

MORNING GLANCE



42,142	▲ 219	▲ 0.52%
117 mn	YTD 3.25%	1 Year -3.09%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,726.40	127.40	0.68% ▲
DSE 30	2,188.74	9.48	0.43% ▼
SHANGHAI	3,190.94	6.82	0.21% ▼
Hang Seng	19,188.00	64	0.33% ▼
Nikkei 225	31,855.00	58.74	0.18% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,624.34	3.76	0.05% ▼
DAX 30	15,960.56	31.88	0.20% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	33,665.02	91.74	0.27% ▲
S&P 500	4,267.52	16.33	0.38% ▼
NASDAQ	14,303.29	254.81	1.75% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,960.50	2.10	0.11% ▲
Oil-WTI (bbl)	72.41	0.12	0.17% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	286.88	0.32	0.11% ▲
EURO/PKR	306.51	1.32	0.43% ▼
GBP/PKR	355.99	0.77	0.22% ▼
AED/PKR	78.11	0.5	0.64% ▼

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

Market Outlook

The stock market on Wednesday remained positive throughout the day and concluded the session in the green zone amid the expectation of investor friendly budget for capital market as news reports about the likely tax relief on inter-corporate dividends. The KSE-100 index made an intra-day high and low at 42,232 (308 points) and 41,924 (1 points) respectively while closed at 42,173 by gaining 219 points. Trading volume decreased to 117mn shares as compared to 122mn shares on the previous trading day. Going forward, the resistance for the index resides at 42,400. Breaking this level would further push the index towards 43,000. Contrarily, the support for the index resides at 41,287 (200 DMA).

Key News

International

Weak Asian cues, SGX Nifty to RBI Monetary Policy - key triggers for Indian stock market

Asian markets were trading lower Thursday morning following an overnight decline in the US stocks, while investors assess the key economic data in the region. Bets of the US Federal Reserve rate hike increased after a surprise increase by the Bank of Canada that increased its overnight rate to a 22-year high of 4.75%. It comes after the Reserve Bank of [see more...](#)

Oil Steady After Mixed Stockpile Data as Demand Concerns Linger

Oil steadied as investors weighed mixed US data on crude and petroleum stockpiles amid persistent concerns over the demand outlook West Texas Intermediate futures traded near \$72 a barrel after gaining 1.1% Wednesday. US crude inventories at the key Cushing storage hub rose for a [see more...](#)

Politics

Finally, JKT launches new party to cash in on IK's misery

Disgruntled Pakistan Tehreek-e-Insaf (PTI) leader and ex-confidante of PTI Chairman Imran Khan, Jahangir Khan Tareen Wednesday announced a new political - Pakistan Istehkam Party (PIP). The event marked a significant development in the country's political landscape, attracting the attention [see more...](#)

Economy

Resilience of communities; US announces \$16.4m additional assistance- Positive

The United States announced \$16.4 million in additional development and humanitarian assistance to support the resilience of communities in Pakistan that experienced 2022's historically severe floods which impacted an estimated 33 million people and had a devastating impact on infrastructure, crops, livelihoods, and livestock throughout the [see more...](#)

MORNING GLANCE

USAID grants Pakistan \$445.6m over 5 years – Positive

The aid will come under the bilateral Development Objectives Assistance Agreement (DOAG) for the socio-economic uplift of Pakistan through multiple initiatives. In this connection, Secretary Economic Affairs Division Dr Kazim Niaz and USAID Mission Director to Pakistan Reed Aeschliman signed a new five-year bilateral DOAG. The agreement was signed after a lag of 13 years as the last development partnership agreement, "Pakistan [see more...](#)

Pakistani budget caught between IMF expectations and election - Neutral

Pakistan's government will hope to find a balance between reforms to satisfy the International Monetary Fund and measures to win over voters in an imminent election in its budget for the 2023-24 fiscal year to be announced on Friday, analysts said. Pakistan's IMF programme runs out this month with about \$2.5 billion in funds yet to be released as it struggles to strike an [see more...](#)

Budget 2023-24: Govt plans to launch \$2bn bonds – Neutral

The government plans to generate \$2 billion through the launching of Euro Bonds in the upcoming budget for 2023-24. The budget makers are finding numbers crunching hard for the upcoming budget on account of dollar inflows through foreign loans at a time when the IMF programme has not been revived. However, the government plans to generate over \$22 billion through foreign loans in the upcoming budget, and [see more...](#)

Rs90bn allocated for parliamentarians under SDGs – Neutral

The government has allocated Rs90 billion for the parliamentarians under Sustainable Development Goal achievements (SDGs) for the next fiscal year, up by 29 percent from over Rs70 billion allocated for the ongoing fiscal year. Sources said the government had allocated Rs90 billion for the SDGs achievement programme. These funds would be utilised through development schemes proposed by the [see more...](#)

PSDP; Govt takes firm step to revive certain CPEC initiatives – Neutral

Amid the planned revival of different initiatives under the China-Pakistan Economic Corridor (CPEC) framework, the federal government has proposed around Rs22 billion for different projects in the Public Sector Development Programme (PSDP) for 2023-24. Budget documents revealed that the government has proposed Rs5 billion for the improvement and widening [see more...](#)

Economic Survey 2022-23 to be unveiled today – Neutral
The country's Gross Domestic Product (GDP) has posted growth of 0.3 percent, missing all annual targets during CFY 2022-23 due to variety of reasons including lingering political uncertainty, devastating floods, delay in resumption of IMF program and administrative restrictions on imports in the wake of declining foreign exchange reserves. Finance Minister, Senator Ishaq Dar who is already facing harsh criticism on worst [see more...](#)

ECC defers LNG import deal with Azerbaijan – Neutral

The Economic Coordination Committee (ECC) on Wednesday deferred a summary seeking approval for the import of liquefied natural gas (LNG) from Azerbaijan, asking the Petroleum Division for clarity on future LNG demand and price evaluation mechanism, a senior official said. The ECC was not satisfied with the Petroleum Division's summary, which did not provide a clear rationale for the urgency of the deal [see more...](#)

PBC proposes higher advance taxes for non-filers – Negative

The Pakistan Business Council (PBC) has proposed the Federal Board of Revenue (FBR) impose higher advance taxes on utility bills, real estate transactions, and luxury expenditures of non-filers. The council has argued that the annual advance income tax amount should be increased to Rs250,000 per year for owners of vehicles of 2000cc and above who are non-filers. Moreover, it suggested that advance income tax of [see more...](#)

Report shines light on Rs956bn tax evasion in five sectors - Negative

An IPSOS research report reveals that tax evasion of just five sectors in Pakistan stands at Rs956 billion on per annum basis. IPSOS, an international research firm, conducted tax gap research on five major sectors including real estate, tobacco, tyres and auto lubricant, pharmaceuticals and tea and came out with mind boggling figure of tax evasion of Rs956 [see more...](#)

35pc of export proceeds can be retained in special forex accounts: SBP – Neutral

In order to facilitate IT companies and freelancers, the State Bank of Pakistan (SBP) has extended mandatory retention of 35 percent of their export proceeds in special foreign currency accounts by June 30, 2023. State Bank on Jan 13, 2023 amended foreign exchange regulations and allowed the IT exporters and companies to retain 35 percent of their [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:

- 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

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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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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