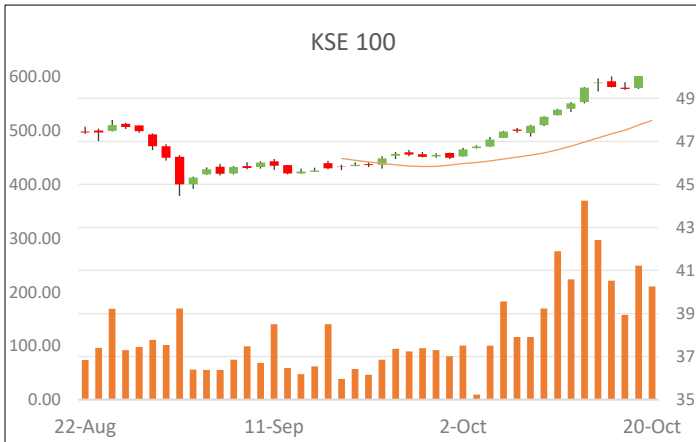


MORNING GLANCE



50,731	▲ 366	▲ 0.73%
210 mn	YTD 24.29%	1 Year 20.4%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,542.65	82.05	0.42% ▼
DSE 30	2,140.45	1.22	0.06% ▲
SHANGHAI	2,954.21	28.85	0.97% ▼
Hang Seng	17,142.00	112	0.65% ▼
Nikkei 225	31,040.50	218.86	0.70% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,402.14	97.39	1.30% ▼
DAX 30	14,798.47	246.76	1.64% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	33,127.28	286.89	0.86% ▼
S&P 500	4,224.16	53.84	1.26% ▼
NASDAQ	14,560.88	222.25	1.50% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,984.65	9.75	0.49% ▼
Oil-WTI (bbl)	87.25	0.83	0.94% ▼

Currencies	Value	Chg.	Chg. (%)
USD/PKR	278.80	0.01	0.00% ▼
EURO/PKR	295.25	1.49	0.51% ▲
GBP/PKR	337.85	-	-
AED/PKR	75.90	0.01	0.01% ▼

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

Market Outlook

The stock market on Friday Surged over 300 points and concluded the session in the green zone amid weekly inflation records largest drop in a Year, falls By 1.7%. The Benchmark KSE-100 index made an intra-day high and low at 50,952.67 (587.52 points) and 50,332.75 (-32 points) respectively while closed at 50,731.86 by gaining 367 points. Trading volume decreased to 210mn shares as compared to 249mn shares on the previous trading day. Going forward, the resistance for the index resides at 51,000. Breaking this level would further push the index towards 51,300. Contrarily, the support for the index resides at 50,300.

Key News

International

Asia markets mostly down ahead of regional inflation readings and South Korea growth figures

Asia-Pacific markets are mostly lower ahead of a week of inflation readings from across the region and South Korea's third-quarter gross domestic product numbers. Singapore and Australia will release inflation figures for September on Monday and Wednesday respectively, while Japan will release Tokyo's inflation numbers on Friday. Tokyo's [see more...](#)

Oil Prices Forecast: Crude Climbs Amid Geopolitics, Dwindling U.S. Inventory

Oil prices saw a turbulent week, driven in part by the evolving Israeli-Palestinian situation. Hopes for de-escalation emerged when Hamas released two U.S. hostages, pulling back some of the risk premium that had been pricing into oil futures. Brent future settled at \$92.16 a barrel, while U.S. West Texas Intermediate (WTI) crude for November delivery closed at \$88.75 a barrel. Despite this, statements by Israeli [see more...](#)

Politics

Elections, military trial of civilians; SC set to hear crucial cases on Monday

The Supreme Court will hear petitions seeking general elections within 90 days and challenging military trials of civilians on October 23 (Monday). A three-member bench, headed by Chief Justice Qazi Faez Isa and comprising Justice Aminuddin Khan and Justice Athar Minallah, will hear petitions filed by the Supreme Court [see more...](#)

Economy

Pakistan is World's Second-Best Stock Market as Key Index Rises - Neutral

Pakistan's key stock gauge rose to a six-year high on Friday amid optimism that the strengthening currency may help ease inflationary pressures. The KSE-100 Index rose 0.9% to 50,673.04, taking this month's gain to almost 10% in the second-best performance among more than 90 global equity indexes tracked by Bloomberg. [see more...](#)

MORNING GLANCE

PM returns from China with more pacts under his belt - Neutral

Caretaker Prime Minister Anwaarul Haq Kakar returned home on Friday evening after a whirlwind five-day China trip that took him to places where only few foreign dignitaries before him visited, and one that saw Islamabad and Beijing ink over 20 agreements, covering areas from currency swapping to building a research station on the moon's south pole. Although both sides vowed to cement ties in various [see more...](#)

MoFA takes big step to help boost inward FDI flows - Positive

The Ministry of Foreign Affairs (MoFA) has re-designated a dedicated Economic Diplomacy/Special Investment Facilitation Council (SIFC) Division to present Pakistan as an attractive destination for investment in different sectors/ fields, official sources told Business Recorder. According to the MoFA, the establishment of SIFC points towards the pressing requirement for economic revitalisation, specifically addressing [see more...](#)

CAA to get \$1.36b in upfront fee - Neutral

According to a presentation given to the cabinet last month, as far as the projected CAA share in revenues was concerned, 48% of the total airport revenues, including navigation, taxiway and baggage, over the concession period were outside of the project scope and would continue to accrue. The approved transaction structure was based on a combination of upfront and variable fee. With the upfront fee of \$100 million, more than half of the [see more...](#)

SBP seen holding policy rate steady amid lower inflation outlook - Positive

Pakistan's central bank is expected to keep its key interest rate unchanged at 22 percent this month, as inflation is seen easing further due to lower fuel prices and a stronger rupee, a brokerage poll showed on Friday. The State Bank of Pakistan (SBP) has raised its policy rate by a cumulative 1,500 basis points since October 2021 to curb soaring inflation and support [see more...](#)

Govt to cut spending to reduce deficit - Neutral

The interim federal government has decided to reduce spending on a massive scale in order to show a surplus of Rs600 billion on behalf of the provinces during the current fiscal year and to meet the International Monetary Fund's (IMF) condition of reducing the financial deficit of the Centre. It has also been agreed that any new projects under the annual development programme would not be launched. The finance ministry [see more...](#)

Rupee to stay in narrow range until IMF review, rate decision - Neutral

The rupee is likely to trade in a narrow range of 275-285 per dollar until at least the next tranche of the International Monetary Fund's loan programme is finalised, analysts said on Saturday. The rupee is probably going to remain range-bound, trading at 275-285 per dollar, until at least the next tranche of the International Monetary Fund's [see more...](#)

PSO ascends to new heights, asserting market dominance with record-breaking profits - Neutral

Pakistan State Oil (PSO), the national energy icon, has showcased its unwavering determination and resilience by achieving remarkable milestones in the first quarter of the financial year 2023-2024. In this period, PSO reported an unprecedented quarterly profit after tax of Rs 21.89 billion, resulting in impressive earnings per [see more...](#)

PSO resumes fuel supply to PIA aircraft - Positive

The Pakistan State Oil (PSO) has resumed fuel supply for 39 Pakistan International Airlines (PIA) aircraft after it received advance payment of Rs220 million (\$789,804) from the airline, a PSO spokesperson confirmed on Saturday according to a report. On Tuesday, the PIA announced it had canceled 14 international and domestic flights because of fuel shortages after the state-owned PSO canceled its supply [see more...](#)

Power generation cost falls 25pc to Rs7.42/kWh in September - Positive

Power generation cost fell over 25 percent year-on-year in September, thanks to a surge in hydropower output and lower coal and gas prices, latest data showed on Friday. The average cost of power production was Rs7.42 per kilowatt-hour in September, compared with Rs9.91 a year ago, brokerage Arif Habib Ltd said in a report, citing data [see more...](#)

Plan prepared for cut in circular debt - Neutral

The draft plan has been shared with a committee of the civil-military forum, which will be further fine-tuned in consultation with the Ministry of Finance, according to government sources. A follow-up meeting has also been held recently between the finance and energy ministries. But interim Finance Minister Dr Shamshad Akhtar has refused any further "fiscalisation" of power-sector [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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- 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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