

MORNING GLANCE



42,351	▲ 156	▲ 0.37%
120 mn	YTD -5.03%	1 Year -10.59%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	17,759.30	446.40	2.58% ▲
DSE 30	2,283.06	3.73	0.16% ▲
SHANGHAI	3,209.29	7.15	0.22% ▲
Hang Seng	19,766.00	188.39	0.94% ▼
Nikkei 225	27,663.50	428.03	1.52% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,284.15	77.48	1.05% ▼
DAX 30	12,834.96	126.18	0.97% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	31,510.43	280.44	0.88% ▼
S&P 500	3,955.00	31.16	0.78% ▼
NASDAQ	12,272.03	70.67	0.57% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,714.55	11.65	0.67% ▼
Oil-WTI (bbl)	89.40	0.15	0.17% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	220.60	0.10	0.05% ▲
EURO/PKR	220.44	-	-
GBP/PKR	258.02	-	-
AED/PKR	59.99	-	-

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

Market Outlook

KSE-100 on Wednesday remained positive for the majority part of the day and concluded the session in the green zone amid the revival of the IMF programme. The index made an intra-day high and low at 42,472 (277 points) and 42,079 (-116 points) respectively while closed at 42,351 by gaining 156 points. Trading volume has decreased to 120mn shares as compared to 140mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid macroeconomic uncertainties. The resistance for the index resides at 42,800. Breaking this level can further push the index towards 43,741 (50 DMA). However, the support for the index resides at 41,763.

Key News

International

Asia stocks stagger into September as dollar spikes

Asian stocks slid and the dollar spiked on Thursday as investors greeted September by selling everything that was not nailed down after a month battered by concerns about aggressive rate hikes from global policymakers. MSCI's broadest index of Asia-Pacific shares outside Japan slumped 1.3% in early Asia trade, following a slide in U.S. stock futures. The S&P 500 futures dropped 0.6%, while Nasdaq [see more...](#)

Oil falls on greater supply, lower China demand

Oil prices fell in early Asian trade on Thursday, led lower by increased supply and worries that the global economy could slow further with renewed restrictions to curb COVID-19 in China. Brent crude futures fell 37 cents, or 0.4%, to \$95.27 a barrel by 0006 GMT. U.S. West Texas Intermediate (WTI) crude futures fell 32 cents, or 0.4%, to \$89.23 a barrel. [see more...](#)

Politics

'Expected mistake to be admitted', IHC CJ tells Imran in contempt case

Islamabad High Court (IHC) Chief Justice Athar Minallah on Wednesday expressed his disappointment over former premier and Pakistan Tehreek-e-Insaf (PTI) chief Imran Khan's written response in a contempt case and ordered a second reply to be submitted in seven days. A five-member larger bench headed by CJ Athar Minallah heard the case [see more...](#)

Economy

\$1.16bn IMF tranche received - Positive

Pakistan on Wednesday night received much awaited foreign inflows amounted to \$1.16 billion from International Monetary Fund (IMF) as loan tranche of Extended Fund Facility (EFF). The Executive Board of the IMF, on Monday, completed the combined seventh and eighth reviews of the Extended Arrangement under the EFF for Pakistan and allowed an immediate disbursement of SDR 894 [see more...](#)

MORNING GLANCE

ADB approves \$3m grant for emergency relief efforts- Positive

The Asian Development Bank (ADB) approved on Wednesday a \$3 million grant to support the Government of Pakistan's emergency relief efforts amid widespread floods across the country. The grant, financed from the Asia Pacific Disaster Response Fund (APDRF), will help fund the immediate purchase of food supplies, tents, and other relief goods to support flood victims across the country. APDRF is a special fund designed to fast-track [see more...](#)

Flood assistance: World community has pledged \$58.141m so far - Positive

The international community has so far pledged \$58.141 million in assistance to Pakistan to deal with the catastrophic floods following United Nations and government of Pakistan's launch of a joint flash appeal for \$160 million. According to the data collected on Wednesday from the concerned government departments, the United States is on the top of the list with [see more...](#)

Foreign funded projects: More funds will be sought from donors: Aisha - Neutral

The government will seek additional funds from donors for the Foreign Funded Projects (FFPs) which suffered unmanageable losses due to heavy rains and flash floods. This was confirmed by Dr Aisha Ghaus Pasha, State Minister for Finance while talking exclusively to Business Recorder here on Wednesday. Currently, in total there are 113 projects in all provinces worth \$ 15.2 [see more...](#)

CPI likely to clock in at 26.74% YoY in August - Neutral

Navigating the tide of an economy like Pakistan has already been a hard nut to crack and at the same time, catastrophic monsoon floods hitting the ground have made matters worst. The fear of food shortages on supply chain disruption is started being reflected in spiraling inflation. Accordingly, the CPI for August 2022 is expected to settle around 25.78%-27.6% with an average estimate of 26.74% YoY compared to 24.9% YoY in the last [see more...](#)

FBR: Aug collection surpasses target - Positive

The Federal Board of Revenue (FBR) has provisionally collected net revenue of Rs 489 billion during August 2022 against the target of Rs. 483 billion, reflecting an increase of Rs 6 billion. During the first two months of July and August of 2022-23, the FBR has collected Rs 948 billion against the assigned revenue collection target of Rs 926 billion. So far the Board has surpassed the assigned target by Rs 22 billion in the current fiscal year 2022-23. Now, the [see more...](#)

PKR extends gains by Rs1.37 in interbank after IMF bailout - Positive

The PKR continued to recover for the second consecutive session on Wednesday, gaining Rs1.37 against the dollar in the interbank market. The local currency closed at Rs218.75 per dollar after appreciating 0.63 per cent. Separately, the PKR was changing hands at Rs218.5 per dollar in the open market at 4:40pm, data shared by the Forex Association of Pakistan showed. [see more...](#)

OGDC announces gas discovery in KPK's Kohat - Positive

Oil & Gas Development Company Limited (PSX: OGDC) announced on Wednesday a gas discovery from the deeper Samanasuk & Shinawari formations of Tolanj West Development & Production Lease (D&PL) in the Tolanj West-2 development well, which is located in district Kohat, Khyber Pakhtunkhwa Province (KPK). In a notice sent to the Pakistan Stock Exchange (PSX), the company stated: "The TAL [see more...](#)

Govt increases petrol price by Rs2.07, takes it to Rs235.98 per litre - Negative

The government increased on Wednesday the price of petrol by Rs2.07 per litre, taking it to Rs235.98 for the next fortnight. It also announced an increase in the prices of high-speed diesel by Rs2.99 per litre, taking it to Rs247.43, light diesel oil by Rs10.92 per litre to Rs210.32, and kerosene oil by Rs9.79 per litre to Rs201.54. The prices came into [see more...](#)

OGRA reduces prices of LPG cylinders - Positive

The Oil and Gas Regulatory Authority (OGRA) has notified on Wednesday reduction of LPG domestic 11.8kg and commercial cylinders' prices for the month of September. According to a notification of the OGRA, per kg price of LPG has come down by Rs6.3 from Rs216 to Rs212. The total reduction recorded in prices of domestic cylinder is by Rs75 and on commercial cylinder by Rs287. The new prices [see more...](#)

Nepra to increase Discos' tariffs for July by Rs4.35/unit - Negative

National Electric Power Regulatory Authority (Nepra) on Wednesday agreed to increase tariffs of power Distribution Companies (Discos) by Rs 4.35 per unit for July 2022 under monthly Fuel Charges Adjustment (FCA) mechanism, amid hue and cry by NTDC on massive deductions and fears of hurdles due to the decision of the Lahore High Court [see more...](#)

Amreli Steels, Bolan Castings halt production amid flood disruptions - Negative

Amreli Steels and Bolan Castings have announced production shutdowns in separate notices to the Pakistan Stock Exchange (PSX) on Wednesday as the country continues to suffer from effects of the cataclysmic floods. In its notice, Amreli Steels Limited communicated that "it has decided to shut down its plants for twenty days owing to low demand of steel [see more...](#)

Cabinet Allows Onion, Tomato Import From Iran, Afghanistan - Neutral

Since the calamitous monsoon floods have sent food prices skyrocketing, the federal cabinet has approved the import of onions and tomatoes from Iran and Afghanistan. "The approval was taken from the federal cabinet through a circulation summary, but the decision has not been taken to import tomatoes and onions from India," said Minister [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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