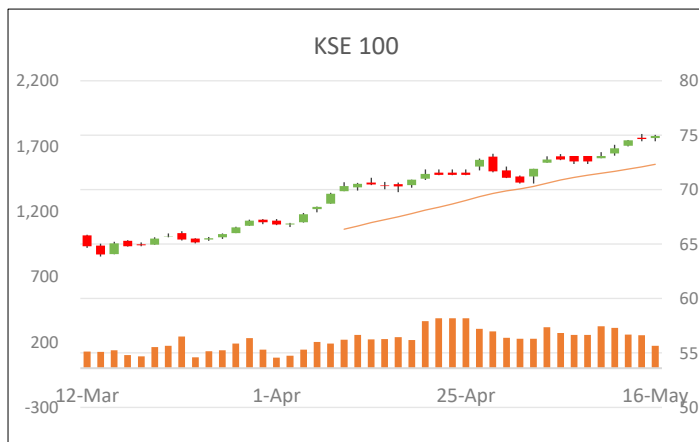


MORNING GLANCE



74,930	▲ 266	▲ 0.36%
170 mn	YTD 15.88%	1 Year 79.12%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	22,403.85	203.30	0.92% ▲
DSE 30	2,015.24	25.14	1.23% ▼
SHANGHAI	3,118.92	3.48	0.11% ▼
Hang Seng	19,412.00	35.47	0.18% ▲
Nikkei 225	38,728.00	193	0.50% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,438.65	7.15	0.08% ▼
DAX 30	18,725.71	143.65	0.76% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	39,869.38	38.62	0.10% ▼
S&P 500	5,297.10	11.05	0.21% ▼
NASDAQ	18,557.96	38.69	0.21% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,380.65	4.85	0.20% ▼
Oil-WTI (bbl)	79.31	0.08	0.10% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.55	0.05	0.02% ▲
EURO/PKR	300.24	0.01	0.00% ▲
GBP/PKR	348.49	0.01	0.00% ▲
AED/PKR	76.26	0.01	0.01% ▲

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

Market Outlook

The stock market on Thursday remained positive in majority part of the day and concluded the session in the green zone as Pakistani rupee remained largely stable against the US dollar. The Benchmark KSE-100 index made an intra-day high and low at 75,029.03 (365.05 points) and 74,450.25 (-213.73) respectively while closed at 74,930.69 by gaining 266.71 points. Trading volume decreased to 170mn shares as compared to 251mn shares on the previous trading day. Going forward, we expect the market to remain positive as index reaches all time high on account of optimistic development in the economic front. The resistance for the index resides at 75,000. Breaking this level would further push the index towards 75,500. Contrarily, the support for the index resides at 74,000.

Key News

International

Hong Kong Rallies Despite Flat Day for Asia Stocks

Stocks in Asia fell Friday after data from China showed fresh economic weakness and traders reassessed the path forward for US interest rates. A gauge of the region's equities fell for the first time in six sessions as stocks in mainland China, Australia and [see more...](#)

Oil Set to Eke Out Weekly Gain as Supply and Inflation Set Tone

Oil was poised to eke out a modest weekly gain as futures remained in a narrow range, with the outlook for supply and inflation in focus. Brent traded above \$83 a barrel after a two-day advance that saw futures add about 1%, while West Texas Intermediate was near \$79. Lower US crude [see more...](#)

Politics

Imran appears via video link as SC hears NAB law amendments case

Deposed premier and PTI founder Imran Khan appeared on Thursday before a five-member larger bench of the Supreme Court, led by Chief Justice Qazi Faez Isa, resumed hearing on Thursday the government's intra-court appeal against the apex court's decision to nullify the NAB law [see more...](#)

Economy

Borrowings, mark-up payments: Policy rate hike pushed up FY23 cost - Neutral

The government cost of borrowing and mark-up payments increased in the fiscal year 2022-23 consequent to an increase in the policy rate in response to inflation. This was stated by the Budget Wing and Economic Adviser Wing (EAW) of the Finance Division in its Fiscal Policy Statement-January 2024 which was presented in the National Assembly on Thursday It added that the fiscal year 2023 has been unprecedented due [see more...](#)

MORNING GLANCE

Public debt soars to Rs39.7trn, NA told- Neutral

The external debt was recorded at \$86.36billion and domestic debt was recorded at Rs39.7 trillion of the total public debt at the end of September 2023, according to the Debt Policy Statement January-2024 presented in the National Assembly on Thursday. According to the Debt Policy Statement, around [see more...](#)

Industrial production declines in 9MFY24 - Neutral

Pakistan's industrial sector has been facing significant challenges, with a new report by the Bureau of Statistics revealing a concerning decline in production for most major industries during the first nine months of the current financial year (9MFY24). While there was a slight increase (2.04%) in industrial output compared to March 2023, production dropped [see more...](#)

MoF asked to make CPEC SEZs tax-free – Neutral

The federal cabinet has directed Finance Ministry to clear dividends owed to Chinese firms operating in Pakistan and to ensure that there was no imposition of taxes in the CPEC Special Economic Zones and in case if any tax was being imposed, it should be withdrawn immediately, well informed sources told Business Recorder. [see more...](#)

SBP-held reserves up by \$15mn to \$9.1bn – Positive

Foreign exchange reserves held by the State Bank of Pakistan (SBP) increased by \$ 15 million for the week ended May 10, 2024, according to the latest data released by the central bank. As per SBP data, with an increase of \$15 million, total foreign exchange reserves held by the central bank reached \$9.135 billion. The total liquid foreign reserves held by the country stood at \$14.62 billion as of May 10, 2024. Net foreign [see more...](#)

Exchange rate adjustment: Ogra endorses PSO's claim – Neutral

The Oil and Gas Regulatory Authority (OGRA) has endorsed Pakistan State Oil's claim for an exchange rate adjustment of Rs1.43 per litre on high-speed diesel (HSD) and 32 paisa per litre on petrol. This adjustment will be applied in the price review of petroleum products for May 16-31. During the first half of May, PSO's exchange rate adjustment was negative 13 paisa per [see more...](#)

Petroleum leases, licences: Ex-SAPM's order cost exchequer Rs1.2bn: AGP - Neutral

The Auditor General for Pakistan (AGP) has pointed out that due to the interference of the former Special Assistant to Prime Minister Nadeem Babar without having any legal authority directed the Director [see more...](#)

Govt intends to convert 3 imported coal-run power plants to Thar coal - Neutral

The government intends to convert three plants running on imported coal to Thar coal after taking Chinese government on board, well informed sources told Business Recorder. Minister for Planning, Development and Special Initiatives, Ahsan Iqbal, who recently undertook an official [see more...](#)

Pakistan plans to get tenor of \$15.36bn Chinese IPPs debt extended – Neutral

With the arrival of an IMF team to gauge Islamabad's capability to repay the escalating debt, Pakistan is contemplating options to seek a 5-year extension in the tenor of Chinese IPPs' outstanding debt of \$15.36 billion. The consent of the Chinese government [see more...](#)

Govt likely to reduce power tariff for industrial sector 2024 - Neutral

The government is considering a relief for industries in the upcoming budget of FY25 leading to a reduction in the power tariff for the country's industrial sector. As per reports, the electricity tariff may be reduced for industrial consumers, who currently pay an additional Rs240 billion in electricity bills. According to sources, the Ministry [see more...](#)

Fast Cables' IPO oversubscribed by 1.57x - Neutral

The book-building process of Fast Cables Initial Public Offer (IPO) has concluded with an oversubscription of 1.57 times, AKD Securities Limited, the book runner of the IPO informed today. This oversubscription reflects the market's confidence in Fast Cables while the robust demand amounts to Rs4.7 billion against issue size of Rs3bn. [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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- 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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