

Bullish Momentum Continues

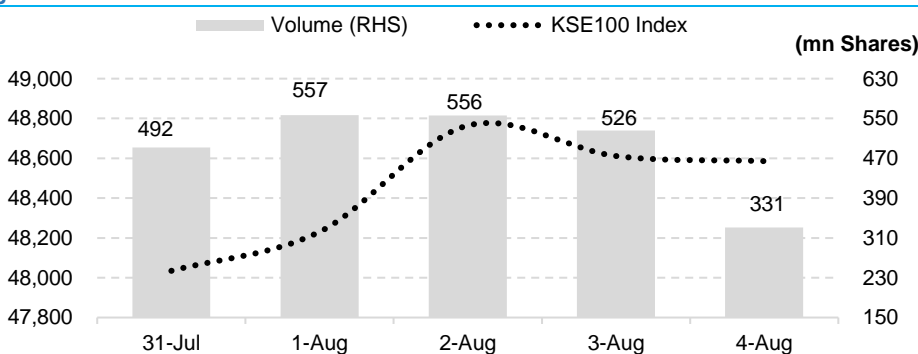
The market commenced on a positive note, continuing the moment from last week. The investors welcomed the developments by SIFC, which is aimed at attracting foreign direct investment in the country. In addition to this, the bulls charged after SBP kept the policy rate remained unchanged at 22%. On Wednesday, the market reached a 6-Yr high, crossing 49,000 points level in the intraday. Meanwhile, inflation soared to 28.3% in Jul'23 compared to 24.9% in SPLY. Whereas, cement sales jumped up by 57% YoY in Jul'23. Moreover, the urea and DAP volumetric sales swelled up 36% and 69% YoY, respectively in Jul'23, while offtake of MoGas and HSD increased by 10% and 11% YoY, respectively in Jul'23. The Pak Rupee closed at 286.97 against the greenback, depreciating by PKR 0.52 | -0.18%. The market closed at 48,586 points, up by 1,509 points | +3.2% WoW (posting a positive return for the sixth consecutive week).

Sector-wise positive contributions came from i) E&Ps (435pts), ii) Banks (418pts), iii) Cement (139pts), and iv) Automobile Assembler (132pts). Whereas, the sector which contributed negatively were i) Chemical (51pts), ii) Sugar (3pts), and iii) Tobacco (2pts). Scrip-wise positive contributors were OGDC (292pts), HBL (290pts), MTL (115pts), PPL (69pts), and BAHF (63pts). Meanwhile, scrip-wise negative contributions came from i) UBL (87pts), ii) COLG (64pts), EFERT (9pts), HUBC (8pts), and FABL (6pts).

Foreigner buying continued during the week, clocking in at USD 5.3mn compared to a net buy of USD 2.8mn last week. Major buying was witnessed in Commercial Banks (USD 6.0mn) and Exploration & Production (USD 1.5mn). On the local front, selling was reported by Mutual Funds (USD 6.0mn) followed by Insurance Companies (USD 2.7mn). Average volumes arrived at 492mn shares (up by 31% WoW) while the average value traded settled at USD 59mn (up by 35% WoW).

Other major news: i) AKEFD plans to purchase additional HBL shares worth Rs3.5 billion, ii) Sunridge Foods to invest Rs1bn in 2 new subsidiaries for Unity Foods, iii) July textile exports down 15pc to \$1.31bn YoY, iv) ACPL's sale of 9m shares in SAKCPCL completes on July 26, and v) Petrol, diesel prices hiked by more than Rs19/ltr.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

In the upcoming week, we are anticipating the announcement of the refinery policy along with the resolution of circular debt, which will keep the sentiment positive. Moreover, with the ongoing result season, certain sectors and scrips are expected to stay under the limelight given expectation of robust results. 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 3.9x (2024) as compared to its 5-year average of 5.8x offering a dividend yield of ~10.1% as compared to its 5-year average of ~6.7%.

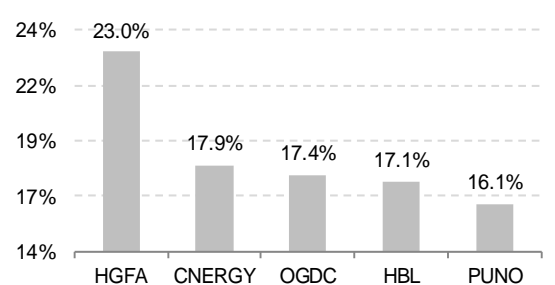
PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	48,586	3.2	20.2
KSEAll	32,317	2.8	17.4
KSE30	17,370	3.3	17.1
KMI30	81,643	4.0	19.6
BKTI	12,297	3.5	32.6
OGTI	12,683	7.4	17.3

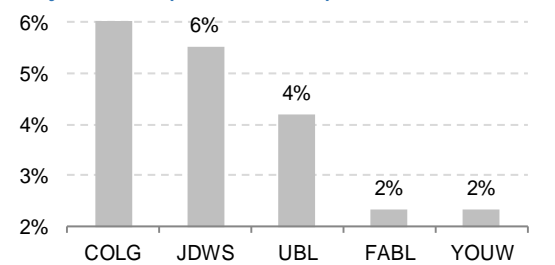
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
CENERGY	52.6	4.0
WTL	28.5	1.3
PRL	24.5	18.6
OGDC	23.6	107.7
KEL	23.4	2.3

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



Analyst

AHL Research

research@arifhabibtd.com

+92-21-32462589



Best Brokerage House of the Year 2022

Best Economic Research House of the Year: 2022

Corporate Finance House of the Year: 2022

Best Equity Research Analyst: 2022



Best Securities House: 2022
Best Investment Bank: 2022



Best Equity House: 2022

Business and Economic News of the Week

Pakistan, Barrick Gold agree to pay share of Reko Diq in Pakistani rupees (BR)

Barrick Gold Corporation and the government of Pakistan have agreed that the government's share of the investment in the Reko Diq project will be paid for in Pakistani rupees. The understanding was reached during a meeting between Prime Minister Shehbaz Sharif and a delegation of Barrick Gold Corporation in Islamabad today, reported Radio Pakistan. Company's Chief Executive Officer Mark Bristow led the Barrick Gold Corporation's delegation. He briefed the Prime Minister about the progress on the ongoing development work at Reko Diq. Speaking on the occasion, the Prime Minister said the participation of international companies including Barrick Gold in the 'Pakistan Mineral Summit' is a manifestation of the restoration of confidence of international investors in Pakistan.

Sovereign Wealth Fund launched (Tribune)

Highlighting the significance of the mining sector as a key driver of the economy, Senator Mohammad Ishaq Dar, the Federal Minister for Finance and Revenue, announced on Tuesday the establishment of the Pakistan Sovereign Wealth Fund. This fund aims to harness the potential of mining, agriculture, and information technology, which are believed to be the future growth engines for the country. Speaking at the Pakistan Minerals Summit themed "Dust to Development: Investment Opportunities in Pakistan," the finance minister emphasised that these sectors would remain the primary focus for the country's growth, irrespective of the ruling government.

OGDCL registers 'significant' oil, gas production boost during July (The News)

The Oil and Gas Development Company Limited (OGDCL) on Monday notified a significant increase in oil and gas production from four of its wells located in Sindh. In a notice to the Pakistan Stock Exchange (PSX), the company shared its production boost during July 2023, attributing the enhancement to the use of "cutting-edge technologies". OGDCL posted a total increase of 1865 BPO oil and 15.9 MMSCFD from four of its wells in different parts of Sindh. According to details, the company registered an increase in production at Nim East-1, an exploratory well in a joint venture with OGDCL as operator (95 percent) and Government Holdings (Private) Limited (GHPL) (5 percent), located in District Tando Allah Yar, Sindh Province.

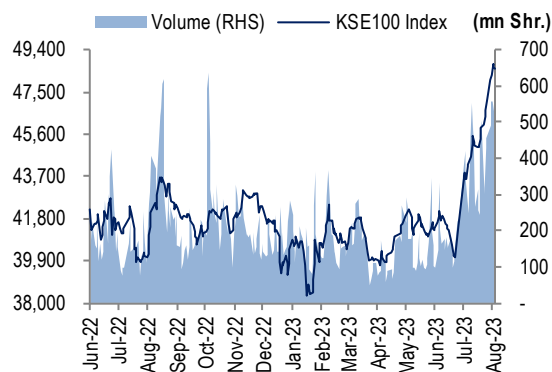
Exports dip 9pc in July, record 11th straight fall (Dawn)

Merchandise exports fell for the 11th month in a row in July, plunging by 8.6 per cent year-on-year to \$2.05 billion, showed data released by the Pakistan Bureau of Statistics on Tuesday. The export proceeds are declining because of internal and external factors stoking up fears about the closure of industrial units, especially textile and clothing. On a month-on-month basis, the export proceeds declined 12.68pc in July. In FY23, the merchandise exports dipped by 12.71pc to \$27.54bn from \$31.78bn in FY22, missing the \$32bn target by a wide margin of \$4.46bn.

NEPRA's nod sought for power hike (Tribune)

The federal government has sought the nod of the National Electric Power Regulatory Authority (Nepra) to impose a surcharge of Rs1.52 per unit on the consumers of K-Electric, Karachi's sole electricity supplier. The government wants to recover Rs24.5 billion from the consumers of K-Electric to be recovered in 12 months by imposing this surcharge. The power regulator might approve incorporating the requested surcharge in the Schedule of Tariff (SoT) determined for the quarter April to June 2022 or including it in the latest one it was deciding. Nepra might also be issue it as a separate SoT.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies Index Contribution

Bullish Companies

OGDC	291.8
HBL	290.1
MTL	115.2
PPL	68.9
BAHL	63.1
Total	829.1

Bearish Companies

UBL	(86.7)
COLG	(64.2)
EFERT	(8.9)
HUBC	(7.7)
FABL	(6.5)
Total	(174.0)

Sectors

Index Contribution

Bullish Sectors

Oil & Gas Exploration Companies	435.1
Commercial Banks	418.4
Cement	138.6
Automobile Assembler	132.0
Refinery	69.8
Total	1,193.8

Bearish Sectors

Chemical	(50.8)
Sugar & Allied Industries	(3.4)
Tobacco	(2.3)
Textile Spinning	(0.6)
Textile Weaving	(0.1)
Total	(57.3)

FinanceAsia

Best Investment Bank: 2022



Excellence Award Leading
Brokerage House for RDA2021



Best Equity Advisor: 2021



Best Money Market
Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price 4-Aug-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.	76.4	108.67	42.3	Buy	19.3	19.7	37.6	35.8	3.50	2.00	3.50	3.00	2.0	2.1	4.6	3.9	0.4	0.3	21.3	17.1	KSE100, KSE30, KMI & MSCI
OGDC	Oil and Gas Dev Co.	107.7	135.4	25.8	Buy	21.3	31.1	45.1	39.2	6.90	7.25	8.00	7.50	2.4	2.7	7.4	7.0	0.5	0.4	20.5	15.4	KSE100, KSE30, KMI & MSCI
POL	Pakistan Oilfields Ltd.	444.7	553.01	24.3	Buy	47.1	91.4	125.3	98.1	50.00	70.00	90.00	76.00	3.5	4.5	20.2	17.1	1.9	2.0	60.1	42.9	KSE100, KSE30, KMI & MSCI
MARI	Mari Petroleum Ltd	1,640.0	2,414.8	47.2	Buy	235.7	247.8	397.9	536.7	141.00	124.00	195.00	268.00	4.1	3.1	11.9	16.3	1.4	1.1	36.9	41.0	KSE100, KSE30, KMI & MSCI
Commercial Banks																						
UBL	United Bank Ltd.*	143.4	187.9	31.0	Buy	24.8	25.8	40.0	45.5	18.00	22.00	28.00	32.00	3.6	3.2	19.5	22.3	0.7	0.6	20.6	21.4	KSE100, KSE30 & MSCI
BAFL	Bank Alfalah*	41.7	48.0	15.0	Hold	9.2	11.7	21.0	21.6	4.00	5.00	6.00	6.50	2.0	1.9	14.4	15.6	0.5	0.4	28.9	24.2	KSE100
MCB	MCB Bank Ltd.*	147.8	189.9	28.5	Buy	26.3	29.0	42.4	49.6	19.00	20.00	23.00	26.00	3.5	3.0	15.6	17.6	0.8	0.7	24.6	25.9	KSE100, KSE30 & MSCI
HBL	Habib Bank Ltd.*	104.3	112.2	7.5	Hold	23.9	23.2	32.4	38.0	7.50	6.75	6.00	7.00	3.2	2.7	5.8	6.7	0.5	0.4	15.6	16.1	KSE100, KSE30 & MSCI
ABL	Allied Bank Ltd.*	71.2	102.4	43.8	Buy	15.3	18.6	28.0	28.7	8.00	8.50	10.00	12.00	2.5	2.5	14.0	16.8	0.5	0.5	22.8	20.4	KSE100
NBP	National Bank of Pakistan.*	25.0	30.4	21.8	Buy	13.4	14.5	17.0	18.6	-	-	-	-	1.5	1.3	-	-	0.2	0.1	11.1	11.0	KSE100
AKBL	Askari Bank Ltd.*	16.2	20.2	24.5	Buy	6.7	9.7	11.7	13.1	-	-	-	-	1.4	1.2	-	-	0.3	0.2	20.4	19.0	KSE100
BOP	The Bank of Punjab*	4.5	6.2	37.0	Buy	3.8	3.2	1.7	1.9	-	-	-	-	2.7	2.4	-	-	0.2	0.2	8.0	8.4	KSE100
MEBL	Meezan Bank Ltd.*	129.5	151.6	17.1	Buy	15.8	25.1	34.7	37.4	6.00	8.50	11.00	13.00	3.7	3.5	8.5	10.0	1.4	1.1	44.1	36.0	KSE100, KSE30 & KMI
FABL	Faysal Bank Ltd.*	25.1	34.4	36.9	Buy	5.5	7.5	9.5	10.9	1.50	7.00	1.50	2.00	2.6	2.3	6.0	8.0	0.5	0.4	19.2	19.7	KSE100
Fertilizer																						
ENGRO	Engro Corporation*	259.7	366.8	41.3	Buy	48.5	42.2	54.2	72.6	25.00	34.00	50.00	62.00	4.8	3.6	19.3	23.9	0.5	0.5	12.1	-	KSE100, KSE30, KMI & MSCI
FFBL	Fauji Fert. Bin Qasim	14.5	15.2	4.5	Hold	4.9	1.8	0.5	2.7	-	-	-	-	29.0	5.4	-	-	0.8	0.7	2.8	13.8	KSE100 & KMI
EFERT	Engro Fertilizer	81.6	97.3	19.3	Buy	15.8	12.0	11.0	12.1	16.50	13.50	12.00	14.00	7.4	6.7	14.7	17.2	2.8	3.2	34.9	44.3	KSE100, KSE30, KMI & MSCI
FFC	Fauji Fertilizer Co.	97.8	136.2	39.3	Buy	17.2	15.8	18.1	20.8	14.50	12.13	14.00	16.00	5.4	4.7	14.3	16.4	2.2	2.0	43.2	44.7	KSE100, KSE30 & MSCI
FATIMA	Fatima Fertilizer Co.	27.7	na	na	na	8.8	6.7	na	na	3.50	3.50	-	-	Group Company: No estimates are given						KSE100 & KMI		
AHCL	Arif Habib Corp. Ltd.	27.5	na	na	na	18.3	8.5	na	na	3.00	4.00	-	-	Group Company: No estimates are given						KSEALL		
Cement																						
LUCK	Lucky Cement Ltd.	603.5	954.6	58.2	Buy	44.9	48.8	43.6	67.3	-	-	-	20.00	13.8	9.0	-	3.3	1.4	1.3	10.3	14.8	KSE100, KSE30, KMI & MSCI
LUCK	Lucky Cement Ltd.*	603.5	954.6	58.2	Buy	72.9	94.1	151.9	189.0	-	-	-	20.00	4.0	3.2	-	3.3	0.6	0.5	19.0	18.3	KSE100, KSE30, KMI & MSCI
FCCL	Fauji Cement Co.	12.3	19.1	54.9	Buy	1.4	2.9	3.1	4.1	-	-	-	-	3.9	3.0	-	-	0.4	0.4	12.2	13.9	KSE100 & KMI
ACPL	Attock Cement Ltd.	92.4	149.4	61.7	Buy	8.1	8.2	24.7	28.4	4.00	3.50	-	-	3.7	3.3	-	-	0.6	0.5	17.7	17.1	KSEALL & KMI
DGKC	D.G. Khan Cement Co.	56.6	72.0	27.2	Buy	8.5	6.8	6.5	8.2	1.00	1.00	-	-	8.6	6.9	-	-	0.3	0.3	4.0	4.8	KSE100, KSE30 & KMI
KOHC	Kohat Cement Co.	180.6	291.9	61.7	Buy	17.4	25.0	30.4	35.1	-	-	-	-	5.9	5.1	-	-	1.1	0.9	20.2	19.1	KSE100 & KMI
MLCF	Maple Leaf Cement.*	32.9	56.5	72.0	Buy	3.6	4.2	7.7	9.0	-	-	-	2.00	4.3	3.6	-	6.1	0.7	0.6	17.8	17.9	KSE100, KSE30 & KMI
POWER	Power Cement	4.3	na	na	na	0.3	(0.4)	na	na	-	-	-	-	Group Company: No estimates are given						KMI		
Oil & Gas Marketing																						
PSO	Pakistan State Oil	133.7	202.8	51.7	Buy	62.1	183.7	24.2	64.3	15.00	10.00	10.00	10.00	5.5	2.1	7.5	7.5	0.3	0.3	5.2	12.8	KSE100, KSE30, KMI & MSCI
APL	Attock Petroleum Ltd.	314.88	398.20	26.5	Buy	39.5	149.0	82.6	53.9	27.00	45.00	25.00	20.00	3.8	5.8	7.9	6.4	0.9	0.9	25.9	15.6	KSE100 & KMI
SNGP	Sui Northern Gas Pipeline Ltd.	47.6	66.3	39.2	Buy	17.3	16.3	18.8	20.5	7.00	4.00	8.00	8.00	2.5	2.3	16.8	16.8	0.6	0.5	149.7	249.7	KSE100 & KMI
Automobile Assemblers																						
PSMC	Pak Suzuki Motor Co.	126.6	148.2	17.1	Buy	32.6	(77.0)	(152.6)	7.6	6.50	-	-	6.00	nm	16.7	-	4.7	0.4	0.4	(57.0)	2.4	KSE100 & KMI
INDU	Indus Motor Co.	972.3	1,322.0	36.0	Buy	163.2	201.0	104.0	125.5	103.50	93.75	46.00	61.00	9.3	7.8	4.7	6.3	1.3	1.2	14.6	16.2	KSE100
HCAR	Honda Atlas Cars (Pak)	137.9	122.2	(11.4)	Hold	12.6	17.6	(0.6)	9.3	4.52	7.00	-	5.00	(237.2)	14.8	-	3.6	1.0	0.9	(0.4)	6.5	KSE100 & KMI
MILT	Milfat Tractors Ltd.	442.2	389.3	(12.0)	Hold	30.1	28.3	15.8	29.6	100.00	65.00	31.00	51.00	28.0	14.9	7.0	11.5	12.1	12.1	43.1	80.8	KSE100, KSE30, KMI & MSCI
Power Generation & Distribution**																						
HUBC	Hub Power Company*	84.6	126.9	70.8	Buy	26.0	21.9	34.6	37.7	12.00	6.50	29.50	15.75	2.4	2.2	34.9	18.6	0.8	0.6	34.4	32.1	KSE100, KSE30, KMI & MSCI
NCPL	Nishat Chu. Power Ltd.	19.9	21.0	25.9	Buy	6.8	6.8	9.4	7.5	-	10.00	2.00	2.00	2.1	2.6	10.1	10.1	0.3	0.3	13.6	10.0	KSEALL
NPL	Nishat Power Limited	22.1	23.3	28.4	Buy	7.6	9.4	11.1	8.9	1.50	4.50	4.00	3.00	2.0	2.5	18.1	13.6	0.3	0.2	13.5	10.2	KSEALL
Textile Composite																						
NML	Nishat Mills Ltd.	67.7	84.8	25.2	Buy	16.8	29.3	38.2	37.6	4.00	4.00	7.50	7.50	1.8	1.8	11.1	11.1	0.3	0.2	15.8	13.8	KSE100 & KMI
NCL	Nishat (Chunian) Ltd.	24.1	32.7	35.6	Buy	23.3	31.1	(2.5)	12.0	5.00	7.00	-	4.00	(9.5)	2.0	-	16.6	0.3	0.2	(2.6)	12.2	KSE100
FML	Feroze1888 Mills Ltd.	70.0	104.3	49.0	Buy	10.8	8.5	26.7	15.5	3.43	4.27	5.00	6.00	2.6	4.5	7.1	8.6	0.9	0.8	34.5	18.5	KMI
ILP	Interloop Ltd.	39.8	71.4	79.2	Buy	4.5	8.8	12.8	13.6	2.50	4.00	5.00	5.50	3.1	2.9	12.6	13.8	1.2	1.0	47.4	36.8	KSE100
Chemicals																						
LOTCHM	Lotte Chemical Pak Ltd.	Coverage Restricted due to Advisory Mandate																KSE100				
EPCL	Engro Polymer & Chem.	44.6	51.9	16.5	Buy	16.6	12.9	5.8	10.5	16.30	12.50	4.00	7.25	7.7	4.2	9.0	16.3	1.4	1.3	19.1	32.8	KSE100, KSE30 & KMI
LCI	Lucky Core Industries Limited	686.0	920.1	34.1	Buy	60.3	91.7	190.1	86.9	40.00	35.00	43.00	20.00	3.6	7.9	6.3	2.9	1.1	1.0	38.1	12.8	KSE100 & KMI
Engineering																						
ASTL	Amreli Steels Ltd.	21.2	24.0	13.1	Hold	4.61	4.46	3.09	4.35	-	-	-	-	6.9	4.9	-	-	0.4	0.4	5.8	7.7	KSEALL
AGHA	Agha Steel Industries Ltd.	11.3	18.3	61.5	Buy	3.37	3.07	1.53	2.16	-	-	-	-	7.4	5.3	-	-	0.4	0.4	5.7	7.6	KSEALL
ASL	Aisha Steel Mills Ltd.	6.4	na	na	na	6.9	1.2	na	na	2.00	-	-	-	Group Company: No estimates are given						KSEALL		
Technology & Communication																						
HUMNL	Hum Network Limited.	6.0	10.2	69.6	Buy	0.9	1.2	1.7	2.1	-	0.50	0.75	1.00	3.5	2.9	12.5	16.7	1.0	0.9	33.5	33.1	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
OGDC	107.66	17.44	9.24	41.65	91.67	73.69	101.09	73.69	101.09	65.23
HBL	104.31	17.14	9.33	73.57	89.05	65.98	89.05	65.42	89.44	56.50
MTL	442.16	11.93	11.84	53.11	402.21	334.57	402.21	310.79	438.19	284.33
BOP	4.54	8.35	4.85	9.28	4.27	3.19	4.64	3.19	5.52	3.19
KAPCO	25.47	7.20	6.84	8.70	24.02	20.23	25.78	20.23	25.78	20.23
AGHA	11.34	7.08	6.48	(18.42)	11.65	9.11	12.31	9.11	16.56	9.11
NCL	24.12	6.35	5.56	15.74	22.98	20.00	23.78	20.00	43.73	20.00
BAFL	41.73	6.21	1.56	50.18	39.51	28.52	39.51	27.61	39.51	26.11
SNGP	47.64	6.15	0.53	31.26	44.88	38.05	45.84	37.35	45.84	27.63
NBP	24.96	5.63	0.65	5.81	23.63	18.89	25.49	18.89	33.44	18.89
MLCF	32.87	5.62	0.80	45.64	32.12	26.49	32.12	20.78	32.12	19.34
ILP	39.83	5.54	4.62	11.57	39.81	29.73	39.81	29.73	39.81	29.73
PPL	76.38	5.02	(1.57)	13.71	72.73	56.30	82.65	56.30	82.65	50.33
MARI	1,640.01	4.85	2.02	12.65	1,582.22	1,494.03	1,599.39	1,382.29	1,609.48	1,307.83
DGKC	56.62	3.66	1.82	9.64	57.99	46.04	57.99	39.44	63.83	39.44
MEBL	129.50	3.62	(1.80)	38.33	124.97	82.96	124.97	82.96	124.97	82.96
FFBL	14.51	3.42	5.60	(5.35)	14.34	11.11	14.34	11.11	21.03	11.11
LOTCHEM	28.59	2.92	2.55	30.11	29.81	23.97	29.81	20.52	29.81	18.89
LUCK	603.47	2.81	2.54	35.13	587.00	443.20	587.00	392.97	587.00	383.90
AKBL	16.23	2.72	-	(7.14)	15.80	12.12	18.70	12.12	18.70	12.12
ACPL	92.39	2.51	2.71	63.38	97.28	73.00	97.28	52.13	97.28	52.13
FCCL	12.33	2.24	(1.36)	2.58	13.09	11.51	13.09	10.99	14.79	10.51
ENGRO	259.66	2.18	2.26	14.33	282.89	254.10	282.89	235.74	282.89	184.82
PSO	133.68	2.05	(2.76)	(7.16)	131.00	99.03	140.60	99.03	181.36	99.03
KOHC	180.57	1.76	(0.25)	22.25	188.77	147.10	188.77	126.19	188.77	115.77
NML	67.73	1.70	(0.07)	23.17	66.66	54.63	66.66	50.55	75.69	49.40
HCAR	137.90	1.65	(3.29)	(17.06)	135.66	82.41	135.66	82.41	193.98	82.41
EPCL	44.58	1.55	1.43	13.37	46.07	39.98	46.64	39.98	59.40	37.50
INDU	972.31	1.44	1.25	0.39	985.04	895.02	985.04	793.53	1,028.01	773.37
APL	314.88	1.26	(0.09)	13.29	311.52	293.51	311.52	285.60	311.52	241.43
POL	444.74	1.07	0.52	18.56	440.05	399.99	440.05	388.40	440.05	326.50
LCI	686.02	0.90	1.62	8.83	679.91	569.72	679.91	513.64	736.08	513.64
HUMNL	5.99	0.67	(0.33)	2.57	6.15	5.30	6.15	5.30	6.24	5.24
ASTL	21.17	0.62	1.53	17.94	22.00	14.99	22.00	14.99	30.86	14.99
MCB	147.80	0.60	0.27	40.87	147.76	110.34	147.76	100.69	147.76	97.15
FFC	97.78	0.42	0.32	10.08	99.88	93.75	99.88	90.59	99.88	87.28
ABL	71.23	0.28	(0.39)	20.13	73.00	65.00	73.00	59.19	73.00	55.77
HUBC	84.64	(0.33)	(1.31)	50.80	84.92	64.10	84.92	55.03	84.92	45.52
PSMC	126.55	(0.33)	(0.89)	(25.89)	126.99	82.38	134.44	82.38	198.56	82.38
EFERT	81.56	(0.63)	(0.62)	16.99	87.11	80.04	87.20	71.58	87.20	67.38
FATIMA	27.72	(0.82)	(0.96)	(7.34)	29.85	27.13	29.85	25.98	34.61	25.49
NPL	22.05	(0.99)	(0.54)	35.10	22.27	16.03	22.27	15.57	22.27	14.42
POWER	4.26	(1.39)	(0.93)	(7.79)	4.38	3.84	4.68	3.84	5.46	3.84
NCPL	19.88	(1.54)	(1.14)	39.70	20.19	14.93	20.19	13.60	20.19	9.78
AHCL	27.50	(1.79)	(1.79)	(20.15)	28.67	23.25	33.95	23.25	35.00	23.25
ITTEFAQ	6.10	(1.93)	(2.40)	9.91	7.12	4.40	7.12	4.20	8.60	4.20
FML	70.00	(2.10)	(2.10)	14.31	82.00	59.75	82.00	53.74	82.00	53.25
FABL	25.11	(2.33)	(3.61)	1.60	25.71	20.00	25.71	20.00	28.88	19.09

Source (s): Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	275.89	276.76	SELL	(0.87)
Companies	19.38	10.55	BUY	8.82
Banks / DFIs	14.74	16.20	SELL	(1.47)
NBFC	0.14	0.17	SELL	(0.03)
Mutual Funds	11.87	17.85	SELL	(5.98)
Other Organizations	3.80	4.47	SELL	(0.67)
Broker Proprietary Trading	60.69	63.07	SELL	(2.38)
Insurance Companies	1.75	4.48	SELL	(2.73)
Total	388.26	393.56	SELL	(5.30)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	201.50	202.64	SELL	(1.14)
Companies	16.35	16.38	SELL	(0.03)
Banks / DFIs	6.07	6.04	BUY	0.04
NBFC	0.10	0.09	BUY	0.01
Mutual Funds	6.73	12.71	SELL	(5.98)
Other Organizations	8.09	2.87	BUY	5.22
Broker Proprietary Trading	58.81	57.91	BUY	0.90
Insurance Companies	2.11	3.88	SELL	(1.77)
Total	299.75	302.52	SELL	-2.76

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	41.20	47.23	SELL	(6.03)
Fertilizer	9.56	10.13	SELL	(0.57)
Cement	29.20	29.44	SELL	(0.25)
Power Generation & Distribution	12.50	12.46	BUY	0.04
Exploration & Production	87.95	89.41	SELL	(1.46)
Oil & Gas Marketing Companies	33.54	33.18	BUY	0.36
Food and Personal Care Products	16.66	16.69	SELL	(0.03)
Textile Composite	4.49	5.20	SELL	(0.71)
Technology and Communication	43.55	44.10	SELL	(0.55)
Debt	2.15	2.15	SELL	-
All other Sectors	109.13	105.22	BUY	3.91
Total	389.92	395.22	SELL	(5.30)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	47.63	48.74	SELL	(1.11)
Fertilizer	5.03	5.22	SELL	(0.19)
Cement	15.62	15.83	SELL	(0.20)
Power Generation & Distribution	10.13	10.10	BUY	0.03
Exploration & Production	41.89	43.17	SELL	(1.28)
Oil & Gas Marketing Companies	41.11	41.33	SELL	(0.22)
Food and Personal Care Products	18.77	18.74	BUY	0.03
Textile Composite	5.17	5.17	SELL	(0.00)
Technology and Communication	50.45	50.64	SELL	(0.19)
Debt	-	-	SELL	-
All other Sectors	63.95	63.58	BUY	0.37
Total	299.75	302.52	SELL	(2.76)

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.05	0.02	BUY	0.02
Foreign Corporates	16.26	11.07	BUY	5.19
Overseas Pakistani	19.24	19.15	BUY	0.09
Total	35.54	30.25	BUY	5.30

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	3.53	3.47	BUY	0.06
Foreign Corporates	7.70	3.75	BUY	3.95
Overseas Pakistani	13.75	15.00	SELL	(1.25)
Total	24.99	22.23	BUY	2.76

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	8.33	2.30	BUY	6.03
Fertilizer	1.39	0.81	BUY	0.57
Cement	1.12	0.88	BUY	0.25
Power Generation & Distribution	0.57	0.61	SELL	(0.04)
Exploration & Production	5.44	3.98	BUY	1.46
Oil & Gas Marketing Companies	1.76	2.12	SELL	(0.36)
Food and Personal Care Products	1.19	1.16	BUY	0.03
Textile Composite	0.93	0.21	BUY	0.71
Technology and Communication	2.81	2.26	BUY	0.55
All other Sectors	12.00	15.91	SELL	(3.91)
Total	35.54	30.25	BUY	5.30

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	3.58	2.47	BUY	1.11
Fertilizer	0.55	0.36	BUY	0.19
Cement	0.88	0.68	BUY	0.20
Power Generation & Distribution	0.43	0.46	SELL	(0.03)
Exploration & Production	3.23	1.94	BUY	1.28
Oil & Gas Marketing Companies	2.36	2.15	BUY	0.22
Food and Personal Care Products	1.27	1.30	SELL	(0.03)
Textile Composite	0.22	0.21	BUY	0.00
Technology and Communication	6.15	5.96	BUY	0.19
All other Sectors	6.32	6.69	SELL	(0.37)
Total	24.99	22.23	BUY	2.76

Source (s): NCCPL, AHL Research

Pakistan Weekly Update

Pakistan
Stock Market



August 4, 2023

Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	4.1	2.4	1.8	2.6	3.0	3.3	3.5	3.5	2.4	3.0	10.1	-70.5%
P/E (x)	12.7	17.9	9.5	10.9	10.2	14.9	10.0	14.7	9.9	12.3	3.9	-68.0%
P/B (x)	1.7	2.6	1.5	1.2	1.1	1.5	1.2	2.0	0.9	1.5	0.6	-58.3%

Source: Bloomberg, AHL Research

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)
Ghana	GGSECI Index	3,128	8.5	7.1	16.0	Hungary	BUX Index	54,010	(0.9)	0.7	29.8
Turkey	XU100 Index	7,406	7.8	2.3	(6.8)	Poland	WIG20 Index	2,171	(1.0)	(1.6)	31.6
Latvia	RIGSE Index	1,421	6.8	3.4	26.9	Estonia	TALSE Index	1,868	(1.0)	(1.2)	8.8
Sri Lanka	CSEALL Index	11,634	6.6	2.2	57.7	Malaysia	FBMKLCI Index	1,445	(1.1)	(2.0)	(6.6)
Zimbabwe	ZHIALLSH Index	122,498	4.7	6.8	528.4	Indonesia	JCI Index	6,853	(1.4)	(1.5)	2.5
Pakistan	KSE100 Index	48,586	3.0	1.0	(5.2)	Iceland	ICEXI Index	2,044	(1.4)	(2.1)	0.1
Bulgaria	SOFIX Index	696	3.0	1.4	19.2	Thailand	SET Index	1,530	(1.4)	(3.1)	(8.2)
China	SHSZ300 Index	4,021	2.9	(0.3)	(0.1)	New Zealand	NZSE Index	1,837	(1.4)	(2.4)	(1.1)
Vietnam	VNIndex Index	1,226	2.1	0.1	21.2	India	SENSEX Index	65,721	(1.4)	(1.7)	8.0
Croatia	CRO Index	2,440	1.7	1.5	27.2	Greece	ASE Index	1,322	(1.5)	(0.9)	46.3
Mauritius	SEMDEX Index	2,028	1.5	1.8	(4.4)	Kenya	NSEASI Index	106	(1.6)	0.3	(28.1)
Dubai	DFMGI Index	4,083	1.3	0.6	22.4	Lebanon	BLOM Index	1,751	(1.6)	(2.3)	24.2
Kazakhstan	KZKAK Index	3,714	1.2	(0.0)	18.6	Tunisia	TUSISE Index	8,918	(1.6)	(0.8)	11.9
Luxembourg	LUXXX Index	1,503	0.7	(1.1)	5.9	South Korea	KOSPI Index	2,603	(1.6)	(3.0)	12.9
Ireland	ISEQ Index	9,071	0.6	0.2	31.3	Finland	HEX Index	9,659	(1.6)	(2.0)	(8.0)
Czech Republic	PX Index	1,366	0.6	(0.9)	16.4	Denmark	KFX Index	1,973	(1.7)	(2.7)	10.4
Egypt	EGX30 Index	17,451	0.4	(0.9)	(4.4)	Singapore	FSSTI Index	3,292	(1.8)	(3.0)	1.4
USA	INDU Index	35,387	0.3	(0.5)	6.8	France	CAC Index	7,289	(2.0)	(2.6)	15.9
Uae	ADSMI Index	9,786	0.3	(0.0)	(4.2)	Canada	SPTSX Index	20,181	(2.1)	(3.5)	5.6
Norway	OBXP Index	553	0.1	(0.3)	(2.8)	Netherland	AEX Index	770	(2.4)	(2.6)	15.1
Oman	MSM30 Index	4,783	0.1	0.2	(1.5)	Japan	NKY Index	32,193	(2.6)	(2.7)	14.0
Ukraine	PFTS Index	507	0.1	0.0	(2.4)	Europe	SX5E Index	4,318	(2.6)	(3.3)	17.2
Jordan	JOSMGNFF Index	2,437	0.1	(0.4)	(2.5)	Portugal	PSI20 Index	6,002	(2.7)	(2.0)	7.9
Lithuania	VILSE Index	978	0.0	(0.2)	6.3	UK	UKX Index	7,517	(2.8)	(3.0)	6.5
Russia	IMOEX Index	3,134	(0.2)	(1.7)	11.8	Slovenia	SBITOP Index	1,224	(2.8)	(2.4)	20.4
USA	SPX Index	4,528	(0.2)	(1.3)	17.9	Germany	DAX Index	15,892	(2.8)	(3.2)	17.5
Serbia	BELEX15 Index	874	(0.2)	0.1	9.5	Brazil	IBOV Index	120,157	(2.8)	(3.9)	19.0
Belgium	BEL20 Index	3,718	(0.4)	(0.1)	(3.2)	Chile	IPSA Index	6,276	(3.0)	(2.1)	19.8
Belgium	BEL20 Index	3,718	(0.4)	(0.1)	(3.2)	Italy	FTSEMIB Index	28,612	(3.0)	(3.3)	24.2
Russia	RTSI\$ Index	1,034	(0.4)	(2.2)	6.6	Switzerland	SMI Index	11,046	(3.1)	(2.4)	9.1
USA	NDX Index	15,391	(0.5)	(2.3)	40.7	Sweden	OMX Index	2,199	(3.3)	(2.9)	6.1
Bahrain	BHSEASI Index	1,982	(0.5)	(0.5)	4.6	Spain	IBEX Index	9,328	(3.5)	(3.1)	16.7
Hong Kong	HSI Index	19,539	(0.6)	(2.8)	(1.3)	Australia	AS51 Index	7,325	(3.7)	(3.0)	0.8
Austria	ATX Index	3,195	(0.6)	(1.4)	5.2	Taiwan	TWSE Index	16,844	(3.8)	(2.5)	15.5
Nigeria	NGSEINDX Index	65,198	(0.7)	0.2	(24.4)	Argentina	MERVAL Index	441,516	(3.8)	(4.5)	39.0
Mongolia	MSETOP Index	36,475	(0.8)	(1.2)	(3.4)	Saudi Arabia	SASEIDX Index	11,376	(4.0)	(2.7)	8.8
Romania	BET Index	13,131	(0.8)	(0.8)	15.8	Mexico	MEXBOL Index	53,530	(4.5)	(4.5)	25.8
Qatar	DSM Index	10,799	(0.9)	(1.5)	1.4	Philippines	PCOMP Index	6,451	(5.0)	(3.7)	(1.7)

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

Key Economic Data & Commodities Prices

Month end	Units	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Current*
Money Market Data														
03-M T-Bill	%	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.95	22.39
06-M T-Bill	%	15.8	15.7	15.7	16.9	17.0	17.87	19.82	21.32	21.80	22.00	22.87	22.99	22.81
12-M T-Bill	%	15.9	15.7	15.7	16.9	17.0	17.95	19.93	21.39	21.76	22.00	22.93	23.02	22.89
03-Y PIB	%	13.7	13.8	14.1	15.1	15.6	16.83	18.20	18.33	18.30	19.10	19.47	19.46	19.32
05-Y PIB	%	13.0	13.1	13.2	14.0	14.6	15.48	15.80	15.23	15.00	15.10	16.08	16.86	16.48
10-Y PIB	%	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.95	22.39
06-M KIBOR	%	16.0	15.9	15.8	17.0	17.0	17.97	20.06	22.03	22.06	22.18	22.97	23.22	22.95
Policy Rate	%	15.00	15.00	15.00	16.00	16.00	17.00	17.00	20.00	21.00	21.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	27.3	23.2	26.6	23.8	24.5	27.6	31.6	35.4	36.4	38.0	29.4	28.3	28.3
Monetary Sector														
M1	PKR bn	22,361	22,661	22,578	22,805	22,963	22,798	23,131	24,074	24,802	25,017	n.a	n.a	25,017
M2	PKR bn	26,894	27,261	27,296	27,387	27,335	27,292	27,878	28,732	29,433	29,859	n.a	n.a	29,859
M3	PKR bn	30,432	30,737	30,737	30,818	30,744	30,688	31,241	32,070	32,743	33,140	n.a	n.a	33,140
Banking Sector														
Deposits	PKR bn	22,152	22,820	22,412	22,732	22,467	22,754	22,921	23,562	23,429	24,388	25,508	n.a	25,508
Advances	PKR bn	10,922	11,084	11,052	11,092	11,913	11,659	11,723	11,836	12,111	12,072	12,202	n.a	12,202
Investment	PKR bn	18,183	17,484	18,285	18,483	17,902	19,293	18,993	19,236	19,695	20,144	20,896	n.a	20,896
WALR	%	13.2	13.7	14.0	14.12	14.6	15.0	15.5	16.3	17.6	17.7	18.2	n.a	18.2
WADR	%	7.5	7.6	7.7	7.79	8.1	8.0	8.7	8.7	9.7	10.2	10.5	n.a	10.5
Spread	%	5.7	6.0	6.2	6.33	6.5	7.0	6.8	7.5	7.9	7.6	7.7	n.a	7.7
External Sector														
Forex Reserves	USD bn	13.4	13.3	14.7	13.4	10.8	8.4	9.3	9.8	10.0	9.5	9.2	13.5	13.5
With SBP	USD bn	7.7	7.9	8.9	7.5	5.3	3.1	3.8	4.2	4.5	4.1	4.4	8.2	8.2
With Banks	USD bn	5.7	5.4	5.8	5.9	5.6	5.3	5.5	5.6	5.6	5.4	4.7	5.3	5.3
Exchange rate	PKR/USD	218.8	228.5	220.9	223.9	226.4	267.9	261.5	283.7	283.8	285.5	286.0	286.6	287.0
C/A Balance	USD mn	(676.0)	(363.0)	(569.0)	(252.0)	(290.0)	(230.0)	(36.0)	750.0	78.0	220.0	334.0	n.a	334.0
Exports	USD bn	2.8	2.5	2.3	2.2	2.3	2.2	2.2	2.4	2.1	2.6	2.1	n.a	2.1
Imports	USD bn	5.8	4.8	4.6	4.3	4.2	3.9	3.9	4.0	3.7	3.8	3.2	n.a	3.2
Trade Balance	USD bn	(3.0)	(2.3)	(2.3)	(2.0)	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	n.a	(1.1)
Remittances	USD bn	2.7	2.4	2.2	2.1	2.1	1.9	2.0	2.5	2.2	2.0	2.2	n.a	2.2
Key Commodities Prices														
International														
Coal	USD/ton	346.5	295.0	214.6	250.8	205.6	141.7	143.1	132.5	127.9	100.2	100.3	102.7	105.8
Steel (HRC)	USD/ton	577.8	566.3	509.5	550.6	595.5	635.9	628.8	636.2	574.0	519.9	531.7	569.1	559.0
PTA	USD/ton	860.0	870.0	805.0	795.0	790.0	830.0	785.0	840.0	875.0	780.0	770.0	825.0	825.0
Gold	USD/oz	1,711.0	1,660.6	1,633.6	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	1,934.1
Cotton (COTLOOK A)	USD/lb	135.3	107.1	92.5	97.5	99.3	102.0	99.4	96.5	93.2	93.8	89.3	94.9	97.3
Crude oil (WTI)	USD/bbl	89.6	79.5	86.5	80.6	80.3	78.9	77.1	74.4	76.8	68.1	67.7	81.8	81.6
Crude oil (Arab Light)	USD/bbl	105.2	98.4	95.6	85.3	84.2	82.9	83.4	78.8	80.9	74.7	77.8	88.8	87.2
Crude oil (Brent)	USD/bbl	96.5	88.0	94.8	85.4	85.9	84.5	83.9	79.3	79.5	72.7	72.3	85.6	85.1
Local														
Cotton	PKR/maund	21,500.0	19,000.0	16,000.0	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	17,935
Cement	PKR/bag	1,035.8	1,029.5	1,033.2	1,043.5	1,043.7	1,043.0	1,109.9	1,125.8	1,120.9	1,121.4	1,145.4	1,145.4	1,143.5
Gold	PKR/10 grms	123,890	123,970	128,090	138,460	158,780	173,190	166,580	178,160	188,230	197,620	185,270	190,590	189,220

*Current Price

Disclaimer

Analyst Certification: The research analyst(s) is (are) principally responsible for preparation of this report. The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject security (ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security (ies). Furthermore, compensation of the Analyst(s) is not determined nor based on any other service(s) that AHL is offering. Analyst(s) are not subject to the supervision or control of any employee of AHL's non-research departments, and no personal engaged in providing non-research services have any influence or control over the compensatory evaluation of the Analyst(s).

Equity Research Ratings

Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Jun'24 for Target Price. In addition, return excludes all type of taxes. For more details kindly refer the following table;

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**

This document has been prepared by Research analysts at Arif Habib Limited (AHL). This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, AHL does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. AHL reserves the right to make modifications and alterations to this statement as may be required from time to time. However, AHL is under no obligation to update or keep the information current. AHL is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his or her own advisors to determine the merits and risks of such investment. AHL or any of its affiliates shall not be in any way responsible for any loss or damage that may be arise to any person from any inadvertent error in the information contained in this report.

© 2023 Arif Habib Limited: Corporate Member of the Pakistan Stock Exchanges. No part of this publication may be copied, reproduced, stored or disseminated in any form or by any means without the prior written consent of Arif Habib Limited.

Disclosure required under Research Analyst Regulations, 2015:

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

Arif Habib Limited (AHL) has a shareholding in OGDC, PPL, NBP, BOP, FFBL, PSO and UNITY.