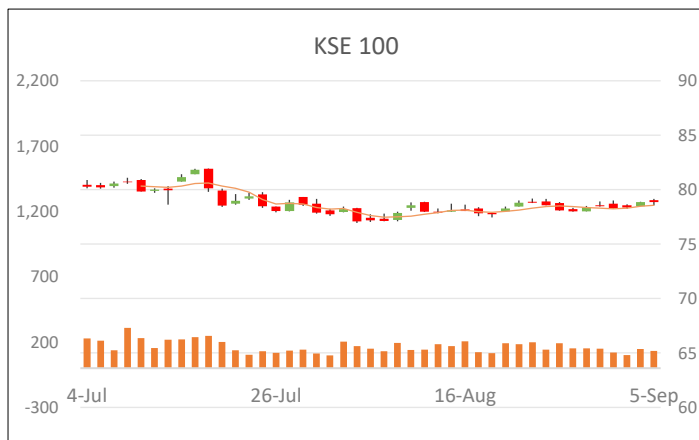


# MORNING GLANCE



78,863	▲ 15	▲ 0.02%
132 mn	YTD 21.96%	1 Year 73.36%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	25,145.10	53.6	0.21% ▼
DSE 30	2,113.25	19.85	0.93% ▼
SHANGHAI	2,788.31	4.03	0.14% ▲
Hang Seng	17,444.30	13.04	0.07% ▼
Nikkei 225	36,649.00	395.5	1.07% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,241.71	27.89	0.34% ▼
DAX 30	18,595.51	3.66	0.02% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	40,820.65	154.32	0.38% ▼
S&P 500	5,510.89	9.18	0.17% ▼
NASDAQ	18,954.95	33.56	0.18% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,547.05	21.05	0.83% ▲
Oil-WTI (bbl)	69.20	-	-

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	279.20	0.10	0.04% ▲
EURO/PAKR	309.79	1.58	0.51% ▲
GBP/PAKR	367.00	2.10	0.58% ▲
AED/PAKR	76.54	0.24	0.31% ▲

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 uncertainty prevailing among the investors over SBP's monetary policy announcement due on September 12. The Benchmark KSE-100 index made an intra-day high and low at 79,154.29 (306.28 points) and 78,578.01 (-270.00 points) respectively while closed at 78,863.34 by gaining 15.33 points. Trading volume decreased to 132mn shares as compared to 146mn shares on the previous trading day. Going forward, we expect the market to remain positive on expectation of rate cut in upcoming MPC. The index is anticipated to face upcoming resistance at 79,000 and 79,300, while finding support at 78,500.

## Key News

### International

#### Dollar Under Pressure Into Crucial US Jobs Report

The dollar edged lower while US stock futures slipped as traders prepared for US jobs data that may determine the size of a Federal Reserve interest-rate cut this month. Asian stocks were mixed ahead of the numbers, with the regional benchmark heading for a weekly loss. US stock futures crept lower amid speculation [see more...](#)

#### Oil steadies on U.S. crude stock drawdown, OPEC+ output hikes delay

Oil prices edged up in early trading on Friday as investors weighed a big withdrawal from U.S. crude inventories and a delay to production hikes by OPEC+ producers against mixed U.S. employment data. Brent crude futures rose 19 cents, or 0.26%, to \$72.88 at 0010 GMT, and U.S. West Texas Intermediate crude futures were up 22 cents, or 0.32%, to \$69.37. [see more...](#)

### Politics

#### DG ISPR hints at Imran Khan's military trial

Declaring that the army has no political agenda nor it supports or opposes any party, the chief military spokesperson on Thursday hinted at the possibility of former prime minister Imran Khan facing a trial under the Army Act in a case pertaining to former ISI chief Lt General (ret'd) Faiz Hameed. Since the arrest of Gen Faiz, Imran Khan has expressed concerns that he might be implicated. The former [see more...](#)

### Economy

#### Further ease in monetary policy stance expected – Positive

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) announced the next monetary policy on Sep 12, 2024 with expectation of further rate cut up to 150 bps. Analysts are expecting that the committee will continue monetary easing on a lower inflation outlook and improved external account. This would be the third consecutive cut, if MPC reduced [see more...](#)

## MORNING GLANCE

### China, IMF; PM asks MoF to follow key matters up – Neutral

Prime Minister Shehbaz Sharif has directed Finance Ministry to ensure follow-up with Chinese authorities on rollover of safe deposits, support from International Monetary Fund (IMF), debt re-profiling of China Pakistan Economic Corridor (CPEC) energy projects and conversion of coal power plants from imported to local coal, well informed sources told Business Recorder. [see more...](#)

### FM pushes for more Chinese investment – Neutral

Finance Minister Senator Muhammad Aurangzeb met with the leadership of Pak China Investment Company Limited (PCICL) on Thursday to discuss increasing Chinese investment in Pakistan, particularly through joint ventures and expanding exports. The meeting was attended by PCICL Chairman Sun Bo, [see more...](#)

### Public debt rises 12.7pc YoY in July, surges to Rs69.6tr – Negative

The federal government's total debt stocks rose to Rs 69.6 trillion mark at the end of July 2024 primarily due to borrowing from domestic and foreign sources to finance the fiscal deficit. The State Bank of Pakistan (SBP) on Thursday reported that the central government's total debt (domestic and external) increased by 1 percent during the first month of this fiscal year (FY25). Overall, the federal government's total debt stock crossed [see more...](#)

### Forex reserves up – Neutral

State Bank of Pakistan (SBP) Thursday said the total liquid foreign reserves held by the country stood at US\$14,739.9 million as of 30-Aug-2024. The foreign reserves held by the State Bank of Pakistan were US\$9,436.8 million. The net foreign reserves held by commercial banks were US\$5,303.1 million. Total liquid foreign reserves were US\$14,739.9 million [see more...](#)

### Low oil prices to help cut imports – Neutral

The external economy of Pakistan, which is a net oil importer, is gaining momentum with a 20% drop in global crude prices since hitting the recent peak, as the lower cost helps slash the import bill, build foreign [see more...](#)

### Capacity tariff of Chinese IPPs; China appears unwilling to renegotiate? – Neutral

China appears unwilling to renegotiate agreements of the capacity tariff of Chinese Independent Power Producers (IPPs) as Chinese ambassador to Pakistan Jiang Zaidog said it was a universal arrangement and Pakistan have delayed payment of \$1billion. Addressing at the All Pakistan [see more...](#)

### Aug cement despatches decline 25.68pc to 3.336m tons YoY – Negative

The unprecedented and extremely high tax measures leading to a huge increase in cement prices have caused a decline in demand for cement as the despatches recorded in August 2024 declined by [see more...](#)

### Kohat Cement board approves Rs600m investment renewal in Ultra Kraft – Positive

The Board of Directors of Kohat Cement Company Limited (PSX: KOHC) has approved the renewal of an investment through a mark-up bearing, short-term running finance of up to Rs600 million in Ultra Kraft (Private) Limited (UKPL), an associated company. Additionally, the board has recommended that the company's [see more...](#)

### Sazgar's four-wheel vehicle sales increase by 219% YoY in August 2024 – Positive

Sazgar Engineering Works Limited reported over 200% year-on-year (YoY) increase in its four-wheel off-road and passenger vehicles in August 2024. According to the company's filing at the PSX on Thursday, Sazgar sold 953 units of four-wheel off-road and [see more...](#)

### Siddiqsons Tin Plate starts process to shut plant amid sales decline, labour strikes – Negative

Siddiqsons Tin Plate Limited (STPL) said on Thursday that it has initiated the formal process to shut down its plant located in Balochistan, owing to sales decline and labour strike. [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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