MORNING UPDATE

Important News and Impacts

October 21, 2026

Economy

Turkiye, Qatar, Pakistan and Indonesia to sign defence industry deal today – Neutral
ISLAMABAD: Turkiye's Defence Minister Yasar Guler will travel to Qatar to attend the signing of a defence industry cooperation memorandum involving four countries, Turkish media reported.
Click here to more info

USD2.3bn project to deploy 16.2m AMI meters envisaged – Positive
ISLAMABAD: The Private Power and Infrastructure Board (PPIB) has initiated consultations on a proposed USD2.3 billion project to deploy around 16.2 million electricity meters equipped with Advanced Metering Infrastructure (AMI) across selected power distribution companies (Discos) through public-private partnerships, amid concerns raised by the business community over its cost, payment structure and potential burden on consumers.
Click here to more info

Pakistan urged to build on its hard-won stability – Neutral
ISLAMABAD: The International Monetary Fund (IMF) has urged Pakistan to build on its hard-won macroeconomic stability by adopting a broader, more predictable, fairer and simpler tax system, reducing exemptions, strengthening revenue mobilisation, and coordinating federal and provincial reforms to boost private investment, productivity and competitiveness, and promote sustainable and inclusive economic growth.
Click here to more info

Govt says will continue Export Facilitation Scheme – Positive
ISLAMABAD: Minister of State for Finance and Revenue Bilal Azhar Kayani on Tuesday informed the National Assembly that the government would continue the Export Facilitation Scheme (EFS) while taking measures to prevent its misuse, protect local industry and promote exports.
Click here to more info

Q1 foreign assistance up YoY – Positive
ISLAMABAD: Pakistan has received a total of USD5.445 billion on account of foreign economic assistance during first quarter July-September of the current financial year, reflecting a three-time increase as compared to USD1.815 billion received during the same period of the FY 2025-26.
Click here to more info

WB mission's visits put off due to travel curbs in KP – Negative
ISLAMABAD: The World Bank's implementation support mission could not undertake planned field visits to the Gabral-Kalam Hydropower Project and proposed alternative investment sites in Khyber Pakhtunkhwa due to prevailing travel restrictions amid the province's law and order situation, leaving the Bank's due diligence of proposed investments incomplete.
Click here to more info

Petrol price hiked by 88 paise, HSD's by 53 paise – Neutral
ISLAMABAD: In its daily fuel price review for October 21, the government increased the petrol price by 88 paise to Rs382.02 per litre from Rs381.14. Similarly, the price of High-Speed Diesel (HSD) saw an increase of 53 paise per litre from Rs389.27 to Rs389.80.
Click here to more info

Pakistan, US pursuing revised trade pact – Positive
ISLAMABAD: Pakistan and the United States are pursuing a revised bilateral trade agreement to expand commercial ties, improve market access and attract investment, as two-way trade in goods and services reached an estimated USD11.5 billion in 2025, up 14 percent from the preceding year.
Click here to more info

Pakistan promotes PASBAN scheme to boost formal remittances – Positive
Pakistan is promoting the use of formal banking channels for overseas remittances through the PASBAN Remittance Reward Scheme, with the Consulate General of Pakistan in New York and the State Bank of Pakistan (SBP) jointly organizing a webinar to raise awareness among the Pakistani-American community about the scheme and its incentives.
Click here to more info

National savings schemes profit rates increased – Neutral
ISLAMABAD: The government has increased profit rates on several National Savings schemes, with the revised rates taking effect from October 21.The profit rate on Special Savings Certificates has been raised from 11.6 per cent to 12 per cent, while the rate on Regular Income Certificates has been increased from 11.76 per cent to 12.12 per cent.
Click here to more info

Auto Policy 2026-31: New auto policy proposes slashing tariff to 15pc, reducing GST – Positive
Prime Minister Shehbaz Sharif on Tuesday granted his nod in principle for the Auto Policy 2026-31, proposing to bring down the average tariff to 15 percent and reduce the GST rate for various variants of electric and hybrid vehicles.
Click here to more info

Govt cuts diesel crack spread cap to $38 per barrel – Negative
The government has reduced the cap on the high-speed diesel (HSD) crack spread to $38 per barrel from $41.89 per barrel.According to the Oil and Gas Regulatory Authority's (Ogra) pricing sheet, the revised cap is below the average international diesel crack spread of $45.4 per barrel recorded in October to date. The mechanism will remain in place for three months, although the government may review it earlier if geopolitical conditions improve.
Click here to more info

Govt cuts diesel pricing crack cap, but refineries see limited earnings hit – Neutral
Pakistan has trimmed the maximum diesel pricing crack allowed to local refineries, but the reduction is smaller than the industry had feared, providing some relief to refiners as they undertake multibillion-dollar upgrades to modernise plants and increase production of cleaner fuels.
Click here to more info

MARKET STATISTICS

Market	20/Oct/26	19/Oct/26	Difference	D%
KSE-100	165,152	165,966	(814.44)	-0.5%
KSE-30	48,840	49,204	(364.18)	-0.7%
All Share	100,161	100,649	(488.36)	-0.5%
Vol (mn)	444.98	369.48	75.50	20.4%
Val (mn)	19,390	19,540	(150)	-0.8%
Mkt Cap (US$bn)	66.11	66.53	(0.42)	-0.6%

ECONOMIC STATS.

Monet Mkt	DoD	1-M	CY	FY
6-M KIBOR	12.26	12.04	10.65	11.56
12-M-T-Bills	12.50	12.49	10.49	11.84
10-Yr-PIBs	12.81	12.83	11.47	12.19

Interest Rates	20/Oct/26	19/Oct/26	DoD	Δ%
1YR	12.44	12.43	0.01	0.1%
3YR	12.71	12.71	0.00	0.0%
5YR	12.8	12.78	0.02	0.2%
10YR	12.81	12.82	-0.01	-0.1%

Fx Mkt	Latest	Privies	DoDD
US$	276.86	276.90	0.0%
Pound	370.26	368.93	0.4%
Euro	370.26	310.77	19.1%
Yen	1.75	1.75	0.0%

MAJOR INT'L INDICES

Int. Markets	Current	Last Close	DoD%
Hong Kong	23,790	23,868	-0.3%
Japan	64,925	64,075	1.3%
Singapore	5,455	5,404	0.9%
China	3,724	3,735	-0.3%
India	74,424	73,853	0.8%
Dow Jones	52,496	51,966	1.0%
S&P 500	7,713	7,691	0.3%
NASDAQ	26,425	26,431	0.0%
London	10,733	10,765	-0.3%

COMMODITIES

Commodities	Current	last	DoD%
WTI ($/bbl)	99.22	100.76	-1.5%
Brent ($/bbl)	110.45	111.66	-1.1%
Coal ($/ton)	145.50	147.10	-1.1%
Silver ($/oz)	57.62	57.26	0.6%
Cotton (c/lb)	80.95	80.15	1.0%
Gold ($/oz)	4,140	4,139	0.0%

Source: Bloomberg, Oil Prices, Investing, BarChart, LME.

This report prepared by Darson Sec. Ltd.

Important News and Impacts

Sector

Pakistan expands 5G to 24 cities after $509m spectrum auction – Positive

Pakistan has expanded its digital infrastructure with the deployment of 5G services across 24 major cities, following a $509m spectrum auction that added 480 MHz of spectrum to support growing demand for connectivity and artificial intelligence (AI).The country has also deployed more than 234,000 kilometres of optical fibre cable nationwide, while the abolition of right-of-way (RoW) charges is aimed at accelerating fibre expansion and reducing deployment costs.

Click here to more info

CCP clears Lotte Chemical Pakistan's Rs19.7bn acquisition of controlling stake in Engro Polymer – Neutral

The Competition Commission of Pakistan (CCP) has approved Lotte Chemical Pakistan Limited's acquisition of Engro Corporation Limited's entire 56.19 per cent shareholding in Engro Polymer & Chemicals Limited (EPCL), in a transaction valued at approximately Rs19.62 billion.

Click here to more info

Govt assures fertiliser supplies, vows action against hoarding as wheat sowing begins – Positive

The federal government Tuesday assured farmers of adequate supplies of urea and DAP fertiliser for the crucial Rabi season, as the government steps up monitoring to prevent shortages, hoarding and unjustified price increases during wheat sowing.

Click here to more info

Reverse tariffs stall mobile localisation drive – Negative

KARACHI: Pakistan's Mobile Device Manufacturing Policy has drawn more than 35 global handset makers but failed to deepen local production, with value addition stuck at 10-15 per cent, industry sources said.

Click here to more info

FPCCI seeks U.S. investment in Pakistan's mineral wealth – Positive

The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) has engaged with U.S. Embassy officials to explore investment opportunities in Pakistan's mining and minerals sector, focusing on technology transfer, commercially viable projects and direct buyer-seller linkages.

Click here to more info

Punjab churns out Rs1bn plan to modernise dairy farms – Positive

The Punjab government plans to invest Rs1bn in a two-year dairy mechanisation project that will subsidise modern machinery for 6,400 farmers across all 41 districts,The aim of which is to cut milk spoilage, raise productivity and strengthen the province's dairy supply chain.Under the proposed scheme, the government will bear 60% of the eligible machinery cost and farmers the remaining 40%, with the subsidy capped at Rs500,000 per beneficiary.

Click here to more info

Punjab keeps livestock exports on the hoof, up 43% – Positive

Punjab government has recorded a 43% increase in animal exports, with 400,000 animals prepared for export annually, as it expands support for the livestock sector through improved facilities and investment-friendly measures. The initiative is expected to generate Rs11bn in earnings for rural livestock farmers.Additional Director Livestock for Sargodha Region Dr Naila Maqsood said that the provincial government is creating a supportive environment for farmers, APP reported.

Click here to more info

Loads shareholders approve Rs903m loans for subsidiary – Neutral

Shareholders of Loads Limited (PSX: LOADS) have approved two long-term loan facilities totalling up to Rs902.56m to the company's subsidiary, Multiple Autoparts Industries (Private) Limited (MAIL), at the 46th Annual General Meeting.The first facility, of up to Rs652.56m (Rs652,563,695), will be created by adjusting an equal amount of the existing receivable from MAIL, with no fresh cash disbursement by the company. The second, of up to Rs250m, may be disbursed in one or more tranches, provided the aggregate principal outstanding does not exceed Rs250m. Both are meant to meet MAIL's working capital requirements, and the second also covers its financial obligations.

Click here to more info

SGPL to change name to Crestwell Healthcare, new symbol CWHC – Neutral

The security name and symbol of S.G. Power Limited (SGPL) will change to Crestwell Healthcare Limited (CWHC), effective Friday, October 23, 2026.The change was made at the company's request. The National Clearing Company of Pakistan Limited (NCCPL) has assigned the new symbol, CWHC.

Click here to more info

US: Iran presents hardened position in talks with Munir – Negative

CAIRO: Iran told Pakistan's army chief on Tuesday that there would be no talks with Washington until Tehran's demands were met, Iranian media reported, underscoring its hardening stance despite mediation efforts by key interlocutor Pakistan.

Click here to more info

International

Iran rejects moving enriched uranium out of country – Negative

TEHRAN: Iran's security chief Mohsen Rezaei on Tuesday told the visiting Pakistani army chief Asim Munir that Tehran would not allow nuclear material to leave the country, according to state TV.

Click here to more info

Oil rises on Middle East supply worries – Negative

BEIJING, Oct 21 (Reuters) - Oil prices gained over $1 on Wednesday as escalating Middle East tensions fuelled fears of supply disruptions, while falling US crude and product inventories lent support to the market. Brent crude futures rose $1.59, or 1.5%, to $110.38 per barrel as of 0350 GMT. US West Texas Intermediate (WTI) crude gained $1.36, or 1.4%, to $99.18 per barrel.

Click here to more info

DISCLAIMER

This report has been prepared by Darson Securities Ltd. and is provided for information purposes only. Under no circumstances it is to be used or considered as an offer to sell, or a solicitation of any offer to buy. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. All opinions and estimates expressed in this report constitute our present judgment only and are subject to change without notice. This report is intended for persons having professional experience in matters relating to investments.

Research Dissemination Policy: Darson Securities Ltd. endeavors to make all rightful efforts to disseminate research to all eligible clients in a timely manner through either electronic or physical distribution such as email, mail and/or fax. However, it is worth mentioning that, not all clients may receive the material at the same time.

Analyst Certification: The research analyst(s), if any, denoted by AC on the cover of this report, who exclusively reports to the research department head, primarily involved in the preparation, writing and publication of this report, certifies that the expressed views in this report are unbiased and independent opinions of the analyst(s). The observations presented also accurately reflect the personal views of the analyst(s) based on the research about the subject companies/securities and in any case, no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. It is also important to note that the research analyst(s) or any of its close relatives do not have a financial interest in the securities of the subject company aggregating more than 1% of the value of the company. Additionally, the research analyst or its close relative have neither served as a director/officer in the past 3years nor received any compensation from the subject company in the past 12 months. The Research analyst or its close relatives have not traded in the subject security in the past 7 days and will not trade in next 5 days.

Financial Interest Disclosure: Darson Securities (Ltd. or any of its officers and directors does not have a significant financial interest (above 1% of the value of the securities of the subject company). Darson Securities Ltd., their respective directors, officers, representatives, employees and/or related persons may have a long or short position in any of the securities or other financial instruments mentioned or issuers described herein at any time and may make a purchase and/or sale, or offer to make a purchase and/or sale of any such securities or other financial instruments from time to time in the open market or otherwise.

Risk Associated with Target Price: Any inability to compete successfully in their markets may harm the business. This could be a result of many factors which may include geographic mix and introduction of improved products or service offerings by competitors. The results of operations may be materially affected by global economic conditions generally, including conditions in financial markets. The company is exposed to market risks, such as changes in interest rates, foreign exchange rates and input prices.

Rating System:
If;

- **Expected return >15%** - Buy Call
- **Expected Return is in between 0% to 15%** - Neutral/Hold Call
- **Expected Return <0%** - Sell Call

Valuation Methodology
To arrive at our period end target prices, DSL uses different valuation methodologies including:

- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

CONTACT US

CORPORATE OFFICE

1. KARACHI
Room # 808, Business & Finance Centre, I.I. Chundrigar Road, Karachi.
UAN: 021 111 900 400, **Fax:** 021 32471088

BRANCH NETWORK

2. KARACHI
Office No. 516, 5th Floor, PSX Building, Stock Exchange Road, Karachi. **Phone:** 021-32425538

3.Karachi
Gulshan Iqbal Office Bearing No:2, Mezzanine Floor, Anum Tower, SB-37,Block 13/C, Gulshan Iqbal, Karachi 021-34800811

4. LAHORE
LSE BRANCH
Room No. 102, 1st Floor, LSE Building, Aiwan-e-Iqbal Road, Lahore.
Phone: 042-36309842 042-36314293

5. LIBERTY BRANCH
Office No. 404, 3rd Floor, Liberty Tower, Liberty Gulberg, Lahore.
Phone: 042-6366263, 6364208 042-5789705

6. GUJRANWALA
Office No. 10, Ground Floor, Block A, GDA Trust Plaza, G.T. Road Gujranwala
Phone: 0553-732963-64

7. DERA ISMAIL KHAN
2nd Floor, State Life Building, Near Skynet Courier Office, Circular Road, Dera Ismail Khan.
Phone: 0966-730906

8. SARGODHA
Office # 3, 1st Floor, Al-Munir Market, Liaquat Bazar, Sargodha.
Phone: 0483-701141, 0333-9804899

9. JHELUM
1st Floor, Metro Trade Centre, Near Shaloom Centre, Al-Markaz Road, Jehlum.
Phone: 0544-626087, 832289

10. HYDERABAD
Office # 9 , 6th Floor , Salman Icon Tower , Auto Bhan Road Hyderabad
Phone: 022-3821230-1

11. FAISALABAD (1)
Room No. 160-161, Mezzanine Floor, City Mall, Chen One Road, Faisalabad.
Phone: 041-8711313, 8712377

12. FAISALABAD (2)
Room No. 512, 5th Floor, State Life Bldg. no. 2, Liaquat Road, Faisalabad.
Phone: 041-2610777

13. ISLAMABAD
Office # 24 , 1st Floor , City Square, Gate no. 1, Block-B, Sector B-17, IslamabadPhone: 051-7234859