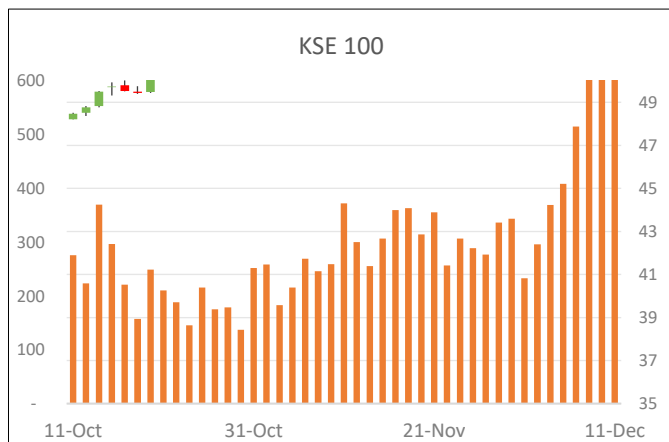


# MORNING GLANCE



## Market Outlook

The stock market on Tuesday remained volatile throughout the day and closed the session in the green zone amid SBP decides to keep policy rate unchanged. The Benchmark KSE-100 index made an intra-day high and low at 66,604.04 (591.72 points) and 66,121.13 (108.81 points) respectively while closed at 66,426.78 by gaining 414.46 points. Trading volume decreased to 467mn shares as compared to 613mn shares on the previous trading day. Going forward, we expect the market to remain volatile. The support for the index resides at 61,000 Breaking this level would further drag the index towards 60,000. Contrarily, the market could also surge up to 68,000 if closes above 67,000.

## Key News

### International

#### Asian stocks mixed ahead of Fed decision; oil prices slump

Asian shares were mixed on Wednesday, while oil prices slid to six-month lows as traders waited for the year's final policy decision from the Federal Reserve and clues on whether the central bank will cut rates next year. Brent bottomed at \$72.75 a barrel, its lowest level since late June, while U.S. crude slid to \$68.14 a barrel on concerns of softening demand and oversupply. [see more...](#)

#### Oil holds soft tone on oversupply concerns, markets await Fed

Oil prices consolidated losses on Wednesday in Asian trade, after falling by more than 3% to six-month lows in the previous session on oversupply and demand concerns. Brent crude futures for February inched down 1 cent to \$73.23 a barrel by 0207 GMT. U.S. West Texas Intermediate crude futures for January dropped 2 cents to \$68.59 a barrel. [see more...](#)

### Politics

#### Delay of a few days in elections not a big problem: Fazl

Jamiat Ulema Islam-Fazl (JUIF) chief Maulana Fazlur Rehman has said that if a delay of few days could lead to a fair election there was no big problem. He was responding to a question during an interview with a private media outlet on Tuesday regarding Pakistan Peoples Party Co-Chairman Asif Ali Zardari claim that the names of Afghan nationals were on the voter rolls in Khyber Pakhtunkhwa. He demanded probe into [see more...](#)

### Economy

#### Key policy rate kept unchanged at 22pc - Neutral

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) on Tuesday kept the policy rate unchanged at 22 percent as inflation in November was relatively higher than the earlier expectations due to the recent hike in gas prices. The decision was taken in a meeting of the MPC chaired by SBP Governor Jameel Ahmed. [see more...](#)

66,426	▲ 414	▲ 0.63%
467 mn	YTD 62.75%	1 Year 59.91%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	20,882.40	24	0.11% ▼
DSE 30	2,116.86	1.59	0.08% ▲
SHANGHAI	2,989.15	14.29	0.48% ▼
Hang Seng	16,260.00	141.5	0.86% ▼
Nikkei 225	32,990.50	146.80	0.45% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,542.77	2.12	0.03% ▼
DAX 30	16,791.74	2.69	0.02% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	36,577.94	173.01	0.48% ▲
S&P 500	4,643.70	21.26	0.46% ▲
NASDAQ	16,354.25	132.51	0.82% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,993.10	0.1	0.01% ▼
Oil-WTI (bbl)	68.43	0.18	0.26% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	283.78	0.12	0.04% ▼
EURO/PKR	305.82	0.46	0.15% ▲
GBP/PKR	356.68	0.84	0.24% ▲
AED/PKR	77.27	0.04	0.05% ▼

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

## MORNING GLANCE

### Monetary policy on Dec 12 - Neutral

"The MPC will meet on Tuesday to decide about the monetary policy stance," said a statement issued by the SBP, adding that the bank will issue the Monetary Policy Statement through a press release the same day. In the wake of high inflation of 30 per cent, speculations about an interest rate change are the prime subject of discussions, particularly in the financial sector. While most believe [see more...](#)

### IMF review; MoF takes step towards ensuring desired outcome – Neutral

Ministry of finance (MoF) has asked all Ministries/ Divisions and entities to meet commitments made with International Monetary Fund (IMF) within the stipulated time to ensure successful completion of the review, as well as the overall program, well informed sources told Business Recorder. These instructions, sources said, have been issued by Secretary Finance,, [see more...](#)

### Rs940bn target for Dec; FBR chief starts meetings to review progress – Neutral

The Federal Board of Revenue (FBR) is likely to struggle hitting its revenue target of Rs. 940 billion for December 2023, as Chairman FBR Malik Amjed Zubair Tiwana has started meeting with officials to review progress. According to details, Tiwana made a day-long trip to Karachi yesterday to assess the progress of Inland Revenue and Customs field formations. He started with a meeting at [see more...](#)

### Fuel oil exports surge as winter cuts power demand - Positive

Refineries are set to export more than 150,000 tonnes of fuel oil in December, a record high for the month, as domestic demand slumps due to lower power generation from the heavy fuel, industry sources said on Tuesday. "Local refineries have accumulated a large stock of fuel oil and will be exporting a record amount," said sources in the oil sector, adding that the Oil & Gas Regulatory Authority (OGRA) [see more...](#)

### OGDCL propels production revival from KPD Field – Positive

Oil and Gas Development Company Limited (OGDCL), as part of its production optimization drive has successfully re-injected six low-pressure wells from Kunnar Pasakhi Deep (KPD) Field through the in-house arrangement of compression and operational modifications. This has resulted in the enhancement of 16 mmscfd of gas, 150 barrel per day of condensate and 18 MTD LPG from the field. [see more...](#)

### Attock Refinery shuts two crude distillation units – Negative

The refinery, which has a nameplate capacity of 53,400 barrels per day, said it'd be operating at a throughput of about 60 per cent going forward because the despatch pattern of petrol and diesel for the current month continues to remain depressed. "This, if continued, would result in the curtailment of crude intake from oilfields with an adverse effect on associated gas as well," it said. [see more...](#)

### SSGC seeks increase in average prescribed price – Positive

Sui Southern Gas Company Limited (SSGC) has sought an increase in average prescribed price by Rs 226.18 per mmbtu and Rs 48.80 per mmbtu for estimated RLNG cost of service with effect from July 1, 2023. In its petition for review of its estimated Revenue Requirement/Prescribed price for fiscal year 2023-24, the SSGC has projected a shortfall in revenue requirement for the current [see more...](#)

### Aramco to acquire 40pc stake in GO Pakistan – Positive

Aramco, one of the world's leading integrated energy and chemicals companies, has signed definitive agreements to acquire a 40 percent equity stake in Gas & Oil Pakistan Limited (GO).GO, a diversified downstream fuels, lubricants and convenience stores operator, is one of the largest retail and storage companies in Pakistan. The transaction is subject to certain – [see more...](#)

### PC Board approves draft rules - Neutral

Privatisation Commission Board on Tuesday approved the draft Privatisation Commission (Government-to-Government Agreement Mode-Manner and Procedure) Rules, 2023. The board also approved a six-month extension to the contract of the audit firm with no additional fee for completion of Privatisation Commission audits for the period July 2013 to June 2022. [see more...](#)

### Oil policy deadline; CCoE grants oil refineries 60-day extension - Positive

The Cabinet Committee on Energy (CCoE) has granted a 60-day extension to oil refineries to meet the deadline given in the Pakistan Oil Refining Policy as refineries have raised many issues which were not properly taken care of in the policy, sources close to Minister for Petroleum and Power told Business Recorder. [see more...](#)

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<b>TP</b>	Target Price	<b>DDM</b>	Dividend Discount Model	<b>FCF</b>	Free Cash Flows
<b>FCFE</b>	Free Cash Flows to Equity	<b>FCFF</b>	Free Cash Flows to Firm	<b>DCF</b>	Discounted Cash Flows
<b>PE</b>	Price to Earnings Ratio	<b>PB</b>	Price to Book Ratio	<b>BVPS</b>	Book Value Per Share
<b>EPS</b>	Earnings Per Share	<b>DPS</b>	Dividend Per Share	<b>ROE</b>	Return of Equity
<b>ROA</b>	Return on Assets	<b>SOTP</b>	Sum of the Parts	<b>JPB</b>	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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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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