

# MORNING GLANCE



78,260	▲ 514	▲ 0.66%
191 mn	YTD 21.03%	1 Year 64.94%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,770.20	71.35	0.29% ▲
DSE 30	2,093.27	27.87	1.31% ▼
SHANGHAI	2,856.58	10.08	0.35% ▼
Hang Seng	17,391.01	120.07	0.69% ▼
Nikkei 225	37,969.50	132	0.35% ▼

  

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,283.43	10.11	0.12% ▲
DAX 30	18,451.75	94.23	0.51% ▲

  

USA	Value	Pts	Chg. (%)
DOW JONES	40,833.51	1.46	-
S&P 500	5,615.83	18.71	0.33% ▲
NASDAQ	19,803.92	84.09	0.43% ▲

  

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,551.05	0.45	0.02% ▲
Oil-WTI (bbl)	71.48	1.69	2.31% ▼

  

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.70	0.25	0.09% ▼
EURO/PKR	310.00	1.48	0.48% ▲
GBP/PKR	362.51	1.14	0.32% ▲
AED/PKR	76.30	0.17	0.22% ▼

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

## Market Outlook

The stock market on Wednesday remained bullish throughout the day and concluded the session in the green zone amid Finance Minister Muhammad Aurangzeb announced that the government is progressing with the IMF and expects approval for the \$7-billion Extended Fund Facility next month. The Benchmark KSE-100 index made an intra-day high and low at 78,457.37 (711.85 points) and 77,968.74 (223.22 points) respectively while closed at 78,260.85 by gaining 515.33 points. Trading volume increased to 191mn shares as compared to 114mn shares on the previous trading day. Going forward, we expect the market to remain positive as seen in the recent T-Bill auction where yields across various tenors have also decreased. The index is anticipated to face upcoming resistance at 78,500 and 79,000, while finding support at 78,000.

## Key News

### International

#### Asian Equities Climb Ahead of Central Bank Events

Stocks in Asia came off session highs ahead of key events from the Federal Reserve and the Bank of Japan that will help define the global rates trajectory. The dollar rebounded. Equity benchmarks in Japan and Hong Kong trimmed their advances, while Korea's Kospi turned lower. Chinese equities fell. That came [see more...](#)

#### US crude stocks hit seven-month low amid stronger refinery demand, exports

US commercial crude stocks declined 4.65 million barrels in the week ended Aug. 16 to 426.03 million barrels, EIA data showed. The draw put stocks 4.2% behind the five-year average for this time of year and at the lowest outright level since the week ended Jan. 26. Inventories moved lower across all regions outside the US West Coast, where stocks climbed 2.42 million [see more...](#)

### Politics

#### PTI defies NOC revocation, vows to hold Islamabad rally despite security concerns

The Pakistan Tehreek-e-Insaf (PTI) has vowed to proceed with its planned rally in Islamabad on Thursday, despite the cancellation of the non-objection certificate (NOC) previously granted to the party. Amir Mughal, President of PTI Islamabad, confirmed [see more...](#)

### Economy

#### Auction for T-bills; Rs397bn raised against Rs150bn target – Positive

The State Bank of Pakistan (SBP) conducted the auction for T-bills on Wednesday and raised Rs 397 billion against a target of Rs 150 billion. Significant declines were observed in auction cut-off yields across all tenors, with reductions ranging from 74bps to 148bps. [see more...](#)

## MORNING GLANCE

### Talks with IMF moving in right direction: Aurangzeb – Neutral

Finance Minister Muhammad Aurangzeb has said that the International Monetary Fund (IMF) Executive Board is expected to approve a new programme for Pakistan in September 2024 and maintained that talks with the Fund are moving in the right direction. He was explaining to the Senate Standing Committee on Finance meeting presided over by Salim [see more...](#)

### SBP to replace all currency notes by year-end, says governor – Neutral

The governor of the State Bank of Pakistan (SBP), Jameel Ahmad, has announced that all currency notes will be replaced by the end of this year. The statement was made during a briefing at the Senate's Standing Committee on Finance, chaired by Senator Saleem Mandviwalla on Wednesday. [see more...](#)

### PIA, Discos, Roosevelt Hotel; PC Board gives approval to appointment of FAs – Neutral

Privatisation Commission Board on Wednesday gave unanimous approval for appointment of financial advisors for PIA, Discos, and Roosevelt Hotel in New York. The 222nd meeting of the Board chaired by Federal Minister for Privatisation, Board of Investment and Communications Abdul Aleem Khan. [see more...](#)

### Threat of losing exports, FDI looms – Negative

Pakistan is facing the threat of losing exports and foreign direct investment (FDI) because of potential failure to comply with measures required to combat climate change as global buyers increasingly urge domestic producers to report their best and bad practices contributing to global warming. Speaking at the launch of a report titled "Pakistan's Climate [see more...](#)

### Tiered pricing system; Gas tariff hike spared 66pc of consumers: Musadik – Negative

Petroleum Minister Musadik Malik Wednesday clarified that 66 percent of gas consumers remain unaffected by tariff increases due to a tiered pricing system, adding that indiscriminately lowering gas prices would exacerbate the [see more...](#)

### Oct and Nov bills; KE allowed Rs5.76/unit positive adjustment – Positive

The National Electric Power Regulatory Authority (Nepra) has allowed positive adjustment of Rs 5.7622 per unit in KE's tariff for the months of May and June 2024 to recover additional amount of about Rs 10 billion from consumers under FCA, in the bills of October and November 2024. [see more...](#)

### Rs151bn 'irregular' payment to KAPCO; CPPA-G seeks audit para settlement – Neutral

The Central Power Purchasing Agency–Guaranteed (CPPA-G) has asked Audit to settle an audit para about "irregular payment of Rs 151 billion to KAPCO due to illegitimate extension in Power Purchase Agreement (PPA) without approval of NEPRA. KAPCO was privatised [see more...](#)

### Crescent Steel to supply additional coated pipes for K-IV project – Positive

Crescent Steel and Allied Products Limited (CSAP) has reached an agreement with the joint venture of China Harbour Engineering Company Limited (CHEC) and Al-Fajr International (AFI) to supply an increased quantity of coated pipes for the K-IV project [see more...](#)

### NRSP Microfinance Bank signs MoU with FFC - Positive

NRSP Microfinance Bank announced a new strategic partnership with Fauji Fertilizer Company Limited (FFC), aimed at advancing agricultural financing across Pakistan. The Memorandum of Understanding (MOU) was formalized on Tuesday, 20th August 2024, at FFC's Head Office. This collaboration is designed to improve access to [see more...](#)

### PTA Chairman Reveals 5G Launch Date – Neutral

Chairman of the Pakistan Telecommunication Authority (PTA) Major General (R) Hafeezur Rehman on Wednesday announced the auction date for 5G services. Addressing the NA Standing Committee on IT and Telecom in Islamabad today, the chairman said 5G will be [see more...](#)

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<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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