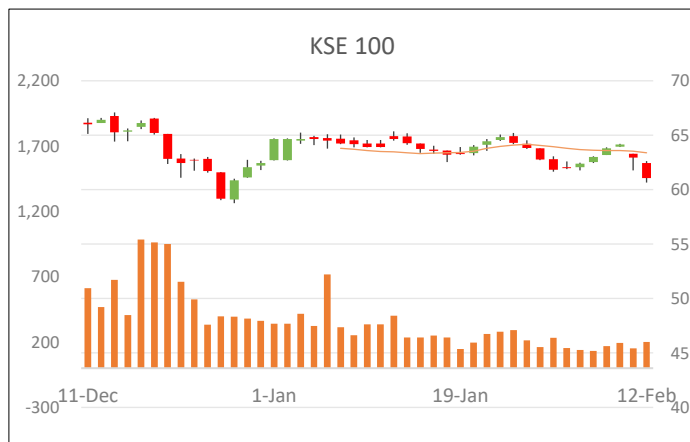


# MORNING GLANCE



61,065	▼ -1879	▼ -2.98%
201 mn	YTD -5.56%	1 Year 46.38%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,616.05	166.45	0.76% ▼
DSE 30	2,165.93	27.71	1.30% ▲
SHANGHAI	2,865.90	36.21	1.28% ▲
Hang Seng	15,746.58	131.49	0.83% ▼
Nikkei 225	37,791.50	894.08	2.42% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,573.69	1.11	0.01% ▲
DAX 30	17,037.35	110.85	0.65% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,797.38	125.69	0.33% ▲
S&P 500	5,021.84	4.77	0.09% ▼
NASDAQ	17,882.66	79.74	0.44% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,032.35	0.65	0.03% ▼
Oil-WTI (bbl)	77.03	0.11	0.14% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.33	0.05	0.02% ▲
EURO/PKR	301.65	0.78	0.26% ▲
GBP/PKR	353.18	0.85	0.24% ▲
AED/PKR	76.05	0.01	0.01% ▲

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

## Market Outlook

The stock market on Monday remained under immense selling pressure throughout the day and concluded the session deep into the losses amid political ambiguity along with unconfirmed reports around the circular debt management plan. The Benchmark KSE-100 index made an intra-day high and low at 62,634.37 (-309.37 points) and 60,647.67 (-2,296 points) respectively while closed at 61,065.31 by losing 1,878.43 points. Trading volume increased to 201mn shares as compared to 152mn shares on the previous trading day. Going forward, the market is expected to remain volatile due to the likelihood of another hung parliament, as indicated by electoral results. The support for the index resides at 60,800. Breaking this level would further drag the index towards 60,000. Contrarily, the resistance for the index resides at 61,600.

## Key News

### International

#### Asian stocks edge higher before CPI data; Nikkei skyrockets on tech strength

Most Asian stocks rose slightly on Tuesday in anticipation of key U.S. inflation data, while Japan's Nikkei 225 index rallied to 34-year highs on positive earnings from the technology sector and dovish signals from the Bank of Japan. Regional stocks took a mixed lead-in from Wall Street, as gains in U.S. stocks now appeared to be cooling from [see more...](#)

#### Oil Steadies Ahead of OPEC Market Outlook with War Risks In View

Oil was steady ahead of a market outlook from OPEC, and as traders also monitored developments in the Israel-Hamas war. Brent crude traded above \$82 a barrel after ending slightly lower on Monday, while West Texas Intermediate was near \$77 after capping its longest run of [see more...](#)

### Politics

#### Political uncertainty persists

Political uncertainty continues to persist four days after February 8 general elections with their credibility challenged both domestically (from protests to legal recourse to seeking redress through all available mechanisms) and concerns voiced. [see more...](#)

### Economy

#### IMF Has No Interest in Negotiating With Caretaker Govt For Final Tranche of \$1.1 Billion

Negotiations with the International Monetary Fund (IMF) to receive the third and final tranche of around \$1.1 billion will only start after the formation of federal and provincial governments, which could happen by the end of this month or early next month. [see more...](#)

## MORNING GLANCE

### PM says IMF has no issue with sell-off process – Neutral

Caretaker Prime Minister Anwaar ul Haq Kakar has stated that the new government will be required to immediately start negotiations with the International Monetary Fund (IMF) for a new programme. Addressing a news conference on Monday, he said the IMF does not have any issue regarding privatization as the caretaker government has almost completed all the processes with regard to the PIA. [see more...](#)

### IMF not onboard with energy ministry's tariff rationalisation, circular debt management plans – Negative

Putting to bed reports around the much-touted tariff rationalisation and circular debt management plans, the International Monetary Fund (IMF) said the proposals do not address the underlying problems of Pakistan's energy sector. "Restoring the viability of the energy sector is critical to Pakistan's economic recovery and fiscal sustainability," IMF [see more...](#)

### Jan remittances up 0.6pc to \$2.397bn MoM - Neutral

The country received worker's remittance inflows of \$ 2.4 billion during January 2024. The State Bank of Pakistan (SBP) on Monday reported a slight increase in the monthly inflows of workers' remittances, sent by overseas Pakistanis during January 2024. In terms of growth, month-on-month basis during January 2024, remittances increased by 0.6 percent and Year on Year (YoY) basis 26.2 percent. [see more...](#)

### H1 debt stocks jump 7.14pc to Rs65.188trn YoY – Negative

The federal government's total debt (domestic and external) stocks rose over Rs 4 trillion during the first half (July-Dec) of this fiscal year (FY24). Analysts said the federal government's total domestic and external debt stocks continuing to increase due to massive borrowing for the fiscal deficit as revenue collection is not sufficient enough to meet the expenditures. The State Bank of Pakistan (SBP) on Monday revealed that the [see more...](#)

### Spot LNG; PD shares price forecast with gas utilities, NTDC and CPPA-G – Neutral

The Ministry of Energy (Petroleum Division) has shared price forecast for spot LNG with Sui gas companies, National Transmission and Despatch Company (NTDC) and Central Power Purchasing Agency-Guaranteed (CPPA-G) till September 2024. According to M/s Pakistan LNG Limited (PLL) the [see more...](#)

### Sazgar's auto rickshaw sales surge to 2,229 units in January – Positive

Sazgar Engineering Works Limited (PSX: SAZEW) witnessed a massive surge in the sale of its auto rickshaws in January 2024, with 2,229 units sold compared to just 275 three-wheelers in the previous month, company's filing on PSX revealed today. With respect to production, the company made 1,675 units of Auto Rickshaw in January, compared to [see more...](#)

### PSMC shareholders resolve to authorise SMC Japan to repurchase stakes – Neutral

The shareholders of Pak Suzuki Motor Company (PSMC) have resolved to authorize Suzuki Motor Corporation (SMC), Japan, the majority shareholder of PSMC, to repurchase 22,145,760 ordinary shares of 62.84 percent of the shareholding at a buy back price of Rs 609 per share as determined by the Voluntary Delisting Committee (VDC) of Pakistan Stock. [see more...](#)

### Ghani Chemicals to expand into power generation, gas business – Positive

The Board of Directors of Ghani Chemicals Industries Limited (PSX: GCIL) has decided to venture into the power generation and new areas of gas business, as per a notice issued by GCIL today. The board has authorized the formation of a wholly owned subsidiary company of GCIL in the name of Ghani Power (Private) Limited or any other suitable [see more...](#)

### China remains Pakistan's top trade partner amid falling exports to US and EU – Positive

Pakistan's exports to high-priced European and North American markets fell in the first half of the 2023/24 fiscal year, while China remained its top trading partner, data from the Trade Development Authority of Pakistan (TDAP) showed on Monday. Exports to the United States, traditionally one of Pakistan's biggest markets, did not rank [see more...](#)

### Govt plans special audits of SOEs on IMF advice - Neutral

Informed sources said the Competition Commission of Pakistan (CCP) had been asked by the Ministry of Finance (MoF) to gear up for undertaking sector-specific studies of power, transport & communications, finance and oil & gas including liquid fuels like liquefied petroleum gas (LPG) and liquefied natural gas (LNG) [see more...](#)

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## DEFINITION OF TERMS

<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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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

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

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### PREPARED BY

Haroon Abdul Razzaq

Phone: (+92) 42 38302028

Ext: 116

Email: haroon@abbasiandcompany.com

### RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

### HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com