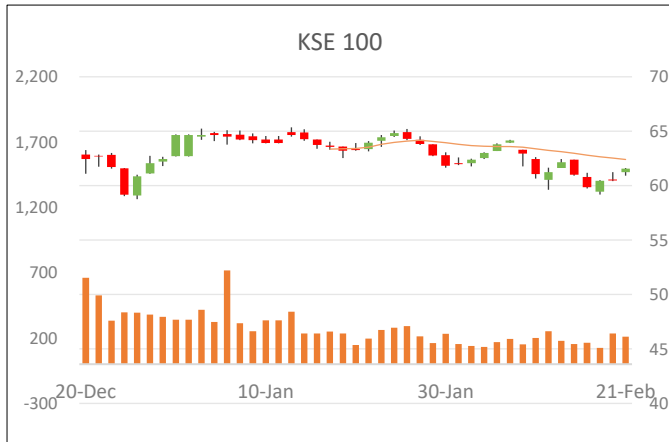


# MORNING GLANCE



61,559	▲ 1095	▲ 1.81%
211 mn	YTD -4.8%	1 Year 49.53%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	22,081.55	26.50	0.12% ▲
DSE 30	2,132.12	0.84	0.04% ▲
SHANGHAI	2,965.48	14.52	0.49% ▲
Hang Seng	16,530.00	26.90	0.16% ▲
Nikkei 225	39,011.00	711.00	1.86% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,662.51	56.7	0.73% ▼
DAX 30	17,118.12	49.69	0.29% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,612.24	48.44	0.13% ▲
S&P 500	4,981.80	6.29	0.13% ▲
NASDAQ	17,478.91	67.19	0.38% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,036.45	2.15	0.11% ▲
Oil-WTI (bbl)	78.06	0.15	0.19% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.50	0.07	0.03% ▼
EURO/PKR	302.07	0.82	0.27% ▲
GBP/PKR	352.69	0.75	0.21% ▲
AED/PKR	76.10	0.02	0.03% ▼

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

## Market Outlook

The stock market on Wednesday remained bullish throughout the day and concluded the session in the green zone as consensus between PML-N and PPP regarding formation of government has driven positive sentiment. The Benchmark KSE-100 index made an intra-day high and low at 61,620.85 (1,156.61 points) and 60,906.97 (442.73 points) respectively while closed at 61,559.15 by gaining 1,094.91 points. Trading volume decreased to 211mn shares as compared to 235mn shares on the previous trading day. Going forward, we expect the market to remain positive as the uncertainty regarding formation of new government starts to deminish. An unconfirmed breakout of the bearish trendline is currently apparent, and today's market movement holds crucial significance in determining the future path of the market. If price closes above the current resistance of 62,400 then market will be aiming 63,800 initially. Moreover, the support for the index resides at 59,000.

## Key News

### International

#### Asian stocks mixed after Tech stocks pull Wall Street lower with focus on Nvidia

Asian stocks were mixed Wednesday after technology stocks led Wall Street broadly lower on Tuesday, with investors waiting for chipmaker Nvidia's quarter earning report. The report, which will come out later in the day, will put stock markets in Hong Kong, China and Taiwan on [see more...](#)

#### Oil edges higher, holding to gains made on signs of tighter supply

Oil prices rose slightly on Thursday, holding to gains from the previous session that came amid signs of tighter supply. U.S. West Texas Intermediate crude futures (WTI) rose 17 cents to \$78.08 a barrel for the prompt month. The May contract gained 14 cents to \$77.45 a [see more...](#)

### Politics

#### GDA, PTI, JI to start joint drive against 'rigged' elections

The Grand Democratic Alliance (GDA), the Pakistan Tehreek-e-Insaf (PTI) and the Jamaat-e-Islami will launch a joint campaign against the "rigged" 2024 general elections, GDA Information Secretary Sardar Abdul Rahim announced on Wednesday. Rahim made the announcement following a meeting between GDA Sindh Chief Coordinator [see more...](#)

### Economy

#### Sovereign dollar bonds jump on political clarity – Neutral

Pakistan's sovereign dollar bonds jumped on Wednesday after two major political parties said late on Tuesday they had reached an agreement to form a coalition government. The country's international bonds maturing in 2031 [see more...](#)

## MORNING GLANCE

### T-bill yields surge as rate cut hopes fade – Neutral

The cut-off yield on the three-month T-bill was 126 basis points (bps) higher at 20.6998 percent. The six-month yield ended at 20.3952 percent, unchanged from the previous auction. The yield on the 12-month paper increased by 25 bps to 20.3290 percent. Through the sale of T-bills, the government raised Rs361 billion, a little more than its original [see more...](#)

### National Savings Schemes see third rate cut in two months – Neutral

The Central Directorate of National Savings (CDNS) has announced another downward revision of the rates of return on most of its National Savings Schemes, effective from February 21, 2024. This is the third such cut in the last two months, following the trend of declining inflation and interest rates in the country. According to the CDNS notification, rates of Special Savings [see more...](#)

### Ministry points out key risks to Pak economy – Neutral

The Ministry of Finance has highlighted eight key fiscal risks that can increase vulnerabilities of Pakistan's economy, including macroeconomic imbalances, rising debt, guarantees, climate degradation, State Owned Enterprises (SOEs) losses, public-private partnership risks, provincial government's fiscal indiscipline and governance challenges. In Fiscal Risk Statement (FRS) for 2023-24 released by the Ministry of [see more...](#)

### 44pc Pakistanis worried about their financial situation: Gallup Pakistan – Neutral

The majority of Pakistani people have expressed concern about their financial situation and said that they have become more financially weak compared to ten years ago. Participants from all over the country, this survey was conducted between 03 and 18 January 2024. In the survey, 44 percent of Pakistanis said that they are financially weaker than ten years ago, [see more...](#)

### Govt okays RLNG supply to new domestic consumers – Neutral

The outgoing caretaker regime has approved the policy to provide RLNG to new domestic consumers and private housing societies, keeping in view the dwindling local natural gas production which has tumbled to 3.2 billion cubic feet per day (bcfd). The Apex Committee of Special Investment Facilitation Council (SIFC) in its 9th meeting, to this effect, has also given the [see more...](#)

### MoF refuses to release Rs70bn KE TDS due to non-reconciliation – Negative

Ministry of Finance (MoF) has reportedly refused to release Rs70 billion K-Electric Tariff Differential Areas (TDS) due to non-reconciliation. According to Finance Ministry, it agreed on the 3rd quarter requirements plan for 2023-24 as per following details: Agriculture Tube Wells (ATWS) [see more...](#)

### Pak to furnish electricity tariff details, cross subsidy reduction plan for next FY to IMF – Neutral

Pakistan will furnish details of electricity tariff, cross subsidy by industrial sector and its reduction plan for the sector during the next financial year (2024-25) to IMF by tomorrow (Friday). The industrial consumers are currently burdened with additional Rs473 billion annually on account of cross subsidy, which has resulted in the hike [see more...](#)

### Hike in prices of 146 essential drugs notified – Positive

The caretaker government on Wednesday notified an increase in prices of 146 essential drugs in line with the federal cabinet's decision of February 1, 2024. A notification issued here by the Ministry of National Health Services and Regulations said, "In exercise of the powers conferred by section 36 of the Drug Act 1976, the federal government, being of the opinion that the public interest [see more...](#)

### Exports of Pakistani food items to cross \$7bn mark by year-end, says Motiwala – Positive

Chief Executive, Trade Development Authority of Pakistan (TDAP) Muhammad Zubair Motiwala visited Pakistan Pavilion at the ongoing Gulf Food Exhibition, Dubai Trade Centre. Applauding their efforts to help in promoting exports, the Chief Executive interacted with exhibitors during his visit to various stalls showcasing Pakistani products. [see more...](#)

### CCP clears 'Fauji Cereals Business' acquisition by Fauji Foods – Positive

The Competition Commission of Pakistan (CCP) has approved the acquisition of M/s Fauji Foundation's Fauji Cereals Business by M/s Fauji Foods Limited. The Fauji Foundation, established as a charitable trust for the welfare of ex-servicemen and their families, [see more...](#)

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<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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