

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	43,232.83	1.32	0.35% ▼
NIFTY 50	17,196.70	204.95	1.18% ▼
DSE 30	2,638.25	2.31	0.08% ▲
SHANGHAI	3,619.94	12.51	0.35% ▲
Hang Seng	23,481.50	285.19	1.20% ▼
BIST 100	1,910.41	30.35	1.61% ▲
MOEX	3,913.06	34.48	0.87% ▼
CSE All-Share	10,988.32	263.98	2.35% ▼
Nikkei 225	27,925.50	104.07	0.37% ▼
KLCI	1,494.48	7.26	0.48% ▼

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,122.32	6.89	0.10% ▼
DAX 30	15,169.98	93.13	0.61% ▼
CAC 40	6,765.52	30.23	0.44% ▼
FTSE MIB	25,938.52	66.88	0.26% ▼
SMI 20	12,175.77	1.75	0.01% ▼

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	34,580.08	59.71	0.17% ▼
S&P 500	4,538.43	38.67	0.84% ▼
NASDAQ 100	15,712.04	278.72	1.74% ▼
US Dollar Index	96.29	0.17	0.18% ▲

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,772.45	225.93	2.64% ▲
Tadawul All-Share	11,142.47	259.68	2.39% ▲
QE General	11,586.74	16.29	0.14% ▼
Premier Market	7,573.31	40.70	0.54% ▲

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,786.00	2.10	0.12% ▲
Silver (t oz.)	22.54	0.06	0.25% ▲
Oil-WTI (bbl.)	67.58	1.32	1.99% ▲
Oil-Brent (bbl.)	71.16	1.28	1.83% ▲
Steel Scrap (tons)	454.00	1	0.22% ▼
Cotton (lb.)	105.11	1.01	0.97% ▲

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	179.35	1.35	0.76% ▲
EURO/PKR	201.00	1.50	0.75% ▲
GBP/PKR	237.00	1.50	0.64% ▲
JPY/PKR	1.44	-	-
CNY/PKR	23.90	-	-
AED/PKR	48.80	0.10	0.21% ▲
SAR/PKR	47.40	0.40	0.85% ▲
CAD/PKR	138.00	0.50	0.36% ▲
AUD/PKR	125.50	0.50	0.40% ▲

Source: Forex.com.pk



Market Outlook

KSE-100 on Friday kept on struggling around its previous close throughout the day and concluded the session with no change compared to the last close. The index made an intra-day high and low at 43,590 (356 points) and 42,752 (-481 points) respectively while closed at 43,232 by losing 1.32 points. Trading volume has been decreased to 139mn shares as compared to 213mn shares on the previous day. Going forward, we expect the market to remain volatile amid uncertainty regarding macroeconomic conditions. 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 43,800.

Key News

International

Asian Stocks Mixed, Caution Reigns Over Omicron

Asia Pacific stocks were mixed on Monday morning, as uncertainties about the omicron COVID-19 variant continue and investors await U.S. inflation data later in the week. Investors continue to digest Friday's mixed U.S. jobs report, including non-farm payrolls. More U.S. data, including the CPI, is due later in the week, which could increase the pressure on the U.S. Federal Reserve to quicken asset tapering. [see more...](#)

Oil Up After Saudi Arabia Hikes Crude Prices for Asia, U.S.

Oil was up Monday morning in Asia after Saudi Arabia raised prices for its crude headed to Asia and the U.S. Meanwhile, indirect talks between the U.S. and Iran to revive a 2015 nuclear deal seem to have hit a deadlock. [see more...](#)

Politics

PDM gets ready for long march, resignations

The Steering Committee of Pakistan Democratic Movement (PDM), chaired by PML-N leader Shahid Khaqan Abbasi, has prepared recommendations regarding the long march and resignations from assemblies to protest the incumbent government and rising inflation. [see more...](#)

MORNING GLANCE

Economy

'Good news': Shaukat Tarin confirms SBP's receipt of \$3bn deposit from Saudi Arabia - Neutral

Adviser to the Prime Minister on Finance and Revenue Shaukat Tarin announced on Saturday that the State Bank of Pakistan (SBP) had received Saudi Arabia's \$3 billion deposit and thanked the kingdom and its crown prince for the "kind gesture". [see more...](#)

Govt says expecting 5pc growth - Neutral

Minister for Energy Hammad Azhar on Saturday said the government is expecting five percent economic growth this year due to its prudent policies. In a video statement, he said the government made the national economy stable and a record increase in foreign remittance is being witnessed. [see more...](#)

Govt changing formula to measure inflation - Neutral

The federal government has decided in principle to change the formula for determining the rate of inflation in the country and in this, the Pakistan Bureau of Statistics (PBS) had started the preliminary work, sources said on Saturday. [see more...](#)

Govt decides to complete privatization of at least 12 PSEs in next couple of years - Neutral

After witnessing delay in privatization program in last three years, the incumbent government has decided to complete the privatization of at least one dozen public sector entities (PSEs) including Pakistan Steel Mills in next couple of years. [see more...](#)

FBR ready to revise downward values of immovable properties - Neutral

The Federal Board of Revenue (FBR) is ready to revise downward the values of immovable properties in cases where the FBR has recently enhanced the values beyond the actual market price. [see more...](#)

Pakistan's Interest Rate Surge Shows IMF Deal Not Enough - Neutral

Pakistan's trade deficit is at a record, inflation is the fastest in Asia, and its stock market is among the worst in the world, adding pressure on authorities to take steps beyond the recent revival of a \$6 billion loan from the International Monetary Fund. [see more...](#)

Bond yields, KIBOR at two-year high - Negative

Pakistan Investment Bonds (PIBs) yields humped to their highest in over two years on Friday, as possibility of another aggressive interest rate hike by the central bank to fight off stubborn inflation and ease pressure on rupee came into tighter focus, analysts said. [see more...](#)

Govt plans budget squeeze to win IMF funding approval - Negative

Pakistan will end most exemptions on sales tax so that all sectors pay a uniform 17% as part of a package of belt tightening measures aimed at securing approval for a \$1 billion tranche of IMF funding, officials said on Friday. [see more...](#)

Energy imports surge 116pc to \$9.5bn in July-November - Neutral

Driven by post-Covid demand recovery, energy imports surged 116 percent to \$9.5 billion in first five months of this fiscal year compared to \$4.4 billion in same period last year, data showed on Friday. [see more...](#)

Textile exports projected to cross \$20bn target - Positive

With the ongoing \$3.5 billion expansion plan for the textile industry, Pakistan's textile exports are likely to increase by \$6bn and cross the \$20bn target projected for the fiscal year 2021-22. [see more...](#)

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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
CFE	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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