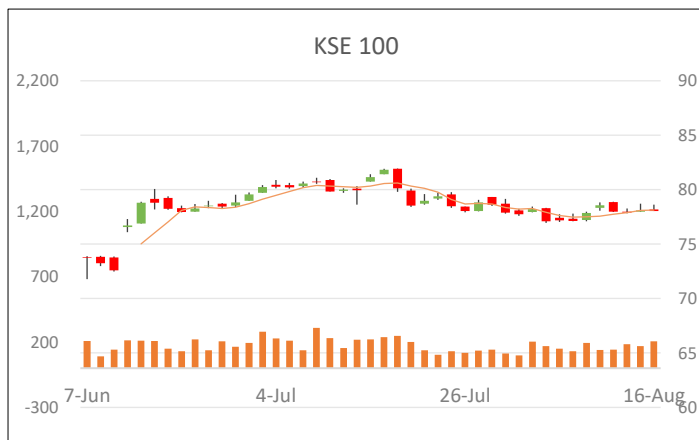


# MORNING GLANCE



|        |           |              |
|--------|-----------|--------------|
| 78,045 | ▼ -61     | ▼ -0.08%     |
| 207 mn | YTD 20.7% | 1 Year 62.1% |

| ASIA       | Value     | Pts     | Chg. (%) |
|------------|-----------|---------|----------|
| NIFTY 50   | 24,541.15 | 397.40  | 1.65% ▲  |
| DSE 30     | 2,179.35  | 17.69   | 0.81% ▼  |
| SHANGHAI   | 2,879.43  | 2.07    | 0.07% ▲  |
| Hang Seng  | 17,430.16 | 321.02  | 1.88% ▲  |
| Nikkei 225 | 38,127.50 | 1425.00 | 3.88% ▲  |

| EUROPE   | Value     | Pts    | Chg. (%) |
|----------|-----------|--------|----------|
| FTSE 100 | 8,311.41  | 35.94  | 0.43% ▼  |
| DAX 30   | 18,322.40 | 139.16 | 0.77% ▲  |

| USA       | Value     | Pts   | Chg. (%) |
|-----------|-----------|-------|----------|
| DOW JONES | 40,659.76 | 96.70 | 0.24% ▲  |
| S&P 500   | 5,554.25  | 11.03 | 0.20% ▲  |
| NASDAQ    | 19,508.52 | 18.37 | 0.09% ▲  |

| Commodities   | Value    | Chg.  | Chg. (%) |
|---------------|----------|-------|----------|
| Gold (t oz.)  | 2,546.20 | 53.80 | 2.16% ▲  |
| Oil-WTI (bbl) | 75.49    | 1.5   | 1.95% ▼  |

| Currencies | Value  | Chg. | Chg. (%) |
|------------|--------|------|----------|
| USD/PKR    | 278.90 | 0.2  | 0.07% ▼  |
| EURO/PKR   | 306.05 | 1    | 0.33% ▼  |
| GBP/PKR    | 358.12 | 0.81 | 0.23% ▲  |
| AED/PKR    | 76.30  | -    | -        |

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

## Market Outlook

The stock market on Friday remained positive in the first half. However, most of the earlier gains were reversed in the second half and concluded the session in the red zone amid profit taking by the investors. The Benchmark KSE-100 index made an intra-day high and low at 78,619.17 (513.19 points) and 78,041.08 (-64.90 points) respectively while closed at 78,045.30 by losing 60.68 points. Trading volume increased to 207mn shares as compared to 150mn shares on the previous trading day. Going forward, we expect the market to remain volatile until there is a positive development regarding the IMF's new bailout program. The index is anticipated to face upcoming resistance at 78,300 and 78,500, while finding support at 77,970.

## Key News

### International

#### Asia Shares Edge Higher with Jackson Hole in Focus

Asian stocks advanced on Monday, as traders looked ahead to the Federal Reserve's annual meeting at Jackson Hole for any signals on the future interest rate path. A gauge for the region's stocks climbed, extending Friday's gains. Equity markets in China rose, led by tech stocks. Japanese shares fluctuated and [see more...](#)

#### Oil prices ease on China demand fears, focus on Mideast talks

Oil prices eased in early Asian trading on Monday as fears of weaker demand in top oil importer China weighed on market sentiment while investors focus on the progress of ceasefire talks in the Middle East, which could reduce supply risks. Brent crude futures dropped 13 cents, or 0.2%, to \$79.55 per barrel by 0032 GMT. U.S. West Texas Intermediate crude futures slid 13 cents, or 0.2%, to \$76.52 a barrel. [see more...](#)

### Politics

#### TTP is Pakistan's internal problem: Afghan govt spokesman

The spokesman of Afghan government, Zabihullah Mujahid, has described the banned Tehreek-e-Taliban Pakistan (TTP) as an 'internal matter' of Pakistan and offered that if Islamabad wants, Afghanistan can try to mediate between the two sides. In an interview to 'Independent Urdu', Zabihullah Mujahid said that if Pakistan wants, they can play the [see more...](#)

### Economy

#### PM assigns economic plan to Dar - Neutral

Unimpressed with the work of UK economist Stefan Dercon, Prime Minister Shehbaz Sharif has delegated the responsibility of developing the "home-grown economic development plan" to Deputy Prime Minister Ishaq Dar. According to a notification, the premier has constituted a seven-member ministerial committee, chaired by Dar, to review the draft [see more...](#)

## MORNING GLANCE

### Govt secures Rs119b in Sukuk sale at PSX – Neutral

The government has raised new domestic debt totalling Rs119 billion by selling one to five-year Sukuks (Shariah-compliant bonds) at the Pakistan Stock Exchange (PSX). This financing, secured at reduced rates, is intended to help bridge the widening budget deficit. The Ministry of Finance surpassed its target of Rs100 billion [see more...](#)

### FY24 LSM sector grows 0.92pc YoY - Neutral

The Large Scale Manufacturing (LSM) sector has shown a growth of 0.92 per cent during fiscal year (July-June) 2023-24 when compared with the same period of last year (2022-23), says Pakistan Bureau of Statistics (PBS). The LSMI output decreased by 0.03per cent for June, 2024 when compared with June2023 and 4.70per cent when compared with May 2024. [see more...](#)

### Experts advocate making IPP payments in rupee to ease stress on dollar reserves - Neutral

The requirement to make payments to Independent Power Producers (IPPs) in foreign currency is a big drain on Pakistan's foreign exchange reserves, thus sparking calls for converting these payments into rupee to ease pressure on dollar availability. Talking to WealthPK, Kaiser Bengali, former [see more...](#)

### TAL JV discovers gas condensate in Kohat - Neutral

The TAL Joint Venture, consisting of MOL Pakistan Oil & Gas Co BV (Operator), Oil & Gas Development Company Limited (OGDCL), Pakistan Petroleum Limited (PPL), Pakistan Oilfields Limited (POL), and Government Holdings Private Limited (GHPL), has announced the discovery of gas condensate in the Razgir-1 Exploratory well, located in the Kohat district of [see more...](#)

### Ogra Ordinance 2002; Dar directs PD to suggest 'appropriate amendments' – Neutra

Foreign Minister Ishaq Dar, in his additional official capacity as the Deputy Prime Minister, has directed the Petroleum Division to suggest "appropriate amendments" to the Ogra Ordinance 2002, to introduce a mechanism for [see more...](#)

### Gas price hike for industries suspended – Positive

The Peshawar High Court has suspended the increase of gas prices for textile mills and asked SNGPL to respond by the next hearing of the case. A two-member bench, comprising Justices Ejaz Anwar and Syed Arshad Ali, heard petitions filed by Khyber-Pakhtunkhwa Textile Mills Association against the increase in gas tariff. [see more...](#)

### Excess from 200 units limit; KE proposes CSM amendments for protected consumers – Neutral

The K-Electric has proposed amendments to the Consumer Service Manual (CSM) to safeguard the protected domestic consumers for occasional excess from the 200 units per month limit and avoid misuse of temporary disconnection clause due to recent [see more...](#)

### Slight cut in power tariff likely - Neutral

The National Electric Power Regulatory Authority (Nepra) is likely cut the power tariff by Rs0.3142 per unit on account of fuel charges adjustment for July 2024. The Central Power Purchasing Agency (CPPA) has moved a petition to Nepra that it is ready to refund this per-unit price to the consumers in their September 2024 bills. The power [see more...](#)

### China's BYD plans car plant in Karachi as part of Pakistan entry - Positive

Chinese electric vehicle giant BYD on Saturday announced plans to open a car production plant in Pakistan, where it will also start selling three models through a partnership with Mega Motors. BYD is the first major new electric vehicle (NEV) entrant in the [see more...](#)

### Fertilizer plants will continue to get uninterrupted gas supply - Positive

An inter-ministerial meeting on Saturday decided to ensure continuous supply of gas to fertiliser plants to avoid loss of imports and foreign exchange. The meeting, chaired by Deputy Prime Minister/ Foreign Minister [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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### PREPARED BY

Muhammad Umair Javed

Phone: (+92) 42 38302028

Ext: 117

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

### RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

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

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

### HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

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

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