



41,671	▲ 331	▲ 0.80%
104 mn	YTD 2.1%	1 Year -4.17%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,633.85	35.20	0.19% ▲
DSE 30	2,198.61	0.11	0.01% ▲
SHANGHAI	3,201.44	22.77	0.71% ▼
Hang Seng	18,211.00	384.78	2.07% ▼
Nikkei 225	30,978.50	349.66	1.12% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,522.07	105.13	1.38% ▼
DAX 30	15,908.91	43.82	0.27% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	33,042.78	50.56	0.15% ▼
S&P 500	4,205.52	0.07	-
NASDAQ	14,354.99	56.58	0.40% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,972.25	4.85	0.25% ▼
Oil-WTI (bbl)	69.20	0.26	0.37% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	285.35	0.07	0.02% ▼
EURO/PKR	305.03	0.96	0.31% ▼
GBP/PKR	352.58	0.38	0.11% ▲
AED/PKR	77.66	0.06	0.08% ▼

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

Market Outlook

The stock market on Tuesday Surged over 300 points and conclude the session in the green zone amid the IMF continuous engagement with the government over the ninth review of the bailout program. The 100 index made an intra-day high and low at 41,693 (353 points) and 41,362 (22 points) respectively while closed at 41,671 by gaining 332 points. Trading volume increased to 104mn shares as compared to 95mn shares on the previous trading day. Going forward, the resistance for the index resides at 42,084. Breaking this level would push the index towards 42,323. Contrarily, the support of the index resides at 41,340 (200 DMA).

Key News

International

SGS Nifty to US Dollar – key triggers that may dictate Indian Stock market today

Global trends will dictate the sentiment of Indian markets on Wednesday as Wall Street closed mixed on Tuesday, pressured by worries about US lawmakers opposed to a deal to raise the \$31.4 trillion debt ceiling, but supported by another surge in Nvidia shares that briefly lifted the chipmaker into the rare club of companies valued [see more...](#)

Oil Holds Deep Slump on Weak Demand Signals Ahead of OPEC+ Meet

Oil held its biggest decline in four weeks on signs of weaker demand and sufficient supply ahead of an upcoming OPEC+ meeting. West Texas Intermediate traded below \$70 a barrel after settling 4.4% lower on Tuesday from Friday's close. China's manufacturing activity showed more signs of weakening in May, adding to concerns over the [see more...](#)

Politics

General elections must be held by Oct: Pildat

General elections for National and four provincial assemblies in Pakistan must be held by October 2023 after the National Assembly completes its 5-year term on August 12, PILDAT said on Tuesday Considering recent political turmoil, it said only a fair and timely general election could bring back desperately-needed political stability in Pakistan. The country need [see more...](#)

Economy

IMF Asks Pakistan to Fix Currency Market Before Bailout Resumes

The International Monetary Fund is working with Pakistan to fix its currency market and resolve other issues before it resumes its \$6.7 billion bailout program that ends in June. Authorities are focusing on the restoration of proper foreign-exchange market functioning, the passage of a fiscal year 2024 budget consistent with program goals and adequate [see more...](#)

MORNING GLANCE

Shortage of goods, plant closures; IMF identifies import curbs as the real culprits – Neutral

“Import suppression in Pakistan is inflicting shortages of goods and plant closures, undermining economic activity and revenue collection”. This was stated by Esther Perez Ruiz, International Monetary Fund (IMF) Resident Representative in Pakistan while responding to Business Recorder queries. Replying to another question, the IMF official stated that the financial [see more...](#)

Pakistan’s fiscal deficit eased to 3.6% of GDP in 9MFY23 - Neutral

Pakistan’s overall fiscal deficit in 9MFY23 stood at Rs3,078.7 billion (3.6% of GDP) against Rs2,565.6bn (3.9% of GDP) in 9MFY22, showing an increase of 20.03% YoY. The data issued by the Ministry of Finance on fiscal operations for FY23 showed that during Jul-Mar FY23, the government primary balance recorded a surplus of Rs503.8bn or 0.6% of GDP compared to a primary deficit of Rs447.2bn (0.7% of GDP) in the same period previous [see more...](#)

Inflation to remain on upward trajectory: MoF - Negative

Inflation to remain on a higher trajectory despite monetary tightening primarily due to rupee depreciation as well as on account of many challenges emanating from the uncertain external and domestic economic environment. This was noted by Finance Ministry in its monthly “Economic Update and Outlook May 2023” uploaded on its website on Tuesday. According to the economic update, inflationary pressure in May 2023 is [see more...](#)

Rupee falls to 316/dollar in open market, exchange rate gap widens - Negative

The rupee saw a further drop in the open market on Tuesday as a result of rising dollar demand and dwindling supply, dealers said. The dealers reported that the rupee’s open market rate was between 313 and 316 per dollar. The US currency was being sold by certain money changers at 318 rupees. But, according to the Exchange Companies Association (ECAP), the rupee was [see more...](#)

Impact of imported Russian oil on fuel prices to take time: Musadik Malik - Neutral

Minister of State for Petroleum Musadik Malik said on Tuesday that the import of cheap oil from Russia would not result in an immediate decrease in fuel prices, but a gradual decline would be seen once the oil supply from Moscow becomes continuous. In a pre-recorded video message played at the Pakistan Energy Conference 2023, the minister said: “Importing oil from [see more...](#)

SSGC reduces UfG losses by 33pc - Positive

The unaccountable for gas (UfG) of Sui Southern Gas Company (SSGC) has been reduced by 33 percent from 78 bcf in 2018-19 to 52 bcf by 2021-22. Karachi consumes 60 percent of the gas. Focused efforts have helped reduce Karachi’s UFG from 14.17 percent (fiscal year 2018-19) down to around eight percent in the last six months of the current fiscal year. UFG in interior Sindh has been arrested to under 14 [see more...](#)

Listed firms increase ordinary shares to avoid taxation in upcoming budget - Neutral

Listed companies are ramping up their ordinary shares as a strategic move to circumvent taxation in the upcoming federal budget for the fiscal year 2023-24, analysts said. On Tuesday, Suraj Cotton Mills Limited (SURC) announced an increase in its ordinary shares from Rs50 million to Rs750 million in a notice to the Pakistan Stock Exchange (PSX). Similarly, other [see more...](#)

Pakistan Airlines’ Jet Seized in Malaysia for Unpaid Dues - Negative

A Boeing Co. 777 jet operated by Pakistan International Airlines Corp. was impounded on May 29 in Kuala Lumpur over unpaid charges to a leasing company, forcing the carrier to send a replacement aircraft to pick up stranded passengers. A Malaysian court ordered the plane to be seized on the lessor’s request, PIA spokesman Abdullah Hafeez Khan [see more...](#)

Pakistan’s goods en route to Russia on direct shipping route - Neutral

Two vessels have recently departed from Pakistan to Russia carrying 100 Twenty-Foot Equivalent Units (TEUs) under a new arrangement for direct shipment of Pakistani goods to the Russian market, industry officials said on Tuesday. The direct shipping service was launched on May 25, 2023 to facilitate the trading community on both sides to [see more...](#)

FD extends LoC to PD for rescheduling of Rs283.287bn PHP debts - Neutral

The Finance Division (FD) has extended Letter of Comfort (LoC) to the Power Division till June 28, 2023 for rescheduling Power Holding Limited’s debts of Rs 283.287 billion, well-informed sources told Business Recorder. Of Rs 283.287 billion, share of Habib Bank Limited (HBL) is Rs 115.969 billion, Allied Bank of Pakistan (ABL) Rs 110.283 billion, [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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- 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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