

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	44,043.74	130.30	0.30% ▲
NIFTY 50	17,233.25	147.00	0.86% ▲
DSE 30	2,523.78	19.70	0.78% ▲
SHANGHAI	3,621.06	9.06	0.25% ▼
Hang Seng	23,142.00	138.56	0.60% ▼
BIST 100	1,850.48	46.65	2.46% ▼
MOEX	3,777.56	36.93	0.99% ▲
CSE All-Share	11,907.70	100.79	0.84% ▼
Nikkei 225	28,835.50	233.66	0.80% ▼
KLCI	1,539.03	0.86	0.06% ▼

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,372.10	1.24	0.02% ▼
DAX 30	15,963.70	128.45	0.81% ▲
CAC 40	7,181.11	40.72	0.57% ▲
FTSE MIB	27,444.93	213.73	0.78% ▲
SMI 20	12,970.53	103.63	0.81% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	36,398.21	95.83	0.26% ▲
S&P 500	4,786.36	4.83	0.10% ▼
NASDAQ 100	16,488.66	78.84	0.48% ▼
US Dollar Index	96.19	0.01	0.01% ▼

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,391.27	12.69	0.15% ▼
Tadawul All-Share	11,315.32	154.28	1.38% ▲
QE General	11,675.27	55.68	0.48% ▲
Premier Market	7,653.50	17.67	0.23% ▲

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,806.15	4.75	0.26% ▼
Silver (t oz.)	23.02	0.104	0.45% ▼
Oil-WTI (bbl.)	75.98	-	-
Oil-Brent (bbl.)	78.72	0.06	0.08% ▼
Steel Scrap (tons)	468.00	-	-
Cotton (lb.)	110.21	2.07	1.84% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	178.40	0.15	0.08% ▲
EURO/PKR	201.97	0.33	0.16% ▲
GBP/PKR	239.59	0.75	0.31% ▲
JPY/PKR	1.55	0.01	0.64% ▼
CNY/PKR	28.18	0.03	0.11% ▲
AED/PKR	48.53	0.04	0.08% ▲
SAR/PKR	47.47	0.04	0.08% ▲
CAD/PKR	139.40	0.39	0.28% ▲
AUD/PKR	129.16	0.27	0.21% ▲

Source: Forex.com.pk



Market Outlook

KSE-100 on Tuesday remained volatile throughout the day while concluded the session in the green zone amid uncertainty over the mini-budget. The index made an intra-day high and low at 44,117 (203 points) and 43,906 (-7 points) respectively while closed at 44,043 by gaining 130 points. Trading volume has been increased to 63mn shares as compared to 51mn shares on the previous day. Going forward, we expect the market to remain under pressure as the cabinet meeting has been postponed till 30th Dec due to which the approval of the mini-budget would be delayed. 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 45,108.

Key News

International

Asian Stocks Mixed After U.S. Dip; Oil Holds Climb

Asian stocks were mixed Wednesday after a megacap technology selloff weighed on U.S. equities. Japanese shares fluctuated, Australia climbed after a holiday break and South Korea declined. U.S. futures rose, suggesting the S&P 500 and the Nasdaq 100 might make up some ground after a dip Tuesday that snapped four sessions of gains. [see more...](#)

Oil Prices Hold Gains Following Crude Inventory Draw

This week, the American Petroleum Institute (API) estimated the inventory draw for crude oil to be 3.09 million barrels. U.S. crude inventories have shed some 68 million barrels since the beginning of the year. In the previous week, [see more...](#)

Politics

If mini-budget approved, 2022 will be the worst year of inflation: Shehbaz Sharif

Pakistan Muslim League-Nawaz (PML-N) President Shehbaz Sharif has said that if the mini-budget is approved, then the new year will be the worst year of inflation for Pakistan. "Mini-budget will make the situation worse instead of making it better," the official PML-N Twitter handle quoted the party president as saying. [see more...](#)

MORNING GLANCE

Economy

\$4bn foreign commercial loans exempted from tax - Neutral

The Federal Cabinet has granted ex-post facto approval to exempt foreign commercial loans of \$ 4 billion from all types of taxes, official sources told Business Recorder. Under the Rules of Business, 1973 Finance Division was responsible for arranging finances, including foreign exchange, to meet the current and development expenditure needs of the country and to maintain a sustainable balance of payments position. [see more...](#)

Lack of consultations with allies leads to delay - Neutral

The lack of prior consultations with key allied parties in the federal government, compelled the cabinet to postpone the approval of the Finance (Supplementary) Bill, 2021 and the State Bank of Pakistan (Amendment) Bill, 2021, it learnt. [see more...](#)

Hammad Azhar Called Immediate Meeting On Pakistan Oil Refinery Policy - Neutral

A meeting on the draft of Pakistan Oil Refinery Policy has been convened on 29th December, 2021 (Wednesday) at 12:30 p.m under the Chairmanship of Federal Minister for Energy (Petroleum Division) and Special Assistant to Prime Minister on CPEC at Ministry of Energy. [see more...](#)

Gas supply to power sector increased by 71pc- Positive

The federal government has altered gas management plan to increase gas supply to power sector by 71 per cent to 325 MMCFD from 190 MMCFD, suspension of gas supply to general industry in Punjab and KP per day on rotational basis and restoration of 75 MMCFD gas to Captive Power Plants (CPPs) for the [see more...](#)

Meezan Bank partners with Pak Suzuki Motors - Positive

Meezan Bank and Pak Suzuki Motor Company Limited, have signed an MoU, offering attractive financing benefits to facilitate middle-income segment & young customers in availing Car Ijarah facility through Pak Suzuki One Window Solution. [see more...](#)

Agreement signed with FAC to sale government properties - Neutral

Financial Advisory Services Agreement (FASA) has been signed on 28th December 2021 with Financial Advisor Consortium (FAC) in order to sale the identified government properties, said a press release issued by Privatisation Commission (PC) board today. For this, the negotiation committee by PC board in its meeting held on 14th December 2021, [see more...](#)

Pakistan has a total of 75 Omicron cases: NIH - Negative

Pakistan has a total of 75 Omicron cases as of December 27, the National Institute of Health (NIH) said in a statement on Tuesday. "As of December 27, a total of 75 Omicron cases have been confirmed — 33 in Karachi, 17 in Islamabad [see more...](#)

PRL to undertake expansion project - Neutral

The board of directors of Pakistan Refinery Limited (PRL) has decided to undertake Refinery Expansion and Upgrade Project (REUP). The objectives of the REUP are compliance with requirement to produce EURO V compliant high speed diesel (HSD) and motor spirit (MS/Petrol); expansion of crude processing capacity to 100,000 barrels per day and to [see more...](#)

Acquisition of KE shares by Shanghai Electric - Neutral

K-Electric Limited has received withdrawal of public announcement of intention for acquisition (directly or indirectly) of up to 66.40 percent of the ordinary share capital of K-Electric Limited by Shanghai Electric Power Company Limited (acquirer). [see more...](#)

MoIB places HUM News at Slab-1 - Positive

The Ministry of Information and Broadcasting (MoIB) has placed Hum News channel at Slab-1 and increased its advertisement rates to Rs140,000 per minute, company filing on bourse showed today. [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:

- 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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