



40,155	▲ 486	▲ 1.22%
85 mn	YTD -9.96%	1 Year -8.98%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,014.60	207.80	1.17% ▲
DSE 30	2,194.51	1.48	0.07% ▲
SHANGHAI	3,083.39	17.82	0.58% ▲
Hang Seng	19,593.06	86.16	0.44% ▼
Nikkei 225	26,521.50	286.25	1.09% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,473.01	3.73	0.05% ▲
DAX 30	13,940.93	26.86	0.19% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,203.93	176.44	0.53% ▲
S&P 500	3,844.82	22.43	0.59% ▲
NASDAQ	10,985.45	29.30	0.27% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,813.65	9.45	0.52% ▲
Oil-WTI (bbl)	80.38	0.82	1.03% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	226.20	0.30	0.13% ▲
EURO/PKR	240.36	0.90	0.38% ▲
GBP/PKR	273.06	1.38	0.51% ▲
AED/PKR	61.55	0.09	0.15% ▲

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

Market Outlook

KSE-100 on Monday remained positive throughout the day and concluded the session in the green zone amid a rise in energy stocks as the market reacted positively to the development of the government's intention to reduce the circular debt of the gas sector by 70%. The index made an intra-day high and low at 40,367 (698 points) and 39,669 (0 points) respectively while closed at 40,155 by gaining 486 points. Trading volume has increased to 85mn shares as compared to 76mn shares on the previous trading day. Going forward, we expect the market to test its resistance at 40,600. Breaking this level would further push the index towards 41,000. Contrarily, the support for the index resides at 39,800.

Key News

International

Stocks advance, U.S. dollar retreats as China drops quarantine rule

Stock markets gained while the U.S. dollar softened on Tuesday after China said it would drop its quarantine requirements for inbound visitors, further easing three-year border controls aimed at curbing COVID-19. China will stop requiring inbound travellers to go into quarantine starting from Jan. 8, the National Health Commission said on [see more...](#)

Oil rises in thin trade on concerns over U.S. storm impact

Oil prices rose in light trade on Tuesday on concerns that winter storms across the United States are affecting logistics and production of petroleum products and shale oil. Brent crude was up 73 cents, or 0.9%, at \$84.65 a barrel by 0122 GMT, while U.S. West Texas Intermediate crude was at \$80.41 a barrel, up 85 cents, or 1.1%. On Friday, Brent rose [see more...](#)

Politics

Elahi returns on condition PA won't be dissolved

The Lahore High Court (LHC) on Friday suspended Punjab Governor Balighur Rehman's late-night order de-notifying the chief minister, restoring Chaudhry Parvez Elahi and his cabinet on the assurance that the provincial assembly will not be dissolved, at least until the next date of hearing — Jan 11. The ruling coalition at the Centre, led by the PML-N, [see more...](#)

Economy

SBP issues MPC meetings calendar - Neutral

The State Bank of Pakistan (SBP) on Monday issued an advance calendar of Monetary Policy Committee (MPC) meetings for the period between January and June 2023. The SBP has scheduled four meetings during the six-month period. The first meeting will be held on January 23 (Monday), 2023 while the second one will be held on March 16 (Thursday), 2023. The third meeting is scheduled to be held on [see more...](#)

MORNING GLANCE

PKR edges lower by 18 paisa against greenback - **Negative**

On the back of rising economic uncertainty, weak fundamentals, and political upheaval, the Pakistani rupee (PKR) remained under pressure as the currency lost 18 paisa against the US dollar in today's interbank session as the currency settled the trade at PKR 225.82 per USD compared to the previous closing of PKR 225.64 per USD. During the session, the rupee traded in a band of 10 paisa per USD showing an intraday high bid of 225.75 and low [see more...](#)

Russia says can send natural gas 'in long term' - **Neutral**

Russian Deputy Prime Minister Alexander Novak told state TASS news agency that in the long-term, Russia can send its natural gas to the markets of Afghanistan and Pakistan, either using the infrastructure of Central Asia, or in a swap from the territory of Iran. He also said that Moscow is ready to resume gas supplies to Europe through the Yamal-Europe Pipeline. "The European market remains relevant, as the gas shortage persists, and [see more...](#)

Cut in UfG targets in Interior Sindh, B'stan - **Neutral**

The Sui Southern Gas Company (SSGC) has yet to share the action plan with the Auditor General of Pakistan (AGP) on the reduction in the unaccounted for gas (UfG) targets in Interior Sindh and Balochistan. The UfG losses at the overall company level remained at around 17 percent, which was beyond allowable UfG benchmark of 7.6 percent by the Ogra which resulted in a huge loss of Rs105.6 billion. According to the audit, the gas [see more...](#)

Dar concerned at non-recovery of Rs447bn GIDC - **Neutral**

Finance Minister Ishaq Dar was informed on Monday that still there are Rs447 billion outstanding on account of Gas Infrastructure Development Cess (GIDC) that are to be recovered. The finance minister was informed this during a meeting on GIDC, presided over by him, which was attended by the Minister of State for Finance and Revenue Dr Aisha Ghaus Pasha, Minister of State for Petroleum Musadik Masood Malik, SAPM on Finance [see more...](#)

Inventory shortage: PSMCL decides to suspend production for 5 days - **Negative**

Pak Suzuki Motor Company Limited (PSMCL) has decided to completely shut down its plant for both automobiles and motorcycles from January 2, 2023, to January 6, 2023, due to the inventory shortage. According to the letter sent to the PSX, the company stated that the management in its earlier letter dated August 16, 2022, explained that the State Bank of Pakistan [see more...](#)

Privatisation programme: CCoP decides to delist SME Bank - **Neutral**

A meeting of the Cabinet Committee on Privatisation (CCoP) has delisted SME Bank from the privatisation programme to enable the State Bank of Pakistan (SBP) and the Finance Division to proceed further with alternate options. On the matter of privatisation of Services International Hotel (SIH), the CCoP meeting presided over by Finance Minister [see more...](#)

Privatization Committee Directs to Initiate Leasing of PIA-Owned Roosevelt Hotel in New York - **Neutral**

The Cabinet Committee on Privatization (CCoP) has directed Privatisation Commission (PC) to initiate the process of appointment of Financial Adviser (FA) to undertake the envisaged leasing of the Roosevelt site. Federal Minister for Finance and Revenue Senator Mohammad Ishaq Dar chaired a meeting of CCoP. Regarding the privatization of PIA [see more...](#)

New customs values issued for wide range of papers - **Negative**

The Directorate General of Customs Valuation, Karachi has increased 15pc to 20 pc customs values on the import of a wide range of papers including uncoated offset paper for writing, printing and photocopy from Australia, Brazil, China, Indonesia, Singapore, Japan, Thailand, and Russia. In this connection, the directorate has issued a valuation [see more...](#)

Pakistan, Uzbekistan decide to enhance trade to \$1bn - **Neutral**

The government of Pakistan and Uzbekistan on Monday signed nine memorandum of understanding (MoUs) and finalised agreements envisaging enhancing bilateral trade volume to \$1 billion. Both sides agreed on the implementation of the Pak-Uzbekistan Preferential Trade Agreement, w.e.f. 1st February 2023, as the Uzbekistan side will [see more...](#)

Govt 'Resolves' \$34 Million Google Payments Issue - **Positive**

The Government of Pakistan has finally resolved the issue of pending payments to Google after weeks of clearance and permission issues. Officials from the Ministry of Information Technology and Telecommunication informed the Standing Committee on Information Technology that the longstanding Google payment issue had been addressed after the ministry approached the Finance Division to remedy the matter [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
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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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