




















MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
 KSE 100	44,821.53	487.85	1.10% ▲
 NIFTY 50	18,338.55	176.80	0.97% ▲
 DSE 30	2,705.13	14	0.51% ▼
 SHANGHAI	3,548.97	23.39	0.65% ▼
 Hang Seng	25,163.00	294.5	1.16% ▼
 BIST 100	1,409.56	2.18	0.15% ▼
 MOEX	4,261.82	2.69	0.06% ▲
 CSE All-Share	9,623.81	2.16	0.02% ▲
 Nikkei 225	29,004.50	64.13	0.22% ▼
 KLCI	1,608.91	10.63	0.67% ▲





Source: Investing.com

EUROPE	Value	Value	Pts
 FTSE 100	7,234.03	26.32	0.37% ▲
 DAX 30	15,587.36	124.64	0.81% ▲
 CAC 40	6,727.52	42.31	0.63% ▲
 FTSE MIB	26,245.00	249.00	0.96% ▲
 SMI 20	11,961.34	68.82	0.58% ▲







Source: Investing.com

USA	Value	Value	Pts
 DOW JONES	35,294.76	382.20	1.09% ▲
 S&P 500	4,471.37	33.11	0.75% ▲
 NASDAQ 100	15,146.92	94.50	0.63% ▲
 US Dollar Index	94.00	0.06	0.06% ▲










Source: Investing.com

GULF	Value	Value	Pts
 ADX General	7,834.71	23.12	0.30% ▲
 Tadawul All-Share	11,773.36	74.25	0.63% ▲
 QE General	11,751.38	87.75	0.75% ▲
 Premier Market	7,481.43	19.97	0.27% ▲

Source: Investing.com

Commodity	Value	Value	Chg.
 Gold (t oz.)	1,771.25	2.95	0.17% ▲
 Silver (t oz.)	23.44	0.09	0.37% ▲
 Oil-WTI (bbl.)	82.73	1.00	1.22% ▲
 Oil-Brent (bbl.)	85.59	0.73	0.86% ▲
 Steel Scrap (tons)	480.50	-	-
 Cotton (lb.)	108.45	1.40	1.31% ▲

Source: Investing.com

Currency	Value	Value	Chg.
 USD/PKR	172.60	0.8	0.46% ▼
 EURO/PKR	199.20	0.9	0.45% ▼
 GBP/PKR	236.10	1.50	0.64% ▲
 JPY/PKR	1.44	-	-
 CNY/PKR	23.90	-	-
 AED/PKR	47.25	0.20	0.43% ▲
 SAR/PKR	46.05	0.50	1.10% ▲
 CAD/PKR	138.10	0.50	0.36% ▲
 AUD/PKR	126.35	1.25	1.00% ▲

Source: Forex.com.pk



Market Outlook

KSE-100 on Friday remained positive in majority part of the day while concluded the session in the green zone amid fresh buying interest was witnessed in Oil & Gas Exploration sector due to the surge in international crude oil prices. The index made an intra-day high and low at 44,835 (501 points) and 44,197 (-136 points) respectively while closed at 44,821 by gaining 488 points. Trading volume has been increased to 152mn shares as compared to 150mn shares on the previous day. Going forward, we expect the market to remain under pressure as both Pakistan and IMF failed to reach staff level agreement despite hike in power and fuel prices. The support for the index resides at the level of 43,500. Breaking this level could further drag the index towards the level of 42,700. However, the resistance for the index resides at 47,200.

Key News

International

Asian shares jittery ahead of China GDP; oil hits fresh highs
Asian shares were on edge on Monday morning ahead of the release of Chinese economic data for the third quarter, as investors fret about the health of the world's second-largest economy even as U.S. companies report strong quarterly earnings. [see more...](#)

Oil Extends Gain After Eighth Weekly Advance on Energy Crisis

Oil advanced at the open of trading in Asia after an eighth weekly gain with the market facing a global energy crunch ahead of winter. Futures in New York climbed near \$83 a barrel after adding 3.7% last week, capping the longest run of weekly gains since 2015. [see more...](#)

Politics

Imran Khan trying to turn Army, ISI into his Tiger Force, says Bilawal at PPP's power show in Karachi

He was addressing a PPP rally at Karachi's Bagh-i-Jinnah, held to mark the anniversary of the 2007 Karsaz bombing on Benazir Bhutto's homecoming convoy and with an eye to strengthen the party's foothold in Karachi and mobilize its workers in the metropolis for upcoming electoral challenges. [see more...](#)

MORNING GLANCE

Economy

PL, GST rates stay put: massive increase in POL products' prices announced- **Negative**

The federal government Saturday opted to increase the ex-refinery prices of all petroleum products but maintained the rates of petroleum levy (PL) and General Sales Tax (GST) at the level of first half of October. The Finance Division Saturday morning released a statement, announcing an increase in the ex-depot prices of all petroleum products up to 11 percent with effect from October 16, in a fortnightly review. [see more...](#)

Pakistan-IMF talks fail once again - **Negative**

The fresh round of talks from October 4 to 15 for the release of the \$1 billion loan tranche and receiving a good economic health certificate remained inconclusive. The talks failed despite Pakistan having implemented a prior condition of increasing electricity and petroleum products prices. However, both sides have shown resolve to remain engaged. In his attempts to conclude talks on a positive note, Finance Minister Shaukat Tarin (whose tenure expired on Friday) met with IMF. [see more...](#)

GST on TDS: PD seeks legal opinion - **Neutral**

The Power Division has sought legal opinion from the Law Ministry on the interpretation of applicability of Sales Tax on Tariff Differential Subsidy (TDS) meant for electricity consumers as the FBR is unwilling to back out from recovery of GST on subsidies, well-informed sources told Business Recorder. On September 30, 2021, the Economic Coordination Committee (ECC) of the Cabinet considered a summary of the Power Division on the dispute between FBR and Power Division. [see more...](#)

TCP issues new sugar tender - **Neutral**

Pakistan's state trading agency the Trading Corporation of Pakistan (TCP) is believed to have made no purchase in an international tender for 50,000 tonnes of sugar which closed on Oct 13, European traders said on Saturday. The TCP has also issued a new tender for 50,000 tonnes of bagged white sugar, they said. The deadline for submission of price offers in the new tender is Oct 25.-Reuters. [see more...](#)

Sugarcane: Rs225/maund minimum purchase price proposed - **Neutral**

The Sugarcane Control Board Punjab has reportedly pitched the Minimum Purchase Price (MPP) for the sugarcane at Rs 225 per maund for the crushing season 2021-22. The Sugarcane Control Board, which has recently been reconstituted by the provincial food department, held its maiden meeting here on Saturday to deliberate on the proposed support price of the sugarcane and other aspects of the coming crushing season. [see more...](#)

Pakistan, Iran should devise barter trade payment mechanism: Maggo - **Neutral**

President FPCCI, Mian Nasser Hyatt Maggo has urged the governments of Pakistan and Iran to come up with a payment mechanism based on barter trade. FPCCI chief also expressed his interest to understand the mechanism that how Iran and Iraq have achieved bilateral trade volume of US 18 billion dollars annually. [see more...](#)

Supply chains, inflation overshadow vaccine, debt woes at IMF-World Bank meetings - **Neutral**

Supply chain woes and growing inflation concerns pushed aside a widening gap in COVID-19 vaccinations and mounting debt problems for developing countries as the top concerns for global policymakers at International Monetary Fund and World Bank annual meetings this week. Relatively little new progress was made on increasing vaccine supplies to developing countries. [see more...](#)

Prices of essential kitchen items increase further - **Negative**

Prices of essential kitchen items have witnessed a further increase during this week past as compared with the previous week, a survey carried out by Business Recorder revealed here on Saturday. The survey noted an increase of Rs600 per 40kg of chicken prices, which jumped from Rs9,200 per 40kg to Rs9,800, while in retail, chicken is being sold at Rs275 per kg. [see more...](#)

Hike in oil prices to fuel inflation: expert - **Negative**

Pakistan is in the grip of a wave of increase in international oil rates but there is a limit of everything. Recent hike of petroleum prices of Rs.10.49 per litre in Pakistan is massive and unbearable hike, said Ateeq ur Rehman, an economic & financial analyst. The hike in petroleum prices will have triple negative effects, the logistic/ transport cost will shoot up automatically, the cost of production will rise and the electricity tariff will swell, he said. [see more...](#)

PD to submit report on strategic oil reserves to CCoE - **Neutral**

Petroleum Division is to submit a report on storage of strategic reserves of oil to Cabinet Committee on Energy (CCoE) in its next meeting, official sources told Business Recorder. On July 1, 2021, the CCoE had directed Petroleum Division to conclude the study on storage for strategic reserves and present it to the CCoE within the month of July but the decision could not be implemented. [see more...](#)

Weekly Review: It's difficult to determine cotton market conduct - **Neutral**

Due to extraordinary fluctuation in the market, it is difficult to determine the direction of the market. Adopt the policy of following the market trend. After the fluctuation bearish trend prevails in the market. Financial crisis is increasing in the market. Now All Pakistan Textile Mills Association will grow cotton. Textile policy deferred for the fifth time. Central Cotton Research Institute Multan has conducted experiment of increasing the crop production through artificial rain. [see more...](#)

Income tax amendment Ordinance issues- **Neutral**

The fifteen days extended date for filing of Income tax returns has ended on 15th October. The rationale for the extension this year was essentially due to the collapse of the FBR's IRIS system as the number of filers on the last day far exceeded its capacity. [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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- I. Discounted Cash Flow Model
- II. Dividend Discount Model
- III. Relative Valuation Model
- IV. Sum of Parts Valuation

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BUY	Greater than 15%
HOLD	Between -5% to 15%
SELL	Less than and equal to -5%

Sector Rating	Sector Outlook
Overweight	Positive
Market Weight	Neutral
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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