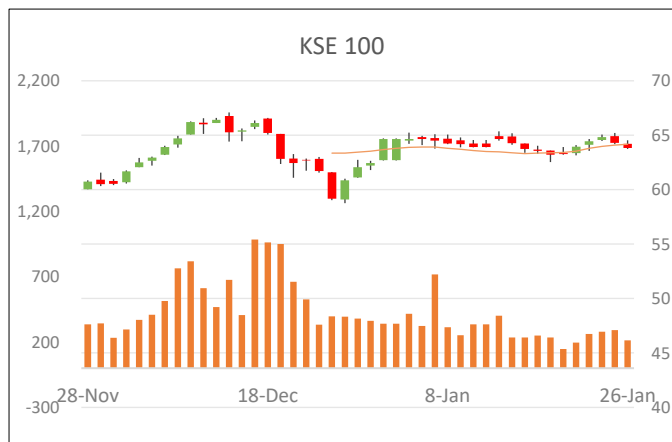


MORNING GLANCE



63,813	▼ -485	▼ -0.75%
212 mn	YTD -1.31%	1 Year 57.76%

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 Friday remained negative in majority part of the day and concluded the session in the red zone amid profit-taking and doubts regarding upcoming monetary policy. The Benchmark KSE-100 index made an intra-day high and low at 64,534.29 (236.29 points) and 63,743.40 (554.60points) respectively while closed at 63,813.06 by losing 484.94 points. Trading volume decreased to 212mn shares as compared to 291mn shares on the previous trading day. Going forward, we expect the market to remain volatile ahead of monetary policy meeting that is schedule today. The resistance for the index resides at 64,500, if it breaks above this level then it will be targeting 65,000. Meanwhile the support for the index resides at 63,500.

Key News

International

China fuels Asian stocks rally

Chinese equities led a rally in Asian stocks to start the week, after regulators took new steps over the weekend to support the market. Oil climbed after a step-up in Middle East violence, as a missile attack by Yemen's Houthi group caused a fire on a fuel tanker in the Red Sea, while three U.S. troops were killed after a drone attack in Jordan. The dollar and U.S. Treasury yields hovered in the middle [see more...](#)

Oil jumps 1% after Houthis attack on fuel tanker in Red Sea

Oil prices jumped 1% on Monday on fuel supply concerns after a missile struck a Trafigura-operated fuel tanker in the Red Sea and as Russian refined products exports are set to fall as several refineries are under repair after drone attacks. futures climbed 83 cents to \$84.38 a barrel by 2341 GMT after hitting a session-high of \$84.80. U.S. West Texas Intermediate crude rose 78 cents to \$78.79 a barrel. [see more...](#)

Politics

25 arrested as PTI workers, police clash in Karachi during election rally

25 arrested as PTI workers, police clash in Karachi during election rally According to police, the PTI did not obtain prior permission for holding a rally in the Red Zone, while the party said it was being deprived of its constitutional right to campaign. [see more...](#)

Economy

Caretaker Finance Minister urges doubling Tax-to-GDP ratio for development goals - Neutral

Dr. Shamshad Akhtar, Caretaker Finance Minister, delivered a pivotal message during the World Customs Day ceremony at Customs House Karachi, stressing the critical need to double the tax-to-GDP ratio for achieving essential development goals. [see more...](#)

MORNING GLANCE

FBR urged to help curb smuggling, ease restrictions on Pak-Afghan trade - Positive

A delegation of businessmen during a consultation with Chairman Federal Board of Revenue (FBR), Malik Amjed Zubair Tiwana here at Custom House Peshawar urged him for taking effective measures to curb smuggling instead of imposing restrictions on Pak-Afghan trade. The delegation was jointly led by Coordinator Pak-Afghan Joint Chamber of Commerce and Industry [see more...](#)

PSX sees highest foreign investment via SCRA since Feb 2020 - Positive

Foreign investors recorded the highest net purchase of securities via Specially Convertible Rupee Accounts (SCRA) since February 14, 2020, amounting to Rs18.56 billion for the week ending January 19, 2024, according to the State Bank of Pakistan's weekly report on SCRA. This inflow through SCRA follows a net sale worth Rs137.78m recorded last week. [see more...](#)

H1FY24: Profit repatriation up record 161pc to \$567.7m YoY - Neutral

Repatriation of profit and dividends by foreign investors posted a record growth of 161 percent during the first half of this fiscal year (FY24). The State Bank of Pakistan (SBP) on Friday reported that foreign investors repatriated an amount of \$ 567.7 million during July-Dec of FY24 on account of profit and dividend on their investments in the country compared to \$ 217.6 million [see more...](#)

Financial controls tightened ahead of IMF review - Neutral

Taking strict notice of the financial autonomy claimed by corporate and autonomous entities and executive departments of the federal government resulting in budgetary slippages, the Ministry of Finance has tightened fiscal controls ahead of a quarterly review with the International Monetary Fund (IMF). The ministry has barred all the federal ministries, divisions and their attached and sub-ordinate offices, corporations, corporate [see more...](#)

Petrol, diesel prices may go up by Rs9 per litre – Neutral

The prices of petrol and high-speed diesel (HSD) are estimated to go up by Rs5-9 per litre on Jan 31 for the next fortnight owing to higher international prices and import premiums, nullifying an impact of minor exchange rate gains. Informed sources said the prices of both major petroleum products – petrol and HSD – had increased in the international market [see more...](#)

PRL launches \$1.7b refinery upgrade project – Positive

Attock Refinery Ltd (ARL) is planning the refinery turnaround to carry out essential maintenance from Feb 10 for about a month. In a stock filing on Friday, the company said some of the existing units of the refinery would be shut down which would result in a reduction of the refinery's throughput to around 40pc. Atlas Honda profit surges: Amid a turbulent 2023 for the entire auto sector and [see more...](#)

ARL plans shutdown for maintenance – 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...](#)

CCI may allow companies to sell 50pc gas to private sector – Neutral

The Council of Common Interests (CCI) that is set to meet here on Monday (tomorrow) would take up exploration and production policy allowing the exploration and production companies -- OGDCL, PPL, GHPL, Mari gas, and foreign companies -- to directly sell 50 percent of gas to the private sector and 50 percent to state-owned gas companies. [see more...](#)

Govt mulls urea price hike, voucher subsidy amid gas crunch – Neutral

The government is considering a gradual increase in the price of urea fertilizer by more than 50 percent and offering subsidies to farmers through vouchers or digital payments, as it struggles to cope with the rising cost of natural gas, the main raw material for urea production, officials said on Saturday. The proposal, which has not been finalised [see more...](#)

Industries seek Rs7b under incremental power package – Neutral

The Karachi Chamber of Commerce and Industry (KCCI) and industrialists have appealed to the government to release Rs7 billion and decide about the remaining Rs21 billion pending against the incremental consumption of electricity. Moreover, they pleaded for the immediate issuance of [see more...](#)

DISCLAIMER

This report has been prepared by Abbasi & Company (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Abbasi & Company (Private) Limited and or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Abbasi & Company (Private) Limited accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Abbasi & Company (Private) Limited Research Department and do not necessarily reflect those of the company or its directors. Abbasi & Company (Private) Limited as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. Abbasi & Company (Private) Limited does not act as a market maker in the securities of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives do not have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company at the time of issuance of this report. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives are not currently serving or have served in the past three years as a director or officer of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives have not received compensation from the subject company in the previous 12 months. The subject company currently is not, or during the 12-month period preceding the date of publication or distribution of this report, was not, a client of Abbasi & Company (Private) Limited. We have not managed or co-managed a public offering or any take-over, buyback or delisting offer of securities for the subject company in the past 12 months and/or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company in the past 12 months. Abbasi & Company (Private) Limited does not expect to receive or intend to seek compensation for corporate advisory services or underwriting services from the subject company in the next 3 months

All rights reserved by Abbasi & Company (Private) Limited. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Abbasi & Company (Private) Limited. Action could be taken for unauthorized reproduction, distribution or publication

VALIDITY OF THE PUBLICATION OR REPORT

The information in this publication or report is, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report. The information may be subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the company, jurisdiction or financial instruments referred to in this report. The valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report and were based upon several estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein is not to be relied upon as a representation and/or warranty by Abbasi & Company (Private) Limited and/or its other associated and affiliated companies, that:

- I. Such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- II. There is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein

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

VALUATION METHODOLOGY

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

RATINGS CRITERIA

Abbasi & Company (Private) Limited employs a three-tier ratings system to rate a stock and sector, as mentioned below, which is based upon the level of expected return for a specific stock and outlook of sector. The rating is based on the following with stated time horizon

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.

RESEARCH DISSEMINATION POLICY

Abbasi & Company (Private) Limited endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc. Nevertheless, all clients may not receive the material at the same time

OTHER DISCLOSURES

The research analyst is primarily involved in the preparation of this report, certifies that:

- I. The views expressed in this report accurately reflect his/her personal views about the subject company/stock /sector and economy
- II. No part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report

The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

PREPARED BY

Haroon Abdul Razzaq

Phone: (+92) 42 38302028

Ext: 116

Email: haroon@abbasiandcompany.com

RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com