

MORNING GLANCE



41,611






▲ 261



▲ 0.63%




127 mn



YTD -6.69%





1 Year -7.62%

ASIA	Value	Pts	Chg. (%)
 NIFTY 50	17,274.30	386.95	2.29% ▲
 DSE 30	2,343.04	16.87	0.73% ▲
 SHANGHAI	3,024.39	16.81	0.55% ▼
 Hang Seng	18,031.50	56.47	0.31% ▼
 Nikkei 225	27,339.00	218.47	0.81% ▲

EUROPE	Value	Pts	Chg. (%)
 FTSE 100	7,052.62	33.84	0.48% ▼
 DAX 30	12,517.18	153.3	1.21% ▼

USA	Value	Pts	Chg. (%)
 DOW JONES	30,273.87	42.45	0.14% ▼
 S&P 500	3,783.28	7.65	0.20% ▼
 NASDAQ	11,573.18	9.36	0.08% ▼

Commodities	Value	Chg.	Chg. (%)
 Gold (t oz.)	1,729.65	8.85	0.51% ▲
 Oil-WTI (bbl)	88.01	0.25	0.28% ▲

Currencies	Value	Chg.	Chg. (%)
 USD/PKR	224.25	1.25	0.55% ▼
 EURO/PKR	223.61	1.35	0.61% ▲
 GBP/PKR	256.42	0.37	0.14% ▲
 AED/PKR	61.01	0.34	0.55% ▼

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

Market Outlook

KSE-100 on Wednesday remained positive throughout the day and concluded the session in the green zone amid continuous PKR appreciation as the rupee maintained its winning momentum against the US dollar for the ninth successive session. The index made an intra-day high and low at 41,668 (318 points) and 41,350 (0 points) respectively while closed at 41,611 by gaining 261 points. Trading volume has increased to 127mn shares as compared to 116mn shares on the previous trading day. Going forward, we expect the index to continue its upward momentum as T-Bill Auction Yields drop from record high as Finance Minister indicate lower interest rates. Whereas the level of 41,829 (50 DMA) is crucial for the market as it needs to break it to continue its upward momentum. Contrarily, the support for the index resides at 41,000.

Key News

International

Asian shares rise, oil extends gains after OPEC+ deal

Asian shares were cautiously higher on Thursday, while the dollar eased ahead of U.S. non-farm payrolls data, and oil prices gained for a fourth day after deep production cuts pledged by OPEC+ members. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.4% in early Asia trade, as U.S. futures gained. The index is up 4% this week after falling 13% in September. Japan's Nikkei stock index climbed [see more...](#)

Oil Rally Pauses Seeking More Clarity on OPEC Cut, U.S. Response

Oil prices kept to a three-week high on Thursday, but appeared to have paused a recent rally as markets awaited more clarity on how the OPEC+ intends to carry out a massive supply cut, as well as a U.S. response to the move. London-traded Brent oil futures fell 0.2% to around \$93.59 a barrel, while West Texas Intermediate crude futures rose 0.2% [see more...](#)

Politics

Political rhetoric heats up as Imran Khan set to give 'Azadi March' another go

Political temperatures flared on Wednesday as PTI Chairman Imran Khan continued to build momentum for a second iteration of his "Haqeeqi Azadi March" to Islamabad as Information Minister Marriyum Aurangzeb questioned the intent behind it. A day ago, the former prime minister [see more...](#)

Economy

Losses caused by flood havoc: Dar briefs ADB on estimates - Positive

Finance Minister Ishaq Dar has informed a delegation of the Asian Development Bank (ADB) Wednesday about the devastation caused by floods in Pakistan and its impact on the country's economy. The Finance Ministry said that the finance minister held a meeting with a delegation of the ADB headed by its Country Director Yong Ye. The ADB country [see more...](#)

MORNING GLANCE

Pakistan central bank to complete probe soon into alleged FX manipulation by banks - Neutral

Pakistan's central bank will soon complete an investigation into alleged manipulation by commercial banks of foreign exchange operations in the country, an official said on Wednesday. Pakistan's rupee has fluctuated wildly this year, particularly recently, hitting record lows against the U.S. dollar last month before suddenly rising in recent days, leading authorities to [see more...](#)

T-Bill Auction Yields Drop From Record High as Finance Minister Indicate Lower Interest Rates - Positive

On October 05, 2022, SBP raised PKR 877 billion through the auction of market treasury bills. The government received total bids worth PKR 2,013 billion and the highest bids of PKR 1,230 billion for 3 Month T-bills followed by PKR 542 billion for 12 Months and PKR 240 billion for 6 Months. Cut-off yields decreased by 24-26 basis points as Finance minister indicates lower [see more...](#)

Ninth successive gain: Rupee settles under 224 as appreciation run continues - Positive

Pakistan's rupee continued to appreciate against the US dollar for the ninth successive session on Wednesday, appreciating nearly 0.8% in the inter-bank market. As per the State Bank of Pakistan (SBP), the rupee closed at 223.94 after appreciating Rs1.7 or 0.76%. In the last nine trading sessions, the rupee has cumulatively appreciated Rs15.76 or 7.04%. On Tuesday, Pakistan's [see more...](#)

Saudi investment company eyes 30% stake in Pakistani meat exporter - Positive

Pakistani meat processor The Organic Meat Company Ltd. (TOMCL) announced on Wednesday that a Saudi investment company, which invests in agricultural commodities, has expressed its intention to acquire a 30% stake in TOMCL. "We hereby inform you that the Saudi Agricultural and Livestock Investment Company (SALIC), a Saudi Joint Stock Company [see more...](#)

Musadik warns of drastic cut in gas supply during winter - Negative

Minister of State for Petroleum Dr Musadik Malik Wednesday warned of a drastic cut in gas supply for domestic purposes this winter and said a comprehensive plan would be unveiled soon to make the country self-sufficient in energy in next three to four years. Musadik said the previous government of Pakistan Muslim League Nawaz had promised to end power load-shedding [see more...](#)

APTMA decides to shut down textile mills across country - Negative

All Pakistan Textile Mills Association (APTMA) has decided to shut down textile mills across the country on Wednesday. "The textile mills of the country will also be shut down from Saturday. 1,600 textile mills have already been closed down," the APTMA said. "Five million employees will lose their jobs and 30 million people will be affected due to the closure of textile industries," it [see more...](#)

Ministry warns FBR: Poultry/dairy products at risk of global exclusion - Negative

The Ministry of National Food Security has warned the Federal Board of Revenue (FBR) that the heavy taxation including sales tax on the import of chicken and ingredients of poultry/animal feed would exclude Pakistani products from the international markets. In this connection, the Ministry of National Food Security has approached the Finance [see more...](#)

State of Industry Report 2022: Most KE plants are obsolete and should be replaced: Nepra - Negative

The National Electric Power Regulatory Authority (Nepra) has said that most of the generation plants of the K-Electric have completed their life, and required to be replaced with efficient and least cost new capacity. Also, Nepra observed that the KE has been unable to implement the SOPs regarding safety measures due to which some 33 fatal incidents have [see more...](#)

MPCL successfully drills 'first-ever' horizontal well in Daharki - Positive

Mari Petroleum Company Limited (MPCL) has successfully drilled and tested its first-ever horizontal development well Mari 122-H in HRL Reservoir of Mari Gas Field in Daharki, Sindh Province. The well was drilled to a total depth of 1,550 meters including a horizontal section of around 530 meters, material information sent to Pakistan Stock Exchange [see more...](#)

Gas production dropped by 6pc in 2020-21: OGRA - Neutral

Oil imports went up by 27.82%, while natural gas production dropped by 6% in the fiscal year 2020-21, the annual report of the Oil and Gas Regulatory Authority (OGRA) shows. According to the annual report, natural gas production dropped to 2006 mmcfd after a 6% drop in 2020-21. However, local refineries' production went up by 14.48%, the report read. The refineries' oil production went up to 10.66 [see more...](#)

Atlas Group exports auto parts worth \$2m, 12,000 bikes in 6 months - Positive

Atlas Group has achieved impressive export sales during the last six months as nearly 12,000 motorcycles have been exported along with additional auto parts worth around US\$ 2 million. According to the details issued by the group, the breakthrough reflects acceptability of Pakistan made auto parts products in the international markets. "The [see more...](#)

PSMA reiterates its export surplus sugar demand - Neutral

The Pakistan Sugar Mills Association (PSMA) has reiterated its demand that the government should immediately allow export of surplus sugar as according to the figures released by the Ministry of Food Security hinted that sugar stocks at the start of next crushing season would stand at around 1,736,017 metric tonnes. The appeal was made at the general body meeting of the Association held to discuss the figures [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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