

MORNING GLANCE



77,874	▲ 760	▲ 0.98%
193 mn	YTD 20.43%	1 Year 61.47%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	24,100.50	197	0.81% ▼
DSE 30	2,022.17	87.43	4.52% ▲
SHANGHAI	2,882.19	12.29	0.43% ▲
Hang Seng	17,223.00	331.17	1.96% ▲
Nikkei 225	35,527.00	703.50	2.02% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,144.97	21.91	0.27% ▼
DAX 30	17,680.40	65.25	0.37% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	39,446.49	683.04	1.76% ▲
S&P 500	5,319.31	119.81	2.30% ▲
NASDAQ	18,413.82	546.45	3.06% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,460.90	2.4	0.10% ▼
Oil-WTI (bbl)	76.37	0.18	0.24% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.10	0.05	0.02% ▲
EURO/PKR	304.91	0.53	0.17% ▲
GBP/PKR	353.49	0.4	0.11% ▼
AED/PKR	76.28	0.01	0.01% ▼

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

Market Outlook

The stock market on Thursday remained largely flat in the first half, followed by a bullish momentum in the second half and concluded the session in the green zone amid strong corporate results by Meezan Bank and Mari Petroleum. The Benchmark KSE-100 index made an intra-day high and low at 77,969.26 (854.77 points) and 77,085.47 (-29.02 points) respectively while closed at 77,874.22 by gaining 759.73 points. Trading volume increased to 193mn shares as compared to 129mn shares on the previous trading day. Going forward, we expect the market to remain positive on account of impressive corporate results. The index is anticipated to face upcoming resistance at 78,000 and 78,300, while finding support at 77,300.

Key News

International

Asian shares set to end brutal week on a high, yen under pressure

Asian shares are ending a rough week on a high as Japanese stocks are close to recouping all of the huge losses from Monday, while the yen slipped again as markets pared back the chance of an outsized U.S. rate cut. Japan's Nikkei (.N225), opens new tab rose another 1.7% on Friday, tracking a strong rebound on Wall Street overnight. It has erased most of a 13% crash on Monday and was set for a weekly drop of [see more...](#)

Oil set for 3% weekly gain on rising Mideast tensions, better US outlook

Oil prices edged down in early Asian trading on Friday but were on track to gain more than 3% for the week as U.S. jobs data calmed demand concerns and fears of a widening Middle East conflict persisted. Brent crude futures fell 9 cents, or 0.11%, to \$79.07 a barrel by 0030 GMT. U.S. West Texas Intermediate crude futures were down a cent at \$76.09 per barrel. [see more...](#)

Politics

Anarchy is spread through social media: COAS Munir

Chief of Army Staff (COAS) General Asim Munir on Thursday warned that social media was being used as a tool to spread "anarchy", following the military's recent statements condemning the proliferation of propaganda and false information targeting the security forces online. Over the past couple of years, social media campaigns against the army have escalated, reflecting [see more...](#)

Economy

Kibor hits 18-month low on rate cut hopes - Positive

The Karachi Interbank Offered Rate (Kibor) reached an 18-month low on Thursday, as a drop in treasury bill yields raised hopes that decreasing inflation would compel the central bank to cut interest rates further in coming months. [see more...](#)

MORNING GLANCE

Ease of doing business, investment; PM approves reform programme – Neutral

Prime Minister Shehbaz Sharif Thursday approved the launch of the largest reform programme of ease of doing business in the history to attract business and investment in Pakistan. The first digital registry of Pakistani laws and rules was initiated to promote business and investment. [see more...](#)

PSX to Hold Auction of Rs. 100 Billion Sukuk on August 15 – Neutral

The management of PSX to hold 12th auction of Government Ijarah Sukuk on August 15, setting a target of raising a handsome fund of Rs. 100 billion. The Sukuk will be issued for the period of 1 year (fixed rate), 3 and 5 years (fixed and variable rate) by the Pakistan Domestic Sukuk Company Limited. [see more...](#)

Reserves rise \$51m, help rupee snap losing streak – Positive

Pakistan's foreign exchange reserves, held by the central bank, increased \$51 million in a week, helping the rupee partially recover by Rs0.05 in inter-bank market on Thursday. The local currency appreciated to Rs278.68 against the greenback, ending a three-day losing streak. According to the State Bank of Pakistan (SBP) weekly. [see more...](#)

Offshore drilling for oil & gas: Govt may set up company with \$500m capital – Positive

The federal government is making up its mind to step up its focus on offshore drilling for oil and gas exploration and to this effect, it may form a new company with the sole objective to undertake, directly or indirectly, offshore drilling. The initial capital of the company is likely to be US\$500 million, which will work. [see more...](#)

Probe into Rs135b fuel scam begins – Neutral

In an attempt to release over 800 tankers carrying highly inflammatory petrol adulterant, the government has constituted a fact-finding committee to investigate the Rs135 billion scam related to the import of dangerous. The committee has been given one week to finalise. [see more...](#)

Attock Refinery blocks upgrade deal, demands tax change – Neutral

Attock Refinery Limited (ARL) has declined to sign the upgrade agreement with the Oil and Gas Regulatory Authority (Ogra) until the sales tax exemption on petroleum products is withdrawn. In a letter addressed to Senior Executive Director (Refinery). [see more...](#)

Govt, JI reach agreement to lower electricity prices, task force to review IPPs contracts – Positive

The final round of negotiations between the government and Jamaat-e-Islami (JI) concluded successfully on Thursday, with both sides signing an agreement to reduce electricity prices and form a task force to review Independent Power Producers (IPPs) contracts. [see more...](#)

Govt jacks up power tariff by Rs2.56 per unit in June FCA – Negative

The National Electric Power Regulatory Authority (Nepra) on Thursday notified a hike in power tariff by Rs2.56 per unit under fuel cost adjustment (FCA) related to the month of June and would be collected in August power bills. The Nepra issued a notification regarding the fresh hike. [see more...](#)

Pak Suzuki Motor Co shuts down plant in Karachi – Negative

Pak Suzuki Motor Company has been forced to shut down its manufacturing plant in Karachi due to a prolonged delay in the clearance of CKD kits at the port, following the strict implementation of WP29 UNR standards. Shafiq Ahmad Shaikh, the head of corporate affairs at Pak Suzuki, confirmed that the company. [see more...](#)

Mahmood Textile Mills to divest its shares in Orient Power – Positive

Mahmood Textile Mills Limited (MTML) has announced its decision to divest its shares in Orient Power (Pvt) Ltd. The move was approved during the Board of Directors meeting held on August 6, 2024. The company plans to. [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

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

PREPARED BY

Muhammad Umair Javed

Phone: (+92) 42 38302028

Ext: 117

Email: umairjaved@abbasiandcompany.com

RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com