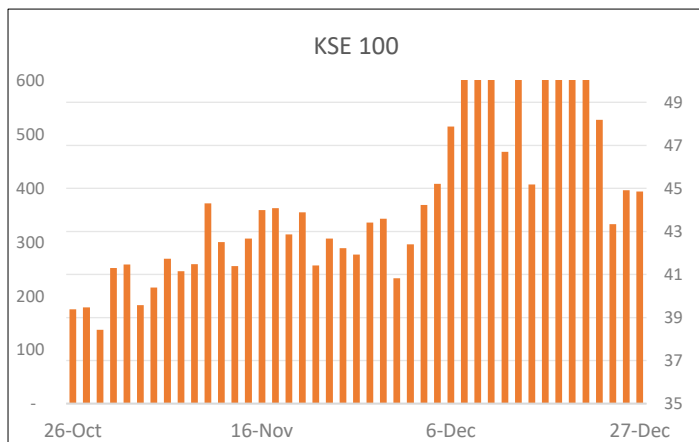


MORNING GLANCE



60,863	▲ 1692	▲ 2.86%
394 mn	YTD 49.12%	1 Year 54.95%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,654.75	213.40	1.00% ▲
DSE 30	2,087.64	6.94	0.33% ▼
SHANGHAI	2,942.16	27.54	0.95% ▲
Hang Seng	16,899.00	274.16	1.65% ▲
Nikkei 225	33,527.50	153.74	0.46% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,724.95	27.44	0.36% ▲
DAX 30	16,742.07	35.89	0.21% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	37,656.52	111.19	0.30% ▲
S&P 500	4,781.58	6.83	0.14% ▲
NASDAQ	16,906.80	28.34	0.17% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,098.05	4.95	0.24% ▲
Oil-WTI (bbl)	74.14	0.03	0.04% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	282.20	0.17	0.06% ▼
EURO/PAKR	311.60	0.33	0.11% ▲
GBP/PAKR	359.27	0.79	0.22% ▲
AED/PAKR	76.84	0.05	0.07% ▼

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

Market Outlook

The stock market on Wednesday Surged over 1600 points and concluded the session in the green zone by making 3rd highest increase in a single day amid fresh liquidity injection as well as the settlement of leverage positions. The Benchmark KSE-100 index made an intra-day high and low at 61,009.87 (1,838.90 points) and 58,758.48 (-412.49 points) respectively while closed at 60,863.62 by gaining 1,692.65 points. Trading volume decreased to 394mn shares as compared to 396mn shares on the previous trading day. Going forward, we expect the market to remain volatile. The resistance for the index resides at 61,500. Breaking this level would further push the index towards 62,000. Contrarily, the support for the index resides at 60,000.

Key News

International

Asia shares at five-month highs as rate bets pile up

Asian shares touched five-month highs on Thursday as market wagers on ever-more aggressive rate cuts extended a huge rally in U.S. stocks and bonds, but also left plenty of scope for disappointment next year. The S&P 500 has climbed 14% in just two months to within a whisker of its all-time closing peak, while its price to earnings ratio is up by a quarter on the year at 24.0. [see more...](#)

Oil prices rise amid fears over escalating tensions in Middle East

Oil prices rose in early Asian trade on Thursday as persistent fears over escalating tensions in the Middle East outweighed easing concerns about transport disruptions as some global shipping firms said they were returning to the Red Sea route. futures climbed 20 cents, or 0.3%, to \$79.85 a barrel by 0133 GMT. U.S. WTI crude futures were up 24 [see more...](#)

Politics

Imran's comeback to be Pakistan's setback: WSJ

The fate of former prime minister Imran Khan remains the central political question facing Pakistan nearly four months after he was convicted and jailed for corruption. According to The Wall Street Journal, former prime minister's supporters see him as their crisis-ridden country's last best [see more...](#)

Economy

Ministry of Finance projects inflation at 27.5-28.5% for December – Neutral

Consumer Price Index (CPI)-based inflation in Pakistan for December has been projected at 27.5-28.5%, the finance ministry said in its monthly economic report on Wednesday. In its latest 'Monthly Economic Update and Outlook' report, the finance ministry anticipated inflation to further ease out to 24-25% in January 2024. [see more...](#)

MORNING GLANCE

Foreign investors; Jul-Nov profit repatriation soars 312pc to \$532m YoY – Positive

Repatriation of profit and dividends by foreign investors posted a notable 312 percent growth during the first five months of this fiscal year (FY24). The State Bank of Pakistan (SBP) on Wednesday reported that foreign investors repatriated an amount of \$ 532 million during July-Nov of FY24 on account of profit and divided on their investments in the country compared [see more...](#)

Govt raises Rs2 trillion from T-bills amid rate cut hopes – Neutral

Treasury bill yields ended flat on Wednesday as investors weighed the prospects of lower inflation and interest rates in the coming year, while the government borrowed more than its target to restructure its domestic debt. The cut-off yield for the three-month T-bill was unchanged at 21.4480 percent, the same as the previous auction on Dec. 13. The yield for the six-month paper fell by 2 basis points to 21.3999 percent, while [see more...](#)

Rupee outlook dims as Pakistan struggles with debt, inflation, politics – Neutral

The rupee has been under pressure over the last seven years, and analysts say its woes are far from finished. It has fallen 20 percent versus the US dollar in 2023. This decline is higher than the last five-year average fall of 13 percent a year and the 10-year average of 8 percent, said brokerage Topline Securities in a note. External financing gaps, challenging global financial markets [see more...](#)

ENI confirms LNG cargo in January after initial doubt – Neutral

Pakistan, which is facing a severe gas shortage that has crippled its power sector and industries, will receive a liquefied natural gas cargo from Italy's ENI SpA on Jan. 18 as scheduled, averting a potential supply disruption, government officials said on Wednesday. ENI, one of the long-term LNG suppliers to Pakistan, had earlier indicated that it might not be able to deliver the cargo. However, the [see more...](#)

Power consumers to face Rs4.66/unit hike in Jan bills – Negative

Consumers are poised to confront another surge in electricity prices, reaching up to Rs4.66 per unit in the January 2024 electricity bills, attributed to the fuel adjustment for November. The proposed increase, if implemented, would impose an additional burden of Rs33 billion on power consumers. The National Electric Power Regulatory Authority (Neptra) held a public hearing on the petition of Central Power Purchasing [see more...](#)

Power Cement Achieves a Milestone: Pioneering Entry into the European Market – Positive

Power Cement, a leading name in the cement industry, marks a significant milestone as it successfully enters the European market by exporting its high-quality cement to the United Kingdom. This momentous move not only demonstrates Power Cement's commitment to global expansion but also positions the company as [see more...](#)

Urea subsidy sharing; ECC may approve TSG for MoC today – Neutral

A meeting of the Economic Coordination Committee (ECC) is likely to approve Thursday (Dec 28) technical supplementary grant for the Commerce Ministry for sharing of subsidy on imported urea on equal basis between the federal and provincial government. To be presided over by caretaker Finance Minister Dr Shamshad Akhtar, the [see more...](#)

Govt plans to boost foreign investment in IT sector: PM Kakar – Neutral

Caretaker Prime Minister Anwaar-ul-Haq Kakar said on Wednesday the government was taking steps to boost foreign investment in the Information Technology (IT) sector, APP reported. "We have already made progress in this regard," the interim PM said while chairing the 5th meeting of the Special Technology Zones Authority Board. [see more...](#)

The Organic Meat Company Limited to expand production facilities – Positive

The Board of Directors (BoD) of The Organic Meat Company Limited (TOMCL), a Pakistani meat processor, approved an expansion plan for the production facilities and upgradation of the company. TOMCL shared the development in its notice to the Pakistan Stock Exchange (PSX) on Wednesday. "The BoD of TOMCL [see more...](#)

Exporters likely to get DLT worth Rs37.306bn – Neutral

The Commerce Ministry is planning to release Drawback on Local Taxes and Levies (DLTL) worth Rs37.306 billion to exporters to deal with their liquidity issues of leading export sectors. In this regard, the Commerce Ministry is all set to move a summary to the Economic Coordination Committee (ECC) of the Cabinet seeking the release of DLT worth Rs37.306 billion to exporters. [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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- 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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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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