

MORNING GLANCE



72,589	▼ -664	▼ -0.91%
142 mn	YTD 12.26%	1 Year 73.73%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	23,264.85	5.65	0.02% ▲
DSE 30	1,803.06	8.73	0.48% ▼
SHANGHAI	3,027.61	0.44	0.01% ▼
Hang Seng	17,920.00	256.34	1.41% ▼
Nikkei 225	38,850.00	278.5	0.71% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,147.81	80.67	0.98% ▼
DAX 30	18,372.39	122.5	0.66% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	38,747.42	120.62	0.31% ▼
S&P 500	5,375.32	14.53	0.27% ▲
NASDAQ	19,210.56	135.88	0.71% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,332.65	6.05	0.26% ▲
Oil-WTI (bbl)	78.34	0.44	0.56% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.65	0.05	0.02% ▲
EURO/PKR	300.52	0.52	0.17% ▲
GBP/PKR	354.82	1.42	0.40% ▼
AED/PKR	76.34	0.02	0.03% ▼

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

Market Outlook

The stock market commenced Tuesday on a positive trajectory following news of a rate cut but experienced a decline in the second half and concluded the session in the red zone amid uncertainty prevailing among the investors over tax measures in the upcoming budget. The Benchmark KSE-100 index made an intra-day high and low at 73,866.44 (613.88 points) and 72,476.05 (-776.51) respectively while closed at 72,589.49 by losing 663.07 points. Trading volume increase to 142mn shares as compared to 90mn shares on the previous trading day. Going forward, we anticipate volatility to persist until the budget is announced and the ongoing IMF negotiations reach a conclusion. Investors are advised to focus on mid to long-term investments, as this period presents a favorable opportunity for accumulation. The index's support lies at 71,500 and if it closes below this level then the market could drop till 70,500, while finding resistance at 73,300.

Key News

International

Asian Stocks Slide as Investors Await US CPI, Fed: Markets Wrap

Asian stocks declined, shrugging off Wall Street's gains, as the double-whammy of an upcoming US inflation report and the Federal Reserve decision kept traders on edge. Hong Kong's equity benchmark fell more than 1%, with auto shares leading the decline ahead of Europe's tariff decision.. [see more...](#)

Oil Holds Gain as Industry Report Points to Lower US Stockpiles

Oil held a two-day gain after industry data pointed to shrinking US crude stockpiles ahead of a report from the IEA on the market outlook. Brent futures traded near \$82 a barrel after rising almost 3% at the start of the week.. [see more...](#)

Politics

Imran Khan consents to holding talks with rivals: PTI chief

After months of antagonism, Pakistan Tehreek-e-Insaf (PTI) founder Imran Khan has consented to holding talks with the government to settle matters with his opponents, party Chairman Barrister Gohar announced on Tuesday. "We told the PTI founder that dialogue is necessary, as the distance is widening. He agreed with us. [see more...](#)

Economy

Govt all set to present over Rs18trn budget today – Neutral

The budget for fiscal year 2024-25 would be presented before the National Assembly by Federal Minister for Finance and Revenue, Senator Muhammad Aurangzeb. The budget had been formulated while considering the existing challenges being faced by the economy at domestic and international fronts. Hence, mitigating. [see more...](#)

MORNING GLANCE

FinMin Aurangzeb unveils Pakistan Economic Survey 2023-24 - Neutral

The Economic Survey of Pakistan for 2023-24, an essential pre-budget report detailing the country's significant socio-economic developments over the past fiscal year, has been unveiled by the Finance Minister Muhammad Aurangzeb. Aurangzeb revealed that Pakistan's GDP had contracted,. [see more...](#)

Economic Survey FY24: Pakistan misses most targets but agriculture bails out GDP - Neutral

Finance Minister Muhammad Aurangzeb has termed the country's agriculture sector as the major pillar of the country, saying that the GDP growth of 2.38% in the fiscal year 2023-24 was mainly boosted by the bumper crops. He stated this while rolling out the Economic Survey of Pakistan 2023-24. [see more...](#)

Budget 2024-25: 'PML-N govt fails to fulfil demands agreed with PPP' - Neutral

As the Pakistan Muslim League-Nawaz (PML-N) all set to unveil federal budget 2024-25, Pakistan Peoples Party (PPP) spokesperson Shazia Marri alleged on Tuesday that the ruling party did not consult its key ally to finalise. [see more...](#)

No sacred cows, everyone has to contribute to economy: Aurangzeb - Neutral

While addressing a press conference after launching Economic Survey 2023-24 on Tuesday, the minister said that the EFF would be Pakistan's programme which would be aided supported, helped, and funded by the IMF. The minister said that there is no such thing as strategic SOEs, however,. [see more...](#)

Tax exemptions, zero-rating cost kitty over Rs3.87trn - Neutral

The tax expenditure report-2024 issued on Tuesday revealed that the cost of tax exemptions registered a growth of 73 per cent during 2023-24 as compared to tax expenditure in 2022-23. The tax expenditure report-2024 has not mentioned revenue loss on account of tax exemptions available to industrial units located in erstwhile tribal areas during 2023-24. [see more...](#)

Rs12trn tax collection target likely - Neutral

Sources told Business Recorder that the revenue measures to the tune of Rs1,500 billion to 2,000 billion are expected to be announced today (Wednesday). Finance Bill 2024 to be revealed on Wednesday (June 12) is expected to further raise regulatory duties and other duties on the import of non-essential/luxury items and finished products. [see more...](#)

World Bank projects 2.3pc GDP growth rate - Neutral

The bank in its latest report, "Global Economic Prospects", stated that growth in Pakistan is expected to pick up to 2.3 percent in the fiscal year 2024-25 and 2.7 percent in 2025-26. Industrial activity and confidence are projected to improve mainly due to easing import restrictions and moderating inflation, although they remain. [see more...](#)

Rising public debt reaches Rs67.5 trillion by March 2024 - Negative

The total public debt of Pakistan was recorded at Rs67,525 billion at the end of March 2024, a significant increase from Rs59,247 billion in March 2023, according to the Economic Survey 2023-24. The domestic debt up to March. [see more...](#)

Industrial and service sectors show slight improvement in first nine months of FY2023-24 - Positive

During the first nine months of the outgoing fiscal year, the industrial and services sectors demonstrated improvements, each posting a growth of 1.21 percent. The Economic Survey 2023-24 expressed confidence in future prospects, highlighting that economic activities. [see more...](#)

Parco plans \$1.3bn investment in hydrocracker unit - Neutral

Pak Arab Refinery Limited (Parco) has announced plans to invest up to \$1.3 billion in setting up a hydrocracker unit to convert furnace oil into petrol and diesel. According to a report, this project aims to ensure a sustainable oil supply and energy security in the country. The Special Investment Facilitation Council (SIFC) recently discussed the. [see more...](#)

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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DCF	Discounted Cash Flows
PE	Price to Earnings Ratio	PB	Price to Book Ratio	BVPS	Book Value Per Share
EPS	Earnings Per Share	DPS	Dividend Per Share	ROE	Return of Equity
ROA	Return on Assets	SOTP	Sum of the Parts	JPB	Justified Price to Book

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To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

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- 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

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

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