

# MORNING GLANCE



42,211	▲ 126	▲ 0.30%
139 mn	YTD -5.35%	1 Year -5.33%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	17,241.00	73.65	0.43% ▼
DSE 30	2,361.57	18.53	0.79% ▲
SHANGHAI	2,962.93	11.22	0.38% ▼
Hang Seng	16,921.00	295.66	1.72% ▼
Nikkei 225	26,474.50	641.61	2.37% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	6,959.31	31.78	0.45% ▼
DAX 30	12,272.94	0.06	0.07% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	29,202.88	93.91	0.32% ▼
S&P 500	3,612.39	27.27	0.75% ▼
NASDAQ	10,926.97	112.5	1.02% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,671.30	3.9	0.23% ▼
Oil-WTI (bbl)	90.87	0.26	0.29% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	218.50	1.75	0.79% ▼
EURO/PKR	212.61	3.15	1.46% ▼
GBP/PKR	241.92	3.94	1.60% ▼
AED/PKR	59.45	0.47	0.78% ▼

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

## Market Outlook

KSE-100 on Monday remained volatile throughout the day and concluded the session in the green zone ahead of the MPC meeting. The index made an intra-day high and low at 42,441 (356 points) and 42,072 (-14 points) respectively while closed at 42,212 by gaining 126 points. Trading volume has increased to 139mn shares as compared to 104mn shares on the previous trading day. Going forward, we expect the market to continue its upward momentum as the SBP has kept the key interest rate unchanged at 15%. The resistance for the index resides at 42,800. Breaking this level can push the index towards 43,313 (200 DMA). Contrarily, the support for the index resides at 41,956 (50 DMA).

## Key News

### International

#### Taiwan stocks down 3% in mixed Asia trade as TSMC plunges 6%

Shares in the Asia-Pacific were mixed on Tuesday, while Taiwan's benchmark index dropped more than 3% on its return to trade as investors weighed the impact of new U.S. rules on chipmaker TSMC. Japan and South Korea's markets also resumed trading after a holiday on Monday. The Nikkei 225 fell around 2% and the Topix lost about 1.5%. In [see more...](#)

#### Oil prices slide as dollar strengthens, China COVID-19 woes dampen demand

Oil prices fell on Tuesday, extending nearly 2% losses in the previous session, as a stronger U.S. dollar and a flare-up in COVID-19 cases in China increased fears of slowing global demand. Brent crude futures fell 57 cents, or 0.6%, to \$95.62 a barrel by 0031 GMT, after falling \$1.73 in the previous session. U.S. West Texas Intermediate crude was at [see more...](#)

### Politics

#### President Alvi calls for 'broader consultation' on army chief's appointment

President Dr Arif Alvi on Monday said that "broader consultation" on the appointment of the chief of army staff (COAS) was a must so that a consensus could be developed. In an interview with journalist Asma Shirazi on Aaj TV, the president desired that a summary of the appointment be sent to him after the consultation has been completed. [see more...](#)

### Economy

#### Govt getting \$4bn as bonds take battering after floods: SBP - Positive

Additional financial international commitments to Pakistan in the wake of devastating floods will offset any current account deterioration and delays in the issuing of \$2 billion in bonds, central bank officials told a briefing on Monday. Concerns have risen in recent weeks about Pakistan's ability to raise finances to meet external financing requirements to deal with the floods that have killed 1,700 people and inflicted [see more...](#)

## MORNING GLANCE

### PM's upcoming China visit likely to deepen economic ties - Positive

Prime Minister Shehbaz Sharif is to visit China next month with a wide-ranging agenda starting from project financing to financial support, well informed sources told Business Recorder. Chief Representative of Power China, Pakistan Yang Jianduo in a letter to Prime Minister has sought time for a meeting of Chairman Power China, Ding Yanzhang during his forthcoming visit to [see more...](#)

### Debt rescheduling: 'Won't go to Paris Club,' says Dar - Neutral

Finance Minister Ishaq Dar Sunday said that Pakistan would deliver on commitments made with the International Monetary Fund (IMF) to ensure the successful completion of the second program during his tenure. Addressing a news conference, the finance minister said that the first IMF program was completed when he was finance minister during the Pakistan Muslim League-Nawaz (PML-N) government in 2016. We will make every [see more...](#)

### SBP forecasts high inflation, weak growth: Policy rate kept unchanged at 15pc - Neutral

While maintaining the key policy rate at 15 percent, the Monetary Policy Committee (MPC) of State Bank of Pakistan (SBP) has estimated GDP growth around 2 percent in FY23 against the previous forecast of 3-4 percent before the floods. The meeting of MPC was held on Monday at the SBP head office and was chaired by newly-appointed Governor SBP Jameel Ahmed. During [see more...](#)

### THE RUPEE: PKR still going strong - Positive

Pakistan's rupee maintained its upward trajectory against the US dollar for the 12th successive session, and appreciated nearly 0.9% in the inter-bank market on Monday. As per the State Bank of Pakistan (SBP), the rupee closed at 217.97 after appreciating Rs1.95 or 0.89%. In the last twelve trading sessions, the rupee has cumulatively appreciated Rs21.73 or 10%. On Friday, the rupee's winning streak against the US dollar entered the 11th [see more...](#)

### November 22 to March 23: SLL spot cargoes to be exempted from PPRA rules - Positive

The federal government is to exempt LPG spot cargoes from November 2022 to March 2023 from PPRA rules meant to allow SSGC LPG Limited (SLL) to procure approximately 20,000 MT LPG per month, well informed sources told Business Recorder. Sharing the details, sources said, Ministry of Energy (Petroleum Division) in a letter of September 30, 2022 requested Public [see more...](#)

### PM terms Thar power project 'game-changer' - Neutral

Prime Minister Shehbaz Sharif on Monday said amid skyrocketing fuel prices, the inexpensive energy production from Thar Coal Mines Project would prove to be a game-changer of development for the entire country. The Thar Coal Project, he said, could help the government save up to \$6 billion as the expenditure on the import of energy including petrol and liquid petroleum touched \$24 billion. Addressing the inauguration of commercial [see more...](#)

### Net metering: Nepra to protect interests of 'all' consumers - Neutral

National Electric Power Regulatory Authority (Nepra) is to protect interest of both net metering consumers, as well as, remaining non net metering 35 million consumers across the country. Well informed sources in Nepra told Business Recorder that the number of net metering consumers at present is around 28,000. The excess units delivered by [see more...](#)

### FFC shuts down plant for 20 days due to maintenance - Neutral

Fauji Fertilizer Company Limited (FFC) on Monday shut down its Plant-I for a period of 20 days as part of its scheduled maintenance, filings on the stock exchange showed on Monday. "FFC's Plant-I maintenance activity commenced today, Oct 10, 2022, and the total duration of the activity is 20 days. The purpose of this activity is to ensure long-term [see more...](#)

### Pakistan Customs Fail to Meet 1st Quarter Revenue Target - Negative

Pakistan Customs has failed miserably to meet its revenue target for the first quarter of the current fiscal year. Sources told ProPakistani that the Federal Board of Revenue (FBR) has been able to collect Rs. 229 billion in customs duties in the first quarter against the target of Rs. 252 billion. Though FBR has surpassed the overall revenue target of the quarter [see more...](#)

### SBP Denies Rumors of Market Intervention to Bring Down Dollar Price - Neutral

The State Bank of Pakistan (SBP) on Monday denied any role in the strengthening of the Pakistan Rupee (PKR) against the US Dollar (USD). According to a report issued by Topline Securities after the Monetary Policy Committee's (MPC) decision to keep the policy rate unchanged at 15 percent, the central bank had denied rumors that it has sold any [see more...](#)

### SHC Seeks Opinion of Revenue Bodies Over Sales Tax on Toll Manufacturing - Neutral

Sindh High Court (SHC) has directed the Federal Board of Revenue (FBR) and Sindh Revenue Board (SRB) to submit their legal viewpoint on the collection of sales tax on "toll manufacturing" in line with the decision of the National Tax Council (NTC). In this regard, the SHC has fixed the next date of hearing on 12th October 2022. Taxpayers of Sindh [see more...](#)

### Five export sectors: ECC approves continuation of regionally competitive power tariff - Positive

A meeting of the Economic Coordination Committee (ECC) of the Cabinet has approved the provision of electricity to five export-oriented sectors at Rs19.99 per kWh all-inclusive from October 1, 2022 to 30th June but deferred wheat support price 2022-23 approval. The meeting of the ECC presided over by Finance Minister Ishaq Dar approved the [see more...](#)

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<b>TP</b>	Target Price	<b>DDM</b>	Dividend Discount Model	<b>FCF</b>	Free Cash Flows
<b>FCFE</b>	Free Cash Flows to Equity	<b>FCFF</b>	Free Cash Flows to Firm	<b>DCF</b>	Discounted Cash Flows
<b>PE</b>	Price to Earnings Ratio	<b>PB</b>	Price to Book Ratio	<b>BVPS</b>	Book Value Per Share
<b>EPS</b>	Earnings Per Share	<b>DPS</b>	Dividend Per Share	<b>ROE</b>	Return of Equity
<b>ROA</b>	Return on Assets	<b>SOTP</b>	Sum of the Parts	<b>JPB</b>	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

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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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