Important News and Impacts

October 22, 2026

Economy

Pakistan, Maldives target $200m in bilateral trade within two years – Positive
KARACHI: Pakistan and the Maldives have agreed to increase bilateral trade to $200 million within two years from about $13.9 million, Prime Minister Shehbaz Sharif said on Wednesday, as the two countries signed 20 memoranda of understanding and agreements to expand cooperation across several sectors.
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Pakistan, Maldives sign 20 MoUs, agreements – Positive
ISLAMABAD: Pakistan and Maldives have agreed to boost their bilateral trade volume from $13 million to $200 million over the next two years, Prime Minister Shehbaz Sharif said on Wednesday, as the two countries signed 20 memorandums of understanding (MoUs) and an agreement to strengthen cooperation across multiple sectors.
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MoC to prepare actionable solutions for PM's review – Neutral
ISLAMABAD: The Ministry of Commerce is to consolidate sector-specific and cross-cutting issues confronting exporters and seek responses from relevant ministries to develop actionable recommendations for consideration by Prime Minister Shehbaz Sharif, as the government steps up efforts to improve Pakistan's export competitiveness.
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Second Qatar LNG cargo offers relief to strained gas supply – Positive
ISLAMABAD: Pakistan received another liquefied natural gas (LNG) cargo from Qatar on Tuesday, bringing some relief to its strained gas supply system as the country faces mounting uncertainty over winter imports, declining indigenous gas supplies to the Sui Northern Gas Pipelines Limited (SNGPL) network and growing demand from power and industrial consumers.
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Pakistan to apply for new EU GSP+ scheme from Jan 2027 – Positive
ISLAMABAD: Pakistan will have to apply for the new Generalised System of Preferences (GSP+) of the European Union (EU) from January 2027 after the expiry of the existing arrangement in December 2026. However, under the grace period, the existing arrangement will continue till December 2028 for finalisation of fresh GSP+ by the EU Commission and its Parliament.
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PTC pledges support to govt on GSP+ process – Positive
ISLAMABAD: The Pakistan Textile Council (PTC) has pledged to support the government's GSP+ process through policy engagement, technical input and industry coordination to safeguard Pakistan's preferential access to the European Union market.
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PHMA for restoration of original EFS framework – Neutral
KARACHI: The Pakistan Hosiery Manufacturers & Exporters Association (PHMA) on Wednesday urged the government to restore the original Export Facilitation Scheme (EFS), saying that policy changes have increased costs and worsened cash flow problems for textile exporters.
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World Bank reaffirms support for Pakistan's digital economy – Positive
Pakistan and the World Bank have discussed cooperation in digital transformation, e-governance and IT infrastructure during a meeting between Federal Minister for Information Technology and Telecommunication Shaza Fatima Khawaja and World Bank Vice President Ousmane Dione in South Korea..
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Pharma exports fall 30pc in FY26 – Negative
ISLAMABAD: Pakistan's pharmaceutical exports fell 30.26 per cent in FY26 and declined a further 25.53 per cent in value during the first quarter of FY27, as industry representatives linked the downturn largely to the disruption of trade with Afghanistan, previously one of the country's biggest markets for medicines.
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Surge in car imports puts local auto industry under pressure – Negative
KARACHI: Imports of new and used completely built-up (CBU) cars surged in September 2026, raising concerns among local auto parts manufacturers over the loss of business, production scale and jobs. Industry data show that imports of new CBU cars jumped more than sixfold to 2,407 units in September from 391 in August, while used car imports more than doubled to 2,454 from 1,185. Combined imports reached 4,861 units during the month.
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MARKET STATISTICS

Market	21/Oct/26	20/Oct/26	Difference	D%
KSE-100	165,931	165,152	779.34	0.5%
KSE-30	49,064	48,840	224.36	0.5%
All Share	100,610	100,161	449.84	0.4%
Vol (mn)	378.72	444.98	(66.27)	-14.9%
Val (mn)	21,263	19,390	1,873	9.7%
Mkt Cap (US$bn)	66.38	66.11	0.28	0.4%

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	21/Oct/26	20/Oct/26	DoD	Δ%
1YR	12.43	12.44	-0.01	-0.1%
3YR	12.7	12.71	-0.01	-0.1%
5YR	12.8	12.8	0.00	0.0%
10YR	12.82	12.81	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	22,974	23,652	-2.9%
Japan	63,583	64,621	-1.6%
Singapore	5,427	5,438	-0.2%
China	3,680	3,713	-0.9%
India	73,163	73,710	-0.7%
Dow Jones	52,856	52,496	0.7%
S&P 500	7,757	7,713	0.6%
NASDAQ	26,703	26,425	1.1%
London	10,753	10,733	0.2%

COMMODITIES

Commodities	Current	last	DoD%
WTI ($/bbl)	98.34	99.86	-1.5%
Brent ($/bbl)	110.48	110.63	-0.1%
Coal ($/ton)	145.30	145.50	-0.1%
Silver ($/oz)	56.42	57.31	-1.6%
Cotton (c/lb)	81.30	81.09	0.3%
Gold ($/oz)	4,109	4,134	-0.6%

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

This report prepared by Darson Sec. Ltd.

Important News and Impacts

FBR sets December 20 deadline for steel manufacturers – Neutral

ISLAMABAD: The Federal Board of Revenue (FBR) has set December 30, 2026, as the deadline for steel manufacturers to install, integrate, test and operationalise a production monitoring system at every manufacturing facility and on each active production line to electronically monitor production and dispatches.

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Sector

New customs values on coal import fixed – Neutral

ISLAMABAD: The Directorate General, Customs Valuation Karachi has issued new customs values on the import of coal from all origins. The directorate has revised the customs valuation of imported coal, linking the benchmark customs value to internationally published Argus prices plus actual freight, according to Valuation Ruling No. 70/2026 issued on October 12, 2026.

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Pakistan IT exports grow 21% annually, reach $435m in September – Positive

Pakistan's IT exports have grown at an average annual rate of around 21% over the past four years, reaching approximately $435m in September 2026, with the United States accounting for about 57% of the total, said Pakistan Software Export Board (PSEB) CEO Faisal Jeddy at Pak–U.S. Tech Connect 2026 in Dallas, Texas.

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HUBC's CPHGC Unit 1 offline after main transformer fault – Negative

Hub Power Company Limited (PSX:HUBC)'s joint venture, China Power Hub Generation Company Limited (CPHGC), has placed Unit 1 of its plant under forced outage after the unit's main transformer sustained a serious electrical fault, leaving it unavailable for power generation until the fault is investigated and fixed.The CPHGC plant comprises two imported coal-fired power generation units of about 660MW each, along with an integrated coal jetty.It is located in Hub tehsil, tehsil Gaddani, District Lasbella, Balochistan.

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Bank AL Habib, Systems removed from NIT Pakistan Gateway Index – Neutral

Bank AL Habib Limited and Systems Limited have been removed from the NIT Pakistan Gateway Index (NITPGI) following its re-composition, leaving 11 constituent companies.The Pakistan Stock Exchange (PSX) carried out the exercise as of September 30, 2026, in line with the index rules. The changes take effect from October 21, 2026, according to PSX notice.Fauji Fertilizer Company Limited (FFC) carries the highest weight in the revised index at 17.04%, followed by United Bank Limited (UBL) at 14.68% and Meezan Bank Limited (MEBL) at 9.94%.

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McCormick targets majority control of Unilever Pakistan Foods – Neutral

US-based spice and seasoning maker McCormick & Company, Inc. (NYSE: MKC) intends to acquire at least 76.55% shareholding and control of Unilever Pakistan Foods Limited, directly or through one or more affiliates, as part of a wider global food business deal.The acquirer will purchase 4,876,294 shares, equal to 76.55%, through an agreement. These shares are held by Conopco, Inc., the only shareholder with 10% or more of the voting rights. The number of shares to be acquired through the public offer cannot be determined at this stage.

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International

Asian markets dip as investors weigh tech earnings, Gulf tensions – Negative

HONG KONG, Oct 22 (Reuters) - Asian stocks struggled to stay above water in early trade on Thursday, as tech earnings optimism provided only fleeting support amid lingering concerns over AI and uncertainty in the Gulf.MSCI's broadest index of Asia-Pacific shares outside Japan (.MISX00000PUS), opens new tab was down 0.2%, on track for a fourth straight week of decline. Japan's Nikkei stock index (.N225), opens new tab gave up earlier gains to trade 0.4% lower, while Korean shares (.KS11), opens new tab were down more than 1%.

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Pakistan, Turkiye, Qatar, Indonesia sign defence cooperation accord – Neutral

Pakistan, Turkiye, Qatar and Indonesia signed an agreement on Wednesday to boost defence cooperation and strengthen defensive capabilities, the Turkish Defence Ministry said.

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Egypt to 'defend Saudi territory' and will not attack Yemen: Sisi – Neutral

Egyptian President Abdel Fattah al-Sisi said on Wednesday that Cairo's proposed military support for Riyadh was to "defend Saudi territory, and does not include an attack on Yemen," according to a statement from his office.

At a government event titled Egypt Forum 2026, Sisi said the "objective is to defend the kingdom's lands and borders, as well as those of any other Arab state, should it be requested of Egypt," his spokesman said in a statement.

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Oil rises as US orders diplomats to leave Saudi Arabia amid escalating tensions – Negative

Oct 22 (Reuters) - Oil prices rose on Thursday as more attacks by the Houthis in Saudi Arabia prompted the United States to order some diplomats and family members to leave its missions in the Kingdom. Brent crude futures rose $1.29, or 1.2%, to $110.11 a barrel at 00:34 GMT, while US West Texas Intermediate crude gained 97 cents, or 1%, to $98.12. Brent had settled largely unchanged on Wednesday, while WTI had eased 67 cents.

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

This report prepared by Darson Sec. Ltd.

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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