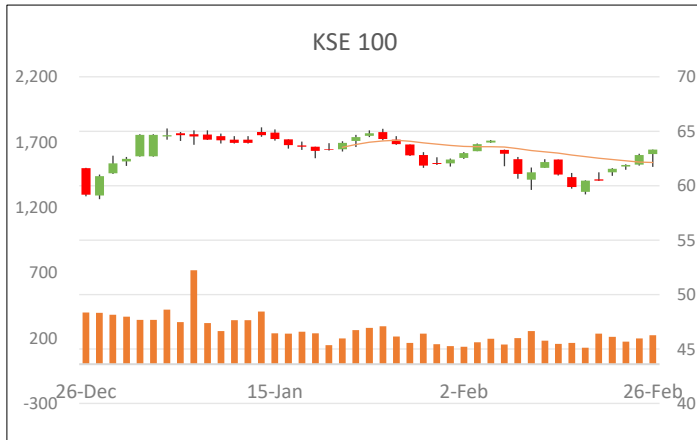


## MORNING GLANCE



|        |           |               |
|--------|-----------|---------------|
| 63,305 | ▲ 489     | ▲ 0.78%       |
| 221 mn | YTD -2.1% | 1 Year 55.22% |

| ASIA       | Value     | Pts    | Chg. (%) |
|------------|-----------|--------|----------|
| NIFTY 50   | 22,122.05 | 90.65  | 0.41% ▼  |
| DSE 30     | 2,139.58  | 7.46   | 0.35% ▲  |
| SHANGHAI   | 2,985.42  | 8.40   | 0.28% ▲  |
| Hang Seng  | 16,479.00 | 155.74 | 0.94% ▼  |
| Nikkei 225 | 39,144.50 | 64     | 0.16% ▼  |

| EUROPE   | Value     | Pts   | Chg. (%) |
|----------|-----------|-------|----------|
| FTSE 100 | 7,684.30  | 21.98 | 0.29% ▼  |
| DAX 30   | 17,423.23 | 3.90  | 0.02% ▲  |

| USA       | Value     | Pts   | Chg. (%) |
|-----------|-----------|-------|----------|
| DOW JONES | 39,069.23 | 62.3  | 0.16% ▼  |
| S&P 500   | 5,069.53  | 19.27 | 0.38% ▼  |
| NASDAQ    | 17,933.33 | 4.28  | 0.02% ▼  |

| Commodities   | Value    | Chg. | Chg. (%) |
|---------------|----------|------|----------|
| Gold (t oz.)  | 2,042.15 | 3.25 | 0.16% ▲  |
| Oil-WTI (bbl) | 77.54    | 0.04 | 0.05% ▼  |

| Currencies | Value  | Chg. | Chg. (%) |
|------------|--------|------|----------|
| USD/PKR    | 278.36 | 0.5  | 0.18% ▼  |
| EURO/PKR   | 301.35 | 0.6  | 0.20% ▼  |
| GBP/PKR    | 352.65 | 0.65 | 0.18% ▼  |
| AED/PKR    | 75.76  | 0.15 | 0.20% ▼  |

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

### Market Outlook

The stock market on Monday remained positive throughout the day and concluded the session in the green zone amid strong corporate results and PML(N) leader Maryam Nawaz elected as Chief Minister of Punjab. The Benchmark KSE-100 index made an intra-day high and low at 63,732.50 (916.69 points) and 62,915.39 (99.58 points) respectively while closed at 63,305.93 by gaining 490.12 points. Trading volume increased to 221mn shares as compared to 172mn shares on the previous trading day. Going forward, we expect the market to remain positive as smooth progression towards government formation at provincial levels has strengthened investor confidence. The resistance for the index resides at 63,700. Breaking this level would further push the index towards 64,000. Contrarily, the support for the index resides at 63,000.

### Key News

#### International

##### Asian Traders to Follow Cautious Wall Street Tone

Asian shares were mixed in early trade as markets await events due later this week for a better gauge of the global interest-rate outlook. The yen edged higher after stronger-than-expected Japanese inflation data. Japanese shares rose, while equities in South Korea, Australia and China were mostly lower. US stock futures [see more...](#)

##### Oil Holds Gain with Pockets of Strength Across Physical Markets

Oil steadied after a gain, with pockets of strength in physical markets supporting wider sentiment. Global benchmark Brent traded above \$82 a barrel after rising by 1.1% on Monday, while West Texas Intermediate was below \$78. There have been signs of recent buying activity from [see more...](#)

#### Politics

##### NA session summoned by Speaker

The inaugural session of the 16th National Assembly will be held on February 29 under Article 91 (2) of the Constitution with President Arif Alvi rejecting an earlier summary for summoning the session on the reported grounds of non-allocation of reserved seats to Sunni Ittehad Council [see more...](#)

#### Economy

##### Pakistan planning to implement carbon pricing mechanism: ADB – Neutral

This has been stated in a report of the Asian Development Bank (ADB) titled, "Asian Economic Integration Report 2024, Decarbonizing Global Value Chains." The report noted that establishing a carbon pricing mechanism is one of many important policy tools to lower greenhouse gas emissions. In Asia, economies have started instituting [see more...](#)

## MORNING GLANCE

### **Import of food commodities affects current account: SBP deputy governor – Negative**

Deputy Governor State Bank Dr Inayat Hussain said that if the food commodities worth \$8 billion had not been imported, the current account would have been in surplus. During an event in Burewala, he said that 65 percent of the country's population was directly related to the agriculture sector, and agriculture is the [see more...](#)

### **68pc believe purpose of work is benefit of a few: Gallup – Negative**

The majority of Pakistani people say that the purpose of doing work in the country is for the benefit of a few people and not for the people at large, this was found out from the Gallup Pakistan survey. More than one thousand people participated from all over the country in the survey which was conducted between 03 and 18 January 2024. [see more...](#)

### **Gwadar transmission line; Iranian firm interested in execution of phase I contract accord – Neutral**

Iranian firm M/s Sunir has shown interest in execution of second part of Gwadar transmission line phase one contract agreement, with complaints of non-payment of huge amount with respect to part one of the project by National Transmission and Despatch Company (NTDC). On February 19, 2024, in a letter to Secretary Power, Managing Director M/s Sunir, Hasan Gholinezhad [see more...](#)

### **Rs7 per unit increase in January FCA for Discos notified – Negative**

National Electric Power Regulatory Authority (NEPRA) has notified a National Average Uniform increase of Rs 7.0562 per unit in Fuel Charges Adjustment (FCA) for Discos for the month of January 2024. The decision has been taken by NEPRA in the light of a petition of CPPA-G. NEPRA held a public hearing on February 23, 2024 which [see more...](#)

### **Budget of LCIA; GOP's foreign counsel seeks increase in fee of £350,000 – Negative**

The Government of Pakistan's foreign counsel for arbitration at London Court of International Arbitration (LCIA) for Star Hydro Power Limited (SHPL) versus NTDC, M/s Mayer Brown International, LL. P (MB) has sought increase in fee of £350,000 in the budget to adequately cover [see more...](#)

### **Discos, K-Electric inflicted Rs403 billion loss on national exchequer in FY2022-23 – Negative**

The public exchequer has in-curred a loss of Rs403 billion in the fiscal year 2022-23 due to higher than Nepa approved losses and less recoveries which have declined by almost 4% as compared to previous fiscal by the ex-Wapda power distribution companies (Discos) and [see more...](#)

### **Solar projects' setup in southern Punjab; PPIB ready to facilitate Saudi company – Neutral**

Private Power & Infrastructure Board (PPIB) has shown willingness to facilitate Saudi company M/s ACWA early next month, which has shown interest in establishment of solar projects of 1200 MWp in South Punjab, well informed sources told Business Recorder. PPIB Manager Director Shah Jahan Mirza informed Special Secretary [see more...](#)

### **AkzoNobel inaugurates new manufacturing facility at Faisalabad – Positive**

AkzoNobel Pakistan Ltd, a leading global manufacturer of paints and coatings, has officially inaugurated its new manufacturing plant in the Allama Iqbal Industrial City of Faisalabad. Spread over an area of 25 acres with a cumulative investment of 8 billion PKR (approximately USD 28 million/€26 million), the Faisalabad plant. [see more...](#)

### **New scheme for traders and retailers' registration; Govt estimates about Rs500bn collection – Neutral**

The government has estimated to collect nearly Rs500 billion from the new simplified scheme for registration of traders and retailers. Under the proposed scheme, the FBR will allow traders and retailers to deposit payable tax in 12 monthly installments under the new simplified scheme Sources told Business Recorder that the contribution [see more...](#)

### **Gold prices rise – Neutral**

Gold prices on Thursday inched up on the local market but silver was firm, traders said. Gold was traded for Rs215300 per tola and Rs184585 per 10 grams after a slight increase of Rs100 and Rs85, respectively. On the world market, gold deals were closed at \$2051 per ounce, which the local market adds on with a \$20 premium for the domestic. [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      |
|--------------|----------------------------|
| BUY          | Greater than 15%           |
| HOLD         | Between -5% to 15%         |
| SELL         | Less than and equal to -5% |

| Sector Rating | Sector Outlook |
|---------------|----------------|
| Overweight    | Positive       |
| Market Weight | Neutral        |
| 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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