

MORNING GLANCE



79,992	▲ 150	▲ 0.19%
154 mn	YTD 23.71%	1 Year 75.75%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,315.95	8.5	0.03% ▼
DSE 30	1,958.13	6.4	0.33% ▼
SHANGHAI	2,964.25	6.14	0.21% ▼
Hang Seng	18,155.00	322.67	1.81% ▲
Nikkei 225	41,375.50	902.5	2.13% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,223.34	29.83	0.36% ▲
DAX 30	18,540.10	132.88	0.72% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	39,753.75	32.39	0.08% ▲
S&P 500	5,584.54	49.37	0.88% ▼
NASDAQ	20,217.06	458.32	2.22% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,415.10	6.8	0.28% ▼
Oil-WTI (bbl)	82.92	0.30	0.36% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.90	-	-
EURO/PKR	302.35	0.24	0.08% ▲
GBP/PKR	358.13	1.49	0.42% ▲
AED/PKR	76.38	0.05	0.07% ▲

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

Market Outlook

The stock market on Thursday remained volatile throughout the day and concluded the session in the green zone amid several agreements and MoUs are anticipated to be finalized during the visit of President of Azerbaijan. The Benchmark KSE-100 index made an intra-day high and low at 80,114.72 (273.17 points) and 79,708.87 (-132.68) respectively while closed at 79,992.35 by gaining 150.80 points. Trading volume increased to 154mn shares as compared to 231mn shares on the previous trading day. Looking ahead, we anticipate the market to enter a phase of bullish volatility. After seemingly concluding its correction with a positive close on the last trading day, the market is poised to turn positive, amid a 10-18 basis points decline in yields. The index has an upcoming support at 79,000 and 78,700 while finding resistance at 81,100.

Key News

International

Asian Tech Stocks Drop as Yen Whipsaws After Rally: Markets Wrap

Asian technology stocks fell Friday, echoing declines on Wall Street as slowing US inflation sparked a rotation out of Big Tech. The yen was volatile. A gauge of Asian tech stocks fell as much as 3.2% after the Nasdaq 100 dropped 2.2% Thursday on slowing inflation data that. [see more...](#)

Oil rises on cooling US inflation, strong summer demand

Oil prices rose in early Asian trading hours on Friday as signs of strong summer demand and easing inflationary pressures in the world's biggest oil market, the United States, bolstered investor confidence. Brent crude futures rose 37 cents, or 0.4%, to \$85.77 a barrel by 0031 GMT. U.S... [see more...](#)

Politics

Top court to announce all-important SIC reserved seats ruling today

The Supreme Court is all set to announce its highly anticipated ruling on the Pakistan Tehreek-e-Insaf (PTI)-backed Sunni Ittehad Council (SIC) appeal regarding reserved seats today (Friday), according to a cause list issued on Thursday. The apex court's full bench held its second consultative. [see more...](#)

Economy

IMF will continue to discuss policy goals and actions – Neutral

The International Monetary Fund (IMF) will continue to discuss policy goals and actions that could form the basis of a medium-term home-grown reform programme for Pakistan that could be supported under Extended Fund Facility (EFF) arrangement with the IMF. This was stated by Julie Kozack, Director of the Communications Department at IMF while addressing a press briefing... [see more...](#)

MORNING GLANCE

Govt decides to wind up Pak-PWD – Neutral

The federal cabinet has approved the plan to abolish the Pakistan Public Works Department (Pak-PWD) on the recommendation of the Ministry of Housing and Works. The meeting of the federal cabinet presided over by Prime Minister Shehbaz Sharif on Wednesday gave approval for abolishment of the Pak PWD. According to the plan of action, the. [see more...](#)

Taxing agriculture income; Understanding with provinces reached, claims Aurangzeb - Neutral

Finance Minister Muhammad Aurangzeb said on Thursday that the size of the new International Monetary Fund (IMF) Extended Fund Facility (EFF) would be decided in a week's time. While replying to the questions of media after the meeting of the National Assembly Standing.. [see more...](#)

Pakistan, Azerbaijan agree to expand investment volume up to \$2bn – Positive

Pakistan and Azerbaijan on Thursday agreed to enhance the bilateral investment level up to US\$2 billion in areas of mutual beneficial projects. In a joint press stakeout along with Azerbaijan President Illham Aliyev, after witnessing.. [see more...](#)

Govt raises Rs442bn in T-bill auction, yields fall by 10-18 bps - Positive

The government exceeded expectations by raising Rs442 billion through the auction of market treasury bills (T-bills), well above its initial target of Rs150 billion. The auction results, released by the State Bank of Pakistan on Wednesday, also revealed a slight decrease in yields across short-term papers.. [see more...](#)

SBP reserves hit new two-year high at \$9.4b - Positive

In its latest weekly update on Thursday, the central bank reported "during the week ended on July 5, 2024, SBP's reserves increased by \$16 million to \$9,405.1 million." This is the second consecutive week when reserves have stayed well above \$9 billion, which provide import cover for about two months. Though the central bank did not disclose the reason for the... [see more...](#)

Govt admits unemployment rising to 10.3% - Negative

Finance Minister Muhammad Aurangzeb and Secretary Finance Chaudhry Imdad Ullah Bosal provided the first briefing to the National Assembly Standing Committee on Finance regarding the new International Monetary Fund (IMF) programme and the government's assessment of macroeconomic conditions... [see more...](#)

Oil & gas sector sees circular debt resolution crucial for \$5bn investment - Neutral

The oil and gas exploration sector in Pakistan has linked a \$5 billion investment over the next three years to the resolution of circular debt issues and timely repatriation of profits to foreign partners, The News learnt on Thursday. According to recent statements from the PM,.. [see more...](#)

SNGPL manages to push UFG losses down – Neutral

During the four-year period, the cumulative UFG of the company contracted substantially from 62,627 million cubic feet (8.98%) in financial year 2019-20 to 32,588 million cubic feet (5.15%) in 2022-23. "Efforts are continuously being made to further reduce the UFG.. [see more...](#)

Discos, KE's base tariff raise bid; Nepra puts its stamp on govt's proposed uniform SoTs - Negative

The National Electric Power Regulatory Authority (Nepra) has stamped federal government's proposed uniform Schedule of Tariffs (SoTs) for Discos and K-Electric (KE) to increase uniform increase in base tariff of up to Rs7.12 per unit fixing it to Rs35.50 per unit for 2024-25 from 29.78 per.. [see more...](#)

PD says ready to annul IPPs pacts if NA panel instructs - Neutral

The Power Division has made a commitment with the National Assembly Standing Committee on Power that it is ready to scrap Independent Power Producers (IPPs) agreements if such a recommendation comes from the committee. The remarks of the Power Division about IPPs' contracts came.. [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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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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