

# MORNING GLANCE



41,540	▼ -650	▼ -1.54%
107 mn	YTD -6.85%	1 Year -8.15%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	17,656.35	74.4	0.42% ▼
DSE 30	2,243.73	1.05	0.05% ▲
SHANGHAI	3,009.50	9.99	0.33% ▲
Hang Seng	15,748.50	430.83	2.81% ▲
Nikkei 225	27,403.50	28.34	0.10% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,056.07	42.59	0.61% ▲
DAX 30	13,195.81	142.85	1.09% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	31,839.11	2.37	0.01% ▲
S&P 500	3,830.60	28.51	0.74% ▼
NASDAQ	11,405.90	264.1	2.26% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,672.30	3.10	0.19% ▲
Oil-WTI (bbl)	88.33	0.42	0.48% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	220.50	0.20	0.09% ▲
EURO/PKR	219.40	1.91	0.88% ▲
GBP/PKR	252.35	3.62	1.46% ▲
AED/PKR	59.99	0.05	0.08% ▲

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

## Market Outlook

KSE-100 on Wednesday plunged over 600 points as political instability following the announcement of long march by PTI has dunt the market sentiment. The benchmark KSE-100 index made an intra-day high and low at 42,190 (0 points) and 41,490 (-700 points) respectively while closed at 41,540 by losing 650 points. Trading volume has increased to 107mn shares as compared to 72mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid political uncertainty prevailing in the country. The support for the index resides at 41,000. Breaking this level can further drag the index towards 39,800. Contrarily, the resistance for the index resides at 41,978 (50 DMA).

## Key News

### International

#### Asia shares jump as investors anticipate smaller interest rate rises

Asian shares rose on Thursday on growing expectations that major central banks could start slowing the pace of interest rate hikes in coming months, while the dollar's retreat lifted commodities and pushed treasury yields lower. MSCI's broadest index of Asia-Pacific shares outside Japan was 1.59% higher and set for third straight session of gains. The index is down roughly 2% for the month. Australia's resources- [see more...](#)

#### Oil prices continue climb on strong crude demand, weaker dollar

Oil prices continued to rise in early Asian trade on Thursday after surging more than 3% in the previous session, driven by record U.S. crude exports and a weaker U.S. dollar. Brent crude futures rose 25 cents, or 0.3%, to \$95.94 a barrel by 0015 GMT. U.S. West Texas Intermediate (WTI) crude rose 19 cents, or 0.2%, to \$88.10. U.S. crude stocks rose 2.6 [see more...](#)

### Politics

#### Govt seeks help from army under Article 245 for PTI's long march: Rana Sanaullah

Interior Minister Rana Sanaullah Wednesday said the federal government has decided to seek help from the armed forces — including the Pakistan Army and rangers — to deal with the participants of the rally in order to deal with any unforeseen situations amid the PTI's upcoming long march. On Tuesday, PTI Chairman Imran Khan announced that his party's [see more...](#)

### Economy

#### Release of \$1.5bn by ADB confirmed - Positive

Finance Minister Ishaq Dar Wednesday maintained that Asian Development Bank (ADB) disbursed \$1.5 billion to Pakistan under Balochistan Rural Development and Community Empowerment (BRACE) programme. In a tweet, he said that "ADB has released \$1.5 billion funds to Pakistan under BRACE programme for the credit of government of Pakistan's account with State Bank of Pakistan." On Monday last, [see more...](#)

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### Think-tank LSE cuts GDP forecast on catastrophic flood - **Negative**

Pakistan's gross domestic product (GDP) may decline to 2.38 percent in the current fiscal year 2022-23, compared to 6 percent achieved in the last financial year, tracking losses by unprecedented floods across the country, a report stated on Wednesday. The size of the economy in dollar terms might go up from \$347.9 billion in FY2021-22 to \$355.9 billion in FY2022-23, the report on Pakistan's State of Economy from The Lahore [see more...](#)

### Rupee weakens despite \$1.5bn inflows from ADB - **Negative**

The rupee reversed its upward trend on Wednesday, tracking political unrest following announcement by former prime minister Imran Khan to begin a protest march to Islamabad in support of calling for early elections. In the interbank market, the local unit fell 0.43 percent to 220.68 against the dollar. It weakened 1.50 rupees to close at 224.40 per dollar in the open market where it had settled at 222.90 in the previous session. The rupee [see more...](#)

### Gas load management plan for winter: Govt to give top priority to domestic sector - **Negative**

The government has decided to extend top priority to the domestic sector in the winter season for ensuring gas supply three times for cooking purposes with full pressure under the gas load management plan to be implemented from November 1, 2022 till February end of 2023. Gas will be closed down to the non-export industry i.e. the CNG sector. The current gas supply to the [see more...](#)

### Imported coal: SBP reluctant to approve forex payments: CPPA-G - **Negative**

Central Power Purchasing Agency-Guaranteed (CPPA-G) on Wednesday revealed that State Bank of Pakistan (SBP) is reluctant to approve forex payments of imported coal due to pressure on reserves. This information was shared by Chief Executive Officer (CEO)/ CFO, CPPA-G, Rehan Akhtar during a public hearing on Fuel Charges Adjustment (FCA) of Discos for September 2022. [see more...](#)

### Financial closure of 3 power projects: Govt seeks Sinosure's support - **Neutral**

Pakistan has requested M/s Sinosure, Chinese insurance company, to support pending financial closure of certain energy projects, well informed sources told Business Recorder. Prime Minister, sources said, had directed Ministry of Foreign Affairs (MoFA) to arrange an online session of working group with Sinosure to discuss and resolve bottlenecks with respect [see more...](#)

### HUMNL authorized to explore feasibility of Tower Sports, Sphere Ventures' potential acquisition - **Positive**

The Board of Directors (BoD) of Hum Network Limited (PSX: HUMNL) on Wednesday authorized the management to explore the feasibility of a potential acquisition of Tower Sports (Private) Limited and Sphere Ventures (Private) Limited. Tower Sports is currently holding the landing rights licenses of Ten Sports and Ten Sports 2. It is also [see more...](#)

### Paracetamol production resumes as govt, pharma firms strike deal - **Positive**

The major manufacturer of Paracetamol products in Pakistan Wednesday announced plan to resume full production of paracetamol tablets and syrups following an agreement on the price of essential medicine with the government, which also said pharmaceutical companies had agreed to reduce prices of paracetamol products, which is almost half of [see more...](#)

### Russia Looking to Increase Rice Imports from Pakistan - **Positive**

A Russian delegation Wednesday told Federal Minister for National Food Security Tariq Bashir Cheema that Russia is looking to increase rice imports from Pakistan. The delegation comprising representatives of Prodtorg, a state-owned Russian company, Agriculture Attaché Aleksei Kudriavtsev, and Attaché Russian Embassy met the minister at his [see more...](#)

### Pakistan Planning to Increase Tariff on Water Usage in a Bid to Fight Climate Change - **Neutral**

Minister for Planning, Development and Special Initiatives Ahsan Iqbal Wednesday said that the government should have to raise water tariffs to preserve it for the future generations. "We treat water as a commodity item and the tariffs are also very low and the institutions responsible to deal with water are almost without budget so they can [see more...](#)

### MCB Bank Sees a 12% Decline in 9 Months Profit- **Negative**

The profitability of the MCB Bank declined by 12 percent to Rs. 19.9 billion during the first nine months of 2022. The bank booked a profit of Rs. 22.6 billion in the same period last year. The board of directors of MCB Bank Limited has declared a 3rd interim cash dividend of Rs. 5.0 per share i.e. 50 percent, in addition to 90 percent already paid, bringing the total cash dividend for the nine months period ended September [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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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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