

Markets Soaring to Unprecedented Heights, Yet Valuations Remain Modest!

The local bourse exceeded its all time high level of 52,876 that was last seen in May'17.

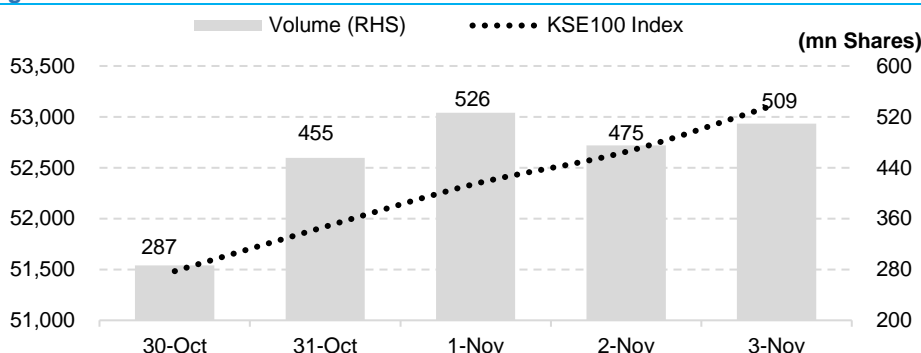
The week began with the SBP maintaining policy rate at 22%, showcasing that inflation has peaked and is anticipated to ease off in the near future. Furthermore, the federal cabinet approved much-awaited increase in gas tariffs, an imperative condition that was a pre-requisite for the on-going IMF review. Moreover, the International Finance Corporation has revealed a USD 1.5bn investment strategy for Pakistan. Also, tax revenue collection was recorded at PKR 2.8trn during 4MFY24, marking a jump of 28% YoY. Moreover, the trade deficit narrowed by 4.5% YoY to clock-in at USD 2.1bn in Oct'23. Additionally, during the outgoing week, the ECP announced election to be held on 8th Feb, 2024. On top of this, last week SBP's reserves rose by USD 14mn, reaching USD 7.5bn. During the week PKR closed at 284.31 against the greenback, depreciating by 3.74 | 1.31% WoW. Overall, the market closed at 53,123 points, increasing by 2,179 points | +4.3% WoW.

Sector-wise positive contributions came from i) Commercial Banks (375pts), ii) Power Generation & Distribution (354pts), iii) Fertilizer (265pts), iv) Cement (237pts) and v) E&P (202pts). Meanwhile, the sectors which mainly contributed negatively were Technology & Communication (7pts), and ii) Automobile Parts & Accessories (3pts). Scrip-wise positive contributors were HUBC (343pts), LUCK (147pts), MEBL (122pts), UBL (103pts), and ILP (96pts). Meanwhile, scrip-wise negative contributions came from TRG (58pts), KEL (13pts), BOP (12pts), EPCL (6pts), and FATIMA (4pts).

Foreigner buying was witnessed during this week, clocking in at USD 1.4mn compared to a net sell of USD 3.5mn last week. Major buying was witnessed in All Other Sectors (USD 2.0mn) and E&P (USD 0.8mn). On the local front, selling was reported by Banks and DFIs (USD 3.0mn) followed by Broker Proprietary Trading (USD 0.7mn). Average volumes arrived at 450.5mn shares (up by 23% WoW) while the average value traded settled at USD 52.2mn (up by 14% WoW).

Other major news: i) WB official meets Shamshad, ii) High wheat output yields Rs400bn benefit, iii) TDAP, SBP hold session on ACU for exporters) APTMA assails 'unprecedented' gas tariff hike v) Profit rates on savings schemes increased.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

With the expectation of the 1st review of the Fund's Stand by Arrangement (SBA) of USD700mn to undergo smoothly, we anticipate the market to maintain the positive momentum in the upcoming week. The market will be closely monitoring developments in that regard. Our preferred stocks are OGDC, PPL, MARI, MCB, UBL, MEBL, LUCK, MLCF, ENGRO, FFC, HUBC, and INDU. The KSE-100 is currently trading at a PER of 4.1x (2024) as compared to its 5-year average of 5.7x offering a dividend yield of ~11.9% as compared to its 5-year average of ~6.7%.

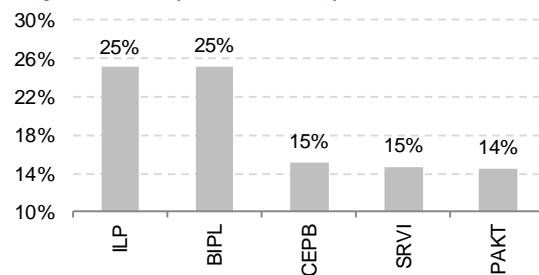
PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	53,123	4.3	31.4
KSEAll	35,435	4.5	28.7
KSE30	17,804	1.8	20.0
KMI30	90,323	5.0	32.3
BKTI	12,578	(1.5)	35.7
OGTI	12,411	3.2	14.8

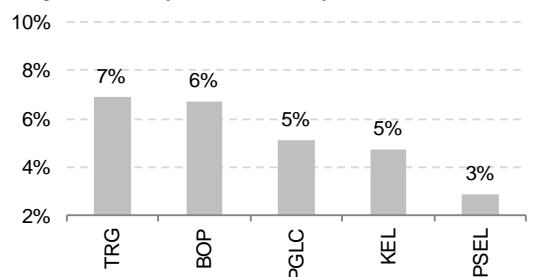
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
PRL	41.3	22.7
CENERGY	37.5	3.9
WTL	32.2	1.3
TPLP	14.5	13.4
GGL	11.1	11.1

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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Best Brokerage House of the Year 2023

Best Economic Research House of the Year: 2023

Corporate Finance House of the Year: 2023

Best Equity Research Analyst: 2022

Best Equity Sales Person (Runner up): 2023



Best Securities House: 2023
Best Investment Bank: 2023



Best Equity House: 2022

Business and Economic News of the Week

RMB clearing operations: milestone achieved (BR)

The Governor State Bank of Pakistan (SBP) Jameel Ahmed said on Friday that the role of RMB (renminbi) is continuously increasing in the global economy and international financial markets and using it for settling cross-border trade and investment transactions with China can further strengthen mutual ties.

Nepra questions CPPA's expensive electricity choice (The News)

The National Electric Power Regulatory Authority (Nepra) on Wednesday grilled the Central Power Purchasing Agency (CPPA) for prioritising expensive electricity generation over more cost-effective local coal-based generation, leading to increased costs for consumers. While holding a public hearing on the petition of CCPA, the regulator noted that wrong prioritization had left the consumers with an additional financial burden. Nepra officials noted that system malfunctions in September resulted in an additional burden of Rs274.26 million, and underutilization of efficient power plants had a financial impact of Rs13.64 million.

Thar coal suitable for surface gasification, liquid and urea conversion, report says (The News)

Thar coal, a lignite coal found in Pakistan's Thar desert, can be converted into gas, liquid and urea through surface gasification, according to a study by the Sindh Coal Authority (SCA). The study, which was initiated by the SCA to evaluate the viability of Thar coal for its conversion to gas, liquid and urea, collected coal samples from Thar Coalfield and shipped them to a South African laboratory for testing and evaluation.

Imported fertilizer for Rabi season (BR)

The subsidy on imported fertiliser for Rabi season will be borne by provinces as per recommendations finalised by the Ministry of Industries & Production after coordinating with Ministries of Finance, Petroleum and National Food and Security. Sources said the Ministry of Industries and Production has informed the Economic Coordination Committee (ECC) of the Cabinet for extension in operations of SNGPL-based fertiliser plants beyond 15th October 2023 to 31st March 2024, as well as, import of 200 metric tonnes of urea fertiliser and provision of maximum gas volume pressure to Fauji Fertiliser Bin Qasim (FFBL).

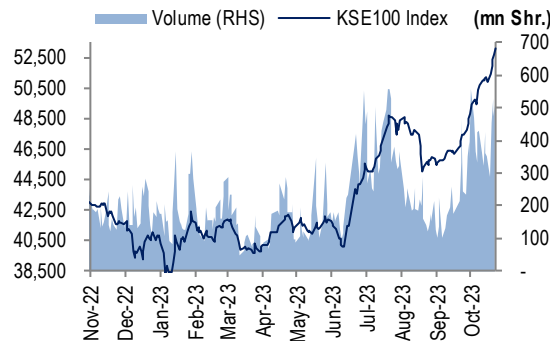
ECC okays Rs8bn for two A320 aircraft (Dawn)

In a significant development, the Economic Coordination Committee (ECC) of the Cabinet on Friday green-lighted a hefty sum of Rs8 billion for the purchase and repatriation of two Airbus A320 aircraft, which have been grounded in Jakarta since September 2021. The ECC meeting chaired by Finance Minister Shamshad Akhtar approved bridge financing through the Civil Aviation Authority's resources for Pakistan International Airlines (PIA) to meet emergent requirements of the airline related to overdue payments.

Companies listed on PSX, related matters: SECP body to review manner of conduct of shareholder moots (BR)

The Securities and Exchange Commission of Pakistan (SECP) has constituted a committee of experts to review the manner of conduct of shareholder meetings by companies listed on Pakistan Stock Exchange (PSX) and related matters. Thursday said the issue of circular debt in gas sector will be resolved everlastingly as many companies were leaving the country due to losses and circular debt.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
HUBC	342.8
LUCK	146.8
MEBL	121.9
UBL	102.5
ILP	95.9
	809.9

Bearish Companies

TRG	(57.9)
KEL	(12.5)
BOP	(12.4)
EPCL	(5.7)
FATIMA	(4.2)
	(92.6)

Sectors

Sectors	Index Contribution
Bullish Sectors	
Commercial Banks	374.9
Power Generation & Distribution	354.1
Fertilizer	264.7
Cement	236.9
Oil & Gas Exploration Companies	201.7
	1,432.3

Bearish Sectors

Technology & Communication	(6.8)
Automobile Parts & Accessories	(2.9)
Textile Spinning	(0.7)
Vanaspati & Allied Industries	(0.3)
Modarabas	(0.2)
	(10.9)



Best Investment Bank: 2022



Best Equity Advisor: 2021



Excellence Award Leading Brokerage House for RDA2021



Best Money Market Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price 3-Nov-23	TP Jun-24	Upside (%)	Stance	EPS (PKR)				DPS (PKR)				P/E (x)		DY (%)		P/B (x)		ROE (%)		Indices		
						2021	2022	2023	2024	2021	2022	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024			
Exploration & Production																								
PPL	Pakistan Petroleum Ltd.	82.0	108.67	32.5	Buy	19.3	19.7	36.0	35.8	3.50	2.00	2.50	3.00	2.3	2.3	3.0	3.7	0.4	0.4	20.4	17.1	KSE100, KSE30, KMI & MSCI		
OGDC	Oil and Gas Dev Co.	101.5	135.4	33.4	Buy	21.3	31.1	52.2	39.2	6.90	7.25	8.55	7.50	1.9	2.6	8.4	7.4	0.4	0.4	23.7	15.4	KSE100, KSE30, KMI & MSCI		
POL	Pakistan Oilfields Ltd.	409.9	553.01	34.9	Buy	47.1	91.4	128.4	98.1	50.00	70.00	80.00	76.00	3.2	4.2	19.5	18.5	1.7	1.9	61.4	42.8	KSE100, KSE30 & MSCI		
MARI	Mari Petroleum Ltd	1,638.4	2,414.8	47.4	Buy	235.7	247.8	420.7	536.7	141.00	124.00	147.00	268.00	3.9	3.1	9.0	16.4	1.3	1.1	37.5	39.7	KSE100, KSE30, KMI & MSCI		
Commercial Banks																								
UBL	United Bank Ltd.*	156.1	214.1	37.2	Buy	24.8	25.8	44.3	48.3	18.00	22.00	43.00	47.00	3.5	3.2	27.6	30.1	0.8	0.7	22.8	22.7	KSE100, KSE30 & MSCI		
BAFL	Bank Alfalah*	40.7	52.8	29.6	Buy	9.2	11.7	22.5	24.0	4.00	5.00	6.00	6.50	1.8	1.7	14.7	16.0	0.5	0.4	30.9	27.0	KSE100 & MSCI		
MCB	MCB Bank Ltd.*	142.1	189.9	33.7	Buy	26.3	29.0	54.8	58.6	19.00	20.00	29.00	31.00	2.6	2.4	20.4	21.8	0.8	0.7	31.8	30.7	KSE100, KSE30 & MSCI		
HBL	Habib Bank Ltd.*	93.5	123.4	32.0	Buy	23.9	23.2	39.4	43.3	7.50	6.75	7.75	8.50	2.4	2.2	8.3	9.1	0.4	0.4	19.0	18.4	KSE100, KSE30 & MSCI		
ABL	Allied Bank Ltd.*	75.9	102.4	35.0	Buy	15.3	18.6	33.8	35.5	8.00	8.50	11.00	11.50	2.2	2.1	14.5	15.2	0.6	0.5	27.6	25.2	KSE100		
NBP	National Bank of Pakistan.*	23.4	30.4	29.7	Buy	13.4	14.5	23.4	24.8	-	-	-	-	1.0	0.9	-	-	0.1	0.1	15.2	14.6	KSE100		
AKBL	Askari Bank Ltd.*	18.3	22.3	22.1	Buy	6.7	9.7	13.4	14.2	-	-	1.00	1.50	1.4	1.3	5.5	8.2	0.3	0.2	23.4	20.7	KSE100		
BOP	The Bank of Punjab*	4.3	6.2	44.0	Buy	3.8	3.2	2.4	2.6	-	-	-	-	1.8	1.7	-	-	0.2	0.2	11.6	11.5	KSE100 & MSCI		
MEBL	Meezan Bank Ltd.*	141.6	177.4	25.3	Buy	15.8	25.1	45.9	49.6	6.00	8.50	17.00	18.00	3.1	2.9	12.0	12.7	1.5	1.1	56.0	43.7	KSE100, KSE30 & KMI		
FABL	Faysal Bank Ltd.*	25.6	34.4	34.2	Buy	5.5	7.5	10.9	12.0	1.50	7.00	3.00	3.50	2.4	2.1	11.7	13.7	0.5	0.4	21.9	21.6	KSE100, KMI & MSCI		
Fertilizer																								
ENGRO	Engro Corporation*	273.8	366.8	34.0	Buy	52.1	45.3	56.4	63.8	25.00	34.00	50.00	62.00	4.9	4.3	18.3	22.6	0.5	0.5	11.7	-	KSE100, KSE30, KMI & MSCI		
FFBL	Fauji Fert. Bin Qasim	18.8	15.2	(19.3)	Sell	4.9	1.8	0.5	2.7	-	-	-	-	37.6	7.0	-	-	1.0	0.9	2.8	13.8	KSE100, KMI & MSCI		
EFERT	Engro Fertilizer	87.5	97.3	11.2	Hold	15.8	12.0	14.7	15.9	16.50	13.50	14.00	15.00	5.9	5.5	16.0	17.1	3.0	3.4	46.9	58.2	KSE100, KSE30, KMI & MSCI		
FFC	Fauji Fertilizer Co.	101.5	136.2	34.3	Buy	17.2	15.8	23.4	25.9	14.50	12.13	18.00	20.00	4.3	3.9	17.7	19.7	2.3	2.0	55.1	54.3	KSE100, KSE30 & MSCI		
FATIMA	Fatima Fertilizer Co.	32.0	na	na	na	8.8	6.7	na	na	3.50	3.50	na	na	Group Company: No estimates are given										KSE100 & KMI
AHCL	Arif Habib Corp. Ltd.	31.8	na	na	na	18.3	8.5	8.4	na	3.00	4.00	-	-	Group Company: No estimates are given										KSEALL
Cement																								
LUCK	Lucky Cement Ltd.	664.7	954.6	43.6	Buy	44.9	48.8	43.8	72.8	-	-	18.00	20.00	15.2	9.1	2.7	3.0	1.5	1.4	10.3	14.8	KSE100, KSE30, KMI & MSCI		
LUCK	Lucky Cement Ltd.*	664.7	954.6	43.6	Buy	72.9	94.1	155.6	204.5	-	-	18.00	20.00	4.3	3.3	2.7	3.0	0.8	0.6	21.2	19.5	KSE100, KSE30, KMI & MSCI		
FCCL	Fauji Cement Co.	14.2	19.1	35.0	Buy	1.4	2.9	3.0	4.1	-	-	-	-	4.7	3.4	-	-	0.5	0.4	12.1	14.1	KSE100, KMI & MSCI		
ACPL	Attock Cement Ltd.	83.1	149.4	79.8	Buy	8.1	8.2	11.0	28.4	4.00	3.50	6.00	-	7.5	2.9	7.2	-	0.6	0.5	8.3	17.8	KSEALL, KMI & MSCI		
DGKC	D.G. Khan Cement Co.	57.3	72.0	25.7	Buy	8.5	6.8	(8.3)	8.2	1.00	1.00	-	-	(6.9)	6.9	-	-	0.4	0.3	(5.4)	5.1	KSE100, KSE30, KMI & MSCI		
KOHC	Kohat Cement Co.	181.6	291.9	60.7	Buy	17.9	25.7	29.7	36.0	-	-	-	-	6.1	5.1	-	-	1.1	0.9	19.4	19.3	KSE100, KMI & MSCI		
MLCF	Maple Leaf Cement.*	36.1	56.5	56.6	Buy	3.6	4.2	5.4	9.0	-	-	-	2.00	6.7	4.0	-	5.5	0.9	0.7	13.2	18.9	KSE100, KMI & MSCI		
POWER	Power Cement	5.4	na	na	na	0.3	(0.4)	0.2	na	-	-	-	-	Group Company: No estimates are given										KMI
Oil & Gas Marketing																								
PSO	Pakistan State Oil	143.1	202.8	41.7	Buy	62.1	183.7	12.1	64.3	15.00	10.00	7.50	10.00	11.9	2.2	5.2	7.0	0.3	0.3	2.6	12.8	KSE100, KSE30, KMI & MSCI		
APL	Attock Petroleum Ltd.	329.14	398.20	21.0	Buy	39.5	149.0	100.2	53.9	27.00	45.00	27.50	20.00	3.3	6.1	8.4	6.1	0.9	0.9	30.2	15.0	KSE100 & KMI		
SNGP	Sui Northern Gas Pipeline Ltd.	42.0	66.3	57.8	Buy	17.3	16.3	18.8	20.5	7.00	4.00	8.00	8.00	2.2	2.0	19.0	19.0	0.5	0.5	149.7	249.7	KSE100, KSE30, KMI & MSCI		
Automobile Assemblers																								
PSMC	Pak Suzuki Motor Co.	456.3	-	-	-	-	-	-	-	Under Review										KSE100 & KMI				
INDU	Indus Motor Co.	1,038.7	1,322.0	27.3	Buy	163.2	201.0	123.0	125.5	103.50	93.75	71.80	61.00	8.4	8.3	6.9	5.9	1.4	1.3	16.9	15.9	KSE100		
HCAR	Honda Atlas Cars (Pak)	186.6	122.2	(34.5)	Sell	12.6	17.6	(0.6)	9.3	4.52	7.00	-	5.00	(321.0)	20.1	-	2.7	1.4	1.3	(0.4)	6.5	KSE100 & KMI		
MTL	Millat Tractors Ltd.	460.0	389.3	(15.4)	Sell	30.1	28.3	17.6	29.6	100.00	65.00	25.00	51.00	26.1	15.6	5.4	11.1	12.6	12.5	48.1	80.8	KSE100, KSE30, KMI & MSCI		
Power Generation & Distribution**																								
HUBC	Hub Power Company*	103.7	126.9	40.5	Buy	26.0	21.9	44.4	37.7	12.00	6.50	30.00	23.75	2.3	2.7	28.9	22.9	1.0	0.8	44.1	32.1	KSE100, KSE30, KMI & MSCI		
NCPL	Nishat Chu. Power Ltd.	24.2	21.03	(0.8)	Hold	6.8	6.8	10.8	12.8	-	10.00	-	4.00	2.2	1.9	-	16.5	0.4	0.3	16.4	18.2	KMI & MSCI		
NPL	Nishat Power Limited	25.4	23.3	7.4	Hold	7.6	9.4	11.6	13.3	1.50	4.50	7.00	6.00	2.2	1.9	27.5	23.6	0.3	0.3	14.1	15.2	KSEALL & MSCI		
Textile Composite																								
NML	Nishat Mills Ltd.	68.1	84.8	24.6	Buy	16.8	29.3	34.6	37.6	4.00	4.00	5.00	7.50	2.0	1.8	7.3	11.0	0.3	0.2	14.4	13.8	KSE100, KMI & MSCI		
NCL	Nishat (Chunian) Ltd.	27.4	32.7	19.5	Buy	23.3	31.1	(4.2)	12.0	5.00	7.00	-	4.00	(6.6)	2.3	-	14.6	0.3	0.3	(4.4)	12.7	KSEALL		
FML	Feroze1888 Mills Ltd.	82.1	104.3	27.1	Buy	10.8	8.5	22.5	15.5	3.43	4.27	10.93	6.00	3.7	5.3	13.3	7.3	0.9	0.9	26.9	17.3	KMI		
ILP	Interloop Ltd.	56.9	71.4	25.5	Buy	4.5	8.8	14.4	13.6	2.50	4.00	5.00	5.50	4.0	4.2	8.8	9.7	1.8	1.4	54.7	37.6	KSE100 & KMI		
Chemicals																								
LOTCEM	Lotte Chemical Pak Ltd.	25.88	26.32	1.7	Hold	3.1	6.7	4.4	4.6	1.50	6.00	3.50	2.50	5.9	5.6	13.5	9.7	1.6	1.4	28.1	27.0	KSE100 & KMI		
EPCL	Engro Polymer & Chem.	40.6	51.9	28.0	Buy	16.6	12.9	8.0	10.3	16.30	12.50	6.50	7.25	5.1	3.9	16.0	17.9	1.3	1.2	26.4	32.1	KSE100, KSE30 & KMI		
LCI	Lucky Core Industries Limited	635.7	920.1	44.7	Buy	60.3	91.7	190.1	86.9	40.00	35.00	43.00	20.00	3.3	7.3	6.8	3.1	1.3	0.9	45.5	14.6	KSE100 & KMI		
Engineering																								
ASTL	Amreli Steels Ltd.	23.0	24.0	4.1	Hold	4.61	4.46	(2.28)	4.35	-	-	-	-	(10.1)	5.3	-	-	0.4	0.4	(4.3)	7.7	KSEALL		
AGHA	Agha Steel Industries Ltd.	15.9	18.3	15.0	Buy	3.37	3.07	1.50	2.16	-	-	-	-	10.6	7.4	-	-	0.6	0.5	5.6	7.6	KMI		
ASL	Aisha Steel Mills Ltd.	7.0	na	na	na	6.9	1.2	(3.5)	na	2.00	-	-	-	Group Company: No estimates are given										KSEALL

Source: Bloomberg, AHL Research, *Earnings Consolidated Basis, **Upside is total return

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
PSMC	456.29	43.56	24.23	167.20	456.29	102.53	456.29	82.38	456.29	82.38
ILP	56.88	25.18	15.07	66.55	57.13	35.17	57.13	28.44	57.13	28.44
FFBL	18.78	18.04	5.68	22.50	19.14	12.94	19.14	11.11	19.14	11.11
NCL	27.37	17.42	13.05	31.33	27.37	19.98	27.37	19.98	28.59	19.98
POWER	5.36	15.52	(4.63)	16.02	5.62	3.49	5.62	3.49	5.62	3.49
AGHA	15.92	14.70	7.86	14.53	16.16	9.19	16.16	9.11	16.16	9.11
NML	68.06	13.40	13.30	34.31	68.06	53.08	68.06	50.66	68.06	45.52
HUBC	103.66	12.27	7.27	107.91	103.66	69.33	103.66	56.94	103.66	45.65
ASTL	23.02	12.07	8.33	28.25	23.10	18.29	23.10	14.99	24.37	14.99
HCAR	186.63	9.94	2.31	12.25	188.19	102.63	188.19	82.41	188.19	82.41
NCPL	24.23	9.49	6.98	70.27	24.23	17.91	24.23	15.35	24.23	12.78
LUCK	664.65	8.50	4.76	53.92	664.65	514.35	664.65	450.40	664.65	371.22
NPL	25.43	8.44	6.18	74.70	25.43	19.01	25.43	14.30	25.43	13.58
DGKC	57.31	8.44	6.78	10.98	58.42	41.54	58.42	41.54	58.42	39.44
INDU	1,038.72	7.87	5.14	10.74	1,038.72	885.06	1,038.72	881.49	1,038.72	748.97
MEBL	141.60	6.81	3.03	62.00	141.60	110.44	141.60	77.46	141.60	77.46
KAPCO	23.42	6.70	1.83	22.67	23.42	19.19	23.42	16.48	23.42	16.48
MARI	1,638.36	6.33	4.17	16.80	1,643.40	1,528.65	1,643.40	1,439.52	1,643.40	1,260.12
FABL	25.61	6.27	4.36	8.41	25.61	21.25	25.61	19.12	27.60	19.12
SNGP	53.74	5.95	3.33	48.06	53.93	41.02	53.93	38.05	53.93	34.15
HUMNL	5.89	5.18	4.25	0.86	6.09	5.35	6.15	5.35	6.24	5.30
FFC	101.46	4.49	2.04	18.75	102.86	87.50	102.86	87.50	102.86	85.13
UBL	156.06	4.40	(0.30)	111.06	156.53	129.39	156.53	95.36	156.53	67.60
BAFL	40.71	4.28	3.43	57.46	41.97	37.59	41.97	26.54	41.97	24.29
ACPL	83.09	3.85	2.91	57.65	86.78	73.13	90.67	71.72	90.67	48.59
PSO	143.07	3.83	1.20	5.40	143.53	103.66	143.53	93.36	145.96	93.36
FCCL	14.15	3.66	1.65	17.72	14.23	10.54	14.23	10.54	14.79	10.51
PPL	82.02	3.48	1.12	24.43	85.22	64.82	85.22	55.25	85.22	50.04
APL	329.14	3.31	2.14	24.61	329.14	269.21	329.14	269.21	329.14	262.11
ITTEFAQ	6.44	3.21	(0.16)	16.04	6.99	4.75	7.12	4.40	7.12	4.20
AHCL	31.77	3.05	1.83	(7.75)	31.77	24.35	31.77	23.25	35.00	23.25
ENGRO	273.84	2.88	(1.21)	23.30	277.20	236.68	277.20	236.68	277.20	204.76
LCI	635.66	2.50	2.06	6.68	648.47	554.30	648.47	538.53	649.12	485.52
OGDC	101.50	2.36	1.13	37.37	104.66	90.36	104.66	71.64	104.66	64.71
LOTCHEM	25.88	1.85	1.49	17.78	29.18	22.60	29.81	22.60	29.81	18.89
EFERT	87.54	1.55	0.54	39.36	87.93	70.50	87.93	70.50	87.93	61.20
POL	409.93	1.48	0.86	26.56	415.02	372.54	415.02	346.92	415.02	323.89
KOHC	181.63	1.45	3.78	22.97	189.83	151.84	189.83	150.90	189.83	115.77
MLCF	36.10	1.15	0.56	59.95	36.70	27.05	36.70	26.49	36.70	19.34
MCB	142.07	0.83	(1.38)	50.05	144.06	119.02	144.06	99.57	144.06	87.67
ABL	75.86	0.61	0.61	32.62	75.86	67.53	75.86	63.19	75.86	55.35
NBP	23.44	0.60	0.04	(0.64)	26.50	21.00	26.50	18.89	26.50	18.89
HBL	93.45	0.34	2.09	59.25	101.85	87.89	101.85	64.43	101.85	55.17
MTL	460.03	0.13	1.68	64.61	462.60	403.21	462.60	323.78	462.60	275.15
AKBL	18.26	(0.11)	(0.11)	4.47	18.40	15.01	18.40	12.12	18.70	12.12
FATIMA	32.00	(1.39)	0.85	14.07	32.61	25.55	32.61	25.44	32.61	23.90
EPCL	40.57	(2.03)	3.63	13.30	42.09	37.08	42.09	36.41	46.28	34.15
FML	82.09	(5.64)	(5.64)	48.05	87.38	63.37	87.38	61.17	87.38	48.22

Source (s): Bloomberg, AHL Research

Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	46.1	1.4	3.2	2.9	3.2	3.5	3.6	3.5	2.0	7.7	11.9	-35.4%
P/E (x)	12.3	18.4	8.6	10.2	11.9	14.3	9.8	14.8	9.1	12.1	4.1	-66.3%
P/B (x)	1.7	2.6	1.4	1.3	1.1	1.3	1.1	2.0	0.8	1.5	0.6	-56.6%

Source: Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	253.83	253.30	BUY	0.53
Companies	18.00	14.06	BUY	3.94
Banks / DFIs	8.96	11.97	SELL	(3.01)
NBFC	0.14	0.13	BUY	0.00
Mutual Funds	8.32	8.05	BUY	0.27
Other Organizations	4.01	3.36	BUY	0.65
Broker Proprietary Trading	49.36	50.06	SELL	(0.70)
Insurance Companies	3.44	3.77	SELL	(0.34)
Total	346.06	344.70	BUY	1.36

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	255.87	251.69	BUY	4.19
Companies	23.62	17.21	BUY	6.41
Banks / DFIs	5.39	11.84	SELL	(6.45)
NBFC	0.08	0.08	SELL	(0.00)
Mutual Funds	8.49	12.84	SELL	(4.35)
Other Organizations	5.54	3.46	BUY	2.08
Broker Proprietary Trading	65.38	63.95	BUY	1.43
Insurance Companies	3.17	3.00	BUY	0.17
Total	367.54	364.07	BUY	3.47

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	22.09	22.40	SELL	(0.31)
Fertilizer	9.01	8.89	BUY	0.13
Cement	35.27	35.93	SELL	(0.66)
Power Generation & Distribution	11.20	11.35	SELL	(0.15)
Exploration & Production	39.26	38.49	BUY	0.77
Oil & Gas Marketing Companies	38.79	39.55	SELL	(0.76)
Food and Personal Care Products	7.81	7.64	BUY	0.16
Textile Composite	9.13	9.25	SELL	(0.12)
Technology and Communication	40.18	39.93	BUY	0.26
Debt	0.46	0.46	SELL	-
All other Sectors	132.85	130.81	BUY	2.04
Total	346.06	344.70	BUY	1.36

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	29.98	30.63	SELL	(0.65)
Fertilizer	8.05	8.18	SELL	(0.13)
Cement	24.75	25.10	SELL	(0.35)
Power Generation & Distribution	13.89	14.01	SELL	(0.13)
Exploration & Production	75.94	76.33	SELL	(0.39)
Oil & Gas Marketing Companies	47.37	47.56	SELL	(0.19)
Food and Personal Care Products	14.29	13.87	BUY	0.42
Textile Composite	3.35	3.49	SELL	(0.14)
Technology and Communication	54.28	49.56	BUY	4.72
Debt	-	-	SELL	-
All other Sectors	95.06	94.75	BUY	0.30
Total	366.95	363.48	BUY	3.47

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.08	0.08	SELL	(0.00)
Foreign Corporates	4.21	5.64	SELL	(1.42)
Overseas Pakistani	18.87	18.80	BUY	0.07
Total	23.16	24.51	SELL	(1.36)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	2.85	2.85	SELL	(0.00)
Foreign Corporates	1.93	2.26	SELL	(0.33)
Overseas Pakistani	18.85	21.99	SELL	(3.14)
Total	23.63	27.10	SELL	(3.47)

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	2.03	1.72	BUY	0.31
Fertilizer	0.58	0.70	SELL	(0.13)
Cement	2.25	1.59	BUY	0.66
Power Generation & Distribution	1.35	1.20	BUY	0.15
Exploration & Production	2.33	3.09	SELL	(0.77)
Oil & Gas Marketing Companies	3.14	2.38	BUY	0.76
Food and Personal Care Products	0.55	0.71	SELL	(0.16)
Textile Composite	0.86	0.74	BUY	0.12
Technology and Communication	2.43	2.68	SELL	(0.26)
All other Sectors	7.61	9.65	SELL	(2.04)
Total	23.12	24.47	SELL	(1.36)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.79	1.13	BUY	0.65
Fertilizer	0.89	0.76	BUY	0.13
Cement	1.73	1.38	BUY	0.35
Power Generation & Distribution	0.98	0.85	BUY	0.13
Exploration & Production	3.63	3.24	BUY	0.39
Oil & Gas Marketing Companies	2.55	2.36	BUY	0.19
Food and Personal Care Products	1.00	1.42	SELL	(0.42)
Textile Composite	0.39	0.25	BUY	0.14
Technology and Communication	5.08	9.81	SELL	(4.72)
All other Sectors	5.59	5.89	SELL	(0.30)
Total	23.63	27.10	SELL	(3.47)

Source (s): NCCPL, AHL Research

World's Major Stock Market Performance (\$ based return)

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)
Mexico	MEXBOL Index	51,789	10.0	9.5	19.9	Taiwan	TWSE Index	16,508	2.8	3.6	11.2
Nigeria	NGSEINDX Index	70,197	8.0	4.2	(19.5)	Romania	BET Index	14,489	2.7	3.1	23.6
South Africa	JALSH Index	72,919	8.0	6.9	(7.0)	Japan	NKY Index	31,950	2.6	4.3	6.6
Zimbabwe	ZHIALSH Index	161,050	7.5	2.2	(4.7)	Philippines	PCOMP Index	5,989	2.2	1.9	(9.1)
Canada	SPTSX Index	19,840	7.3	6.6	1.2	Croatia	CRO Index	2,374	2.2	1.6	20.2
Ireland	ISEQ Index	8,274	7.2	6.9	16.4	Kazakhstan	KZKAK Index	4,055	2.1	1.6	24.2
Austria	ATX Index	3,191	6.9	4.7	2.0	Norway	OBXP Index	572	2.1	0.7	(8.5)
Luxembourg	LUXXX Index	1,375	6.9	6.0	(5.9)	Argentina	MERVAL Index	669,028	2.1	15.5	67.5
Italy	FTSEMIB Index	28,705	6.4	4.8	21.0	Indonesia	JCI Index	6,789	1.9	2.3	(1.9)
South Korea	KOSPI Index	2,368	6.4	7.3	2.1	Slovenia	SBITOP Index	1,174	1.9	1.7	12.2
New Zealand	NZSE Index	1,685	5.9	6.0	(11.6)	Malaysia	FBMKLCI Index	1,450	1.7	1.4	(9.6)
USA	NDX Index	15,019	5.9	4.2	37.3	Vietnam	VNIndex Index	1,077	1.6	4.8	2.9
Spain	IBEX Index	9,324	5.8	4.7	13.3	Lithuania	VILSE Index	938	1.6	1.7	(1.0)
USA	SPX Index	4,354	5.7	3.8	13.4	Mongolia	MSETOP Index	36,129	1.6	(0.1)	(4.0)
Sweden	OMX Index	2,127	5.6	4.4	(1.1)	Hong Kong	HSI Index	17,664	1.5	3.2	(11.0)
Brazil	IBOV Index	117,685	5.5	7.2	15.9	Russia	IMOEX Index	3,203	1.4	0.8	17.8
Finland	HEX Index	9,504	5.5	4.2	(12.1)	Serbia	BELEX15 Index	879	1.4	1.5	6.9
Europe	SX5E Index	4,186	5.5	4.4	10.3	Russia	RTSI\$ Index	1,091	1.1	1.0	12.4
France	CAC Index	7,071	5.3	4.0	9.2	India	SENSEX Index	64,364	1.0	0.8	5.1
Chile	IPSA Index	5,539	5.2	4.2	1.3	Bulgaria	SOFIX Index	744	0.8	1.0	23.9
Poland	WIG20 Index	2,172	5.1	2.7	27.7	China	SHSZ300 Index	3,584	0.8	0.5	(12.6)
Greece	ASE Index	1,223	5.0	3.8	31.5	Latvia	RIGSE Index	1,386	0.6	0.8	20.2
USA	INDU Index	34,036	5.0	3.0	2.7	Ukraine	PFTS Index	507	0.5	(0.0)	(0.7)
Germany	DAX Index	15,236	5.0	4.2	9.4	Sri Lanka	CSEALL Index	10,790	0.4	0.9	42.1
Australia	AS51 Index	6,978	4.6	5.4	(5.6)	Tunisia	TUSISE Index	8,419	0.4	1.1	2.7
Czech Republic	PX Index	1,382	4.5	3.3	13.8	Iceland	ICEXI Index	1,830	0.2	0.1	(15.5)
Netherlands	AEX Index	737	4.4	3.8	6.9	Ghana	GGSECI Index	3,132	(0.1)	0.0	8.8
Portugal	PSI20 Index	6,407	4.3	3.7	11.8	Estonia	TALSE Index	1,774	(0.1)	0.6	0.4
Saudi Arabia	SASEIDX Index	10,853	4.3	1.5	3.8	Mauritius	SEMDEX Index	2,063	(0.3)	(0.5)	(0.8)
Denmark	KFX Index	2,151	4.3	2.2	16.8	Jordan	JOSMGNFF Index	2,404	(0.4)	(0.4)	(3.8)
Qatar	DSM Index	9,712	4.2	1.9	(8.9)	Belgium	BEL20 Index	3,505	(0.4)	(0.6)	(5.7)
Thailand	SET Index	1,420	4.0	4.4	(17.1)	Belgium	BEL20 Index	3,505	(0.4)	(0.6)	(5.7)
Hungary	BUX Index	57,122	3.9	4.2	37.2	Turkey	XU100 Index	7,695	(1.1)	2.0	(8.0)
Dubai	DFMGI Index	3,930	3.8	1.4	17.8	Bahrain	BHSEASI Index	1,918	(1.2)	(0.6)	1.2
Singapore	FSSTI Index	3,144	3.7	3.5	(4.5)	Oman	MSM30 Index	4,492	(1.4)	(1.2)	(7.5)
UK	UKX Index	7,432	3.6	3.0	1.6	Egypt	EGX30 Index	22,640	(2.7)	0.5	24.3
Switzerland	SMI Index	10,611	3.1	3.2	1.3	Kenya	NSEASI Index	86	(6.6)	(5.5)	(46.2)
Uae	ADSMI Index	9,510	3.0	1.8	(6.9)						
Pakistan	KSE100 Index	53,123	2.9	1.3	4.7						

Source (s): Bloomberg, AHL Research, * Last Closing

Key Economic Data & Commodities Prices

Month end	Units	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Current*
Money Market Data														
03-M T-Bill	%	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.42
06-M T-Bill	%	16.9	17.0	17.87	19.82	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.49
12-M T-Bill	%	16.9	17.0	17.95	19.93	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.64
03-Y PIB	%	15.1	15.6	16.83	18.20	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	17.63
05-Y PIB	%	14.0	14.6	15.48	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.57
10-Y PIB	%	13.5	13.7	14.45	15.50	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	15.16
06-M KIBOR	%	17.0	17.0	17.97	20.06	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.75
Policy Rate	%	16.00	16.00	17.00	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	23.8	24.5	27.6	31.6	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.9	31.4
Monetary Sector														
M1	PKR bn	22,805	22,963	22,798	23,131	24,074	24,802	25,017	26,157	25,857	25,964	26,184	n.a	25,964
M2	PKR bn	27,387	27,335	27,292	27,878	28,732	29,433	29,859	31,280	30,966	31,209	31,425	n.a	31,209
M3	PKR bn	30,818	30,744	30,688	31,241	32,070	32,743	33,140	34,545	34,246	34,483	34,287	n.a	34,483
Banking Sector														
Deposits	PKR bn	22,732	22,467	22,754	22,921	23,562	23,429	24,388	25,508	25,702	26,110	26,318	n.a	26,318
Advances	PKR bn	11,092	11,913	11,659	11,723	11,836	12,111	12,072	12,202	11,898	11,775	11,857	n.a	11,857
Investment	PKR bn	18,483	17,902	19,293	18,993	19,236	19,695	20,144	20,896	21,468	22,016	22,622	n.a	22,622
WALR	%	14.12	14.6	15.0	15.5	16.3	17.6	17.7	18.2	18.4	18.9	19.3	n.a	19.3
WADR	%	7.79	8.1	8.0	8.7	8.7	9.7	10.2	10.5	11.3	11.3	11.4	n.a	11.4
Spread	%	6.33	6.5	7.0	6.8	7.5	7.9	7.6	7.7	7.1	7.6	7.9	n.a	7.9
External Sector														
Forex Reserves	USD bn	13.4	10.8	8.4	9.3	9.8	10.0	9.5	9.2	13.5	13.2	12.5	n.a	12.6
With SBP	USD bn	7.5	5.3	3.1	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.6	n.a	7.5
With Banks	USD bn	5.9	5.6	5.3	5.5	5.6	5.6	5.4	4.7	5.3	5.3	4.9	n.a	5.1
Exchange rate	PKR/USD	223.9	226.4	267.9	261.5	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	284.3
C/A Balance	USD mn	(252.0)	(290.0)	(230.0)	(36.0)	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(8.0)	n.a	(8.0)
Exports	USD bn	2.2	2.3	2.2	2.2	2.4	2.1	2.6	2.1	2.1	2.4	2.5	n.a	2.5
Imports	USD bn	4.3	4.2	3.9	3.9	4.0	3.7	3.8	3.2	4.2	4.3	4.0	n.a	4.0
Trade Balance	USD bn	(2.1)	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.9)	(1.5)	n.a	(1.5)
Remittances	USD bn	2.1	2.0	1.9	2.0	2.5	2.2	2.1	2.2	2.0	2.1	2.2	n.a	2.2
Key Commodities Prices														
International														
Coal	USD/ton	250.8	205.6	141.7	143.1	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	121.4
Steel (HRC)	USD/ton	550.6	595.5	635.9	628.8	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	527.6
PTA	USD/ton	795.0	790.0	830.0	785.0	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	790.0
Gold	USD/oz	1,768.5	1,824.0	1,928.4	1,826.9	1,980.4	1,990.0	1,962.7	1,913.7	1,965.1	1,940.2	1,864.9	1,983.9	1,985.8
Cotton (COTLOOK A)	USd/lb	97.5	99.3	102.0	99.4	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	92.6
Crude oil (WTI)	USD/bbl	80.6	80.3	78.9	77.1	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	82.5
Crude oil (Arab Light)	USD/bbl	85.3	84.2	82.9	83.4	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	91.3
Crude oil (Brent)	USD/bbl	85.4	85.9	84.5	83.9	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	86.9
Local														
Cotton	PKR/maund	16,500.0	17,000.0	21,000.0	20,000.0	18,700.0	20,000.0	20,000.0	17,500.0	17,935.0	20,100.0	17,700.0	17,000.0	17,200.0
Cement	PKR/bag	1,043.5	1,043.7	1,043.0	1,109.9	1,125.8	1,120.9	1,121.4	1,144.7	1,140.8	1,177.0	1,196.1	1,195.9	1,192.6
Gold	PKR/10 grms	138,460	158,780	173,190	166,580	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	184,930

*Current Price

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Rating	Description
BUY	Upside* of subject security(ies) is more than +15% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -15% and +15% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -15% from last closing of market price(s)

* Upside for Power Generation Companies is upside plus dividend yield.

Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- **Discounted Cash Flow (DCF)**
- **Dividend Discounted Model (DDM)**
- **Sum of the Parts (SoTP)**
- **Justified Price to Book (JPTB)**
- **Reserved Base Valuation (RBV)**

Risks

The following risks may potentially impact our valuations of subject security (ies);

- **Market risk**
- **Interest Rate Risk**
- **Exchange Rate (Currency) Risk**

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In order to avoid any conflict of interest, we hereby disclosed that;

Arif Habib Limited (AHL) has a shareholding in OGDC, NBP, BOP, FABL, FCCL, MLCF, ASL, HUMNL and UNITY.