

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	45,499.46	870.01	1.95% ▲
NIFTY 50	18,266.60	152.15	0.83% ▼
DSE 30	2,656.05	-	-
SHANGHAI	3,592.16	5.16	0.14% ▲
Hang Seng	26,140.00	10	0.04% ▼
BIST 100	1,432.80	2.95	0.21% ▲
MOEX	4,287.52	11.26	0.26% ▲
CSE All-Share	9,709.14	85.33	0.89% ▲
Nikkei 225	29,154.50	101.05	0.35% ▼
KLCI	1,602.91	3.41	0.21% ▼

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,223.10	5.57	0.08% ▲
DAX 30	15,522.92	7.09	0.05% ▲
CAC 40	6,705.61	35.76	0.54% ▲
FTSE MIB	26,430.00	233.00	0.89% ▲
SMI 20	12,013.15	70.41	0.59% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	35,609.34	152.03	0.43% ▲
S&P 500	4,536.19	16.56	0.37% ▲
NASDAQ 100	15,388.71	22.01	0.14% ▼
US Dollar Index	93.52	0.018	0.02% ▼

Source: Investing.com

GULF	Value	Value	Pts
ADX General	7,888.41	4.6	0.06% ▼
Tadawul All-Share	11,903.74	111.20	0.94% ▲
QE General	11,856.43	88.98	0.76% ▲
Premier Market	7,519.47	26.72	0.36% ▲

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,787.85	2.95	0.17% ▲
Silver (t oz.)	24.47	0.02	0.08% ▲
Oil-WTI (bbl.)	83.69	0.27	0.32% ▲
Oil-Brent (bbl.)	85.89	0.07	0.08% ▲
Steel Scrap (tons)	479.00	2	0.42% ▼
Cotton (lb.)	110.39	0.20	0.18% ▲

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	174.20	0.80	0.46% ▲
EURO/PKR	201.50	1.40	0.70% ▲
GBP/PKR	239.50	4.90	2.09% ▲
JPY/PKR	1.44	-	-
CNY/PKR	23.90	-	-
AED/PKR	47.75	0.70	1.49% ▲
SAR/PKR	46.25	0.70	1.54% ▲
CAD/PKR	140.00	2.40	1.74% ▲
AUD/PKR	129.00	3.90	3.12% ▲

Source: Forex.com.pk



Market Outlook

KSE-100 on Wednesday remained bullish throughout the day while concluded the session in the green zone amid fresh buying interest was witnessed in cement sector. The index made an intra-day high and low at 45,564 (934 points) and 44,629 (0 points) respectively while closed at 45,499 by gaining 870 points. Trading volume has been increased to 132mn shares as compared to 102mn shares on the previous day. Going forward, we expect the market to continue its bullish momentum till 46,128. Breaking this level could further push the index towards the level of 46,500. However, the support for the index resides at 44,000.

Key News

International

Asian Stocks Mixed, All Eyes on China Evergrande as Stocks Resume Trading

Asia Pacific stocks were mixed on Thursday morning, with investors keeping an eye on China Evergrande Group (HK:3333), corporate earnings, and elevated inflation. Japan's Nikkei 225 was down 0.35% by 10:23 PM ET (2:23 AM GMT), while South Korea's KOSPI was up 0.35%. [see more...](#)

Oil extends gains as U.S. crude inventory draw points to strong demand

Oil prices rose on Thursday to extend gains from the previous session as U.S. crude and fuel inventories tightened further, with supplies of gasoline hitting a two-year low, pointing to strong demand. [see more...](#)

Politics

PM Imran seems to be oblivious of challenges coming his way in near future

RARELY have I seen a ruler so oblivious to the tsunami heading his way. While the prime minister is busy preaching family values to the country on a daily basis, the spiral of inflation that is heading in our direction once the combined impact of the petrol and power price hikes work their way through the system will set off a chain of consequences that even the most devoted. [see more...](#)

MORNING GLANCE

Economy

Power tariff raise under FCA imminent - **Negative**

The government is all set to further burden power consumers with over Rs4 per unit increase in tariff under the garb of Fuel Component Adjustment (FCA) and raise in base tariff as per agreement with the International Monetary Fund (IMF) and World Bank. The Central Power Purchasing Agency (CPPA-G), an arm of Power Division, has sought an increase of Rs 2.66 per unit increase in Disco tariffs for September 2021 under FCA mechanism. [see more...](#)

IMF talks 'progressing around various pillars of programme' - **Neutral**

The International Monetary Fund (IMF) has stated that Fund's mission to Pakistan and authorities are currently in the process of the discussion around the sixth review of the program. This was stated by the IMF, Director, Middle East and Central Asia Department, Jihad Azour during a press briefing of the October 2021 Annual Meetings Middle East and Central Asia Department. [see more...](#)

Forex requirement of Diamer-Bhasha Dam project - **Neutral**

Federal Minister for Water Resources Moonis Elahi Wednesday informed the National Assembly that to meet the foreign currency requirement of first two years of Diamer-Bhasha Dam project, Water and Power Development Authority (Wapda) successfully raised \$500 million by issuance of first-ever Green Eurobond. In a written reply to a question, he said that out of total proceeds of \$500 million approximately, \$300 million has been allocated for Diamer-Bhasha Dam project. [see more...](#)

THE RUPEE: PKR's weakens further - **Negative**

Pakistan's rupee continued to weaken, depreciating another 0.4% to a record low against the US dollar to close at 173.47 in the inter-bank market on Wednesday. As per the State Bank of Pakistan (SBP), the PKR closed at 173.47 against the USD, a day-on-day depreciation of 69 paise or 0.40%. On Monday, the PKR had dropped to the then record low of 172.78. [see more...](#)

AGP Questions SBP's Connection With Danish Bank Involved in Money Laundering - **Neutral**

The Auditor General of Pakistan and the State Bank of Pakistan (SBP) are at loggerheads over the recovery of \$265 million funds from M/s Danske Bank, a Danish bank involved in money laundering. The AGP, in its audit report 2020-21, has stated that one of the objectives of the Investment Risk Analysis Division (IRAD) of SBP is to evaluate new counterparty relationships and monitor and report the creditworthiness of counterparties through the Early Warning System on a daily basis. [see more...](#)

Pakistan to enhance automobile production to 1m units: Ambassador Haque - **Positive**

Pakistan is planning to enhance its annual production of automobiles from the existing 250,000 units to about six to eight million units during the next five years, Pakistan's Ambassador to China Moin ul Haque said here on Wednesday. "It is an ambitious target but it is possible to achieve due to the yearly growth in production as well as interest showed by different automobile companies from across the world especially from China. [see more...](#)

Pakistan's fertilizer industry globally compatible, can thrive in deregulated regime: CFO Engro - **Neutral**

Chief Financial Officer (CFO) of Engro Fertilizers Imran Ahmed Wednesday said Pakistan's fertilizer industry was internationally competitive and could thrive in a fully deregulated environment, even without any subsidies. Talking to media here, he said currently the fertilizer industry of Pakistan was providing urea at a significant discount of Rs 5,000 per bag compared to imported urea. [see more...](#)

Pak Agro Packaging to Be First to IPO on Pakistan's Small-Business Bourse : **Bloomberg - Negative**

Pak Agro Packaging Ltd. aims to sell shares this month that will make it the first to list on a new bourse for small businesses in Pakistan. The Islamabad-based firm plans to sell 8 million shares — 40% of the company — on the Pakistan Stock Exchange's Growth Enterprise Market Board, said Syed Khuram Shahid, head of investment banking at AKD Securities Ltd., financial adviser to the transaction. The target range is 22.5-31.5 rupees. [see more...](#)

Telecard successfully restructures its TFC Loan - **Neutral**

Telecard's outstanding Term Finance Certificates (TFCs) have been successfully restructured after the consent of the majority of TFC holders. That restructuring would pave the way for the regulatory approvals for the planned IPO of its subsidiary, Supernet Limited. The company had raised Rs2.4bn through its TeleTFC, paying back Rs1.7b. [see more...](#)

GCIL to increase the paid-up capital by 6.5% Right Issue - **Neutral**

The Ghani Global Holdings Limited (GGL) informed PSX that the Board of Directors of Ghani Chemical Industries Limited (GCIL) in their meeting held on October 16, 2021 has decided to increase the paid-up capital by the way of 6.5% Right Issue for every hundred existing ordinary shares at Rs40 per share. This includes the premium of Rs30 per share. [see more...](#)

Reduction in oil, ghee prices - **Neutral**

The federal government and Pakistan Vanaspati Manufacturers Association (PVMA) have finalised Memorandum of Understanding (MoU) to reduce prices of edible oil, ghee. This was disclosed at a recent meeting of Federal Cabinet, presided over by Prime Minister Imran Khan, who is regularly holding meetings on commodities prices. Official sources told Business Recorder. [see more...](#)

Investment cooperation in green development - **Neutral**

Pakistan and China are likely to sign a three-year pact on promotion of investment cooperation in green development, well informed sources told Business Recorder. The MoU will be inked with Ministry of Commerce China which is actively implementing China's commitment to be carbon neutral by 2060. The Ministry is also carrying out China's 14th Five-year plan (2021-2025). [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

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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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