

MORNING GLANCE



80,461	▲ 970	▲ 1.22%
149 mn	YTD 22.93%	1 Year 73.55%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	25,377.55	41	0.16% ▼
DSE 30	2,068.61	32.14	1.53% ▼
SHANGHAI	2,733.38	16.10	0.59% ▲
Hang Seng	17,954.00	293.98	1.66% ▲
Nikkei 225	37,219.00	880.50	2.42% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,253.68	56.18	0.68% ▼
DAX 30	18,711.49	14.59	0.08% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	41,503.10	103.08	0.25% ▼
S&P 500	5,618.26	16.32	0.29% ▼
NASDAQ	19,344.49	87.91	0.45% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,589.10	9.5	0.37% ▼
Oil-WTI (bbl)	69.85	0.03	0.04% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.50	0.05	0.02% ▼
EURO/PKR	310.19	0.60	0.19% ▲
GBP/PKR	366.38	0.15	0.04% ▲
AED/PKR	76.29	-	-

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

Market Outlook

The stock market on Wednesday remained bullish throughout the day and concluded the session in the green zone as investors anticipate IMF Executive Board approval for Pakistan's 37-month Extended Fund Facility (EFF) of about \$7 billion on the agenda on September 25. The Benchmark KSE-100 index made an intra-day high and low at 80,587.44 (1,096.31 points) and 79,798.75 (307.62 points) respectively while closed at 80,461.33 by gainig 970.20 points. Trading volume decreased to 149mn shares as compared to 152mn shares on the previous trading day. Going forward, we expect the market to remain positive fueled by optimism surrounding the IMF's consideration of Pakistan in its agenda, along with positive economic indicators. The index is anticipated to face upcoming resistance at 82,100 and 83,000, while finding support at 79,000.

Key News

International

US Fed slashes rates by 50 basis points in first easing since pandemic hit

The Federal Reserve cut interest rates by half of a percentage point on Wednesday, kicking off what is expected to be a steady easing of monetary policy with a larger-than-usual reduction in borrowing costs that followed growing unease about the health of the job market... [see more...](#)

Oil Drops as Signs of Weak US Demand Offset Fed's Deep Rate Cut

Oil declined as signs of weak US demand added to bearish headwinds, offsetting a steep interest-rate cut from the Federal Reserve and escalating tensions in the Middle East. Brent futures traded near \$73 a barrel and West Texas Intermediate was close to \$70. US gasoline demand dropped further below 9. [see more...](#)

Politics

Justice Mansoor Ali Shah to be country's next chief justice: PPP chief

Amid prevailing ambiguity surrounding the next chief justice against the backdrop of prospective constitutional amendment, Pakistan Peoples Party (PPP) Chairman Bilawal Bhutto Zardari has cleared the air saying Justice Mansoor Ali Shah would be the next top judge. Speaking to a private news channel, Bilawal said: "On October 26, Justice Mansoor will become the next chief justice — no doubt." [see more...](#)

Economy

Foreign-funded projects; EAD seeks Rs196bn more to cover rupee deficit – Neutral

The Economic Affairs Division has demanded additional Rs196 billion (\$664 million) to address rupee cover for efficient utilisation of foreign funded projects. In a written briefing on addressing rupee cover issue, submitted [see more...](#)

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'The Review' of SBP; Timely realization of IMF lending to help revive inflows – Neutral

The State Bank of Pakistan (SBP) Wednesday said the recent upgradation in sovereign credit rating is a positive development for the country and the timely realization of new IMF programme will significantly help revive financial inflows. According to the SBP's Mid-Year Performance Review of [see more...](#)

Russia says will support Pakistan's inclusion in BRICS - Neutral

Russian Deputy Prime Minister Alexei Overchuk said on Thursday that Moscow would support Pakistan's inclusion in BRICS. "We would be supportive of it," Overchuk, who is on a two-day visit to Islamabad told a joint press conference with Pakistan's Foreign Minister Ishaq Dar in Islamabad,. [see more...](#)

\$75m CA surplus recorded in August – Positive

The country's current account recorded a \$75 million surplus in August 2024 supported by healthy home remittance inflows. After the consecutive 3-month (May-July) current account deficit, Pakistan has reverted back to current account surplus in August-2024. Previously, Pakistan's current account posted a surplus of \$491 million in April 2024. However, during [see more...](#)

Jul-Aug FDI up 55.5pc to \$350.3m YoY – Positive

The Foreign Direct Investment (FDI) in the country rose by 55.5 percent during the first two months of this fiscal year (FY25). The State Bank of Pakistan (SBP) on Wednesday reported that Pakistan fetched FDI amounting to \$350.3 million during the first two months of this fiscal year against \$225.2 million in the corresponding period of last fiscal year [see more...](#)

RDA inflows reach \$8.58bn – Positive

Pakistan received gross inflows of \$8.581 billion under the Roshan Digital Account (RDA) as of August 2024, data from the State Bank of Pakistan showed on Wednesday. Inflows received through RDAs slightly increased to \$165 million in August from \$161 million in the previous month. The purpose of RDAs is to generate [see more...](#)

Auction for MTBs – Neutral

Following the federal government's directives, the State Bank of Pakistan (SBP) has rejected all bids of Pakistan Market Treasury Bills (MTBs) received in the auction held on Wednesday. Overall, investors placed total bids of Rs 1.425 billion for 3-, 6- and 12-month MTBs. The 12-month T-Bill saw significant interest, with bids totaling. [see more...](#)

PKR's REER index decreases to 100.16 in August – Neutral

Pak Rupee's Real Effective Exchange Rate Index (REER) decreased by 1.32% in August 2024 to a provisional value of 100.16 from the revised value of 101.5 in July 2024. According to data published by the State Bank of Pakistan (SBP), the REER index has increased by 11.24% compared. [see more...](#)

Construction set to begin on white oil pipeline with SIFC backing – Neutral

The project, spanning 477 kilometres, will link key locations in Pakistan, including Machike, Thalian, and Taru Jabba, and is set to enhance the country's oil distribution system. The White Oil Pipeline Project is a flagship initiative led by the Pakistan State Oil (PSO), PARCO, and the. [see more...](#)

August FCA; CPPA-G seeks Re0.57 per unit negative adjustment - Positive

The Central Power Purchasing Agency–Guaranteed (CPPA-G) has sought negative adjustment of Re 0.57 per unit in FCA for August 2024 to refund Rs 7.34 billion to the consumers under monthly FCA mechanism. The Nepra is scheduled to hold a public hearing on September 26, 2024 [see more...](#)

Auto financing in Pakistan drops for 26th consecutive month – Negative

Automobile financing in Pakistan has dropped for the 26th consecutive month to Rs227.3bn in August 2024, a fall of 0.3% MoM compared to Rs228bn last month, according to the latest data released by the central bank. On a year-on-. [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

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

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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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