

MORNING GLANCE



42,265	▲ 218	▲ 0.52%
85 mn	YTD -5.23%	1 Year -10.29%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,157.00	45.8	0.25% ▼
DSE 30	2,231.25	11.47	0.51% ▼
SHANGHAI	3,032.16	16.01	0.53% ▼
Hang Seng	16,057.00	301.52	1.84% ▼
Nikkei 225	27,428.50	287.54	1.04% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,296.25	9.89	0.14% ▼
DAX 30	13,666.32	22.43	0.16% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	32,513.94	646.89	1.95% ▼
S&P 500	3,748.57	79.54	2.08% ▼
NASDAQ	10,797.55	261.95	2.37% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,709.25	4.45	0.26% ▼
Oil-WTI (bbl)	85.66	0.17	0.20% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	222.00	-	-
EURO/PKR	221.96	1.20	0.54% ▲
GBP/PKR	254.83	3.24	1.29% ▲
AED/PKR	60.40	-	-

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

Market Outlook

KSE-100 on Tuesday continued its positive momentum and concluded the session in the green zone. The index made an intra-day high and low at 42,314 (267 points) and 42,047 (0 points) respectively while closed at 42,265 by gaining 218 points. Trading volume has increased to 85mn shares as compared to 63mn shares on the previous trading day. Going forward, we expect the market to remain positive. The resistance for the index resides at 42,500. Breaking this level can further push the index towards 42,999 (200 DMA). Contrarily, the support for the index resides at 41,766 (50 DMA).

Key News

International

Asian shares fall ahead of U.S. CPI, crypto worries mount

Asian share markets were tense on Thursday and the dollar held on to its overnight gains before the big test of a U.S. consumer inflation report, while market sentiment took a dive as the likely collapse of a major crypto exchange spooked investors. With no final results available from the U.S. mid-term elections, investors were turning to the upcoming inflation data later in the day, which are likely to show [see more...](#)

Oil down 3% again on U.S. stockpile build, IEA warns against \$100 a barrel

U.S. oil inventories have been volatile of late and crude prices have been overreaching on their way up and down, depending on whether the data shows a stockpile build or drop. But when the head of the International Energy Agency, or IEA, cautions about the damage \$100 a barrel can do to the economy, especially when U.S. crude stockpiles come in three [see more...](#)

Politics

PM for judicial commission

Prime Minister Shehbaz Sharif has written a letter to the Chief Justice of Pakistan, Umar Ata Bandial, requesting him to constitute a judicial commission comprising all available judges of the apex court to examine whether the shooting was a result of a criminal conspiracy hatched to assassinate the PTI chairman or the act of a lone shooter. The prime minister's letter stated that the unfortunate incident of firing at [see more...](#)

Economy

AIIB to give us \$500m to counter social fallout - Positive

Pakistan will receive \$500 million as co-financing for the BRACE development program from the Asian Infrastructure Investment Bank (AIIB), the finance minister Ishaq Dar said on Wednesday. The BRACE (Building Resilience with Active Countercyclical Expenditures Program) is an Asian Development Bank financing programme to counter the social fallouts of economic crisis. "These funds will be received by State Bank of Pakistan within November 2022," Dar [see more...](#)

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Cabinet approved \$900m escrow account for Reko Diq in March, SC told - Neutral

The federal cabinet approved the creation of a \$900 million escrow account for payments to the Chilean firm Antofagasta on March 14, 2022, whereas negotiations to reach a settlement with Barrick Gold Corporation (BCG) for the Reko Diq mining project were finalised on March 17, Additional Attorney General Chaudhry Aamir Rehman told the Supreme Court on [see more...](#)

Q1 non-tax collection dips 16.29pc to Rs202.159bn YoY - Negative

The federal non-tax collection has fallen by 16.29 percent to Rs202.159 billion during the first quarter of the current fiscal year as opposed to Rs241.536 billion for the same period of last fiscal year consequent to zero surplus profit of the State Bank of Pakistan (SBP). According to the Finance Ministry's budgetary operation for the first quarter of the ongoing fiscal year, [see more...](#)

Four exploration blocks awarded - Positive

The government provisionally awarded four new exploration blocks to the joint ventures of Pakistan Petroleum Ltd (PPL), Oil and Gas Development Company Ltd (OGDC) and Mari Petroleum Company Ltd (MPCL), the companies announced on the Pakistan Stock Exchange on Tuesday. The operator of Shaigalu block will be PPL with a 40 per cent stake while MPCL and OGDC will control 30pc shareholding each. The operator of South Pishin block [see more...](#)

Maple Leaf Cement begins Line 4 production - Positive

Maple Leaf Cement Factory Ltd (MLCF) has informed Pakistan Stock Exchange (PSX) that an additional dry process clinker production line of 7000tpd grey clinker, a brownfield expansion at the company's existing site in Iskanderabad, Punjab, successfully started production on 3 November 2022, according to a bourse filing of Company Secretary Muhammad Ashraf. MLCF had signed a contract with Chengdu Design & Research Institute, [see more...](#)

Govt raises Rs46b through Sukuk - Neutral

The government has raised Rs46.44 billion through the issuance of Ijarah Sukuks under the new series launched in October 2022 to finance the budget deficit and promote Shariah-compliant banking in Pakistan. Speaking to the Express Tribune, Meezan Bank Senior Executive Vice-President and Head of Shariah Compliance, Ahmed Ali Siddiqui said, "Under the new series, the government has started issuing Ijarah Sukuk bonds against [see more...](#)

SBP takes big step to contain forex outflow - Neutral

In a major move to contain the outflow of foreign exchange from the country, the State Bank of Pakistan (SBP) has reduced the existing foreign currency cash carrying limits by 50 percent for travel purposes with immediate effect. The State Bank on Tuesday rationalized limits for Foreign Exchange Cash Carrying for travel and Cross Border Transactions through Debit or Credit Cards to further [see more...](#)

Gas utilities seek up to 237pc hike in tariffs - Neutral

Sui Northern Gas Pipelines Ltd (SNGPL) and Sui Southern Gas Company Ltd (SSGCL) have demanded up to 237 per cent increase in natural gas rates to generate about Rs660 billion in additional funds during the current fiscal year. In separate tariff petitions to the Oil & Gas Regulatory Authority (Ogra), the Lahore-based SNGPL on Tuesday sought an increase of Rs1,294 per million British thermal unit (mmBtu) or [see more...](#)

Interest-free banking verdict: SBP, NBP to withdraw pleas: Dar - Positive

Finance Minister Ishaq Dar has stated that the federal government has decided to withdraw the State Bank of Pakistan (SBP)'s and the National Bank of Pakistan (NBP)'s appeals from the Supreme Court against Sharia court with respect to make the economy interest-free in the next five years. The finance minister announced this through [see more...](#)

IT companies striving to tap into new frontiers - Positive

Pakistani companies are endeavouring to offer services in new areas of the internet such as non-fungible tokens (NFTs), metaverse and Web3. Systems Limited (SYS), an IT export company, in a recent corporate briefing apprised participants that it had constituted a research team of highly skilled professionals to explore opportunities in NFTs, metaverse and Web3. "They are exploring these new areas that have [see more...](#)

Pakistan, Kenya dollar bonds rise - Neutral

Pakistan and Kenya's sovereign dollar bonds rose sharply on Tuesday, as investors bought back into some frontier market issuers amid dollar weakness, Reuters reported. Pakistan's shorter-dated dollar denominated bonds were up as much as 8.7 cents in the dollar, Tradeweb data showed, though still traded at deeply distressed levels of around half its face value. Signs of Chinese support for Pakistan, which is in a [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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