

MORNING GLANCE



42,001	▲ 139	▲ 0.33%
62 mn	YTD -5.82%	1 Year -11.15%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,070.05	133.70	0.75% ▲
DSE 30	2,353.51	3.12	0.13% ▼
SHANGHAI	3,248.41	15.39	0.47% ▼
Hang Seng	18,907.00	419.86	2.17% ▼
Nikkei 225	28,012.50	602.13	2.10% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,385.86	87.17	1.17% ▼
DAX 30	13,188.95	213.32	1.59% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	31,104.97	1276.37	3.94% ▼
S&P 500	3,932.69	177.72	4.32% ▼
NASDAQ	12,033.62	706.1	5.54% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,712.70	4.7	0.27% ▼
Oil-WTI (bbl)	87.52	0.21	0.24% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	232.00	2.00	0.87% ▲
EURO/PKR	235.40	3.39	1.46% ▲
GBP/PKR	271.83	4.67	1.75% ▲
AED/PKR	63.12	0.54	0.86% ▲

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

Market Outlook

KSE-100 on Tuesday remained positive throughout the day and concluded the session in the green zone. The index made an intra-day high and low at 42,093 (230 points) and 41,862 (0 points) respectively while closed at 42,001 by gaining 139 points. Trading volume has decreased to 62mn shares as compared to 66mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid macroeconomic uncertainties. The support for the index resides at 41,760 (50 DMA). Breaking this level can further drag the index towards 41,100. However, the resistance for the index resides at 42,800.

Key News

International

Asian shares extend global selloff amid bets on more aggressive Fed

Asian shares tumbled, the dollar held firm and the U.S. yield curve was deeply inverted on Wednesday, as a white-hot U.S. inflation report dashed hopes for a peak in inflation and fuelled bets that interest rates may have to be raised higher and for longer. U.S. Labor Department data showed on Tuesday the headline Consumer Price Index gained 0.1% on a monthly basis versus expectations for a 0.1% decline. [see more...](#)

Oil prices creep higher on robust global demand outlook

Oil prices inched higher in early trade on Wednesday as OPEC stuck to forecasts for robust global fuel demand growth, offsetting concerns of another U.S. Federal Reserve interest rate hike next week after consumer prices unexpectedly rose in August. Brent crude futures rose 3 cents to \$93.20 a barrel by 0116 GMT, after settling 0.9% lower on Tuesday. U.S. West Texas Intermediate crude was at \$87.41 a barrel, up 10 [see more...](#)

Politics

Army chief's appointment should be based on merit: IK

Pakistan Tehreek-e-Insaf (PTI) chairman Imran Khan on Tuesday out rightly rejected the reports that he proposed an extension in the tenure of incumbent Chief of Army Staff (COAS) General Qamar Javed Bajwa till the next elections. A day earlier, in an interview to a private TV channel, he had suggested that the appointment of the next army chief [see more...](#)

Economy

South Korea to invest \$1 billion in Pakistan: Suleman Chawla - Positive

Mr. Suleman Chawla, Acting President FPCCI, has apprised that South Korea plans to invest \$1 billion in Pakistan's various industrial sectors and economically significant initiatives over the next 5 years and it will help Pakistan in many ways: (i) Pakistan will receive the much needed capital inflows in dollar terms (ii) the country will be able to adapt to the internationally-acclaimed hi-tech industrial techniques and standards to compete regionally & internationally (iii) [see more...](#)

MORNING GLANCE

Aug remittances post 8pc growth MoM - Positive

Inflows of workers' remittances posted 8 percent growth during August 2022, the State Bank of Pakistan (SBP) reported on Tuesday. According to the SBP statistics, the country received home remittances amounting to \$2.7 billion during August 2022 compared to \$2.524 billion in July 2022, showing an increase of \$200 million. On Year-on-Year (YoY) basis, workers' remittances also recorded 1.5 percent growth in August 2022 compared [see more...](#)

PKR slides by Rs2.1 in interbank - Negative

The rupee fell by Rs2.1 against the dollar in the interbank market on Tuesday, sliding for the eighth consecutive session. The local currency closed at Rs231.92 per dollar, down 0.91 per cent from yesterday's close of Rs229.82. FAP Chairman Malik Bostan said there was pressure on the import bill because of the floods, as a result of which the demand for dollars was rising. "Crops of cotton and wheat will be reduced this year which can increase the [see more...](#)

Govt likely to revise RLNG tariff of \$6.5/MMBTU - Neutral

The government is likely to revise RLNG tariff of \$6.5/MMBTU to discourage rent seeking nature of Captive Power Plants (CPPs) besides limiting gas/RLNG supply. This was the crux of a discussion at a meeting of committee constituted by prime minister under the chairmanship of finance minister. Secretary Petroleum made a brief presentation wherein he informed the committee about the approved gas supply priority order which places export [see more...](#)

'PRL to close today if diesel off-take remains slumped' - Negative

Pakistan Refinery Limited (PRL) on Tuesday warned of shutting down their operations today (Wednesday) if their high speed diesel (HSD) deadstock remains unpurchased by the local oil marketing companies (OMCs). Pakistan's refineries are facing serious inventory storage issues owing to a slump in diesel demand as super floods have swamped the highways, slowing the movement of heavy traffic, which is the largest consumer [see more...](#)

Hascol Petroleum to Remain in Defaulter Segment - Neutral

Pakistan Stock Exchange informed that Hascol Petroleum Limited will remain in the Defaulter Segment despite submitting annual accounts and convened the AGM. Earlier Pakistan Stock Exchange notified non-compliance of PSX Regulations by M/s. Hascol Petroleum Limited ("HASCOL") i.e. failure to hold its Annual General Meeting and submit its Annual Audited Financial Statements for the year ended December 31, 2021 [see more...](#)

DISCO: PD directed to carry out evaluation of assets by reputed firm - Neutral

The Cabinet Committee on Privatisation (CCoP) on Tuesday directed the Power Division to carry out the complete evaluation of the assets of the DISCOs by a reputed valuation firm and to present the synopsis of the financial health of the companies. Federal Minister for Finance and Revenue Miftah Ismail chaired a meeting of the CCoP here on Tuesday. Federal Minister for [see more...](#)

Pakistan's Car Sales Drop to Lowest in More Than Two Years - Negative

Pakistan's car sales dropped to the lowest in more than two years as rising prices suppressed demand and import curbs hurt production even before the full impact of the devastating floods are factored in. Sales fell 50% to 8,980 units in August from a year ago, according to data released by Pakistan Automotive Manufacturers Association on Tuesday. [see more...](#)

Highest profit in history of PNSC despite challenging global economic environment - Positive

Despite the challenging global economic environment, Pakistan National Shipping Corporation (PNSC) Group has achieved highest to date annual net profit after tax amounting to Rs.5,650 million during the year 2021-22 as compared to Rs.2,264 million during the preceding year. According to results announced here on Tuesday 13th September [see more...](#)

Cotton crop: Aptma estimates \$1.5bn production losses - Negative

All Pakistan Textile Mills Association (Aptma) has estimated \$1.5 billion production losses of cotton crop due to rains and floods in the country. Accordingly, in order to avoid cotton shortage in the country, Aptma has decided to explore the international market to ensure procurement of quality cotton at reasonable rates. A delegation led by Patron-in- [see more...](#)

PPA warns of further hike in poultry prices - Negative

Representatives of the Pakistan Poultry Association (PPA) on Tuesday warned of a significant increase in prices of poultry products if the government did not provide immediate relief to the industry that had been crippled by floods. "We have incurred losses of billions of rupees in the devastating floods, which damaged 70 per cent of the farms and associated assets," PPA-Southern region senior vice chairman [see more...](#)

No restrictions on import of raw materials: SBP clarifies - Neutral

State Bank of Pakistan (SBP) on Tuesday, refuted claims of not opening Letters of Credit (LCs) for essential raw materials including pharmaceuticals. In a press statement issued today, central bank said that lately, some media reports and representatives of trade organizations have claimed that banks are not LCs for essential raw materials including [see more...](#)

FBR Chairman Directs to Improve Compliance With Currency Declaration Regime at Airports - Neutral

Federal Board of Revenue (FBR) Chairman Asim Ahmed Tuesday directed the FBR Member Customs (Operations) to improve compliance with the currency declaration regime at airports in coordination with the Civil Aviation Authority (CAA), Airlines, and Immigration Authorities. A top FBR official told ProPakistani that the meeting, held at FBR House, [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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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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