

MORNING GLANCE



48,771	▲ 296	▲ 0.61%
223 mn	YTD 19.49%	1 Year 16.1%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,710.90	83.1	0.42% ▼
DSE 30	2,141.39	4.67	0.22% ▲
SHANGHAI	3,087.97	19.93	0.64% ▼
Hang Seng	17,834.00	423	2.32% ▼
Nikkei 225	32,308.50	180	0.55% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,644.78	24.75	0.32% ▲
DAX 30	15,425.03	34.98	0.23% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	33,631.14	173.73	0.51% ▼
S&P 500	4,349.61	27.34	0.62% ▼
NASDAQ	15,184.10	57.02	0.37% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,885.75	2.75	0.15% ▲
Oil-WTI (bbl)	83.55	0.64	0.77% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.58	0.93	0.33% ▼
EURO/PKR	295.94	0.37	0.12% ▼
GBP/PKR	342.63	0.53	0.15% ▼
AED/PKR	75.84	0.26	0.34% ▼

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

Market Outlook

The stock market on Thursday remained volatile throughout the day, and concluded the session in the green zone amid Pakistan seeks deal to import up to 1mn tons of Russian oil per year. The Benchmark KSE-100 index made an intra-day high and low at 48,830.26 (356 points) and 48,359.37 (-115 points) respectively while closed at 48,771.71 by gaining 297 points. Trading volume decreased to 223mn shares as compared to 276mn shares on the previous trading day. Going forward, the resistance for the index resides at 48,800. Breaking this level would further push the index towards 49,500. Contrarily, the support for the index resides at 47,300.

Key News

International

Asian Stocks Rally Hits Wall as Treasuries Drop: Markets Wrap

The rally in Asian equities halted as Treasury yields surged after the latest US inflation data bolstered bets on Federal Reserve rate hikes. The latest data on continued weakness in China's economy added to the gloom. MSCI's Asia Pacific Index fell about 0.9%, on course to snap a six-day winning streak, with the region's benchmark indexes in the red. [see more...](#)

Oil reverses gains after US posts large crude build

prices reversed early gains on Thursday in a volatile session, after a large build in U.S. crude stockpiles outweighed expectations that U.S. interest rates had peaked. Brent futures settled up 18 cents to \$86.00 per barrel. U.S. West Texas Intermediate crude fell 58 cents to \$82.91 a barrel. Prices had risen more than \$1 a barrel earlier in the session. Prices pared gains after U.S. government data [see more...](#)

Politics

Caretaker govt has no 'soft corner' for PML-N: PM Kakar

Caretaker Prime Minister Anwaar-ul-Haq Kakar on Thursday dispelled the speculations that Pakistan Muslim League Nawaz (PML-N) supremo Nawaz Sharif's return to the country is part of any deal with the interim government. "The caretaker government has 'no soft corner' for PML-N or any other political party...how can a caretaker government strike such a deal," he said in an interview with. [see more...](#)

Economy

IMF's Fiscal Monitor report; Macroeconomic indicators show deterioration – Negative

Pakistan's key macroeconomic indicators as projected in the International Monetary Fund's Fiscal Monitor (FM) report released on 11 October 2023, show deterioration compared to the projections in the Stand-By Arrangement (SBA) documents uploaded two and a half months. [see more...](#)

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ML-1 project with; Revised agreement likely to be signed with China – Neutral

Pakistan is all set to sign a revised agreement on the ML-1 project with China under the China-Pakistan Economic Corridor (CPEC) during the prime minister of Pakistan's upcoming visit to China starting from October 17, senior Pakistan Railways (PR) officials said. The officials said that in this connection a high-level meeting of Pakistan Railways presided over by [see more...](#)

PM to attend BRI moot in China – Neutral

Caretaker Prime Minister Anwaarul Haq Kakar will visit China to participate in the 'Third Belt and Road Forum for International Cooperation', being held in Beijing from October 17-18, the Foreign Office said on Thursday. The prime minister is undertaking the visit at the invitation of Chinese President Xi Jinping, the Foreign Office spokesperson said at a weekly press briefing. Spokesperson Mumtaz Zahra Baloch said PM Kakar [see more...](#)

Forex reserves up \$31m – Neutral

The State Bank of Pakistan's (SBP) foreign exchange reserves rose by \$31 million during the last week. According to weekly report SBP's reserves surged to \$ 7.646 billion during the week ended on Oct, 6, 2023 compared to \$7.615 billion as of September 28, 2023. However, during the week under review, net foreign exchange reserves held by commercial banks declined by \$32 million to \$5.383 billion. [see more...](#)

PKR: 26th consecutive surge – Positive

The Pakistani rupee continued its merry run against the US dollar as it gained another 0.33% in the inter-bank market on Thursday. This is the rupee's 26th consecutive appreciation against the greenback. As per the State Bank of Pakistan (SBP), the rupee settled at 278.58 after an increase of Re0.93 in the inter-bank market. On Wednesday, the rupee had appreciated 0.36% to settle at 279.51. [see more...](#)

Fuel prices likely to dive by up to Rs36/litre w.e.f Oct 16 – Neutral

On the back of declining international oil prices and the appreciation of the local currency, the government will likely slash the domestic petroleum and diesel prices by Rs36 and Rs19 per litre, respectively in the next fortnightly pricing update, effective from October 16, 2023. The international petrol and diesel prices have recorded a fall of \$10 and \$8 per barrel, reaching \$104 and \$118 respectively. Accordingly, the latest ex-refinery. [see more...](#)

SIFC body seeks 'Merit Order' for gas supply – Neutral

The Executive Committee of SIFC has directed Petroleum Division to prepare 'Merit Order' for supply of gas to industry, fertilizer, power generation, commercial, and domestic consumers, economic benefits of which will be reviewed by the caretaker Minister for Finance, sources close to Secretary Petroleum told Business Recorder. Caretaker Finance Minister, Minister for Industries and [see more...](#)

Pakistan seeks deal to import up to 1m tonnes of Russian oil per year – Neutral

Mohammad Ali, Pakistan's caretaker energy minister, said on Thursday that Islamabad was considering signing a long-term deal to buy between 0.7 million and 1 million tons (up to 20,000 bpd) of Russian oil per year, the TASS news agency reported. The South Asian nation has started snapping up crude oil that Moscow discounted after its [see more...](#)

Move to settle Al-Jomaih-KES dispute; Ministerial body to meet on 16th – Neutral

The Power Division has convened a meeting of three-member ministerial committee on October 16, 2023 to find an amicable way out in the dispute between Al-Jomaih and KES Power on shares of K-Electric, well-informed sources told Business Recorder A ministerial committee, composed of Minister for Energy (chair), Minister for [see more...](#)

Privatisation of LNG plants, DISCOs put on fast track – Positive

The Power Division has prepared a summary, which will seek approval of the Council of Common Interests (CCI) for the acquisition of DISCOs by provinces. The caretaker government is considering two options – either to privatise DISCOs or hand over them to provinces. But there are several obstacles that have stymied progress. [see more...](#)

Govt defers privatization of two LNG power plants – Neutral

The caretaker federal government has decided to stop privatization process for two Regasified Liquefied Natural Gas (RLNG) power plants, leaving it for the next government to decide their fate. The move of the caretaker government against continuing the privatization of the two RLNG-run power plants may not augur well for an agreement reached with the International Monetary Fund [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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- II. Dividend Discount Model
- III. Relative Valuation Model
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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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