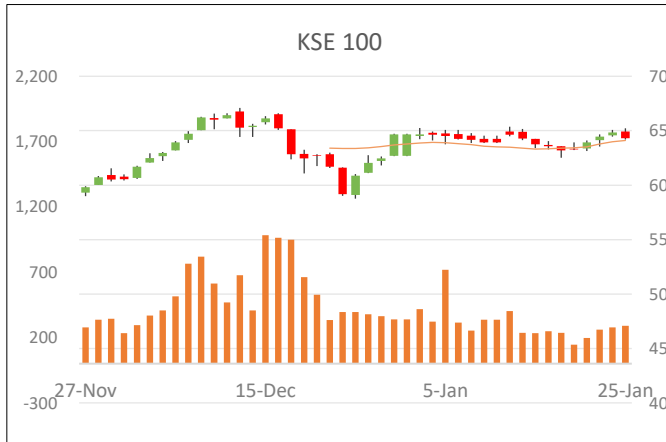


MORNING GLANCE



64,298	▼ -524	▼ -0.81%
291 mn	YTD -0.56%	1 Year 57.41%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,352.60	101.35	0.47% ▼
DSE 30	2,139.13	19.07	0.88% ▼
SHANGHAI	2,895.14	10.97	0.38% ▼
Hang Seng	16,085.00	126.96	0.78% ▼
Nikkei 225	35,780.00	456.47	1.26% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,529.73	2.06	0.03% ▲
DAX 30	16,906.92	17.00	0.10% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,049.13	242.74	0.64% ▲
S&P 500	4,894.16	25.61	0.53% ▲
NASDAQ	17,516.99	17.69	0.10% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,022.15	4.35	0.22% ▲
Oil-WTI (bbl)	77.00	0.36	0.47% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.67	-	-
EURO/PKR	304.48	0.28	0.09% ▲
GBP/PKR	355.82	0.19	0.05% ▲
AED/PKR	76.14	0.07	0.09% ▼

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

Market Outlook

The stock market on Thursday remained underpressure in majority part of the day and concluded the session in the red zone amid investors got spooked by rumors and unconfirmed reports related to circular debt. The Benchmark KSE-100 index made an intra-day high and low at 65,213.61 (391.18 points) and 64,180.44 (641.99points) respectively while closed at 64,298.00 by losing 524.43 points. Trading volume increased to 291mn shares as compared to 278mn shares on the previous trading day. Going forward, we expect the market to be positive amid KIBOR hits one-year bottom as market anticipates rate cuts. The resistance for the index resides at 65,000, if it breaks above this level then it will be targeting 66,000. Meanwhile the support for the index resides at 63,700.

Key News

International

Asian Stocks Drop After Six-Day Streak of Gains: Markets Wrap

Asian shares fell Friday morning, as optimism over China rescue measures fades and investors parse weak results from Intel Corp. Shares in mainland China and Hong Kong fell after the biggest three-day rally in Hong Kong and China equities since 2022, on bets the latest efforts from [see more...](#)

Oil jumps, settles up 3% on strong US economy, Red Sea tensions

Oil prices gained about 3% on Thursday to settle at their highest since December after U.S. economic data showed faster-than-expected growth in the last quarter and as tensions in the Red Sea kept disrupting global trade. Brent crude futures settled up \$2.39, or 2.99%, to [see more...](#)

Politics

All elections held from 1947 to-date stolen: Shahid Khaqan

Former prime minister Shahid Khaqan Abbasi has said that all the elections from 1947 to-date have been stolen. While declaring the three major political parties of the country as failed parties, he said these parties have no solution to the problems of people. "Election is a sacred process and the country. [see more...](#)

Economy

Pakistan to boost state insurer's capital to meet UAE rules – Neutral

The government has decided to raise the paid-up capital of its state-owned life insurance company by Rs1.2 billion to avoid financial penalties from the United Arab Emirates (UAE), sources said on Thursday. The move is aimed at meeting a regulatory requirement of the UAE, [see more...](#)

MORNING GLANCE

SBP reserves increase \$243mn to reach over 6-month high of \$8.27bn – Positive

Total liquid foreign reserves held by the country stood at \$13.34 billion. Net foreign reserves held by commercial banks stood at \$5.07 billion. The SBP attributed the increase in the reserves to an inflow from the International Monetary Fund (IMF). “During the week ended on 19-Jan-2024, SBP received IMF tranche under SBA and executed government’s external debt [see more...](#)

KIBOR hits one-year bottom as market anticipates rate cuts – Positive

The six-month Karachi interbank offered rate (KIBOR), a benchmark for lending and borrowing in Pakistan, fell to its lowest level in a year on Thursday, following an unexpected drop in treasury bill yields at an auction the previous day. The KIBOR, which reflects the cost of funds in the interbank market, eased to 20.62 percent from 20.82 percent. It. [see more...](#)

NEC meeting becomes controversial even before its convening – Neutral

The meeting of the National Economic Council (NEC) has become controversial even before its convening due to the reservations of three provinces. The governments of Sindh, Balochistan and Khyber Pakhtunkhwa have opposed the halting of provincial projects and also refused to continue them on their own. Sources said that the three provinces have. [see more...](#)

Rupee holds firm as inflows offset import demand - Neutral

The rupee was steady against the dollar on Thursday, as a balance of supply and demand for the greenback in the market offset the impact of a weaker open market rate. The rupee closed at 279.67 per dollar in the interbank market, the same level as Wednesday, according to the State Bank of Pakistan. However, the rupee lost some ground in the open market, where it was quoted at 280.94 for selling, down from 280.86 a day [see more...](#)

Cabinet body set to okay brownfield refinery policy with tweaks – Neutral

The Cabinet Committee on Energy (CCoE), scheduled to meet on Thursday, is all set to approve brownfield refinery policy for the up-gradation of local refineries with some material changes and inclusion of some vital clauses in the implementation agreements. Under the material changes, the upgradation.. [see more...](#)

PM urges Al-Jomaih Group to invest in alternative energy – Neutral

He stated this while talking to a four-member delegation of Saudi Arabia’s Al-Jomaih Group, led by Sheikh Abdul Aziz Hamad Al-Jomaih Head, which called on him. The Prime Minister’s Office said that Al-Jomaih Group has invested heavily in K-Electric. The delegation thanked the government for solving the long-standing problems. [see more...](#)

Pakistan to share circular debt plan with IMF today - Neutral

In a major development, Prime Minister Anwaar-ul-Haq Kakar has given the go-ahead to top mandarins of Finance and Energy ministries to submit the circular debt management plan (CDMP) with the IMF in Washington by 5:00 pm today (Friday). The SIFC also approved that the authorities must send the proposed circular debt management plan to the IMF.. [see more...](#)

CCoE meets today to negotiate with baggasse power plants - Neutral

The Cabinet Committee on Energy (CCoE) headed by caretaker Minister for Power and Petroleum Muhammad Ali scheduled to meet on Friday (today) will authorise Power Division to negotiate with baggasse power plants to resolve disputes, official sources told Business Recorder. Sharing the details, sources said, Power Division moved a [see more...](#)

13 out of 15 ‘important targets’ achieved: MoITT – Positive

Caretaker Federal Minister for Information Technology and Telecommunications Dr Umar Saif claimed that 13 out of 15 important targets have been achieved including an agreement where freelancers would receive their payments through PayPal for the promotion of the IT and Telecom sector in a short period of five months in the caretaker set-up. Addressing a Town Hall meeting [see more...](#)

Investment roadmap of PIACL – Neutral

The Caretaker Federal Minister for Privatisation, Fawad Hasan Fawad, chaired a meeting of the Privatisation Commission with Earnest & Young, the financial advisor for divestment of the PIACL. The financial advisor presented a business plan forecasting the investment roadmap of PIACL together with the immediate funding requirements of the airline. [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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- 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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