

# MORNING GLANCE



77,992	▼ -92	▼ -0.12%
151 mn	YTD 20.62%	1 Year 66.76%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	25,052.35	34.60	0.14% ▲
DSE 30	2,087.47	0.66	0.03% ▼
SHANGHAI	2,824.62	12.81	0.45% ▼
Hang Seng	17,589.00	103.45	0.58% ▼
Nikkei 225	38,294.00	82.5	0.21% ▼

  

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,343.85	1.61	0.02% ▼
DAX 30	18,782.29	100.48	0.54% ▲

  

USA	Value	Pts	Chg. (%)
DOW JONES	41,091.42	159.08	0.39% ▼
S&P 500	5,592.20	33.6	0.60% ▼
NASDAQ	19,350.78	230.74	1.18% ▼

  

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,548.30	10.50	0.41% ▲
Oil-WTI (bbl)	74.69	0.17	0.23% ▲

  

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.70	0.15	0.05% ▼
EURO/PKR	311.31	0.66	0.21% ▼
GBP/PKR	368.69	0.84	0.23% ▲
AED/PKR	76.30	0.15	0.20% ▼

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

## Market Outlook

The stock market on Wednesday remained negative in majority part of the day and concluded the session in the red zone amid uncertainty prevailing among the investors over IMF program. The Benchmark KSE-100 index made an intra-day high and low at 78,334.60 (250.37 points) and 77,990.34 (-93.89 points) respectively while closed at 77,992.78 by losing 91.45 points. Trading volume decreased to 151mn shares as compared to 191mn shares on the previous trading day. Going forward, we could see a momentum shift from negative to positive, in the market amid Moody's lifts rating on reduced default risk. The index is anticipated to face upcoming resistance at 79,200, while finding support at 77,900 and 77,200.

## Key News

### International

#### Red Sea insurance nearly doubles

The cost of insurance for ships sailing through the Red Sea has nearly doubled after Yemen's Houthis attacked a tanker that appears to be leaking oil, with environmental fears growing for trade route, industry sources said on Wednesday. Iran-aligned Houthi militants first launched aerial drone and missile strikes on the waterway in [see more...](#)

#### Oil steady as smaller-than-expected US stock draw counters Libya supply disruption

Oil prices held mostly steady on Thursday as a smaller-than-expected draw in U.S. crude inventories and continued worries over China demand countered supply disruptions out of Libya. Brent crude futures were down 1 cent, or 0.01%, at \$78.64 a barrel at 0043 GMT, while U.S. West Texas Intermediate crude futures were up 8. [see more...](#)

### Politics

#### CJP seeks nomination of additional judges

Chief Justice of Pakistan Qazi Faez Isa has called on the chief justices of the High Courts of all the four provinces and the Islamabad High Court (IHC) to initiate the process of nominating additional judges. The chief justice has summoned a meeting of Judicial Commission of Pakistan (JCP) on September 13 to. [see more...](#)

### Economy

#### Moody's lifts rating on reduced default risk – Positive

Moody's Ratings (Moody's) on Wednesday upgraded the government of Pakistan's local and foreign currency issuer and senior unsecured debt ratings to Caa2 from Caa3. The rating agency also upgraded the rating for the senior unsecured MTN programme to (P) Caa2 from (P) Caa3. Concurrently, the outlook for government of Pakistan is changed to positive from stable, Moody's added.. [see more...](#)

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### Remittance incentives revision will top ECC agenda today - Neutral

The Economic Coordination Committee (ECC) of the Cabinet is scheduled to meet on Thursday (Aug 29) will consider the proposal for revision in home remittances incentives schemes. Federal Minister for Finance and Revenue, Senator Muhammad Aurangzeb will chair the meeting which.. [see more...](#)

### July profit repatriation significantly rises to \$139.13m YoY - Neutral

The repatriation of profit and dividend by foreign investors has significantly increased to \$139.13 million in July 2024 as compared to \$2.16 million repatriated in the same month of last year. According to the State Bank of Pakistan (SBP) data, the foreign companies repatriated \$133.86 million. [see more...](#)

### Fix issues or risk China co-operation, RSEZDOC warns govt – Neutral

Rashakai Special Economic Zone Development & Operations Company (Private) Limited (RSEZDOC) has warned the government that industrial cooperation between China and Pakistan will be affected if issues of SEZ are not settled by the government. This warning was conveyed by [see more...](#)

### Strike cripples hives of trade activity across Pakistan - Negative

The expansion of the country's tax base will now pose a significant challenge for the PML-N and its coalition partner, the PPP, as the protesting traders have political affiliations with these parties. Nevertheless, opposition parties — the JUI-F, Jamaat-e-Islami and the Awami National Party. [see more...](#)

### Nepra concerned at drop in power consumption – Neutral

The issue of reduced growth in electricity consumption came under hectic debate at a public hearing in Nepra held to consider CPPA-G's request for negative adjustment of Paisa 31 per unit in FCA for the month of July 2024 as a result of which an amount of Rs 4.5 billion is to be refunded to the. [see more...](#)

### Govt to streamline, accelerate privatisation of state-owned Discos - Neutral

To streamline and accelerate the privatisation of the state owned power distribution companies (Discos), the federal government has directed all the companies to furnish the record of immovable properties, assets, employees/pensioners. In a letter [see more...](#)

### Conversion of IPPs to Thar coal: PD sets up advisory panel – Neutral

The terms of the committee are as follows: (i) coordinate with IPPs and other stakeholders for preparation of joint bankable technical and financial feasibility studies for conservation of plants to Thar coal; (ii) look into logistics for transportation of coal from Thar mines to projects' sites;. [see more...](#)

### 'Exorbitant' Islamic bank charges come under spotlight - Negative

The Senate Standing Committee on Finance and Revenue, which met on Wednesday, called for greater transparency in Islamic financial institutions' operations and a detailed comparative analysis of profits charged to consumers and the overall profitability of Islamic banking with [see more...](#)

### JS Bank approves establishment of currency exchange company and REIT investment – Positive

The Board of Directors of JS Bank Limited has approved the establishment of a Currency Exchange Company with an initial paid-up capital of PKR 700 million, to operate as a wholly owned subsidiary of the bank. This decision, made. [see more...](#)

### Textile, leather industry spells out factors hurting exports – Negative

The country's textile and leather industry has termed high electricity tariff, unsustainable taxation and liquidity crunch as some of the key factors which are hurting exports. The textile-related industrial sector shared its concerns... [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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