

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	44,118.39	148.52	0.34% ▼
NIFTY 50	17,003.75	68.85	0.40% ▼
DSE 30	2,488.04	23.95	0.95% ▼
SHANGHAI	3,626.88	8.82	0.24% ▲
Hang Seng	23,223.76	30.12	0.13% ▲
BIST 100	1,891.28	85.99	4.76% ▲
MOEX	3,702.72	1.88	0.05% ▼
CSE All-Share	12,070.68	119.45	1.00% ▲
Nikkei 225	28,716.50	81.87	0.28% ▼
KLCI	1,522.78	6.33	0.42% ▲

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,372.10	1.24	0.02% ▼
DAX 30	15,756.31	162.84	1.04% ▲
CAC 40	7,086.58	19.57	0.28% ▼
FTSE MIB	27,016.22	188.29	0.70% ▲
SMI 20	12,785.32	71.42	0.56% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	35,950.56	196.67	0.55% ▲
S&P 500	4,725.78	29.22	0.62% ▲
NASDAQ 100	16,308.21	128.07	0.79% ▲
US Dollar Index	96.12	0.10	0.11% ▲

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,394.14	37.23	0.44% ▼
Tadawul All-Share	11,168.30	103.16	0.92% ▼
QE General	11,652.25	44.22	0.38% ▼
Premier Market	7,631.40	18.43	0.24% ▼

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,811.05	0.65	0.04% ▼
Silver (t oz.)	22.91	0.033	0.14% ▼
Oil-WTI (bbl.)	73.33	0.46	0.62% ▼
Oil-Brent (bbl.)	76.12	0.4	0.52% ▼
Steel Scrap (tons)	468.00	-	-
Cotton (lb.)	109.12	0.29	0.27% ▲

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	178.25	-	-
EURO/PKR	201.93	0.14	0.07% ▼
GBP/PKR	238.84	1.00	0.42% ▲
JPY/PKR	1.56	-	-
CNY/PKR	28.15	0.01	0.04% ▼
AED/PKR	48.50	0.01	0.02% ▲
SAR/PKR	47.44	-	-
CAD/PKR	138.87	0.11	0.08% ▲
AUD/PKR	128.85	0.34	0.26% ▲

Source: Forex.com.pk



Market Outlook

KSE-100 on Friday remained volatile throughout the day while concluded the session in the red zone amid govt mulls to bring a mini-budget through an ordinance. The index made an intra-day high and low at 44,468 (201 points) and 44,041 (-225 points) respectively while closed at 44,118 by losing 149 points. Trading volume has been decreased to 71mn shares as compared to 85mn shares on the previous day. Going forward, we expect the market to remain volatile ahead of mini budget ordinance. The resistance for the index resides at 45,130(50 DMA). Breaking this level could further push the index towards 46,004(200 DMA). However, the support for the index resides at 42,800.

Key News

International

Asia stocks, oil struggle as Omicron worries weigh

Asian stock markets were generally weaker with U.S. crude in holiday-thinned trading on Monday, as uncertainty over the economic impact of the Omicron coronavirus variant weighed on investor sentiment. U.S. airlines have cancelled or delayed thousands of flights over the past three days due to COVID-19-related staff shortages, [see more...](#)

Oil prices mixed, U.S. crude falls after COVID-19 flight cancellations

Oil prices were mixed on Monday, with Brent edging up while U.S. crude futures slipped after airlines called off thousands of flights in the United States over Christmas holidays amid surging COVID-19 infections. [see more...](#)

Politics

PTI leaders assail Sharifs after report claims Rana Shamim affidavit was notarised at PML-N office in London

(PTI) leaders on Sunday assailed the Sharif family and branded them the "Sicilian mafia" after a report published in The Express Tribune stated that former Gilgit-Baltistan chief justice Rana Shamim's affidavit against former top judge Mian Saqib Nisar was notarised at the office [see more...](#)

MORNING GLANCE

Economy

Pakistan Stock Exchange to promote retail trade in debt securities market: CEO - Neutral

The Pakistan Stock Exchange (PSX) is determined to promote retail trade in the debt securities market through its platform in 2022, PSX CEO Farrukh H. Khan said. [see more...](#)

Govt to table bills paving way for \$1bn IMF tranche - Positive

The government on Saturday said it would introduce the Finance (Supplementary) Bill 2021 and the State Bank of Pakistan (Amendment) Bill 2021 in the parliament for approval on Tuesday to ensure its sixth review of the \$6 billion Extended Fund Facility (EFF) gets cleared by the International Monetary Fund's (IMF) executive board on Jan 12, paving the way for the disbursement of about \$1bn tranche. [see more...](#)

SBP injects another Rs382bn for 63 days - Neutral

The SBP injected Rs701 billion at 9.82 per cent for seven days in addition to providing Rs381.75bn at 9.85pc for 63 days through the OMO, which is a tool that the central bank uses to fine-tune interest rates in the short-term by trading government debt securities with commercial banks. [see more...](#)

Refinery shutdowns may dent aviation fuel reserves – Negative

The possibility of complete shutdown of oil refineries has raised concern that it may lead to the depletion of strategic aviation fuel reserves. At present, Pakistan Refinery Limited (PRL) is closed whereas other refineries are running only partially as their fuel stocks are piling up due to reluctance of power producers to take furnace oil supplies. [see more...](#)

Gas supply priority revised for 3 months - Positive

The Federal Government has decided to place domestic fertilizer sector at par with export sector in gas supply priority list for three months, i.e., till March 31 2022, well informed sources told Business Recorder. The decision has been taken at a time when the farmers across the country are facing severe problems in urea availability as hoarders are selling it at exorbitant rates. [see more...](#)

All set to introduce Finance, SBP autonomy bills tomorrow - Neutral

The government is all set to introduce the amended Finance, and State Bank of Pakistan (SBP) autonomy bills in Parliament for approval tomorrow (Tuesday) despite resistance [see more...](#)

Economic prosperity improves by 1.5pc during Nov 2020 to Oct 2021: Report - Positive

Economic prosperity has improved by 1.5 per cent during November 2020 to October 2021, according to PRIME's latest report Pakistan Prosperity Index The improvement in overall country's economic performance can be attributed to higher business activity on the back of rising domestic and international demand of goods and services, [see more...](#)

Purchasing power drops in October 2021 - Negative

The Purchasing Power Index (PRI) continued on a downward trajectory in Pakistan, reaching the lowest in October 2021, as it declined from the benchmark of 85.6 in November 2020 to 79 in October 2021. In January 2021, this PRI benchmark witnessed improvement [see more...](#)

WB to finance two hydropower projects in Swat - Positive

The World Bank (WB) would finance two hydropower projects of 245 megawatt in Swat district that would generate a receipt of over 13 billion rupees for the province per annum. These projects besides attracting foreign investment in the energy sector would also provide job opportunities to scores of people. [see more...](#)

Banks Surpass Rs. 100 Billion Financing Under Mera Pakistan Mera Ghar Scheme - Positive

Prime Minister Imran Khan has lauded the leading role of the State Bank of Pakistan (SBP) and the efforts of the banking industry in the implementation of the Mera Pakistan Mera Ghar (MPMG) scheme. A ceremony was held at the Prime Minister House on Friday to mark the approval [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

VALUATION METHODOLOGY

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

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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