

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	45,390.84	503.95	1.12% ▲
NIFTY 50	17,805.25	179.55	1.02% ▲
DSE 30	2,571.18	4.92	0.19% ▼
SHANGHAI	3,608.42	23.91	0.66% ▼
Hang Seng	23,093.00	196.84	0.85% ▼
BIST 100	1,963.59	36.93	1.92% ▲
MOEX	3,873.49	20.99	0.54% ▲
CSE All-Share	12,800.54	174.72	1.38% ▲
Nikkei 225	29,310.00	8.21	0.03% ▲
KLCI	1,544.85	2.95	0.19% ▲

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,505.15	120.61	1.63% ▲
DAX 30	16,152.61	131.88	0.82% ▲
CAC 40	7,317.41	100.19	1.39% ▲
FTSE MIB	27,954.84	224.52	0.81% ▲
SMI 20	12,900.97	38.2	0.30% ▼

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	36,799.65	214.59	0.59% ▲
S&P 500	4,793.54	3.02	0.06% ▼
NASDAQ 100	16,279.73	222.04	1.35% ▼
US Dollar Index	96.22	0.04	0.04% ▼

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,464.57	-	-
Tadawul All-Share	11,356.80	29.28	0.26% ▲
QE General	11,713.76	43.66	0.37% ▲
Premier Market	7,653.60	-	-

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,815.45	0.85	0.05% ▲
Silver (t oz.)	23.01	0.044	0.19% ▼
Oil-WTI (bbl.)	76.67	0.32	0.42% ▼
Oil-Brent (bbl.)	79.69	0.31	0.39% ▼
Steel Scrap (tons)	467.62	-	-
Cotton (lb.)	115.93	0.33	0.28% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	176.60	0.35	0.20% ▲
EURO/PKR	199.51	0.01	0.01% ▲
GBP/PKR	237.78	0.07	0.03% ▼
JPY/PKR	1.52	0.01	0.65% ▼
CNY/PKR	27.90	0.07	0.25% ▲
AED/PKR	47.00	0.95	1.98% ▼
SAR/PKR	47.00	0.09	0.19% ▲
CAD/PKR	138.67	0.32	0.23% ▲
AUD/PKR	127.32	0.56	0.44% ▼

Source: Forex.com.pk



Market Outlook

KSE-100 on Tuesday showed positive momentum throughout the day while concluded the session in the green zone amid optimism over the expected mini-budget approval. The index made an intra-day high and low at 45,406 (519 points) and 44,887 (-0 points) respectively while closed at 44,391 by gaining 503 points. Trading volume has been increased to 134mn shares as compared to 93mn shares on the previous day. Going forward, we can expect the market to continue its upward momentum and test its resistance at 45,987 (200 DMA). Breaking this level would further push the index towards 46,350. However, the support for the index resides at 45,016 (50 DMA).

Key News

International

Asian shares slip as rising U.S. yields hit tech firms

Asian stocks slipped on Wednesday following a mixed Wall Street session as higher U.S. Treasury yields weighed on global tech firms and pushed the dollar to a five-year high against Japan's yen. U.S. yields rose on Tuesday as bond investors geared up for interest rate hikes from the Federal Reserve by mid-year to curb stubbornly high inflation. [see more...](#)

Oil Advances as OPEC+ Sees Tighter Market in First Quarter

Oil trekked higher as global supplies are on track to be tighter than previously expected amid easing fears over the omicron variant's hit to global demand. Futures in New York rose 1.2% while Brent crude settled at \$80 a barrel for the first time since late November as OPEC+ stuck to its plan to lift output. Benchmark West Texas Intermediate crude reached a session high that was the strongest since November 26. [see more...](#)

Politics

Allegations of foreign funding 'proved wrong': Fawad

Information Minister Fawad Chaudhry has said allegations that the Pakistan Tehreek-e-Insaf (PTI) received funds from illegal foreign sources have been "proved wrong" after irregularities were detected in the audit reports submitted by the ruling party. [see more...](#)

MORNING GLANCE

Economy

4 new assets to be added to Sukuk structure- **Positive**

The government has decided to add four new assets to the transaction structure of Ijara Sukuk aimed at more borrowing from the Islamic Banking sector for bridging fiscal deficit. To affect the inclusion of the additional underlying assets in the GOP Ijara Sukuk (GIS) structure, an Addendum to the Transaction Structure has been issued by the State Bank of Pakistan (SBP). [see more...](#)

FATF Asks for Details on Business Persons Using Fake CNICs - **Neutral**

The Financial Action Task Force (FATF) has sought the list of business persons registered with tax departments using forged CNIC. FBR has acquired some details about such business persons using forged CNICs, enabling money laundering. [see more...](#)

44,198 tests conducted; Country reports 630 fresh Covid-19 positive cases: NCOC - **Neutral**

Pakistan, Tuesday, detected 630 more Covid-19 positive cases by performing 44,198 coronavirus tests nationwide with a positivity ratio of 1.42 percent, the National Command and Operation Centre (NCOC) said. According to the NCOC, in the past 24 hours, out of 44,198 nationwide coronavirus tests, [see more...](#)

Effective Jan 1; GST on POL products increased – **Negative**

The Federal Board of Revenue (FBR) has increased the sales tax on petrol from 1.63 percent to 4.77 percent from January 1, 2022. The FBR has issued SRO1(I)/2022, here on Tuesday. According to the notification, sales tax on high-speed diesel oil has been increased from 7.37 percent to 9.08 percent. The sales tax on kerosene has been raised from 8.19 percent to 8.30 percent. The FBR has also increased sales tax on light diesel oil from 0.46 percent to 2.70 percent. [see more...](#)

Sales of petroleum, lubricants decline 6pc YoY, 14pc MoM - **Neutral**

The total petroleum and lubricant sales clocked-in at 1.51 million tons in December 2021, depicting a decline of six percent on year-on-year basis and 14 percent on month-on-month basis on account of significant decline in Furnace Oil (FO) volumes. [see more...](#)

Coal Price Set To Surge As Major Producer Indonesia Bans Exports - **Negative**

Coal prices moved higher and have higher still to go as Indonesia imposed a temporary ban on coal exports on worries that it will be unable to meet domestic demand. Reuters reported that President Joko Widodo had also threatened miners with business license revocation should they fail to supply enough coal for domestic consumption. [see more...](#)

Rs1.075/unit hike in FCA for October - **Neutral**

National Electric Power Regulatory Authority (NEPRA) has allowed Karachi Electric (KE) to recover Rs 1.910 billion from consumers at the rate of Rs 1.0751 per unit for October 2021, under monthly FCA mechanism. The regulator, unveiled its determination on Tuesday on the petition of KE. The regulator conducted public hearing on November 30, 2021. [see more...](#)

Two IPPs serve payment notices to govt - **Neutral**

Two Independent Power Producers (IPPs) namely, Attock Gen Ltd (AGL) and Sapphire Electric Company Ltd (SEL) have served payment notices to GoP, which, according to Managing Director, PPIB will have serious consequences for the CPPA-G besides having adverse effect on GoPs guarantee obligations, well informed sources in PPIB told Business Recorder. [see more...](#)

Auto part vendors see squeezed profits - **Negative**

Around 10-15% of auto part vendors are on the verge of shutdown, while the rest are under tremendous financial constraints due to squeezed profit margins amid rising input costs and cash flow constraints, said Pakistan Association of Automotive Parts and Accessories Manufacturers [see more...](#)

Dec cement despatches decline 4.2pc to 4.59m tons YoY - **Negative**

Cement despatches declined by 4.2 percent in December 2021 as total despatches during the month were 4.59 million tons against 4.79 million tons despatched during the same month of last fiscal year. According to the data released by All Pakistan Cement Manufacturers Association (APCMA), local cement despatches by the industry during the month of December 2021 were 4.057 million tons compared to [see more...](#)

SBP releases quarterly compendium; Banking sector assets surge to Rs28.79trn by Q3CY21-end - **Positive**

The banking sector maintained its growth momentum as overall assets surged to Rs 28.79 trillion by the end of the third quarter of CY21. The State Bank of Pakistan (SBP) Tuesday published Quarterly Compendium: Statistics of the [see more...](#)

Al Shaheer launches "Chef One" - **Positive**

Al Shaheer Corporation Limited (PSX: ASC) has launched its new brand "Chef One" nationwide, the company filing on PSX showed on Tuesday. Initially, the brand is available in all the leading stores of Karachi, Hyderabad, Lahore, Gujranwala, Sialkot, Bahawalpur, Faisalabad, Multan, Sargodha, Islamabad, Rawalpindi, Abbottabad, and Peshawar. [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:

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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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