



46,770	▼ -709	▼ -1.49%
111 mn	YTD 14.59%	1 Year 10.84%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,342.65	36.60	0.19% ▲
DSE 30	2,143.64	13.14	0.62% ▲
SHANGHAI	3,137.92	2.04	0.06% ▲
Hang Seng	18,585.00	114.00	0.62% ▲
Nikkei 225	32,507.50	277.50	0.86% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,464.99	126.41	1.72% ▲
DAX 30	15,930.88	138.27	0.88% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,852.67	292.69	0.85% ▲
S&P 500	4,497.63	64.32	1.45% ▲
NASDAQ	15,376.55	324.09	2.15% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,964.35	0.75	0.04% ▼
Oil-WTI (bbl)	81.48	0.32	0.39% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	301.50	0.5	0.17% ▼
EURO/PKR	325.56	0.6	0.18% ▼
GBP/PKR	379.02	0.65	0.17% ▼
AED/PKR	82.07	0.15	0.18% ▼

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

Market Outlook

The stock market on Tuesday plunged over 700 points and concluded the session deep into the losses amid NCPI inflation to clock in at 29.7% in Aug-23. The KSE-100 index made an intra-day high and low at 47,372.08 (-106.53 points) and 46,598.23 (-880.38 points) respectively while closed at 46,770.41 by losing -708.2 points. Trading volume increased to 111mn shares as compared to 98mn shares on the previous trading day. Going forward, we expect the market to continue its downward momentum. The index is anticipated to face upcoming support at 46,000, breaking this level will further drag it toward 45,500. While the resistance of the index resides at 47,000.

Key News

International

Asian Stock Market: Trades higher, China equities lead gains
Asian stock market gains momentum on Tuesday as the concern over the economic slowdown in China fades while investors await the economic data from the US, including the highly anticipated Nonfarm Payrolls on Friday. At press time, China's Shanghai is up 1.39% to 3,141, the Shenzhen Component Index surges 2.41% to 10,480, Hong Kong's Hang Sang rises 2.02% to 18,496, South Korea's Kospi is up [see more...](#)

Oil prices rise on large US stockpile draw, hurricane jitters

Oil prices extended gains on Wednesday after industry data showed a large draw in crude inventories in the U.S., the world's biggest fuel consumer, and as concerns about a hurricane in the Gulf of Mexico kept investors on edge. futures for October rose 17 cents, or 0.2%, to \$85.66 a barrel by 0133 GMT. The October contract expires on Thursday and the more active November contract was at \$85.08 [see more...](#)

Politics

After meeting with ECP, PPP again calls for polls on time, announcement of election date

The PPP on Tuesday again called for holding polls within the constitutionally mandated 90-day period following the dissolution of the National Assembly (NA) on August 9, demanding the Election Commission [see more...](#)

Economy

PKR: yet another record low – Negative

The Pakistani rupee dropped to yet another record low against the US dollar, as it settled at 303.05 in the inter-bank market on Tuesday. At close, the rupee was down Rs1.05 or 0.35%, as per the State Bank of Pakistan (SBP). On Monday, the rupee had closed at the then-record low of 302 against the US dollar. Despite securing a last-minute deal with the International Monetary Fund (IMF), the currency [see more...](#)

MORNING GLANCE

Weak infrastructure, governance; Moody's spots extra constraints – Neutral

Weak infrastructure and governance act as additional constraints for Pakistan, says Moody's Investors Services (Moody's). Moody's in its latest report, "Sovereigns – South and Southeast Asia Population growth alone will not drive credit benefits for emerging economies", stated that weak infrastructure and governance act as additional constraints for [see more...](#)

Another fuel price hike on the cards – Negative

There might be a big rise upto Rs20 per litre in the cost of petrol and high-speed diesel (HSD) due to the rupee losing its value against the US dollar and a slight change in oil prices internationally. The price of petrol could go up by over Rs10 per litre and HSD by Rs20 per litre in the first half of September. According to estimates of oil sector companies, the price of petrol would likely go up by Rs10 per litre from Rs290.45 to [see more...](#)

Inflated electricity bills; Federal cabinet undecided – Neutral

The federal cabinet remained inconclusive to provide relief on inflated electricity bills to consumers, reportedly observing that no relief can be extended without the consent of the International Monetary Fund (IMF). Caretaker Prime Minister Anwaar-ul-Haq Kakar chaired the federal cabinet meeting, in which possible relief in electricity bills for the month of July was reviewed. However, the meeting concluded without taking any decision on [see more...](#)

Non-clearance of \$50m receivables – Negative

In a surprising move, the China Machinery Engineering Corporation (CMEC) has hinted to stop working on Thar coal mines after September 10, citing the "overdue receivables" which has rebounded to \$50 million. In a letter to Sindh Engro Coal Mining Company (SECMC), the CMEC has stated that as of the end of July the "overdue receivable" rebounded to \$50 million and how to clear this has become the most important problem [see more...](#)

Discos withdrew up to 41pc less power from national grid in last quarter of FY2022-23 – Negative

Showing worst performance, the power distribution companies (Discos) have withdrawn up to 41 percent less electricity from the national grid during the last quarter of previous fiscal year, which has burdened the consumers with Rs122 billion capacity payments and also pushed them into forced loadshedding of up to 12 hours during the summer season. [see more...](#)

PTCL informs PSX it's making sizable investment in telecom sector – Positive

Pakistan Telecommunication Company Limited has shown its interest in making a sizable investment in the country's telecom sector, the company informed the Pakistan Stock Exchange on Tuesday. PTCL stated that in continuation of its earlier letter dated January 31, 2023, the Board of Directors of PTCL has authorised the Company to explore [see more...](#)

RMB adoption to reduce costs, risks for Pakistani businesses – Neutral

The use of Chinese currency (RMB) products will enhance trade and investment with Chinese and international counterparties, as the RMB offers a relatively stable value, easy clearing, and low cost, experts said on Tuesday. The Industrial and Commercial Bank of China (ICBC) Pakistan hosted a seminar to increase knowledge and [see more...](#)

After meeting with ECP, PPP again calls for polls on time, announcement of election date

The PPP on Tuesday again called for holding polls within the constitutionally mandated 90-day period following the dissolution of the National Assembly (NA) on August 9, demanding the Election Commission of Pakistan (ECP) announce the schedule for the polls. The party reiterated its demand following a meeting with the electoral [see more...](#)

StarchPack granted Rs250m capital injection, Rs750m long-term loan by Packages Limited – Positive

The Board of Directors of Packages Limited (PSX: PKGS) endorsed a resolution aimed at infusing capital into its subsidiary, StarchPack (Private) Limited (StarchPack), latest company's filing on the PSX showed today. This strategic move involves an allocation of up to Rs250 million in capital injection. Additionally, the board also [see more...](#)

MPCL gets exploration licence in Chagai – Positive

The Directorate General Mines and Minerals Balochistan has granted an Exploration License (EL-186) and allotted an area of 501 sq. km to Mari Petroleum Company Limited (MPCL) for mineral exploration near Dalbandin, district Chagai, Balochistan. "This is in line with the MPCL's strategy to diversify into near core areas and its commitment to contributing to the growth of the mineral mining [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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