



47,429	▼ -957	▼ -1.98%
198 mn	YTD 16.2%	1 Year 11.61%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,570.85	26.45	0.13% ▼
DSE 30	2,138.40	14.12	0.66% ▼
SHANGHAI	3,249.01	11.6	0.36% ▼
Hang Seng	19,118.00	50	0.26% ▼
Nikkei 225	32,183.50	170	0.53% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,527.42	27.07	0.36% ▼
DAX 30	15,774.93	175.83	1.10% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	35,314.49	158.64	0.45% ▼
S&P 500	4,499.38	19.06	0.42% ▼
NASDAQ	15,273.05	134.81	0.87% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,963.40	3.50	0.18% ▲
Oil-WTI (bbl)	82.72	0.2	0.24% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	287.91	0.48	0.17% ▲
EURO/PKR	316.00	0.13	0.04% ▲
GBP/PKR	367.14	0.97	0.26% ▲
AED/PKR	78.38	0.13	0.17% ▲

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

## Market Outlook

The stock market on Tuesday plunged over 900 points and concluded the session deep into the losses amid growing fear of a delay in Pakistan’s general elections. The KSE-100 index made an intra-day high and low at 48,415.46 (29 points) and 47,335.32 (-1051 points) respectively while closed at 47,430 by losing 956 points. Trading volume decreased to 198mn shares as compared to 232mn shares on the previous trading day. Going forward, we expect the profit-taking to continue ahead of the expected dissolution of the National Assembly today. The index is anticipated to face upcoming support at 47,000 and 46,800 while finding resistance at 48,000.

## Key News

### International

#### Asia shares mostly decline after Wall Street slide on bank worries

Asian shares mostly fell Wednesday after worries about the U.S. banking system set off a decline on Wall Street and amid concerns closer to home about Chinese economic growth. Japan’s benchmark Nikkei 225 lost 0.2% to 32,323.31 in morning trading. Australia’s S&P/ASX 200 was virtually unchanged, edging up less than 0.1% to [see more...](#)

#### Oil prices dip on surprise U.S. inventory build, weak China inflation

Oil prices fell slightly in Asian trade on Wednesday as data pointed to a large weekly build in U.S. inventories, while weak economic signals from major importer China continued to dent the outlook for demand. After Chinese trade data disappointed markets on Tuesday, Chinese consumer inflation sank for the first time in nearly two years, data [see more...](#)

### Politics

#### Dissolution of NA; PM says will send summary to President today

Prime Minister Shehbaz Sharif has stated that he would send the summary for the dissolution of the National Assembly to the president today (Wednesday). Speaking at the inauguration ceremony of the tube-well solar energy transfer project, the prime minister said: “After [see more...](#)

### Economy

#### Govt of Pakistan’s equity in Reko Diq project; Barrick says ‘will not mind’ if PIF wants to buy out – Neutral

Barrick Gold Corp is open to bringing in Saudi Arabia’s wealth fund (Public Investment Fund or PIF) as one of its partners in Pakistan’s Reko Diq gold and copper mine, Barrick CEO Mark Bristow told Reuters in an interview on Tuesday. He also dismissed a June media report that Barrick was in talks with fellow Canadian miner First Quantum Minerals on [see more...](#)

## MORNING GLANCE

### Record Rs371bn raised through sale of Ijarah Sukuk – Positive

The federal government has raised record Rs 371 billion (over \$1.29 billion) through the sale of government of Pakistan (GoP) Ijarah Sukuk. This was the highest issuance of Sukuk in a single auction by the federal government since the start of GoP Ijarah Sukuk program in 2008. The underlying asset utilized for Sukuk issuance was Islamabad Expressway on which an Ijarah Sale and Lease Back transaction was performed. The underlying [see more...](#)

### ECC approves SSA for outsourcing Islamabad airport – Neutral

The Economic Coordination Committee (ECC) of the Cabinet has approved State Support Agreement (SSA) for the outsourcing of Islamabad International Airport (IIA) through international bidding. The meeting presided over by Finance Minister Ishaq Dar on Tuesday was informed that as the federal government has been considering various options to outsource the operation of major airports, the Pakistan Civil Aviation [see more...](#)

### Refineries 'margins plunge to \$4/barrel amid weak demand – Negative

Refiners saw their gross refining margins (GRMs) plunge to an average of \$4 per barrel in the last quarter of fiscal year 2022-23, the lowest quarterly level in two years, due to weak demand for refined products in domestic market. The GRMs, which measure the difference between the cost of crude oil and the price of refined products, were at a peak of \$22 per barrel in the [see more...](#)

### ECC allows gradual sovereign guarantee for Chashma power plant – Neutral

The Economic Coordination Committee (ECC) of the Cabinet on Tuesday granted approval for a gradual sovereign guarantee for the Chashma Nuclear Power Plant (C-5) for a Chinese loan of RMB25,080 million (Rs1 trillion) at an interest rate of three percent. The Ministry of Finance, in its statement, claimed that a summary was submitted by the Pakistan Atomic [see more...](#)

### Pakistan to buy more electricity from Iran – Negative

Pakistan will buy more electricity from neighbouring Iran, a finance ministry statement said on Tuesday. The decision was taken at an Economic Coordination Committee chaired by Finance Minister Ishaq Dar. Energy-starved Pakistan already has contracts to purchase electricity from Tehran for its border regions, especially for China-backed development projects on Gwadar port. The new proposal came a week after the Iranian [see more...](#)

### Updated CDWP as per SBA yet to be approved – Negative

The pledge for the Cabinet to approve an updated Circular Debt Management Plan (CDWP) by end-July 2023 as stipulated in the Memorandum of Economic and Financial Policies section of the Stand-by Arrangement (SBA) documents uploaded on the International Monetary Fund website on 12 July 2023 has yet to be met. The updated CDMP envisaged clearance of circular debt stock payments [see more...](#)

### Symmetry Group's IPO oversubscribed on day one as investors seek success slice – Positive

The first Initial Public Offering (IPO) of FY24 via Symmetry Group Limited (SGL) at the Pakistan Stock Exchange (PSX) has oversubscribed on the first day of its book building as investors rushed to secure their slice of success. "We received an amazing response from investors, both institutional and individuals, in book building," Muhammad [see more...](#)

### Ampoule manufacturing; Glass tubing subjected to 20pc customs duty: FBR – Negative

The Customs Classification Committee of the Federal Board of Revenue (FBR) has declared that the glass tubing meant for manufacture of ampoules would be subjected to 20 percent customs duty. The Customs Classification Committee has issued a ruling to give legal viewpoint on the classification dispute. The committee stated that the [see more...](#)

### Govt reconstitutes Board of Investment – Neutral

As per the notification dated August 8, 2023 and issued by the Prime Minister's Office, the board consists of 12 members representing the public sector, while 13 members represent the private sector. The private sector members shall hold office for a term of two years and shall be eligible for re-appointment. The BoI was established with broad based responsibilities of promotion of investment in [see more...](#)

### Symmetry Group Limited IPO raises concerns with unproven IPs, valuation – Neutral

The Pakistan Stock Exchange (PSX) is all set to witness the first Initial Public Offering (IPO) of FY24 via Symmetry Group Limited (SGL) which intends to raise Rs375 million without having any proven Intellectual Properties (IPs) as the company is yet to develop and launch five digital IPs. Basically, the company will first raise money from the public, [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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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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### PREPARED BY

Muhammad Umair Javed

Phone: (+92) 42 38302028

Ext: 117

Email: umairjaved@abbasiandcompany.com

### RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

### HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com