

MORNING GLANCE



42,880

















▼ -48

▼ -0.11%

57 mn

YTD -3.85%

1 Year -4.6%

ASIA		Value	Pts	Chg. (%)
	NIFTY 50	18,267.25	23.05	0.13% ▲
	DSE 30	2,199.91	8.25	0.38% ▲
	SHANGHAI	3,099.41	2.50	0.08% ▲
	Hang Seng	17,646.50	122.69	0.70% ▲
	Nikkei 225	28,462.50	346.76	1.23% ▲
EUROPE		Value	Pts	Chg. (%)
	FTSE 100	7,465.24	12.40	0.17% ▲
	DAX 30	14,427.59	5.24	0.04% ▲
USA		Value	Pts	Chg. (%)
	DOW JONES	34,194.06	95.96	0.28% ▲
	S&P 500	4,027.26	23.68	0.59% ▲
	NASDAQ	11,838.71	113.88	0.97% ▲
Commodities		Value	Chg.	Chg. (%)
	Gold (t oz.)	1,755.70	10.10	0.58% ▲
	Oil-WTI (bbl)	77.77	0.17	0.22% ▼
Currencies		Value	Chg.	Chg. (%)
	USD/PKR	223.75	0.25	0.11% ▲
	EURO/PKR	231.00	1.80	0.79% ▲
	GBP/PKR	265.91	1.16	0.44% ▲
	AED/PKR	60.88	0.07	0.12% ▲

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

Market Outlook

KSE-100 on Wednesday remained volatile throughout the day and managed to close flat amid the macroeconomic uncertainties prevailing in the country. The index made an intra-day high and low at 43,041 (112 points) and 42,790 (-138 points) respectively while closed at 42,880 by losing 48 points. Trading volume has decreased to 57mn shares as compared to 82mn shares on the previous trading day. Going forward, we expect the market to remain volatile as it has closed a bit below its 200 DMA. The resistance of the index resides at 42,890 (200 DMA). Breaking this level would further push the index towards 43,800. Contrarily, the support for the index resides at 42,500.

Key News

International

Asian shares higher on signs of U.S. Fed slowdown, China stimulus

Asian shares tracked Wall Street higher on Thursday, buoyed by signals the U.S. Federal Reserve may slow the pace of interest rate hikes and news of fresh economic stimulus from China, with the dollar failing to recoup losses. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.8% in early trade, boosted by a 0.6% gain in South Korean shares, a [see more...](#)

Oil down almost 4% as 'generous' Russia price cap snuffs OPEC cut speculation

A lost opportunity for the West to add to Vladimir Putin's ire and financial pain is turning out to be a win for oil market bears and European energy consumers. Crude prices tumbled 4% on reports that the Group of Seven nations, or G7, was looking at imposing a much-higher-than-thought range of \$65-\$70 a barrel as a cap for the selling price of Russian [see more...](#)

Politics

LHC full bench to hear pleas over Imran's disqualification

Lahore High Court Chief Justice Muhammad Ameer Bhatti has constituted a full bench to decide two identical petitions concerning PTI Chairman Imran Khan's disqualification by the Election Commission of Pakistan (ECP). Justice Bhatti will himself head the three-judge bench with Justice Abid Aziz Sheikh and Justice Sajid Mahmood Sethi as its members. The full bench will hear the pleas on the availability of [see more...](#)

Economy

MPS: uncertainty reigns - Negative

The monetary policy committee meeting is due tomorrow. Most analysts expect no change in the policy rate, which is currently at 15 percent. Macroeconomic indicators are not shaping well. External account vulnerabilities are growing as forex reserves are falling with not much inflow in sight. The IMF review is in limbo. Inflation is high and is expected to exceed SBP's initial forecast of 18-20 percent. [see more...](#)

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Flood recovery plan critical to supporting discussions: IMF - Negative

Pakistan's timely finalisation of the flood recovery plan is essential to support the discussions, along with continuing financial support from multilateral and bilateral partners, says the International Monetary Fund (IMF). IMF Resident Representative in Pakistan Esther Perez Ruiz in a message told Business Recorder that IMF staff continue discussions with the Pakistani [see more...](#)

Pakistan's five-year CDS falls sharply as nerves subside - Neutral

The cost of insuring the bonds of Pakistan's sovereign debt fell sharply on Wednesday from the previous day's close as some political concerns subsided after the prime minister's office received a list of six senior generals to appoint army chief. Along with the deteriorating economic fundamentals, the country's political instability forced the foreign debt markets to see its bonds as risky and politically unstable sovereigns for [see more...](#)

Reko Diq: Matters pertaining to investment disputes should be settled outside courts, says Supreme Court - Neutral

The Supreme Court on Wednesday observed that matters pertaining to investment disputes should be settled and resolved outside courts instead of bringing it to them. A five-member larger bench of the apex court, headed by Chief Justice Umer Ata Bandial and comprising Justice Ijazul Ahsen, Justice Muneeb Akhtar, Justice Yahya Afridi and Justice Jamal Khan Mandokel, [see more...](#)

OMCs' HSD premium: ECC directs PD to develop certification mechanism - Neutral

The Economic Coordination Committee (ECC) of the Cabinet has directed the Petroleum Division to develop a mechanism for certifying the premium of OMCs on imported HSD, official sources told Business Recorder. On November 18, 2022, the Petroleum Division informed the forum that the ECC while considering its summary titled, 'High Speed Diesel (HSD)/gas oil premium' [see more...](#)

Rs965bn revenue collection target set for Dec - Neutral

The revenue collection target of the Federal Board of Revenue (FBR) for December 2022 has been fixed at Rs965 billion requiring enormous growth of 61 percent in the last month of the second quarter of 2022-23. According to the FBR's month-wise tax projections for 2022-23, extraordinary growth of 61 percent would be required in revenue collection during December 2022 in case the FBR meets the tax projection of Rs537 billion in [see more...](#)

Govt reluctant to allow sugar export on low stocks, flood effect - Neutral

Government refused to grant sugar industry the permission to export the commodity in view of the low stocks, especially because it anticipates lower sugarcane production in the aftermath of the devastating floods. The industry, however, has been adamant about sufficient stocks of sugar, and has been seeking out the government so it could get [see more...](#)

CPHGC serves notice to Hubco for encashment of \$150mn Standby LC - Neutral

The China Power Hub Generation Company Limited (CPHGC) served a notice to HUB Power Company Limited (Hubco) for the encashment of a Standby Letter of Credit (Standby LC) worth \$150 million on Wednesday. CPHGC is a joint venture of China Power International Holdings Ltd (CPIH) and Hubco. The development was shared by Hubco in a statement [see more...](#)

Payment for imported coal: HSR approaches PD for early forex approval - Neutral

Chinese company M/s Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited (HSR) has approached Power Division for timely approval of foreign exchange payments for coal purchase. In a letter to Secretary Power, HSR's CEO has referred to his previous correspondence wherein the company sought permission/ approval of the SBP for [see more...](#)

Despite early promises, govt fails to restart 20 power plants of 5000MW - Negative

Eight months into power, the federal government has been unable to make any headway in restarting 20 power plants that have been out of commission due to non-availability of fuel, technical faults, and licence related issues. The 20 power plants, which have the capacity to produce 5000MW of energy, have been closed since before the Sharif [see more...](#)

Taxes on power bills range between 40-58pc, Senate panel told - Negative

The Senate Standing Committee on Finance and Revenues was informed on Wednesday that the effective rate of taxation on electricity bills ranged between 40 and 58 per cent per unit on commercial connections and 29 per cent on domestic consumers. The committee held its meeting under Senator Saleem Mandviwalla here at the Parliament [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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