



64,661	▲ 2210	▲ 3.54%
340 mn	YTD 58.42%	1 Year 59.97%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,741.90	10.50	0.05% ▲
DSE 30	2,091.54	2.29	0.11% ▼
SHANGHAI	2,974.93	20.23	0.68% ▲
Hang Seng	17,047.39	3.86	0.02% ▲
Nikkei 225	33,464.17	75.45	0.23% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,733.24	10.50	0.14% ▲
DAX 30	16,751.64	50.09	0.30% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	37,689.54	20.56	0.05% ▼
S&P 500	4,769.83	13.52	0.28% ▼
NASDAQ	16,825.93	72.54	0.43% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,071.80	11.7	0.56% ▼
Oil-WTI (bbl)	71.33	0.44	0.61% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	281.86	0.07	0.02% ▼
EURO/PKR	311.50	1.98	0.63% ▼
GBP/PKR	358.60	2.81	0.78% ▼
AED/PKR	76.74	0.02	0.03% ▼

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

Market Outlook

The stock market on the first day of 2024 surged over 2,200 points and closed the session in the green zone amid fresh liquidity being injected as the market entered a new year coupled with expecting interest rates to decline in 2024. The Benchmark KSE-100 index made an intra-day high and low at 64,718.88 (2,267.84 points) and 62,672.96 (221.92 points) respectively while closed at 64,661.78 by gaining 2,210.74 points. Trading volume decreased to 340mn shares as compared to 379mn shares on the previous trading day. Going forward, we expect the market to remain positive ahead of the new year. The resistance for the index resides at 65,000. Breaking this level would further push the index towards 65,500. Contrarily, the support for the index resides at 64,000.

Key News

International

Asia markets start year mixed, China stocks open lower as factory activity slumps further

Asia-Pacific markets were mixed on the first trading day of the year, with China stocks dipping at the open after official data over the weekend highlighted a deepening contraction in its manufacturing sector. Official data showed China's manufacturing PMI contracted further in December 2023, in a sign that more policy support was likely [see more...](#)

Oil jumps 1% in New Year after U.S. forces repel Houthis in Red Sea

Oil prices jumped 1% on Tuesday, starting the New Year higher as a Red Sea naval clash focused attention on potential Middle East supply disruptions and expectations of Chinese economic stimulus boosted the demand outlook in the world's top crude importer. [see more...](#)

Politics

Upcoming general elections; ECP accepts 22,711 nomination papers, rejects 3,240

The Election Commission of Pakistan (ECP) has received as many as 25,951 applications for the upcoming general elections of the National Assembly (NA) and four provincial assemblies' constituencies, of which, 22,711 nomination papers have been accepted and 3,240 rejected. [see more...](#)

Economy

SBA: IMF set for first review on 11th – Positive

The International Monetary Fund (IMF) Executive Board is scheduled to consider the first review under Pakistan's current \$3 billion stand-by arrangement (SBA) on January 11, 2024. According to the Executive Board's calendar updated on the Fund's website, the Board would take "Pakistan - First Review Under the SBA" on its agenda on January [see more...](#)

MORNING GLANCE

ADB to fund climate-resilient housing projects – **Positive**

The Asian Development Bank will assist seven countries of Central and West Asia, including Pakistan, to enhance the role of the private sector in the delivery of inclusive, accessible, adequate, affordable and climate-resilient housing ecosystems that also champion the needs of disadvantaged population groups. Approving the regional technical assistance of \$500,000, the ADB says its team will explore private sector-based [see more...](#)

Dec CPI inflation jumps 29.7pc YoY – **Negative**

The Consumer Price Index (CPI) based inflation increased to 29.7 percent on a year-on-year basis in December 2023 as compared to an increase of 29.2 percent in the previous month and 24.5 percent in December 2022. The average CPI during the first half of the current fiscal year 2023-24 stood at 28.79 percent compared to 25.02 percent during the same period last fiscal year. On a month-on-month basis, it increased to 0.8 per cent in [see more...](#)

LPG price up by Rs1.57/kg for this month – **Neutral**

The caretaker government Monday increased the price of a domestic 11.8-kilogramme liquefied petroleum gas (LPG) cylinder by Rs18.52 for January 2024, as per a notification from the Oil and Gas Regulatory Authority (Ogra). The LPG prices have witnessed an increase of Rs1.57/kg, rising from Rs254.86/kg in December to Rs256.43/kg in January. In a statement, the regulator said: "The LPG [see more...](#)

Fuel oil exports jump 116pc in first half as domestic demand slumps – **Positive**

Pakistan exported a record amount of fuel oil in the first half of the current financial year, surpassing the total exports of the previous year, as domestic demand plunged due to a shift to cleaner energy sources, data from the oil sector showed on Monday. The country exported around 600,000 tonnes of fuel oil from July to December 2023, [see more...](#)

NTDC supports conversion of Lalpir, Pakgen to Thar coal – **Neutral**

National Transmission and Despatch Company (NTDC) has supported conversion of M/s Lalpir (LP) and Pakgen (PG) into Thar coal, saying that operating LP and PG would certainly improve voltage stability and increase short-circuit power in the Mepco region. In a letter to Managing Director, PPIB, Deputy Managing Director- System Operator (SO), Ali Zain Banatwala [see more...](#)

Turnover tax recovery; FBR launches drive against Discos – **Negative**

The Federal Board of Revenue (FBR) has launched an enforcement drive against power distribution companies (Discos) for recovery of "turnover tax" from the Discos. Under the Board's recovery drive against power distribution companies, the FBR has added federal government's subsidy granted to electricity consumers [see more...](#)

Solar IPPs; Hike in benchmark competitive tariff proposed – **Neutral**

Ministry of Planning, Development and Special Initiatives (M/o PD&SI) has proposed increase in benchmark competitive tariff of solar IPPs to Cents 5/kWh from Cents 3.4108/kWh determined by Nepra to replace costlier thermal power through large scale solar IPPs, well informed sources told Business Recorder. [see more...](#)

0.2MMTs of urea being imported for buffer stock, PM told – **Positive**

Caretaker Prime Minister Anwaar ul Haq Kakar was informed that 0.2 million metric tonnes of urea is being imported for buffer stock. While presiding over a meeting regarding the availability of urea fertiliser in the country, Kakar directed that legal action should be taken against the elements involved in the hoarding of fertiliser and illegal profiteering. [see more...](#)

Assets of Islamic Banks Surge to Over Rs. 8 Trillion – **Positive**

The Islamic banking industry (IBI) continues its momentum in its acceptability and penetration, reflecting tremendous growth in asset value and deposits, which surged to over Rs. 8 trillion and Rs. 6 trillion by the end of September 2023. According to the Islamic Banking Bulletin released by the State Bank of Pakistan (SBP), the assets of the Islamic Banking Industry (IBI) grew to Rs. 8.417 trillion by [see more...](#)

TOMCL exports heat-treated beef to China – **Positive**

The Organic Meat Company Limited (TOMCL) said on Monday it had become the first company in South Asia to export heat-treated frozen beef meat products to China, the world's largest meat importer. We are pleased to inform that TOMCL now stands as the first company from South Asia to have successfully exported cooked/heat treated frozen beef meat products to the Peoples' Republic of China [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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To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

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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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