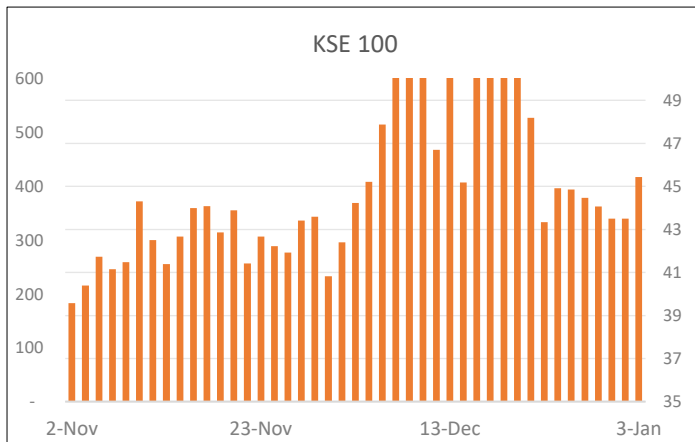


MORNING GLANCE



64,646	▲ 296	▲ 0.46%
417 mn	YTD -0.02%	1 Year 59.47%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,517.35	148.45	0.69% ▼
DSE 30	2,089.90	1.64	0.08% ▼
SHANGHAI	2,942.43	24.82	0.84% ▼
Hang Seng	16,520.50	106	0.64% ▼
Nikkei 225	33,110.00	354.17	1.06% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,682.33	39.19	0.51% ▼
DAX 30	16,538.39	230.97	1.38% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	37,430.19	284.85	0.76% ▼
S&P 500	4,704.81	38.02	0.80% ▼
NASDAQ	16,368.49	175.45	1.06% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,052.25	9.45	0.46% ▲
Oil-WTI (bbl)	73.00	0.30	0.41% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	281.72	0.28	0.10% ▼
EURO/PAKR	308.63	3.11	1.00% ▼
GBP/PAKR	356.24	2.77	0.77% ▼
AED/PAKR	76.71	0.69	0.89% ▼

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

Market Outlook

The stock market on wednesday remained volatile throughout the day and concluded the session in the green zone amid the nation's ongoing political unrest. The Benchmark KSE-100 index made an intra-day high and low at 65,244.60 (895.00 points) and 64,219.54 (130.06 points) respectively while closed at 64,646.84 by gaining 296 points. Trading volume decreased to 417mn shares as compared to 424mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid ongoing uncertainties on the political front. The resistance for the index resides at 65,200. Breaking this level would further push the index towards 65,500. Contrarily, the support for the index resides at 64,000..

Key News

International

Asian stocks extend new year rout amid profit-taking, rate-cut anxiety

Most Asian stocks fell on Thursday, extending declines after a weak start to the year as persistent doubts over the timing and scale of the Federal Reserve's interest rate cuts saw investors lock-in more profits. Regional markets took a weak lead-in from Wall Street, with U.S. stock benchmarks falling for a second straight session on [see more...](#)

Oil prices rise on Middle East supply worries

Oil prices rose in early trade on Thursday, extending the previous day's sharp gains on concerns about Middle Eastern supply following disruptions at a field in Libya and heightened tension around the Israel-Gaza war. Brent rose 33 cents, or 0.42%, to \$78.58 a barrel by 0101 GMT, while U.S. West Texas Intermediate crude futures [see more...](#)

Politics

Seeking report on PTI's allegations

The Supreme Court issued notices to the chief secretary, inspector general of police (IGP) and advocate general, Punjab to file a report on the allegations of the Pakistan Tehreek-e-Insaf (PTI) that its candidates are not provided a level playing field for the upcoming general elections. [see more...](#)

Economy

Jul-Nov FDI jumps 8.1pc to \$656.1m YoY – Positive

Net Foreign Direct Investment (FDI) in Pakistan grew by 8.1 percent during the first five months (July-November) of fiscal year 2023-24 to \$656.1 million against \$606.9 million. This was noted in the balance of payments details on the State Bank of Pakistan (SBP) website. Net FDI during the same period (July-November) of the previous fiscal year amounted to \$606.9 million. [see more...](#)

MORNING GLANCE

Motorway projects; ADB rates '\$590m additional financing' as successful – Positive

The Independent Evaluation Department (IED) of the Asian Development Bank (ADB) has rated "Pakistan: National Motorway M-4 Gojra-Shorkot Section Project and National Motorway M-4 Gojra-Shorkot-Khanewal Section Project – additional financing" worth \$590 million, relevant, effective, and successful. The IED in its validation report stated that the ADB approved [see more...](#)

Prospects of KE shares transfer to new buyers 'unclear' – Neutral

The prospects of transfer of shares of K-Electric (KE) to new buyers are reportedly unclear as the federal government has directed its legal team to maintain status quo in Sindh High Court (SHC). Background interviews with circles aware of developments in the matter revealed that the legal team recently informed the government that they have succeeded in maintaining status quo in SHC as per the directions. [see more...](#)

Q3 QTA mechanism; Nepra approves Rs2.87/unit hike for KE – Positive

The National Electric Power Regulatory Authority (NEPRA) has approved positive adjustment of Rs 2.87 per unit for K-Electric for third quarter (Jan-March) 2023 under QTA mechanism. According to determination, K-Electric requested an adjustment of positive Rs.5.170/kWh, for the quarter ending March 2023. The hearings were accordingly held on May 31, 2023. [see more...](#)

Industries; Tariff cut plan requires an IMF nod – Neutral

The caretaker government has reportedly prepared a plan to reduce industrial tariff by up to 25 percent but this requires International Monetary Fund's (IMF) approval which was previously denied for the winter package, well-informed sources told Business Recorder. Caretaker Minister for Power and Petroleum, Muhammad Ali, sources said, shared Power Division's plans with the Apex [see more...](#)

600MW wind, solar projects; PFREF moves army chief – Neutral

Pakistan Foreign Renewable Energy Forum (PFREF) has approached Army Chief General Syed Asim Munir for resolution of long pending issue of 13 wind and solar projects of 600 MWp with an investment of \$ 600 million. In a letter to the COAS, President of (PFREF), Mustafa Abdulla has praised Gen Asim for his untiring efforts to remove bureaucratic hurdles to bring Pakistan back to new heights economically and financially. [see more...](#)

FFC, FFBL increase urea prices by Rs187/bag – Positive

Fauji Fertilizer Limited (PSX: FFC) and Fauji Fertilizer Bin Qasim Limited (PSX: FFBL) have increased the market retail price of Urea by Rs187 per bag with effect from January 04, 2024. Post the price adjustment, FFC's new Urea price is now reported at Rs3,596 per bag, bringing it in line with the pricing set by Engro Fertilizers Limited (PSX: EFERT). Meanwhile, FFBL's Urea price has risen to Rs3,981 per bag, reflecting [see more...](#)

July-December 2023-24; Exports of agro and food products increase by 64pc – Positive

During the first six months of the financial year of 2023-2024, exports of agro and food products from Pakistan has been increased by 64 percent as compared to the same period during 2022-2023. In the month of December only, there is growth of 118 percent, as \$882 million of food product export was exported in comparison of \$404 million in [see more...](#)

Cigarette industry; Influence on policymaking caused Rs567bn revenue loss in last 7 years – Neutral

The influence of cigarette industry on policymaking has not only impacted nation's financial well-being and public health, but also caused a staggering Rs 567 billion revenue loss during the last seven years. The alarming loss of revenue was unearthed through a comprehensive study delving into the dynamics of the cigarette sector and [see more...](#)

Sindh outshines Punjab in cotton race, records 121pc increase in output – Neutral

Sindh province has become the cotton king of Pakistan, beating Punjab province for the first time in production of the silver fiber, according to figures released by the ginners on Wednesday. The data showed that Sindh, which usually accounts for about 30 percent of the country's total cotton output, produced more than 50 percent of the 8.171 [see more...](#)

LTO crosses Rs1trn mark in six months – Positive

The Large Taxpayers Office (LTO) has set a new benchmark for tax collection by crossing Rs 1 trillion mark in the first half of current financial year - the highest-ever in Pakistan's history. According to Commissioner Inland Revenue Girdhari Mal, the LTO collected whopping Rs 1.22 trillion in tax revenue against its July-Dec target of Rs 1.216 trillion - exceeding it by over Rs 4 billion. [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

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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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