

# MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	43,246.71	370.34	0.86% ▲
NIFTY 50	17,324.90	43.35	0.25% ▼
DSE 30	2,568.41	16.9	0.65% ▼
SHANGHAI	3,656.53	4.99	0.14% ▼
Hang Seng	23,723.87	87.92	0.37% ▲
BIST 100	2,157.74	56.23	2.68% ▲
MOEX	3,619.39	1.08	0.03% ▲
CSE All-Share	11,796.88	134.50	1.15% ▲
Nikkei 225	28,472.50	39.86	0.14% ▲
KLCI	1,480.92	-	-

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,218.64	12.8	0.18% ▼
DAX 30	15,453.56	168.16	1.08% ▼
CAC 40	6,895.31	47.6	0.69% ▼
FTSE MIB	26,556.67	5.65	0.02% ▲
SMI 20	12,411.58	139.7	1.11% ▼

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	35,544.18	106.77	0.30% ▼
S&P 500	4,634.09	34.88	0.75% ▼
NASDAQ 100	15,914.90	167.65	1.04% ▼
US Dollar Index	96.52	0.05	0.05% ▼

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,841.70	93.46	1.05% ▼
Tadawul All-Share	11,024.68	4.82	0.04% ▲
QE General	11,727.36	67.28	0.58% ▲
Premier Market	7,616.79	23.67	0.31% ▲

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,773.05	0.75	0.04% ▲
Silver (t oz.)	21.97	0.04	0.20% ▲
Oil-WTI (bbl.)	70.06	0.67	0.95% ▼
Oil-Brent (bbl.)	73.07	0.17	0.23% ▼
Steel Scrap (tons)	473.00	3.00	0.64% ▲
Cotton (lb.)	106.01	0.8	0.75% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	178.15	0.05	0.03% ▲
EURO/PKR	200.80	0.3	0.15% ▼
GBP/PKR	235.06	0.82	0.35% ▼
JPY/PKR	1.57	-	-
CNY/PKR	28.17	-	-
AED/PKR	48.46	0.01	0.02% ▲
SAR/PKR	47.46	0.02	0.04% ▲
CAD/PKR	138.85	1.09	0.78% ▼
AUD/PKR	126.48	1.14	0.89% ▼

Source: Forex.com.pk



## Market Outlook

KSE-100 on Tuesday remained range-bound during the first half of the day. However, later on, it gained momentum and concluded the session in the green zone amid uncertainty regarding the MPC meeting. The index made an intra-day high and low at 43,265 (389 points) and 42,715 (-160 points) respectively while closed at 42,246 by gaining 370 points. Trading volume has been increased to 92mn shares as compared to 71mn shares on the previous day. Going forward, we expect the market to remain positive as the MPC feels that the end goal of mildly positive real interest rates on a forward-looking basis is now close to being achieved by increasing the interest rate by 100 bps to 9.75% and monetary policy settings are expected to remain broadly unchanged in the near-term. The resistance for the index resides at 44,000. Breaking this level could further move the index towards 45,150. However, the resistance for the index resides at 42,800.

## Key News

### International

#### Asia markets hushed in countdown to Fed lift off

Asian markets were precariously poised on Wednesday as the world waited to hear from the U.S. Federal Reserve on when it would stop buying assets and start raising interest rates, possibly piling pressure on its peers to follow. [see more...](#)

#### Oil Inventories Fall by 815,000 Barrels Last Week: API

Crude stockpiles fell less than expected last week just as investors continued to assess the risk of supply outstripping demand amid the impact of the Omicron variant of Covid-19 on travel. [see more...](#)

### Politics

#### Bilawal makes pitch for investment in Sindh

Addressing the Sindh Investment Conference in Dubai, Chairman Pakistan Peoples Party Bilawal Bhutto Zardari, thanked his Sheikh Nahyan bin Mubarak for being a consistent supporter of Pakistan and the province of [see more...](#)

## MORNING GLANCE

### Economy

#### Govt decides to deregulate gas sector - Neutral

Federal Minister for Information and Broadcasting Fawad Chaudhary said on Tuesday that deregulation of gas sector is going to take place and private companies would provide gas to the people after importing it. [see more...](#)

#### Policy rate now soars to 9.75pc - Negative

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) has announced to further increase the key policy rate by 100 basis points (bps) to 9.75 percent, aimed to address rising inflationary pressure on economy and achieve a sustainable growth. [see more...](#)

#### ADB forecasts higher inflation - Negative

The Asian Development Bank (ADB) forecast higher inflation projection for Pakistan, while saying that adjustments to energy tariffs and higher global commodity prices are expected to exert upward pressure on domestic prices. [see more...](#)

#### EAG suggests drastic change in tariff regime - Neutral

Economic Advisory Group (EAG) has suggested reducing tariff and non-tariff restrictions, greater integration with regional trade blocs, reducing custom and regulatory duties, and replacing them with a uniform tariff across all sectors. [see more...](#)

#### New policy on sugar 'reforms' presented to cabinet - Neutral

The federal cabinet was presented a new policy on sugar reforms, envisaging mandatory registration of brokers, dealers, and wholesalers of sugar with the National Tax Number (NTN) and sales tax registration number (STRN) linked to their bank accounts with mandatory registration of godown and automated online inventory management system. [see more...](#)

#### MoC opposes hike in duties on imported vehicles - Neutral

Ministry of Commerce (MoC) has reportedly opposed hike in duties on imported vehicles in CBU condition, concessionary financing by banks for cars and import of right hand drive vehicle in SKD and CKD condition, sources [see more...](#)

#### FBR reviews draft bill on withdrawal of ST exemptions - Neutral

The Federal Board of Revenue (FBR), Tuesday, reviewed in detail, the draft of the Tax Laws (Fourth) Amendment Bill, 2021, on the withdrawal of the sales tax exemptions and zero-rating to the tune of around Rs 350 billion. [see more...](#)

#### Petroleum sector: SBP amends forex manual for remittance process - Neutral

The State Bank of Pakistan (SBP) on Tuesday has amended the Chapter 14, of the Foreign Exchange Manual for the process of remittance for Petroleum Sector According to SBP, [see more...](#)

#### Remittances fall as travel resumes - Negative

The remittances sent home by overseas Pakistanis fell 6.6% month-on-month to \$2.4 billion in November 2021 owing to the lifting of travel restrictions and some revival of the Hundi/Hawala system. According to data released by the [see more...](#)

#### Mini-budget rescheduled due to OIC FMs moot - Neutral

The Parliament House will remain closed from Dec 13 to Dec 20 in connection with a meeting of the foreign ministers of the Organisation of Islamic Conference (OIC) being held on Dec 18 and 19. The meeting of foreign ministers from the OIC is being held in Pakistan after 41 years and in this regard, [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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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 Ahmed

Phone: (+92) 42 38302028

Ext: 118

Email: mahmed@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

### BRANCH OFFICE

42 - Mall Road, Lahore

Phone: (+92) 42 38302028-37320707

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com