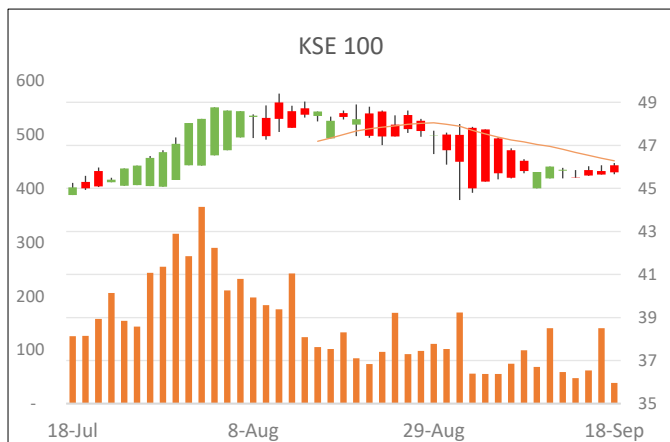


# MORNING GLANCE



45,803	▲ 49	▲ 0.11%
38 mn	YTD 12.22%	1 Year 9.89%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	20,133.30	59.05	0.29% ▼
DSE 30	2,138.57	-	-
SHANGHAI	3,126.52	0.58	0.02% ▲
Hang Seng	17,929.00	2.00	0.01% ▲
Nikkei 225	33,241.50	291.59	0.87% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,652.94	58.44	0.76% ▼
DAX 30	15,727.12	166.41	1.05% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	34,624.30	6.06	0.02% ▲
S&P 500	4,453.53	3.21	0.07% ▲
NASDAQ	15,225.37	22.97	0.15% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,953.55	0.15	0.01% ▲
Oil-WTI (bbl)	91.32	0.74	0.82% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	295.95	0.9	0.30% ▼
EURO/PKR	315.63	0.75	0.24% ▼
GBP/PKR	366.41	2.53	0.69% ▼
AED/PKR	80.57	0.25	0.31% ▼

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

## Market Outlook

The stock market on Monday remained volatile throughout the day, and managed to close flat amid rupee maintained its positive run against the US dollar in the inter-bank market.. The Benchmark KSE-100 index made an intra-day high and low at 45,907.08 (153 points) and 45,662.70 (-91 points) respectively while closed at 45,803.19 by gaining 50 points. Trading volume decreased to 38mn shares as compared to 140mn shares on the previous trading day. Going forward, the support for the index resides at 45,400. Breaking this level would further drag the index towards 45,000. Contrarily, the resistance for the index resides at 46,000.

## Key News

### International

#### Asian Stocks Decline as Rates Take Center Stage: Markets Wrap

Asian stocks fell on concern policy decisions from major central banks this week will stay hawkish as inflation remains a threat. The rally in oil gathered pace, with Brent touching \$95 per barrel. Shares in mainland China slipped on speculation the nation's economic recovery is faltering. Equities also dropped in Japan and Australia, [see more...](#)

#### Oil prices rise on supply deficit concerns

Oil prices rose on Tuesday for the fourth consecutive session, as weak shale output in the U.S. spurred further concerns about a supply deficit stemming from extended production cuts by Saudi Arabia and Russia. U.S. West Texas Intermediate crude futures rose 99 cents, or 1.1%, to \$92.47, by 0400 GMT, while global oil benchmark Brent crude futures rose 58 cents, or 0.61%, to \$95.01 a barrel. Prices have gained. [see more...](#)

### Politics

#### SC goes live as full court tackles controversial law

In his maiden appearance as the chief justice, Justice Qazi Faez Isa did two things on Monday: he ordered live-streaming of the entire hearing by the full court bench consisting of all 15 judges inside the Court-room No. 1; and implicitly vacated the April 13 suspension of the enforcement of [see more...](#)

### Economy

#### PM's meeting with IMF chief at UN - Neutral

In the event that Caretaker Prime Minister Anwaar-ul-Haq Kakar manages to meet Managing Director International Monetary Fund (IMF), Kristalina Georgieva, on the sidelines of the 78th session of the United Nations (UN) General Assembly in New York it is unlikely to lead to phasing out of a single harsh upfront condition agreed in the Stand [see more...](#)

## MORNING GLANCE

### Rupee strengthens as REER index drops, exports seen rising – **Positive**

The rupee gained 0.3 percent to close at 295.95 per dollar in the interbank market, extending its rally for the ninth straight session. The currency has appreciated 4 percent since Sept. 4, when it touched a record low of 307. The rupee had been under pressure ever since the caretaker government assumed office on August 14, 2023, amid concerns that the non-political [see more...](#)

### Govt raises Rs3.7bn from bonds – **Negative**

The central bank accepted bids for three-, five-, and 10-year bonds. There were no bids for longer-term bonds of 15, 20, or 30 years, according to the auction result. The cut-off yield on the three-year bond remained the same at 19.3499 percent, while the yield on the five-year bond rose by 100 basis points to 16.95 percent. The yield on the 10-year bond, which was offered for the first time in a year, was unchanged at 15.2500. The State [see more...](#)

### July LSMI output contracts 1.09pc YoY – **Negative**

The Large Scale Manufacturing Industries (LSMI) output registered negative 3.62 percent growth in July against negative 14.96 percent in June 2023 and 13.98 percent in May, data released by the Pakistan Bureau of Statistics (PBS) on Monday revealed. LSMI output declined by 10.26 percent during fiscal year 2022-23 when compared with the same period of 2021-22, according to PBS data. According to the provisional Quantum Index. [see more...](#)

### IMF says PSDP projects cost in FY23 exceeds budget by 14 times – **Negative**

Amid receiving directives from the caretaker regime for abandoning projects that are politically motivated and of provincial nature executed through the federal Public Sector Development Program (PSDP), the IMF has pointed out that the total cost to complete projects in the PSDP stands at Rs10.7 trillion, 14 times more than the budget allocation of [see more...](#)

### IMF pressure spurs prompt actions in gas sector – **Negative**

These steps include increasing cash payments to urban recipients of the Benazir Income Support Programme (BISP), allocating funds for winter gas in Balochistan, and making cash and non-cash book adjustments to settle inter-corporate payables and receivables among energy entities. In addition, the government will need to initiate long-term structural changes, like the separation of transmission network from the two existing Sui [see more...](#)

### OTCA stops oil supply to the whole country – **Negative**

The Oil Tankers Contractors Association (OTCA) stopped oil supply on Monday to the whole country as part of a strike which will continue till the acceptance of demands. The oil tankers should be given quota from the white pipeline and fares should be increased, OTCA President Abidullah Afridi had demanded. They are businessmen, and we pay taxes to the government and remained silent for five [see more...](#)

### To be applicable from July 1, 2023; Govt set to approve transition of LIBOR to 'SOFR' – **Neutral**

The government is all set to approve transition of London Interbank Offer Rate (LIBOR) to Secured Overnight Financing Rate (SOFR) to be applicable from July 1, 2023 after the NEPRA nod, sources close to MD PPIB told Business Recorder. However, Chinese sponsors including their lenders maintain that due to various [see more...](#)

### Dasu Transmission Line; WB warns against cancellation of contracts – **Neutral**

The World Bank has warned that cancellation of the awarded contracts of 765 kV Double Circuit Dasu Transmission Line by National Transmission and Despatch Company (NTDC) without appropriate justification may be considered a non-compliance of two clauses which may lead to stoppage of financing for these activities in future [see more...](#)

### PKR slide has doubled capacity payments: PD – **Negative**

The Power Division secretary has stated that the capacity payment has doubled, ie, to Rs2,152 billion from Rs1,082 billion due to the dollar rise – from Rs100 to Rs300. Sharing information about capacity payment, Power Secretary Rashid Mahmood Langrial has explained that foreign-funded dollar-denominated IPPs have contributed the most. Locally-funded RLNG plant's capacity payment has. [see more...](#)

### MCB Bank board approves setting up of EC – **Positive**

The Board of Directors of MCB Bank Limited has granted its approval to establish an Exchange Company with Rs 1.0 billion as initial paid-up capital as wholly-owned subsidiary of the Bank. "The Board of Directors of the Bank vide its resolution, dated September 15, 2023 has granted its approval to establish an Exchange Company with PKR 1.0 billion as Initial Paid-up Capital, as wholly-owned subsidiary [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

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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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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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