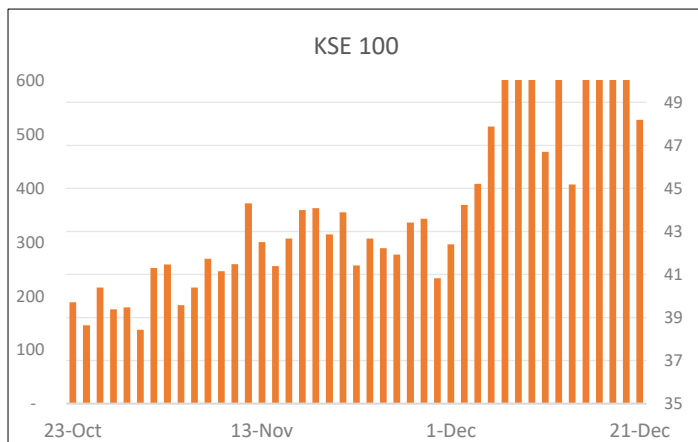


MORNING GLANCE



| | | |
|--------|-----------|---------------|
| 62,693 | ▲ 245 | ▲ 0.39% |
| 527 mn | YTD 53.6% | 1 Year 57.37% |

| ASIA | Value | Pts | Chg. (%) |
|------------|-----------|--------|----------|
| NIFTY 50 | 21,255.05 | 104.90 | 0.50% ▲ |
| DSE 30 | 2,099.45 | 0.24 | 0.01% ▲ |
| SHANGHAI | 2,931.12 | 12.40 | 0.42% ▲ |
| Hang Seng | 16,831.00 | 210.00 | 1.26% ▲ |
| Nikkei 225 | 33,242.50 | 102.03 | 0.31% ▲ |

| EUROPE | Value | Pts | Chg. (%) |
|----------|-----------|-------|----------|
| FTSE 100 | 7,694.73 | 20.95 | 0.27% ▼ |
| DAX 30 | 16,687.42 | 45.63 | 0.27% ▼ |

| USA | Value | Pts | Chg. (%) |
|-----------|-----------|--------|----------|
| DOW JONES | 37,404.35 | 322.35 | 0.87% ▲ |
| S&P 500 | 4,746.75 | 48.40 | 1.03% ▲ |
| NASDAQ | 16,757.41 | 203.25 | 1.23% ▲ |

| Commodities | Value | Chg. | Chg. (%) |
|---------------|----------|-------|----------|
| Gold (t oz.) | 2,062.05 | 10.75 | 0.52% ▲ |
| Oil-WTI (bbl) | 74.61 | 0.72 | 0.97% ▲ |

| Currencies | Value | Chg. | Chg. (%) |
|------------|--------|------|----------|
| USD/PKR | 282.79 | 0.11 | 0.04% ▼ |
| EURO/PKR | 309.57 | 0.69 | 0.22% ▼ |
| GBP/PKR | 357.41 | 0.8 | 0.22% ▼ |
| AED/PKR | 77.00 | 0.03 | 0.04% ▼ |

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

Market Outlook

The stock market on Thursday opened on a negative note. However, later on, it recovered all of its intra-day losses and concluded in the green zone as this volatility was driven by the investors squaring their future positions coupled with selling from mutual funds to book profits. The Benchmark KSE-100 index made an intra-day high and low at 62,850.09 (402 points) and 61,750.97 (-697 points) respectively while closed at 62,693.56 by gaining 245 points. Trading volume decreased to 527mn shares as compared to 663mn shares on the previous trading day. Going forward, we expect some short-term recovery in the market. The Resistance for the index resides at 63,000 Breaking this level would push the index towards 63,700. Contrarily, the support for the index resides at 62,000.

Key News

International

Asian stocks tread water with US inflation data in focus

Most Asian stocks moved in a tight range on Friday as a stellar rally on the back of a dovish Federal Reserve now appeared to be cooling, with focus turning to key U.S. inflation readings due later in the day. Regional stocks took mixed cues from a volatile overnight session on Wall Street, as steep early losses gave way to [see more...](#)

Oil prices rise past Angola's OPEC exit; Red Sea tensions bring weekly gain

Oil prices rose on Friday as markets looked past Angola's exit from the Organization of Petroleum Exporting Countries, given that the country accounted for only a small portion of overall output by the cartel. Crude prices were set for a positive weekly finish, buoyed by the prospect of supply shortages due to disruptions to shipping in the Red [see more...](#)

Politics

Candidates race to file nomination papers as deadline approaches

Several candidates, both backed by political parties and the independent ones, submitted their nomination papers on Thursday for the coming general elections, scheduled for Feb 8. The process to receive and submit nomination papers, which began on Wednesday, gained momentum on Thursday after many [see more...](#)

Economy

SBP's reserves fall by \$136m – Negative

The total liquid foreign exchange reserves held by the State Bank of Pakistan (SBP) decreased by \$136 million to \$6.904 billion due to debt repayments during the week ended December 15, 2023. [see more...](#)

MORNING GLANCE

PRK: upward momentum – Positive

The Pakistani rupee maintained its momentum against the US dollar for the eighth consecutive session as it appreciated 0.04% in the inter-bank market on Thursday. As per the State Bank of Pakistan (SBP), the rupee settled at 282.79 after an increase of Re0.11. On Wednesday, the rupee had registered a marginal gain to settle at 282.9 against the US dollar. In a key development, the government raised a historic Rs397 [see more...](#)

Jul-Nov; Petroleum group imports witness 16.19pc negative growth – Positive

Petroleum group imports witnessed a negative growth of 16.19 per cent during the first five months (July-November) of the current fiscal year and stood at \$6.453 billion when compared to \$7.7 billion during the same period of last fiscal year, Pakistan Bureau of Statistics (PBS) said. The data of exports and imports released by PBS revealed that petroleum group [see more...](#)

CENERGY's board greenlights restructuring for company, 6 subsidiaries – Positive

The Board of Directors (BoD) of Cenergyico PK Limited (PSX: CENERGY) has approved the draft Scheme of Arrangement for the corporate reorganization and restructuring of the company and its six wholly-owned subsidiaries, as revealed in the company's filing on the local bourse today. These subsidiaries include; Bosicorco ORB 1 (Private) Limited, Bosicorco ORB 2 [see more...](#)

KE consumers to pay additional up to Rs9.05 per unit – Neutral

The new year will further burden Karachiites with a huge hike in electricity tariff, as the consumers of the K-Electric will pay an additional up to Rs 9.05 per unit during the first quarter (January to March) of calendar year 2024 on account of various quarterly adjustments and a surcharge. The hike includes Rs 6.15 per unit on account of four quarterly adjustments, and a surcharge of Rs 1.52 per unit, taking the total burden to Rs 7.67 per [see more...](#)

Telecard shareholders approve sale of 81.18% stake in Supernet to Hallmark – Positive

The shareholders of Telecard Limited (PSX: TELE) have approved to enter into a Share Purchase Agreement with Hallmark Company Limited for the sale and transfer of Telecard's entire shareholding in Supernet Limited, the company's filing on PSX showed today. It consists of 100.217 million shares constituting approximately 81.18% of the issued and paid-up capital of [see more...](#)

IT exports hit 12-month high in November on easing of forex rules – Positive

Pakistan's information technology (IT) exports rose by nine percent month-on-month to \$259 million in November 2023, the highest level in the past 12 months, a brokerage house reported on Thursday. The increase was mainly driven by a relaxation in the permissible retention limit by the State Bank of Pakistan (SBP), which allowed IT exporters [see more...](#)

Textile group; Jul-Nov exports decline 6.5pc to \$6.88bn YoY – Negative

The country's textile group exports declined by around 6.50 percent during the first five months (July-November) of the current fiscal year and stood at \$6.883 billion compared to \$7.361 billion during the same period of 2022-23, Pakistan Bureau of Statistics (PBS) said. The country's overall exports during July-November fiscal year [see more...](#)

SHC suspends gas tariff hike notification for textile industry – Neutral

Sindh High Court (SHC) on Thursday suspended the gas tariff hike notification for the textile industry. The Oil and Gas Regulatory Authority (OGRA) issued a notification for the raise in gas tariff for the textile industry. The SHC order granted relief to the plaintiffs (textile manufacturers) by temporarily suspending the implementation [see more...](#)

Country incurring \$1.5m monthly loss in meat exports to UAE – Negative

Pakistan is reportedly bearing a loss of \$1.5 million per month due to non-inclusion of actual freight charges in export of meat to the United Arab Emirates (UAE). Sources said that the issue has been raised by the Customs Intelligence, Karachi, with the relevant customs authorities. The intelligence agency has written a letter to the Collectors [see more...](#)

Dr Shamshad launches Export-Import Bank of Pakistan – Neutral

Caretaker Minister for Finance Dr Shamshad Akhtar on Thursday inaugurated Export-Import Bank of Pakistan aimed at strengthening external trade, attracting investments, and fostering broader economic growth in the country. "EXIM's operationalization is a proud moment and a major milestone for us today. It will augment the [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:

- 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 |

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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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