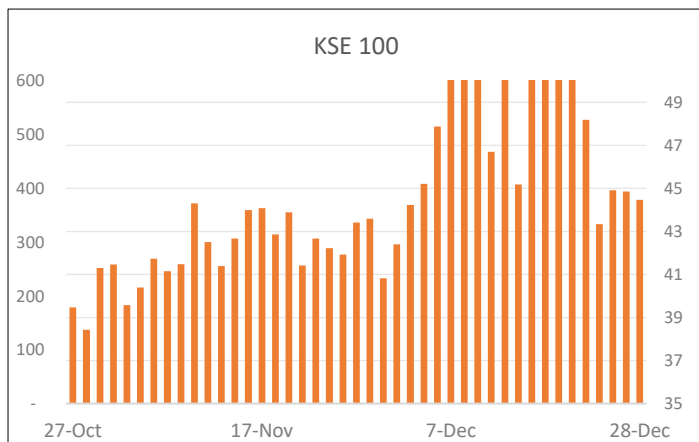


MORNING GLANCE



62,052	▲ 1188	▲ 1.95%
379 mn	YTD 52.03%	1 Year 57.98%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,778.70	123.95	0.57% ▲
DSE 30	2,087.35	0.29	0.01% ▼
SHANGHAI	2,954.70	-	-
Hang Seng	17,058.00	433.16	2.61% ▲
Nikkei 225	33,493.50	46.12	0.14% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,722.74	2.21	0.03% ▼
DAX 30	16,701.55	40.52	0.24% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	37,710.10	53.58	0.14% ▲
S&P 500	4,783.35	1.77	0.04% ▲
NASDAQ	16,898.47	8.33	0.05% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,075.90	7.6	0.36% ▼
Oil-WTI (bbl)	72.12	0.35	0.49% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	281.93	0.27	0.10% ▼
EURO/PKR	313.48	1.88	0.60% ▲
GBP/PKR	361.41	2.14	0.60% ▲
AED/PKR	76.76	0.08	0.10% ▼

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

Market Outlook

The stock market on Thursday surged over 1188 points and closed the session in the green zone amid fresh liquidity is being injected as the market is about to enter in a new year coupled with expecting interest rates to decline in 2024. The Benchmark KSE-100 index made an intraday high and low at 62,750.77 (1,887.15 points) and 61,092.27 (-228.65 points) respectively while closed at 62,052.23 by gaining 1,188.61 points. Trading volume decreased to 379mn shares as compared to 394mn shares on the previous trading day. Going forward, we expect the market to remain positive ahead of the new year. The resistance for the index resides at 62,500. Breaking this level would further push the index towards 63,000. Contrarily, the support for the index resides at 61,500.

Key News

International

Asia Shares hold gains as rate cuts eyed for New Year

World shares edged up on Thursday as expectations of interest rate cuts stretched a rally in U.S. stocks, while benchmark Treasury yields and the dollar lifted slightly from five-month lows. On Wall Street, the Dow Jones Industrial Average rose 0.14%, while the Nasdaq Composite and the S&P 500 were little changed. The S&P index has climbed 11.6% this quarter and closed within a whisker [see more...](#)

Oil prices settle down 3% as Red Sea shipping disruptions ease

Oil prices fell 3% on Thursday as more shipping companies said they were ready to transit the Red Sea route, easing concerns about supply disruptions as Middle Eastern tensions stay elevated. The more active Brent crude futures for March delivery settled down \$2.39, or 3%, at \$77.15. Brent futures for February [see more...](#)

Politics

ECP accepts Nawaz's nomination papers

Election Commission of Pakistan on Thursday accepted former Prime Minister Nawaz Sharif's nomination for the 2024 elections, weeks after a court overturned two graft convictions, a private TV reported. But Sharif still needs the removal of a life ban on holding any public office to [see more...](#)

Economy

Pakistan's current economic model is not working: World Bank – Neutral

Pakistan's current economic model is not working since it has fallen behind its peers, significant progress in poverty reduction has now started to reverse, and the benefits of growth have accrued to a narrow elite, observes World Bank Country Director Najy Benhassine. "There is a broad consensus that action is needed to change. [see more...](#)

MORNING GLANCE

Inflation may ease to 24-25pc in January: finance ministry – Positive

The Ministry of Finance has anticipated that inflation will experience a gradual decline from this month mainly due to an improved supply situation, alleviation of imported inflationary pressures and the influence of a high-base effect. Inflation is expected to remain at 27.5-28.5 per cent in December 2023 and to fall further to 24-25pc in January 2024, according [see more...](#)

SBP sets mechanism for ITM facility in importing input goods – Neutral

The State Bank of Pakistan (SBP) has outlined the procedure for accessing the International Toll Manufacturing (ITM) facility within the Export Facilitation Scheme (EFS), allowing the import of input goods directly or indirectly from foreign principals without requiring any remittance of foreign exchange. The Federal Board of Revenue (FBR), through SRO 1093(I)/2023 dated [see more...](#)

SBP's forex reserves surge by \$852m in a week – Positive

The foreign exchange reserves held by the State Bank of Pakistan (SBP) surged by \$852.3 million or 12.34% WoW to \$7.76 billion during the week ended on December 22, 2023, on account of the receipt of official Government of Pakistan (GoP) inflows. According to the data released by the central bank on Thursday, the country's total reserves rose by \$787.3m or 6.52% WoW to \$12.86bn. [see more...](#)

Inter-bank: rupee records 12th successive gain against US dollar - Positive

The Pakistani rupee maintained its upward trajectory against the US dollar for the 12th consecutive session as it appreciated 0.1% in the inter-bank market on Thursday. As per the State Bank of Pakistan (SBP), the rupee settled at 281.93 after an increase of Re0.27. On Wednesday, the rupee had registered a marginal gain to settle at 282.20 against the US dollar. [see more...](#)

Govt disburses around Rs200bn among power companies, hefty dividends on horizon - Positive

In a trailblazing move tackling the persistent circular debt crisis within the energy sector, the government has swiftly disbursed a staggering sum of around Rs200 billion among power companies, according to sources. Out of the stated amount Rs140bn have been disbursed to Generation Companies (GENCOs) while Rs57bn to K-Electric. [see more...](#)

Imported coal-based projects: ECC okays settlement of issues with PQEPC - Neutral

The Economic Coordination Committee (ECC) of the Cabinet has approved the principles for settlement of capacity deduction issues of imported coal-based projects and subsequent execution of side agreement with Port Qasim Electric Power Company. The meeting presided over by the caretaker Finance Minister Dr [see more...](#)

TPL REIT Fund I completes first funding round, receives final tranche of Rs3.4bn - Neutral

TPL REIT Fund I (Fund) managed by TPL REIT Management Company Limited (TPL RMC), has successfully completed its first funding round, and has received the disbursement of the third and final tranche worth Rs3.375 billion from its anchor investors, the company's filing on the PSX showed today. Post disbursement, TPL Properties (strategic investor) is [see more...](#)

Crescent Steel bags Rs2.1bn pipe contract from Sui Southern Gas - Positive

Sui Southern Gas Company Limited has awarded a contract to Crescent Steel and Allied Products Limited (PSX: CSAP) for supply of 24-inch diameter coated steel line pipes amounting to Rs2.12 billion, the company's filing on the local bourse showed today. The aforesaid contract is expected to be executed and completed in the fourth quarter of FY [see more...](#)

Avanceon Arabia InfoTech sign \$3.6m deal for smart city project in Makkah – Positive

Avanceon Arabia InfoTech, a subsidiary of Avanceon (PSX: AVN), and Umm Al-Qura for Development & Construction Company (UAQ), have signed an agreement worth \$3.6 million to develop a cutting-edge Intelligent Platform for Smart City solution for residents and visitors of Makkah city, the company's filing on the PSX showed today. [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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To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

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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

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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