

MORNING GLANCE



39,871






▼ -579



▼ -1.43%




79 mn



YTD -2.31%





1 Year -11.55%

ASIA		Value	Pts	Chg. (%)
	NIFTY 50	17,648.95	44.60	0.25% ▲
	DSE 30	2,230.70	2.00	0.09% ▲
	SHANGHAI	3,263.50	5.82	0.18% ▼
	Hang Seng	22,095.00	25.27	0.11% ▲
	Nikkei 225	27,393.00	40.4	0.15% ▼

EUROPE		Value	Pts	Chg. (%)
	FTSE 100	7,784.87	19.72	0.25% ▲
	DAX 30	15,126.08	23.95	0.16% ▼

USA		Value	Pts	Chg. (%)
	DOW JONES	33,717.09	260.99	0.77% ▼
	S&P 500	4,017.77	52.79	1.30% ▼
	NASDAQ	11,912.39	254.21	2.09% ▼

Commodities		Value	Chg.	Chg. (%)
	Gold (t oz.)	1,924.60	1.70	0.09% ▲
	Oil-WTI (bbl)	77.93	0.03	0.04% ▲

Currencies		Value	Chg.	Chg. (%)
	USD/PKR	265.25	2.75	1.05% ▲
	EURO/PKR	288.27	1.42	0.50% ▲
	GBP/PKR	328.78	2.02	0.62% ▲
	AED/PKR	72.17	0.34	0.47% ▲

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

Market Outlook

KSE-100 on Monday plunged over 550 points and concluded the session in the red zone amid the worsening security situation dented the market's sentiment. The index made an intra-day high and low at 40,667 (216 points) and 39,844 (-606 points) respectively while closed at 39,871 by losing 579 points. Trading volume has decreased to 79mn shares as compared to 113mn shares on the previous trading day. Going forward, we expect the index to test its support at 39,300. Breaking this level would further drag the index towards 38,800. Contrarily, the resistance for the index resides at 40,600.

Key News

International

Asian stocks slip as investors eye central bank hikes

Asian shares traded cautiously and bonds nursed small losses on Tuesday as investors braced for an eventful week that includes central bank meetings, a slew of earnings reports and key U.S. economic data. Investors broadly expect the U.S. Federal Reserve will raise interest rates by 25 basis points (bps) on Wednesday. Rate announcements are due [see more...](#)

Oil tumbles 2% as Putin lets Russian energy companies decide pricing, exports

The official stance of the Kremlin is that it will not adhere to the West's price caps on Russian oil. In reality though, President Vladimir Putin's administration is allowing Russian oil companies to sell however many barrels at whatever price they can get. This effectively means the companies can apply any discounts necessary to transact oil in their hold, [see more...](#)

Politics

Election date for Punjab PA: LHC admits PTI's petition for regular hearing

The Lahore High Court on Monday admitted a petition for regular hearing filed by Secretary General Pakistan Tehreek-e-Insaf (PTI) Asad Umar seeking court's directions to the Election Commission of Pakistan (ECP) to announce the date of election of Punjab Assembly within 90 days of its dissolution. The court also allowed the petitioner's [see more...](#)

Economy

Crucial IMF talks begin today - Neutral

The International Monetary Fund (IMF) team arrived in Islamabad and formal talks on the 9th review of the Extended Fund Facility will begin today (Tuesday). This was confirmed by a senior official of the Finance Ministry. When asked, he said that "they are already here and technical-level meetings are starting today (Tuesday)" and would continue till Friday, which would be followed by policy-level talks. [see more...](#)

MORNING GLANCE

Govt offers its SOE stakes to 2 UAE firms - Neutral

The Government has reportedly offered its stakes in five top State Owned Entities (SOEs) to two top companies of the United Arab Emirates (UAE), well informed sources in Finance Division told Business Recorder. The SOEs whose shares have been offered to key UAE entities are Oil and Gas Development Company Limited (OGDCL), Pakistan Petroleum Limited (PPL), National Bank of Pakistan (NBP), Pakistan International Airlines (PIA) and [see more...](#)

SBP says curbing inflation critical to achieving growth - Neutral

The State Bank of Pakistan (SBP) believed that curbing inflation is essential for ensuring sustainable growth over the medium to long term. In 18th episode of the SBP Podcast, Director Monetary Policy Department, SBP, Fida Hussain, discussed the rationale and key reasons behind the latest monetary policy decision. SBP has recently announced its Monetary Policy decision, raising the policy rate by 100 basis points, taking it to 17 percent. The [see more...](#)

Gold Rates Skyrocket to Another All-Time High As PKR Downfall Continues - Neutral

Gold prices in Pakistan surged to an all-time high on Monday as the Pakistani Rupee continues its historic slump against the US Dollar. According to the data released by Karachi Saraf Jewelers Association, the price of gold (24 carats) increased by Rs. 3,500 per tola to settle at Rs. 211,900. Similarly the price of 10 grams gold increased by Rs. 8,060 to settle at Rs. 181,670. Financial [see more...](#)

PKR downslide continues with Rs7 loss in interbank - Negative

After plunging to a record low last week, the PKR depreciated by another Rs7.03, closing at Rs269.63 per dollar in the interbank market on Monday, according to data shared by the State Bank of Pakistan (SBP). This equates to a loss of 2.61 per cent from Friday's close of Rs262.6. Exchange Companies Association of Pakistan (Ecap) General Secretary Zafar Paracha attributed the rupee's depreciation to a shortage of dollars. "The supply of dollars [see more...](#)

Fauji Fertilizer Profit Dips to Rs. 20 Billion in 2022 - Negative

Pakistan's largest urea manufacturing company, Fauji Fertilizer Company Limited (FFC), has announced its financial results for the year ending December 31, 2022. The company posted a profit after tax of Rs. 20.05 billion during the calendar year 2022 (CY22) compared to a profit after tax of Rs. 21.89 billion reported in the previous calendar year. The decline in profit, which came at 8 percent, was owing to the imposition of a super tax. [see more...](#)

All-risk insurance of Guddu plant: MoC asks NICL to comply with PMO's directives - Neutral

Commerce Ministry has directed National Insurance Company Limited (NICL) to immediately comply with directions of Prime Minister Office (PMO) on all-risk insurance of 747-MW, Combined Cycle Power Plant (CCPP), well informed sources told Business Recorder. The Board of Directors (BoD) of Central Power Generation Company (Genco-II) has [see more...](#)

LCs: steel sector says facing dire situation - Negative

The steel industry is facing a critical situation as the State Bank of Pakistan (SBP) is still not opening Letters of Credit (LCs), leading to the closure of numerous steel businesses and widespread job losses. According to Pakistan Association of Large Steel Producers (PALSP), Secretary General, Wajid Bukhari, the delay in opening of the LCs has caused a severe shortage of raw materials, leading to production delays [see more...](#)

SBP orders dealers to facilitate IT, ITeS exporters - Neutral

The State Bank of Pakistan has directed authorised dealers to swiftly facilitate IT and ITeS exporters, the Ministry of Information Technology and Telecommunication said. The ministry spokesperson told Business Recorder that the Ministry of Information Technology and Telecommunication, Pakistan Software Export Board (PSEB) and Pakistan Software Houses Association (P@SHA) have been working with [see more...](#)

SBP issues mechanism for quota-based sugar export - Neutral

The State Bank of Pakistan (SBP) has issued instructions to the Authorised Dealers (ADs) for export of approved quantity of sugar on the basis of quota to be allocated on first come first served basis, sources in Commerce Ministry told Business Recorder. The SBP has advised the Authorised Dealers to find Commerce Ministry's Office Memorandum of January [see more...](#)

Revised RFP: AEDB seeks approval from Nepra - Neutral

The Alternative Energy Development Board (AEDB), an arm of Power Division, has sought approval of revised Request for Proposal (RFP) from National Electric Power Regulatory Authority (Nepra) drafted on the basis of amendments recently approved by the Economic Coordination Committee (ECC) of the Cabinet. In a letter to Registrar Nepra, Director (Policy/ IC) AEDB, Syed Aqeel Hussain Jafri referred to [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

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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

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