

## MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	43,829.35	647.89	1.46% ▼
NIFTY 50	17,945.95	50.75	0.28% ▲
DSE 30	2,757.28	8.49	0.30% ▼
SHANGHAI	3,574.67	17.04	0.47% ▼
Hang Seng	25,073.50	32.50	0.13% ▲
BIST 100	1,416.30	18.30	1.31% ▲
MOEX	4,279.87	41.87	0.99% ▲
CSE All-Share	9,649.26	29.63	0.31% ▼
Nikkei 225	28,287.00	211.2	0.74% ▼
KLCI	1,572.31	1.49	0.09% ▲

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,146.85	51.30	0.72% ▲
DAX 30	15,199.14	6.99	0.05% ▼
CAC 40	6,570.54	10.55	0.16% ▲
FTSE MIB	25,505.00	262	1.02% ▼
SMI 20	11,771.57	6.58	0.06% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	34,496.06	250.19	0.72% ▼
S&P 500	4,361.19	30.15	0.69% ▼
NASDAQ 100	14,713.73	107.02	0.72% ▼
US Dollar Index	94.39	0.06	0.07% ▲

Source: Investing.com

GULF	Value	Value	Pts
ADX General	7,730.02	20.67	0.27% ▲
Tadawul All-Share	11,512.11	53.91	0.47% ▼
QE General	11,568.60	15.73	0.14% ▲
Premier Market	7,411.54	58.96	0.79% ▼

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,756.90	1.20	0.07% ▲
Silver (t oz.)	22.63	0.037	0.16% ▼
Oil-WTI (bbl.)	80.17	0.35	0.43% ▼
Oil-Brent (bbl.)	83.34	0.31	0.37% ▼
Steel Scrap (tons)	468.00	-	-
Cotton (lb.)	109.48	0.32	0.29% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	171.40	2	1.15% ▼
EURO/PKR	197.00	3.1	1.55% ▼
GBP/PKR	234.30	0.3	0.13% ▼
JPY/PKR	1.44	-	-
CNY/PKR	23.90	-	-
AED/PKR	47.80	0.75	1.59% ▲
SAR/PKR	46.00	0.45	0.99% ▲
CAD/PKR	137.00	0.6	0.44% ▼
AUD/PKR	124.50	0.6	0.48% ▼

Source: Forex.com.pk



### Market Outlook

KSE-100 on Monday remained under immense selling pressure in majority part of the day while concluded the session deep into the losses amid investors' concerns over rising inflation. The index made an intra-day high and low at 44,544 (67 points) and 43,718 (-759 points) respectively while closed at 43,829 by losing 648 points. Trading volume has been increased to 88mn shares as compared to 66mn shares on the previous day. Going forward, we expect the market to remain volatile. The support for the index lies at the level of 43,500. Breaking this level could further drag the index towards the level of 42,800. However, the resistance for the index resides at 45,300.

### Key News

#### International

#### Asian Stocks Down, China Likely to Widen Private Industry Crackdown

Asia Pacific stocks were down on Tuesday morning, with China potentially widening a crackdown on private industry and continuing concerns about elevated inflation thanks to increasing energy costs. The benchmark U.S. 10-year Treasury yield. [see more...](#)

#### Oil Holds Above \$80 With Global Power Shortage Boosting Demand

Oil held above \$80 a barrel on expectations that a power crunch from Asia to Europe will lift demand and tighten global balances. West Texas Intermediate futures edged lower in early Asian trading after closing up 1.5% on Monday. [see more...](#)

#### Politics

#### PM asks US to 'pull itself together' or face collapse of Afghanistan

Prime Minister Imran Khan on Monday asked the United States to "pull itself together" or face the collapse of Afghanistan which would become a haven of terrorists. It's a really critical time and the US has to pull itself together. [see more...](#)

## MORNING GLANCE

### Economy

#### CM announces Rs30bn employment scheme - Neutral

Announcing to hold meetings with presidents of all chambers of commerce and industries in Punjab, Chief Minister Sardar Usman Buzdar said on Monday that the government has started an employment scheme with Rs 30 billion and new parking plazas will also be constructed in the provincial metropolis on need bases. [see more...](#)

#### Transformer blast: Nepra imposes Rs26m fine on HESCO - Neutral

National Electric Power Regulatory Authority (Nepra) has imposed a fine of Rs 26 million on Hyderabad Electric Supply Company (Hesco) on account of transformer blast at Latifabad, Hyderabad in which ten people had died and around 12 others injured. The Regulator upon receipt of reports of incident constituted a three-member Investigation Committee (IC) under Section 27A of NEPRA Act 1997. [see more...](#)

#### Switch to EVs: Country can save \$2bn in less than 10 yrs, Senate body told - Neutral

Pakistan can save up to \$2 billion in less than 10 years, by 2030, by switching to electric vehicles (EVs) that would drastically reduce oil imports, the Ministry of Industries and Production briefed the Senate Standing Committee on Climate Change, on Monday. Committee Chairperson Seemee Ezdi from Pakistan Tehreek-e-Insaf (PTI) presided over the Senate panel's meeting, wherein, the officials. [see more...](#)

#### KSE-100 Index witnesses record profitability in FY21 - Neutral

The KSE-100 Index companies recorded record profitability in FY21, growing by 60 percent on year-on-year basis to Rs 884 billion mainly led by macro recovery post COVID-19 lockdowns in FY20. This profitability was significantly higher than last 5-Year and 10-Year CAGRs of 8 percent and 11 percent, respectively. The profitability of KSE-100 index was also better than that recorded in pre COVID-19 era of FY19. [see more...](#)

#### WB estimates external debt stocks at \$108.53bn - Negative

The World Bank has estimated Pakistan's total external debt stocks at \$108.530 billion by end 2020 compared to \$100.831 billion by end 2019. The World Bank in its latest report, "International Debt Statistics 2022", stated that for Pakistan, the eight percent increase in external debt stocks reflected the inflow of budgetary support from official bilateral. [see more...](#)

#### Renewable Energy Refinancing Scheme- Neutral

To promote investment in renewable energy solutions by companies, the State Bank of Pakistan (SBP) has eased the conditions for renewable energy solution providers under its Refinance Scheme for Renewable Energy. Now, all Renewable Energy Investment Entities (RE-IEs) interested in installing renewable energy projects/solutions. [see more...](#)

#### ENGRO to invest USD1.5-1.8bn under Petrochemical Policy - Neutral

Makhdoom Khusró Bakhtyar, Federal Minister for Industries & Production, met with the senior leadership of Petrochemical industry to discuss a possible Petrochemical Policy framework. The industry has shown lot of interest towards further development in this sector thereby contributing significantly to national exchequer, help resolve balance of payment and GDP growth. [see more...](#)

#### Pak Arab, FFBQL: ECC approves maximum provision of gas - Neutral

The Economic Coordination Committee (ECC) of the Cabinet, Monday, approved maximum provision of gas to Pak Arab and Fauji Fertilizer Bin Qasim Limited (FFBQL) to ensure that estimated demand for urea fertilizer is met through domestic production to stabilize prices of urea fertilizer during Rabi season 2021-22. [see more...](#)

#### Lotte Chemical Pakistan Limited plans news investment in Pakistan - Neutral

The investments in the proposed petrochemical policy will increase the Investment to GDP ratio by 1%. Lotchem management believes that the domestic polymer market is most likely to operate consistently backed by stable demand, improving economic activity as well as pro-investment and pro-business policies presented in Finance Act 2021. [see more...](#)

#### Summit Bank BoD okays raise in authorized capital - Neutral

The board of directors of Summit Bank Limited has approved increase in the authorized capital of the bank, ie, from Rs 28 billion to Rs 90 billion subject to the approval of the regulatory authorities and the shareholders. According to disclosure of material information sent to Pakistan Stock Exchange on Monday. [see more...](#)

#### ECC Approves Rs. 6 Billion for PSEB to Strengthen IT Sector & Incentivize Exports- Neutral

In order to promote the IT sector of Pakistan, the Economic Coordination Committee (ECC) has approved an allocation of Rs. 2 billion, as a single line budget, to Pakistan Software Export Board (PSEB) in addition to giving a nod to Rs. 4 billion for disbursement of cash rewards to incentivize IT exports and encourage documentation of exporters and exports. [see more...](#)

#### Submarine Cable Cut Disrupts Internet Services in Pakistan- Neutral

Internet services are expected to face disruptions across Pakistan as one of the six international submarine cables, the AAE-1, has reportedly been cut. The Pakistan Telecommunication Company Limited (PTCL), in conjunction with the International Submarine Consortium, is working to fully restore normalcy across the country. [see more...](#)

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## DEFINITION OF TERMS

<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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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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