

MORNING GLANCE



40,620	▼ -308	▼ -0.75%
91 mn	YTD -8.92%	1 Year -10.92%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	17,327.35	302.45	1.72% ▼
DSE 30	2,365.69	9.14	0.38% ▼
SHANGHAI	3,088.53	0.16	0.01% ▲
Hang Seng	17,996.00	62.73	0.35% ▲
Nikkei 225	26,587.00	566.83	2.09% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,018.60	140.92	1.97% ▼
DAX 30	12,284.19	247.44	1.97% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	29,590.41	486.27	1.62% ▼
S&P 500	3,693.23	64.76	1.72% ▼
NASDAQ	11,311.24	190.4	1.66% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,647.70	7.9	0.48% ▼
Oil-WTI (bbl)	79.00	0.26	0.33% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	239.90	0.15	0.06% ▲
EURO/PKR	235.60	0.09	0.04% ▼
GBP/PKR	269.46	0.12	0.04% ▼
AED/PKR	65.23	-	-

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

Market Outlook

KSE-100 on Friday opened on a positive note. However, later on, it lost the impetus and concluded the session in the red zone amid macroeconomic uncertainties prevailing in the country. The benchmark KSE-100 index made an intra-day high and low at 41,129 (201 points) and 40,514 (-414 points) respectively while closed at 40,620 by losing 308 points. Trading volume has decreased to 91mn shares as compared to 104mn shares on the previous trading day. Going forward, we expect the market to remain volatile as Ishaq Dar is expected to take oath as the new finance minister on Tuesday. The resistance for the index resides at 41,000. Breaking this level can further push the index towards 41,748 (50 DMA). However, the support for the index resides at 39,800.

Key News

International

Nikkei, Kospi fall 2%; Asia-Pacific markets drop as negative sentiment remains

Shares in the Asia-Pacific fell sharply on Monday as negative sentiment continues to weigh in on markets. The Nikkei 225 in Japan dropped 1.97% in early trade, and the Topix slipped 2%. South Korea's Kospi lost 2.3% and the Kosdaq shed 3.12%. In Australia, the S&P/ASX 200 declined 1.94%. MSCI's broadest index of Asia-Pacific shares outside Japan was 1.19% lower. Meanwhile, Hong Kong's Hang Seng Index [see more...](#)

Oil claws back some losses but strong dollar caps gains

Oil prices rose modestly in early trade on Monday after sliding to eight-month lows last week weighed down by a surging U.S. dollar and fears sharp interest rate hikes globally would spark a recession and hit fuel demand. The dollar index climbed to a fresh 20-year high on Monday, capping oil price gains. Brent crude futures were up 17 cents, or 0.2%, at \$86.32 a barrel at 0116 GMT, while U.S. West Texas Intermediate (WTI) [see more...](#)

Politics

'Won't happen again': Imran Khan dodges contempt indictment after month-late apology to judge

The Islamabad High Court (IHC) on Thursday deferred contempt proceedings against PTI chief Imran Khan after he expressed the willingness to apologise to Additional District and Sessions Judge Zeba Chaudhry. The IHC had initiated contempt proceedings against Imran over his diatribe [see more...](#)

Economy

Miftah quits; Dar to take over as finance minister - Neutral

Federal Minister for Finance and Revenue Miftah Ismail on Sunday tendered his resignation to Pakistan Muslim League-Nawaz (PML-N) supremo Muhammad Nawaz Sharif in a party meeting held in London. Senior PML-N leader Ishaq Dar would replace Miftah as new finance minister. Ishaq's nomination was put forth by Prime Minister Shehbaz Sharif and former prime minister Nawaz Sharif in a meeting, held under [see more...](#)

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Flood havoc: WB says envisaging \$2bn financing - **Positive**

The World Bank is envisaging financing of about \$2 billion to prepare emergency operations to quickly start the reconstruction and rehabilitation to rebuild or repair infrastructure, housing and restore livelihoods, and to help strengthen Pakistan's resilience to climate-related risks. This was stated by the World Bank's new Vice President for the South Asia Region, Martin Raiser, who concluded his first official visit to Pakistan and reaffirmed [see more...](#)

\$10b debt rescheduling sought - **Neutral**

Pakistan said on Friday that it was seeking the rescheduling of \$10 billion worth of debt owed to the Paris Club – a group of wealthy nations, in a move aimed at creating breathing space in the midst of efforts to rehabilitate more than 33 million people affected by devastating floods. Prime Minister Shehbaz Sharif also requested International Monetary Fund (IMF) Managing Director Kristalina Georgieva to provide upfront the remaining loan of nearly [see more...](#)

Dollar bond yields skyrocket after PM's debt relief appeal - **Negative**

The price of Pakistan's US dollar-denominated global bonds – Eurobond and Sukuk – slumped while their yields skyrocketed at world markets after Prime Minister Shehbaz Sharif appealed for debt relief from rich nations to cope with the flood-hit economy. The global bond investors interpreted the prime minister's appeal as an indicator that the country was going to default on [see more...](#)

Pakistan secures \$439.3m in two months of FY23 - **Negative**

Pakistan's ability to secure loans and grants dropped significantly as Islamabad could fetch only \$439.3 million from international creditors in the first two months of the current fiscal against \$2.37 billion in the same period of the last financial year. This ability declined mainly because Islamabad so far remained unable to generate dollar inflows in the shape of launching international bonds or securing commercial loans in the first two months [see more...](#)

Investment in govt papers surges 30pc to Rs21tr - **Neutral**

Banks and the corporate sector invested Rs4.877 trillion in government papers during the nine months through June, showing an increase of 30 per cent over the previous figure. The government has recently increased the treasury bill rates to 15.99pc for all tenors ranging from three to 12 months. Yields on Pakistan Investment Bonds (PIBs), as of Sept 14, were 13.92pc, 13.39pc and 12.95pc for three-, five- and 10-year papers. [see more...](#)

Rupee stands at the crossroads - **Positive**

Pakistani rupee has resisted a fresh fall beyond the threshold of Rs240 against the US dollar this week after witnessing high levels of volatility over the past one and a half month. On Friday, the currency eventually made a token recovery of 0.03% to break the 15-day losing streak. The rupee stabilised to close at Rs239.65 per dollar in the inter-bank market this week. This is Rs0.29 shy of the all-time low of Rs239.94 per dollar hit on July 28, 2022. [see more...](#)

Gas leakage: MPCL threatens to suspend supply to TPS Guddu - **Negative**

Mari Petroleum Company Limited (MPCL) has threatened to suspend gas supply to Thermal Power Station (TPS) Guddu (G-20), Genco-II if proper measures are not taken to stop gas leakage from pipeline, which is a threat both to the local population and company's assets. This note was sent by MPCL's Director Business Development & Commercial, [see more...](#)

Centre may revise royalty of oil, gas deposits of Balochistan govt - **Neutral**

The federal government is considering to revise the royalty of oil and gas deposits of Balochistan government, which is badly hit by the recent monsoon flooding, sources said. The new royalty will be based on last Petroleum Exploration and Production Policy, 2012, which will help achieve maximum self-sufficiency in energy and promote exploration and [see more...](#)

Petroleum levy to be jacked up to Rs 50: Ogra - **Neutral**

Oil and Gas Regulatory Authority (Ogra) Chairman Masroor Khan on Friday said that the levy on petrol will have to be jacked up to Rs50. Senator Mohsin Aziz presided over a meeting of the Senate Standing Committee on Petroleum. In the meeting, Chairman Ogra told the committee that the petroleum levy has to be increased, but the GST rate on petrol and diesel is zero. Secretary Petroleum told the [see more...](#)

T5HP: WB agrees to amend IBRD, AIIB loan agreements - **Positive**

The World Bank (WB) has agreed to amend both IBRD and AIIB loan agreements to facilitate payment of all expenditures incurred under Tarbela Fifth Hydropower Extension Project (T5HP) considering Pakistan is facing financial constraints especially in foreign currency payments. This was conveyed by the World Bank's Country Director Najy Benhassine in [see more...](#)

Corporate profits rise 22pc to Rs1tr in 2021-22 - **Positive**

One-third of Pakistan may be underwater, but the blue-chip companies continue to make hay while the sun shines as brightly as ever on the country's corporate sector. Net profits of the top listed companies went up 22 per cent for 2021-22 to over Rs1 trillion on an annual basis. Speaking to Dawn on Saturday, Topline Securities CEO Mohammed Sohail said growth in the earnings of the corporate sector has [see more...](#)

GCIL gets approval for setting up of Pakistan's largest Air Separation Unit plant - **Positive**

Ghani Chemical Industries Limited (GCIL), one of the subsidiary Companies and the largest manufacturer of medical and industrial gases in Pakistan) has received the approval from both the Environment Department, and the Hattar Special Economic Zone of KPK, for the setting up of Pakistan's largest Air Separation Unit (Oxygen [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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