

MORNING GLANCE



42,984






▲ 187



▲ 0.43%




83 mn



YTD -3.62%





1 Year -7.65%

ASIA	Value	Pts	Chg. (%)
 NIFTY 50	18,409.65	6.25	0.03% ▲
 DSE 30	2,183.04	15.54	0.71% ▼
 SHANGHAI	3,094.69	25.29	0.81% ▼
 Hang Seng	17,782.00	474.48	2.60% ▼
 Nikkei 225	27,936.50	91.8	0.33% ▼

EUROPE	Value	Pts	Chg. (%)
 FTSE 100	7,351.19	18.25	0.25% ▼
 DAX 30	14,234.03	144.48	1.00% ▼

USA	Value	Pts	Chg. (%)
 DOW JONES	33,553.83	39.09	0.12% ▼
 S&P 500	3,958.79	32.94	0.83% ▼
 NASDAQ	11,699.09	172.06	1.45% ▼

Commodities	Value	Chg.	Chg. (%)
 Gold (t oz.)	1,770.80	6.1	0.34% ▼
 Oil-WTI (bbl)	84.64	0.61	0.72% ▼

Currencies	Value	Chg.	Chg. (%)
 USD/PKR	222.50	0.30	0.14% ▲
 EURO/PKR	230.62	1.17	0.51% ▲
 GBP/PKR	263.89	2.37	0.91% ▲
 AED/PKR	60.54	0.08	0.13% ▲

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

Market Outlook

KSE-100 on Wednesday remained volatile for the majority part of the day. However, near its closing, it gained momentum and concluded the session in the green zone. The index made an intra-day high and low at 43,098 (301 points) and 42,729 (-68 points) respectively while closed at 42,984 by gaining 187 points. Trading volume has decreased to 83mn shares as compared to 97mn shares on the previous trading day. Going forward, 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 42,946 (200 DMA).

Key News

International

Asian stocks mixed, dollar finds footing as traders assess Fed outlook

Asian stocks were mixed on Thursday while the U.S. dollar stabilized and Treasury yields remained depressed as investors tried to assess the outlook for Federal Reserve policy following stronger-than-expected retail sales data. Renewed expectations the Fed will keep hiking rates have increased concerns about the economic outlook. The U.S. [see more...](#)

Oil falls as geopolitical tensions ease, China COVID concerns return

Oil prices fell for a second day in early Asian trade on Thursday as concerns over geopolitical tensions eased and rising numbers of COVID-19 cases in China added to demand worries in the world's largest crude importer. Brent crude futures dropped by 62 cents, or 0.7%, to \$92.24 a barrel by 0110 GMT. U.S. West Texas Intermediate (WTI) crude [see more...](#)

Politics

COAS' appointment: IK softens his stance

Pakistan Tehrik-e-Insaf (PTI) Chairman Imran Khan has taken a step back on the appointment of new army chief saying that they are closely observing it and the government can do whatever it wants on the matter. "No army chief goes against the interest of the people," the former prime minister said while talking to a select group of journalists on Wednesday. However, he kept his hard stance on PML-N chief [see more...](#)

Economy

World Bank to provide \$1.3 billion to Pakistan for emergency, agriculture and housing relief - Positive

The World Bank (WB) said on Wednesday that it was planning to provide Pakistan \$1.3 billion for emergency, agriculture and housing relief in the wake of catastrophic floods this year, according to a press release issued by the Ministry of National Food and Security. The funds will be released after approval from the international lender's board meeting in December, World Bank Regional Director for Sustainable [see more...](#)

MORNING GLANCE

US govt-led 'Investment Promotion Activity' initiative launched - Neutral

The United States Ambassador to Pakistan, Donald Blome, together with Minister of State for Finance and Revenue Dr Aisha Ghaus Pasha on Wednesday formally launched the Investment Promotion Activity (IPA) – a US government-led initiative to enhance Pakistan-US bilateral trade. The IPA initiative was launched in honour of “Global Entrepreneurship Week” at [see more...](#)

Govt raises Rs757bn from T-bills - Neutral

The government on Wednesday raised Rs757 billion from auction of treasury bills against a target of Rs750bn, result data published by the State Bank of Pakistan (SBP) showed. The SBP received bids worth Rs1.25 trillion, of which Rs986bn were for three-month papers, Rs139bn for six-month and Rs122bn for 12-month papers. Against this, the government accepted bids worth Rs745bn in three-month, Rs7bn in six-month and Rs5bn in 12-month [see more...](#)

Q1 LSMI output down 0.4pc YoY - Negative

The Large Scale Manufacturing Industries (LSMI) output has declined by 0.4 percent during the first quarter (July-September) of the current fiscal year when compared with the same period of last year, says the Pakistan Bureau of Statistics (PBS). According to the Provisional Quantum Index Numbers of Large Scale Manufacturing Industries (QIM) the LSMI output increased by 0.01 per cent for September 2022 when compared with [see more...](#)

Q1 FY23: External debt, liabilities dip over \$3bn - Positive

Pakistan's external debt and liabilities fell over \$3 billion during the first quarter (Jul-Sep) of this fiscal year (FY23) mainly due to massive debt servicing. The State Bank of Pakistan (SBP) reported on Wednesday that the country's total external debt and liabilities (outstanding) decreased to \$126.914 billion at the end of September 2022 compared to \$130.196 billion as on June 30, 2022, showing a decline of \$3.282 billion. As a percentage [see more...](#)

Banks not involved in dollar speculation during August: Deputy Governor SBP - Neutral

Though banks made a notable profit in the mid of this year (June and July) on dollar trading in August 2022 banks have not been involved in any profit-taking activity on dollar trading, Deputy Governor SBP Inayat Hussain clarified during the meeting of Standing Committee on Finance. Earlier, “Governor SBP highlighted that the banks charged higher rates for opening [see more...](#)

Gas crisis likely to risk textile exports - Negative

As the natural gas rationing hit domestic and industrial consumers alike with the onset of winter, industrialists fear that textile exports to the United States and the European Union (EU) could face restrictions due to use of wood and coal to power their units. Domestic consumers in Karachi are already struggling to find alternate fuels to keep their kitchen stoves burning. Now industrial units have also joined [see more...](#)

THE RUPEE: PKR continues to decline - Negative

Pakistan's rupee continued to depreciate against the US dollar, falling 0.22% on Wednesday in the inter-bank market. As per the State Bank of Pakistan (SBP), the rupee closed at 222.41 after a depreciation of Re0.50. On Tuesday, the rupee had registered a decline for the third consecutive session, and settled at 221.91 after a fall of Re0.22 or 0.1%. The fall comes amid reports that the International Monetary Fund [see more...](#)

IPPs payment mode: MoF willing to pay GPPs Rs93.4bn - Neutral

Finance Ministry has shown a willingness to pay Rs 93.438 billion to Government-owned Power Plants (GPPs) on the same mode adopted for payments to Independent Power Producers (IPPs), well informed sources in Finance Ministry told Business Recorder. The total amount of GPP receivables of Rs 93.438 billion will be paid equally as follows: Rs [see more...](#)

Govt to Offer Duty and Tax Concessions to Increase Production of Electric motorcycles - Positive

The government has decided to formulate a new strategy to enhance the market share of electric bikes or electric motorcycles (2/3 wheelers) through fiscal incentives including concessions in the duties and taxes regime. Highly placed officials told ProPakistani that the Ministry of Industries and Production, Commerce Ministry and the Federal Board [see more...](#)

Pakistan Cables acquires 3.9 acre land for new manufacturing facility - Positive

The board of directors of Pakistan Cables Limited (PCAL) has approved the acquisition of the plot of land measuring 3.9 acres in S.I.T.E area Nooriabad, for the new manufacturing facility of the company, the company filings on the stock exchange showed on Wednesday. The price of this said plot of land is Rs89.7 million. The land will be utilized for the [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:

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- 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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