

## MORNING GLANCE



45,757	▼ -51	▼ -0.11%
99 mn	YTD 12.11%	1 Year 9.56%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,727.05	116.00	0.59% ▲
DSE 30	2,137.10	7.11	0.33% ▼
SHANGHAI	3,106.53	15.82	0.51% ▼
Hang Seng	18,184.50	-	-
Nikkei 225	32,625.00	385	1.17% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,441.72	15.58	0.21% ▲
DAX 30	15,718.66	22.71	0.14% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	34,500.73	57.54	0.17% ▲
S&P 500	4,451.14	14.34	0.32% ▼
NASDAQ	15,258.52	112.92	0.73% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,949.90	7.40	0.38% ▲
Oil-WTI (bbl)	86.30	0.57	0.66% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	304.94	2.04	0.66% ▼
EURO/PKR	326.67	2.81	0.85% ▼
GBP/PKR	380.20	5.03	1.31% ▼
AED/PKR	83.02	0.56	0.67% ▼

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

### Market Outlook

The stock market on Thursday remained volatile throughout the day and concluded the session in the red zone amid market participants anticipate an interest-rate hike of 150-200 bps on 14 Sep. The KSE-100 index made an intra-day high and low at 46,035.81 (228.24 points) and 45,703.53 (-104.04 points) respectively while closed at 45,757.23 by losing 51 points. Trading volume increased to 99mn shares as compared to 74mn shares on the previous trading day. Going forward, we expect the market to remain volatile as it gave a reaction to a crucial level of resistance (50 DMA) at 46,000. Breaking this level will further push it toward 47,000. While the support of the index resides at 45,400.

### Key News

#### International

##### Asia stocks fall after Apple weighs on US equities

Stocks in Japan, Australia and South Korea dropped alongside Hong Kong equity futures. The declines followed selling on Wall Street that weighed on tech stocks, partly driven by concerns about Apple Inc's iPhone sales in China. Hong Kong's stock market trading will be delayed because of a rainstorm warning, the local exchange operator said. The S&P 500 fell 0.3 percent, while the Nasdaq 100 dropped 0.7%. [see more...](#)

##### Oil prices fall further as supply-driven rally cools, weekly gains on tap

Consolidation in oil markets continued in Asian trade on Friday, with prices falling further below 10-month peaks as a mix of profit taking, strength in the dollar and fears of an economic slowdown in major consumers weighed. Crude prices retreated on Thursday, shrugging off a positive U.S. inventory report and strong Chinese [see more...](#)

#### Politics

##### Lawyers body announces strike on Sept 14 to 'defend Constitution', demands elections within 90-day time

The All Pakistan Lawyers Convention convened by the Supreme Court Bar Association (SCBA) in Islamabad announced on Thursday that lawyers will observe a nationwide strike on September 14 to "defend and uphold the Constitution, rule of law, and human rights". [see more...](#)

#### Economy

##### Economic challenges; Army vows its full support to caretaker setup – Neutral

The top military brass on Thursday reiterated to continue full support of ongoing efforts in uplifting the socioeconomic growth under the umbrella of Special Investment Facilitation Council (SIFC) and wholeheartedly assisting the government in curbing all illegal activities which hamper economic stability, growth and investors' confidence. [see more...](#)

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### **Kakar wants five-year economic plan drawn up – Neutral**

Caretaker Prime Minister Anwaar-ul-Haq Kakar has directed the Ministry of Planning to prepare a five-year plan and national economic agenda to set a long-term economic direction. The planning ministry was also mandated for the constitution of different working groups to formulate the next five-year plan from 2023-24 to the fiscal year 2028-29. The planning ministry has also been mandated to prepare a national economic agenda [see more...](#)

### **Lending costs at record high – Negative**

The surge in the lending rate has badly impacted the government – the largest borrower from commercial banks over the past four years. Besides, the high cost will continue to discourage the private sector to borrow funds for running their businesses, prolonging economic depression in the country. Market talk suggests the SBP may increase the policy rate by 1.5 percentage points to 23.5% on September 14. The bank may do so to [see more...](#)

### **SBP reserves dip to \$7.8bn, down \$70m on debt repayment – Negative**

Foreign exchange reserves held by the central bank declined by \$70 million to \$7.779 billion in the week ended September 1, data showed on Thursday. The country's total liquid foreign reserves stood at \$13.127 billion, including \$5.347 billion held by commercial banks, the State Bank of Pakistan (SBP) said in a statement. The SBP attributed the decline in its [see more...](#)

### **Dollar further down by Rs5 in open market – Positive**

The rupee strengthened against the dollar on Thursday, extending its winning streak in both the interbank and open markets, as positive sentiment and regulatory measures boosted the local currency, dealers said. In the open market, the dollar further weakened against the rupee, depreciating by 5 rupees to settle at 307 rupees for selling. It was the third consecutive trading session in which the dollar depreciated against the [see more...](#)

### **Pakistan Gasport seeks country's first spot LNG cargo in over a year – Neutral**

Pakistan Gasport is looking to buy a spot liquefied natural gas (LNG) cargo for November delivery, its chairman Iqbal Ahmed told Reuters on Thursday, which would be the country's first spot LNG deal since June 2022. The south Asian country, facing a severe economic and foreign exchange crisis, has struggled to purchase the super-chilled fuelled following a surge in [see more...](#)

### **Power sector quagmire; Implementation of 3-pronged strategy begins – Neutral**

The government is said to have started implementation on a three-pronged strategy to deal with power sector quagmire which includes anti-theft/recovery drive, conservation through early closure of shops and negotiations with CPEC IPPs on revision in Power Purchase Agreements (PPAs), well informed sources told Business Recorder. [see more...](#)

### **SIFC identifies 9 power projects worth \$6.87bn – Neutral**

The Special Investment Facilitation Council (SIFC) has identified nine power sector projects at an estimated cost of \$ 6.870 billion to be offered to investors on Government to Government (G2G) basis, well-informed sources told Business Recorder. 1320 MW power project at Thar coal block-II, Sindh- \$ 1.2 billion (Technical Studies are available. Feasibility Study will be carried out by the [see more...](#)

### **WB report says 15,000 buses needed for Karachi's transport system – Neutral**

The World Bank report has revealed that a total of 15,000 buses are needed for the comprehensive transport system of Karachi while currently only 1029 buses are operational on city roads including 240 buses of People's Bus Service, 100 buses of BRT, and 689 old buses operated by private sector. Besides, work is in progress on route feasibility for the [see more...](#)

### **Fertilizer sector needs sustainable gas supplies to transform agriculture: FMPAC – Neutral**

To transform the agriculture sector under the Green Initiative, it is crucial to prioritize sustainable gas supplies for the fertilizer sector and resolution of other outstanding issues, Brig Sher Shah, Executive Director of Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) stated, according to a press release issued today. [see more...](#)

### **Antitrust watchdog says monitoring sugar crisis – Neutral**

The Competition Commission of Pakistan (CCP) has said action against the sugar mafia is facing stay orders by High Courts in Sindh and Punjab, so penalties of Rs44 billion could not be recovered. The CCP's statement issued here on Thursday stated that the CCP is monitoring the ongoing sugar crisis in the country. It will take appropriate enforcement and policy actions if any indications of anti-competitive [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

## 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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