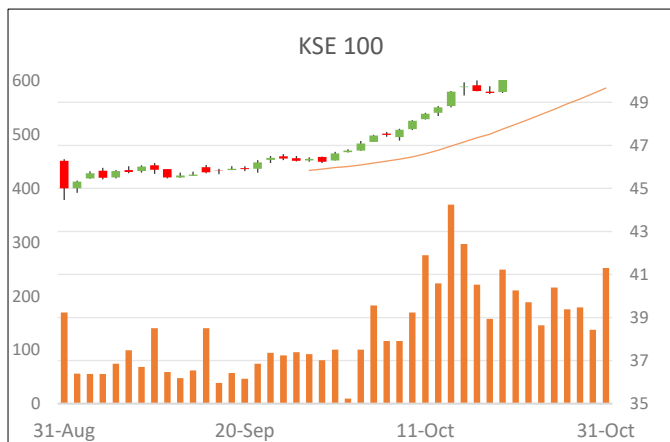


MORNING GLANCE



51,920	▲ 437	▲ 0.85%
252 mn	YTD 27.21%	1 Year 25.82%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,079.60	61.3	0.32% ▼
DSE 30	2,133.87	0.92	0.04% ▼
SHANGHAI	3,023.64	4.87	0.16% ▲
Hang Seng	17,112.00	13.00	0.08% ▲
Nikkei 225	31,507.50	648.65	2.10% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,321.72	5.67	0.08% ▼
DAX 30	14,810.34	93.80	0.64% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,052.87	123.91	0.38% ▲
S&P 500	4,193.80	26.98	0.65% ▲
NASDAQ	14,409.78	74.28	0.52% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,987.35	6.95	0.35% ▼
Oil-WTI (bbl)	81.15	0.13	0.16% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	281.47	0.90	0.32% ▲
EURO/PKR	298.80	2.40	0.81% ▲
GBP/PKR	341.89	1.95	0.57% ▲
AED/PKR	76.39	-	-

Source: dps.psx.com.pk, investing.com, forex.com

Market Outlook

The stock market on Tuesday Surged over 400 points and concluded the session in the green zone amid improved corporate profitability and the government's decision to increase gas tariffs, which is anticipated to enhance the profitability of the energy sector. The Benchmark KSE-100 index made an intra-day high and low at 52,088.70 (606 points) and 51,508.57 (25 points) respectively while closed at 51,920.27 by gaining 437 points. Trading volume increased to 252mn shares as compared to 137mn shares on the previous trading day. Going forward, we expect the market to remain positive as the MPC had decided to keep the interest rate unchanged. The resistance for the index resides at 52,000. Breaking this level would further push the index towards 53,000. Contrarily, the support for the index resides at 51,300.

Key News

International

Asia Stocks Gain, Yen Rises on FX Warning Post BOJ: Markets Wrap

The yen strengthened from near its weakest level this year after Japan's foreign exchange chief said he was on standby for intervention. Shares in Asia traded broadly higher ahead of Wednesday's Federal Reserve's decision. MSCI's Asia Pacific Index rose about 0.8%, led higher by Japanese stocks, with the Topix benchmark gaining the most in year. [see more...](#)

Oil gains ahead of Fed meeting as Middle East conflict persists

Oil prices edged up in early Asian trade on Wednesday ahead of key global central bank meetings this week including the U.S. Federal Reserve, as the market also closely watches the latest developments in the Israel-Hamas conflict. Brent January crude futures rose 36 cents, or 0.4%, to \$85.38 a barrel by 0040 GMT, after falling \$1.33 on. [see more...](#)

Politics

PML-N says Nawaz to be its candidate for premiership

Pakistan Muslim League Nawaz (PML-N) in a meeting has unanimously decided that the party's supremo Mian Nawaz Sharif will be a candidate for the premiership. The meeting was held with Nawaz Sharif in the chair at his residence Jati Umra on Tuesday. Among others, PML-N President Mian Shehbaz Sharif, Hamza Shehbaz, Salman Shehbaz, Ahsan Iqbal, Irfan Siddiqui, Mariyum Aurangzeb, [see more...](#)

Economy

Govt appears confident ahead of SBA talks – Neutral

Pakistan and the International Monetary Fund (IMF) would begin crucial discussions on first review of US\$3 billion Stand-by-Arrangement (SBA) from tomorrow (Thursday) [see more...](#)

MORNING GLANCE

Reko Diq stake sale to S Arabia: SIFC working to deadline of Dec 25 – Neutral

The federal cabinet has granted exemptions to the Petroleum Division from PPRA rules for proposing a negotiating committee and hiring an additional advisor to materialize the deadline for selling stakes of the Reko Diq Project to Saudi Arabia till December 25. Sources disclosed to The News that the Ministry of Energy (Petroleum Division) secured approval of the cabinet [see more...](#)

Rs66bn more than target; Jul-Oct provisional collection stands at Rs2.748trn – Positive

The Federal Board of Revenue (FBR) has provisionally collected Rs2,748 billion during the first four months (July-October) 2023-24 against assigned target of Rs. 2,682 billion, exceeding the target by Rs. 66 billion. The FBR has collected Rs707 billion in October 2023 as compared to the target of Rs 705 billion, reflecting an increase of Rs 2 billion. According to the FBR, the [see more...](#)

Paying off debts biggest concern, says MoF – Negative

In a monthly report on the state of economy, the ministry expressed the hope that nascent economic activities would remain better throughout the fiscal year. “On the expenditure side, higher markup payments will continue to pose significant challenges for fiscal consolidation efforts,” said the Monthly Economic Update & Outlook report for October released by the ministry’s Economic Advisor’s Wing on Tuesday. [see more...](#)

Ministry expects inflation to fall from 31.4pc in Sept to 27-29pc in Oct – Neutral

The Ministry of Finance has painted a “positive picture” of the economy just before upcoming IMF talks, anticipating that overall economic activity will remain upbeat throughout the fiscal year due to a rebound in domestic economic activities and an improvement in inflationary pressures. Projections indicate that the Consumer Price Index (CPI)-based monthly [see more...](#)

PKR loses more value – Negative

The Pakistani rupee lost value for the seventh successive session against the US dollar as it depreciated 0.18% in the inter-bank market on Tuesday. As per the State Bank of Pakistan (SBP), the rupee settled at 281.47, a decrease of Re0.52. On Monday, the rupee had depreciated 0.14% to settle at 280.95 against the US dollar. In a related development, the Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP), in line [see more...](#)

POL products’ prices kept unchanged – Neutral

Caretaker government Tuesday announced to maintain the prices of petrol and high speed diesel (HSD) for first half of November. Minister for Energy already informed the media person after a media talk that although Pak rupee is strengthened against US dollar, however oil prices in international market gone up due to Israel-Hamas war. According to a notification from the Ministry of [see more...](#)

Hike comes into effect from July; Rs65bn financial impact also added to gas tariff raise: govt – Positive

The interim government has raised the gas prices up to 193 percent with effect from July 2023 for consumers of both gas companies -Sui Northern Gas Pipelines Limited (SNGPL) and Sui Southern Gas Company (SSGC), however, the effective date on notification is November 1, 2023. In a joint press conference along with caretaker information [see more...](#)

Price of domestic LPG cylinder reduced – Positive

The Oil and Gas Regulatory Authority (OGRA) on Tuesday notified a slight reduction in the price of 11.8 kg domestic LPG cylinder by Rs117.47 or 3.8 percent for November. The LPG producer price is linked with Saudi Aramco-CP and US\$ exchange rate. As compared to the previous month, Saudi Aramco-CP has increased by 1.15 percent. The average dollar exchange rate has however gone down by [see more...](#)

Saudi firm eyes control of Shell Pakistan – Positive

The potential acquirer is a Saudi retail gas station network and a sole licensee of Shell retail pumps in the Gulf nation. Earlier in June, SPL told investors that its foreign sponsor planned to divest its entire 77.42pc stake in the oil marketing company (OMC) as part of “simplifying” its global portfolio. Shell Petroleum Company Ltd, which is a subsidiary of Shell plc, is currently the single largest shareholder in the. [see more...](#)

Minister appreciates continuous engagement of China with Pakistan in energy sector – Neutral

Ambassador of China to Pakistan Jiang Zaidong called on Caretaker Federal Minister for Energy Muhammad Ali here on Tuesday. The Minister appreciated the continuous engagement of China in the energy sector with Pakistan, said a press release. He extended his congratulations for the successful 3rd Belt and Road Forum [see more...](#)

DISCLAIMER

This report has been prepared by Abbasi & Company (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Abbasi & Company (Private) Limited and or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Abbasi & Company (Private) Limited accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Abbasi & Company (Private) Limited Research Department and do not necessarily reflect those of the company or its directors. Abbasi & Company (Private) Limited as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. Abbasi & Company (Private) Limited does not act as a market maker in the securities of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives do not have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company at the time of issuance of this report. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives are not currently serving or have served in the past three years as a director or officer of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives have not received compensation from the subject company in the previous 12 months. The subject company currently is not, or during the 12-month period preceding the date of publication or distribution of this report, was not, a client of Abbasi & Company (Private) Limited. We have not managed or co-managed a public offering or any take-over, buyback or delisting offer of securities for the subject company in the past 12 months and/or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company in the past 12 months. Abbasi & Company (Private) Limited does not expect to receive or intend to seek compensation for corporate advisory services or underwriting services from the subject company in the next 3 months

All rights reserved by Abbasi & Company (Private) Limited. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Abbasi & Company (Private) Limited. Action could be taken for unauthorized reproduction, distribution or publication

VALIDITY OF THE PUBLICATION OR REPORT

The information in this publication or report is, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report. The information may be subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the company, jurisdiction or financial instruments referred to in this report. The valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report and were based upon several estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein is not to be relied upon as a representation and/or warranty by Abbasi & Company (Private) Limited and/or its other associated and affiliated companies, that:

- I. Such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- II. There is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein

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

RATINGS CRITERIA

Abbasi & Company (Private) Limited employs a three-tier ratings system to rate a stock and sector, as mentioned below, which is based upon the level of expected return for a specific stock and outlook of sector. The rating is based on the following with stated time horizon

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.

RESEARCH DISSEMINATION POLICY

Abbasi & Company (Private) Limited endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc. Nevertheless, all clients may not receive the material at the same time

OTHER DISCLOSURES

The research analyst is primarily involved in the preparation of this report, certifies that:

- I. The views expressed in this report accurately reflect his/her personal views about the subject company/stock /sector and economy
- II. No part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report

The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

PREPARED BY

Haroon Abdul Razzaq

Phone: (+92) 42 38302028

Ext: 116

Email: haroon@abbasiandcompany.com

RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com