

# MORNING GLANCE



## Market Outlook

The stock market on Tuesday remained bullish in majority part of the day, crossed the 81,000 index level for the first time and concluded the session in the green zone amid optimism prevailing among the investors regarding macroeconomic recovery and a government’s ability to ink a new IMF programme. The Benchmark KSE-100 index made an intra-day high and low at 81,087.42 (521.22 points) and 80,530.85 (-35.35) respectively while closed at 80,672.06 by gaining 105.86 points.. Trading volume increased to 310mn shares as compared to 138mn shares on the previous trading day. Going forward, we anticipate the market to become positive and cross above 81,100 level amid Pakistan, IMF make significant progress in virtual talks on new package. The index could face upcoming support at 79,000 and 78,000 while finding resistance at 81,100.

## Key News

### International

#### Most Asian Stocks Rise Before Powell’s Testimony: Markets Wrap

Japanese stocks led gains in Asia as semiconductor-related shares followed their US peers higher. Investors are awaiting Jerome Powell’s testimony to Congress. The Nikkei 225 Stock Average climbed to a record, extending gains for the year to more than 23%. Equity [see more...](#)

#### Oil Nudges Higher as Inventory Draw Overshadows Fed’s Messaging

Oil steadied as signs of another inventory draw in the US were balanced out by concerns about Chinese demand and continued uncertainty over the timeline for Federal Reserve interest-rate cuts. Brent traded below \$85 a barrel after falling by more than 3% over the last three. [see more...](#)

### Politics

#### Ishaq Dar says security remains a major issue with Afghanistan

Deputy Prime Minister and Foreign Minister Ishaq Dar Tuesday said the terror incidents that targeted Chinese citizens in Pakistan signal the involvement of the Tehreek-e-Taliban Pakistan (TTP) that is present in Afghanistan, adding that security is a major issue that Pakistan has with its neighbour in its northwest. [see more...](#)

### Economy

#### Pakistan, IMF make significant progress in virtual talks on new package – Positive

According to sources within the Ministry of Finance, substantial consensus has been reached in the virtual sessions with the IMF on all objectives and conditions related to the new program. It was revealed that detailed discussions have taken place over the.. [see more...](#)

80,672	▲ 106	▲ 0.13%
310 mn	YTD 24.76%	1 Year 80.94%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,433.20	-	-
DSE 30	1,959.90	8.56	0.44% ▲
SHANGHAI	2,949.66	9.71	0.33% ▼
Hang Seng	17,540.50	17.27	0.10% ▲
Nikkei 225	41,608.00	42.5	0.10% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,139.81	53.68	0.66% ▼
DAX 30	18,223.94	248.11	1.34% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	39,291.97	52.82	0.13% ▼
S&P 500	5,576.98	4.13	0.07% ▲
NASDAQ	20,453.97	14.42	0.07% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,373.80	5.90	0.25% ▲
Oil-WTI (bbl)	81.29	0.12	0.15% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.90	0.10	0.04% ▲
EURO/PKR	302.11	0.04	0.01% ▼
GBP/PKR	356.64	0.19	0.05% ▼
AED/PKR	76.33	0.03	0.04% ▲

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

## MORNING GLANCE

### June remittances soar 44.4pc YoY – Positive

The workers' remittances from overseas Pakistanis have increased by 44.4 percent on year-on-year basis during June 2024. According to the State Bank of Pakistan's data, released on Tuesday, the workers' remittances recorded an inflow of \$3.2 billion during June 2024. Cumulatively, with inflow of \$30.3 billion workers' remittances increased by 10.7 percent during the fiscal [see more...](#)

### SBP raises Rs81bn through PIB auction - Neutral

The State Bank of Pakistan (SBP) conducted an auction on Tuesday in which it sold Pakistan Investment Bonds (PIBs) worth Rs81.07 billion. The target was to raise Rs190bn while the maturity amount was also Rs190bn. Cut-off yields remained unchanged at 16.6000% for 3-year bonds and 15.4475% for 5-year bonds, while bids for 10-year bonds were rejected,.. [see more...](#)

### Govt borrows Rs8.3tr from banks - Negative

The government of Pakistan acquired a significantly larger debt domestically in the fiscal year 2023-24 as compared to previous years. During FY24, the government borrowed Rs8.3 trillion from scheduled banks, the latest data released by the State Bank of Pakistan showed. That compares with a borrowing of.. [see more...](#)

### PPP and SIC force govt to defer SOEs bill - Neutral

The Pakistan People's Party (PPP) together with the opposition parties in the National Assembly, including the Sunni Ittehad Council (SIC) forced the government to defer the passage of The State-Owned Enterprises (Governance and Operations) Bill, 2024, till further deliberations at the committee concerned Law Minister Azam Nazeer Tarar sought. [see more...](#)

### Ogra allows Parco to export 50,000 tonnes of furnace oil – Positive

The Oil & Gas Regulatory Authority (Ogra) has allowed Pak Arab Refinery Limited (Parco) to export 50,000 metric tonnes (MT) of furnace oil (FO) for the month of July in the current fiscal year, according to a statement issued by Ogra. Parco, which currently holds 93,000 MT of fuel oil stock, half.. [see more...](#)

### Relief announced for protected power consumers - Positive

Prime Minister Shehbaz Sharif on Tuesday announced Rs 50 billion package to provide a relief of up to seven rupees per unit to around 25 million domestic power consumers, falling in the protected category for three months till September. "Today, an amount of Rs 50 billion has been allocated to provide a relief of Rs 4-7 per unit as. [see more...](#)

### Suki Kinari project will commence generation from Nov - Neutral

The country's hydel generation will increase further with the 884 MW Suki Kinari Hydropower Project, which will commence generation in the next four months, ie, from November 2024. This was revealed by Managing Director PPIB, Shah Jahan Mirza while. [see more...](#)

### Govt urged to let industry buy power from generators - Neutral

The demand arose during a conference jointly organised on Tuesday by Renewables First and Pakistan Environment Trust, two prominent voices in Pakistan's energy and environment sectors.. [see more...](#)

### 'Big Three' car companies hit 21-year low in annual sales volume in Pakistan - Negative

The significant drop was attributed to suppressed demand due to lower consumer purchasing power, increased influx of used imported cars, and higher car prices resulting from currency depreciation and taxes levied on auto manufacturers. In the financial... [see more...](#)

### Cargo handling operations at KPT: impressive rise - Positive

Cargo handling operations, including import and export at Karachi Port Trust (KPT) remained outstanding at the end of fiscal year 2023-24 and witnessed a notable rise of 23.43 percent in cargo handling. The entire freight closed at 51.65 million tons in which the Dry Cargo 40.24 million tons with 31.39 percent growth and.. [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

## 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

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