



Market Outlook

The stock market on Monday remained positive for the majority part of the day and concluded the session in the green zone amid a reduction in the price of petrol and high-speed diesel. The Benchmark KSE-100 index made an intra-day high and low at 49,919.03 (426 points) and 49,317.59 (-176 points) respectively while closed at 49,731.35 by gaining 237 points. Trading volume decreased to 296mn shares as compared to 370mn shares on the previous trading day. Going forward, the support for the index resides at 49,400. Breaking this level would further drag the index towards 49,000. Contrarily, the resistance for the index resides at 50,000.

Key News

International

Asian stocks recover some losses; China GDP, M.East tensions in focus

Most Asian stocks rose on Tuesday, recovering a measure of recent losses tracking some strength in Wall Street, although markets still remained on edge over the Israel-Hamas war and key upcoming economic readings from China. Technology stocks were the best performers for the day, with Hong Kong's Hang Seng Index, South Korea's KOSPI and Japan's [see more...](#)

Oil steadies on hopes of Venezuela sanctions being eased

Oil prices stabilised on Tuesday after a more than \$1 slide on Monday amid hopes the U.S. would ease sanctions on producer Venezuela and as Washington stepped up efforts to prevent an escalation of the war between Israel and Hamas futures were up 3 cents at \$89.68 a barrel, while U.S. West Texas Intermediate crude (WTI) were down 11 cents at \$86.55 a barrel as of 0113 GMT. [see more...](#)

Politics

Prospect of 'special relief' to Nawaz worries PPP

The Pakistan People's Party has raised apprehensions about the prospect of "special relief" to PMLN leader and former Prime Minister Nawaz Sharif on his return on October 21. Nawaz Sharif was convicted by courts of law and he will have to face the law on his return as he went abroad with the consent of the Imran Khan government and also through a judiciary [see more...](#)

Economy

Roshan Digital Account: cumulative inflow reaches \$6.75bn, says SBP – Positive

Inflow through Roshan Digital Account (RDA) crossed \$6.75 billion at September-end, the State Bank of Pakistan (SBP) said on Monday. The central bank shared that total number of RDA accounts opened reached 617,730 from 606,865 a month ago at August-end. As per the latest data available [see more...](#)

49,731	▲ 238	▲ 0.48%
296 mn	YTD 21.84%	1 Year 18.55%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,731.75	19.3	0.10% ▼
DSE 30	2,141.54	0.15	0.01% ▲
SHANGHAI	3,076.92	3.11	0.10% ▲
Hang Seng	17,756.00	153.50	0.87% ▲
Nikkei 225	31,988.50	354.00	1.12% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,630.63	31.03	0.41% ▲
DAX 30	15,237.99	51.33	0.34% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	33,984.54	314.25	0.93% ▲
S&P 500	4,373.63	45.85	1.06% ▲
NASDAQ	15,172.73	177.62	1.18% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,927.90	6.4	0.33% ▼
Oil-WTI (bbl)	85.05	0.21	0.25% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	276.83	0.79	0.28% ▼
EURO/PKR	291.62	1.46	0.50% ▼
GBP/PKR	337.03	2.17	0.64% ▼
AED/PKR	75.37	0.21	0.28% ▼

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

MORNING GLANCE

Aug LSMI output up by 2.52pc YoY – Positive

The large-scale manufacturing industries (LSMI) output increased by 2.52 percent for August 2023 compared to August 2022 and 8.44 percent compared to July 2023, said Pakistan Bureau of Statistics (PBS) on Monday. The overall LSM sector has shown a growth of 0.50 percent during July- August 2023-24 compared to the same period of last year. LSMI output declined by 10.26 percent during fiscal year 2022-23 compared to the [see more...](#)

PKR strengthens further – Positive

The Pakistani rupee continued its winning spree against the US dollar as it gained another 0.29% in the inter-bank market on Monday. This is the rupee's 28th successive appreciation against the greenback. As per the State Bank of Pakistan (SBP), the rupee settled at 276.83 after an increase of Re0.79 in the inter-bank market. During the previous week, the rupee extended its winning streak gaining 1.79% during the five sessions to close [see more...](#)

Saudi oil facility; POL worth \$300m imported on deferred payment – Positive

Pakistan imported petroleum products worth \$300 million on a deferred payment basis under the Saudi oil facility during the first quarter (July-September) of the current fiscal year 2023-24 against the budgeted estimates of \$600 million. Official documents revealed that the country imported petroleum products worth \$100 million on [see more...](#)

Gas prices likely to double amid circular debt crisis – Negative

The country is bracing itself for an impending surge in gas prices of up to 100% on the back of a surging circular debt. To note, the circular debt has reached around Rs2.7 trillion. As the International Monetary Fund (IMF) review approaches, the delay in gas price decision has become the burning question. Despite this impending review, the government has not yet disclosed any details regarding the gas price adjustments, [see more...](#)

Saudi Aramco, PSO, TAPI gas pipeline; Oil, gas issues now come under sharper SIFC focus – Neutral

The Apex Committee (AC) of Special Investment Facilitation Council (SIFC) has directed Ministry of Foreign Affairs (MoFA) and Petroleum Division to expedite resolution of issues of Saudi Aramco and Pakistan State Oil (PSO) and TAPI gas pipeline, well informed sources told Business Recorder. Minister for Energy Muhammad [see more...](#)

PSO makes headway in debt recovery from PIAC – Positive

Pakistan State Oil Company Limited (PSX: PSO) continues to recover its outstanding dues from Pakistan International Airlines (PIAC), with a payment of Rs100 million received today. To note, Pakistan's energy giant received an amount of Rs950m from the national carrier last week. However, PIAC still has a substantial outstanding debt of Rs 1.964 billion to PSO, a crucial factor in maintaining a steady supply [see more...](#)

Shell receives intention of 77.42pc voting shares – Neutral

Shell Pakistan Limited has received firm intention from Prax Overseas Holdings Limited to acquire control or 165,700,304 (upto 77.42 percent) voting shares of Shell Pakistan Limited. This intention has been notified to the board of directors of Shell Pakistan Limited on October 16, 2023 through the Manager to the Offer, AKD Securities Limited, material information sent to Pakistan Stock Exchange [see more...](#)

FPA, QTA in electricity bills; SC sets aside LHC verdict – Negative

The Supreme Court of Pakistan on Monday set aside a verdict of Lahore High Court (LHC) declaring Fuel Price Adjustment (FPA) and Quarter Tariff Adjustment (QTA) in electricity bills, as illegal and without lawful authority. A three-judge bench headed by Chief Justice Qazi Faez Isa comprising Justice Aminuddin and Justice Athar Minallah heard the [see more...](#)

Azad Pattan, Kohala HP projects; Chances of achieving FC slim – Neutral

Ministry of Planning, Development and Special Initiatives has stated that probability of achieving financial closure of 700-MW Azad Pattan Hydropower project and 1124-Kohala Power project was low, official sources told Business Recorder. This information was shared with the Ministry of Foreign Affairs during a meeting convened to finalise agenda [see more...](#)

Indus Motor Company announces month-long plant shutdown – Negative

Indus Motor Company (IMC), the assembler of Toyota vehicles in Pakistan, has once again announced that it will shut production, citing inventory shortages. This time production will be suspended from October 17 to November 17, the automaker shared the development in its notice to the Pakistan Stock Exchange (PSX) on Monday. [see more...](#)

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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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