

# MORNING GLANCE



49,431	▼ -100	▼ -0.20%
157 mn	YTD 21.11%	1 Year 18.15%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,671.10	140.4	0.71% ▼
DSE 30	2,138.25	1.81	0.08% ▲
SHANGHAI	3,025.67	33.04	1.08% ▼
Hang Seng	17,358.00	418	2.35% ▼
Nikkei 225	31,429.50	612.75	1.91% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,588.00	87.21	1.14% ▼
DAX 30	15,094.91	156.78	1.03% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	33,665.08	332.57	0.98% ▼
S&P 500	4,314.60	58.6	1.34% ▼
NASDAQ	14,909.26	212.75	1.41% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,960.10	8.2	0.42% ▼
Oil-WTI (bbl)	86.94	0.33	0.38% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	280.29	3.26	1.18% ▲
EURO/PKR	296.49	4.39	1.50% ▲
GBP/PKR	341.94	5.03	1.49% ▲
AED/PKR	76.31	0.89	1.18% ▲

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

## Market Outlook

The stock market on Wednesday opened on a positive note. However, later on, it lost the impetus and reversed all of its intra-day gains while concluded the session in the red zone amid rupee sustains significant losses, settles at 280.29 against US dollar in the inter-bank. The Benchmark KSE-100 index made an intra-day high and low at 49,740.97 (210 points) and 49,383.71 (-147 points) respectively while closed at 49,431.47 by losing 99 points. Trading volume decreased to 157mn shares as compared to 221mn shares on the previous trading day. Going forward, we expect the market to remain positive amid the decline in T.bills yield. The index currently has a resistance around 49,500. Breaking this level can further push it towards 50,000. However, the current support of the index resides at 49,000.

## Key News

### International

#### Asian stocks slide as rising yields batter tech, Fed chair awaited

Most Asian stocks tumbled on Thursday, with technology-heavy indexes bearing heavy losses tracking a spike in bond yields, while anticipation of a speech from Federal Reserve Chair Jerome Powell also kept investors on edge. Regional stocks took a weak lead-in from Wall Street, with heavyweight technology stocks under pressure as a rout [see more...](#)

#### Oil rally cools as focus remains on Israel-Hamas war, more Fed cues

Oil prices fell in Asian trade on Thursday after a strong run of gains this week as markets awaited more developments in the Israel-Hamas war, while upcoming signals from the Federal Reserve were also in focus. An escalation in the conflict, after the deadly bombing of a Gaza hospital and the cancellation of a summit between U.S., Egyptian [see more...](#)

### Politics

#### 'No objections' from NAB as Nawaz moves IHC for bail

The PML-N's lawyers on Wednesday moved the Islamabad High Court (IHC) seeking protective bail for party supreme leader Nawaz Sharif in the Avenfield and Al-Azizia cases ahead of his return from London on Saturday, with a NAB lawyer saying the accountability watchdog [see more...](#)

### Economy

#### CPEC projects worth \$25bn completed: PM – Neutral

Caretaker Prime Minister Anwaar-ul-Haq Kakar said on Wednesday that his country has completed more than 50 projects worth \$25 billion under the China-Pakistan Economic Corridor (CPEC). Kakar was speaking at the Belt and Road Forum in Beijing. The CPEC is a flagship project under China's Belt and Road Initiative, with more than \$65 billion [see more...](#)

## MORNING GLANCE

### **Inflows drop after IMF boost in July: Pakistan gets \$320m loans, grants in Sept – Neutral**

As the rupee rises against the dollar, Pakistan has failed to generate dollar inflows in the shape of loans during the consecutive second month of September 2023, just receiving \$320 million. In the first month, July 2023, Pakistan received \$2.89 billion as reported by the Economic Affairs Division (EAD) but, if disbursed loan of \$1.1 billion [see more...](#)

### **T-bill yields fall – Neutral**

Treasury bill yields fell across all maturities on Wednesday as investors expected the central bank to keep its policy rate unchanged at 22 percent at its next meeting on Oct. 30, but to start easing monetary policy in the first half of 2024 amid easing inflation pressures and a stable currency. The government raised Rs1.092 trillion through the auction of T-bills to meet the target of Rs900 billion and maturity [see more...](#)

### **Pakistan, China commit to broaden CPEC horizons – Positive**

Pakistan and China on Wednesday agreed to expand the scope of the multibillion-dollar CPEC infrastructure project, which will now diversify to areas like industrial development, ICT, livelihood projects, mining and mineral exploration, and agriculture. Presently, the corridor is confined to road and rail connectivity and economic zones. Both countries also signed an agreement on the strategic Main Line-1 (ML-1) rail project, the Ministry [see more...](#)

### **PRL signs long-term deal with Russia for crude oil supply – Positive**

Pakistan Refinery Limited (PRL), one of the country's largest oil refineries, has entered into a long-term agreement with Russian companies for the supply of crude oil, the company's chief executive officer said on Wednesday. "PRL is negotiating with the Russian companies for the next cargo of crude oil in December this year," a source in the oil sector said. [see more...](#)

### **Q1FY24: Petroleum group imports post 28pc negative growth – Positive**

Petroleum group imports witnessed a negative growth of 28.03 percent during the first quarter (July-September) of the current fiscal year and stood at \$3.501 billion when compared to \$4.865 billion during the same period of last fiscal year, the Pakistan Bureau of Statistics (PBS) said. The data of exports and imports released by PBS revealed that petroleum group imports [see more...](#)

### **Evacuation of power from SEL plant, off-take by network – Neutral**

K-Electric has proposed a joint study with National Transmission and Despatch Company (NTDC) through an independent consultant for evacuation of 300 MW power from Siddiqsons Energy Limited (SEL) plant and power offtake by KE network. This is with reference to the letter having reference number 738-737/DMD (SO)/NPCC, [see more...](#)

### **Govt evolves strategy for recovery of outstanding power dues from various depts – Negative**

The federal government has evolved a strategy for the recovery of outstanding electricity dues of hundreds of billions of rupees from various federal and provincial governments departments and has decided to deduct the amount from the budget allocations of the concerned defaulter departments. [see more...](#)

### **Cement exports up 43.85pc to \$66.68m in 3 months – Positive**

The exports of cement witnessed an increase of 43.85 per cent during the first three months of the financial year 2023-24, as against the exports of the corresponding months of last year. The cement exports from the country were recorded at \$66.682 million during July-September (2023-24) against the exports of \$46.355 million [see more...](#)

### **Honda Atlas, Pak Suzuki temporarily suspend production amid supply chain crisis – Negative**

Pakistan's two major automotive industry players, Honda Atlas Cars and Pak Suzuki Motor Company (PSMC), on Wednesday separately announced a temporary shutdown of their production plants due to an ongoing shortage of essential raw materials. The PSMC issued a statement through its company secretary, expressing [see more...](#)

### **PIA grounds dozens of flights over fuel bills – Negative**

Country's embattled national airline carrier this week cancelled dozens of domestic and international flights because it could not afford to pay its fuel bills, officials said Wednesday. State-run Pakistan International Airlines (PIA), long accused of being bloated and poorly run, has found funds drying up as the government struggles with a balance of payments crisis caused by crippling debt repayments. [see more...](#)

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<b>TP</b>	Target Price	<b>DDM</b>	Dividend Discount Model	<b>FCF</b>	Free Cash Flows
<b>FCFE</b>	Free Cash Flows to Equity	<b>FCFF</b>	Free Cash Flows to Firm	<b>DCF</b>	Discounted Cash Flows
<b>PE</b>	Price to Earnings Ratio	<b>PB</b>	Price to Book Ratio	<b>BVPS</b>	Book Value Per Share
<b>EPS</b>	Earnings Per Share	<b>DPS</b>	Dividend Per Share	<b>ROE</b>	Return of Equity
<b>ROA</b>	Return on Assets	<b>SOTP</b>	Sum of the Parts	<b>JPB</b>	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

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

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