




















## MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
 KSE 100	Value	Pts	Chg. (%)
 NIFTY 50	43,221.78	661.3	1.51% ▼
 DSE 30	18,161.75	169.80	0.94% ▲
 SHANGHAI	2,717.56	32.31	1.17% ▼
 Hang Seng	3,561.33	0.43	0.01% ▼
 BIST 100	24,983.50	303	1.20% ▼
 MOEX	1,413.54	3.29	0.23% ▼
 CSE All-Share	4,243.92	19.88	0.47% ▼
 Nikkei 225	9,497.49	142.87	1.48% ▼
 KLCI	28,466.00	325.72	1.16% ▲





Source: Investing.com

EUROPE	Value	Value	Pts
 FTSE 100	7,141.82	11.59	0.16% ▲
 DAX 30	15,249.38	102.51	0.68% ▲
 CAC 40	6,597.38	49.27	0.75% ▲
 FTSE MIB	25,717.50	33.50	0.13% ▲
 SMI 20	11,814.59	57.83	0.49% ▲







Source: Investing.com

USA	Value	Value	Pts
 DOW JONES	Value	Pts	Chg. (%)
 S&P 500	34,377.81	0.53	-
 NASDAQ 100	4,363.80	13.15	0.30% ▲
 US Dollar Index	14,774.60	112.49	0.77% ▲










Source: Investing.com

GULF	Value	Value	Pts
 ADX General	7,786.89	4.36	0.06% ▲
 Tadawul All-Share	11,624.98	82.10	0.71% ▲
 QE General	11,603.88	8.30	0.07% ▲
 Premier Market	7,459.36	16.63	0.22% ▲

Source: Investing.com

Commodity	Value	Value	Chg.
 Gold (t oz.)	1,789.05	5.65	0.31% ▼
 Silver (t oz.)	22.97	0.2	0.86% ▼
 Oil-WTI (bbl.)	80.67	0.23	0.29% ▲
 Oil-Brent (bbl.)	83.46	0.28	0.34% ▲
 Steel Scrap (tons)	468.00	-	-
 Cotton (lb.)	105.72	1.78	1.71% ▲

Source: Investing.com

Currency	Value	Value	Chg.
 USD/PKR	172.80	0.6	0.35% ▼
 EURO/PKR	198.00	2.1	1.05% ▼
 GBP/PKR	234.50	0.1	0.04% ▼
 JPY/PKR	1.44	-	-
 CNY/PKR	23.90	-	-
 AED/PKR	47.10	0.05	0.11% ▲
 SAR/PKR	45.75	0.20	0.44% ▲
 CAD/PKR	137.50	0.1	0.07% ▼
 AUD/PKR	125.00	0.1	0.08% ▼

Source: Forex.com.pk



### Market Outlook

KSE-100 on Wednesday opened on a positive note. However, later on, it lost the impetus and dived deep into the losses while concluded the session in the red zone amid uncertainty over macroeconomic conditions. The index made an intra-day high and low at 44,173 (290 points) and 43,068 (-815 points) respectively while closed at 43,222 by losing 661 points. Trading volume has been decreased to 156mn shares as compared to 188mn shares on the previous day. Going forward, we expect the market to remain volatile. The support for the index lies at the level of 42,800. Breaking this level could further drag the index towards the level of 41,900. However, the resistance for the index resides at 43,500.

### Key News

#### International

#### Asian Stocks Rise as Longer-Term Yields Hold Drop: Markets Wrap

Asian markets retreated Tuesday as investors grew increasingly concerned about a growing energy crisis, spiking inflation, signs of a slowdown in the global economy and an end to central bank financial support. [see more...](#)

#### Oil rises on expectation high natural gas to drive switch for heating

Oil prices rose on Thursday, reversing previous losses, on expectations that high natural gas prices as winter approaches may drive a switch to oil to meet heating demand needs. Brent crude futures gained 28 cents, or 0.3%, to \$83.46 a barrel at 0107 GMT after falling 0.3% on Wednesday. [see more...](#)

#### Politics

#### Bajwa, Bagheri agree on response to terrorism

The understanding was reached during a meeting between Chief of the Army Staff (COAS) Gen Qamar Bajwa and visiting Iranian Chief of General Staff Maj Gen Mohammad Bagheri at the General Headquarters. [see more...](#)

## MORNING GLANCE

### Economy

#### SHC decides to freeze Hascol's assets - Neutral

As per details, SHC issued a notification in this regard on October 12, following an execution application filed by Mena Energy DMCC under section 44-A CPC for enforcing a judgment dated June 15, 2018, passed by the above-mentioned court as Hascol Petroleum Ltd. owns assets in Karachi. The Court of England had awarded \$9,500,000 against Hascol Petroleum Ltd., which is incorporated in Pakistan. [see more...](#)

#### Rs1.39/unit hike in base tariff imminent - Negative

Following understanding with International Monetary Fund (IMF), Power Division has prepared a summary for the Federal Cabinet to seek final nod for further raise in base tariff by Rs 1.39 per unit from November 1, 2021, official sources told Business Recorder. This in principle is the agreement reached between the Fund and Pakistani authorities last week. IMF team held separate detailed meetings with top officials of Ministry of Energy at the Power Division. [see more...](#)

#### High energy prices - Neutral

Governments should avoid using general subsidies as a way to soften the blow from recent high energy prices, the IMF said Wednesday. Broad subsidies are expensive, so policymakers instead should use targeted aid to help low-income families most impacted from the recent surge, Paulo Medas, of the IMF's Fiscal Affairs Department said. [see more...](#)

#### PD yet to open head of accounts to pay agreed amount to IPPs - Neutral

Power Division is yet to establish Head of Accounts for payment of 40 per cent of total agreed amount to the Independent Power Producers (IPPs) of the Power Policy 2002, well informed sources told Business Recorder. Power Division is expected to release the first instalment of Rs 52.4 billion by the end of current month. We have to get cleared the Head of Accounts. [see more...](#)

#### Honda Just Imported the First 11th-Gen Civic in Pakistan - Neutral

It has been a few months since the launch of the all-new Honda Civic in the international market and it is safe to say that at the moment, it is one of the most sought-after vehicles around the world. Car journalists claim that the demand is so high that Honda is struggling to keep up the supply of the vehicles, even for reviews. [see more...](#)

#### Al-Haj Automotive Assembly Plant inaugurated- Neutral

President Dr Arif Alvi on Wednesday said that it was matter of pride Pakistan was collaborating with Malaysia to produce high quality vehicles in the country and it was result of good policies especially in automotive sector announced by the government. He expressed these views while addressing the Al-Haj Automotive Assembly Plant inauguration ceremony of Proton SAGA here. [see more...](#)

#### PIAC reports decline in revenue due to Covid-19- Neutral

Pakistan International Airline Corporation (PIAC) has generated Rs94.989 billion, down from Rs 147 billion achieved in 2019, the decline in the revenue is attributed to Covid-19 restrictions affecting all of the PIA routes, reducing the overall operations by nearly half. This was stated by the PIA officials. [see more...](#)

#### SHMI units grows at a rate of 6.51% annually: PBS - Neutral

The overall manufacturing units have increased with an annual growth rate of 6.51% over the period, as compared to SHMI 2015, SHMI 2006-07, and 1996-97, the survey report issued by the Pakistan Bureau of Statistics noted. The survey covers small-scale industrial establishments and household manufacturing units in Pakistan. [see more...](#)

#### PBC irked by restoration of CCIR's powers - Neutral

The Pakistan Business Council (PBC) has expressed serious disappointment over the Federal Board of Revenue's decision to restore the powers of the Chief Commissioners of Inland Revenue to attach bank accounts. On the other hand, the Overseas Investors Chamber of Commerce and Industry (OICCI). [see more...](#)

#### PSX Market Capitalization Plummet Below \$50 Billion- Neutral

Getting down unabatedly, the market capitalization of the Pakistan Stock Exchange (PSX) stands below \$50 billion these days due to various macroeconomic factors that have been affected by domestic and international indicators. This was stated by Managing Director. [see more...](#)

#### IMF projects decline in gross debt - Neutral

The International Monetary Fund (IMF) has projected a decline in the government gross debt for Pakistan, ie, from 83.4 percent of Gross Domestic Product (GDP) in 2021 to 80.9 percent in 2022. According to the IMF report, "Fiscal Monitor, Strengthening the Credibility of Public Finances. [see more...](#)

#### Rs330bn sales tax exemptions: Presidential Ordinance on the cards - Positive

Sources told Business Recorder here on Wednesday that the income tax measures would not be taken at this stage. It has been agreed to take taxation measures on the sales tax side before the next budget. The sales tax exemptions, sales tax zero-rating and all kinds of reduced sales tax rates may be subjected to standard rate of 17 percent sales tax. [see more...](#)

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## DEFINITION OF TERMS

<b>TP</b>	Target Price	<b>DDM</b>	Dividend Discount Model	<b>FCF</b>	Free Cash Flows
<b>FCFE</b>	Free Cash Flows to Equity	<b>FCFF</b>	Free Cash Flows to Firm	<b>DCF</b>	Discounted Cash Flows
<b>PE</b>	Price to Earnings Ratio	<b>PB</b>	Price to Book Ratio	<b>BVPS</b>	Book Value Per Share
<b>EPS</b>	Earnings Per Share	<b>DPS</b>	Dividend Per Share	<b>ROE</b>	Return of Equity
<b>ROA</b>	Return on Assets	<b>SOTP</b>	Sum of the Parts	<b>JPB</b>	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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