

MORNING GLANCE



77,191	▲ 107	▲ 0.14%
150 mn	YTD 19.38%	1 Year 59.53%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	23,992.55	63.05	0.26% ▼
DSE 30	1,900.85	14.66	0.78% ▲
SHANGHAI	2,877.18	9.89	0.35% ▲
Hang Seng	16,823.00	175.66	1.06% ▲
Nikkei 225	35,476.00	1216.00	3.55% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,026.69	18.46	0.23% ▲
DAX 30	17,354.32	15.32	0.09% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,997.66	294.39	0.76% ▲
S&P 500	5,240.03	53.70	1.04% ▲
NASDAQ	18,077.92	182.76	1.02% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,426.35	5.25	0.22% ▼
Oil-WTI (bbl)	73.22	0.02	0.03% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	279.00	0.10	0.04% ▲
EURO/PAKR	305.37	0.68	0.22% ▲
GBP/PAKR	355.73	0.4	0.11% ▼
AED/PAKR	76.28	0.01	0.01% ▼

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

Market Outlook

The stock market on Tuesday remained volatile throughout the day and concluded the session in the green zone as global financial markets turmoil causing a sell-off in riskier assets and heightened investor concerns worldwide. The Benchmark KSE-100 index made an intra-day high and low at 77,746.55 (662.07 points) and 77,035.95 (-48.53 points) respectively while closed at 77,191.34 by gaining 106.86 points. Trading volume decreased to 150mn shares as compared to 169mn shares on the previous trading day. Going forward, we anticipate the market will remain volatile until there is stabilization in the global markets. The index is anticipated to face upcoming resistance at 77,600 and 77,800 while finding support at 77,000.

Key News

International

Asian Stocks Rise After BOJ Eases Rate Worries

Asian shares rallied after the Bank of Japan’s deputy governor said it won’t raise interest rates if markets are unstable, comforting investors unnerved by a recent surge in the yen. Japanese stocks rose after the yen fell by more than 2% against the dollar. Bank of Japan’s Deputy Governor Shinichi Uchida noted the recent [see more...](#)

Oil prices settle higher; signs of tighter supply end 3-day swoon

Oil prices settled higher on Tuesday, bouncing off multi-month lows hit in the previous session, as investor attention turned to supply tightness and financial markets recovered from their recent slump. Brent crude futures rose by 18 cents, or 0.2% to settle at \$76.48 a barrel. U.S. West Texas Intermediate futures gained 26 cents, or 0.4%, to close at \$73.20 per barrel. Both benchmarks broke a three-session declining streak. [see more...](#)

Politics

Bill barring independents from joining parties rushed through Parliament amid PTI opposition

Both houses of Parliament on Tuesday passed a bill seeking to bar independent lawmakers from joining a party after a stipulated period with the opposition PTI voicing a strong protest against it. The bill, titled “Elections (Second Amendment) Act, 2024” has introduced amendments to the Elections Act 2017 and is being seen [see more...](#)

Economy

Pakistan has 1-year debt rollover commitments from key lenders: Bloomberg report – Positive

Pakistan has secured commitments from China, Saudi Arabia and the United Arab Emirates to roll over debt for a year, a boost for the government as it awaits final approval of a new \$7 billion loan programme with [see more...](#)

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FinMin sheds light on trust issues with donors, as Pakistan looks forward to flood aid – Neutral

Finance and Revenue Minister Senator Muhammad Aurangzeb has acknowledged a significant trust deficit with international donors, as Pakistan awaits the release of pledges made to aid in the recovery from the catastrophic floods of 2022. Speaking at the Climate Action for Pakistan event [see more...](#)

Pakistan hires Chinese adviser for Panda Bond launch – Positive

In a strategic effort to re-enter the international capital market, Pakistan has appointed an adviser in China to support the issuance of Panda Bonds, Finance Minister Muhammad Aurangzeb announced during a media briefing following a Senate Standing Committee on Finance meeting. The move comes as five Chinese banks have shown interest in [see more...](#)

Finance Ministry proposes amendments to SOEs Act 2023 - Neutral

The Ministry of Finance is working on amendments to the State-Owned Entities (SOEs) Act 2023 to align it with international law and prevent local firms from signing agreements involving international arbitration. Since the promulgation of the SOE Act 2023, various agencies, ministries, and SOEs have faced [see more...](#)

M2 falls another Rs140bn – Neutral

Broad money (M2), the most widely used measure of money supply in Pakistan, dropped by Rs140.43 billion WoW to Rs35.15 trillion as of July 26, 2024, according to provisional accounts on Monetary Aggregates for the week, maintained by the State Bank of Pakistan (SBP). When compared to June 2024, M2 has decreased by Rs1.41tr, compared [see more...](#)

Govt pays off Rs72bn debt in a week – Neutral

The government of Pakistan has retired a debt of Rs71.96 billion during the week ended July 26, 2024, which brings its total net borrowing for ongoing fiscal year 2025 to Rs192.55bn, according to the central bank's weekly estimates. The government sector borrowings are divided [see more...](#)

OGDCL announces gas condensate discovery – Positive

The Oil and Gas Development Company Limited (OGDCL) on Tuesday announced the discovery of gas condensate in the Razgir-1 exploratory well, in the Tal Block, located in Kohat, Khyber-Pakhtunkhwa. The Razgir-1 exploratory well was spudded-in on January 9, 2024, and has been successfully drilled down to a depth of 3,774 meters True [see more...](#)

PPL enhances production at Sui Gas Field with SML Compressors Revamping - Neutral

Petroleum Limited (PPL) has identified and executed a production enhancement opportunity in the Sui Gas Field through the Revamping of SML Compressors resulting in a production increase. The company shared this information with the [see more...](#)

French firm TotalEnergies exits Pakistan - Neutral

After Shell, the French firm Total has exited Pakistan, selling its shares to another leading global company, Gunvor. Following Shell Pakistan's earlier departure, TotalEnergies Marketing & Services has now also wound up its operations in the country, formalising an agreement with Gunvor for the sale of its shares. [see more...](#)

Engro Fertilizers shuts down its base plant for unscheduled maintenance – Negative

Engro Fertilizers Limited announced the shutdown of its base plant for unscheduled maintenance. Engro shared this information with the Pakistan Stock Exchange (PSX) through a notice on Tuesday in accordance with Sections 96 and 131 of the Securities Act, 2015 [see more...](#)

Artistic Milliners acquires Mexica's VF factory - Neutral

Artistic Milliners, a leading textile manufacturer from Pakistan, announced on Tuesday the acquisition of VF's Dickies de Parras S. de RL de CV facility located in Parras, Mexico. The company stated that this acquisition will enable them to rapidly upgrade the Mexican denim factory [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

VALUATION METHODOLOGY

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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