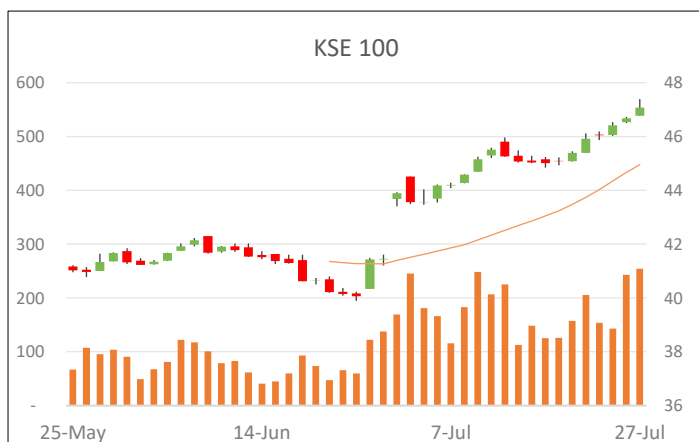


## MORNING GLANCE



47,076	▲ 393	▲ 0.84%
254 mn	YTD 15.34%	1 Year 16.88%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,646.05	13.85	0.07% ▼
DSE 30	2,159.87	0.57	0.03% ▼
SHANGHAI	3,307.39	31.46	0.96% ▲
Hang Seng	20,326.00	402.50	2.02% ▲
Nikkei 225	33,305.00	538.50	1.64% ▲
EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,694.27	1.51	0.02% ▲
DAX 30	16,469.75	63.72	0.39% ▲
USA	Value	Pts	Chg. (%)
DOW JONES	35,459.29	176.57	0.50% ▲
S&P 500	4,582.23	44.82	0.99% ▲
NASDAQ	15,750.93	286.00	1.85% ▲
Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,995.75	4.15	0.21% ▼
Oil-WTI (bbl)	80.40	0.18	0.22% ▼
Currencies	Value	Chg.	Chg. (%)
USD/PKR	286.45	0.59	0.21% ▼
EURO/PKR	318.71	0.94	0.30% ▲
GBP/PKR	371.81	1.43	0.39% ▲
AED/PKR	77.99	0.16	0.20% ▼

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

### Market Outlook

The stock market on Thursday remained bullish throughout the day and concluded the session in the green zone amid a Memorandum of Understanding (MoU) for the \$10-billion Saudi oil refinery is expected to be signed today, along with a loan rollover from China's EXIM Bank. The KSE-100 index made an intra-day high and low at 47,393.47 (711 points) and 46,779.74 (97 points) respectively while closed at 47,077 by gaining 393 points. Trading volume increased to 254mn shares as compared to 243mn shares on the previous trading day. Going forward, we expect the market to remain volatile ahead of the MPC meeting today, in which we expect the SBP to keep the policy rate unchanged. The resistance for the index resides at 47,400. Breaking this level would further push the index towards 48,000. Contrarily, the support for the index resides at 46,400.

### Key News

#### International

**Rally in Asian markets and US stocks to Japan's policy tweak**  
Asian markets traded higher on Monday ahead of major economic releases, central bank meetings and inflation data from across the region this week. US markets ending higher on Friday also improved sentiment. China is set to release its July purchasing managers index on Monday, while the US ISM surveys on manufacturing and services, the July payrolls report and European inflation due this week will [see more...](#)

#### Oil on track for biggest monthly gains in over a year

Oil prices hovered near three-month highs on Monday, set to post their biggest monthly gains in over a year on expectations that Saudi Arabia would extend voluntary output cuts into September and tighten global supply. futures dipped 9 cents to \$84.90 a barrel by 0005 GMT while U.S. [see more...](#)

#### Politics

#### Caretaker prime minister; Only politicians on PPP-PML(N) shortlist for slot

Consultations are going on among the coalition partners of the incumbent government for the caretaker setup, which would be put in place after the end of current [see more...](#)

#### Economy

**China has rolled over \$2.4bn loan for 2 years: Dar – Positive**  
Finance Minister Ishaq Dar said on Thursday that China has rolled over a \$2.4 billion loan to Islamabad for a period of two years, a boost to its foreign reserves on the back of an IMF deal which helped it avert a default. "Chinese Exim bank rolled over principal amounts totalling \$2.4 bln which are due in next 2 fiscal years," he said in a post on messaging platform X, formerly known as Twitter. [see more...](#)

## MORNING GLANCE

### CPEC likely to get fresh impetus – Neutral

Minister for Planning Development Ahsan Iqbal said on Sunday that Pakistan expects speedy progress in the second phase (2030) of the China Pakistan Economic Corridor (CPEC) following visit of China's Vice Premier He Lifeng. Addressing a press conference, the minister said that He Lifeng role has been very important in making CPEC successful after becoming Chairman National Development Reform Commission (NDRC). [see more...](#)

### Iran FM due in Pakistan next week – Neutral

Pakistan is set to host the Iranian foreign minister next week just days before the incumbent government completes its term, officials said here on Friday. Hossein Amirabdollahian is due to arrive in Islamabad on Aug 3. The officials said the upcoming visits of foreign dignitaries despite the last days of the coalition government suggested the successful foreign policy of the administration. [see more...](#)

### SBP likely to raise rates again – Neutral

Pakistan's central bank will likely raise its key interest rate again on Monday to tackle persistently high inflation, giving in to pressure from the IMF, analysts said. Pakistan must continue its monetary tightening cycle, the IMF said in a staff report earlier in July, a week after the lender approved a new bailout arrangement which helped it avert a debt default. Nine out of 16 analysts predicted the State Bank of Pakistan (SBP) will raise the [see more...](#)

### First time in 20 years, external financing turned negative in FY23 – Neutral

The external financing of the budget deficit turned negative in the last financial year 2022-23, first time in the last two decades -- with the result that financing of the budget deficit was done solely through domestic avenues. The country's banking sector enjoyed it a lot because in the aftermath of the latest State Bank of Pakistan (SBP) Amendment Act 2021 under the dictates of [see more...](#)

### Inflows may take hit due to weak rupee - Negative

An appreciating US dollar and a widening exchange rate gap between legal and illegal channels may again hurt the inflow of export proceeds and remittances this fiscal year, currency experts said, fearing that some exporters and overseas workers might prefer to use illegal channels for money transfer. The recent inflows from multiple sources, which helped double the State Bank of Pakistan's (SBP) foreign [see more...](#)

### Forex reserves plunge \$531m on debt servicing - Negative

The country's total liquid foreign exchange reserves fell sharply by \$ 531 million during last week due to external debt servicing. According to a weekly report issued by the State Bank of Pakistan (SBP) on Thursday, the total liquid foreign exchange reserves held by the country stood at \$ 13.534 billion as of July 21, 2023 compared to \$14.065 billion on July 14, 2023. [see more...](#)

### MPCL drills, tests another well in Daharki – Positive

Mari Petroleum Company Limited (MPCL) has successfully drilled and tested a second horizontal development well Mari 123H in Habib Rahi Limestone (HRL) Reservoir of Mari Gas Field in Daharki, Sindh. According to material information sent to Pakistan Stock Exchange on Thursday, the well was drilled to a total measured depth of 1,846 meters with a horizontal section length of around 900 meters. [see more...](#)

### Greenfield refinery project in Balochistan: 4 SOEs to join hands – Positive

Four Pakistani state-owned oil and gas companies signed a MoU amid advance-level negotiation with Saudi Arabia to execute a \$10 billion green refinery project at the strategic Gwadar Port in Pakistan. The project will have significant foreign investment from world-class oil and gas giants through equity participation. [see more...](#)

### Pakistan decides reducing circular debt of gas sector – Positive

As per the plan already shared with International Monetary Fund (IMF), federal government has initiated the process of reducing circular debt of gas sector. Ministry of Finance has approved release of Rs415 billion to bring down gas circular debt presently estimated at Rs1600 billion. As per the insiders, the amount will be released during next week to bring [see more...](#)

### Electricity demand in Pakistan to soar by 48 percent in next decade, study says - Neutral

Pakistan may have to build expensive and inefficient power plants worth billions of dollars to meet its growing electricity needs, a power sector study indicated. The study projected that Pakistan's electricity demand will increase by 48 percent in the next decade, from 154 terawatt-hours (27GW peak) in fiscal year 2022 to 228 TWh (39GW peak) in fiscal year [see more...](#)

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<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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