

MORNING GLANCE



41,772

▼ -240

▼ -0.57%

124 mn

YTD -6.33%

1 Year -10.92%

ASIA	Value	Pts	Chg. (%)
 NIFTY 50	17,877.40	126.35	0.70% ▼
 DSE 30	2,346.35	13.11	0.56% ▲
 SHANGHAI	3,180.61	19.31	0.60% ▼
 Hang Seng	18,709.00	221.38	1.17% ▼
 Nikkei 225	27,558.00	317.91	1.14% ▼

EUROPE	Value	Pts	Chg. (%)
 FTSE 100	7,282.07	4.77	0.07% ▲
 DAX 30	12,956.66	71.34	0.55% ▼

USA	Value	Pts	Chg. (%)
 DOW JONES	30,961.82	173.27	0.56% ▼
 S&P 500	3,901.35	44.66	1.13% ▼
 NASDAQ	11,927.49	206.91	1.71% ▼

Commodities	Value	Chg.	Chg. (%)
 Gold (t oz.)	1,671.80	5.5	0.33% ▼
 Oil-WTI (bbl)	85.42	0.32	0.38% ▲

Currencies	Value	Chg.	Chg. (%)
 USD/PKR	236.50	3.00	1.28% ▲
 EURO/PKR	235.54	2.64	1.13% ▲
 GBP/PKR	272.14	3.78	1.41% ▲
 AED/PKR	64.35	0.81	1.27% ▲

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

Market Outlook

KSE-100 on Thursday remained positive for the majority part of the day. However, later on, profit taking was witnessed and market concluded the session in the red zone. The index made an intra-day high and low at 42,311 (300 points) and 41,724 (-287 points) respectively while closed at 41,772 by losing 240 points. Trading volume has increased to 124mn shares as compared to 92mn shares on the previous trading day. Going forward, we expect the market to remain volatile. The support for the index resides at 41,779 (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 markets weaken as IMF, World Bank flag recession risks

Asian markets were weaker on Friday as investors braced for a U.S. rate hike next week amid growing concerns of a global recession following warnings from the World Bank and the International Monetary Fund. MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.3% on Friday, after U.S. stocks ended the previous session with mild [see more...](#)

Oil extends losses on recession fears

Oil prices dipped in early trade on Friday, extending the week's losses as concern over tight supply was outweighed by escalating fear of sharp interest rate hikes slamming global growth and hitting fuel demand. Brent crude futures fell 22 cents, or 0.2%, to \$90.62 a barrel as at 0052 GMT after sliding 3.5% to a one-week low in the previous session. U.S. West Texas Intermediate (WTI) crude futures lost 25 cents, [see more...](#)

Politics

Imran Khan demands immediate elections, warns to call out public

PTI Chairman Imran Khan on Thursday demanded immediate elections and said that the PTI "will not stay patient for too long". Speaking during a televised address, Khan said that the political situation of the country has been destabilised by the government. "If they [coalition government] keep pushing us against the wall, we will have no choice but to call on [see more...](#)

Economy

PSX e-IPO system introduced for investors, RDA holders - Neutral

The Securities and Exchange Commission of Pakistan (SECP) in coordination with the Pakistan Stock Exchange (PSX) has introduced the PSX e-IPO system for Initial Public Offering (IPO) investors including individual investors, corporate investors, and Roshan Digital Account holders. According to a SECP document on IPOs for new investors issued on Thursday, the SECP as an apex regulator of the capital market has adopted a disclosure-based regime for processing IPO [see more...](#)

MORNING GLANCE

Floods to weigh on agri production: Fitch - **Negative**

Fitch Solutions has stated that the severe floods in Pakistan to weigh on agricultural production and exacerbate the country's external imbalances, and revised real GDP growth forecast for the fiscal year 2022-23 down to 0.2 percent from 0.6 percent previously. Fitch Solutions in its latest report on Pakistan stated that a reduction in crop production will also likely lead to higher inflation, which could in turn prompt the State Bank of [see more...](#)

Most budget figures to undergo fluctuations: MoEA - **Negative**

Most of the budget figures for the current fiscal year 2022-23, including GDP growth rate, debt-to-GDP ratio and the budget deficit would fluctuate massively on account of unabated depreciation of the local currency against the dollar followed by heavy rains and floods which devastated all sectors including agriculture and infrastructure across the county. This was stated by senior officials of the Ministry of Economic Affairs while [see more...](#)

Woeful run continues: Rupee settles at 235.88 against US dollar - **Negative**

Pakistan's rupee continued to sustain losses against the US dollar for the 10th successive session, settling with a depreciation of 0.66% in the inter-bank market on Thursday, as investors await funding from friendly countries and international creditors. As per the State Bank of Pakistan (SBP), the rupee closed at 235.88 after declining by Rs1.56. During the last 10 trading sessions, the [see more...](#)

Forex reserves fall by \$156m - **Negative**

The country's total liquid foreign exchange reserves dropped by \$156 million during last week due to external debt servicing. According to the weekly foreign exchange report issued by the State Bank of Pakistan (SBP) Thursday, the total liquid foreign exchange reserves held by the country stood at \$ 14.317 billion as of Sept 9, 2022 compared to \$14.474 billion on Sept 2, 2022. During the week under review, the SBP's reserves [see more...](#)

Pakistan's oil, gas production dips amid flash floods - **Negative**

Pakistan's oil and gas production dropped 3% and 2.1% respectively, during the week ended September 08, as production was halted amid flash floods. The decline in oil and gas production comes at a time when the country is already suffering from an energy crisis that features prolonged power outages for residential, industrial and commercial consumers. The oil production dropped almost 3% to 67,911 barrels per day [see more...](#)

Some oil products likely to be dropped from PPRA schedule - **Neutral**

The government is likely to drop some petroleum products from Schedule-1 of PPRA but furnace oil will continue to be retained to avail shorter response time and bid validity, well informed sources told Business Recorder. This issue will be discussed by the PPRA Board in its forthcoming meeting, to be held next week. Sharing the details, sources said, the implementation status of the [see more...](#)

GO expands its retail network of outlets in Karachi - **Neutral**

Pakistan's fastest growing OMC, Gas & Oil Pakistan Ltd. (GO), inaugurated their first COCO retail outlet in Karachi in Scheme 33 and another retail outlet in the heart of Karachi on Main Shahra-e-Faisal. The retail outlets are fully functional and passengers can get Hi-Octane, Petrol, Diesel and lubricants for their vehicles. Besides fuel, a mart, car wash and tyre shop are available for daily commuters. The retail outlets were [see more...](#)

K-Electric to Charge Municipal Utility Charges in Electricity Bills from This Month - **Neutral**

Karachi September 15 2022: Government of Sindh have authorized KE, the sole distributor of electricity in Pakistan's Largest City, to collect Municipal Utility Charges and Taxes (MUCT) on behalf of KMC through its electricity bills. These charges will be applicable on all consumers falling under KMC jurisdiction and will be collected from September [see more...](#)

Current value assessed at Rs1.951bn: Rs2bn previous valuation of SIH was reasonable, CCoP told - **Neutral**

The Ministry of Privatisation has informed the Cabinet Committee on Privatisation (CCoP) that the fresh value of Services International Hotel (SIH) was assessed at Rs1.951 billion; therefore, the previous valuation was reasonable. Sources said that this was in the report of the sub-committee constituted on privatisation of SIH, which was [see more...](#)

Roosevelt Hotel: team likely to be sent to US for talks with union - **Neutral**

The government is likely to dispatch a team comprising of officials from the Aviation Division, the Finance Division and the Law Division to negotiate with the union of M/s Roosevelt Hotel, New York to protect it from land marking and other emergent related issues, well-informed sources told Business Recorder. The issue of M/s Roosevelt Hotel, sources [see more...](#)

Jul-Aug textile group exports up 4.18pc to \$3.056bn YoY - **Positive**

The country's textile group exports witnessed a growth of 4.18 percent during the first two months (July-August) of the current fiscal year 2022-23 and remained at \$3.056 billion as compared to \$2.933 billion during the same period of last year, the Pakistan Bureau of Statistics (PBS) said. The data of exports and imports released by the PBS revealed that [see more...](#)

Month-on-month: food, oil imports post double-digit growth in August - **Negative**

Pakistan's bill for oil and food imports posted double-digit month-on-month growth during August, revealed Pakistan Bureau of Statistics data, forming close to half of the country's total imports of \$6.071 billion. Meanwhile, textile and clothing exports grew by 6.4% month-on-month, data showed. Oil imports increased by over 29.9% to \$1.866 [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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- 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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