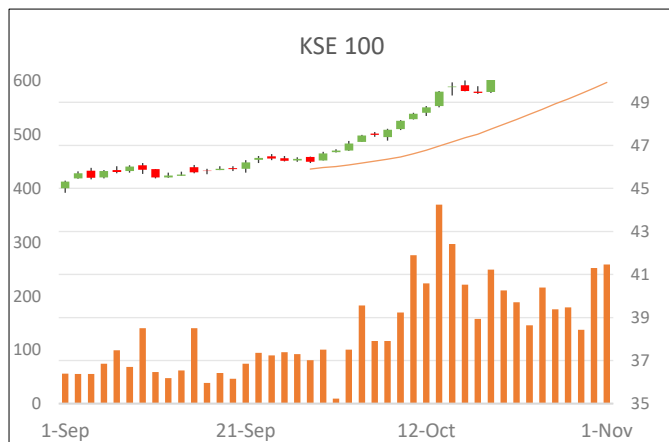


MORNING GLANCE



52,342	▲ 422	▲ 0.81%
258 mn	YTD 28.24%	1 Year 25.2%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,142.45	153.30	0.81% ▲
DSE 30	2,133.87	0.92	0.04% ▼
SHANGHAI	3,026.32	3.24	0.11% ▲
Hang Seng	17,294.00	210.00	1.23% ▲
Nikkei 225	31,930.50	328.85	1.04% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,342.43	20.71	0.28% ▲
DAX 30	14,923.27	112.93	0.76% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,274.58	221.71	0.67% ▲
S&P 500	4,237.86	44.06	1.05% ▲
NASDAQ	14,664.91	255.12	1.77% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,992.75	5.25	0.26% ▲
Oil-WTI (bbl)	81.31	0.87	1.08% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	282.65	1.18	0.42% ▲
EURO/PKR	298.80	-	-
GBP/PKR	343.01	1.12	0.33% ▲
AED/PKR	76.39	-	-

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

Market Outlook

The stock market on Wednesday Surged over 400 points and concluded the session in the green zone amid prospects of monetary easing going forward, and optimism about successfully navigating the IMF review. The Benchmark KSE-100 index made an intra-day high and low at 52,451.20 (531 points) and 52,075.16 (154 points) respectively while closed at 52,342.63 by gaining 422 points. Trading volume increased to 258mn shares as compared to 252mn 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 52,500. Breaking this level would further push the index towards 53,000. Contrarily, the support for the index resides at 51,300.

Key News

International

Stocks, Bonds Rise on Hopes Fed Tightening Is Over: Markets Wrap

Shares in Asia jumped tracking gains in US stocks and bonds after the Federal Reserve signaled its policy tightening cycle may be over. Benchmarks in Australia, Japan and South Korea rose, while Chinese stocks also opened higher, fueling gains in a regional gauge. The moves echoed a 1.1% rally in the S&P 500 Wednesday that placed the index on track [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

Authorities detain aliens across country as expulsion deadline expires

As the deadline for undocumented immigrants expired a day earlier, authorities on Wednesday kicked off a crackdown to detain foreigners residing illegally in Pakistan with thousands of Afghan migrants voluntarily returned to Afghanistan. Undocumented foreigners in different parts of the country including Karachi, Rawalpindi,. [see more...](#)

Economy

Govt on fiscal tightrope as IMF talks set to begin today – Neutral

The IMF's upcoming review mission is expected to take up the deteriorating fiscal position whereby the debt servicing consumed the net revenue receipts of the federal [see more...](#)

MORNING GLANCE

\$340bn investment needed to address climate challenges: finance minister – Neutral

The Caretaker Finance Minister Shamshad Akhtar has said that to address climate-related challenges, Pakistan would require an investment of approximately \$340 billion, which is 10 percent of cumulative GDP. This was the second consecutive year that the OICCI has organized the Climate Conference with the aim for a better climate action in the country. Despite being [see more...](#)

Pakistan's headline inflation reading clocks in at 26.9% in October – Neutral

This takes July-October's average inflation to 28.48% compared to 25.48% in same period last year. Earlier, the Ministry of Finance in its latest 'Monthly Economic Update and Outlook' report, projected Consumer Price Index (CPI)-based inflation in Pakistan for October at 27%-29%. The finance ministry anticipated inflation will be lower contained compared to the [see more...](#)

Jul-Oct FY24; Trade deficit shrinks 34.7pc YoY – Positive

Pakistan's trade deficit narrowed down by 34.70 percent in the first four months (July-October) of the current fiscal year 2023-24 as it stood at \$7.416 billion compared to \$11.356 billion during the same period of last fiscal year, says the Pakistan Bureau of Statistics (PBS). The monthly data released by the Bureau noted that the country's exports increased by 0.66 per cent to \$9.617 billion during July-October 2023-24 compared to [see more...](#)

Profit rates on savings schemes increased – Positive

According to a notification issued by the Ministry of Finance, the profit rate on savings accounts has been increased by 1pc to 20.5pc per annum. Likewise, the profit rate on special savings accounts has been increased by 20 basis points to 18pc. On the other hand, the profit rate on deposits in Pensioners' Benefit Accounts, Bahbood and Shuhada's Family Welfare Account, has been reduced and fixed at 16.32pc per annum, [see more...](#)

PKR declines further – Negative

The Pakistani rupee maintained its downward trajectory against the US dollar for the eighth consecutive session as it depreciated 0.42% in the inter-bank market on Wednesday. As per the State Bank of Pakistan (SBP), the rupee settled at 282.65, a decrease of Rs1.18. On Tuesday, the rupee had depreciated 0.18% to settle at 281.47 against the US dollar. In a related development, Pakistan and the International Monetary Fund (IMF) will begin [see more...](#)

Shell inks accord to sell SPL majority shareholding – Neutral

Shell Petroleum Company Limited, a subsidiary of Shell plc (Shell), has agreed to sell its 77.42 percent majority interest in Shell Pakistan Limited (SPL) to Wafi Energy LLC. The sale is part of Shell's strategy to high-grade its mobility network and was first announced on Capital Markets Day in June 2023, Shell said in a statement issued here on Wednesday. The sale is expected to complete by the fourth quarter of. [see more...](#)

New gas tariff to be effective from November 1: clarifies PD – Neutral

The Petroleum Division (PD) on Wednesday rejected media reports that suggested the higher gas tariff was with effect from July 1, clarifying the revised prices would be applicable from November 1, 2023. "It is to be categorically stated that gas price revision is effective from November 01, 2023," read the notice. "This was made clear in the [see more...](#)

Nepra questions use of expensive fuel for power generation – Neutral

National Electric Power Regulatory Authority (Nepra) on Wednesday questioned the Central Power Purchasing Agency (CPPA) for using expensive fuel for power generation instead of the local coal which has burdened the electricity consumers with an additional Rs 8.37 billion during September. Nepra has reserved the judgment on the CPPA-G petition for [see more...](#)

Merchandise exports grow over 13pc – Positive

In absolute terms, the export proceeds were recorded at \$2.70bn in October against \$2.38bn over the corresponding month of last year, indicating a growth of 13.55pc. However, on a month-on-month basis, the export proceeds increased 9.33pc to \$2.70bn. The export of goods in the first four months of FY24 increased by 0.66pc to \$9.61bn against \$9.55bn in the corresponding period last year. [see more...](#)

RAAST facility for mutual funds – Neutral

The CDC has developed a framework where it acts as an aggregator and issues a Raast payment ID, enabling investors to digitally transfer funds using Raast to the respective asset management company (AMC) for the purchase of mutual fund units, a press release said on Wednesday. SBP Deputy Governor Saleem Ullah said the launch of Raast payments facility for mutual funds will provide the [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

VALUATION METHODOLOGY

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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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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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