



41,859	▼ -450	▼ -1.06%
64 mn	YTD -6.14%	1 Year -10.75%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	17,665.80	126.35	0.72% ▲
DSE 30	2,285.80	19.86	0.86% ▼
SHANGHAI	3,215.68	15.77	0.49% ▲
Hang Seng	19,162.00	63.7	0.33% ▼
Nikkei 225	27,618.00	1.61	0.01% ▼

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,287.43	6.24	0.09% ▲
DAX 30	12,760.78	289.49	2.22% ▼

USA	Value	Pts	Chg. (%)
DOW JONES	31,318.44	337.98	1.07% ▼
S&P 500	3,924.26	42.59	1.07% ▼
NASDAQ	12,098.44	176.18	1.44% ▼

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,728.45	5.85	0.34% ▲
Oil-WTI (bbl)	88.50	1.63	1.88% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PAKR	218.50	-	-
EURO/PAKR	217.61	-	-
GBP/PAKR	252.18	-	-
AED/PAKR	59.18	-	-

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

Market Outlook

KSE-100 on Monday remained under selling pressure for the majority part of the day and concluded the session in the red zone amid the fear of an economic slowdown in the country due to huge economic losses caused by the floods. The index made an intra-day high and low at 42,388 (79 points) and 41,859 (-450 points) respectively while closed at 41,859 by losing 450 points. Trading volume has decreased to 64mn shares as compared to 82mn shares on the previous trading day. Going forward, we expect the market to remain volatile amid macroeconomic uncertainties. Whereas the level of 41,783 (50 DMA) is crucial for the market as it needs to sustain it to rebound. Contrarily, the resistance for the index resides at 42,800.

Key News

International

Asian stocks rise on China stimulus, upcoming rate action

Asian shares rose on Tuesday morning after China pledged to make renewed efforts to boost its economy on Monday, while investors pinned hope on more clarity ahead of a number of central bank meetings. MSCI's gauge of Asia-Pacific stocks outside Japan was up 0.47%, with China's benchmark CSI300 Index and Hang Seng Index opening up 0.2% each. [see more...](#)

Oil dips on symbolic OPEC+ output cut

Oil prices slipped early on Tuesday, paring the previous session's 3% gain, as an OPEC+ deal to cut output by 100,000 barrels per day in October was seen as a largely symbolic move to stem the market's recent slide. Brent crude futures fell 33 cents, or 0.3%, to \$95.44 a barrel at 0054 GMT. U.S. West Texas Intermediate (WTI) crude futures inched [see more...](#)

Politics

Legal fallout of Imran's controversial remarks on COAS selection

The skies above former prime minister Imran Khan's Banigala residence were seeming to be a bit clear a few weeks ago. However, the legal storm clouds on Monday stretched from Rawalpindi to Islamabad to superior courts, propelling him into heavy legal and political weather. Legal experts say Imran's controversial remarks about the selection of [see more...](#)

Economy

Pakistan likely to get additional loan of \$2.57b - Positive

The International Monetary Fund (IMF) has said that Pakistan is likely to receive an additional \$2.57 billion in external debt during the current fiscal year 2022-23. According to the IMF report, Islamabad needs financing of \$30.75 billion in the current financial year — equivalent to 8.4 percent of GDP — and is likely to receive \$16.61 billion in commercial loans. It said that Pakistan will get \$14.39 billion from other [see more...](#)

MORNING GLANCE

More aid likely in a few days, says leader of US team - **Positive**

A US Congressional delegation on Monday reaffirmed the United States' commitment to continue support to Pakistan in recovering from the devastation caused by floods in the country. The delegation members of the US Congress led by Congresswoman Sheila Jackson Lee were speaking to the official media after their meeting with Foreign Minister Bilawal Bhutto Zardari at the Foreign Office. Sheila Jackson said as the United States [see more...](#)

IMF programme revival credit positive, but challenges remain, says Moody's - **Neutral**

Moody's Investors Service has termed the International Monetary Fund's (IMF) recent approval of \$1.1-billion loan disbursement and programme revival a 'credit positive' for Pakistan. On 29 August, the IMF's executive board had completed the combined seventh and eighth reviews of Pakistan's Extended Fund Facility (EFF) and announced an extension and increase in its loan [see more...](#)

Sindh secures \$92 million assistance from World Bank - **Positive**

Sindh Chief Minister Syed Murad Ali Shah presented the case of Sindh relating to the devastation caused by flood in his meeting with the World Bank Country Director Najy Behhassine. The chief minister was successful in getting approval for \$92 million in assistance, while the sum will be diverted from different projects of the bank for relief and rehabilitation of the affected people. He also presented a case for the rehabilitation of the irrigation [see more...](#)

Rupee trading in range of 230-232 in open market as spread with inter-bank widens - **Negative**

Spread between inter-bank and open-market rates soared to what currency dealers said was a historic high with the gap hitting Rs10-12 on Monday. The US dollar finished at 219.86 in the inter-bank market, but was trading at the 230-232 level in the open, a massive difference that usually stays within the range of Rs2-4, according to Exchange Companies Association of Pakistan [see more...](#)

Fuel purchase: OCAC for capping MDR at 0.3pc - **Negative**

The Oil Companies Advisory Council (OCAC) has written a letter to the State Bank of Pakistan (SBP) for a review of the merchant discount rate (MDR) of 1.5 percent on fuel purchases through credit or debit cards arguing that although the MDR varies across the industry; however, on an average around 1.5pc is being charged by banks at petrol pumps and the cost is being borne by the OMCs and their dealers (petrol pump owners and [see more...](#)

Ogra asks officials keep check on LPG prices - **Neutral**

The Oil and Gas Regulatory Authority (OGRA) has issued directions to the chief secretaries and district authorities to ensure the LPG prices, as notified by the OGRA on September 1, 2022. The current notified LPG producers price is Rs 2,013 per 11.8 kg cylinder and for the consumer, it is Rs 2,496. The district authorities are advised to initiate action against the profiteers under the LPG Production and Distribution Rules 2001, Petroleum Products [see more...](#)

PM forms body to review performance of Discos - **Neutral**

Prime Minister, Shehbaz Sharif has constituted a five-member committee to review performance of power Distribution Companies (Discos) besides supply of electricity and gas in upcoming season, official sources told Business Recorder. Headed by former Prime Minister, Shahid Khaqan Abbasi, the panel will comprise of Minister of State for Petroleum and Natural Resources, Dr Musaddiq Malik, Prime [see more...](#)

Floods destroy 105 mini hydropower stations in Malakand, Hazara - **Positive**

As many as 105 mini hydel power stations in nine districts of Malakand and Hazara division have been severely damaged or destroyed completely due to rains and floods, according to a preliminary report compiled by the Pakhtunkhwa Energy Development Organization (PEDO). The damage and destruction has caused a total loss of Rs480 million. [see more...](#)

Textile sector: MoF, FBR agree to clear Rs36bn deferred GST refunds - **Positive**

The Ministry of Finance and the Federal Board of Revenue (FBR) have agreed to clear Rs36 billion deferred sales tax refunds of the textile sector in 32,000 cases pending since 2019. The decision to this effect was taken during a meeting of Finance Minister Miftah Ismail with a delegation of the All Pakistan Textile Exporters Association (PTEA) on [see more...](#)

Beverage industry: FTO endorses govt's proposal for Rs60bn additional taxes - **Negative**

The Federal Tax Ombudsman (FTO) has strongly endorsed the government's proposal to impose additional taxes of Rs60 billion on the beverage industry under contingency taxation measures. The FTO office in its budget proposals for 2022-23 had proposed to the Federal Board of Revenue (FBR) to substantially raise the Federal Excise Duty (FED) on [see more...](#)

Over 60pc taxes, duty on imported paper: PAPGAI - **Neutral**

Pakistan Association of Printing and Graphic Arts Industry (PAPGAI) has resented tariff structure on the printing and publishing industry, saying the sector could not flourish with over 60 percent taxes and duty on import of its basic raw material, paper. Talking to media on second day of PrintPak Exhibition at Karachi Expo Center on Monday, PAPGAI chairman Aziz Khalid said taxes and duty on the import [see more...](#)

PSX Set to Launch PSX Dividend 20 Index - **Neutral**

Pakistan Stock Exchange (PSX) has decided to launch PSX Dividend 20 Index, comprising the top 20 dividend-paying companies. According to a statement released by the PSX, the Index, based at 10,000 points, has been internally operational since 29th October 2020. PSX would hold a press briefing to announce the launch of the Index on Tuesday (tomorrow). The Index comprises of top 20 dividend-paying [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
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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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