MARKET OUTLOOK

Narrowing Fiscal Deficit and Rising Forex Reserves Keep the Market Bullishly Volatile

Daily Market Overview

Monday, 17 August, 2026

Support	**169,000**
Resistance 1	**184,500**
Resistance 2	**187,500**

MARKET OUTLOOK

Daily Market Update | KSE-100 | Monday, 17 August, 2026

The market is expected to remain bullishly volatile, as fiscal deficit narrowing to a 22-year low in FY26, alongside rising foreign exchange reserves at USD22.498bn. International oil prices, crude holds its gains amid stalled US and Iran peace talks and slowing Hormuz shipping pose a near-term risk to the import bill and the inflation outlook.

From a technical perspective, the 169,000 level is likely to act as a key support zone. On the upside, 184,500 stands as the immediate resistance level, followed by the next resistance near 187,500.

Investors are advised to maintain a cautious but proactive approach, focusing on fundamentally strong stocks with long-term growth potential.

Major News | KSE-100 | Monday, 17 August, 2026

- **Oil hangs onto gains as US-Iran peace talks stall, Hormuz shipping slows** https://www.reuters.com/business/energy/oil-treads-water-us-iran-peace-talks-stall-hormuz-shipping-slows-2026-08-17/
- **Fiscal deficit falls to 22-year low in FY26** https://epaper.brecorder.com/2026/08/14/1-page/1115445-news.html
- **Forex reserves rise to USD22.498bn** https://epaper.brecorder.com/2026/08/14/14-page/1115504-news.html
- **Asian shares mark time as Gulf war keeps oil prices up** https://www.reuters.com/world/china/global-markets-global-markets-2026-08-17/
- **Monetary policy appropriate for inflation goal: SBP** https://www.thenews.pk/print/1432018-monetary-policy-appropriate-for-inflation-goal-sbp
- **S&P explains how rating can be improved** https://epaper.brecorder.com/2026/08/14/1-page/1115443-news.html
- **Petroleum levy collection hits record Rs1.57tr** https://www.dawn.com/news/2022699/petroleum-levy-collection-hits-record-rs157tr
- **Circular debt jumps by Rs364b** https://tribune.com.pk/story/2624098/circular-debt-jumps-by-rs364b
- **Work on $2.5bn ML-1 to begin in January** https://www.dawn.com/news/2023146/work-on-25bn-ml-1-to-begin-in-january
- **NEPRA weighs Rs1.34 per-unit power tariff hike** https://tribune.com.pk/story/2623957/nepra-weighs-rs134-per-unit-power-tariff-hike
- **Loan demand rebounds sharply in Q4FY26** https://mettisglobal.news/Loan-demand-rebounds-sharply-in-Q4FY26-62666
- **MSCI snubs Biafo, bets on Air Link in frontier reshuffle** https://mettisglobal.news/MSCI-snubs-Biafo-bets-on-Air-Link-in-frontier-reshuffle-62643
- **TISL's IPO oversubscribed by 21.68 times** https://epaper.brecorder.com/2026/08/14/14-page/1115501-news.html
- **APAG to raise around Rs2.6bn through offering: SECP approves IPO of APAG for listing on PSX** https://www.brecorder.com/news/40434736/apag-to-raise-around-rs26bn-through-offering-secp-approves-ipo-of-apag-for-listing-on-psx
- **SECP suspends proposed acquisition of Al Shaheer corporation** https://mettisglobal.news/SECP-suspends-proposed-acquisition-of-Al-Shaheer-corporation-62659

FIPI / LIPI

(USD' mn)

		Cement	Banks	Fertilizer	Food	E&P	OMC	Power	Tech	Textile	Others	Gross
LIPI Portfolio	Banks / DFI	-1.06	0.44	0.02	-0.02	-0.29	0.02	-0.12	-0.04	-0.08	-0.10	-1.22
	Broker Proprietary Trading	-0.28	0.03	-0.05	0.03	-0.05	0.29	0.00	0.04	0.04	1.10	1.14
	Companies	1.22	-0.01	0.34	0.07	0.78	-0.93	-0.32	-0.04	-0.08	-0.00	1.04
	Individuals	-0.54	0.49	0.04	0.04	-1.07	0.67	0.66	0.36	0.25	-0.41	0.50
	Insurance Companies	-0.19	-0.11	-0.07	0.00	0.01	0.00	0.00	-	-0.00	-0.26	-0.61
	Mutual Funds	0.08	-0.27	-0.30	0.35	0.05	0.03	-0.25	-0.06	-0.17	2.88	2.35
	NBFC	0.00	0.01	-	-	-0.00	-0.00	0.00	-	-	0.00	0.02
	Other Organization	0.17	-0.33	-0.03	-0.03	0.04	0.00	-0.02	-0.04	-0.00	-0.08	-0.31
	LIPI Total	**-0.60**	**0.25**	**-0.06**	**0.45**	**-0.53**	**0.09**	**-0.03**	**0.24**	**-0.05**	**3.15**	**2.90**

(USD' mn)

		Cement	Banks	Fertilizer	Food	E&P	OMC	Power	Tech	Textile	Others	Gross
FIPI Portfolio	Foreign Corporates	-	-0.37	-	-0.08	-	-0.13	-	-0.17	0.04	-2.77	-3.48
	Foreign Individual	-	-	-	-	-	-	-	-	-	-0.02	-0.02
	Overseas Pakistani	0.60	0.12	0.06	-0.37	0.53	0.04	0.03	-0.07	0.01	-0.36	0.60
	Total	**0.60**	**-0.25**	**0.06**	**-0.45**	**0.53**	**-0.09**	**0.03**	**-0.24**	**0.05**	**-3.15**	**-2.90**

Source: NCCPL

INTRA-DAY TRADES

SLM	**BUY**
Current Price	**25.12**
Buy near or at	**24.52 - 24.70**
Target	**25.46 - 25.61**
Stop loss closing below	**24.18**

UNITY	**BUY**
Current Price	**11.58**
Buy near or at	**11.00 - 11.38**
Target	**12.88 - 13.33**
Stop loss closing below	**10.55**

THCCL	**BUY**
Current Price	**78.23**
Buy near or at	**71.85 - 73.12**
Target	**84.92 - 87.78**
Stop loss closing below	**70.70**

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TP – Target Price	CAGR – Compound Annual Growth Rate	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	LDCP – Last Day Closing Price

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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