

MORNING GLANCE



64,578






▲ 875



▲ 1.37%




224 mn



YTD -0.13%





1 Year 58.78%

ASIA		Value	Pts	Chg. (%)
	NIFTY 50	21,982.80	31.65	0.14% ▲
	DSE 30	2,132.62	5.38	0.25% ▼
	SHANGHAI	3,017.81	2.64	0.09% ▲
	Hang Seng	16,601.00	89.56	0.54% ▲
	Nikkei 225	39,871.50	682.50	1.74% ▲

EUROPE		Value	Pts	Chg. (%)
	FTSE 100	7,630.02	5.04	0.07% ▲
	DAX 30	17,678.19	76.97	0.44% ▲

USA		Value	Pts	Chg. (%)
	DOW JONES	38,996.39	47.37	0.12% ▲
	S&P 500	5,096.27	26.51	0.52% ▲
	NASDAQ	18,043.85	169.35	0.95% ▲

Commodities		Value	Chg.	Chg. (%)
	Gold (t oz.)	2,054.45	0.25	0.01% ▼
	Oil-WTI (bbl)	78.53	0.27	0.35% ▲

Currencies		Value	Chg.	Chg. (%)
	USD/PKR	279.11	0.01	0.00% ▼
	EURO/PKR	302.42	0.30	0.10% ▲
	GBP/PKR	353.24	0.07	0.02% ▼
	AED/PKR	75.99	-	-

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

Market Outlook

The stock market on Thursday remained positive throughout the day and concluded the session in the green zone amid China rolled over a \$2 billion loan to Pakistan. Meanwhile, the inaugural session of the 16th National Assembly was held today in which the elected members of the National Assembly took oath. The Benchmark KSE-100 index made an intra-day high and low at 64,801.63 (1,098.19points) and 63,827.25 (123.81points) respectively while closed at 64,578.52 by gaining 875.08 points. Trading volume decreased to 224mn shares as compared to 266mn shares on the previous trading day. Going forward, we expect the market to face some correction amid Petrol price hiked by Rs4.13 and also technically it is facing a strong resistance at around 65,000, breaking this level would further push the index towards 66,700. Contrarily, the support for the index resides at 63,000.

Key News

International

Asia Mixed, US Stocks Hit Record on Inflation Data: Markets Wrap

Asian equities gained, led by Japan, on Friday after US stocks ended February with fresh highs as the Federal Reserve's preferred inflation gauge met consensus forecasts. The Nikkei benchmark of Japanese stocks rose as much as 1.8% to a record high after a two-day. [see more...](#)

Oil Heads for Weekly Advance as Spreads Signal Market Strength

Oil was on track for a weekly gain as market gauges continued to show signs of strength, with OPEC+ set to decide early this month whether to extend supply cuts into the next quarter. Brent futures climbed above \$82 a barrel, and were up 0.8% for the week. West Texas [see more...](#)

Politics

MNAs to elect PM on Sunday

The newly elected National Assembly will elect the Leader of the House (prime minister) on Sunday. The National Assembly Secretariat, on Thursday, issued the election schedule for the election of the Prime Minister of Pakistan. The prime minister will be elected on [see more...](#)

Economy

US says supports Pakistan to break free from vicious cycle of debts – Neutral

The United States has said that Washington supports Pakistan's efforts to break free from the vicious cycle of debts, urging the incoming government in Islamabad to continue working with the International Monetary Fund (IMF) and other related institutions to ensure macroeconomic. [see more...](#)

MORNING GLANCE

Monthly inflation rate slows in February – **Positive**

Inflation is projected to hover around 24.5-25.5% in February, with expectations of further easing to 23.5-24.5% in March due to better crops and smooth supply of commodities, the finance ministry said on Thursday in its monthly economic report. The report comes a day before the Pakistan Bureau of Statistics (PBS) will release [see more...](#)

Massive Rs33bn shortfall in Feb revenue collection – **Negative**

The Federal Board of Revenue (FBR) has provisionally collected Rs681 billion during February 2024 against the assigned target of Rs714 billion during this month, reflecting a massive shortfall of Rs 33 billion. However, the FBR met the overall tax collection target for the first eight months of the current fiscal year. The government has identified eight contingency revenue measures to generate additional revenue of. [see more...](#)

Expenditure; Higher mark-up payments putting significant pressure: Finance – **Negative**

The Finance Ministry has stated that higher mark-up payments are putting significant pressure on expenditure, therefore, continuity of fiscal consolidation will help in maintaining the fiscal deficit within manageable levels. The Economic Advisor Wing (EAW) of the Finance Ministry in "Monthly Economic Update and Outlook" for February 2024 noted [see more...](#)

Forex reserves fall by \$59m – **Negative**

The country's total liquid foreign reserves fell by \$ 59 million during the last week, the State Bank of Pakistan (SBP) reported on Thursday. According to SBP, the total liquid foreign reserves held by the country stood at \$ 13.039 billion as of Feb 23, 2024 compared to \$ 13.098 billion as of Feb 16, 2024. During the week under review, reserves held by the SBP witnessed downward trend due to debt repayments, while.. [see more...](#)

Petrol price hiked by Rs4.13 – **Negative**

Interim government on Thursday announced up to Rs 4.13 per litre price hike in petroleum products for fortnightly starting from March 1, 2024 due to higher premium. In a late night statement, Finance Division announced to increase ex-depot petrol price by Rs 4.13 per litre, whereas, high speed diesel (HSD) price has been kept unchanged for the fortnight (March 1-15). [see more...](#)

Pak-US continuing diplomatic discussions on Iran gas pipeline project: State Dept – **Negative**

The United States State Department Wednesday revealed that Washington continues to discuss the Pak-Iran gas pipeline project with Islamabad, refusing to further comment on the "details of diplomatic discussions". The State Department's statement comes a day [see more...](#)

Rs30.8bn 'recovery' from Hubco; PSO seeks PD's intervention – **Neutral**

Pakistan State Oil (PSO) has sought Power Division's intervention for recovery of Rs 30.8 billion from Hub Power Company (Hubco) pending since long, well informed sources told Business Recorder. PSO, sources said, informed Power Division of Hubco's longstanding amount in respect of Residual Fuel Oil (RFO) supplies made. [see more...](#)

Nepra receives KE's Jan FCA request – **Neutral**

National Electric Power Regulatory Authority (Nepra) is said to have received K-Electric's Fuel Charges Adjustment (FCA) request on provisional basis for January 2024, in which it presented three scenarios of FCA adjustment i.e. Rs 3.34 per unit, Rs 3.78 per unit and Rs 8.78 per unit, sources in Nepra told Business Recorder on Thursday. Recently, caretaker Prime Minister, Anwar ul-Haq Kakar had [see more...](#)

Inquiry committee confirms overbilling by power firms – **Negative**

All the members of the inquiry committee who have either worked with or still working under the Power Division in different capacities. In a 37-page report, the committee led by former federal secretary Irfan Ali also blamed the National Electric Power Regulatory Authority (Nepra) for jumping the gun with hasty publication of such [see more...](#)

Higher gas prices push up urea rates – **Positive**

Significant gas price hike by the federal government has forced the manufacturers to adjustment in urea rates and Engro Fertilizers has also decided to increase the urea price by Rs 785 per bag (including FED), with effect from March 1, 2024. Earlier, Fauji Fertilizer Bin Qasim Limited (FFBL) had raised the urea price by Rs 1,350 per bag [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:

- 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

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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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