

# MORNING GLANCE



## Market Outlook

The stock market on Tuesday remained volatile in majority part of the day and concluded the session in the red zone amid profit-taking by investors. The Benchmark KSE-100 index made an intra-day high and low at 78,275.97 (295.68 points) and 77,817.32 (-162.97 points) respectively while closed at 77,877.41 by losing 102.88 points. Trading volume increased to 184mn shares as compared to 142mn shares on the previous trading day. We expect the market to remain volatile as the index has broken its bearish structure, though bearish momentum remains. The key levels to watch in the shorter timeframes are 77,600S and 79,000R, as they will be crucial in indicating the market's overall sentiment. However, The index has a D support at 77,000 and 76,000, while finding resistance at 79,000.

## Key News

## International

### Asian shares gain after US inflation data calm Wall Street; Nikkei up as Japan's GDP beats estimates

Asian markets traded higher on Thursday after Japan's GDP growth beat expectations, and following overnight gains on Wall Street. Japan's Nikkei 225 gained 0.2%, while the Topix rose 0.5%. Hong Kong Hang Seng index futures indicated a lower opening. South Korea's markets are shut for a holiday. In Australia, the S&P/ASX 200 added 0.3%. [see more...](#)

### Oil prices tick down after surprise rise in US crude stockpiles

Oil prices settled 1% lower on Wednesday after U.S. crude inventories rose unexpectedly and as worries eased slightly that a wider Middle East conflict could threaten supplies from one of the world's major regions for crude production. Brent crude futures closed 93 cents lower, or 1.15%, at \$79.76 a barrel. U.S. West Texas Intermediate.. [see more...](#)

## Politics

### SC to take up next week ECP appeal against LHC judgment constituting election tribunals

The Supreme Court will hear next week the appeal of Election Commission of Pakistan (ECP) challenging the Lahore High Court's order appointing eight election tribunals in Punjab to address election disputes from the February 8 general elections. A five-member bench,. [see more...](#)

## Economy

### PM likely to hold stocktaking meeting regarding UAE today - Neutral

Prime Minister, Shehbaz Sharif is likely to hold a stocktaking meeting regarding the United Arab Emirates (UAE) on Wednesday (today), sources in Commerce Ministry told Business Recorder. Commerce Ministry has requested all the concerned Ministries to.. [see more...](#)

77,877	▼ -693	▼ -0.88%
184 mn	YTD 20.6%	1 Year 60.57%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,143.75	4.75	0.02% ▲
DSE 30	2,153.54	20.81	0.98% ▲
SHANGHAI	2,880.23	29.58	1.04% ▲
Hang Seng	17,172.00	58.64	0.34% ▲
Nikkei 225	36,850.00	422.50	1.16% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,281.05	45.82	0.56% ▲
DAX 30	17,885.60	73.55	0.41% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	40,008.39	242.75	0.61% ▲
S&P 500	5,455.21	20.78	0.38% ▲
NASDAQ	19,022.68	16.24	0.09% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,492.25	12.55	0.51% ▲
Oil-WTI (bbl)	77.25	0.27	0.35% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.95	0.15	0.05% ▲
EURO/PKR	304.95	0.78	0.26% ▼
GBP/PKR	355.55	0.45	0.13% ▼
AED/PKR	76.30	0.11	0.14% ▼

## MORNING GLANCE

### Sovereign Wealth Fund hits legal snags - Neutral

"There are many confusions in the law [Sovereign Wealth Fund Act], therefore, it has not yet been made operational", said Nasheeta Mohsin, the acting finance secretary, while briefing the National Assembly Standing Committee on Finance. The meeting was chaired by Syed Naveed Qamar of the Pakistan Peoples Party (PPP). Qamar, a former finance.. [see more...](#)

### Rs515b development projects approved - Neutral

The Central Development Working Party (CDWP), which is responsible for sanctioning development projects, held a daylong meeting to consider 18 proposals. Among them were 15 development projects, one position paper, and two concept clearance documents for acquiring more foreign loans. Of the 15, the CDWP approved 12 schemes,.. [see more...](#)

### Govt reduces petrol price by Rs8.47, HSD's by Rs6.7 per litre - Positive

The federal government on Tuesday slashed the price of petrol by Rs8.47, taking the rate to Rs260.96 per litre, the Finance Division said in a statement. The price of high-speed diesel (HSD) has been decreased by Rs6.7 per litre to Rs266.07. The new prices take effect from August 14, 2024. The statement... [see more...](#)

### Ogra hikes RLNG prices - Negative

The Oil and Gas Regulatory Authority (Ogra) on Tuesday announced a 3.20 percent increase in the price of Regasified Liquefied Natural Gas (RLNG) for August 2024 on a month-to-month basis, reflecting the latest changes in global energy markets. The new rates, effective with... [see more...](#)

### Gas discovered at Chak 202-1 exploratory well in RYK - Positive

OGDCL, the operator of Mari East Exploration License with 100 percent working interest, has discovered gas from its exploratory well, Chak 202-1, located in District Rahim Yar Khan, Punjab Province. Chak 202-1 was spudded on June 29, 2024, as an exploratory well, utilizing OGDCL's in-house expertise.. [see more...](#)

### New coal-fired power plant starts operations today - Neutral

In a significant milestone for Pakistan's energy sector, a new 660 MW coal-fired power plant in Jamshoro is set to commence operations on August 14, Pakistan's Independence Day. This project marks a landmark achievement in the country's energy infrastructure. The plant, owned by the Government of Pakistan and funded.. [see more...](#)

### PM says power tariffs to be revised downward soon - Neutral

Prime Minister Shehbaz Sharif has said that the nation will soon receive good news about reduction in electricity tariff, because Pakistan could not make progress unless inflation and power rates were brought down. Addressing an Independence Day ceremony here on Wednesday, Shehbaz Sharif said he will [see more...](#)

### Discos slated for outsourcing, sell-off post-reforms: PM - Neutral

Prime Minister Shehbaz Sharif has stated that after reforms in electricity distribution companies, the power distribution companies will be outsourced and privatised. The prime minister said this while talking to newly-appointed chairmen and board members of power distribution. [see more...](#)

### Discos add Rs596bn to circular debt - Negative

Expressing concern at the performance of power Distribution Companies (Discos), National Electric Power Regulatory Authority (Neptra) noted reduction in sale of electricity and increase in losses and inefficiencies to the tune of Rs 596 billion, well informed sources in CPPA-G.. [see more...](#)

### No Cabinet approval to urea import proposal - Neutral

The federal cabinet did not endorse the Economic Coordination Committee (ECC) for import of urea and directed to ensure uninterrupted gas supply to the urea fertiliser plants even after September 2024. The ECC meeting presided over by Muhammad Aurangzeb on. [see more...](#)

# DISCLAIMER

This report has been prepared by Abbasi & Company (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Abbasi & Company (Private) Limited and or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Abbasi & Company (Private) Limited accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Abbasi & Company (Private) Limited Research Department and do not necessarily reflect those of the company or its directors. Abbasi & Company (Private) Limited as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. Abbasi & Company (Private) Limited does not act as a market maker in the securities of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives do not have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company at the time of issuance of this report. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives are not currently serving or have served in the past three years as a director or officer of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives have not received compensation from the subject company in the previous 12 months. The subject company currently is not, or during the 12-month period preceding the date of publication or distribution of this report, was not, a client of Abbasi & Company (Private) Limited. We have not managed or co-managed a public offering or any take-over, buyback or delisting offer of securities for the subject company in the past 12 months and/or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company in the past 12 months. Abbasi & Company (Private) Limited does not expect to receive or intend to seek compensation for corporate advisory services or underwriting services from the subject company in the next 3 months

All rights reserved by Abbasi & Company (Private) Limited. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Abbasi & Company (Private) Limited. Action could be taken for unauthorized reproduction, distribution or publication

## VALIDITY OF THE PUBLICATION OR REPORT

The information in this publication or report is, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report. The information may be subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the company, jurisdiction or financial instruments referred to in this report. The valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report and were based upon several estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein is not to be relied upon as a representation and/or warranty by Abbasi & Company (Private) Limited and/or its other associated and affiliated companies, that:

- I. Such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- II. There is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein

## 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

## RATINGS CRITERIA

Abbasi & Company (Private) Limited employs a three-tier ratings system to rate a stock and sector, as mentioned below, which is based upon the level of expected return for a specific stock and outlook of sector. The rating is based on the following with stated time horizon

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.

## RESEARCH DISSEMINATION POLICY

Abbasi & Company (Private) Limited endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc. Nevertheless, all clients may not receive the material at the same time

## OTHER DISCLOSURES

The research analyst is primarily involved in the preparation of this report, certifies that:

- I. The views expressed in this report accurately reflect his/her personal views about the subject company/stock/sector and economy
- II. No part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report

### PREPARED BY

Muhammad Umair Javed  
Phone: (+92) 42 38302028  
Ext: 117

### RESEARCH DEPARTMENT

6 - Shadman, Lahore  
Phone: (+92) 42 38302028; Ext: 116, 117  
Email: research@abbasiandcompany.com

### HEAD OFFICE

6 - Shadman, Lahore  
Phone: (+92) 42 38302028  
Email: info@abbasiandcompany.com

# DISCLAIMER

Email: [umairjaved@abbasiandcompany.com](mailto:umairjaved@abbasiandcompany.com)

web: [www.abbasiandcompany.com](http://www.abbasiandcompany.com)

web: [www.abbasiandcompany.com](http://www.abbasiandcompany.com)

The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies