

MORNING GLANCE



42,901	▲ 636	▲ 1.50%
142 mn	YTD -3.8%	1 Year -7.54%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,028.20	128.8	0.71% ▼
DSE 30	2,231.25	11.47	0.51% ▼
SHANGHAI	3,074.15	38.02	1.25% ▲
Hang Seng	16,843.00	761.96	4.74% ▲
Nikkei 225	28,134.50	688.40	2.51% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,375.34	79.09	1.08% ▲
DAX 30	14,146.09	479.77	3.51% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,715.37	1201.43	3.70% ▲
S&P 500	3,956.37	207.80	5.54% ▲
NASDAQ	11,605.96	808.41	7.49% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,750.75	2.95	0.17% ▼
Oil-WTI (bbl)	86.55	0.08	0.09% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	222.00	-	-
EURO/PKR	222.72	0.76	0.34% ▲
GBP/PKR	253.09	1.74	0.68% ▼
AED/PKR	60.40	-	-

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

Market Outlook

KSE-100 on Thursday surged by more than 600 points and concluded the session in the green zone as Pakistan is looking forward to receive inflows from AIIB in addition to the expected announcement of an investment of \$10 billion in oil sector by Saudi Crown Prince in his upcoming visit to Pakistan. The index made an intra-day high and low at 42,959 (694 points) and 42,265 (0 points) respectively while closed at 42,901 by gaining 636 points. Trading volume has increased to 142mn shares as compared to 85mn shares on the previous trading day. Going forward, the level of 42,986 (200 DMA) is crucial as the market needs to break it to unlock further upside. Breaking this level would further push the index towards 43,800. Contrarily, the support for the index resides at 42,500.

Key News

International

Asia stocks surge as cooling inflation feeds hopes Fed will ease up

Asian shares spiked higher on Friday, while the dollar nursed steep losses after a smaller-than-expected increase in U.S. consumer prices fuelled hopes that the Federal Reserve could tone down its aggressive pace of interest rate hikes. MSCI's broadest index of Asia-Pacific shares outside Japan jumped 3.72%. Australia's S&P/ASX 200 index climbed 2.43% [see more...](#)

Oil crawls higher on U.S. hopes, but COVID rise in China caps gains

Oil prices rose on Friday as fears of a U.S. recession eased but were on track for weekly declines of more than 4% after a jump in COVID-19 cases in top oil importer China raised the spectre of weaker fuel demand. Brent crude futures were up 23 cents, or 0.3%, to \$93.80 a barrel at 0101 GMT, [see more...](#)

Politics

Consensus in London: 'our way or the highway'

As crucial discussions among various stakeholders around the next army chief's appointment gain momentum within and outside the country, the Sharif brothers have reportedly decided in a London huddle that the prime minister will not buckle under any 'pressure' to make the all-important appointment — come what may. Meanwhile, it [see more...](#)

Economy

9th IMF review: Framework yet to be finalized - Neutral

The International Monetary Fund (IMF) and Finance Division have yet to agree on the starting date for negotiations on the ninth review under the Extended Fund Facility (EFF) programme, as the government has not yet finalized the economic framework, a Fund requirement. This was confirmed by well-placed sources in the Finance Division while responding to a query from Business Recorder; they [see more...](#)

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Pakistan, KSA to sign several pacts - Neutral

Pakistan and Saudi governments are giving final touches to several pacts including Bilateral Investment Treaty (BIT) during the forthcoming visit of Saudi Crown Prince and Prime Minister, Muhammad bin Salman to Pakistan, well informed sources told Business Recorder. Last week, a Pakistani delegation led by Minister of State for Petroleum and Natural Resources, Dr Musadik Masood Malik visited Saudi Arabia and met with [see more...](#)

Alarm bells: SBP-held foreign exchange reserves plunge \$956mn, stand at \$7.96bn - Negative

Foreign exchange reserves held by the State Bank of Pakistan (SBP) plunged \$956 million on a weekly basis, clocking in \$7.96 billion as of November 4, 2022, according to data released on Thursday. Total liquid foreign reserves held by the country stood at \$13.72 billion. Net foreign reserves held by commercial banks clocked in at \$5.76 billion. "During the week ended on November 4, [see more...](#)

Rupee registers third consecutive gain, settles at 221.42 against US dollar - Positive

Pakistan's rupee registered a gain for the third consecutive session against the US dollar, and appreciated 0.1% in the inter-bank market on Thursday. As per the State Bank of Pakistan (SBP), the rupee closed at 221.42 after an appreciation of Re0.23. On Tuesday, rupee had remained firm against the US dollar in the inter-bank market, settling at 221.65 after an appreciation [see more...](#)

FBR Wants More Tax From Non-Filers - Neutral

The Federal Board of Revenue (FBR) has decided to take policy and enforcement measures of Rs. 60 billion including additional taxes from non-filers to overcome the revenue shortfall of Rs. 22 billion in October 2022. Sources told ProPakistani that the FBR is not working on any new taxation measures, but some taxation measures of the Finance Act 2022 have not been fully implemented and enforced. Some big measures taken [see more...](#)

HASCOL to raise equity for company restructuring - Neutral

The board of HASCOL Petroleum Limited has received feedback from its financial advisor on the various equity-raising options for the restructuring of the company, the company's filings on the stock exchange showed on Thursday. In the filing, a receipt by the financial advisor was received for a number of non-bidding expressions of interest for the acquisition of a strategic equity stake in the company and the option of a retail equity [see more...](#)

Govt unlikely to ensure 8-hour smooth supply of gas during winter - Negative

The federal government cannot ensure smooth supply of eight-hour gas during cooking hours in the coming winters to domestic consumers of both gas companies- Sui Northern Gas Pipeline Limited (SNGPL) and Sui Southern Gas Company (SSGC) as \$37 per mmbtu subsidy is required. Captain Muhammad Mahmood (retired), Additional Secretary [see more...](#)

SNGPL calls for RLNG contracts for gas supply in winters - Neutral

The Sui Northern Gas Pipelines Limited (SNGPL) has urged commercial consumers to sign RLNG contracts to receive gas supply during the winter season. In a meeting at Lahore Chamber of Commerce and Industry on Thursday, a SNGPL team highlighted that over 6,000 commercial consumers had signed Re-Gasified Liquefied Natural Gas (RLNG) [see more...](#)

KIA says Lucky Motor holds exclusive rights to sell its cars, SUVs in Pakistan - Neutral

KIA Corporation, the South Korean automaker, has clarified that Lucky Motor Corporation (LMC) is its exclusive licensee holder to manufacture, assemble, market, distribute, and sell KIA Cars and SUVs in Pakistan. This was stated in a letter cited by Lucky Cement in its notice to the Pakistan Stock Exchange (PSX) on Thursday. LMC is a subsidiary of Lucky [see more...](#)

Bank Alfalah says will buy back 200mn shares - Neutral

Bank Alfalah Limited (BAFL) has decided to buy back up to 200,000,000 ordinary shares through the bourse, it said in a notice to the Pakistan Stock Exchange (PSX) on Thursday. The statement added that these shares, having a face value of Rs10 each, constitute up to approximately 11.25% of the current issued and paid up share capital of the bank. "Subject to, inter alia, obtaining the requisite approvals from [see more...](#)

Pakistan-GCC Free Trade Agreements - Neutral

Foreign Minister Bilawal Bhutto-Zardari on Thursday emphasized the need for early finalisation of the ongoing negotiations on Pakistan-GCC Free Trade Agreements and asked technical teams from both sides to synergize their efforts to achieve this common objective. Foreign Office said in a statement that Foreign Minister Bilawal met with DrNayefFalah M Al-Hajraf, the Secretary General of 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

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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

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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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