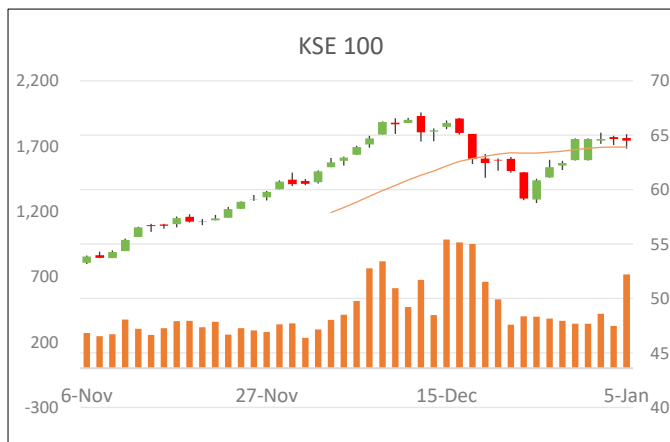


MORNING GLANCE



64,514	▼ -125	▼ -0.19%
718 mn	YTD -0.23%	1 Year 58.45%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	21,747.60	36.80	0.17% ▲
DSE 30	2,094.26	2.13	0.10% ▲
SHANGHAI	2,902.40	26.78	0.91% ▼
Hang Seng	16,168.00	330	2.00% ▼
Nikkei 225	33,377.42	132.21	0.40% ▲
EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,689.61	33.46	0.43% ▼
DAX 30	16,594.21	23.08	0.14% ▼
USA	Value	Pts	Chg. (%)
DOW JONES	37,466.11	25.77	0.07% ▲
S&P 500	4,697.24	8.56	0.18% ▲
NASDAQ	16,305.98	23.97	0.15% ▲
Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,045.90	3.9	0.19% ▼
Oil-WTI (bbl)	72.99	0.82	1.11% ▼
Currencies	Value	Chg.	Chg. (%)
USD/PKR	281.40	0.27	0.10% ▼
EURO/PKR	307.34	0.73	0.24% ▼
GBP/PKR	356.67	0.82	0.23% ▼
AED/PKR	76.62	0.07	0.09% ▼

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

Market Outlook

The stock market on Friday remained volatile throughout the day and concluded the session in the red zone amid The Upper House of the Parliament approved a resolution seeking a delay in the general elections by a majority vote. The Benchmark KSE-100 index made an intra-day high and low at 65,077.47 (438.32 points) and 63,757.95 (881.20 points) respectively while closed at 64,514.89 by losing 124.26 points. Trading volume Increased to 718mn shares as compared to 323mn shares on the previous trading day. Going forward, we expect the volatility to continue in the short term as the IMF executive board meeting is scheduled for next week, where the approval of the second tranche is anticipated. The resistance for the index resides at 65,000. Breaking this level would further push the index towards 66,800. Contrarily, the support for the index resides at 64,000.

Key News

International

Asia Stocks in Narrow Ranges Before Inflation Data: Markets Wrap

Asian stocks fell, led by a selloff in technology shares in Hong Kong, amid fears of tighter regulation on the gaming industry and concern government efforts to bolster the economy are insufficient. The Hang Seng Tech Index slid as much as 3.3%, putting it on course for the lowest close since November 2022. Benchmark stock indexes also reversed gains in [see more...](#)

Oil slips as higher OPEC supply, Saudi price cuts offset Mideast worries

Oil prices dipped in early trade on Monday on sharp price cuts by top exporter Saudi Arabia and a rise in OPEC output, offsetting worries about escalating geopolitical tensions in the Middle East. Brent crude fell 9 cents, or 0.1%, to \$78.67 a barrel by 0057 GMT, while U.S. West Texas Intermediate crude futures shed 10 cents, or 0.1%, to \$73.71. [see more...](#)

Politics

ECP secretary 'resigns from post citing health issues'

mar Hamid Khan stepped down from his post as the Election Commission of Pakistan's (ECP) secretary over health issues, Geo News reported Sunday citing sources. According to the sources, Chief Election Commissioner (CEC) Sikandar Sultan has not yet accepted Khan's resignation [see more...](#)

Economy

UN projects 2% growth in Pakistan in 2024 - Positive

The United Nations (UN) expects "modest economic growth" of 2% in Pakistan in 2024, which is expected to improve to 2.4% in 2025. The projections were made by the UN in its latest report titled 'World Economic Situation and Prospects (WESP) 2024', released on Friday. "In Sri Lanka and Pakistan. [see more...](#)

MORNING GLANCE

Rs908b added to public debt in Nov - Negative

The State Bank of Pakistan (SBP) reported on Friday that the federal government's debt increased to Rs63.8 trillion by the end of November 2023. The caretaker government added nearly Rs908 billion to the debt stock in a single month, marking the third-highest increase in debt this fiscal year. The revised debt numbers for July 2019 showed that the Pakistan Democratic Movement (PDM) government had [see more...](#)

Rupee to test 277 level on dollar inflows, IMF optimism - Neutral

The rupee is expected to strengthen further and trade below 280 per dollar in the coming weeks, supported by exporters' sales of the greenback and hopes of a further boost in foreign exchange reserves from external partners, dealers and analysts said on Saturday. Positive sentiments prevailed ahead of the International Monetary Fund's (IMF) board meeting on Jan 11, when the global lender is expected to approve the. [see more...](#)

Reko Diq project; Co asked to share logistic requirements – Neutral

A federal government panel has asked Reko Diq Mining Company (RDMC) to share their logistic technical requirements of the project like initial and peak volume to be transported, power, gas and water as the company is unwilling to use Gwadar Port for the time being, well informed sources in Planning Commission told Business Recorder. [see more...](#)

Engro Elengy seeks SIFC intervention to expand LNG terminal - Neutral

Engro Elengy Terminal Limited (EETL), a joint venture between Engro Corporation and Royal Vopak, has asked the Special Investment Facilitation Council (SIFC) to help resolve the issues with Sui Southern Gas Company (SSGC) over expanding its liquefied natural gas (LNG) import terminal. The EETL has sought the intervention of SIFC to address the concerns raised. [see more...](#)

Govt, KE ink 'long-awaited' agreements - Positive

Government of Pakistan (GoP) and K-Electric (KE) on Friday reached a significant milestone by signing various "long-awaited" agreements, one of the key demands of Saudi Arabia since long, which will underpin Karachi's energy security. The signing ceremony took place at the Energy Division and resolved long-standing disputes between the Government and KE, with foremost among these being formalising [see more...](#)

Power sector slashes fuel oil use by 75pc in five months - Neutral

The power sector slashed its consumption of petroleum products by nearly 75 percent in the first five months of the current fiscal year, as the country faced an economic slowdown and switched to cheaper alternatives, data from the oil sector showed on Friday. As all the sectors saw a decrease in the consumption of [see more...](#)

Hike in security deposits, connections; Nepra asks Discos to file petitions - Neutral

The National Electric Power Regulatory Authority (NEPRA) is said to have asked power Distribution Companies (Discos) to file petitions for increase in security deposits and rates of temporary electricity connections. The power Regulator has sought petitions from Discos at a time when the Power Division is already in process to [see more...](#)

Neelum-Jhelum power plant shuts for maintenance - Neutral

The low water flows in the rivers, according to the Water and Power Development Authority (Wapda), are considered to be ideal for the inspection of hydel power stations. The Neelum-Jhelum power station generates 90MW on average in January. Therefore, the maintenance closure will impact only 90MW hydel share to the national grid. "Since the resumption of its power generation in August after [see more...](#)

Launch on 11th; Freelancers to channelize remittances thru Paypal – Positive

The government has resolved the long-standing demand of freelancers while enabling them to channelize remittances through the international gateway—Paypal. This was revealed by caretaker federal minister for Information Technology and Telecommunication DrUmar Saif while talking to a select group of journalists, who also stated that [see more...](#)

SBP gives Rs1.25tr to meet funding needs of banks - Neutral

Besides, the Karachi Inter-bank Offered Rate (Kibor) – the six-month benchmark interest rate at which banks lend money to each other – dropped more than three percentage points to 21.38% on Friday compared to the recent peak of 24.70%. The decline in Kibor suggests that the government's reliance on bank borrowing may go down significantly, as it is borrowing mainly to bear the interest cost of debt. [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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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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