



40,505	▼ -503	▼ -1.23%
98 mn	YTD -0.76%	1 Year -10.68%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,101.20	241.75	1.35% ▲
DSE 30	2,193.40	3.45	0.16% ▼
SHANGHAI	3,177.81	1.72	0.05% ▲
Hang Seng	21,368.00	20.34	0.10% ▼
Nikkei 225	26,208.50	234.65	0.90% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,724.94	25.45	0.33% ▲
DAX 30	14,792.83	182.81	1.25% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,517.65	112.96	0.34% ▼
S&P 500	3,892.09	2.99	0.08% ▼
NASDAQ	11,108.45	68.09	0.62% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,878.70	0.90	0.05% ▲
Oil-WTI (bbl)	74.63	-	-

Currencies	Value	Chg.	Chg. (%)
USD/PKR	227.75	0.25	0.11% ▲
EURO/PKR	243.17	3.97	1.66% ▲
GBP/PKR	276.64	5.72	2.11% ▲
AED/PKR	61.96	0.06	0.10% ▲

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

Market Outlook

KSE-100 on Monday remained under selling pressure throughout the day and concluded the session in the red zone amid concerns over depleting forex reserves and the fear of confiscation of dollars by the government after the statement by the Finance Minister. The index made an intra-day high and low at 41,075 (67 points) and 40,437 (-571 points) respectively while closed at 40,505 by losing 503 points. Trading volume has decreased to 98mn shares as compared to 114mn shares on the previous trading day. Going forward, we expect the market to remain positive as Pakistan received pledges of around \$10 billion from ADB and other friendly countries. Further, we expect the market to test its resistance at 40,600. Breaking this level would further push the index towards 41,565 (50 DMA). Contrarily, the support for the index resides at 39,800.

Key News

International

Asia Stocks Enter Bull Market as China Rally Extends

Asia's benchmark stock index entered a bull market, as China's reopening and a weakening dollar lure investors back to the region. The MSCI Asia Pacific Index climbed 1.9% on Monday, taking its advance from an Oct. 24 low to more than 20%. Gauges in Hong Kong, Taiwan and South Korea led gains in the session, while Japan was closed for a holiday. [see more...](#)

Oil steady as clarity on Fed rate hike awaited

Oil prices were little changed on Tuesday, giving up some of the gains from the previous session, as traders awaited clarity on the Federal Reserve's plans for rate hikes to gauge the impact on the economy and fuel demand. Fed policymakers say fresh inflation data out later this week will help them decide whether they can slow the pace of interest rate [see more...](#)

Politics

Ruckus mars Punjab Assembly as opposition challenges Elahi to 'show numbers' for securing confidence vote

The Punjab Assembly (PA) session witnessed pandemonium on Monday as the opposition challenged Chief Minister Parvez Elahi to prove he had the requisite numbers to secure a vote of confidence. The demand came even though the [see more...](#)

Economy

\$10.7b pledged as Pakistan races against time - Positive

Pakistan on Monday said that donors had so far committed \$10.7 billion to help it recover from last year's devastating floods at the International Conference on Climate Resilient Pakistan which was co-hosted by the government of Pakistan and the United Nations in Geneva. "The message from the world is clear: the world will stand by those who go [see more...](#)

MORNING GLANCE

Disaster risk reconstruction: ADB to reprioritise \$1bn over 3 years - **Positive**

The Asian Development Bank (ADB) will reprioritise up to \$1 billion for climate and disaster risk reconstruction, as well as, resilience support over the next three years for Pakistan. This was stated by Shixin Chen, ADB vice president, at the International Conference on Climate Resistant Pakistan 2023 in Geneva, Switzerland. He stated: "ADB has acted swiftly to support Pakistan's flood [see more...](#)

Meeting between Dar, IMF officials: Pakistan reaffirms commitment - **Neutral**

Pakistan reiterated its commitment to completing a programme with the International Monetary Fund in a meeting on the sidelines of a climate conference in Geneva on Monday, the finance ministry said in a statement. Finance Minister Muhammad Ishaq Dar and IMF officials "discussed challenges to regional economies in the wake of climate change," according to [see more...](#)

Demands for reforms: PM asks IMF for a pause - **Neutral**

Prime Minister Shehbaz Sharif on Monday asked the IMF for a pause in its demands for economic reforms before releasing more financial aid, as the country tries to rebuild after catastrophic floods. Shehbaz Sharif said he was trying to persuade the International Monetary Fund (IMF) to give Islamabad some breathing space as it tackles the "nightmarish" situation. The global lender wants Pakistan to withdraw remaining [see more...](#)

Pakistan may dodge default in next 6 months: Bloomberg - **Neutral**

Pakistan is likely to dodge default in the next six months, but its troubles are not over, stated Bloomberg Economics in a report on Monday. Ankur Shukla, who covers South Asia at Bloomberg, stated that the International Monetary Fund (IMF) will help the country through the end of June. "But investors are now worried about a big dollar debt repayment in April 2024, and are [see more...](#)

14th successive loss: rupee falls yet again against US dollar - **Negative**

Pakistan's rupee registered a marginal loss against the US dollar for the 14th consecutive session, depreciating 0.12% in the inter-bank market on Monday. As per the State Bank of Pakistan (SBP), the rupee declined by Re0.27 to close at 227.41. During the ongoing fiscal year, the rupee has depreciated 9.93% against the greenback. During the previous week, the rupee [see more...](#)

FBR sees Rs1289bn tax gap for 2022 - **Negative**

The Federal Board of Revenue (FBR) has worked out overall tax gap of Rs1,289 billion during 2022, which is, 26 percent of potential collectable tax under the current taxation regime. According to the first ever report of the FBR on tax gap analysis-2022 finalised on Monday, the sales tax gap is Rs519 billion that is 24 per cent of potential collectable tax under current sales tax regime. The income tax gap is Rs730 [see more...](#)

Mari Petroleum discovers new gas reserves in Sindh - **Positive**

Mari Petroleum Company Limited (MPCL) on Monday announced a gas discovery at an exploratory well in Sindh, with a gas flow rate of 5.1 million standard cubic feet per day (mmscfd), making its first discovery for the new year 2023. The discovery comes amid Pakistan faces a severe energy crunch as the country's indigenous gas reserves fail to [see more...](#)

Car making components: FBR to charge 15pc duty on import - **Neutral**

The Federal Board of Revenue (FBR) will charge 15 percent customs duty on the import of components for the assembly/manufacture of new motorcars including station wagons and racing cars. The FBR has issued SRO02 (I)/2022 to amend the SRO656 (I)/2006, here on Monday. Earlier, 32.5 percent customs duty was applicable on the import of [see more...](#)

Telecom sector generates record Rs694bn revenues during FY 2021-22 - **Positive**

Telecom sector generated record revenues of Rs 694 billion during the financial year 2021-22 compared to Rs 651 billion during the same period of 2020-21, however, economic slowdown and increased operational costs resulted in rather sluggish growth in the last quarter, says the Pakistan Telecommunication Authority (PTA). According to official [see more...](#)

TRG International files suit on violation of SPA - **Neutral**

The Resource Group International Limited (TRG International) has filed Suit against JS Bank Limited, JS Global Capital Limited (JSGCL), Bank AL Habib Limited (BAHL), DJM Securities Limited, Muhammad Ziaullah Khan Chishti, Sarah Jennifer Pobereskin and others on violation of the Stock Purchase Agreement (SPA). In a notice to PSX company shared, "TRG International believes that the lending arrangements [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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- 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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