

## The wait continues

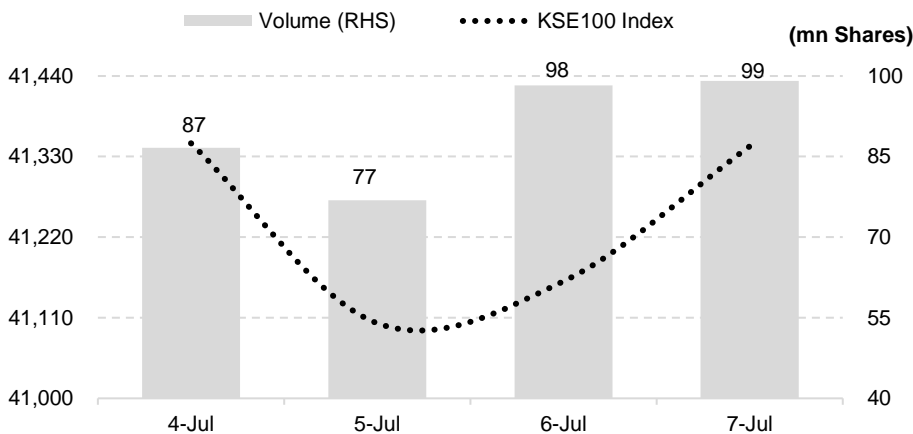
The market commenced on a negative note this week, amid concerns over the resumption of the IMF program. Moreover, the Pak Rupee climbed up by PKR 3.06 against the USD, closing the week at PKR 207.91. In addition to this, the cement offtake reported a decline of 7.9% YoY during FY22. Whereas, MS and HSD sales during Jun'22 witnessed a drop of 12% and 16% MoM, respectively. Meanwhile, the reduction in Arab Light price by 4% provided some respite to the investors and cushioned the overall dip. The market closed at 41,344 points, losing 286 points (down by 0.7%) WoW.

Sector-wise negative contributions came from i) Cement (97pts), ii) Fertilizer (57pts), iii) Commercial Banks (30pts), iv) Chemical (27pts) and v) Power Generation & Distribution (24pts). Whereas, sectors which contributed positively were i) Technology & Communication (27pts), ii) Oil & Gas Marketing Companies (18pts), iii) Oil & Gas Exploration Companies (13pts), iv) Close-End Mutual Funds (4pts) and v) Real Estate Investment Trust (3pts). Scrip-wise negative contributors were LUCK (49pts), POL (39pts), EPCL (34pts), BAML (33pts) and ENGRO (33pts). Meanwhile, scrip-wise positive contribution came from OGDC (39pts), PPL (27pts), TRG (15pts), SNGP (14pts) and HBL (13pts).

Foreign buying was witnessed this week, clocking in at USD 1.63mn compared to a net buy of USD 1.52mn last week. Major buying was witnessed in all other sectors (USD 0.63mn) and technology (USD 0.56mn). On the local front, selling was reported by mutual funds (USD 2.91mn) followed by banks (USD 2.20mn). Average volumes clocked in at 90mn shares (down by 55% WoW) while average value traded settled at USD 15mn (down by 52% WoW).

Other major news: i) SBP extends deadline for implementing IFRS-9 to 1st Jan'23, ii) Bank advances to private sector swell by 142pc, iii) Rs9.42/unit tariff hike approved for KE and iv) Urea Sales Rise by Massive 73% MoM.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

We expect the market to remain range-bound next week. Since next week will be a short one (due to Eid), with three-day working days along with lack of any major triggers, the market activity is expected to remain subdued. We recommend the investors to cherry-pick the scrips. Our preferred stocks are OGDC, PPL, MARI, MCB, FABL, MEBL, BAFL, LUCK, MLCF, FCCL, ENGRO, FFC, HUBC, PSO and SNGP. The KSE-100 is currently trading at a PER of 4.2x (2022) compared to Asia Pac regional average of 11.9x while offering a dividend yield of ~9.3% versus ~3.0% offered by the region.

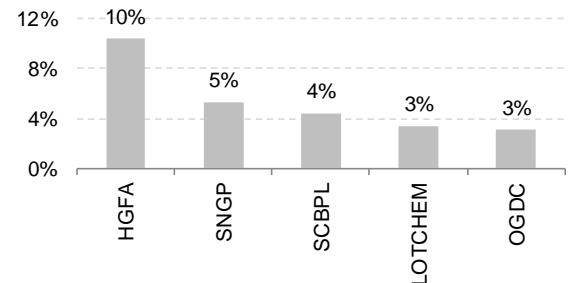
## PSX Indices Performance

Index	Current	WoW (%)	CY22TD (%)
KSE100	41,344	(0.5)	(7.3)
KSEAll	28,474	(0.4)	(7.3)
KSE30	15,728	(0.5)	(10.1)
KMI30	67,947	(1.2)	(5.2)
BKTI	10,657	0.9	(17.4)
OGTI	11,165	0.2	(2.7)

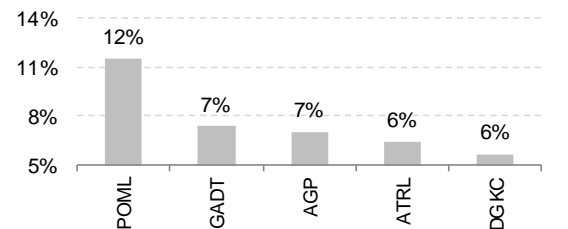
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
AGL	9.4	7.1
SNGP	5.8	37.4
PRL	4.0	17.1
LOTCEM	3.9	25.0
WTL	3.4	1.4

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



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## Business & Economic developments during the week.

### IMF explains how country can realize its export potential (BR)

The International Monetary Fund (IMF) Resident Representative, Esther Perez Ruiz has said that Pakistan needs proactive policies – exchange rate flexibility, efficient allocation of resources, elimination of untargeted subsidies, and creating a conducive business environment in the country to realize the export potential. Speaking at the launch, “Trade Connectivity” book with the support of Friedrich Naumann Foundation (FNF) Pakistan by the Economic Advisory Group (EAG) and Policy Research Institute of Market Economy (PRIME), she said that according to her professional and personal experience, trade really makes a difference for people and help the country overcome the external vulnerabilities as that case with her own country.

### More items to need SBP nod before import (The News)

The State Bank of Pakistan (SBP) has added a few more names to the list of those goods for which commercial banks need central bank’s approval before starting import proceedings, a circular said. “The list of goods for which Authorized Dealers are required to seek prior permission from Foreign Exchange Operations Department (FEOD), SBP-BSC [Banking Services Corporation] for initiating the import transaction, has been updated,” the SBP said. Henceforth, Authorized Dealers will be required to seek prior permission from FEOD, SBP-BSC before starting transactions for the import of goods mentioned in the new list, it added.

### CPHGC seeks funds for procurement of Afghan coal (BR)

The China Power Hub Generation Company (Pvt.) Ltd (CPHGC) has sought the required funds for import of coal from Afghanistan as a deal is expected to be signed on Wednesday (today) and delivery will start from July 10, 2022. This was conveyed by Chief Executive Officer (CEO) CPHGC to CEO, CPPA-G on the proposed plan and progress to import coal from Afghanistan as per special instructions of Pakistan government. CPHGC is one of the CPEC coal-fired power projects with 1,320-MW of gross capacity. CPHGC supports the vision of the GoP to create an economically viable environment in power sector of the country by providing cost effective energy production despite the currently unfavorable economic conditions.

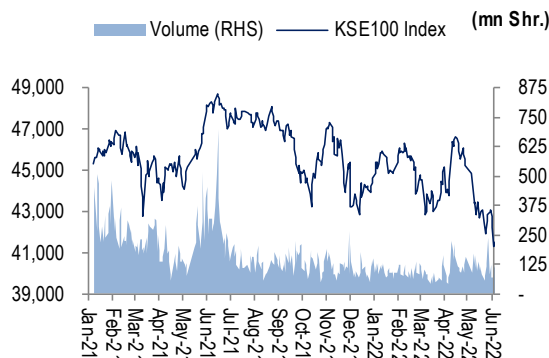
### Duty drawback SROs modified (Dawn)

The Federal Board of Revenue has changed the PCT heading of duty drawback rates on several items to facilitate exporters. Four different duty drawback notifications were issued to amend the 2005 notifications which will come into effect from July 1. The export SRO973 was issued to amend SRO209 on export of textile and allied products, while the SRO974 to amend the SRO210 on export of leather and allied products and sports goods.

### RDA inflows hit historic high of \$4.6bn (BR)

Inflows of Roshan Digital Account (RDA) continued to post healthy growth, reaching historic level of \$4.6 billion at the end of June 2022. According to statistics released by the State Bank of Pakistan (SBP) on Tuesday, month-on-month basis RDA inflows increased by 32 percent to a 3-month high of \$250 million in June 2022 compared to \$189 million during May 2022. “Both the SBP and the government remained committed to serving the needs of overseas Pakistanis,” the SBP said in a tweet. Total RDA inflows have now crossed \$4.6 billion in June 2022. Overall, during the last fiscal year (FY22) RDA inflows rose by 195 percent to 4.606 billion in June 2022 up from \$1.562 billion in June 2021, depicting an increase of \$3.044 billion.

## PSX Volume & Index



## Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
OGDC	39.1
PPL	26.9
TRG	15.4
SNGP	13.7
HBL	12.5
	<b>107.6</b>

## Bearish Companies

LUCK	(49.2)
POL	(38.9)
EPCL	(33.8)
BAHL	(33.3)
ENGRO	(32.5)
	<b>(187.7)</b>

## Sectors

### Bullish Sectors

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Technology & Communication	27.2
Oil & Gas Marketing Companies	17.7
Oil & Gas Exploration Companies	13.5
Close - End Mutual Fund	3.6
	<b>62.0</b>

### Bearish Sectors

Cement	(96.6)
Fertilizer	(57.5)
Commercial Banks	(30.3)
Chemical	(27.3)
Power Generation & Distribution	(24.0)
	<b>(235.6)</b>



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## AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
NCPL	18.02	14.05	20.86	12.63	18.02	14.30	18.67	13.68	18.67	11.74
FML	70.00	8.36	12.13	(2.26)	74.64	59.85	74.64	59.85	99.21	59.85
NPL	21.25	5.46	8.97	18.01	21.25	16.29	21.25	16.29	21.25	15.27
SNGP	37.37	5.36	9.24	11.72	37.37	25.88	37.37	25.88	50.47	25.88
LOTCHEM	25.02	3.39	5.93	83.16	27.80	14.46	27.80	13.58	27.80	12.03
OGDC	80.46	3.09	2.28	(3.44)	86.76	75.17	91.81	75.17	91.81	75.17
ICI	746.34	2.94	3.01	0.67	828.45	679.00	828.45	679.00	874.55	679.00
PPL	68.62	2.39	1.64	(11.57)	79.00	64.91	85.92	64.91	85.92	64.91
HUMNL	6.98	2.35	(1.97)	12.88	8.15	6.22	8.15	6.02	8.18	5.18
BOP	5.58	2.20	2.95	(25.89)	7.38	5.41	7.76	5.41	7.92	5.41
FABL	23.84	1.53	3.38	7.82	28.38	20.41	28.38	20.41	28.38	15.72
APL	324.17	1.21	0.89	7.74	331.72	293.35	343.95	293.35	343.95	276.78
FFBL	20.26	0.90	0.10	(18.24)	24.93	19.93	27.25	19.93	27.92	19.93
HBL	91.82	0.75	0.53	(17.98)	114.02	90.08	119.71	90.08	122.85	90.08
ILP	61.02	0.69	0.03	(13.81)	74.17	60.60	80.32	60.60	80.32	60.60
ACPL	67.50	0.55	1.50	(50.67)	124.20	66.50	137.68	66.50	171.60	66.50
KOHC	129.60	0.55	(0.41)	(31.28)	174.82	126.22	189.48	126.22	234.44	126.22
FATIMA	37.65	0.37	(0.40)	14.08	41.29	35.76	41.29	31.69	41.29	25.58
MCB	125.47	0.29	2.02	(12.50)	148.47	122.34	153.64	122.34	153.64	122.34
MEBL	115.00	0.05	1.79	(12.14)	145.03	111.06	145.03	111.06	149.90	92.83
AHCL	36.00	(0.03)	(2.70)	0.47	40.05	32.65	40.05	32.65	40.05	32.19
PSO	172.35	(0.04)	0.30	(5.24)	174.93	155.63	196.85	155.63	219.40	155.63
INDU	1,153.10	(0.17)	0.76	(2.13)	1,353.46	1,114.90	1,413.03	1,114.90	1,413.03	1,020.18
ABL	68.88	(0.25)	(0.17)	(12.24)	83.72	68.07	87.22	68.07	87.22	63.20
MTL	875.00	(0.26)	0.28	53.07	910.70	719.18	910.70	569.85	910.70	561.85
AKBL	17.20	(0.29)	(1.32)	(21.89)	20.24	16.88	23.57	16.88	24.61	16.88
PTL	32.26	(0.37)	(0.43)	(22.75)	34.12	24.62	42.35	24.62	63.09	24.62
UBL	114.00	(0.45)	0.77	(9.83)	138.86	111.57	138.86	111.57	138.86	102.89
UNITY	19.91	(0.55)	(0.80)	(24.78)	28.25	19.82	32.42	19.82	45.76	19.82
HUBC	67.86	(0.96)	(0.45)	3.32	72.96	63.03	76.76	63.03	76.76	63.03
EFERT	89.76	(1.05)	1.26	32.13	95.51	84.93	95.51	67.55	95.51	56.61
NBP	27.47	(1.15)	(1.72)	(20.42)	32.44	26.57	37.01	26.57	37.13	26.57
MARI	1,726.51	(1.16)	(0.76)	8.25	1,790.97	1,586.58	1,800.13	1,572.64	1,800.13	1,366.75
BAFL	32.10	(1.17)	0.31	(1.71)	36.87	31.25	36.87	31.25	36.87	27.27
SGF	40.00	(1.23)	(0.45)	(10.05)	49.47	39.58	50.86	39.58	59.45	39.44
FFC	110.53	(1.30)	0.28	18.75	123.01	108.35	123.01	91.45	123.01	86.03
POWER	5.21	(1.33)	(2.07)	(18.08)	6.60	5.16	6.64	5.16	9.93	5.16
HTL	39.26	(1.48)	(0.98)	(5.95)	47.27	37.34	48.19	37.34	64.09	36.53
PSMC	202.41	(1.49)	(4.17)	(10.64)	219.46	176.00	226.52	176.00	353.92	176.00
ITTEFAQ	6.96	(1.56)	(0.85)	(41.85)	10.77	6.75	12.53	6.75	19.07	6.75
KAPCO	27.36	(1.58)	(0.62)	(4.60)	31.42	26.24	31.99	26.24	32.43	23.61
ENGRO	251.96	(1.59)	(2.00)	(3.17)	284.00	251.96	284.00	251.78	284.00	249.97
NCL	45.01	(2.15)	0.49	4.79	55.46	43.38	55.46	42.95	55.46	37.24
NML	71.67	(2.37)	(3.03)	(9.94)	90.59	71.26	96.77	71.26	96.77	71.26
ASTL	23.02	(2.58)	(1.79)	(48.57)	33.02	21.94	47.09	21.94	48.54	21.94
POL	397.39	(2.91)	(2.07)	17.08	420.13	366.19	420.13	332.10	420.13	317.73
AGHA	14.89	(3.00)	(5.04)	(43.10)	18.75	13.83	27.62	13.83	32.53	13.83
FCCL	13.72	(3.38)	(3.18)	(25.31)	18.59	13.47	19.07	13.47	23.26	13.47
LUCK	435.40	(3.82)	(5.15)	(35.90)	626.22	435.31	701.27	435.31	911.53	435.31
HCAR	179.95	(3.89)	(7.59)	(20.84)	199.91	163.67	232.15	163.67	372.93	163.67
MLCF	25.84	(4.23)	(5.52)	(28.12)	38.44	23.95	38.44	23.95	47.51	23.95
EPCL	74.89	(5.33)	(5.95)	59.97	89.08	59.87	89.08	46.82	89.08	34.16
DGKC	57.69	(5.67)	(7.70)	(30.44)	74.25	54.35	84.89	54.35	119.61	54.35

Source (s): Bloomberg, AHL Research

## Local & Foreign Investors Portfolio Investment (USD mn)

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	54.36	51.20	BUY	3.16
Companies	5.09	3.03	BUY	2.06
Banks / DFIs	1.99	4.19	SELL	(2.20)
NBFC	0.26	1.35	SELL	(1.09)
Mutual Funds	2.69	5.60	SELL	(2.91)
Other Organizations	1.72	0.31	BUY	1.41
Broker Proprietary Trading	13.41	13.91	SELL	(0.51)
Insurance Companies	0.35	1.91	SELL	(1.56)
<b>Total</b>	<b>79.86</b>	<b>81.49</b>	<b>SELL</b>	<b>-1.63</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	128.98	124.90	BUY	4.07
Companies	22.53	23.52	SELL	(0.99)
Banks / DFIs	21.68	14.88	BUY	6.80
NBFC	1.64	0.35	BUY	1.29
Mutual Funds	7.19	9.79	SELL	(2.60)
Other Organizations	2.35	3.15	SELL	(0.80)
Broker Proprietary Trading	45.30	42.40	BUY	2.90
Insurance Companies	2.83	15.01	SELL	(12.19)
<b>Total</b>	<b>232.49</b>	<b>234.02</b>	<b>SELL</b>	<b>-1.52</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	3.37	2.95	BUY	0.42
Fertilizer	3.79	4.16	SELL	(0.37)
Cement	9.52	9.70	SELL	(0.18)
Power Generation & Distribution	1.99	2.00	SELL	(0.01)
Exploration & Production	6.44	6.46	SELL	(0.02)
Oil & Gas Marketing Companies	7.85	7.92	SELL	(0.07)
Food and Personal Care Products	2.57	2.73	SELL	(0.16)
Textile Composite	1.37	1.42	SELL	(0.05)
Technology and Communication	7.67	8.23	SELL	(0.56)
Debt	1.81	1.81	SELL	-
All other Sectors	33.48	34.10	SELL	(0.63)
<b>Total</b>	<b>79.86</b>	<b>81.49</b>	<b>SELL</b>	<b>(1.63)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	26.17	26.22	SELL	(0.05)
Fertilizer	7.10	6.82	BUY	0.28
Cement	30.15	30.10	BUY	0.05
Power Generation & Distribution	6.14	6.02	BUY	0.12
Exploration & Production	14.71	14.85	SELL	(0.15)
Oil & Gas Marketing Companies	14.61	14.90	SELL	(0.29)
Food and Personal Care Products	16.72	16.86	SELL	(0.15)
Textile Composite	8.25	8.28	SELL	(0.03)
Technology and Communication	32.80	34.27	SELL	(1.47)
Debt	5.46	5.46	SELL	-
All other Sectors	70.39	70.24	BUY	0.16
<b>Total</b>	<b>232.49</b>	<b>234.02</b>	<b>SELL</b>	<b>-1.52</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	BUY	0.00
Foreign Corporates	1.82	1.29	BUY	0.53
Overseas Pakistani	4.28	3.18	BUY	1.10
<b>Total</b>	<b>6.11</b>	<b>4.48</b>	<b>BUY</b>	<b>1.63</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	BUY	0.00
Foreign Corporates	2.91	2.59	BUY	0.32
Overseas Pakistani	8.44	7.24	BUY	1.20
<b>Total</b>	<b>11.35</b>	<b>9.83</b>	<b>BUY</b>	<b>1.52</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.49	0.91	SELL	(0.42)
Fertilizer	0.84	0.47	BUY	0.37
Cement	0.41	0.23	BUY	0.18
Power Generation & Distribution	0.12	0.10	BUY	0.01
Exploration & Production	0.40	0.38	BUY	0.02
Oil & Gas Marketing Companies	0.45	0.38	BUY	0.07
Food and Personal Care Products	0.34	0.18	BUY	0.16
Textile Composite	0.10	0.05	BUY	0.05
Technology and Communication	0.98	0.42	BUY	0.56
All other Sectors	1.97	1.35	BUY	0.63
<b>Total</b>	<b>6.11</b>	<b>4.48</b>	<b>BUY</b>	<b>1.63</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.26	1.21	BUY	0.05
Fertilizer	0.33	0.61	SELL	(0.28)
Cement	0.84	0.89	SELL	(0.05)
Power Generation & Distribution	0.38	0.50	SELL	(0.12)
Exploration & Production	0.53	0.38	BUY	0.15
Oil & Gas Marketing Companies	0.78	0.49	BUY	0.29
Food and Personal Care Products	0.51	0.36	BUY	0.15
Textile Composite	0.16	0.13	BUY	0.03
Technology and Communication	3.59	2.12	BUY	1.47
All other Sectors	2.98	3.14	SELL	(0.16)
<b>Total</b>	<b>11.35</b>	<b>9.83</b>	<b>BUY</b>	<b>1.52</b>

Source (s): NCCPL, AHL Research

## Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	3.1	1.7	1.8	2.1	4.7	3.2	2.9	5.0	2.4	3.0	9.3	-67.9%
P/E (x)	16.1	16.7	9.5	12.8	8.5	14.5	10.3	10.1	8.3	11.9	4.2	-64.8%
P/B (x)	1.8	2.6	1.6	1.3	8.7	1.5	1.2	1.7	0.8	2.4	0.7	-69.8%

Source: Bloomberg, AHL Research

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY22TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY22TD (%)
Kenya	NSEASI Index	133	6.3	6.7	(23.4)	Uae	ADSMI Index	9,223	(1.3)	(1.6)	8.7
Argentina	MERVAL Index	95,076	4.8	6.5	(7.4)	Nigeria	NGSEINDX Index	51,542	(1.3)	(1.4)	20.5
Jordan	JOSMGNFF Index	2,569	3.7	3.7	20.9	Europe	SX5E Index	3,469	(1.4)	(2.3)	(27.7)
New Zealand	NZSE Index	1,768	3.2	1.1	(24.3)	Serbia	BELEX15 Index	842	(1.5)	(2.5)	(7.4)
Australia	AS51 Index	6,648	2.4	0.1	(16.1)	Finland	HEX Index	10,349	(1.6)	(1.5)	(27.5)
USA	NDX Index	11,853	2.3	3.0	(27.4)	Czech Republic	PX Index	1,224	(1.6)	(5.1)	(22.5)
India	SENSEX Index	54,178	2.1	1.9	(12.5)	Mauritius	SEMDEX Index	2,077	(1.8)	(2.8)	(5.0)
Bahrain	BHSEASI Index	1,872	1.8	1.8	4.2	Bulgaria	SOFIX Index	610	(1.9)	(3.1)	(13.5)
Japan	NKY Index	26,491	1.8	0.3	(21.9)	Lithuania	VILSE Index	893	(1.9)	(2.5)	(16.7)
Philippines	PCOMP Index	6,352	1.6	1.4	(18.6)	Mexico	MEXBOL Index	47,722	(2.0)	(2.6)	(11.4)
Iceland	ICEXI Index	2,337	1.6	0.6	(15.5)	Thailand	SET Index	1,562	(2.0)	(2.6)	(13.0)
Sweden	OMX Index	1,936	1.3	0.3	(31.2)	<b>Pakistan</b>	<b>KSE100 Index</b>	<b>41,344</b>	<b>(2.2)</b>	<b>(1.9)</b>	<b>(21.3)</b>
South Korea	KOSPI Index	2,334	1.2	(0.9)	(28.2)	Canada	SPTSX Index	18,730	(2.2)	(2.2)	(14.6)
Singapore	FSSTI Index	3,129	0.9	0.1	(3.6)	Indonesia	JCI Index	6,653	(2.2)	(4.2)	(3.9)
Switzerland	SMI Index	10,946	0.6	0.0	(20.0)	Germany	DAX Index	12,773	(2.3)	(2.8)	(27.5)
Lebanon	BLOM Index	1,450	0.6	1.3	40.9	Romania	BET Index	12,331	(2.3)	(2.4)	(14.9)
USA	SPX Index	3,845	0.5	1.6	(19.3)	Italy	FTSEMIB Index	21,280	(2.3)	(2.8)	(29.9)
Norway	OBXP Index	554	0.2	(1.6)	(14.3)	Ireland	ISEQ Index	6,291	(2.4)	(2.5)	(33.3)
South Africa	JALSH Index	67,219	0.2	(1.4)	(13.2)	Brazil	IBOV Index	98,719	(2.6)	(4.4)	(3.8)
Ghana	GGSECI Index	2,546	0.0	0.3	(29.9)	Malaysia	FBMKLCI Index	1,419	(2.6)	(2.3)	(15.0)
Ukraine	PFTS Index	519	(0.0)	(0.5)	(8.2)	Luxembourg	LUXXX Index	1,425	(2.7)	(3.9)	(23.2)
Taiwan	TWSE Index	14,336	(0.1)	(3.5)	(26.9)	Estonia	TALSE Index	1,773	(2.9)	(3.7)	(20.2)
Oman	MSM30 Index	4,119	(0.1)	(0.1)	(0.3)	Dubai	DFMGI Index	3,109	(2.9)	(3.5)	(2.7)
USA	INDU Index	31,038	(0.2)	0.9	(14.6)	Poland	WIG20 Index	1,704	(2.9)	(3.9)	(35.0)
Bangladesh	DSEX Index	6,367	(0.3)	(0.3)	(13.5)	Croatia	CRO Index	1,985	(3.0)	(3.8)	(13.9)
UK	UKX Index	7,176	(0.4)	(1.5)	(14.0)	Vietnam	VNIndex Index	1,166	(3.1)	(3.0)	(24.0)
China	SHSZ300 Index	4,443	(0.5)	(1.0)	(14.7)	Kazakhstan	KZKAK Index	2,668	(3.3)	(2.0)	(34.1)
Denmark	KFX Index	1,676	(0.6)	(0.4)	(19.0)	Austria	ATX Index	2,822	(3.4)	(4.7)	(34.1)
Netherland	AEX Index	665	(0.6)	(1.9)	(25.4)	Spain	IBEX Index	8,051	(3.5)	(3.3)	(16.7)
Tunisia	TUSISE Index	7,515	(0.8)	(1.3)	(2.7)	Turkey	XU100 Index	2,415	(4.0)	(2.8)	(0.3)
Qatar	DSM Index	12,085	(0.9)	(0.9)	4.0	Latvia	RIGSE Index	1,117	(4.0)	(4.1)	(21.0)
Saudi Arabia	SASEIDX Index	11,417	(1.0)	(1.0)	1.2	Greece	ASE Index	789	(4.0)	(5.3)	(20.9)
Hong Kong	HSI Index	21,644	(1.0)	(1.0)	(8.1)	Hungary	BUX Index	39,571	(4.0)	(5.4)	(37.0)
France	CAC Index	5,989	(1.0)	(1.7)	(25.0)	Portugal	PSI20 Index	5,924	(4.0)	(4.7)	(4.7)
Slovenia	SBITOP Index	1,128	(1.1)	(1.9)	(19.2)	Chile	IPSA Index	5,007	(4.2)	(4.3)	1.4
Mongolia	MSETOP Index	32,885	(1.2)	(0.1)	(32.7)	Egypt	EGX30 Index	8,776	(5.4)	(5.4)	(39.0)
Zimbabwe	ZHIALSH Index	19,341	(1.3)	(2.3)	82.4	Sri Lanka	CSEALL Index	7,058	(5.7)	(4.3)	(67.6)
Belgium	BEL20 Index	3,735	(1.3)	(1.4)	(22.4)	Russia	IMOEX Index	2,223	(10.8)	(13.1)	(30.9)

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

## Key Economic Data & Commodities Prices

Month end	Units	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	7.2	7.2	7.6	8.2	9.7	10.4	10.2	10.5	11.8	14.5	14.3	15.0	15.1
06-M T-Bill	%	7.5	7.4	8.0	8.8	10.2	11.3	10.6	10.9	12.4	14.6	14.5	15.2	15.3
12-M T-Bill	%	7.7	7.6	8.7	9.1	10.7	11.4	10.8	11.0	12.5	14.6	14.6	15.3	15.5
03-Y PIB	%	8.9	8.7	9.7	9.9	11.4	11.4	10.8	10.9	12.2	13.2	13.6	13.5	13.9
05-Y PIB	%	9.4	9.3	10.0	10.2	11.5	11.5	10.9	11.0	12.0	12.9	12.6	12.9	13.4
10-Y PIB	%	10.0	9.9	10.5	11.0	11.9	11.6	11.1	11.1	11.9	12.6	12.6	12.9	13.2
06-M KIBOR	%	7.6	7.5	8.2	8.9	10.3	11.5	10.7	11.0	12.5	15.0	14.7	15.4	11.0
Policy Rate	%	7.00	7.00	7.25	7.25	8.75	9.75	9.75	9.75	9.75	12.25	13.75	13.75	15.00
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	8.4	8.4	9.0	9.2	11.5	12.3	13.0	13.0	12.7	13.4	13.8	21.3	21.3
<b>Monetary Sector</b>														
M1	PKR bn	19,888	19,812	20,085	19,902	20,128	20,444	20,204	20,210	20,683	21,179	21,448	n.a	21,448
M2	PKR bn	23,576	23,537	23,904	23,646	23,933	24,369	24,211	24,176	24,727	25,155	25,634	n.a	25,634
M3	PKR bn	27,563	27,494	27,840	27,576	27,854	28,273	28,122	28,097	28,648	28,927	29,346	n.a	29,346
<b>Banking Sector</b>														
Deposits	PKR bn	18,839	19,208	19,829	19,344	19,668	20,972	19,949	19,914	20,476	20,052	21,151	n.a	21,151
Advances	PKR bn	8,878	8,936	9,290	9,394	9,646	10,149	9,944	9,961	10,328	10,638	10,822	n.a	10,822
Investment	PKR bn	14,102	13,902	14,096	13,796	13,556	14,124	14,424	14,541	15,012	15,210	15,556	n.a	15,556
WALR	%	7.8	7.8	7.7	7.9	8.0	8.7	9.34	9.6	9.6	10.26	10.8	n.a	10.8
WADR	%	3.6	3.6	3.6	3.7	3.8	4.6	5.08	5.0	4.9	5.24	6.2	n.a	6.2
Spread	%	4.2	4.3	4.1	4.2	4.2	4.1	4.26	4.6	4.7	5.02	4.6	n.a	4.6
<b>External Sector</b>														
Forex Reserves	USD bn	24.9	27.2	26.0	23.8	22.3	23.9	22.1	22.9	18.6	16.4	15.8	16.2	15.7
With SBP	USD bn	17.8	20.1	19.3	17.2	16.0	17.7	15.7	16.5	12.0	10.5	9.7	10.3	9.8
With Banks	USD bn	7.0	7.1	6.7	6.6	6.4	6.2	6.4	6.4	6.5	5.9	6.0	5.9	5.9
Exchange rate	PKR/USD	162.4	166.4	170.7	171.7	175.7	176.5	176.7	177.5	183.5	185.9	198.5	204.8	207.91
C/A Balance	USD mn	(814)	(1,473)	(1,134)	(1,760)	(1,908)	(1,863)	(2,531)	(519.0)	(1,028.0)	(623.0)	(1,425.0)	n.a	(1,425)
Exports	USD bn	2.3	2.3	2.6	2.4	2.7	2.9	2.5	2.9	3.1	3.2	2.5	n.a	2.5
Imports	USD bn	5.4	6.0	6.1	6.0	6.4	6.5	6.3	5.2	6.2	6.0	5.7	n.a	5.7
Trade Balance	USD bn	(3.4)	(3.7)	(3.4)	(3.7)	(3.7)	(3.6)	(3.8)	(2.3)	(3.1)	(2.8)	(3.2)	n.a	(3.2)
Remittances	USD bn	2.7	2.7	2.7	2.5	2.4	2.5	2.1	2.2	2.8	3.1	2.3	n.a	2.3
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	123.0	146.8	200.5	220.0	117.0	137.3	174.0	261.0	254.4	295.0	341.5	341.7	348.5
Steel (HRC)	USD/ton	918.7	887.4	900.1	848.0	744.9	747.2	766.4	785.8	830.8	773.2	726.0	659.8	655.3
PTA	USD/ton	750.0	745.0	745.0	780.0	735.0	725.0	815.0	875.0	935.0	960.0	995.0	965.0	965.0
Gold	USD/oz	1,814.2	1,813.6	1,757.0	1,783.4	1,774.5	1,829.2	1,797.2	1,909.0	1,937.4	1,894.5	1,837.4	1,807.3	1,738.9
Cotton (COTLOOK A)	USD/lb	100.3	103.7	110.2	123.1	123.3	125.9	135.9	135.2	153.6	154.3	157.5	135.5	138.4
Crude oil (WTI)	USD/bbl	74.0	68.5	75.0	83.6	66.2	75.2	88.2	95.7	100.3	105.4	114.7	105.8	98.5
Crude oil (Arab Light)	USD/bbl	75.4	72.2	79.0	83.9	72.8	79.2	91.1	99.9	109.3	110.6	124.6	116.3	111.1
Crude oil (Brent)	USD/bbl	76.3	73.0	78.5	84.4	70.6	77.8	91.2	101.0	107.9	107.6	122.8	114.8	100.7
<b>Local</b>														
Cotton	PKR/maund	13,000	14,200	14,100	15,400	17,500	18,000	19,400	20,000	20,500	21,000	22,500	17,200	16,500
Cement	PKR/bag	654	674	678	723	742	739	737	748	865	870	875	1,023	1,048
Gold	PKR/10 grms	93,880	92,250	97,310	102,280	101,680	107,940	108,880	111,460	110,940	116,430	121,740	121,660	118,830

\*Current Price

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Rating	Description
BUY	Upside* of subject security(ies) is more than +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -10% and +10% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -10% from last closing of market price(s)

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

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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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Arif Habib Limited (AHL) has shareholding in OGDC, PPL, NBP, AKBL, MLCF, FCCL, PSO, UNITY and SNGP.