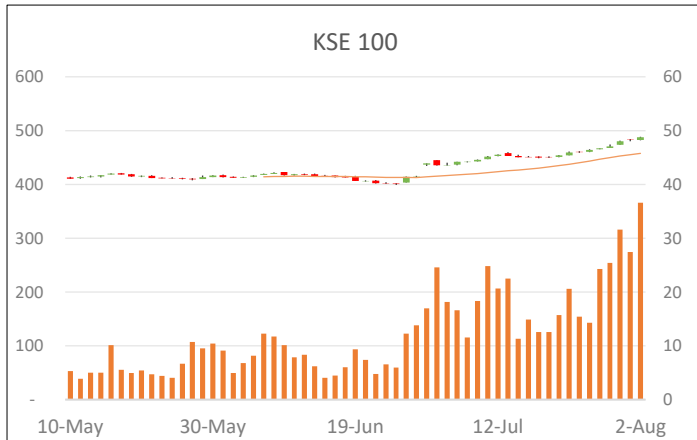


# MORNING GLANCE



48,764	▲ 534	▲ 1.11%
366 mn	YTD 19.47%	1 Year 21.33%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,526.55	207	1.05% ▼
DSE 30	2,160.67	3.26	0.15% ▲
SHANGHAI	3,254.76	6.93	0.21% ▼
Hang Seng	19,423.00	91	0.47% ▼
Nikkei 225	32,180.00	527.5	1.61% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,561.63	104.64	1.36% ▼
DAX 30	16,020.02	220.38	1.36% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	35,282.52	348.16	0.98% ▼
S&P 500	4,513.39	63.34	1.38% ▼
NASDAQ	15,370.74	347.27	2.21% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,970.60	4.4	0.22% ▼
Oil-WTI (bbl)	79.62	0.13	0.16% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	289.38	1.84	0.64% ▲
EURO/PKR	317.71	1.93	0.61% ▲
GBP/PKR	370.06	1.83	0.50% ▲
AED/PKR	78.79	0.51	0.65% ▲

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

## Market Outlook

The stock market on Wednesday remained positive throughout the day and concluded the session up in the green zone amid MCB posts highest-ever PAT of Rs28.67bn in 1HCY23. The KSE-100 index made an intra-day high and low at 48,852.05 (622 points) and 48,178.88 (-52 points) respectively while closed at 48,765 by gaining 534 points. Trading volume increased to 366mn shares as compared to 274mn shares on the previous trading day. Going forward, we expect the market to continue its upward momentum, the resistance for the index resides at 49,000. Breaking this level would further push the index towards 49,200. Contrarily, the support for the index resides at 48,500.

## Key News

### International

#### Asian markets to selloff in US stocks

Asian markets declined on Thursday following overnight selloff on Wall Street after Fitch Ratings cut the US government's credit rating. The credit rating agency Fitch downgraded the United States to AA+ from AAA, citing expected fiscal deterioration over the next three years as well as growing government debt. Meanwhile, private payrolls data in the US showed that the companies added [see more...](#)

#### Oil prices steady as strong dollar offsets bullish inventory draw

Oil prices rose slightly on Thursday after steep losses in the prior session, with a recovery in the dollar largely offsetting optimism over data showing a substantial drop in U.S. oil inventories over the past week. Increased risk aversion, after ratings agency Fitch downgraded the U.S. sovereign rating, also spurred oil traders to take some profits off [see more...](#)

### Politics

#### Allies lament govt ignored them in moving bills

Parliamentarians of the JUIF, Balochistan Awami Party (BAP) and Balochistan National Party (BNP) Wednesday protested against the government in the National Assembly for not taking them into confidence while executing the legislative business. [see more...](#)

### Economy

#### US invites Pak-China trade – Positive

The United States is Pakistan's largest export market and a leading investor, and a joint trade delegation from Pakistan and China should visit America to further explore business opportunities, a US official said on Wednesday. Shahid Ahmed Khan, advisor to the US president, told a meeting of the Pakistan China Joint Chamber of Commerce and Industry (PCJCCI) that U.S. imports [see more...](#)

## MORNING GLANCE

### MCB Bank posts highest-ever half yearly PBT of Rs53.84bn - **Positive**

The Board of Directors of MCB Bank Limited (MCB) in its meeting under the chairmanship of Mian Mohammad Mansha, on Wednesday (August 2) reviewed performance of the bank and approved the condensed interim financial statements for the half year ended June 30, 2023. The Board of Directors has declared 2nd interim cash dividend of Rs. 7.0 per share [see more...](#)

### Govt raises Rs71 billion through PIB auction – **Neutral**

The government raised Rs71 billion through the auction of fixed-rate Pakistan Investment Bonds (PIBs) on Wednesday, while the yield on short-duration paper stayed flat. The amount that was raised was less than the pre-auction target of Rs160 billion. The cut-off yield on a three-year PIB ended unchanged at 19.3499 percent. The yield on 5-year paper stood at 15.9500 percent. The bids for 10-year paper were rejected [see more...](#)

### Govt borrows Rs500bn from banks in 21 days – **Negative**

The latest data issued by the State Bank of Pakistan (SBP) on Wednesday shows that the government's borrowing reached Rs499.9 billion by July 21. This is in contrast to a net retirement of Rs120.4bn in the same period of the previous fiscal year, FY23. The previous fiscal year witnessed a very high increase in debt, adding Rs3.8tr to the total stock of Rs18.4tr. The government is unable to generate enough revenue to meet [see more...](#)

### Dar sets Rs10trn revenue target for Tiwana-led team – **Negative**

Finance Minister Ishaq Dar threw the gauntlet of chasing a revenue target of Rs 10 trillion for the fiscal year 2023-24 instead of Rs9.4 trillion to the Federal Board of Revenue (FBR) team headed by its new Chairman Amjad Zubair Tiwana during his visit to the board's headquarters on Wednesday. During his visit, Dar extended felicitations to Tiwana on assuming the charge of the FBR chairman [see more...](#)

### Services export target missed – **Negative**

Pakistan's export of services grew 2.78 per cent to \$7.30 billion in FY23 compared to \$7.10bn in the preceding year, showed data released by the Pakistan Bureau of Statistics on Wednesday. The increase was unprecedented because the commodities exports dipped sharply as they witnessed a consistent decline since the start of FY23. However, the government missed the service exports target of \$10bn by a wide margin for the [see more...](#)

### PKR: a loss for third straight session – **Negative**

The Pakistani rupee registered a loss for the third straight session against the US dollar as it depreciated 0.64% on Wednesday. At close, the rupee settled at 289.38, a decrease of Rs1.84, as per the State Bank of Pakistan (SBP). On Monday, the rupee had registered back-to-back losses against the dollar to depreciate 0.31% to settle at 287.54. Experts attributed the rise in US dollar value to demand [see more...](#)

### ECC approves Rs1.016bn TSG for Petroleum Division – **Positive**

A meeting of the Economic Coordination Committee (ECC) of the Cabinet has approved Rs1.016 billion Technical Supplementary Grant (TSG) in favour of the Petroleum Division for the execution of development schemes. On a summary moved by the Petroleum Division on July 24, 2023, the ECC was informed that the Steering Committee [see more...](#)

### Pakistan-Russia oil trade in doubt as refineries lose appetite – **Neutral**

Pakistan might not import another cargo of Russian crude oil as neither country has made any moves for the purpose nor have the local refineries shown any interest, The News learnt on Wednesday. With the current government's tenure expiring in less than a week, the government has not given any indication that it would be placing another order [see more...](#)

### CCE to greenlight plan to upgrade ageing oil refineries on August 7 – **Neutral**

The Cabinet Committee on Energy (CCE) is expected to greenlight a plan to upgrade the country's aging oil refineries on August 7, a senior official at the Energy Ministry told The News on Wednesday. The Oil Refining Policy 2023, which has been delayed for months, aims to boost the efficiency and output of the local refineries, which mostly process [see more...](#)

### Centre seeks withdrawal of cess on petroleum products – **Neutral**

The Centre has asked the Sindh and Balochistan governments to abolish the infrastructure development cess (IDC) on petroleum products to avoid price distortion among the provinces and unnecessary financial burden on the oil industry and the consumers at large. In their separate communications to the Sindh government, Oil and [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

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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

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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