

MORNING GLANCE



43,093






▲ 192



▲ 0.44%




103 mn



YTD -3.37%





1 Year -7.02%

ASIA	Value	Pts	Chg. (%)
 NIFTY 50	18,349.70	321.50	1.78% ▲
 DSE 30	2,235.97	4.72	0.21% ▲
 SHANGHAI	3,103.34	16.05	0.52% ▲
 Hang Seng	17,652.00	326.34	1.88% ▲
 Nikkei 225	28,064.50	199.07	0.70% ▼

EUROPE	Value	Pts	Chg. (%)
 FTSE 100	7,318.04	57.3	0.78% ▼
 DAX 30	14,224.86	78.77	0.56% ▲

USA	Value	Pts	Chg. (%)
 DOW JONES	33,747.86	32.49	0.10% ▲
 S&P 500	3,992.93	36.56	0.92% ▲
 NASDAQ	11,817.01	211.05	1.82% ▲

Commodities	Value	Chg.	Chg. (%)
 Gold (t oz.)	1,764.15	5.25	0.30% ▼
 Oil-WTI (bbl)	89.14	0.18	0.20% ▲

Currencies	Value	Chg.	Chg. (%)
 USD/PKR	222.00	-	-
 EURO/PKR	227.07	4.35	1.95% ▲
 GBP/PKR	260.17	7.08	2.80% ▲
 AED/PKR	60.40	-	-

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

Market Outlook

KSE-100 on Friday remained depressed for the majority part of the day amid macroeconomic uncertainties. However, during the 2nd session, it gained momentum and concluded the session in the green zone. The index made an intra-day high and low at 43,121 (220 points) and 42,806 (-95 points) respectively while closed at 43,093 by gaining 192 points. Trading volume has decreased to 103mn shares as compared to 142mn shares on the previous trading day. Going forward, we expect the market to remain positive. The resistance for the index resides at 43,800. Breaking this level would further push the index towards 44,400. Contrarily, the support for the index resides at 42,977 (200 DMA).

Key News

International

Asia shares pause as Fed warns against exuberance

Asian share markets were taking a breather on Monday after last week's sweeping rally as a top U.S. central banker warned investors against getting carried away over one inflation number, nudging up bond yields and the dollar. A modest miss on U.S. inflation was enough to see two-year Treasury yields dive 33 basis points for the week and the dollar lose almost 4%, the fourth biggest weekly decline since the era of [see more...](#)

Oil prices extend gains on China demand hopes

Oil prices rose nearly 1% on Monday, extending gains from the previous session as China eased some of its strict COVID-19 protocols, fuelling hopes of a recovery in economic activity and demand at the world's top crude importer. Brent crude futures rose 87 cents, or 0.9%, to \$96.86 a barrel by 0041 GMT after settling up 1.1% on Friday. U.S. West Texas Intermediate crude futures were at \$89.76 a barrel, up 80 cents, or [see more...](#)

Politics

Nawaz's return becomes chatter of the town – again

PML-N leaders have expressed confidence that party supremo Nawaz Sharif will finally return in December to lead his party but say that the long-anticipated homecoming will not signal the government's intentions to concede on the issue of early elections, as demanded by the PTI. A party insider on the condition of anonymity said that Nawaz Sharif, if all remains well, will return in December to take back the reins of [see more...](#)

Economy

Talks between IMF, Pakistan 'rescheduled' - Neutral

The schedule for talks between Pakistan and the International Monetary Fund (IMF) has been readjusted but the negotiations are continuing, official sources in Washington say. Media reports, however, claim that the talks that were scheduled to begin last week have been postponed till the third week of November. According to these reports, the talks would resume after Pakistan fulfilled its pledge to [see more...](#)

MORNING GLANCE

Fiscal slippages: IMF calls on Pakistan to mobilise additional Rs800bn revenue - **Negative**

Amid increasing fiscal slippages and external financing gap, Pakistan and the IMF are working out revised macroeconomic and fiscal framework, whereby the budget deficit and primary deficit are projected to escalate massively against the envisaged targets. The IMF is asking Pakistan to fetch an additional 1 percent of GDP revenues equivalent to Rs800 billion, keeping in view the [see more...](#)

MBS' visit postponed - **Negative**

The most discussed visit of Saudi Crown Prince and Prime Minister of the Kingdom of Saudi Arabia Mohammad bin Salman to Pakistan has postponed due to unspecified reasons. The newly-appointed spokesperson of the Foreign Office who assumed her charge on Saturday, confirmed the media that the new dates of the Crown Prince's visit to Pakistan will be mutually finalised by the two countries. "The visit is being rescheduled. The new [see more...](#)

Jul-Oct remittances down 9pc YoY - **Negative**

Inflows of home remittances fell by 9 percent during the first four months of this fiscal year (FY23) as compared to the same period last year (FY22), the State Bank of Pakistan reported on Friday. According to the SBP, cumulatively, the country received workers' remittances inflows amounting to \$ 9.9 billion during Jul-Oct FY23 compared to \$ 10.827 billion in the same period of last fiscal year, depicting a decline of \$ 927 million. For the past few [see more...](#)

Pakistan's Current Account Deficit to Remain Below \$10 Billion in FY2023: Governor SBP - **Neutral**

The Governor of the State Bank of Pakistan (SBP), Jameel Ahmed, has announced that the current account deficit (CAD) will stay below \$10 billion for the rest of the current fiscal year. According to the details, the estimated \$10 billion shortfall (less than 2.3% of GDP) is about half of the World Bank's 4.3% projection. This may minimize pressure on the exchange rate. Also, Governor [see more...](#)

OGRA opens LNG imports, sales to private sector - **Positive**

The Oil and Gas Regulatory Authority (Ogra), on Friday, granted an RLNG sale licence to the Pakistan GasPort Consortium Limited (PGPCL), marking the first steps towards allowing the private sector a piece of the LNG imports and sales pie. Currently, state owned companies like Pakistan LNG Limited (PLL) and Pakistan State Oil (PSO) import LNG and gas utilities, and sell the commodity to customers. Gas is a major part of Pakistan's [see more...](#)

Ogra reduces prices of imported LNG - **Positive**

The Oil and Gas Regulatory Authority (Ogra) on Friday notified 2.34 percent reduction in the prices of imported LNG for the consumers of the Sui Northern Gas Pipeline Limited (SNGPL) and 2.48 percent for the consumers of the Sui Southern Gas Company (SSGC) for the month of November. In a monthly review of LNG prices for November, the price of LNG has witnessed a decline of \$0.31925 per mmbtu for SNGPL [see more...](#)

SSGCL faces financial crunch - **Negative**

Sui Southern Gas Company Limited (SSGCL) is reportedly facing a severe financial crunch due to non-payment of RLNG bills by Karachi Electric (KE) which have reached over Rs 27 billion. In a letter to the Power Division, Directorate General of Gas (Petroleum Division), it has intimated that the gas utility company's outstanding dues against KE have been piled up to an alarming level of Rs. 27.013 billion (excluding [see more...](#)

Industries receive notices of gas closure during winters - **Negative**

Sui Southern Gas Company Limited (SSGCL) has sent gas closure notices for over three months in winters to industries in the city, which they rejected saying that gas outages would lead to massive layoffs and closure of businesses. "The industries are in a state of shock to receive SSGCL's notices of gas closure starting from November 15, 2022 to [see more...](#)

Govt borrows Rs808.7 billion from external, internal sources in first quarter - **Neutral**

The government has borrowed Rs808.7 billion from external as well as internal sources during the first quarter (July to September) of the current fiscal year to bridge the budget deficit. The government has borrowed Rs778.4 billion from internal sources and net external financing stood at Rs30.4 billion during the July to September period of the [see more...](#)

Pharma exports reach \$325m mark, says DRAP CEO - **Positive**

Pakistan's pharmaceutical industry exports have reached \$325 million owing to enabling business environment and within the next few years exports will further grow as the authorities are taking additional steps in facilitating the sector. This was stated by Asim Rauf, the chief executive officer (CEO) of the Drug Regulatory Authority Pakistan (DRAP), while talking to Business Recorder, here on [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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