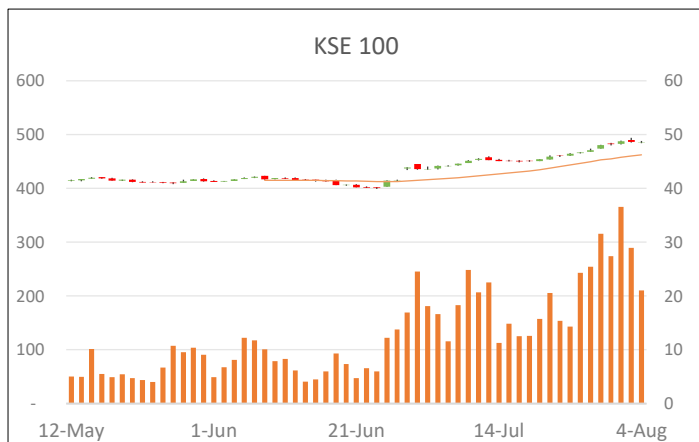


## MORNING GLANCE



48,585	▼ -26	▼ -0.05%
210 mn	YTD 19.04%	1 Year 17.28%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,517.00	135.35	0.70% ▲
DSE 30	2,152.52	8.44	0.39% ▼
SHANGHAI	3,268.69	19.4	0.59% ▼
Hang Seng	19,465.00	73	0.37% ▼
Nikkei 225	32,180.00	7.50	0.02% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,564.37	35.21	0.47% ▲
DAX 30	15,951.86	58.48	0.37% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	35,065.62	150.27	0.43% ▼
S&P 500	4,478.03	23.86	0.53% ▼
NASDAQ	15,274.92	78.63	0.51% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,976.10	-	-
Oil-WTI (bbl)	82.76	0.06	0.07% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	286.97	0.23	0.08% ▼
EURO/PKR	313.98	0.44	0.14% ▲
GBP/PKR	364.53	-	-
AED/PKR	78.79	-	-

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

### Market Outlook

The stock market on Friday opened on a positive note. However, later on, it lost the impetus and managed to close flat as PM Shehbaz proposes parliament dissolution on August 9. The KSE-100 index made an intra-day high and low at 48,840.27 (229 points) and 48,427.99 (-183 points) respectively while closed at 48,586 by losing 25 points. Trading volume decreased to 210mn shares as compared to 289mn shares on the previous trading day. Going forward, we expect the profit-taking to continue amid Pakistan's former Prime Minister Imran Khan handed a 3-year sentence and moved to high-security prison. The index is anticipated to face upcoming support at 48,200 and 47,800 while finding resistance at 49,000.

### Key News

#### International

##### Asian markets to fall in Apple share price

Asian markets traded lower on Monday following a weak trend on Wall Street after a mixed US jobs report. Investors will look ahead to US and Chinese inflation figures due later this week and a slew of corporate earnings. In the US, the Labor Department reported that US employers added 187,000 jobs in July, roughly steady with revised June figures, raising hopes that the [see more...](#)

##### Oil steadies near 4-mth high after supply cuts, inflation cues awaited

Oil prices traded sideways on Monday, sticking to their highest levels in nearly four months after major producers Saudi Arabia and Russia extended recent supply cuts, with focus now turning to key inflation readings this week. Crude markets logged a sixth straight week of gains after the Saudi and Russian cuts last week, buoyed by hopes [see more...](#)

#### Politics

##### ECP likely to rule on PTI chairmanship tomorrow

The Election Commission of Pakistan (ECP) is likely to rule on removal of Pakistan Tehreek-e-Insaf (PTI) chief Imran Khan from party's chairmanship on Monday. According to details, the electoral watchdog [see more...](#)

#### Economy

##### Malaysian trade team due next week - Neutral

The UAE and Malaysia's Consul General Herman Hardynata Bin Ahmad has said that an 18-member trade delegation will arrive next week to explore possibilities of enhancing trade ties with their counterparts in Pakistan. Addressing the members of the Karachi Chamber of Commerce and Industry (KCCI), he requested the chamber to arrange business-to-business meetings with members of the [see more...](#)

## MORNING GLANCE

### No room for tax amnesty after IMF deal: Dar - Neutral

A National Assembly panel has raised questions over the transparency of over \$3 billion loans under the concessio-nary Temporary Econ-omic Refinance Faci-lity (TERF) to some businesses during the Covid-19 pandemic and expressed concern over the central bank’s weak oversight of how the cheaper financing was utilised. Meanwhile, Finance Minister Ishaq Dar told the Standing Committee [see more...](#)

### IMF conditions: Govt imposed Rs215bn additional taxes in budget, says Ishaq Dar - Neutral

In order to strike an agreement with the International Monetary Fund (IMF) under Standby Arrangement Programme, the government had to impose additional taxes of Rs215 billion and slash expenditures by Rs85 billion at the time of finalisation and approval of the budget from the Parliament, Minister for Finance Ishaq Dar said. While briefing the National [see more...](#)

### Services’ trade deficit narrows by 87pc in FY2022-23 – Neutral

The services’ trade deficit shrank by 87.68 percent during the fiscal year 2022-23 as compared to the corresponding period of the previous year, the Pakistan Bureau of Statistics reported. The services trade deficit was recorded at \$719.45 million during July-June (2022-23) against the deficit of \$5,840.11 million during July-June (2021-22). The exports of services during the period increased by 2.78 percent, going up from [see more...](#)

### Rising cash circulation spurs inflation concerns – Negative

The surging circulation of physical currency within the domestic economy has surged to nearly 29%, equivalent to a staggering Rs9.15 trillion, against the total value of money in the system, which stood at Rs31.59 trillion as of June 2023. This influx of cash has become a significant driver of persistently high inflation rates, thereby compromising economic growth in the nation. The ballooning circulation of cash in the system not only [see more...](#)

### Further rupee fall likely under interim setup – Negative

Outgoing Prime Minister Shehbaz Sharif has already announced the dissolution of National Assembly on August 9. When Exchange Companies Association of Pakistan (ECAP) General Secretary Zafar Paracha was asked for comment to clear the smoke, he did not categorically rule out the possibility of further rupee depreciation “Chances of this stand low. Currency markets are working on the demand and supply mechanism,” he pointed [see more...](#)

### Energy sector reforms; Modalities, framework finalised - Positive

Finance Minister Ishaq Dar chaired a meeting on reforms in the energy sector at the Finance Division, Friday, says a press release. Minister of State for Petroleum Division, Musadik Masood Malik, SAPM on Finance, Tariq Bajwa, SAPM on Revenue, Tariq Pasha and senior officers from the Finance and Petroleum Divisions attended he meeting. [see more...](#)

### CCoE poised to okay incentives for 100% diesel production - Neutral

In a bold move to achieve 100% local diesel production, the Cabinet Committee on Energy (CCoE) is poised to sanction incentives to existing refineries for the establishment of upgradation plants. Prime Minister Shehbaz Sharif is slated to preside over the CCoE’s meeting on Monday to grant final approval for this transformative initiative. [see more...](#)

### Uch gas compression project: FIA summons SNGPL top officials to probe Rs135m loss – Neutral

The Federal Investigation Agency (FIA), Lahore has summoned some of the top officials of the Sui Northern Gas Pipelines Limited (SNGPL) on Monday for a probe into the loss of Rs135 million to the gas company in the Uch gas field compression project. The SNGPL confirmed the development, saying that some of the top officials have been summoned by [see more...](#)

### Senate committee recommends blacklisting of Sinohydro and GOPA – Neutral

The Senate Standing Committee on Power has recommended blacklisting Sinohydro and GOPA primarily due to their ‘poor capacity’ to operate a double circuit transmission line, as well as strict action against the NTDC Board of Directors and officials of power division involved in keeping an eye on M/s Sinohydro and M/s GOPA’s capacity. [see more...](#)

### Exports surge as India exits rice market – Positive

In a striking turn of events, Pakistan finds itself poised to capture the attention of Indian rice buyers on the global export stage. This unexpected opportunity has emerged following New Delhi’s decision to exit the market in an attempt to stabilise domestic rice prices. While Pakistan’s rice export prospects soar, its domestic market faces the heat of escalating [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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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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