

MORNING GLANCE



78,105

▲ 228

▲ 0.29%

169 mn

YTD 20.79%

1 Year 62.23%

ASIA		Value	Pts	Chg. (%)
	NIFTY 50	24,143.75	4.75	0.02% ▲
	DSE 30	2,197.04	63.00	2.95% ▲
	SHANGHAI	2,880.17	2.81	0.10% ▲
	Hang Seng	17,407.00	297.86	1.74% ▲
	Nikkei 225	37,862.50	1160.00	3.16% ▲
EUROPE		Value	Pts	Chg. (%)
	FTSE 100	8,347.35	66.30	0.80% ▲
	DAX 30	18,183.24	297.64	1.66% ▲
USA		Value	Pts	Chg. (%)
	DOW JONES	40,563.06	554.67	1.39% ▲
	S&P 500	5,543.22	88.01	1.61% ▲
	NASDAQ	19,490.15	467.47	2.46% ▲
Commodities		Value	Chg.	Chg. (%)
	Gold (t oz.)	2,488.70	3.7	0.15% ▼
	Oil-WTI (bbl)	77.92	0.24	0.31% ▼
Currencies		Value	Chg.	Chg. (%)
	USD/PKR	279.10	0.15	0.05% ▲
	EURO/PKR	307.05	2.10	0.69% ▲
	GBP/PKR	357.31	1.76	0.50% ▲
	AED/PKR	76.30	-	-

Market Outlook

The stock market on Thursday opened on a positive note. However, most of the earlier gains were eroded in the second half and concluded the session in the green zone amid profit taking by the investors. The Benchmark KSE-100 index made an intra-day high and low at 78,709.13 (831.72 points) and 77,987.82 (110.41 points) respectively while closed at 78,105.98 by gaining 228.57 points.. Trading volume decreased to 169mn shares as compared to 184mn shares on the previous trading day. We expect the market to remain volatile as the index is currently stuck between two opposing zones, where a shift in momentum could also be witnessed as the index is floating above the key level of 78,000. The key levels to watch in the shorter timeframes are 77,600S and 79,000R, as they will be crucial in indicating the market's overall sentiment. However, The index has a D support at 77,000 and 76,000, while finding resistance at 79,000.

Key News

International

Asian Equities Rally as US Recession Fears Fade: Markets Wrap

Stocks in Asia rallied as traders piled back into risk assets on growing expectations that the US economy will skirt a recession. Treasuries held losses, while the yen is poised for its worst week since May. Almost all major stock benchmarks gained in Asia, with a regional gauge. [see more...](#)

Oil prices set for weekly gains on renewed enthusiasm around US economy

Oil prices edged lower in early Asian trading on Friday, but the market's benchmarks were set for a second consecutive weekly gain after upbeat U.S. economic data eased investor worries about a potential recession in the top oil consuming nation. Brent crude futures fell 16 cents, or 0.2%,... [see more...](#)

Politics

'Unbearable' food, power prices worry Nawaz

In a crucial consultative meeting held at the party secretariat in Lahore's Model Town on Thursday, Nawaz chaired discussions that included Prime Minister Shehbaz Sharif and other senior PML-N leaders. The focus of the meeting was on providing relief to people amid soaring inflation,. [see more...](#)

Economy

PM likely to hold stocktaking meeting regarding UAE today - Neutral

Pakistan Stock Exchange (PSX) has raised Rs 119 billion against a target of Rs 100 billion for Ministry of Finance in the 12th auction for GOP Ijarah Sukuk (GIS) on Thursday. Pakistan Stock Exchange conducted an auction for the sale of Government of Pakistan Ijara Sukuk (GIS) bond. The GIS cut-off rates for one

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year discounted stood at 15.9900 percent down 123.49bps,.. [see more...](#)

SBP-held foreign exchange reserves increase \$119mn, now stand at \$9.27bn - Positive

Total liquid foreign reserves held by the country stood at \$14.64 billion. Net foreign reserves held by commercial banks stood at \$5.37 billion. The central bank did not specify a reason for the increase in the reserves "During the week ended on 9-Aug-2024, SBP reserves increased by US\$ 119 million to. [see more...](#)

External debt-to-GDP ratio hits 6-year low - Neutral

Pakistan's external debt to GDP ratio fell to 6 years low, ie, 26 percent at the end of the last fiscal year (FY24), mainly due to lower increase in foreign currency borrowings. The State Bank of Pakistan (SBP) on Thursday reported that the country's total external debt and liabilities recorded an increase of 3.4 percent during the last fiscal year (FY24).. [see more...](#)

July petroleum imports soar 60pc to \$1.266bn yoy – Negative

Petroleum group imports witnessed 60 percent growth in July 2024 and remained \$1.266 billion compared to \$791.434 million in July 2023, says the Pakistan Bureau of Statistics (PBS). The data of exports and imports released by the PBS revealed that petroleum group imports registered 19.41 percent negative growth in July when compared to \$1.571 billion... [see more...](#)

Refining sector set for massive furnace oil exports - Neutral

The local refining industry is set to export huge quantities of furnace oil in the coming weeks, with expected shipments surpassing 100,000 tonnes. Since the beginning of the current fiscal year, domestic demand for furnace oil has nearly disappeared, prompting refineries to.. [see more...](#)

Shehbaz govt may follow IK admin's lead on IPPs - Neutral

Prime Minister Shehbaz Sharif-led government is reportedly opting to go the same route as the Imran Khan administration in dealing with Independent Power Producers (IPPs) - reducing the Rate on Equity of public sector power plants, closure of five Gencos to get relief of up to Rs 4 per unit and. [see more...](#)

Filed on behalf of Star Hydro; Nepra returns CPPA-G's tariff revision plea - Neutral

The National Electric Power Regulatory Authority (NEPRA) has returned CPPA-G's tariff modification petition filed on behalf of Star Hydro Power Company, with observation that it is not maintainable in light of available legal evidence. Star Hydro Power Limited (herein referred as the.. [see more...](#)

'Hastily implemented firewall' could cause economy loss of \$300 million: P@SHA – Negative

Senior Vice Chairman of Pakistan Software Houses Association (P@SHA) Ali Ihsan has condemned the grave consequences of the hastily implemented national firewall. The booming IT industry is facing a disaster, grappling with unprecedented operational disruptions that threaten the [see more...](#)

Senate committee demands action on internet slowdown within two weeks - Neutral

The decision followed a meeting where committee members highlighted the severe effects of internet and social media slowdowns on businesses across Pakistan. The session, led by Pakistan Peoples Party (PPP) Senator Palwasha Khan, saw participation from IT ministry.. [see more...](#)

PIACL debt restructuring; Fair value impact to be recognised on PIAHCL portfolio as per IFRS-9: SBP - Neutral

In order to facilitate banks in executing the PIACL debt restructuring transaction, the State Bank of Pakistan (SBP) has decided that in line with IFRS-9, fair value impact will be recognized on the PIA Holding.. [see more...](#)

July textile group exports down 3.09pc to \$1.27bn YoY - Negative

The country's textile group exports decreased by 3.09 per cent in July 2024 and remained at \$1.271 billion as compared to \$1.311 billion in July 2023, the Pakistan Bureau of Statistics (PBS) said. The data of exports and. [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

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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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