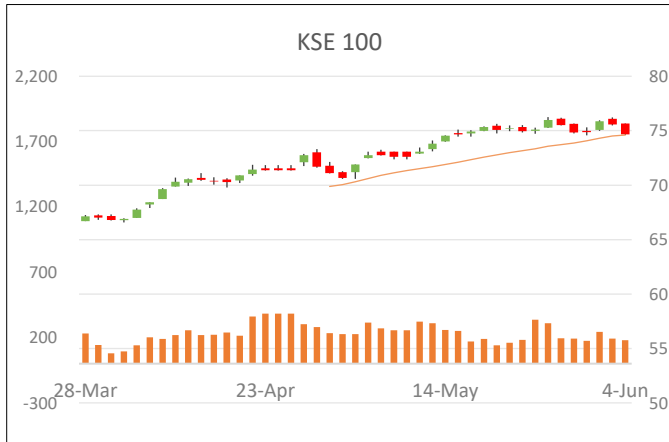


MORNING GLANCE



74,666	▼ -909	▼ -1.20%
179 mn	YTD 15.47%	1 Year 79.19%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,884.50	1379.4	5.93% ▼
DSE 30	1,856.99	17.85	0.95% ▼
SHANGHAI	3,079.67	11.53	0.37% ▼
Hang Seng	18,495.00	50.89	0.28% ▲
Nikkei 225	38,482.50	322	0.83% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,232.04	30.71	0.37% ▼
DAX 30	18,417.54	190.62	1.02% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	38,711.29	140.26	0.36% ▲
S&P 500	5,291.34	7.94	0.15% ▲
NASDAQ	18,653.05	52.08	0.28% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,354.40	7.00	0.30% ▲
Oil-WTI (bbl)	73.21	0.04	0.05% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.50	-	-
EURO/PKR	304.28	1.68	0.56% ▲
GBP/PKR	356.70	2.40	0.68% ▲
AED/PKR	76.34	0.05	0.07% ▲

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

Market Outlook

The stock market on Tuesday remained negative throughout the day and concluded the session in the red zone amid uncertainty over upcoming fiscal year budget despite significantly lower than expected inflation reading for May 2024. The Benchmark KSE-100 index made an intra-day high and low at 75,669.76 (94.51 points) and 74,592.74 (-982.51) respectively while closed at 74,666.65 by losing 908.60 points. Trading volume decrease to 179mn shares as compared to 191mn shares on the previous trading day. Going forward, we anticipate a volatile and mixed outlook in the market due to uncertainties surrounding the upcoming federal budget, coupled with some optimistic news regarding the expected rate cut. The index is anticipated to face upcoming support at 74,000 and if it breaks below this level then the market would could drop till 73,200, while finding resistance at 76,000.

Key News

International

Asian Bonds Track US Rally; Focus on India Open: Markets Wrap

Bonds tracked Treasuries higher in Asia trading on signs of a cooling US labor market that buoyed Federal Reserve rate-cut bets. Stocks struggled for direction. Australian and Japanese notes rose after US data showed job openings hit the lowest since 2021. That lifted Treasuries on [see more...](#)

Oil Algorithmic Traders Amplify Crude Price Rout After OPEC's Surprise

Oil traders that rely on trend-following algorithms compounded a selloff in crude this week as OPEC+ unexpectedly signaled plans to return some supplies to the market later in the year. Brent crude plunged below \$80 a barrel on Monday and pierced through other key [see more...](#)

Politics

Imran's 'controversial' X post: PTI leaders challenge FIA summons

The Pakistan Tehreek-e-Insaf (PTI) has moved the Islamabad High Court (IHC) against the Federal Investigation Agency's (FIA) summons issued to party leaders as the body probes Imran Khan's X post on the 1971 war. In the petition, PTI Chairman Barrister Gohar Khan, Information.. [see more...](#)

Economy

Federal budget set for presentation on June 12, estimated at Rs18 trillion - Neutral

The federal government will unveil its budget for the fiscal year 2024-25 on June 12, with an expected total of around Rs18 trillion. Sources indicate that the budget will be presented to the federal cabinet in a special session, where discussions will also cover government employees' salaries and pensions.. [see more...](#)

MORNING GLANCE

Pakistan, China agree to explore opportunities under CPEC – Positive

The Prime Minister noted that the deep-rooted ties between Pakistan and China were characterized by frequent engagement and dialogue at the leadership level, people-to-people contacts, cultural and educational exchanges. He lauded the impressive economic growth and exemplary innovative spirit. [see more...](#)

Pakistan has to repay \$10b by July - Neutral

At present, Pakistan's foreign exchange reserves stand at \$9 billion, which are even lower than the debt obligation for the next two months. This leaves a very limited room for the government to settle debt with the current reserves and liberalise imports to give a fresh push to the economy. Talking to The Express Tribune, Optimus Capital Management [see more...](#)

Super tax cannot be imposed retrospectively: LHC – Neutral

The petitioners had challenged the imposition of super tax for the tax year 2022 operated retrospectively and impaired the vested rights of those persons. According to a judgment (ICA No48745 of 2023) of a two-member bench of LHC issued on Tuesday, the appeals by appellants/taxpayers are. [see more...](#)

Exports surge to \$2.79 billion in May, marking a three-year high - Positive

Pakistan witnessed a significant boost in exports, reaching \$2.79 billion in May. This marks the highest monthly growth in three years, with an impressive 19% increase from the previous month. This 18.76% month-on-month rise is the largest since June 2021, when exports surged by 63.32%. According to the Pakistan Bureau of Statistics, May's exports also showed a robust [see more...](#)

OMC sales surge 26% MoM to 1.4 MT in May, highest in nine months – Positive

Pakistan's Oil Marketing Companies (OMCs) achieved a sales volume of 1.39 million tons in May 2024, marking a nine-month high. According to a note by Topline Pakistan Research, this represents a 7% year-on-year (YoY) and a 26% month-on-month (MoM) increase. The growth was primarily driven by. [see more...](#)

NEPRA notifies Rs3.76 per unit electricity rate hike - Negative

The hike allows power companies to recover over Rs46 billion from consumers for the third quarter of FY 2023-24. Of this total, Rs28.515 billion will be charged as capacity charges, which will be directed to independent power plants (IPPs) that have not produced any electricity and have remained idle as a result, diligent consumers who regularly [see more...](#)

PRL, ED Investment may establish a joint group – Neutral

This was revealed at a recent meeting presided over Federal Minister for Petroleum, Dr Musadik Masood Malik, Focal Minister on KSA Projects convened to seek update on the follow up of the Prime Minister's visit to KSA in April, 2024. The meeting was attended by representatives of Petroleum Division, Power Division, Resources, [see more...](#)

Categorising PBC as strategic SOE: Ministry seeks Cabinet body on SOEs nod – Neutral

Sources said that the Ministry of Information and Broadcasting, in a summary, stated that the Ministry of Finance's report on SOEs Triage - Reforms and Way Forward dated 3rd March 2021, categorised PBC as. [see more...](#)

Six companies shortlisted to bid for PIA - Neutral

Pakistan has shortlisted six companies to bid for the acquisition of the national carrier, Pakistan International Airlines (PIA), according to the privatisation minister. It is pertinent to note that this announcement follows an extension of the deadline for submitting expressions of interest, during which eight companies and consortiums expressed their interest in the acquisition. [see more...](#)

Balochistan Glass starts production at new plant - Neutral

After successfully completing the furnace heat-up process, Baluchistan Glass Limited (PSX: BGL) has commenced commercial operations at its new state-of-the-art plant on June 04, 2024. The company informed market participants of this development through a notice issued to the Pakistan Stock Exchange (PSX) today. The plant.. [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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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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