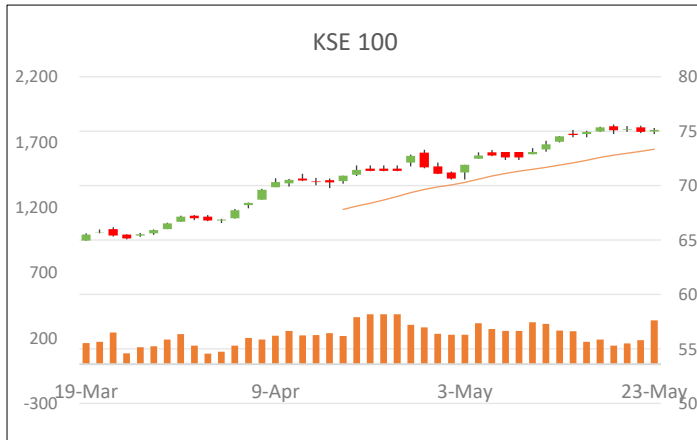


# MORNING GLANCE



75,114	▲ 157	▲ 0.21%
337 mn	YTD 16.17%	1 Year 82.68%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	22,967.65	369.85	1.64% ▲
DSE 30	1,929.93	8.95	0.46% ▼
SHANGHAI	3,114.31	2.07	0.07% ▼
Hang Seng	18,685.00	183.71	0.97% ▼
Nikkei 225	38,664.50	447.5	1.14% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,339.23	31.1	0.37% ▼
DAX 30	18,686.63	6.43	0.03% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	39,065.26	605.78	1.53% ▼
S&P 500	5,267.84	39.17	0.74% ▼
NASDAQ	18,623.39	81.82	0.44% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,331.50	5.7	0.24% ▼
Oil-WTI (bbl)	76.89	0.02	0.03% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	277.95	0.5	0.18% ▼
EURO/PKR	302.12	0.63	0.21% ▼
GBP/PKR	354.43	0.86	0.24% ▲
AED/PKR	76.32	-	-

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

## Market Outlook

The stock market on Thursday remained volatile in majority part of the day and concluded the session in the green zone amid increased investor confidence and market stability. The Benchmark KSE-100 index made an intra-day high and low at 75,284.74 (328.07 points) and 74,726.06 (-230.61) respectively while closed at 75,114.47 by gaining 157.80 points. Trading volume increased to 337mn shares as compared to 183mn shares on the previous trading day. Going forward, we expect the market to remain positive amid optimism over investment commitments from the UAE. The resistance for the index resides at 75,300. Breaking this level would further push the index towards 75,500. Contrarily, the support for the index resides at 74,700.

## Key News

### International

#### Asian Stocks Slide as Fed's Rate Cuts Seen Delayed

Asian stocks tracked Wall Street lower following activity data that signaled the Federal Reserve may keep rates on hold for most of this year. MSCI's Asia Pacific Index dropped for a fourth day, and is set for its first decline in five weeks, as shares from Hong Kong to mainland China Japan and Australia fell. US contracts [see more...](#)

#### Oil Holds Near Three-Month Low as Market Shows Signs of Weakness

Oil traded near lowest level in over three months as the market flashed signs of weakness ahead of the US summer driving season Brent crude was little changed near \$81 a barrel, while West Texas Intermediate held below \$77. Both benchmarks are set for a weekly loss. [see more...](#)

### Politics

#### PTI central secretariat sealed in Islamabad

The Capital Development Authority (CDA) in presence of Islamabad Police sealed the Central Secretariat of Pakistan Tehreek-e-Insaf (PTI) on late Thursday night. The CDA Building Control Directorate sealed House No 1-A, Street 32 of Sector G-8/4 where PTI Central Secretariat was establishment. The building was sealed owing to non-conforming use and illegal construction of an additional floor. [see more...](#)

### Economy

#### UAE president commits to investing \$10bn in Pakistan - Positive

United Arab Emirates President Sheikh Mohamed Bin Zayed Al-Nahyan on Thursday committed to investing \$10 billion in multiple sectors of the Pakistani economy. A statement released by state-run Pakistan Television on social media platform X said the development came in an Abu Dhabi meeting of the UAE president with Prime Minister Shehbaz Sharif who is on a day-long visit to the Mideast nation. [see more...](#)

## MORNING GLANCE

### **IMF demands parliamentary approval for critical economic reforms by June 30 - Neutral**

Pakistan faces a crucial deadline of June 30 to implement a series of reforms, primarily through binding parliamentary approvals and legislation, to finalize a staff level agreement (SLA) with the International Monetary Fund (IMF) for its [see more...](#)

### **Third-party projects under CPEC: PM orders MoFA to finalise modalities in a week - Neutral**

Prime Minister Shehbaz Sharif has given one week to Ministry of Foreign Affairs (MoFA) to finalize the modalities for third party projects under the umbrella of China Pakistan Economic Corridor (CPEC) aimed at allowing investment from other countries, well-informed sources told Business Recorder. [see more...](#)

### **Govt picks Rs117.15bn through Sukuk auction via PSX – Neutral**

The Pakistan Stock Exchange (PSX) conducted an auction on Thursday for the sale of Government of Pakistan Ijara Sukuk (GIS) bonds, in which it raised Rs117.15 billion against the Rs100bn target set for GIS Variable Rental Rate (VRR) and GIS Fixed Rental Rate (FRR) and GIS FRD. According to the details made available by the local bourse, the bids received stood at [see more...](#)

### **Pakistan's investment ratio hits 50-year low at 13.1% of GDP – Neutral**

Pakistan's investment ratio has fallen to its lowest level in 50 years, reaching 13.1% of the economy in the outgoing fiscal year, according to figures approved by the National Accounts Committee (NAC). The fixed investment-to-GDP ratio dropped 11.4% from 12.4% last year. Private sector [see more...](#)

### **SBP-held reserves rise by \$22 million, now stand above 9 billion – Positive**

Foreign exchange reserves held by the State Bank of Pakistan (SBP) increased by \$22 million to \$ 9.15 billion during the week ended on May 17, 2024. According to the latest data shared by the SBP, the total liquid foreign reserves held by the country stood at \$14.5 billion as of May 17, 2024. The break-up of the foreign reserves position shows that 9.15 billion were held [see more...](#)

### **Nepra questions 25pc proposed hike in 'PPP' - Neutral**

The National Electric Power Regulatory Authority (NEPRA) on Thursday raised questions on the proposed increase of 25 percent in Power Purchase Price (PPP) for 2024-25 as some of the figures presented before the Authority were not substantiated by the CPPA-G officials. [see more...](#)

### **Sindh against implementation of Ogra law - Neutral**

Constitutional rights of those provinces where gas is produced would be violated with implementation of the Oil and Gas Regulatory Authority (OGRA) (Amendment) Act 2022, designed to recover the full cost of imported LNG from consumers nationwide. This was the crux of the argument put forth in the court by the Sindh government [see more...](#)

### **Many zero-rated items: FBR proposes standard rate of 18pc sales tax – Negative**

The Federal Board of Revenue (FBR) has proposed standard rate of 18 percent sales tax on wide range of zero-rated items and exempted goods including tractors, fertilizers, dairy and stationery items in budget (2024-25). Sources told Business Recorder that the budget makers were [see more...](#)

### **Suzuki Motors to expand operations with new biogas plant in Karachi - Positive**

In a significant move to expand its operations in Pakistan, Suzuki Motor Corporation has expressed interest in setting up a biogas plant in Karachi. This proposal was discussed by Kenichi Ayukawa, Global Vice President of Suzuki Motor Corporation, during [see more...](#)

### **Merit Packaging sells land and factory building to SIZA Services - Neutral**

Merit Packaging Limited has announced the completion of the sale of its land and factory building to SIZA Services (Private) Limited, a related party of the company. Merit Packaging informed about this development to the Pakistan Stock Exchange through a notice on Thursday that this move is in accordance with Section 96 of the Securities [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

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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