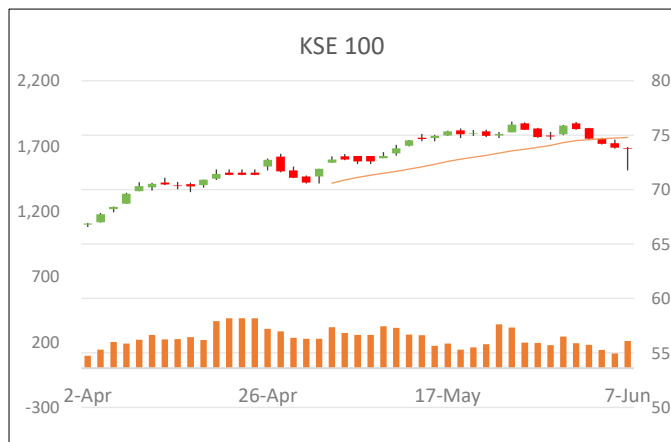


MORNING GLANCE



73,754	▼ -109	▼ -0.15%
209 mn	YTD 14.06%	1 Year 76.93%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	23,398.65	108.50	0.47% ▲
DSE 30	1,857.98	3.60	0.19% ▲
SHANGHAI	3,051.28	2.48	0.08% ▲
Hang Seng	18,366.95	109.85	0.59% ▼
Nikkei 225	38,922.50	262.00	0.68% ▲
EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,245.37	39.97	0.48% ▼
DAX 30	18,555.39	97.28	0.52% ▼
USA	Value	Pts	Chg. (%)
DOW JONES	38,798.99	87.18	0.22% ▼
S&P 500	5,346.99	5.97	0.11% ▼
NASDAQ	18,997.35	23.84	0.13% ▼
Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,312.40	12.6	0.54% ▼
Oil-WTI (bbl)	75.74	0.21	0.28% ▲
Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.60	0.05	0.02% ▲
EURO/PKR	304.02	0.41	0.14% ▲
GBP/PKR	356.24	0.25	0.07% ▼
AED/PKR	76.37	-	-

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

Market Outlook

The stock market on Friday suffered deep losses in the first half of the day, followed by a sharp recovery in the second half and concluded the session almost flat amid investors offloaded shares over rumours of high taxes being imposed on the capital markets in the upcoming budget. The Benchmark KSE-100 index made an intra-day high and low at 73,902.78 (39.85 points) and 71,781.96 (-2,080.97) respectively while closed at 73,754.01 by losing 108.92 points. Trading volume increase to 209mn shares as compared to 113mn shares on the previous trading day. Going forward, we anticipate a volatile and corrective outlook in the market due to talks with IMF end without agreement and also uncertainties surrounding the upcoming federal budget, coupled with some optimistic news regarding the expected rate cut scheduled today. The index's support lies at 73,000 and if it closes below this level then the market could drop till 71,000, while finding resistance at 74,800.

Key News

International

Asian Stocks Rise as Traders Await US Payrolls: Markets Wrap

Asian stocks fluctuated as markets awaited a key US jobs reading that's likely to guide the Federal Reserve's policy outlook. The MSCI Asia Pacific Index was little changed as shares in South Korea and Australia rose, while those in Japan and China traded weaker. Futures contracts for [see more...](#)

Oil slips on dollar's strength from US jobs data

Oil prices nudged lower for a second straight session on Monday, weighed down by a firmer dollar as expectations of interest rate cuts were pushed out further following strong U.S. jobs data on Friday. Brent crude futures and U.S. West Texas Intermediate crude futures slipped 4 cents to \$79.58 and \$75.49 a barrel, respectively, by 0036 GMT. [see more...](#)

Politics

Another opposition alliance on the cards: ANP chief

This announcement was made by Awami National Party (ANP) President Aimal Wali at a press conference on Sunday alongside National Party President Dr Malik Baloch, Pashtunkhwa National Party chief Kushal Khan Kakar, Hazara Democratic Party Chair-man Abdul Khaliq Hazara, and representatives of other political parties.. [see more...](#)

Economy

Talks with IMF end without agreement – Negative

Discussions are revolving around whether to charge a new backbreaking 45% income tax from salaried and non-salaried individuals on a monthly income of just over Rs467,000, according to sources. At present, the maximum rate of 35% is applicable to a monthly income of over Rs500,000. However, both sides have converged on the. [see more...](#)

MORNING GLANCE

IMF programme, investment & debt issues; US dispatching team to evaluate situation - Neutral

Washington has reportedly decided to dispatch a Treasury Department delegation to Pakistan to evaluate Islamabad's economic situation, prospects of IMF's new program and general business and investment climate, well-informed sources told Business Recorder. Washington has [see more...](#)

IMF suggests national council to harmonise taxes between centre, provinces - Neutral

The International Monetary Fund (IMF) has asked Pakistan to raise provincial taxes, especially on agriculture, sales tax on services and property tax. The IMF also asked for establishing a National Tax Council (NTC) to harmonize the taxes among the Centre and the provinces. To generate revenue surplus from the. [see more...](#)

Pakistan, China ink 23 MoUs - Positive

Pakistan and China have signed 23 Memorandums of Understanding (MoUs) to deepen bilateral cooperation in multiple areas including transport infrastructure, industry, energy, agriculture, media, health, water, socioeconomic development, and other areas of mutual. [see more...](#)

May 2024: country gets highest-ever remittances - Positive

Pakistan received highest-ever monthly inflows of home remittances amounted to \$ 3.2 billion in the month of May 2024, the State Bank of Pakistan (SBP) reported on Friday. Analysts said that the current surge in the monthly home remittances is because of Eid-related inflows as overseas Pakistanis sent more amounts to their beloved in Pakistan for Qurbani and other Eid-related expenses.. [see more...](#)

FY24 exports likely to register over 10pc growth YoY – Positive

Pakistan's exports are expected to register over 10 per cent growth and reach around \$31 billion in the current fiscal year 2023-24, compared to \$27.735 billion in the last fiscal year 2022-23. Sources in the Pakistan Bureau of Statistics (PBS) told Business Recorder that the country's exports was \$4.434 billion during the first two months (July-August) of the current fiscal. [see more...](#)

Jul-Apr govt debt stock up 8.6pc to Rs66.08trn YoY - Negative

The State Bank of Pakistan (SBP) on Friday reported that cumulatively, the central government's total domestic and external debt stock reached Rs 66.083 trillion at the end of April 2024 compared to Rs 60.841 trillion in June 2023, depicting an increase of Rs 5.242 trillion. During July-April of FY24, the major increase was witnessed. [see more...](#)

IMF gets BISP allocation at Rs593 billion – Neutral

The proposed allocation has been finalized in light of the discussions that took place with the IMF, according to the government sources. They said that the IMF was not satisfied with the initial indicative allocation of around Rs518 billion for the next fiscal year. The Rs592.5 billion –to be precise – budget is Rs121 billion or 26% higher. [see more...](#)

FD agrees to provide Rs1.2trn for FY25 PSDP - Neutral

The Finance Division has agreed to provide Rs1.2 trillion for the next fiscal year Public Sector Development Programme (PSDP) against the demand of Rs1.5 trillion by the Ministry of Planning and Development. Sources said that the Ministry of Planning and Development. [see more...](#)

Central bank expected to make modest rate cut - Positive

Financial markets and pundits anticipate the bank will reduce the rate in the range of 100-200 basis points (bps) in the wake of a much deeper deceleration in inflation than market expectations to over two-and-a-half-year low at 11.8% in May 2024. The latest monthly inflation has turned the real interest rate positive at 10.2%, which is the difference between the prevailing interest. [see more...](#)

Mining, oil and gas; Pakistan, China agree to strengthen cooperation - Positive

China and Pakistan have agreed to boost mining cooperation and promote the implementation of a pact on strengthening mining development and industrial cooperation, according to a joint statement from the two countries. Pakistani Prime Minister Shehbaz Sharif visited in Beijing from June. [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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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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