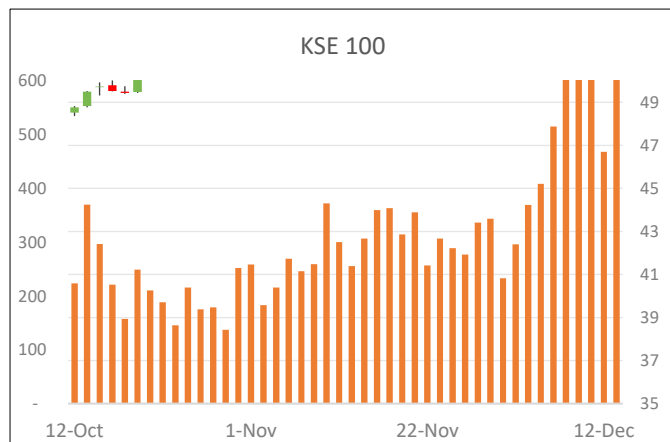


MORNING GLANCE



65,280	▼ -1147	▼ -1.73%
677 mn	YTD 59.94%	1 Year 56.49%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,132.20	205.85	0.98% ▲
DSE 30	2,105.43	-	-
SHANGHAI	2,977.56	8.80	0.30% ▲
Hang Seng	16,426.00	179.00	1.10% ▲
Nikkei 225	32,587.50	338.85	1.03% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,548.44	5.67	0.08% ▲
DAX 30	16,766.05	25.69	0.15% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	37,090.24	512.30	1.40% ▲
S&P 500	4,707.09	63.39	1.37% ▲
NASDAQ	16,562.37	208.12	1.27% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,045.85	48.55	2.43% ▲
Oil-WTI (bbl)	69.56	0.09	0.13% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	283.61	0.17	0.06% ▼
EURO/PKR	305.85	0.03	0.01% ▲
GBP/PKR	355.05	1.63	0.46% ▼
AED/PKR	77.23	0.04	0.05% ▼

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

Market Outlook

The stock market on Wednesday opened on a positive note. However, later on, it lost the impetus and reversed all of its intra-day gains by plunging over 1,100 points while concluding the session deep into the losses amid profit-taking seen on the index as the KSE-100 had been hitting its all-time high in the past several trading sessions. The Benchmark KSE-100 index made an intra-day high and low at 67,093.96 (667.18 points) and 64,427.38 (-1,999.40 points) respectively while closed at 65,280.16 by gaining -1,146.62 points. Trading volume increased to 677mn shares as compared to 467mn shares on the previous trading day. Going forward, exercising caution is advised as the market approaches a critical point at 63,800, the market's reaction to this level will be decisive. Short-term investors are recommended to exit, while long-term investors are advised to maintain their positions.

Key News

International

Global Stocks, Treasuries Extend Rally After Fed: Markets Wrap

Asia joined a global rally in stocks and bonds after the Federal Reserve green-lighted interest-rate cuts next year, reigniting a bullish pulse across markets as inflation eases. A global gauge of stocks gained for a sixth straight session as equity benchmarks for Australia, South Korea and.. [see more...](#)

Oil investors to usher in 2024 amid oversupply, demand concerns

Oil investors will usher in 2024 with gnawing concerns about oversupply, slowing economic growth and simmering Middle East tension that could spark price volatility. Benchmark Brent averaged around \$80 a barrel this year, after a volatile 2022 in which prices surged above.. [see more...](#)

Politics

ECP to announce polls schedule on Sunday

The Election Commission of Pakistan (ECP) will announce the schedule for the general elections on Sunday, December 17. The general election will be held on February 8, next year. Nomination papers will be received on the next day of the announcement of the schedule. Sources in the ECP told The News on Wednesday the commission [see more...](#)

Economy

Pakistan expecting \$4.5bn from creditors: Shamshad – Positive

Caretaker Minister for Finance, Revenues, and Economic Affairs Dr Shamshad Akhtar said on Wednesday that Pakistan was anticipating \$4.5 billion from multilateral and bilateral creditors during the current fiscal year. [see more...](#)

MORNING GLANCE

Fitch maintains foreign currency IDR rating at CCC - Neutral

Fitch rating agency maintained Pakistan's long-term foreign-currency issuer default rating (IDR) at 'CCC'. On 10 July 2023, twelve days after Pakistan reached a staff level agreement on the Stand By Arrangement with the International Monetary Fund (IMF) on 29 June Fitch upgraded Pakistan's rating to "CCC" from "CCC-" Fitch typically does not assign outlooks to sovereigns with a rating of 'CCC+' or below. The rating. [see more...](#)

WB says external debt stocks at \$126.942bn by end 2022 – Negative

The World Bank (WB) has estimated Pakistan's total external debt stocks at \$126.942 billion by end 2022 compared to \$130.873 billion by end-2021. The World Bank in its latest report, "International Debt Report 2023, noted that in South Asia, external debt obligations to China rose nearly sevenfold over 11 years, from \$6.4 billion in 2012 to \$42.9 billion in.,. [see more...](#)

ADB says Pakistan's public debt around 80pc of GDP – Negative

Amid rising public debt touching close to 80 percent of GDP, the Asian Development Bank (ADB) said on Wednesday that Pakistan's overall recovery was still constrained by moderate confidence and high inflation eroding purchasing power. In its forecast for Asian Development Outlook (ADO) for December 2023 update, the ADB said Pakistan's public debt went up close to 80 percent of GDP for FY-2022. [see more...](#)

Govt borrows Rs2.151trn via auction for MTBs - Negative

The federal government on Wednesday borrowed Rs 2.151 trillion through sale of short-term security papers. The SBP conducted the auction for the sale of 3-month, 6-month and 12-month Government of Pakistan Market Treasury Bills (MTBs) on Dec 13 and received bids amounting to Rs 4.629 trillion with a realised value of Rs 3.968 trillion. The received bids included Rs 953 billion for 3-month, Rs 406 billion for 6-month and Rs [see more...](#)

Petroleum prices likely to be slashed by over Rs10 – Neutral

Informed officials said the international prices of both HSD and petrol had declined over the past fortnight by almost 5pc while the rupee had also gained marginally against the US dollar, resulting in a reasonable drop in domestic prices to the consumers. For price calculations, the officials said the HSD had become cheaper by about \$4 per barrel on average — from about \$99.50 to \$95.50 — during the week while the price of. [see more...](#)

ARL rejects news item on APL's non-uplifting – Neutral

The Attock Refinery Limited (ARL) stated on Wednesday that for the last five months starting July 2023 and till December 12, 2023, the Attock Petroleum Limited (APL) has uplifted more than 90 percent of its MS and HSD allocation from ARL. The ARL strongly refutes a news item attributed to the Federal Minister of Energy that Attock Petroleum Limited, an associated company of the ARL, is not uplifting. [see more...](#)

Gas tariff increase fails to cut Pakistan's Rs2.8 trillion circular debt pile – Negative

The gas sector circular debt crisis, which affects key state-run entities such as PSO, SSGC, SNGPL, and OGDCL, is unlikely to ease despite a recent hike in gas tariffs, a senior official said on Wednesday. Abdul Rasheed Jokhio, Director General (Gas) of the Petroleum Division, told a parliamentary panel that the tariff adjustment, aimed at stabilising the circular. [see more...](#)

Q2, Q3 of FY 2022-23; KE consumers likely to pay additional Rs1.72 per unit – Negative

The government has decided to recover Rs 1.72 per unit from the K-Electric consumers for second and third quarter of FY 2022-23 under QTA mechanism to maintain uniform tariff across the country. The Nepra has scheduled a hearing on 20th December 2023 on motion filed by Ministry of Energy to apply quarterly adjustments (QTA) of Re [see more...](#)

Thar coal-fired plant of SEL; KE supports competitive bidding - Neutral

The K-Electric has supported competitive bidding of 300 MW Thar coal-fired power plant of Siddiqsons Energy Limited (SEL). A couple of months ago Private Power and Infrastructure Board (PPIB) constituted a seven-member special technical committee to take a global view to ascertain whether the government of Pakistan.. [see more...](#)

Nestlé powers Rs2bn renewable energy investment in Pakistan - Positive

Nestlé reaffirms its commitment to Pakistan's vision for renewable energy with investment of Rs 2 billion in renewable power and sustainability initiatives. In a first, Nestlé Pakistan inaugurated a 2.5 megawatt solar power plant completed with an investment of Rs 480 million at its Kabirwala Factory that aims to reduce 1,800 tCO₂e of.. [see more...](#)

DISCLAIMER

This report has been prepared by Abbasi & Company (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Abbasi & Company (Private) Limited and or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Abbasi & Company (Private) Limited accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Abbasi & Company (Private) Limited Research Department and do not necessarily reflect those of the company or its directors. Abbasi & Company (Private) Limited as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. Abbasi & Company (Private) Limited does not act as a market maker in the securities of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives do not have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company at the time of issuance of this report. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives are not currently serving or have served in the past three years as a director or officer of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives have not received compensation from the subject company in the previous 12 months. The subject company currently is not, or during the 12-month period preceding the date of publication or distribution of this report, was not, a client of Abbasi & Company (Private) Limited. We have not managed or co-managed a public offering or any take-over, buyback or delisting offer of securities for the subject company in the past 12 months and/or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company in the past 12 months. Abbasi & Company (Private) Limited does not expect to receive or intend to seek compensation for corporate advisory services or underwriting services from the subject company in the next 3 months

All rights reserved by Abbasi & Company (Private) Limited. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Abbasi & Company (Private) Limited. Action could be taken for unauthorized reproduction, distribution or publication

VALIDITY OF THE PUBLICATION OR REPORT

The information in this publication or report is, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report. The information may be subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the company, jurisdiction or financial instruments referred to in this report. The valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report and were based upon several estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein is not to be relied upon as a representation and/or warranty by Abbasi & Company (Private) Limited and/or its other associated and affiliated companies, that:

- I. Such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- II. There is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein

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

VALUATION METHODOLOGY

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

RATINGS CRITERIA

Abbasi & Company (Private) Limited employs a three-tier ratings system to rate a stock and sector, as mentioned below, which is based upon the level of expected return for a specific stock and outlook of sector. The rating is based on the following with stated time horizon

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.

RESEARCH DISSEMINATION POLICY

Abbasi & Company (Private) Limited endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc. Nevertheless, all clients may not receive the material at the same time

OTHER DISCLOSURES

The research analyst is primarily involved in the preparation of this report, certifies that:

- I. The views expressed in this report accurately reflect his/her personal views about the subject company/stock /sector and economy
- II. No part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report

The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

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