



Market Outlook

The stock market on Wednesday Surged over 300 points and concluded the session in the green zone amid IMF expects faster economic recovery at 2.5pc this year. The Benchmark KSE-100 index made an intra-day high and low at 48,516.64 (376 points) and 48,208.30 (68 points) respectively while closed at 48,474.54 by gaining 334 points. Trading volume increased to 276mn shares as compared to 169mn shares on the previous trading day. Going forward, the resistance for the index resides at 48,500. Breaking this level would further push the index towards 49,000. Contrarily, the support for the index resides at 47,300.

Key News

International

Asian Stocks Gain After US Brushes Off Hot PPI: Markets Wrap

Asian shares rose as markets shrugged off faster-than-expected US producer price data and took heart from less hawkish Federal Reserve commentary. A move by China's sovereign wealth fund to buy shares of the country's largest banks fueled further optimism. Stock benchmarks climbed at least 0.8% in Japan and South Korea, putting - [see more...](#)

Oil falls over 2% after Saudi pledge; investors keep wary eye on Israel

Oil prices fell over 2% on Wednesday as fears of disruption to supplies due to conflict in the Middle East receded a day after top OPEC producer Saudi Arabia pledged to help stabilise the market. Brent futures fell \$1.83, or 2.1%, to settle at \$85.82 a barrel. U.S. West Texas Intermediate crude fell \$2.48, or 2.9%, to settle at \$83.49. Brent and WTI had surged by [see more...](#)

Politics

Parties demand ECP announce election date

Different mainstream political parties, have, once again, demanded of the Election Commission of Pakistan (ECP) to announce a date for holding timely general elections in the country and ensure level playing field for every political party before going to the polls. This demand came in a consultative conclave between the poll entity and the political parties over the draft code of conduct for general elections . [see more...](#)

Economy

IMF Projects Decline in General Govt Gross Debt for Pakistan in 2024 – Neutral

The International Monetary Fund (IMF) has projected a decline in General Government Gross Debt for Pakistan from 76.6 percent of Gross Domestic Product (GDP) in 2023 to 72.2 percent in 2024. According to the IMF report Fiscal Monitor, the General Government Gross Debt for Pakistan is projected to decline from 76.6 percent of GDP in 2023. [see more...](#)

48,474	▲ 334	▲ 0.69%
276 mn	YTD 18.76%	1 Year 14.99%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,832.10	20.75	0.10% ▲
DSE 30	2,141.39	4.67	0.22% ▲
SHANGHAI	3,104.36	25.40	0.83% ▲
Hang Seng	18,249.00	322.50	1.80% ▲
Nikkei 225	32,456.00	517.50	1.62% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,620.03	8.18	0.11% ▼
DAX 30	15,460.01	36.49	0.24% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,804.87	65.57	0.19% ▲
S&P 500	4,376.95	18.71	0.43% ▲
NASDAQ	15,241.12	109.60	0.72% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,890.80	3.50	0.19% ▲
Oil-WTI (bbl)	83.08	0.41	0.49% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	279.51	1	0.36% ▼
EURO/PKR	296.31	1.24	0.42% ▼
GBP/PKR	343.16	0.95	0.28% ▼
AED/PKR	76.10	0.27	0.35% ▼

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

MORNING GLANCE

PKR maintains its grip – Neutral

The Pakistani rupee maintained its grip against the US dollar, as it gained another 0.36% in the inter-bank market on Wednesday. This is the rupee's 25th successive appreciation against the greenback. As per the State Bank of Pakistan (SBP), the rupee settled at 279.51 after an increase of Re1 in the inter-bank market. On Tuesday, the rupee had appreciated 0.41% to settle at 280.51. This is one of the longest appreciation runs seen. [see more...](#)

PRL achieves historic production levels – Positive

Pakistan Refinery Limited (PRL) has achieved historic production levels in September 2023, marking a significant milestone. The successful strategic shifts and efficient operations led to the highest ever sales and production in a month, bolstering profitability, material information sent to Pakistan Stock Exchange on Wednesday said. PRL achieved an unprecedented average feed rate of 5340 tons, demonstrating [see more...](#)

Buying two second-hand vessels; PPRA decides to recommend govt give exemption to PNSC – Neutral

The Board of Public Procurement Regulatory Authority (PPRA) headed by Secretary Finance, has quizzed Pakistan National Shipping Corporation (PNSC) for procurement of two second-hand ships from M/s Shell Singapore with cooperation of M/s Byco, well informed sources told Business Recorder. During a recent meeting of PPRA Board, MD PPRA shared background.. [see more...](#)

Govt's sell-off agenda attracts WB's attention – Neutral

Simon Stolp, South Asia Practice Manager for Energy at the World Bank, and his team met with Fawad Hasan Fawad, the Federal Minister for Privatisation in Islamabad. The primary focus was to discuss the government's agenda for privatisation, with a specific emphasis on the performance of distribution companies (Discos) in Pakistan's power sector. Minister Fawad explained the government's privatisation agenda, taking into account the [see more...](#)

Car sales jump by 8.5% MoM in September – Positive

Passenger car sales witnessed an increase of 8.48% MoM in September 2023, clocking in at 6,410 units compared to 5,909 units recorded in the previous month, the latest data from the Pakistan Automotive Manufacturers Association (PAMA) showed today. However, on a year-on-year basis, the sales of cars plunged by 30.42% YoY compared to the 9,213 cars sold in September 2022. The total production [see more...](#)

Rabi Season 2023-24; Wheat yield target set at 32.2m tons – Neutral

The government on Wednesday set a wheat production target at 32.2 million tons for the Rabi Season 2023-2024 from an area of 8.9 million hectares of land. The decision to this effect was taken by the Federal Committee of Agriculture (FCA) meeting for Rabi season presided over by caretaker Federal Minister for National Food Security and Research [see more...](#)

Changan Pakistan set to export its vehicles to Kenya – Positive

Containers have also been spotted in Karachi, which are taking Oshan X7 cars from the company's Karachi plant towards the port. Sources privy to the matter confirmed that a significant number – in double digits – of Oshan X7 SUV units will be exported to the African nation. The development, confirmed to Business Recorder, is currently under wraps [see more...](#)

PBF voices its concern over decline in country's investment-to-GDP ratio – Neutral

This ratio stood at 15.6pc in 2021-22. The per capita income decreased from \$1,765 to \$1,568 in 2022-23. This deceleration was attributed to the significant depreciation and a contraction in economic activity. Talking to Business Recorder, Vice President and Chief Organiser, Ahmad Jawad said we need at least \$30 billion annually [see more...](#)

ECC forms core group on food inflation – Neutral

During discussion on inflation at a recent meeting of ECC, it was stated that more efforts are needed to reduce the yawning gap between wholesale and retail prices in the Federal Capital and other areas and for this purpose the provincial and district administrations need to gear up their efforts. The National Price Monitoring Committee (NPMC) should keep a close watch on the [see more...](#)

Pakistan's Symmetry Group says it has inked deal with US tech company – Positive

The company announced the development in its notice to the Pakistan Stock Exchange (PSX) on Monday. "The company has entered into an agreement with Hummingbird International LLC USA to provide transformation services. This contract is expected to generate a minimum revenue of Rs70 million (\$250,000) in FY2023-24," read the notice. "Symmetry [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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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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