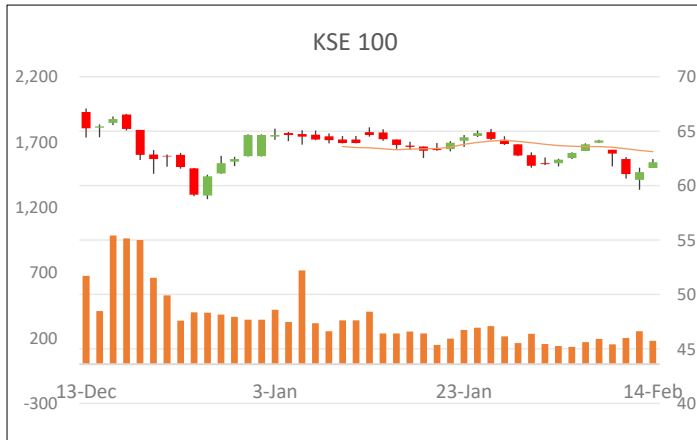


# MORNING GLANCE



62,153	▲ 926	▲ 1.51%
179 mn	YTD -3.88%	1 Year 50.4%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,840.05	96.80	0.45% ▲
DSE 30	2,171.53	5.60	0.26% ▲
SHANGHAI	2,865.90	36.21	1.28% ▲
Hang Seng	16,002.00	122.62	0.77% ▲
Nikkei 225	38,040.00	336.68	0.89% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,568.40	56.12	0.75% ▲
DAX 30	16,945.48	64.65	0.38% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,424.27	151.52	0.40% ▲
S&P 500	5,000.62	47.45	0.96% ▲
NASDAQ	17,807.63	207.21	1.18% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,003.85	0.45	0.02% ▼
Oil-WTI (bbl)	76.22	0.42	0.55% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.32	0.01	0.00% ▲
EURO/PKR	298.91	1.97	0.65% ▼
GBP/PKR	350.46	2.9	0.82% ▼
AED/PKR	76.05	-	-

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

## Market Outlook

The stock market on Wednesday remained positive throughout the day and concluded the session in the green zone amid positive sentiment driven by some clarity on the political front. The Benchmark KSE-100 index made an intra-day high and low at 62,432.25 (1,205.33 points) and 61,635.61 (408.69 points) respectively while closed at 62,153.84 by gaining 926.92 points. Trading volume decreased to 179mn shares as compared to 253mn shares on the previous trading day. Going forward, we expect the market to remain positive as some clarification with regards to formation of new government. The resistance for the index resides at 62,700. Breaking this level would further push the index towards 63,000. Contrarily, the support for the index resides at 61,700.

## Key News

### International

#### Asian Stocks Rally as Tech Earnings Power Gains

Equities in Asia opened higher Thursday after Wall Street resumed a rally as robust earnings helped overcome worries about persistent inflation. Shares in Australia and Japan advanced while those in South Korea fluctuated. Taiwan stocks reached an intraday record high in their first trading day since Feb. 5, boosted [see more...](#)

#### Oil Extends Drop as Surge in US Crude Inventories Clouds Outlook

Oil fell for a second day after data showed US crude inventories rose by the most since November, keeping benchmarks in this year's narrow range. Brent crude declined toward \$81 a barrel after dropping 1.4% on Wednesday, while West Texas Intermediate approached \$76. Nationwide stockpiles expanded [see more...](#)

### Politics

#### Fazlur Rehman rejects 'rigged' poll results, invites PML-N to join JUI-F on opposition benches

JUI-F chief Maulana Fazlur Rehman on Wednesday rejected the "rigged" results of the 12th general elections held on Feb 8, and invited PML-N supremo Nawaz Sharif to join his party on the opposition benches instead of forming the government. According to the Election Commission of Pakistan (ECP), JUI-F falls under [see more...](#)

### Economy

#### Moody's speaks of elevated political uncertainty – Neutral

Political uncertainty persists in Pakistan following inconclusive election results, a credit negative, says Moody's Investors Services (Moody's). The rating agency in its latest report on Pakistan stated that overall, uncertainty around Pakistan's ability to quickly negotiate a new International Monetary Fund (IMF) programme after the current one expires [see more...](#)

## MORNING GLANCE

### Upcoming Govt Likely to Sign a New \$10 Billion Loan Program With IMF - Neutral

The Ministry of Finance is in talks with the International Monetary Fund (IMF) regarding obtaining a new three-year loan under its Extended Fund Facility Program. Sources told ProPakistani that there is a possibility of signing a big \$8-10 billion program with the IMF once the current one concludes on March 31st, 2024. According to sources, the Ministry of Finance is [see more...](#)

### Govt policies cause price hike in agro-sector: World Bank - Neutral

The World Bank, in a policy note on agriculture and food in Pakistan, has pointed out that inappropriate government policies and regulations that distort markets, inhibit competition, and discourage private investment, as well as limited and poorly implemented efforts for research, innovation and technology dissemination are the underlying causes of [see more...](#)

### Govt securities: federal govt borrows less than target - Neutral

The federal government on Wednesday borrowed less than the target through the sale of long-term government securities. The auction for sale of 3-, 5-, 10-, 15-, 20- and 30-year long term Pakistan Investment Bonds (PIBs) was held on February 14, 2024 with settlement date of Feb 15, 2024. Overall, the State Bank of Pakistan (SBP) received bids amounting to Rs 223 billion for sale of 3-, 5- and 10-year PIBs. No bid was received for 15-, 20- and [see more...](#)

### Hike in gas prices approved by ECC - Positive

The Economic Coordination Committee (ECC) of the Cabinet has approved an increase in gas prices effective from 1st February 2024 with recommendation of uniform gas price for fertiliser plants. Pakistan has committed to the International Monetary Fund (IMF) for notification of the December 2023 semi-annual gas tariff adjustment determination by February 15, 2024, and the ECC meeting presided over [see more...](#)

### Petrol, diesel prices likely to rise by up to Rs11/litre - Neutral

The prices of petrol and high-speed diesel (HSD) are estimated to go up by Rs4-11 per litre for the next fortnight (Feb 16) owing to higher international prices and import premiums, neutralising an impact of minor exchange rate gain. Informed sources said the prices of both major petroleum products — petrol and HSD — had increased in the international market over [see more...](#)

### Nepra irked by Discos' dismal performance - Neutral

The National Electric Power Regulatory Authority (Nepra) on Wednesday expressed serious disappointment at the working of power Distribution Companies (Discos) in which positive adjustment of Rs 3.28 per unit was sought to recover Rs 85 billion from consumers for second quarter of FY 2023-24. The Authority comprising of Chairman Nepra Waseem Mukhtar, Member (Technical) Sindh Rafique [see more...](#)

### High profits expected for banking sector on back of interest rate - Positive

With the interest rate still at a record high and no break in sight, commercial banks in the country are continuing to make bank off the back of government-backed securities. Take Bank Alfalah as an example. In their recently released financial results for the year 2023, Bank Alfalah revealed that they had achieved growth in the bottom line of more [see more...](#)

### 'Rising energy costs; APTMA says 50pc industry at high risk of closure - Negative

All Pakistan Textile Mills Association (APTMA) has again raised its voice against high electricity and gas tariffs and their implications on industry especially textile industry, cautioning that if urgent measures are not taken over 50 percent of industry will be at high risk of shutting down. In a letter to caretaker Minister for Power and Petroleum, [see more...](#)

### Symmetry Group secures three new clients, eyes Rs20m revenue boost - Positive

Symmetry Group Limited (PSX: SYM) has secured digital services contracts from three new customers that are expected to generate a revenue of Rs20 million in a year for the company. According to a notice disclosed by the company to PSX today, these new customers are English Biscuit Manufacturers (Pvt) Limited, JS Global [see more...](#)

### Govt shares in FWBL likely to be sold to UAE - Neutral

The government is likely to sell GoP shares in First Women Bank Limited (FWBL) to United Arab Emirates (UAE) either through Privatisation Commission or Inter-Governmental Commercial Transactions Act, 2022 and constitute a Negotiation Committee to approve price discovery mechanism and reference price, well [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

## 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

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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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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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