



41,755	▼ -194	▼ -0.46%
51 mn	YTD -6.37%	1 Year -5.82%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	17,311.80	126.10	0.73% ▲
DSE 30	2,308.06	8.06	0.35% ▼
SHANGHAI	3,089.69	4.75	0.15% ▲
Hang Seng	16,656.00	43.10	0.26% ▲
Nikkei 225	27,014.50	238.71	0.89% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	6,920.24	61.45	0.90% ▲
DAX 30	12,649.03	211.22	1.70% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	30,185.82	550.99	1.86% ▲
S&P 500	3,677.95	94.88	2.65% ▲
NASDAQ	11,062.53	370.47	3.46% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,655.65	8.35	0.50% ▼
Oil-WTI (bbl)	84.77	0.24	0.28% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	219.25	0.50	0.23% ▲
EURO/PKR	213.62	0.3	0.14% ▼
GBP/PKR	246.78	0.86	0.35% ▼
AED/PKR	59.65	0.13	0.22% ▲

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

Market Outlook

KSE-100 on Monday remained under selling pressure throughout the day and concluded the session in the red zone amid macroeconomic uncertainties. The benchmark KSE-100 index made an intra-day high and low at 41,988 (40 points) and 41,725 (-222 points) respectively while closed at 41,755 by losing 193 points. Trading volume has decreased to 51mn shares as compared to 88mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid political and macroeconomic unrest. The support for the index resides at 41,000. Breaking this level can further drag the index towards 40,500. Contrarily, the resistance for the index resides at 42,096(50 DMA).

Key News

International

Asia stocks rise as relief rally builds after UK U-turn

Asia stocks nudged higher on Tuesday as the dramatic U-turn in British fiscal policy brightened investor sentiment, while the U.S. dollar took a breather at its lowest levels in more than a week as a revival in risk-taking lowered its appeal. Britain's new finance minister Jeremy Hunt abandoned most of Prime Minister Liz Truss' economic plan that had led to a political maelstrom fuelled by market turmoil, [see more...](#)

Oil Prices Tread Water Between Tightening Supply, Recession Fears

Oil prices were muted on Tuesday as markets weighed signs of tightening crude supply against increasing fears that a global economic slowdown will erode crude demand this year. Crude markets marked a slow start to the week, retaining most of last week's losses amid growing signs that the United States will enter a recession within the next 12 [see more...](#)

Politics

Buoyed by poll success, Imran admits 'backchannel' is open

Pakistan Tehreek-i-Insaf (PTI) Chairman Imran Khan, who had hitherto held his cards close to his chest regarding backdoor talks with the establishment to break the political impasse, on Monday acknowledged that the dialogue with powerful quarters was underway. The former premier made these remarks while responding to questions regarding [see more...](#)

Economy

Dar optimistic of Pakistan's exit from FATF's grey-list - Neutral

Federal Minister for Finance and Revenue Ishaq Dar on Monday expressed optimism that the Financial Action Task Force (FATF), scheduled to hold a Plenary meeting this week, will remove Pakistan from the grey list. Addressing a press conference, Dar, who is leading Pakistan's delegation to the IMF- WBG 2022 annual meetings being held in Washington DC, said that the government would address all concerns of the global watchdog if the need arose. [see more...](#)

MORNING GLANCE

Consumers to face gas load-shedding despite more RLNG cargoes - **Negative**

Consumers of both gas companies- the Sui Northern Gas Pipeline Limited (SNGPL) and the Sui Southern Gas Company (SSGC) will face gas load-shedding in the coming winter despite additional RLNG cargoes secured for January and February 2023. State Minister for Energy (Petroleum Division) Musadiq Malik stated this before the Senate Standing Committee on Petroleum [see more...](#)

Private investment in LNG sector - **Neutral**

The government, Monday, introduced, "The Oil and Gas Regulatory Authority Bill, 2022" in the National Assembly to allow private investors to invest at their own cost and risk to meet the growing demand of LNG in the country. Minister for Parliamentary Affairs Murtaza Javed Abbasi introduced the Oil and Gas Regulatory Authority (Amendment) Bill, 2022, which was referred to the relevant committee. [see more...](#)

SUGS: Chinese firms to be invited to JVs - **Neutral**

Pakistan is to invite Chinese firms to join hands with Pakistani companies in proposed Joint Ventures (JVs) in development and operation of Strategic Underground Gas Storages (SUGC), well informed sources in Ministry of Planning, Development and Special Initiatives told Business Recorder. This offer will be made in the draft minutes of the 11th Joint Cooperation Committee (JCC) meeting on China Pakistan Economic Corridor, expected to be held soon. [see more...](#)

Gulpur hydropower project inaugurated - **Positive**

Gulpur Hydropower Project has formally been inaugurated by Advisor to Prime Minister on Kashmir Affairs and Gilgit-Baltistan. Now, the Gulpur Hydropower Project is providing clean and cheap energy to the National Grid, stated by Managing Director Dr Tahir Masood in a press communique on Monday. NESPAK along with MWH, USA has [see more...](#)

Mohmand Dam project; Kuwaiti Fund mission arrives to seal loan deal - **Positive**

A Kuwait Fund Appraisal Mission is on a visit to Pakistan to discuss and finalise loan agreement on Mohmand Dam Hydropower project, official sources told Business Recorder. The kick-off meeting between the Kuwait Fund Appraisal Mission and officials of Economic Affairs (EAD) and other concerned officials will be on October 20, 2022. [see more...](#)

Pakistan's power generation cost up nearly 46% YoY in Sep as production declines - **Negative**

The total cost of generating electricity in the country jumped nearly 46%, hitting Rs9.91 KWh in September 2022 compared to Rs6.80 KWh registered in the same month last year. However, on a month-on-month (MoM) basis, electricity generation cost declined marginally by 1.5%. "On a MoM basis, the decrease in fuel cost is witnessed mainly [see more...](#)

LUCK announces buyback of another 35,000 shares - **Neutral**

The Lucky Cement (LUCK) on Monday announced a buyback of 35,000 shares of the company at a price of Rs511.92 per share, the company said in a notice to the exchange. On Sep 21, the LUCK board of directors announced a buyback of up to 10 million shares of the company having a face value of Rs10 each. LUCK also announced the buyback of shares on the 12th, 13th, and 14th Oct to purchase of its 90,000, [see more...](#)

Milk price increased by Rs20 per litre in Karachi - **Negative**

The Karachi Dairy and Cattle Farmers Association has jacked up the milk price by Rs 20 per litre in the city. With the latest increase of Rs 20 per litre, the new price of one kg milk in Karachi in the retail market has reached to Rs200. The city administration and the provincial authorities are completely silent over the recent action. The Dairy and Cattle Farmers Association has said that they were compelled to increase the milk price due to an increase in the fares of [see more...](#)

ECC approves Rs17bn grant for SAP - **Neutral**

A special meeting of the Economic Coordination Committee (ECC) of the cabinet has approved Rs17 billion technical supplementary grant to finance the schemes under Sustainable Development Goals (SAP) Achievement Program. The meeting of the ECC virtually presided over by Finance Minister Ishaq Dar on Monday [see more...](#)

Court Approved Merger of Ghani Chemical into GTECH with Ghani Chemical as a Surviving Entity - **Positive**

The Honorable Lahore High Court, Lahore in its order dated October 11, 2022 has approved the Merger Scheme of Compromises, Arrangement and Reconstruction ('The Scheme') under Companies Act amongst G3 Technologies Limited with and into Ghani Chemical Industries Limited, according to company filing to the exchange [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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