

# MORNING GLANCE



77,114	▼ -77	▼ -0.10%
129 mn	YTD 19.26%	1 Year 62.59%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,297.50	304.95	1.27% ▲
DSE 30	1,934.74	33.89	1.78% ▲
SHANGHAI	2,881.93	12.10	0.42% ▲
Hang Seng	16,994.00	116.14	0.69% ▲
Nikkei 225	35,123.00	3.00	0.01% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,166.88	140.19	1.75% ▲
DAX 30	17,615.15	260.83	1.50% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,763.45	234.21	0.60% ▼
S&P 500	5,199.50	40.53	0.77% ▼
NASDAQ	17,867.37	210.55	1.16% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,428.80	3.6	0.15% ▼
Oil-WTI (bbl)	75.50	0.27	0.36% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.05	0.05	0.02% ▲
EURO/PKR	304.38	0.99	0.32% ▼
GBP/PKR	353.89	1.84	0.52% ▼
AED/PKR	76.29	0.01	0.01% ▲

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

## Market Outlook

The stock market on Wednesday opened on a positive note, however, it reversed earlier gains in the second half and concluded the session in the red zone amid profit-taking by investors. The Benchmark KSE-100 index made an intra-day high and low at 77,800.04 (608.70 points) and 77,086.81 (-104.53 points) respectively while closed at 77,114.49 by losing 76.85 points. Trading volume decreased to 129mn shares as compared to 150mn 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 77,600 and 77,800, while finding support at 76,900.

## Key News

### International

#### Tech leads Asia stock selloff, yen gains in volatile week for markets

Tech shares led a selloff in stock markets around Asia, while the yen and U.S. bonds rebounded, as global investors struggled to find their footing in a wild week for markets. Japan's Nikkei share average (.N225), which opened new lows last week, closed down 1%, having earlier slumped as much as 2.5%, with chip-sector shares the biggest drag on the index. That [see more...](#)

#### Oil prices tick up on sharp fall in US crude inventories

Oil prices edged higher on Thursday for the third straight session after government data showed a steep draw in U.S. crude stockpiles, rebounding from multi-month lows touched this week. Brent crude futures rose 23 cents, or 0.3%, at \$78.56 a barrel by 0017 GMT, while U.S. West Texas Intermediate crude gained 29 cents, or 0.4%, to \$75.52. Brent tumbled to its [see more...](#)

### Politics

#### ECP moves SC to seek review of PTI reserved seats' verdict

After partially implementing the Supreme Court's verdict on reserved seats, the Election Commission of Pakistan (ECP) on Wednesday filed a review petition, terming the top court's short ruling an "impugned judgement". Primary relief has been granted to the PTI, the poll watchdog stated in its petition, adding: "[...] when neither the party nor [see more...](#)

### Economy

#### T-bills' yields drop by 50-54 bps - Positive

The government raised Rs355 billion through the auction of market treasury bills on Wednesday, with yields falling across the board. The raised amount was higher than the pre-auction target of Rs210 billion. The cut-off yield on a three-month T-bill dropped by 52 basis points (bps) to 18.98 per cent. The yield on a six-month paper fell by 54bps to 18.75 per cent. The yield on one-year [see more...](#)

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### External sector crisis under control – Neutral

Pakistan's central bank Governor, Jameel Ahmad, announced on Wednesday that inflation might surge in the coming months due to budgetary measures, rising energy prices, and the ongoing situation in the Middle East. However, he assured that the foreign debt repayment crisis is now over. He further stated that Pakistan's foreign exchange reserves [see more...](#)

### State Bank raises Rs328 billion through PIB-PFL auction – Neutral

The State Bank of Pakistan (SBP) conducted an auction on Wednesday, successfully selling Pakistan Investment Bond – Floating Rate (PIB-PFL) semiannual worth Rs327.7 billion for 5 and 10 years. The target was set at Rs360 billion, and the central bank received bids worth Rs396.82 billion for the semiannual floaters and Rs150 billion for the quarterly PIB. [see more...](#)

### Rupee drops for third consecutive day - Neutral

Pakistani currency dropped Rs0.05 and closed at Rs278.73 against the US dollar in the inter-bank market on Wednesday, maintaining its losing streak for the third consecutive day amid conflicting reports about the resumption of smuggling of foreign currencies from Pakistan to neighbouring countries. According to the State Bank of Pakistan (SBP) data, the rupee [see more...](#)

### Legally sourced petrol sales surge in Balochistan – Neutral

The sale of legally sourced petrol has seen a dramatic increase in Balochistan over the past 10 days, particularly in Quetta, following road blockades in the province. The nation's oil sector has reported a tenfold increase in the sale of petroleum products in Quetta, the provincial capital of Balochistan. "We have recorded the sale of 600,000 litres of petrol over [see more...](#)

### RLNG pushes up generation cost; KE urges govt to help provide gas to its power plants – Neutral

K-Electric has approached federal government for allocation of indigenous gas fields which can be utilized by relocating its plants, sources in Petroleum Division told Business Recorder. Chief Executive Officer (CEO) of KE, Syed Monis [see more...](#)

### KAPCO denies receiving capacity charges – Neutral

Kot Addu Power Company Limited (KAPCO) announced on Wednesday that it has not received any "capacity payments" from the government (power purchaser) in the past 22 months since its power purchase agreement (PPA) expired in October 2022. The company clarified that reports suggesting it received payments without generating electricity [see more...](#)

### Fertilizer sector; ECC directs ministry to design holistic policy - Neutral

The Economic Coordination Committee (ECC) of the Cabinet has directed the Ministry of Industries and Production (Mol&P) to formulate a holistic policy for fertilizer sector covering aspects such as production of fertilizer, provision of gas to fertilizer [see more...](#)

### Global telecom body demands tax withdrawal – Neutral

As the telecom industry cautions the government that high taxes are a hurdle in the way of meeting the digitisation goal, the Global System for Mobile Communication Association (GSMA), which represents the mobile operators, has called for eliminating 15% advance income tax and 19.5% sales tax on mobile services. [see more...](#)

### Bottlers in hot water as SHC seeks details of methods, additives – Neutral

The Sindh High Court has asked federal and provincial authorities to take effective regulatory measures to ensure that the bottled water available in the country was "genuinely safe, clean and beneficial for the well-being of the consumers". [see more...](#)

### PNSC skipped tender, bought two used vessels directly? - Neutral

The Public Procurement Regulatory Authority (PPRA) is all set to discuss inquiry report on procurement of used vessels by Pakistan National Shipping Corporation (PNSC) on negotiated basis instead of [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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