

MORNING GLANCE



42,929	▲ 167	▲ 0.39%
82 mn	YTD -3.74%	1 Year -6.16%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	18,244.20	84.25	0.46% ▲
DSE 30	2,199.91	8.25	0.38% ▲
SHANGHAI	3,092.62	3.68	0.12% ▲
Hang Seng	17,520.00	95.59	0.55% ▲
Nikkei 225	28,115.74	170.95	0.61% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,452.84	75.99	1.03% ▲
DAX 30	14,422.35	42.42	0.29% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,098.10	397.82	1.18% ▲
S&P 500	4,003.58	53.64	1.36% ▲
NASDAQ	11,724.84	171.39	1.48% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,741.10	1.20	0.07% ▲
Oil-WTI (bbl)	81.27	0.32	0.40% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	223.50	0.5	0.22% ▼
EURO/PAKR	229.20	1.05	0.46% ▼
GBP/PAKR	264.75	0.3	0.11% ▼
AED/PAKR	60.81	0.13	0.21% ▼

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

Market Outlook

KSE-100 on Tuesday remained positive throughout the day and concluded the session in the green zone amid the positive development of an improvement in the current account deficit by 47% YoY. The index made an intra-day high and low at 43,076 (315 points) and 42,761 (0 points) respectively while closed at 42,929 by gaining 167 points. Trading volume has increased to 82mn shares as compared to 62mn shares on the previous trading day. Going forward, we expect the market to remain positive as it has closed above its 200 DMA. The resistance of 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 42,913 (200 DMA).

Key News

International

Asia shares gain despite Chinese COVID case numbers rising
Asian share markets were mostly in positive territory on Wednesday despite rising COVID-19 cases in mainland China leaving investors uncertain over how much the fresh outbreaks could slow the reopening of the world's second-largest economy. MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.3%, after U.S. stocks ended the previous session with gains. The index is up 12% so far [see more...](#)

Oil prices climb on big drop in U.S. crude stocks, Russia supply uncertainty

Oil prices rose in early trade on Wednesday after industry data showed U.S. crude stockpiles fell more sharply than expected last week, highlighting supply tightness ahead of a looming European Union ban and G7 price cap on Russian oil. Brent crude futures gained 25 cents, or 0.3%, to \$88.61 a barrel at 0101 GMT, while U.S. West Texas Intermediate (WTI) [see more...](#)

Politics

PTI announces decision to move UK court against PML-N leaders

Musarrat Jamshed Cheema, a spokesperson for the Pakistan Tehreek-e-Insaf (PTI) and the Punjab government, has announced the decision to approach the court of law in London to pursue the charges levelled by Tasneem Haider against the Pakistan Muslim League-Nawaz (PML-N) leadership. Addressing her party workers, she said [see more...](#)

Economy

Pakistan faces currency crisis danger: Nomura - Negative

Nomura has warned that seven countries - Egypt, Romania, Sri Lanka, Turkey, Czech Republic, Pakistan and Hungary - are now at a high risk of currency crises. The Japanese bank said that 22 of the 32 countries covered by its in-house "Damocles" warning system have seen their risk rise since its last update since May, with the largest increases in the Czech Republic and Brazil. It meant the sum of the scores generated. [see more...](#)

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'Reko Diq reference': Country to pay \$9bn if deal not inked by Dec 15, SC told - **Negative**

The counsel for Barrick Gold informed the apex court that if by December 15, 2022, the agreement is not signed between Balochistan and Barrick Gold then Pakistan would have to pay over \$9billion. In 2019, the World Bank's arbitration tribunal imposed a penalty on Pakistan for unlawful denial of mining. After a decade-long legal battle, Pakistan announced the out-of- [see more...](#)

Monetary Policy to be announced on Friday - **Neutral**

The Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) will meet on Friday, November 25, 2022, at SBP Karachi to decide about the Monetary Policy, a statement issued by SBP said today. Later on, SBP will issue the Monetary Policy Statement through a press release on the same day. To recall, MPC in its previous meeting on October 10, 2022, announced to keep the policy rate unchanged at 15%. [see more...](#)

SNGPL begins disconnecting gasconnections of captive power plants - **Negative**

Sui Northern Gas Pipelines Ltd (SNGPL) has begun disconnecting natural gas connections of captive power plants as per policy announced last year, it was learnt on Tuesday. "Without any prior notice or intimation, the gas utility has abruptly started to disconnect those captive power gas connection which don't have cogeneration facility," claimed a textile industry [see more...](#)

22pc reduction in POL products' consumption: IMF sees Rs350bn levy shortfall - **Negative**

The International Monetary Fund (IMF) has assessed the government would have to face a shortfall of Rs300-350 billion on account of Petroleum Development Levy (PDL) in the wake of a 22 percent reduction in consumption of POL products and its inability to slap a maximum levy on all POL products. For the end of September 2022, performance conditions (PCs) and [see more...](#)

KE says transmission, distribution losses reduced to 15pc in FY22 - **Positive**

K.Electric (KE) has reduced its transmission and distribution (T&D) losses from around 34 percent at the time of privatisation to 15 percent by the end of FY22, KE's chief financial officer Muhammad Aamir Ghaziani said on Tuesday. Speaking to a corporate briefing session held at the Pakistan Stock Exchange, he stated that the utility company had improved its core business through [see more...](#)

Tractor-making sector: FTO tells FBR to conduct probe into Benami deals - **Negative**

The Federal Tax Ombudsman (FTO) has strongly recommended the Federal Board of Revenue (FBR) to probe into the aspect of massive Benami transactions in tractor manufacturing sector and monitor and enforce sales tax invoicing system to verify the input tax claims/refunds of a leading tractor manufacturing company. According to [see more...](#)

KOHC to add production capacity of 11 MMT during FY23 - **Positive**

Kohat Cement Company (PSX: KOHC) will likely add a cement capacity of 11 million metric tons (MMT) during FY23 while 16 MTs shall be added in the next three years, the management of the company informed while holding a corporate briefing session on Monday. On the expansion front, the management further informed that the land is being procured in [see more...](#)

PIBTL to bring more efficiency in cargo handling operations - **Neutral**

Pakistan International Bulk Terminal Limited (PIBTL) is considering to bring more efficiencies in cargo handling operations and volume consolidation, the management of the company informed while holding a corporate briefing session on Monday. Earlier, PIBTL entered into a Build Operate Transfer contract with Port Qasim Authority on 6th [see more...](#)

Country facing sugar shortage - **Negative**

Pakistan is facing a sugar shortage of 260,000 tons for the ongoing year, official data revealed. According to the data shared with the Ministry of National Food Security and Research and the Ministry of Industries and production, this year, Sindh province has estimated a reduction of 40 per cent in sugarcane production, which will create further problems. The document further said that Pakistan despite no [see more...](#)

Steel Producers Urges SBP for Compensation from Windfall Profits of Banks - **Neutral**

The Pakistan Association of Large Steel Producers (PALSP) has urged the State Bank of Pakistan (SBP) to compensate the local industry for the huge sums of windfall profits made by some of the banks by overcharging importers in the opening of their Letters of Credit (LCs) through manipulation. In a letter addressed to the Governor SBP, PALSP has raised [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:

- 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

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The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

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