

MORNING GLANCE



70,314

▲ 694

▲ 1.00%

219 mn

YTD 8.74%

1 Year 76.51%

Market Outlook

The stock market on Tuesday remained bullish throughout the day, surpassing the 70,000 level for the first time in history on account of higher remittances, FO statement on Saudi front, foreign buying and a general improved sentiment on Pakistan's economy. The Benchmark KSE-100 index made an intra-day high and low at 70,677.29 (1,057.31 points) and 69,857.14 (237.16 points) respectively while closed at 70,314.71 by gaining 694.73 points. Trading volume increased to 219mn shares as compared to 189mn shares on the previous trading day. Going forward, The resistance for the iindex resides at 70,677. Breaking this level would further push the index towards 71,000. Contrarily, the support for the index resides at 70,000.

Key News

International

Asian Stocks Fall, Stresses Over Iran Attack Ease

Shares in Asia slipped to a six week-low as traders grappled with tensions in the Middle East, disappointing bank earnings and the prospect of the Federal Reserve keeping interest rates higher for longer. A gauge for the region's equities fell, tracking Friday's drop in US stocks. Benchmarks [see more...](#)

Oil Shrugs Off Iranian Assault on Israel as Brent Turns Lower

Oil shrugged off Iran's unprecedented attack on Israel, with prices easing on speculation that the conflict would remain contained. Brent crude initially rose just 0.7% to \$91.05 a barrel, before dropping toward \$90. More than 300 missiles and drones were fired by Iran at the weekend, the first time it has struck Israel from its soil, though most were intercepted. The [see more...](#)

Politics

















Israel on alert as Iran warns against responding to attack amid global calls for restraint

Israel was on high alert on Sunday after Iran's unprecedented missile and drone attack drew an international chorus of condemnation and sparked fears of a broader conflict. Iran launched its first-ever direct assault on Israeli territory late on Saturday in retaliation for a deadly Damascus strike, marking a major escalation of the long-running covert war between the regional foes. Its proxies and allies also carried out coordinated attacks [see more...](#)

Economy

IMF: economic team leaves for Washington - Positive

Pakistan's economic team led by Finance Minister Muhammad Aurangzeb left for Washington on Sunday to hold talks with the International Monetary Fund (IMF) for a new bailout programme. Talks between Pakistan and the IMF are scheduled for this week in Washington, wherein the government team will request the Fund for approval of a new loan programme. The main ministerial meetings and even [see more...](#)

ASIA		Value	Pts	Chg. (%)
	NIFTY 50	22,519.40	234.4	1.03% ▼
	DSE 30	2,032.37	1.03	0.05% ▼
	SHANGHAI	3,054.30	34.83	1.15% ▲
	Hang Seng	16,566.00	155.69	0.93% ▼
	Nikkei 225	39,080.00	487	1.23% ▼
EUROPE		Value	Pts	Chg. (%)
	FTSE 100	7,995.58	71.78	0.91% ▲
	DAX 30	17,904.15	50.33	0.28% ▼
USA		Value	Pts	Chg. (%)
	DOW JONES	37,983.24	475.84	1.24% ▼
	S&P 500	5,123.41	75.65	1.46% ▼
	NASDAQ	18,003.49	304.5	1.66% ▼
Commodities		Value	Chg.	Chg. (%)
	Gold (t oz.)	2,373.30	0.8	0.03% ▼
	Oil-WTI (bbl)	85.22	0.44	0.51% ▼
Currencies		Value	Chg.	Chg. (%)
	USD/PKR	278.00	0.10	0.04% ▲
	EURO/PKR	302.00	-	-
	GBP/PKR	347.34	-	-
	AED/PKR	74.66	0.3	0.40% ▼

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

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Saudi FM-led delegation arrives in Pakistan today - **Positive**

A high-level delegation of Saudi Arabia led by Foreign Minister Prince Faisal bin Farhan bin Abdullah will arrive in Pakistan on a two-day official visit today (Monday). The development came after Crown Prince Mohammed bin Salman Al Saud, during a recent meeting with Prime Minister Shehbaz Sharif, reaffirmed that Riyadh would never leave Islamabad alone. [see more...](#)

Saudi Arabia bolsters Pakistani economy with \$2bn deposit increase - **Positive**

Pakistan and Saudi Arabia have reached an agreement to elevate the Saudi deposits in the State Bank of Pakistan (SBP) by \$2 billion, from \$3 billion to \$5 billion. Mohammad AlQahtani, CEO of Saudi Arabia Holding Co, disclosed the development in a post on LinkedIn. The deal was struck during discussions between [see more...](#)

SBP repays \$1bn against euro bonds- **Positive**

The State Bank of Pakistan (SBP) has repaid \$1 billion against euro bonds, creating goodwill for the bonds in the near future. Pakistan on Friday successfully made a payment of \$1bn on an international bond, which included principal plus interest, the central bank said in a statement on Saturday. The payment was made to the agent bank for onward distribution [see more...](#)

FY24 real GDP projected to grow by 1.9pc – **Neutral**

Pakistan's real GDP is projected to grow by 1.9 percent in fiscal year 2024, driven by a rebound in private sector investment linked to progress on reform measures and transition to a new and more stable government, says the Asian Development Bank (ADB). The Bank in its latest report 'Asian Development Outlook 2024' stated growth is projected to remain subdued in fiscal year 2024 and pick up in fiscal year [see more...](#)

WB to grant \$1bn loan for Dasu hydropower expansion - **Positive**

The World Bank is set to approve a \$1 billion loan for the Dasu hydropower project in June. This financing will support the 2,160 megawatt initiative which aims to integrate cost-effective electricity into Pakistan's energy grid. The project is critical for reducing the nation's reliance on expensive imported fuel and promoting sustainable energy sources. [see more...](#)

Saudi Arabia to invest \$1bn in Reko Diq mining project - **Neutral**

Saudi Arabia is poised to invest up to \$1 billion in the Reko Diq Copper Gold project in Pakistan's Chagai district, Balochistan next month. This announcement was made by the Information Ministry and underscores a strengthening of economic ties between the two nations. [see more...](#)

Multiplicity of taxes heavily burdening industrial sector - **Neutral**

Nineteen to twenty different federal and provincial taxes are currently levied on industrial sector/ manufacturing units, increasing their cost of doing business in Pakistan. A senior official of the Federal Board of Revenue (FBR) told Business Recorder that the multiplicity of taxes at the federal [see more...](#)

Alarming situation': Jan IT exports slump 12.4pc to \$265m MoM - **Neutral**

Data for information technology exports in January 2024 is alarming as it records a decline of 12.4 percent to \$265 million in IT exports on a month-on-month (MoM) basis as compared to December 2023; where it stood at \$303 million. This was stated by leading IT exporter Noman Said. [see more...](#)

Jul-Mar period: Govt borrowing soars to record high of Rs4.8trn - **Neutral**

The federal government's budgetary borrowing from scheduled banks rose to a record high level of Rs 4.8 trillion during the first nine months of this fiscal year (FY24). According to State Bank of Pakistan (SBP), federal government borrowing for budgetary support has recorded an increase of 138 percent or Rs 2.809 trillion [see more...](#)

Govt to consider controlled sugar exports after millers' lobbying - **Neutral**

The government is poised to approve a controlled sugar export policy following intensive lobbying by sugar mill owners, with a meeting planned post-Eid to deliberate on the strategy, according to sources. The initial proposal allows for the export of 250,000 metric tonnes of sugar, [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

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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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