see more...](#)

KE moves PD for early approval of amended PPC - Neutral

K-Electric (KE) has approached the Power Division for early approval of Pakistan Penal Code (PPC) (Amendment), Act 2022 to curb theft of electricity, claiming contribution of hooks (kundas) and theft that reached over Rs 39 billion during the first three quarters of the current fiscal year. Chief Executive Officer (CEO), K-Electric, Syed Moonis Abdullah Alvi, in a letter to Minister for Power, Khurram Dastgir Khan argued [see more...](#)

MoFA to discuss US sanctions on IP gas pipeline today - Neutral

The Ministry of Foreign Affairs (MoFA) has convened an inter-ministerial meeting on Wednesday (today) to discuss progress on US sanctions on Iran-Pakistan (IP) gas pipeline, following visit of Minister of State for Petroleum and Natural Resources, Musadik Malik to the United States of America (USA), well informed sources told Business Recorder. Recently, Musadik Malik undertook a visit to the US. During his meeting [see more...](#)

Nepra disallows motion for hiking tariff by up to Rs4.45/kWh for KE's consumers- Neutral

National Electric Power Regulatory Authority (NEPRA) has disallowed a federal government motion for increasing power tariff by up to Rs4.45/kWh for the K-Electric's consumers, and argued that such request will be processed only after the provision of clear policy guidelines by the government of Pakistan in this regard. With the application of the [see more...](#)

PKR sustains more losses - Negative

The Pakistani rupee sustained losses against the US dollar for the fifth successive session, depreciating 0.21% in the inter-bank market on Tuesday. At close, the currency settled at 287.15, a loss of Re0.59 as per the State Bank of Pakistan (SBP). The decline comes after the rupee registered losses against the US dollar for the fourth consecutive session to settle at 286.56 on Monday. In a key development [see more...](#)

Next pandemic, even deadlier than Covid, coming, warns WHO - Neutral

The head of the World Health Organization warned that the world must prepare for the next pandemic, which could be "even deadlier" than the COVID-19 pandemic, foreign media reported. In a meeting of the World Health Assembly in Geneva, Switzerland, director-general Dr. Tedros Adhanom Ghebreyesus sounded an alarm that the COVID-19 [see more...](#)

Sindh, Balochistan; Textile units hit by massive gas shortages - Negative

Textile sector is facing a severe crisis of gas supply and massive textile mills in Sindh and Balochistan have shut down their production due to shortage and disruption of gas supply. According to Zahid Mazhar, Chairman All Pakistan Textile Mills Association (APTMA), Southern Zone, the textile industry of Sindh and Balochistan are presently compelled to [see more...](#)

FBR considering documenting non-filers' property deals - Negative

The Federal Board of Revenue (FBR) is considering some major taxation proposals to document transactions of non-filers in the real estate sector and effectively tax immovable properties through the Finance Bill 2023. Finance Bill 2023 is expected to introduce major amendments to the Income Tax Ordinance 2001 to implement the budgetary. [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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