

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	44,477.23	108.82	0.24% ▼
NIFTY 50	17,895.20	104.85	0.59% ▲
DSE 30	2,765.78	1.6	0.05% ▼
SHANGHAI	3,605.57	13.40	0.37% ▲
Hang Seng	25,246.00	217.50	0.87% ▲
BIST 100	1,398.00	1.08	0.08% ▲
MOEX	4,238.00	9.98	0.24% ▲
CSE All-Share	9,678.89	7.89	0.08% ▲
Nikkei 225	28,517.00	468.06	1.67% ▲
KLCI	1,573.02	9.12	0.58% ▲

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,095.55	17.51	0.25% ▲
DAX 30	15,206.13	44.73	0.29% ▼
CAC 40	6,559.99	40.2	0.61% ▼
FTSE MIB	25,745.00	37.00	0.14% ▲
SMI 20	11,764.99	1.35	0.01% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	34,746.25	8.69	0.03% ▼
S&P 500	4,391.36	8.4	0.19% ▼
NASDAQ 100	14,820.75	76.39	0.51% ▼
US Dollar Index	94.10	0.02	0.02% ▲

Source: Investing.com

GULF	Value	Value	Pts
ADX General	7,730.02	20.67	0.27% ▲
Tadawul All-Share	11,566.02	25.31	0.22% ▼
QE General	11,552.87	17.66	0.15% ▲
Premier Market	7,478.45	-	-

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,759.10	1.70	0.10% ▲
Silver (t oz.)	22.77	0.07	0.29% ▲
Oil-WTI (bbl.)	80.52	1.17	1.47% ▲
Oil-Brent (bbl.)	83.20	0.81	0.98% ▲
Steel Scrap (tons)	468.00	2.00	0.43% ▲
Cotton (lb.)	108.55	1.91	1.73% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	172.10	1.3	0.75% ▼
EURO/PKR	199.10	1	0.50% ▼
GBP/PKR	234.60	-	-
JPY/PKR	1.44	-	-
CNY/PKR	23.90	-	-
AED/PKR	48.05	1.00	2.13% ▲
SAR/PKR	46.10	0.55	1.21% ▲
CAD/PKR	137.00	0.6	0.44% ▼
AUD/PKR	124.10	1	0.80% ▼

Source: Forex.com.pk



Market Outlook

KSE-100 on Friday remained volatile throughout the day while concluded the session in the red zone amid long steel industry players have raised the rebar prices by Rs3k/ton in both in the North and South regions. The index made an intra-day high and low at 44,670 (84 points) and 44,338 (-249 points) respectively while closed at 44,477 by losing 109 points. Trading volume has been decreased to 66mn shares as compared to 111mn shares on the previous day. Going forward, we expect the market to remain volatile. The support for the index lies at the level of 44,000. Breaking this level could further drag the index towards the level of 43,500. However, the resistance for the index resides at 45,300.

Key News

International

Asia shares bounce, dollar breaks higher on yen

Asian shares rallied on Monday courtesy of gains in China which also helped U.S. stock futures pare early losses, while rising Treasury yields lifted the dollar to a near-three-year peak against the Japanese yen. Nasdaq futures and S&P 500 futures were both down around 0.1%, but well above early lows. [see more...](#)

Crude Oil Price Update – Strong Upside Momentum Could Trigger Surge into \$81.37 – \$81.71

The direction of the December WTI crude oil futures contract on Monday is likely to be determined by trader reaction to \$78.76. U.S. West Texas Intermediate crude oil futures closed higher on Friday after hitting its highest level since 2014 early in the session. [see more...](#)

Politics

Pak-US relations

Pakistan's relationship with the US is once again at the crossroads. This is not happening for the first time. The situation was similar as far back as in the late seventies and as recently as the early 2000s. In both cases, there were tensions between the two countries before they eventually became partners at wars in Afghanistan. [see more...](#)

MORNING GLANCE

Economy

Overseas Pakistanis sent \$2.7bn remittances in Sept: Farrukh - Positive

Minister of State for Information and Broadcasting Farrukh Habib has said the Pakistanis expatriates had sent \$2.7 billion remittances in September (2021), registering growth of 16.9 per cent over the same month last year. In a tweet on Saturday, he said overall remittances in the first quarter of current Fiscal Year (2021-22) were stood at US \$ eight billion. [see more...](#)

New LNG terminals to be based on B2B model: minister - Neutral

Minister for Energy Hammad Azhar tweeted on Saturday that the new LNG terminals will have no take or pay liability on the government like previous terminals and will be based on Business-to-Business (B2B) model. These measures will enhance the capability of the system to handle imported gas but in a cost-efficient manner, he added. [see more...](#)

SNGPL earns Rs5,917m profit after tax - Neutral

SNGPL has earned profit after tax of Rs5,917 million and EPS of Rs9.33 for the period ended December 31, 2020 as compared to profit after tax of Rs4,696 million and EPS of Rs7.40 during the corresponding period of last year. Based on the declared profit, the Company has proposed an interim cash dividend of 20 percent i.e. Rs2 per share for period ended December 31, 2020. [see more...](#)

Punjab govt to provide imported sugar at Rs90/kg - Neutral

The Punjab government has decided to provide imported sugar at retail shops at Rs 90 per kg through dealers in all the districts. The decision was taken at a meeting chaired by Provincial Minister for Industries Mian Aslam Iqbal and Chief Secretary Punjab Kamran Ali Afzal at the Civil Secretariat on Saturday. [see more...](#)

NY cotton erases gains - Neutral

ICE cotton futures steadied after rising over 4% earlier on Friday as a US monthly jobs data miss raised demand concerns for the natural fiber, although prices were still on course for a weekly gain. The cotton contract for December was last down 0.16 cent, or 0.1%, at 111.45 cents per lb, at 13:19 p.m. EDT (1719 GMT), earlier rising to a fresh contract-high of 116.48 cents per lb. [see more...](#)

VLSFO firms as supply outlook tightens - Neutral

Asia's 0.5% very low-Sulphur fuel oil (VLSFO) firmed on Friday, pulling away from multi-month lows earlier in the week on concerns of a tightening supply outlook. Elevated middle distillate refining margins and rising demand for residual fuels amid soaring gas and coal prices are expected to tighten output of fuel oil over the near term, trade sources said. [see more...](#)

IMF has asked govt to impose Rs225bn taxes: Sherry - Negative

Pakistan People's Party (PPP) said that the International Monetary Fund (IMF) has demanded of the Pakistan Tehreek-e-Insaf (PTI) government to impose Rs 225 billion taxes on the people to collect revenue. PPP vice president Senator Sherry Rehman said in her tweet, on Saturday that the IMF has called on the government to increase electricity prices and to impose more taxes on the people. [see more...](#)

Low water availability in Rabi season - Neutral

The experts on Saturday warned that the cultivation of strategic wheat crop would be a major challenge for the farmers due to low water availability in the Rabi season. A group of experts told media here on Saturday that the Rabi season in the country begins from October 1 and concludes on March 31 each year. [see more...](#)

SPI up 1.21pc WoW - Neutral

The year-on-year trend depicts increase of 12.94 percent, with most of the items increased, electricity for Q1 (57.92 percent), chicken (52.28 percent), vegetable ghee 1kg (40.87 percent), mustard oil (39.90 percent), vegetable ghee 2.5kg (39.34 percent), cooking oil 5-liter (37.97 percent), chillies powdered (33.43 percent), gents' sandal (33.37 percent). [see more...](#)

Pakistan rejects World Bank's growth estimates - Neutral

Reacting to the World Bank's conservative assessment of Pakistan's economy, the Ministry of Finance stated that the Washington-based lender also under-estimated current fiscal year's economic growth rate at 3.4%. The World Bank's growth estimate of 3.5% for fiscal year 2020-21 against the National Accounts Committee (NAC) estimate of 3.94%. [see more...](#)

Punjab to release wheat on basis of targeted population of districts - Neutral

A few days after the Pakistan Flour Mills Association (PFMA) Punjab announced to go on strike if the government failed to revisit the wheat release policy and re-determined the price of 20 kilograms of flour bag, the Punjab government has notified that wheat shall be released on the basis of targeted population of districts while maintaining a minimum benchmark of 12 bags per roller body for each mill. [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

VALUATION METHODOLOGY

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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