

MORNING GLANCE

ASIA	Value	Pts	Chg. (%)
KSE 100	44,363.70	584.82	1.30% ▼
NIFTY 50	17,415.05	88.3	0.50% ▼
DSE 30	2,631.37	29.48	1.10% ▼
SHANGHAI	3,584.77	7.93	0.22% ▼
Hang Seng	24,624.50	38.00	0.15% ▲
BIST 100	1,812.30	27.74	1.55% ▲
MOEX	3,950.56	9.77	0.25% ▼
CSE All-Share	10,910.06	18.54	0.17% ▼
Nikkei 225	29,505.00	202.34	0.69% ▲
KLCI	1,522.23	0.04	-

Source: Investing.com

EUROPE	Value	Value	Pts
FTSE 100	7,286.32	19.63	0.27% ▲
DAX 30	15,878.39	58.61	0.37% ▼
CAC 40	7,042.23	2.39	0.03% ▼
FTSE MIB	27,172.50	199.50	0.74% ▲
SMI 20	12,395.72	28.99	0.23% ▲

Source: Investing.com

USA	Value	Value	Pts
DOW JONES	35,804.38	9.42	0.03% ▼
S&P 500	4,701.46	10.76	0.23% ▲
NASDAQ 100	16,367.81	61.10	0.37% ▲
US Dollar Index	96.78	0.069	0.07% ▼

Source: Investing.com

GULF	Value	Value	Pts
ADX General	8,398.31	9.21	0.11% ▼
Tadawul All-Share	11,369.38	112.86	1.00% ▲
QE General	11,790.01	6.04	0.05% ▼
Premier Market	7,774.74	-	-

Source: Investing.com

Commodity	Value	Value	Chg.
Gold (t oz.)	1,793.00	8.70	0.49% ▲
Silver (t oz.)	23.69	0.19	0.82% ▲
Oil-WTI (bbl.)	78.36	0.03	0.04% ▼
Oil-Brent (bbl.)	82.28	0.12	0.15% ▲
Steel Scrap (tons)	494.00	6.50	1.33% ▲
Cotton (lb.)	115.90	4.46	3.71% ▼

Source: Investing.com

Currency	Value	Value	Chg.
USD/PKR	177.25	5.95	3.47% ▲
EURO/PKR	198.00	1.00	0.51% ▲
GBP/PKR	236.50	2.50	1.07% ▲
JPY/PKR	1.44	-	-
CNY/PKR	23.90	-	-
AED/PKR	48.60	1.10	2.32% ▲
SAR/PKR	46.95	1.95	4.33% ▲
CAD/PKR	138.50	1.00	0.73% ▲
AUD/PKR	127.00	0.5	0.39% ▼

Source: Forex.com.pk



Market Outlook

KSE-100 on Wednesday remained under immense selling pressure throughout the day while concluded the session deep into the losses as the government is all set to present a mini-budget next week amid the IMF has rejected Pakistan's request to keep a door open for borrowing from the central bank. The index made an intra-day high and low at 44,984 (35 points) and 44,208 (-741 points) respectively while closed at 44,364 by losing 585 points. Trading volume has been decreased to 110mn shares as compared to 126mn shares on the previous day. Going forward, we expect the market to continue its downward momentum. The support for the index lies at 44,000. Breaking this level could further drag the index towards 42,800. However, the resistance for the index resides at 45,600.

Key News

International

Asian shares inch lower as dollar marches on

Asian shares wobbled lower on Thursday, hurt by the U.S. dollar which continued to march higher as investors bet on interest rates rising more quickly in the United States than in other major economies such as Japan and the euro zone. [see more...](#)

Oil slips awaiting OPEC+ response to U.S.-led crude release

Oil prices ticked lower on Thursday with investors waiting to see how major producers respond to the emergency crude release by major consuming countries designed to cool the market, even as data pointed to healthy U.S. fuel demand. [see more...](#)

Politics

Continued isolation of Afghanistan could spell disaster both for the country's people as well as the world

A humanitarian disaster is unfolding in Afghanistan that is bound to have far-reaching implications that will not be limited to the war-ravaged country. According to a recent UN report, around 60 per cent of Afghanistan's 38 million people will be affected by the impending food crisis. [see more...](#)

MORNING GLANCE

Economy

SBP sees 4-5pc GDP growth in FY22 - Neutral

These impediments include consistent decline in the yield of important crops (especially cotton); insufficient export coverage of imports, low and declining productivity of labor, stagnant tax-to-GDP ratio, anemic investment-to-GDP ratio, and the rising fiscal burden of the power sector," stated the SBP in its annual report, which was issued on Wednesday. [see more...](#)

SBP keeps inflation forecast unchanged; sees significant risk from high food, energy prices - Negative

The State Bank of Pakistan (SBP) on Wednesday kept its inflation forecast unchanged for the current fiscal year of 2021/22 but warned higher food prices and rising energy costs could fuel significant risks to consumer price index inflation (CPI) outlook. The national CPI inflation is expected to remain within a range of 7.0 to 9.0 percent," the SBP said in its annual report on the State of Pakistan's Economy for the last fiscal year of 2020-21. [see more...](#)

Central govt debt up 4pc in July-Sept - Negative

The latest data issued by the State Bank of Pakistan on Wednesday shows that the central government's total debt was Rs40.259 trillion by the end of September compared to Rs38.699tr at the end of June, an increase of Rs1.56tr. The domestic debt and liabilities of the government increased by Rs179 billion to Rs27.137tr during the quarter. The amount was Rs26.958tr at the end of June. [see more...](#)

Supply of 1,400MW: Govt finalizes new PPAA, ICA with KE- Positive

The Power Division has reportedly finalized new Power Purchase Agency Agreement (PPAA) and Inter-Connection Agreement (ICA) with Karachi Electric (KE) for supply of 1,400 MW electricity to the latter, but disagreement still exists on base load verses firm capacity and Late Payment Surcharge for regulatory delays between the two parties, well informed sources told Business Recorder. [see more...](#)

MCM set to become first vehicle exporter of Pakistan - Positive

Master Changan Motors (MCM) has taken a leap to become the first auto assembler to export vehicles from Pakistan. After revealing the sketches of its upcoming SUV segment, the MCM claimed that the upcoming SUV launch would be the first-ever 'global launch' for any vehicle in Pakistan. Danial Malik, CEO MCM, apprised last year that MCM and Changan, China had agreed to make Pakistan 'exporting hub' for Right Hand Drive (RHD) vehicles. [see more...](#)

Bank deposits rise 13pc to Rs19.34tr - Positive

In absolute terms, banks deposits increased by Rs2.258 trillion since the start of 2021 to reach Rs19.343tr by the end of October. Bank investments stood at Rs13.796tr by the end of October, an increase of 2.376tr since January. Against a sharp increase in investment, bank advances rose by 11pc (or Rs927bn) to Rs9.394tr. [see more...](#)

Fertilizer offtake surges by 45.4% YoY in Oct'21 - Positive

The country's total nutrients offtake grew by 45.4% to 563,000 tonnes during October 2021 from 387,000 tonnes in the same period last year, the latest monthly data of fertilizer offtake issued by the National Fertilizer Development Company (NFDC) showed on Wednesday. Among the nutrients, nitrogen and phosphate offtake increased by 39.3% and 59.5%, respectively during October 2021. [see more...](#)

DAP offtake increases 49% YoY in October - Positive

Amid an upward trend in prices and uncertainty in supply, the sales of diammonium phosphate (DAP) jumped by 49.2% to stand at 342,000 tonnes in the said month against 229,000 tonnes recorded in the same period last year (SPLY), according to the data published by National Fertilizer Development Company (NFDC) on Wednesday. [see more...](#)

Treet Corporation approves Rs3bn loan to FTMM - Positive

The shareholders of Treet Corporation Limited (TREET) have resolved to give a loan of up to Rs 3bn to First Treet Manufacturing Modaraba ("FTMM"), being an associated undertaking, in the form of a working capital loan, for a period of one year, a company filing on the PSX showed. TREET holds a major shareholding in FTMM. In March 2021, the Security and Exchange Commission of Pakistan (SECP). [see more...](#)

PSW to launch trade info portal - Neutral

Pakistan Single Window (PSW) facility inches closer towards the launch of the cross-border trade-related Trade Information Portal of Pakistan (TIPP), a statement said. The PSW team has achieved another set goal by validating the regulatory content of 22 other government agencies as listed in PSW Act 2021 with the contribution of all trade regulators. [see more...](#)

Ecnec approves 9 schemes worth over Rs302bn - Neutral

The Executive Committee of the National Economic Council (ECNEC) has approved over Rs302 billion worth nine development projects for various sectors of the economy on Wednesday. The meeting of the ECNEC presided over by Adviser to the Prime Minister on Finance and Revenue Shaukat Tarin approved the Pakistan Optical Remote Sensing Satellite (PRSS-02) project of SUPARCO worth of Rs27.913 billion. [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:

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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

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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