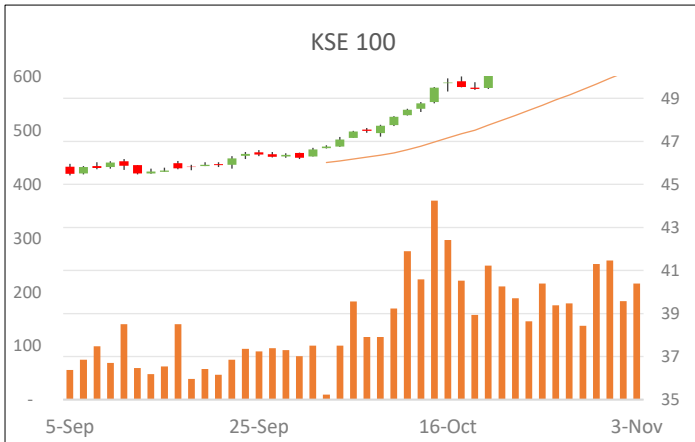


MORNING GLANCE



53,123	▲ 466	▲ 0.89%
216 mn	YTD 30.15%	1 Year 26.21%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	19,230.60	97.35	0.51% ▲
DSE 30	2,133.74	0.24	0.01% ▼
SHANGHAI	3,057.50	26.70	0.88% ▲
Hang Seng	17,986.00	299.00	1.69% ▲
Nikkei 225	32,695.00	745.11	2.33% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,417.73	28.8	0.39% ▼
DAX 30	15,189.25	45.65	0.30% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	34,061.32	222.24	0.66% ▲
S&P 500	4,358.34	40.56	0.94% ▲
NASDAQ	15,099.49	179.95	1.21% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,992.55	6.65	0.33% ▼
Oil-WTI (bbl)	80.91	0.40	0.50% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	284.31	1.66	0.59% ▲
EURO/PKR	302.08	3.28	1.10% ▲
GBP/PKR	344.74	1.73	0.50% ▲
AED/PKR	77.17	0.78	1.02% ▲

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

Market Outlook

The stock market on Friday Surged over 450 points and concluded the session in the green zone amid the caretaker finance minister held a meeting with IMF review mission led by IMF Chief Nathan Porter at the Finance Division. The Benchmark KSE-100 index made an intra-day high and low at 53,263.07 (606 points) and 52,782.21 (125 points) respectively while closed at 53,123.03 by gaining 466 points. Trading volume increased to 216mn shares as compared to 183mn shares on the previous trading day. Going forward, the resistance for the index resides at 53,500. Breaking this level would further push the index towards 53,700. Contrarily, the support for the index resides at 53,000.

Key News

International

Asian stocks surge as Fed rate hike bets recede; China data on tap

Most Asian stocks rose sharply on Monday as weaker-than-expected U.S. payrolls data furthered expectations that the Federal Reserve was done with its rate hike cycle, while focus also turned to upcoming economic readings from China. Regional stocks have been on a tear since Thursday, after the Fed provided somewhat less hawkish signals than markets had feared, bumping up expectations of an [see more...](#)

Oil prices rise as rate hike fears ease; China data deluge in focus

Oil prices rose in Asian trade on Monday amid easing fears of more Federal Reserve rate hikes, although anticipation of several economic readings this week, particularly from China, kept traders on edge. Markets were also encouraged by the prospect of tighter supplies, after major suppliers Saudi Arabia and Russia said they [see more...](#)

Politics

Govt speeds up Afghans' repatriation

Pakistan opened more border centres on Friday to speed up the return of tens of thousands of undocumented Afghans, an official said, two days after a deadline to leave or face expulsion expired and ignoring pleas to give the plan a rethink. Pakistan has brushed off calls from the United Nations, [see more...](#)

Economy

\$3bn projects approved for flood-hit areas – Positive

Ministry of Planning Development and Special Initiatives has said that it approved 21 development projects costing US\$3 billion for flood-affected areas after securing maximum pledges committed in Geneva for 2022 flood. The Ministry of Planning and Development has stated that since the launch of Resilient, Recovery, Rehabilitation and Reconstruction [see more...](#)

MORNING GLANCE

IMF talks uncover major gaps – Neutral

Pakistan has informed the International Monetary Fund (IMF) that the debt servicing cost may rise to Rs8.5 trillion, marking a slippage of Rs1.2 trillion over the allocated budget. Challenges persist in arranging approximately \$6.5 billion in external debt this year due to challenging economic conditions. Pakistani authorities have now requested the Fund's assistance in bridging the external financing gap, which [see more...](#)

IMF negotiations add to rupee's challenges amid import surge – Neutral

The rupee is expected to remain weak against the U.S. dollar in the coming week, as higher demand for the greenback from importers outweighs the supply from exporters, analysts said on Saturday. As the rupee usually becomes volatile during the visit of the International Monetary Fund's review mission to Pakistan, it is also expected that the currency's losing run will continue. [see more...](#)

FTA with GCC states making little or no headway – Neutral

The much-talked about proposed Free Trade Agreement (FTA) between Pakistan and Gulf Cooperation Council (GCC) countries is reportedly making little or no headway as the latter is more interested in 'extraordinary' incentives in Bilateral Investment Treaty (BIT) instead of goods trade, well informed sources told Business Recorder. On October 4, 2023, the caretaker Commerce Minister, Gohar Ijaz [see more...](#)

Economic indicators again show mixed performance in first quarter – Neutral

Pakistan's economic indicators have once again shown mixed performance in the first quarter (July to September) of the current fiscal year as compared to the same period of the previous year. Indicators like foreign investment, current account deficit, tax collection, reserves and others have recorded positive growth during the first quarter of the ongoing [see more...](#)

Pakistan's infrastructure spending lags behind regional peers, experts say – Negative

Pakistan's weak public finances limit its spending on infrastructure, which is among the lowest in the region and well below the required level, experts said on Saturday. The country spends about 2.1 percent of its gross domestic product on infrastructure, one of the lowest rates in the region and well below the 8-10 percent of GDP required to bridge the gap. [see more...](#)

CDWP okays nine projects to attract international investment – Positive

The Central Development Working Party (CDWP) on Friday cleared nine development projects worth about Rs224 billion in various sectors, mainly aimed at bringing in much-needed international financial assistance from multilateral and bilateral lenders that had been delayed inordinately because of slow progress on project preparation despite. [see more...](#)

KSA asks Pakistan to make China Sinopec part of \$10bn green refinery project – Positive

The Kingdom of Saudi Arabia (KSA) has asked Pakistan authorities to approach China's Sinopec and also make it part of a \$10 billion green refinery that is to be established in Pakistan. We have announced and notified the new green refinery policy with incentives of 7.5 per cent deemed duty for 25 years and a tax holiday [see more...](#)

Refinery sector; SIFC for assessing Sinopec's interest – Neutral

The Executive Committee (EC) of Special Investment Facilitation Council (SIFC) has directed Petroleum Division to assess the investment interest of Chinese company M/s Sinopec, in refinery alongside Saudi Aramco and facilitate the company in case of affirmation of its interest by expediting necessary approvals, [see more...](#)

Govt plans to increase strategic petroleum reserves as tensions grow in Middle East - Neutral

As tensions in the Middle East continue to soar, the caretaker government Sunday decided to increase its strategic petroleum reserves, sources in the Petroleum Division told Geo News on Sunday. The government's decision comes in the wake of Israel's war on Gaza and its trickle-down effect across the Middle East. [see more...](#)

Oil industry faces cash crunch as sales tax claims pile up – Negative

The oil industry is facing cash flow problems and financial charges of Rs1 billion per month due to unadjusted sales tax input claims of more than Rs50 billion rupees, an industry body said on Friday. The Oil Companies Advisory Council (OCAC), which represents refineries, oil marketing companies and a pipeline company, said in a letter to the energy [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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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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