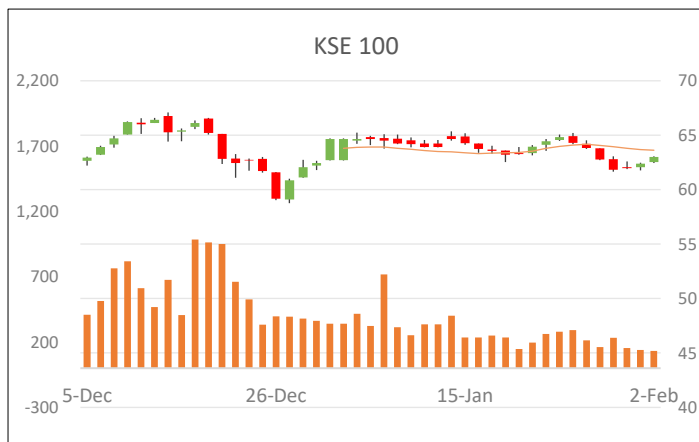


MORNING GLANCE



63,799	▲ 796	▲ 1.26%
168 mn	YTD -1.33%	1 Year 53.65%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	22,045.05	115.65	0.53% ▲
DSE 30	2,133.25	16.47	0.78% ▲
SHANGHAI	2,814.89	25.41	0.91% ▲
Hang Seng	16,144.00	7.13	0.04% ▲
Nikkei 225	35,970.00	190.66	0.53% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,681.01	68.15	0.90% ▲
DAX 30	17,033.24	129.18	0.76% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	38,521.36	141.24	0.37% ▲
S&P 500	4,954.23	11.42	0.23% ▲
NASDAQ	17,572.73	40.3	0.23% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,050.40	1	0.05% ▼
Oil-WTI (bbl)	73.52	0.21	0.29% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.42	0.01	0.00% ▲
EURO/PKR	300.49	3.61	1.19% ▼
GBP/PKR	350.90	5.56	1.56% ▼
AED/PKR	76.08	0.01	0.01% ▲

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

Market Outlook

The stock market on Tuesday remained positive throughout the day and concluded the session in the green zone amid reported developments on the government’s circular debt plan. The Benchmark KSE-100 index made an intra-day high and low at 63,885.09 (882.18 points) and 63,176.96 (174.05points) respectively while closed at 63,799.01 by gaining 796.10 points. Trading volume increased to 168mn shares as compared to 133mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid the elections approaching. The resistance for the index resides at 65,000. Breaking this level would further push the index towards 66,400. Contrarily, the support for the index resides at 62,500.

Key News

International

Asia Stocks Climb With Focus on Beijing’s Support: Markets Wrap

Asian stocks climbed on bets China will be more forceful to prop up markets and as traders shrugged off a slew of cautious remarks from Federal Reserve officials. A gauge of Asian equities rose to its highest in more than a month. Shares in mainland China rose while. [see more...](#)

Oil prices rise with Gaza ceasefire, US production in focus

Oil prices rose slightly in Asian trade on Wednesday as investors sought more cues on U.S. production and inventories from official data due later in the day, while focus remained on ongoing negotiations over a ceasefire in the Israel-Hamas war. Forecasts for a potential drop in U.S. production, from record highs, spurred some [see more...](#)

Politics

Electioneering ends

At the stroke of midnight – 24 hours before Election Day – the high-pitch election campaign by all political parties for February 08 crucial general elections in the five legislatures of the country came to an end. In line with the election laws, the ECP had announced that electioneering for February 08 elections would end at 12 on the night. [see more...](#)

Economy

More stable govt can attract external financing: S&P – Neutral

A more stable political environment in Pakistan is likely an important precondition to repairing the government’s creditworthiness, says the S&P Global Ratings. The Pakistani general elections are scheduled to be held on February 8, 2024. The rating agency in a note on Pakistan stated that together with new policy [see more...](#)

MORNING GLANCE

Auction for MTBs; Govt raises only Rs64bn against Rs480bn target - Neutral

The federal government on Tuesday raised Rs 64 billion only as against the target of Rs 480 billion through the sale of short-term security papers. The State Bank of Pakistan (SBP) conducted the auction for the sale of Government of Pakistan Market Treasury Bills (MTBs) on Feb 6 and received bids amounting to Rs 1.153 trillion. Commercial banks actively participated in the. [see more...](#)

Exports of services shrink in December - Negative

The services exports shrank 6.93 per cent to \$726.94 million in December from \$781.09m in the corresponding month last year. Contrary to this, merchandise exports reversed the trend and increased in January, December 2023 and November 2023 after a continual fall in the current fiscal year. In rupee terms, the export of services grew 17.31pc in December to Rs205.94bn against Rs175.55bn in the corresponding month last year. [see more...](#)

Ogra allows second gas price hike of year – Positive

After a long gap, the treasury bills and domestic bonds attracted a \$19.4 million investment in January. The government securities have lost attraction to foreign investors after the pandemic hit the country in March 2020. Earlier, the T-bills and Pakistan Investment Bonds (PIBs) received huge inflows of \$4.5 billion. However, most of the investment flew back within a few months during the Covid-19 times. [see more...](#)

‘Sui ML’ between B’stan govt and PPL to be renewed – Positive

The federal government has decided to renew Sui Mining Lease (Sui ML) between Government of Balochistan and Pakistan Petroleum Limited (PPL) for 10 years starting from June 1, 2015 to May 31, 2025 against firm amount of Rs 36 billion and contingent amount of Rs 24 billion, totaling Rs 60 billion, well-informed sources told Business Recorder. The Council of Common Interests (CCI) in its meeting held on [see more...](#)

Capital contribution in BLZ project; PPL BoD approves funding of GoB’s share – Positive

The Board of Directors of Pakistan Petroleum Limited (PPL) has approved, in-principle, funding of the Government of Balochistan’s (GoB’s) share of capital contribution in the BLZ Project by the Company. The Company shall arrange funding, from its own cashflows,. [see more...](#)

Fuel oil exports dry up in Jan as power plants boost consumption – Negative

The refining sector halted fuel oil exports in January as domestic demand surged due to increased power generation from furnace oil-based plants, industry officials said on Tuesday. The export of fuel oil came to a halt in the month of January after three months as the country exported a huge quantity of fuel oil in the second quarter. [see more...](#)

CCoE approves amendments to refineries policy – Positive

The Cabinet Committee on Energy (CCoE) has approved amendments to Refineries Policy 2023 to resolve implementation issues of existing refineries/Brownfield Refineries, and enable them to undertake major upgradation projects. The refineries had raised following issues, affecting viability of their upgrade projects: (i) 7.5% Deemed Customs Duty on HSD-clarification on continuation of the. [see more...](#)

PIA restructuring, FWBL sell-off plans approved – Positive

The caretaker federal cabinet has approved the restructuring of Pakistan International Airlines and the privatisation of the First Women Bank Limited on the recommendation of the Privatisation Division. The meeting of the federal cabinet presided over by Caretaker Prime Minister Anwaar ul Haq Kakar was submitted recommendations for restructuring by the Privatisation Division. The cabinet meeting [see more...](#)

(MRTs)/(MRCs), GMs; HBL delineates deferred compensation policy – Neutral

Habib Bank Limited (HBL) has informed that in accordance with the Risk Aligned Remuneration Policy of the bank, the deferred component for the variable compensation for Material Risk Takers (MRTs)/Material Risk Controllers (MRCs)/designated General Managers (GMs) of the bank is vested in a pool under a Trust, in the form of HBL. [see more...](#)

Cabinet approves drug price deregulation – Neutral

Under these proposals, prices of medicines other than essential medicines in the national list will be exempted from the Drugs Act, 1976 and necessary amendments will be made in the Drug Pricing Policy 2018. Furthermore, the Pakistan Medical and Dental Council will ensure that doctors will not prescribe vitamins, multivitamins, minerals and. [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
- 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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