

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	43,900.68	169.48	0.39% ▲
NIFTY 50	16,985.20	263.2	1.53% ▼
DSE 30	2,547.70	38.75	1.49% ▼
SHANGHAI	3,605.73	26.64	0.73% ▼
Hang Seng	22,904.00	288.63	1.24% ▼
BIST 100	2,084.47	194.07	8.52% ▼
MOEX	3,723.27	27.09	0.72% ▼
CSE All-Share	11,753.44	74.79	0.64% ▲
Nikkei 225	28,040.50	505.18	1.77% ▼
KLCI	1,499.37	2.64	0.18% ▼

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,269.92	9.31	0.13% ▲
DAX 30	15,531.69	104.71	0.67% ▼
CAC 40	6,926.63	78.44	1.12% ▼
FTSE MIB	26,611.41	171.03	0.64% ▼
SMI 20	12,715.48	75.41	0.59% ▼

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	35,365.44	532.2	1.48% ▼
S&P 500	4,620.64	48.03	1.03% ▼
NASDAQ 100	15,801.46	62.48	0.39% ▼
US Dollar Index	96.61	0.05	0.05% ▲

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,650.71	205.4	2.32% ▼
Tadawul All-Share	11,160.24	151.65	1.34% ▼
QE General	11,687.41	-	-
Premier Market	7,501.32	47.58	0.63% ▼

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,802.25	2.65	0.15% ▼
Silver (t oz.)	22.40	0.131	0.58% ▼
Oil-WTI (bbl.)	68.94	1.92	2.71% ▼
Oil-Brent (bbl.)	71.81	1.71	2.33% ▼
Steel Scrap (tons)	460.00	6	1.29% ▼
Cotton (lb.)	107.05	0.42	0.39% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	178.25	-	-
EURO/PKR	202.03	0.94	0.47% ▲
GBP/PKR	237.47	1.44	0.61% ▲
JPY/PKR	1.57	0.01	0.64% ▲
CNY/PKR	28.16	0.01	0.04% ▼
AED/PKR	48.49	-	-
SAR/PKR	47.47	0.01	0.02% ▼
CAD/PKR	139.15	0.52	0.38% ▲
AUD/PKR	127.62	0.14	0.11% ▲

Source: Forex.com.pk



Market Outlook

KSE-100 on Friday remained quite volatile throughout the day and concluded the session in the green zone. The index made an intra-day high and low at 44,003 (272 points) and 43,556 (-174 points) respectively while closed at 43,900 by gaining 169 points. Trading volume has been decreased to 105mn shares as compared to 124mn shares on the previous day. Going forward, we expect the market to remain volatile. The support for the index resides at 42,800. Breaking this level could further drag the index towards 42,000. However, the resistance for the index resides at 45,099 (50 DMA).

Key News

International

Asian Stocks Down, China Cuts Loan Prime Rate For First Time in Almost 2 Years

Asia Pacific stocks were down on Monday morning as China cuts its benchmark loan rate for the first time in almost two years. Investors remain concerned about the spread of omicron variants and the U.S. tightening monetary policy. Japan's Nikkei 225 fell 1.86% by 9:52 PM ET (2:52 AM GMT) ahead of a speech by the Bank of Japan Governor Haruhiko Kuroda on Thursday. [see more...](#)

Oil prices drop 2% as rapid Omicron spread dims fuel demand outlook

Oil prices slumped by about 2% early on Monday as surging cases of the Omicron coronavirus variant in Europe and the United States stoked investor worries that new restrictions on businesses to combat its spread may hit fuel demand. [see more...](#)

Politics

KP local govt polls seem swinging away from PTI

In the first local government elections since the merger of tribal districts with Khyber Pakhtun-khwa, the ruling Pakistan Tehreek-i-Insaf (PTI) appeared to be losing ground as Jamiat Ulema-i-Islam (JUI-F) was leading on many fronts, including the one for the coveted post of Peshawar mayor, unofficial, initial results [see more...](#)

MORNING GLANCE

Economy

Asset declarations to be made public under IMF condition - Neutral

The government has agreed to publicly disclose asset declarations filed by politically exposed persons, civil servants and their spouses, a move aimed at meeting a condition set by the International Monetary Fund (IMF). The details submitted by the high-level public office holders and civil servants will be made public to ensure transparency and the government will omit the secrecy clause from the tax law to ensure public disclosure of the information. [see more...](#)

Germany to grant €13.5mln to help Pakistan fight climate change - Positive

Germany will provide a grant of €13.5 million to Pakistan for growing a billion trees in a bid to ramp up the South Asian country's fight against the adverse impacts of climate change, threatening food security and ecosystems. Ministry of Economic Affairs and KfW Development Bank of Germany has signed a financing agreement for Billion Tree Afforestation Support Programme (Phase-1), according to an official statement. [see more...](#)

Target surpassed; Nov tax collection reaches Rs476bn mark - Positive

The revenue collection of the Federal Board of Revenue (FBR) has reached Rs476 billion during November 2021 against the assigned target of Rs408 billion, reflecting an increase of Rs68 billion. [see more...](#)

PKR continues to depreciate against \$ - Negative

The rupee continued to depreciate against the US dollar last week, although the fall was less dramatic than before. The currency closed at a record low of 178.04 on Friday, a fall of 33 paisas week-on-week. [see more...](#)

Fuel Component Adjustment - Negative

The Central Power Purchasing Agency- Guaranteed (CPPA-G) has sought an increase of Rs 4.33 per unit in tariffs of power Distribution Companies (Discos) for November 2021, under monthly Fuel Component Adjustment (FCA) mechanism. [see more...](#)

FDI improves 12% in Jul-Nov - Positive

Foreign investment in Pakistani businesses surged for the first time in the current fiscal year 2021-22 on a cumulative basis, as it improved 12% to \$798 million during July-November FY22. The foreign direct investment (FDI) had stood at \$710 million in the first five months of the previous fiscal year 2020-21, the State Bank of Pakistan (SBP) reported on Friday. "The credit for the higher investment inflows goes to the IT sector, as startups attracted lofty foreign investment in the wake of Covid-19 pandemic," [see more...](#)

Rare SBP move causes money market rates to decline - Positive

In an unusual open market operation (OMO) that included the injection of liquidity for a 63-day period, the State Bank of Pakistan (SBP) provided the money market with total funds of Rs1.77 trillion on Friday. The central bank buys and sells government debt papers almost every week to control short-term interest rates in the money market. However, funds injection through liquid assets for a tenor of more [see more...](#)

Tax collection on demand falls 41% - Neutral

The income tax collection with taxmen's own efforts has gone down by 41% and its share in total domestic income tax collection has shrunk to less than 2% in the current fiscal year, revealed statistics compiled by the Federal Board of [see more...](#)

Engro mulls building onshore LNG terminal costing up to \$600mln - Positive

Engro Corporation and Royal Vopak are evaluating the process of setting up Pakistan's first multi-functional onshore LNG terminal along with its existing Floating Storage Regasification Unit (FSRU-based) [see more...](#)

Non-textile exports jump 25pc in July-November - Positive

Pakistan's non-textile exports grew 24.59 per cent year-on-year to \$4.61 billion in the first five months of the current fiscal year owing to the partial revival of international orders and the government support schemes. [see more...](#)

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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
CFE	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:

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- 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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