

MORNING GLANCE



Market Outlook

The stock market on Monday opened on a positive note. However, it reversed the earlier gains in the second half and concluded the session in the red zone amid profit taking by the investors. The Benchmark KSE-100 index made an intra-day high and low at 86,105.02 (621.62 points) and 85,156.11 (-327.29 points) respectively while closed at 85,261.38 by losing 222.02 points.. Trading volume decreased to 264mn shares as compared to 295mn shares on the previous trading day. Going forward, we anticipate the market to remain volatile. The index has an upcoming resistance at 86,000 and 86,400, while finding support at 84,500 and 83,000.

Key News

International

Asian Stocks Rise Tracking US Gains; Oil Declines: Markets Wrap

Shares in Asia climbed after another strong performance on Wall Street, with stocks hitting fresh record highs. Oil dropped as concerns eased about Israel attacking Iranian energy facilities. MSCI's Asia Pacific Index rose as much as 0.6% as benchmarks in Australia, Japan and Taiwan gained. However, shares in China and [see more...](#)

Oil falls 3% as concerns ease on potential Iran supply disruption

Oil prices slid 3% in early Asian trade on Tuesday after a media report said Israel is willing not to strike Iranian oil targets, which eased fears of a supply disruption, and after OPEC lowered its outlook for global oil demand growth in 2024 and 2025. Both benchmarks plunged 3% in early trade. [see more...](#)

Politics

Fazl sees parties inching closer to consensus

"The primary role of parliament is to amend the Constitution and laws, but constitutional amendments often lead to disagreements," Fazl said on Monday while speaking to the media during his visit to Sindh. "Legislation should be made in accordance with the country's circumstances and needs, and everything must be done in the interest of the nation and the people," he added. [see more...](#)

Economy

SCO summit: all eyes are now on Islamabad – Neutral

All eyes are on Islamabad that is hosting, Tuesday, a two-day meeting of the Council of the Heads of Government (CHG) of the Shanghai Cooperation Organisation (SCO) member states. Including Pakistan, the 23rd CHG meeting is being attended by 12 countries; China, India, Iran, Russia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Mongolia and. [see more...](#)

85,261	▼ -222	▼ -0.26%
264 mn	YTD 31.86%	1 Year 74.82%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	25,127.95	163.70	0.66% ▲
DSE 30	1,969.52	15.47	0.78% ▼
SHANGHAI	3,257.83	26.5	0.81% ▼
Hang Seng	20,784.00	308.87	1.46% ▼
Nikkei 225	40,179.50	573.70	1.45% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	8,292.66	39.01	0.47% ▲
DAX 30	19,508.29	134.46	0.69% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	43,065.22	201.36	0.47% ▲
S&P 500	5,859.85	44.82	0.77% ▲
NASDAQ	20,439.05	167.08	0.82% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	2,664.15	1.45	0.05% ▼
Oil-WTI (bbl)	71.61	2.22	3.01% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.05	0.15	0.05% ▼
EURO/PKR	303.79	0.62	0.20% ▼
GBP/PKR	363.12	0.19	0.05% ▼
AED/PKR	76.22	0.08	0.10% ▼

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

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Currency swap among 14 accords inked with China – Positive

In order to further boost economic growth and productivity in multiple sectors including security, education, agriculture, human resource development and science and technology, Pakistan and China on Monday signed 13 accords including currency swap. The signing ceremony which took place at the Prime Minister's [see more...](#)

Conference proposes SCO bank – Neutral

The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and the Golden Ring Economic Forum (GREF) at FPCCI Regional Office Lahore organised a roundtable Conference on "SCO and Pakistan's Economic Interests," according to a press statement released on Monday. President FPCCI Atif Ikram Sheikh and Regional Chairman and Vice President Zaki Aijaz [see more...](#)

Roshan Digital Accounts surpass of \$8.749bn remittances – Positive

According to the State Bank, overseas Pakistanis have invested \$1.532 billion through RDA, including \$380 million in traditional New Pakistan Certificates, \$656 million in Islamic New Pakistan Certificates, and \$41 million in the Pakistan Stock Exchange. On the other hand, The rupee has weakened against the USD, GBP, and other major currencies, while [see more...](#)

T-bills continue to attract foreign capital – Positive

Foreign investors maintained a strong interest in Pakistani T-Bills, injecting \$89.35 million in the first four days of October 2024, according to latest data from the State Bank of Pakistan (SBP). Last month, Foreigners had parked \$89.5m into T-Bills through Special Convertible Rupee Accounts (SCRA) as the [see more...](#)

IMF tax target for traders missed by 99.99% - Negative

It is rare for an IMF condition to be missed by such a large margin, falling short by 99.99%, reflecting extremely poor performance by Prime Minister Shehbaz Sharif's government and raises questions about the viability of the new \$7 billion IMF deal. For the July-September quarter of this fiscal year, [see more...](#)

PPL begins oil & gas production from Punjab – Positive

The E&P, a key supplier of natural gas in the country, shared the development in its notice to the Pakistan Stock Exchange (PSX) on Monday. "We are pleased to disclose that as part of our continuous efforts towards increasing production of oil and gas, production has commenced from [see more...](#)

Oil sector rejects Ogra's proposed margin revisions, calls for higher adjustments – Neutral

The oil sector has rejected the proposed revised margins by the Oil & Gas Regulatory Authority (Ogra) for oil marketing companies (OMCs) and petroleum dealers. The representative bodies of petroleum dealers and OMCs, namely the Pakistan Petroleum. [see more...](#)

Failure to clear power sector receivables; Fearing credit loss, CPPA-G seeks extension of IFRS-9 exemption – Neutral

The Central Power Purchasing Agency-Guaranteed (CPPA-G) has sought three years' extension in exemption on applicability of International Financial Reporting Standards (IFRS) 9, ie, till June 30, 2027, fearing expected credit loss due to its failure to clear due receivables of power sector companies, sources close to Chief Executive CPPA-G [see more...](#)

Siemens Pakistan to sell energy portfolio to Siemens Gamesa for Rs17.8bn – Neutral

On Monday, the listed company shared the development in a notice to the Pakistan Stock Exchange (PSX). "The board has approved with majority in its meeting held on October 11, 2024 the sale and transfer of the. [see more...](#)

3rd phase of crackdown on illegal SIMs from tomorrow – Neutral

Pakistan Telecommunication Authority (PTA) will start the third phase of the operation against the illegal use of mobile phone SIMs from tomorrow. All the SIMs registered in the names of deceased persons will start [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

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

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PREPARED BY

Muhammad Umair Javed

Phone: (+92) 42 38302028

Ext: 117

Email: umairjaved@abbasiandcompany.com

RESEARCH DEPARTMENT

6 - Shadman, Lahore

Phone: (+92) 42 38302028; Ext: 116, 117

Email: research@abbasiandcompany.com

web: www.abbasiandcompany.com

HEAD OFFICE

6 - Shadman, Lahore

Phone: (+92) 42 38302028

Email: info@abbasiandcompany.com

web: www.abbasiandcompany.com