

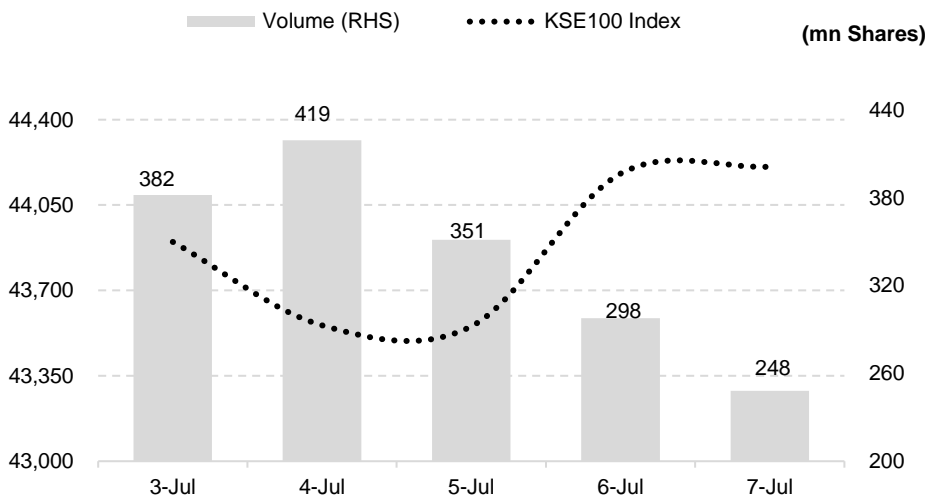
## KSE-100 remained the world's best-performing market on a weekly basis

This week, PSX opened with a significant surge as bullish investors responded positively to the news regarding the IMF's staff-level agreement with Pakistan for Stand-by Arrangement facility worth USD 3bn. The KSE-100 index climbed up by 2,446 points (marking the highest ever gain in a single day on Monday). Moreover, the inflation witnessed easing for the first time in seven months, arriving at 29.4% in Jun'23 compared to 38% in May'23. In addition to this, the Pak Rupee appreciated during the week against USD, closing at PKR 277.90, gaining PKR 8.09 |+2.83% WoW. Furthermore, the SBP reserves increased by USD 393mn WoW, reaching USD 4.4bn (as at 30th Jun'23). The market closed at 44,207 points, surging by 2,755 points and remained the world's best performing market with weekly USD based return of 9.75% (PKR-based 6.6%).

Foreigner buying was also witnessed during this week, clocking in at USD 4.7mn compared to a net buy of USD 1.3mn last week. Major buying was witnessed in Banks (USD 3.8mn) and Technology & Communications (USD 1.7mn). On the local front, selling was reported by Banks/DFIs (USD 5.5mn) followed by companies (USD 2.9mn). Average volumes arrived at 340mn shares (up by 47% WoW) while the average value traded settled at USD 41mn (up by 63% WoW).

Other major news: i) FY23 petroleum products' sales slump 27pc YoY, ii) Rs1.25/unit raise in Discos' tariffs allowed, iii) Cement sales decline 22.80pc in June '23, iv) Rs1.25/unit raise in Discos' tariffs allowed and v) OGDC's Jhal Magsi Gas project revived.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

### Outlook and Recommendation

The recent staff-level agreement reached between the government and the IMF has generated optimism in the market. We expect, the government will now seek new financing opportunities from bilateral and multilateral sources. Market participants are eagerly awaiting the upcoming IMF Executive Board meeting scheduled for July 12th, 2023, where the approval of the agreement will be considered. Once approved, the initial tranche of funds will be disbursed, further boosting sentiment in the local bourse. We advise investors to cherry pick the stocks. Our preferred stocks are OGDC, PPL, MARI, MCB, FABL, MEBL, BAFL, LUCK, MLCF, FCCL, ENGRO, FFC, HUMNL, HUBC, PSO, and SNGP. The KSE-100 is currently trading at a PER of 3.6x (2024) as compared to its 5-year average of 5.9x offering a dividend yield of ~10.9% (2024) as compared to its 5-year average of ~6.6%.

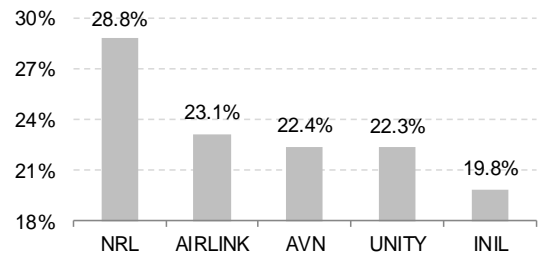
### PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	44,207	6.6	9.4
KSEAll	29,548	5.1	7.3
KSE30	15,804	8.0	6.5
KMI30	75,593	6.8	10.7
BKTI	10,048	8.6	8.4
OGTI	11,132	6.8	3.0

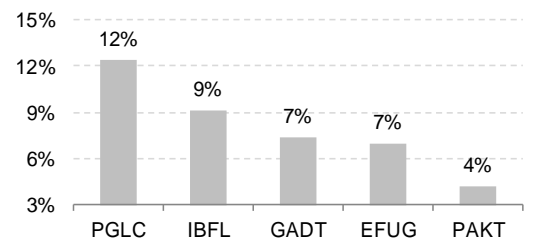
### PSX Volume Leaders

	Avg. Vol. (mn)	Closing
WTL	32.6	1.3
CENERGY	20.7	3.1
PRL	18.8	15.9
KEL	12.8	1.9
TELE	10.9	7.7

### Major Gainers (KSE100 Index)



### Major Losers (KSE100 Index)



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## Business and Economic News of the Week

### Liquidity risks remain high despite IMF deal: Moody's (BR)

The government's liquidity risks remain high despite the International Monetary Fund (IMF) staff-level agreement, says Moody's Investors Services (Moody's). The rating agency in its latest brief on Pakistan stated that on 29 June, Pakistan (Caa3 stable) reached a staff-level agreement with the IMF over a \$3 billion nine-month Stand-By Agreement (SBA) after an IMF Extended Fund Facility programme expired at the end of June. The agreement is subject to the approval of the IMF's executive board, which is expected to reach a decision by mid-July. If approved this month, the agreement will expire in April 2024.

### IMF puts Pakistan's external funds requirement at \$91.5bn over three years (The News)

The International Monetary Fund (IMF) has projected Pakistan's gross external financing needs at a whopping \$91.536 billion over a three-year period starting from fiscal years 2023-24 to 2025-26. Such a mammoth requirement of gross financing needs of \$91.5 billion over a three-year period clearly indicates that Islamabad will have no other option but to go back for another IMF bailout package after the expiry of the existing one under the \$3 billion Standby Arrangement (SBA) in March 2024. The SBA will only be a stop-gap arrangement, and Pakistan will have to strive for a new medium-term arrangement when the new government is in power.

### Private power plants: PD pays Rs300bn to trim circular debt (BR)

The Power Division is said to have paid Rs 300 billion to private sector and public sector power plants till June 30, 2023 aimed at bringing down the stock of circular debt from Rs 2.646 trillion as of May 31, 2023 to Rs 2.370 trillion as of June 30, 2023, well-informed sources told Business Recorder. Finance Ministry, sources said, has issued a GoP guarantee in respect of fresh refinancing facilities amounting to Rs 283.287 billion from a consortium of four banks. Of total amount of Rs 283.287 billion, the share of Habib Bank Limited (HBL) was Rs 115.969 billion, followed by Allied Bank Limited (ABL) Rs 110.283 billion, National Bank of Pakistan (NBP) Rs 44.534 billion and Meezan Bank Limited (MBL) Rs 12.500 billion.

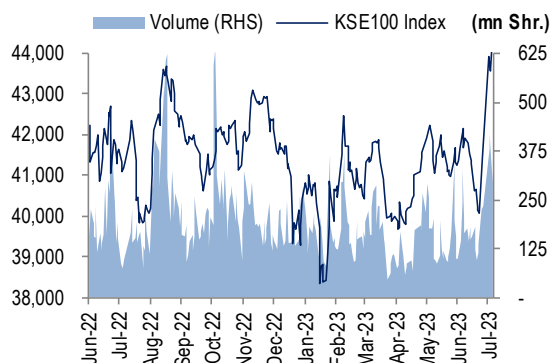
### Consumers of Discos to pay Rs46bn more in July-Sept (The News)

The National Electric Power Regulatory Authority (Nepra) has allowed ex-Wapda Discos (XWDiscos) to collect an additional Rs46.536 billion, including Rs32.88 billion for capacity charges, through the quarterly tariff adjustment (QTA) mechanism for the third quarter (Jan-March) of FY2023. This amount will be recovered from the power consumers of all Discos (except K-Electric) in three months, from July to September 2023. For this recovery, the average per unit increase will be charged at Rs1.2489, as per a decision issued by the National Electric Power Regulatory Authority (Nepra) on Tuesday.

### 1,320MW Shanghai Thar Coal Block-1: Financial closure in peril as ICBC decides to withdraw \$300m financing (BR)

The financial closure of 1,320 MW Shanghai Thar Coal Block-1 is reportedly in trouble as Industrial and Commercial Bank of China (ICBC) has decided to withdraw \$ 300 million financing, well-informed sources in Ministry of Planning, Development and Special Initiatives (PD&SI) told Business Recorder. The newly-established plant was on forced outages in May 2023 due to technical faults in its coal mines which has alerted officials sitting in Islamabad. In March this year, Prime Minister Shehbaz Sharif inaugurated 1,320 megawatt Shanghai Electric power plant.

## PSX Volume and KSE100 Index



## Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
SYS	287.7
HUBC	222.7
UBL	203.9
TRG	153.2
MEBL	151.4
<b>Total</b>	<b>1,018.9</b>

## Bearish Companies

DAWH	(26.9)
IBFL	(10.9)
PAKT	(10.6)
EFUG	(10.1)
FATIMA	(8.3)
<b>Total</b>	<b>(66.7)</b>

## Sectors

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Commercial Banks	684.4
Technology & Communication	490.9
Oil & Gas Exploration Companies	348.5
Power Generation & Distribution	266.6
Cement	241.8
<b>Total</b>	<b>2,032.2</b>

## Bearish Sectors

Tobacco	(10.6)
Textile Spinning	(4.2)
Insurance	(3.4)
Transport	(1.6)
Paper & Board	(0.8)
<b>Total</b>	<b>(20.6)</b>



Best Investment Bank: 2022



Best Equity Advisor: 2021



Excellence Award Leading Brokerage House for RDA 2021



Best Money Market Broker- (Islamic) 2021

## AHL Universe - Recommendation Summary

Code	Company	Price 7-Jul-23	TP Dec-23	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	
<b>Exploration &amp; Production</b>																						
PPL	Pakistan Petroleum Ltd.	66.7	110.74	66.1	Buy	19.3	19.7	37.3	35.8	3.50	2.00	3.50	3.00	1.8	1.9	5.3	4.5	0.3	0.3	21.1	17.1	KSE100, KSE30, KMI & MSCI
OGDC	Oil and Gas Dev Co.	85.2	137.7	61.7	Buy	21.3	31.1	45.8	39.2	6.90	7.25	8.00	7.50	1.9	2.2	9.4	8.8	0.4	0.3	20.8	15.4	KSE100, KSE30, KMI & MSCI
POL	Pakistan Oilfields Ltd.	417.8	550.83	31.8	Buy	47.1	91.4	125.4	98.1	50.00	70.00	95.00	76.00	3.3	4.3	22.7	18.2	1.8	1.9	60.2	42.9	KSE100, KSE30, KMI & MSCI
MARI	Mari Petroleum Ltd	1,540.2	2,597.1	68.6	Buy	235.7	247.8	389.2	536.7	141.00	124.00	195.00	268.00	4.0	2.9	12.7	17.4	1.3	1.1	36.1	41.0	KSE100, KSE30, KMI & MSCI
<b>Commercial Banks</b>																						
UBL	United Bank Ltd.*	132.4	187.9	41.9	Buy	24.8	25.8	40.0	45.5	18.00	22.00	28.00	32.00	3.3	2.9	21.2	24.2	0.7	0.6	20.6	21.4	KSE100, KSE30 & MSCI
BAFL	Bank Alfalah*	34.0	48.0	41.0	Buy	9.2	11.7	21.0	21.6	4.00	5.00	6.00	6.50	1.6	1.6	17.6	19.1	0.4	0.3	28.9	24.2	KSE100
MCB	MCB Bank Ltd.*	121.0	189.9	57.0	Buy	26.3	29.0	42.4	49.6	19.00	20.00	23.00	26.00	2.9	2.4	19.0	21.5	0.7	0.6	24.6	25.9	KSE100, KSE30 & MSCI
HBL	Habib Bank Ltd.*	79.1	112.2	41.9	Buy	23.9	23.2	32.4	38.0	7.50	6.75	6.00	7.00	2.4	2.1	7.6	8.9	0.4	0.3	15.6	16.1	KSE100, KSE30 & MSCI
ABL	Allied Bank Ltd.*	68.4	102.4	49.7	Buy	15.3	18.6	28.0	28.7	8.00	8.50	10.00	12.00	2.4	2.4	14.6	17.5	0.5	0.5	22.8	20.4	KSE100
NBP	National Bank of Pakistan.*	20.4	30.4	48.8	Buy	13.4	14.5	17.0	18.6	-	-	-	-	1.2	1.1	-	-	0.1	0.1	11.1	11.0	KSE100
AKBL	Askari Bank Ltd.*	13.6	20.2	48.7	Buy	6.7	9.7	11.7	13.1	-	-	-	-	1.2	1.0	-	-	0.2	0.2	20.4	19.0	KSE100
BOP	The Bank of Punjab*	3.6	6.2	71.3	Buy	3.8	3.2	1.7	1.9	-	-	-	-	2.2	1.9	-	-	0.2	0.2	8.0	8.4	KSE100
MEBL	Meezan Bank Ltd.*	98.4	151.6	54.0	Buy	15.8	25.1	34.7	37.4	6.00	8.50	11.00	13.00	2.8	2.6	11.2	13.2	1.1	0.8	44.1	36.0	KSE100, KSE30 & KMI
FABL	Faysal Bank Ltd.*	22.5	34.4	52.8	Buy	5.5	7.5	9.5	10.9	1.50	7.00	1.50	2.00	2.4	2.1	6.7	8.9	0.4	0.4	19.2	19.7	KSE100
<b>Fertilizer</b>																						
ENGRO	Engro Corporation*	271.0	373.8	37.9	Buy	48.5	42.2	53.9	67.4	25.00	34.00	50.00	55.00	5.0	-	18.4	20.3	0.7	0.6	13.2	-	KSE100, KSE30, KMI & MSCI
FFBL	Fauji Fert. Bin Qasim	13.1	16.1	22.8	Buy	4.9	1.8	1.1	2.6	-	-	-	-	12.1	5.0	-	-	0.7	0.6	6.0	13.0	KSE100 & KMI
EFERT	Engro Fertilizer	82.8	92.0	11.1	Hold	15.8	12.0	11.0	12.1	16.50	13.50	12.00	14.00	7.6	6.9	14.5	16.9	2.9	3.2	34.9	44.3	KSE100, KSE30, KMI & MSCI
FFC	Fauji Fertilizer Co.	99.6	135.6	36.1	Buy	17.2	15.8	18.1	20.8	14.50	12.13	14.00	16.00	5.5	4.8	14.1	16.1	2.3	2.0	43.2	44.7	KSE100, KSE30 & MSCI
FATIMA	Fatima Fertilizer Co.	28.9	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.	28.4	na	na	na	18.3	8.5	na	na	3.00	4.00	-	-	Group Company: No estimates are given								KSEALL
<b>Cement</b>																						
LUCK	Lucky Cement Ltd.	556.1	727.9	30.9	Buy	44.9	48.8	41.3	36.4	-	-	-	10.00	13.5	15.3	-	1.8	1.3	1.2	9.8	8.0	KSE100, KSE30, KMI & MSCI
LUCK	Lucky Cement Ltd.*	556.1	727.9	30.9	Buy	72.9	94.1	152.7	141.8	-	-	-	10.00	3.6	3.9	-	1.8	0.7	0.6	21.9	17.2	KSE100, KSE30, KMI & MSCI
FCCL	Fauji Cement Co.	12.5	17.8	42.0	Buy	1.4	2.9	4.6	4.4	-	-	-	1.00	2.7	2.8	-	8.0	0.4	0.4	17.5	14.3	KSE100 & KMI
ACPL	Attock Cement Ltd.	92.0	77.9	(15.3)	Sell	8.1	8.2	9.1	5.3	4.00	3.50	-	-	10.1	17.4	-	-	0.7	0.6	6.9	3.8	KSEALL & KMI
DGKC	D.G. Khan Cement Co.	55.8	58.9	5.5	Hold	8.5	6.8	6.2	7.4	1.00	1.00	-	-	8.9	7.5	-	-	0.3	0.3	3.8	4.4	KSE100, KSE30 & KMI
KOHC	Kohat Cement Co.	181.4	194.7	7.3	Hold	17.4	25.0	32.3	21.9	-	-	-	-	5.6	8.3	-	-	1.1	1.0	21.3	12.2	KSE100 & KMI
MLCF	Maple Leaf Cement.*	31.0	38.7	24.7	Buy	3.6	4.2	7.7	7.2	-	-	2.00	3.00	4.0	4.3	6.4	9.7	0.7	0.6	17.8	14.6	KSE100, KSE30 & KMI
POWER	Power Cement	4.2	na	na	na	0.3	(0.4)	na	na	-	-	-	-	Group Company: No estimates are given								KMI
<b>Oil &amp; Gas Marketing</b>																						
PSO	Pakistan State Oil	122.3	206.7	69.0	Buy	62.1	183.7	24.2	64.3	15.00	10.00	10.00	10.00	5.1	1.9	8.2	8.2	0.3	0.2	5.2	12.8	KSE100, KSE30, KMI & MSCI
APL	Attock Petroleum Ltd.	307.20	394.60	28.5	Buy	39.5	149.0	82.6	44.1	27.00	45.00	25.00	20.00	3.7	7.0	8.1	6.5	0.9	0.9	25.9	12.8	KSE100 & KMI
SNGP	Sui Northern Gas Pipeline Ltd.	43.4	66.3	52.9	Buy	17.3	16.3	18.8	20.5	7.00	4.00	8.00	8.00	2.3	2.1	18.5	18.5	0.6	0.5	149.7	249.7	KSE100 & KMI
<b>Automobile Assemblers</b>																						
PSMC	Pak Suzuki Motor Co.	105.8	160.0	51.2	Buy	32.6	(77.0)	(152.6)	7.6	6.50	-	-	6.00	nm	14.0	-	5.7	0.4	0.3	(57.0)	2.4	KSE100 & KMI
INDU	Indus Motor Co.	965.0	1,117.0	15.8	Buy	163.2	201.0	104.0	125.5	103.50	93.75	46.00	61.00	9.3	7.7	4.8	6.3	1.3	1.2	14.6	16.2	KSE100
HCAR	Honda Atlas Cars (Pak)	100.3	109.0	8.7	Hold	12.6	17.6	(0.6)	9.3	4.52	7.00	-	5.00	(172.5)	10.8	-	5.0	0.7	0.7	(0.4)	6.5	KSE100 & KMI
MTL	Millat Tractors Ltd.	399.8	389.3	(2.6)	Hold	30.1	28.3	15.8	29.6	100.00	65.00	31.00	51.00	25.4	13.5	7.8	12.8	10.9	10.9	43.1	80.8	KSE100, KSE30, KMI & MSCI
<b>Power Generation &amp; Distribution**</b>																						
HUBC	Hub Power Company*	77.7	119.7	61.1	Buy	26.0	21.9	32.3	36.8	12.00	6.50	29.50	15.00	2.4	2.1	37.9	19.3	0.7	0.6	31.2	30.0	KSE100, KSE30, KMI & MSCI
NCPL	Nishat Chu. Power Ltd.	18.4	19.0	14.5	Hold	6.8	6.8	9.1	8.7	-	10.00	2.00	2.00	2.0	2.1	10.9	10.9	0.3	0.2	13.2	11.5	KSEALL
NPL	Nishat Power Limited	19.6	21.1	17.9	Buy	7.6	9.4	9.5	8.4	1.50	4.50	4.00	2.00	2.1	2.3	20.4	10.2	0.2	0.2	11.6	9.6	KSEALL
<b>Textile Composite</b>																						
NML	Nishat Mills Ltd.	60.3	72.1	19.5	Buy	16.8	29.3	39.7	30.1	4.00	4.00	6.00	6.00	1.5	2.0	10.0	10.0	0.3	0.2	17.3	12.3	KSE100 & KMI
NCL	Nishat (Chunian) Ltd.	21.5	32.7	52.4	Buy	23.3	31.1	(2.5)	12.0	5.00	7.00	-	4.00	(8.5)	1.8	-	18.6	0.2	0.2	(2.6)	12.2	KSE100
FML	Feroze1888 Mills Ltd.	72.4	91.8	26.8	Buy	10.8	8.5	26.7	11.5	3.43	4.27	5.00	6.00	2.7	6.3	6.9	8.3	0.9	0.8	34.5	13.8	KMI
ILP	Interloop Ltd.	37.8	84.7	123.8	Buy	4.5	8.8	13.8	10.8	2.50	4.00	6.00	6.50	2.7	3.5	15.9	17.2	1.4	1.1	55.8	34.7	KSE100
<b>Chemicals</b>																						
LOTCEM	Lotte Chemical Pak Ltd.	Coverage Restricted due to Advisory Mandate																	KSE100			
EPCL	Engro Polymer & Chem.	43.1	45.5	5.5	Hold	16.6	12.9	7.0	10.8	16.30	12.50	5.25	5.75	6.1	4.0	12.2	13.4	1.4	1.3	23.1	33.3	KSE100, KSE30 & KMI
LCI	Lucky Core Industries Limited	619.0	826.1	33.5	Buy	60.3	91.7	252.2	86.9	40.00	35.00	20.00	20.00	2.5	7.1	3.2	3.2	1.0	0.9	50.5	12.8	KSE100 & KMI
<b>Engineering</b>																						
ASTL	Amreli Steels Ltd.	17.6	24.0	36.2	Buy	4.61	4.46	3.09	4.35	-	-	-	-	5.7	4.0	-	-	0.3	0.3	5.8	7.7	KSEALL
AGHA	Agha Steel Industries Ltd.	10.4	18.3	76.6	Buy	3.37	3.07	1.53	2.16	-	-	-	-	6.8	4.8	-	-	0.4	0.4	5.7	7.6	KSEALL
ASL	Aisha Steel Mills Ltd.	5.6	na	na	na	6.9	1.2	na	na	2.00	-	-	-	Group Company: No estimates are given								KSEALL
<b>Technology &amp; Communication</b>																						
HUMNL	Hum Network Limited.	6.0	10.2	69.3	Buy	0.9	1.2	1.7	2.1	-	0.50	0.75	1.00	3.5	2.9	12.5	16.7	1.1	0.9	33.5	33.1	KSEALL

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

# Pakistan Weekly Update

Pakistan  
Stock Market



July 7, 2023

## AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
NPL	19.62	15.75	15.75	20.21	18.31	16.03	18.31	15.23	19.88	12.71
ASTL	17.59	14.59	14.59	(2.01)	18.70	14.99	19.68	14.99	30.86	14.99
AHCL	28.44	14.35	14.35	(17.42)	31.01	23.25	34.65	23.25	35.00	23.25
MEBL	98.43	13.96	13.96	5.14	99.31	82.96	99.31	82.96	116.09	82.96
ITTEFAQ	5.19	13.57	13.57	(6.49)	5.76	4.40	6.03	4.20	8.60	4.20
PPL	66.66	12.72	12.72	(0.76)	68.20	56.30	82.65	56.30	82.65	50.33
UBL	132.38	12.63	12.63	55.57	125.11	95.78	125.11	77.80	125.11	77.80
HTL	23.88	12.48	12.48	(7.69)	25.19	20.10	27.09	20.10	41.49	20.10
BAFL	34.02	11.76	11.76	22.43	31.02	28.31	31.02	26.11	31.59	25.50
HUBC	77.74	11.73	11.73	38.51	70.98	64.10	70.98	51.39	70.98	45.52
FABL	22.49	11.45	11.45	(9.00)	24.45	20.00	25.15	20.00	30.18	16.99
FFBL	13.11	11.29	11.29	(14.48)	12.70	11.11	15.33	11.11	21.72	11.11
KAPCO	23.14	11.25	11.25	(1.24)	25.33	20.23	25.78	20.23	25.78	20.23
PSMC	105.81	11.14	11.14	(38.04)	108.47	82.38	170.77	82.38	211.21	82.38
ACPL	91.98	10.99	10.99	62.65	88.21	56.00	88.21	52.13	90.38	52.13
PSO	122.29	10.16	10.16	(15.07)	117.89	99.03	147.53	99.03	181.36	99.03
SNGP	43.35	10.11	10.11	15.45	43.42	38.64	47.42	35.33	47.42	26.52
NCPL	18.37	10.00	10.00	29.09	16.68	14.08	17.02	12.78	17.46	9.03
MLCF	31.03	9.53	9.53	37.48	29.08	24.58	29.08	19.34	29.36	19.34
OGDC	85.18	9.21	9.21	12.07	85.58	73.69	101.09	69.63	101.09	65.23
DGKC	55.80	8.77	8.77	8.06	53.81	41.87	53.81	39.44	63.83	39.44
HCAR	100.28	8.58	8.58	(39.68)	117.83	82.41	166.26	82.41	194.73	82.41
HBL	79.05	7.95	7.95	29.04	76.96	67.26	76.96	57.60	91.17	57.60
ILP	37.84	7.32	7.32	5.99	34.63	29.73	37.30	29.73	39.73	29.73
AGHA	10.37	6.69	6.69	(25.40)	12.00	9.11	13.90	9.11	16.56	9.11
LUCK	556.11	6.52	6.52	24.53	537.02	392.97	537.02	383.90	537.02	383.90
FCCL	12.52	6.46	6.46	4.16	12.65	11.51	12.81	10.51	14.79	10.51
NML	60.28	6.18	6.18	9.62	63.87	52.38	63.87	49.40	75.69	49.40
NCL	21.46	5.71	5.71	2.98	22.00	20.00	23.78	20.00	43.73	20.00
MCB	120.95	5.66	5.66	15.28	116.01	108.41	116.01	97.15	116.01	97.15
NBP	20.43	4.88	4.88	(13.40)	21.81	18.89	25.65	18.89	33.44	18.89
AKBL	13.58	4.78	4.78	(22.30)	16.27	12.12	18.70	12.12	18.70	12.12
BOP	3.63	4.61	4.61	(12.62)	4.06	3.19	4.64	3.19	5.52	3.19
KOHC	181.39	4.57	4.57	22.81	171.05	137.73	171.05	115.77	171.05	115.77
SGF	29.12	4.45	4.45	(8.75)	32.19	25.59	33.57	24.27	39.18	24.27
ENGRO	271.04	4.29	4.29	19.34	282.89	235.74	282.89	222.06	282.89	184.82
POL	417.83	4.00	4.00	11.39	435.49	390.70	435.49	375.10	435.49	314.47
HUMNL	6.00	2.74	2.74	2.74	6.01	5.30	6.24	5.30	6.32	5.24
POWER	4.21	2.68	2.68	(8.87)	4.50	3.84	4.76	3.84	5.60	3.84
LCI	619.00	2.46	2.46	(1.80)	609.18	516.31	630.35	513.64	737.90	513.64
LOTCHEM	28.19	2.43	2.43	28.29	29.81	21.05	29.81	20.52	29.81	17.76
MTL	399.78	2.43	2.43	38.43	385.25	334.57	385.25	284.33	438.19	284.33
APL	307.20	2.31	2.31	10.52	304.07	291.70	304.95	275.81	309.85	224.99
INDU	965.00	2.31	2.31	(0.36)	964.60	860.79	994.37	773.37	1,104.26	773.37
ABL	68.39	2.07	2.07	15.34	69.44	59.24	69.44	58.40	69.44	55.43
EPCL	43.07	1.94	1.94	9.53	46.64	39.98	46.64	38.38	72.28	37.50
MARI	1,540.24	1.69	1.69	5.80	1,599.39	1,494.03	1,599.39	1,307.83	1,623.16	1,307.83
FFC	99.64	1.22	1.22	8.67	103.10	93.51	103.10	91.36	103.10	90.10
EFERT	82.82	0.35	0.35	18.80	87.20	77.41	87.20	67.92	87.20	67.38

Source (s): Bloomberg, AHL Research

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

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	180.61	182.15	SELL	(1.54)
Companies	11.35	14.24	SELL	(2.90)
Banks / DFIs	5.67	11.14	SELL	(5.48)
NBFC	0.11	0.10	BUY	0.01
Mutual Funds	18.04	17.74	BUY	0.30
Other Organizations	2.29	2.89	SELL	(0.59)
Broker Proprietary Trading	39.74	39.97	SELL	(0.23)
Insurance Companies	8.41	2.69	BUY	5.72
<b>Total</b>	<b>266.21</b>	<b>270.92</b>	<b>SELL</b>	<b>(4.71)</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	58.08	57.99	BUY	0.08
Companies	4.89	4.90	SELL	(0.01)
Banks / DFIs	3.18	3.63	SELL	(0.45)
NBFC	0.03	0.02	BUY	0.01
Mutual Funds	4.93	5.91	SELL	(0.98)
Other Organizations	1.72	1.65	BUY	0.07
Broker Proprietary Trading	20.46	18.73	BUY	1.73
Insurance Companies	0.55	2.31	SELL	(1.76)
<b>Total</b>	<b>93.82</b>	<b>95.13</b>	<b>SELL</b>	<b>-1.31</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	23.37	27.14	SELL	(3.76)
Fertilizer	8.66	9.03	SELL	(0.38)
Cement	27.11	27.80	SELL	(0.69)
Power Generation & Distribution	14.16	13.56	BUY	0.60
Exploration & Production	35.54	35.24	BUY	0.30
Oil & Gas Marketing Companies	29.30	28.78	BUY	0.52
Food and Personal Care Products	5.94	7.19	SELL	(1.25)
Textile Composite	3.12	3.06	BUY	0.06
Technology and Communication	52.90	54.59	SELL	(1.69)
Debt	0.88	0.88	SELL	-
All other Sectors	65.55	63.98	BUY	1.57
<b>Total</b>	<b>266.54</b>	<b>271.26</b>	<b>SELL</b>	<b>(4.71)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	10.49	10.81	SELL	(0.32)
Fertilizer	3.05	3.20	SELL	(0.15)
Cement	12.12	12.61	SELL	(0.50)
Power Generation & Distribution	4.86	5.18	SELL	(0.32)
Exploration & Production	14.29	13.47	BUY	0.82
Oil & Gas Marketing Companies	14.78	14.85	SELL	(0.08)
Food and Personal Care Products	3.45	3.51	SELL	(0.07)
Textile Composite	1.94	1.97	SELL	(0.02)
Technology and Communication	11.18	11.70	SELL	(0.53)
Debt	0.07	0.07	SELL	-
All other Sectors	17.61	17.75	SELL	(0.14)
<b>Total</b>	<b>93.82</b>	<b>95.13</b>	<b>SELL</b>	<b>(1.31)</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.01	BUY	0.00
Foreign Corporates	10.94	3.82	BUY	7.12
Overseas Pakistani	11.89	14.30	SELL	(2.41)
<b>Total</b>	<b>22.84</b>	<b>18.13</b>	<b>BUY</b>	<b>4.71</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.01	BUY	0.00
Foreign Corporates	2.36	1.64	BUY	0.72
Overseas Pakistani	6.13	5.55	BUY	0.59
<b>Total</b>	<b>8.50</b>	<b>7.19</b>	<b>BUY</b>	<b>1.31</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	5.01	1.25	BUY	3.76
Fertilizer	0.95	0.58	BUY	0.38
Cement	1.88	1.19	BUY	0.69
Power Generation & Distribution	0.78	1.38	SELL	(0.60)
Exploration & Production	1.94	2.24	SELL	(0.30)
Oil & Gas Marketing Companies	1.38	1.90	SELL	(0.52)
Food and Personal Care Products	1.88	0.63	BUY	1.25
Textile Composite	0.32	0.38	SELL	(0.06)
Technology and Communication	5.42	3.74	BUY	1.69
All other Sectors	3.29	4.86	SELL	(1.57)
<b>Total</b>	<b>22.84</b>	<b>18.13</b>	<b>BUY</b>	<b>4.71</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.50	1.18	BUY	0.32
Fertilizer	0.37	0.22	BUY	0.15
Cement	0.87	0.37	BUY	0.50
Power Generation & Distribution	0.49	0.17	BUY	0.32
Exploration & Production	1.15	1.97	SELL	(0.82)
Oil & Gas Marketing Companies	0.86	0.78	BUY	0.08
Food and Personal Care Products	0.52	0.45	BUY	0.07
Textile Composite	0.08	0.06	BUY	0.02
Technology and Communication	1.50	0.98	BUY	0.53
All other Sectors	1.17	1.02	BUY	0.14
<b>Total</b>	<b>8.50</b>	<b>7.19</b>	<b>BUY</b>	<b>1.31</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 (%)	4.2	1.6	1.8	2.7	3.5	3.5	3.5	3.6	2.4	3.0	10.9	-72.7%
P/E (x)	12.8	17.9	9.1	10.8	1.0	14.2	9.8	14.5	9.8	11.1	3.6	-67.6%
P/B (x)	1.7	2.9	1.4	1.2	1.2	1.4	1.2	2.0	0.9	1.5	0.6	-58.0%

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 (%)
<b>Pakistan</b>	<b>KSE100 Index</b>	<b>44,285</b>	<b>9.8</b>	<b>9.8</b>	<b>(10.9)</b>	Thailand	SET Index	1,491	(0.4)	(0.4)	(12.0)
Sri Lanka	CSEALL Index	10,302	8.2	8.2	43.7	USA	NDX Index	15,089	(0.6)	(0.6)	37.9
Turkey	XU100 Index	6,164	6.9	6.9	(19.7)	Indonesia	JCI Index	6,716	(0.7)	(0.7)	0.3
Ghana	GGSECI Index	2,967	5.5	5.5	8.0	Luxembourg	LUXXX Index	1,429	(0.8)	(0.8)	(0.3)
Dubai	DFMGI Index	3,962	4.5	4.5	18.8	USA	SPX Index	4,412	(0.9)	(0.9)	14.9
Iceland	ICEXI Index	2,033	4.2	4.2	(2.9)	Serbia	BELEX15 Index	861	(1.0)	(1.0)	6.8
Nigeria	NGSEINDX Index	62,501	3.9	3.9	(25.1)	Russia	IMOEX Index	2,829	(1.1)	(1.1)	5.2
Latvia	RIGSE Index	1,301	3.6	3.6	14.9	Russia	RTSI\$ Index	972	(1.2)	(1.2)	0.1
Romania	BET Index	12,712	1.8	1.8	10.8	Norway	OBXP Index	533	(1.2)	(1.2)	(11.7)
Qatar	DSM Index	10,246	1.7	1.7	(3.8)	Finland	HEX Index	9,837	(1.3)	(1.3)	(7.3)
Kenya	NSEASI Index	109	1.6	1.6	(25.2)	USA	INDU Index	33,922	(1.4)	(1.4)	2.3
New Zealand	NZSE Index	1,844	1.4	1.4	0.3	Japan	NKY Index	32,388	(1.5)	(1.5)	13.7
Kazakhstan	KZKAK Index	3,610	1.4	1.4	15.3	Mexico	MEXBOL Index	53,408	(1.7)	(1.7)	23.6
Mongolia	MSETOP Index	37,405	1.3	1.3	(0.4)	Denmark	KFX Index	2,008	(1.8)	(1.8)	11.2
Vietnam	VNIndex Index	1,138	1.3	1.3	12.9	Philippines	PCOMP Index	6,379	(1.9)	(1.9)	(2.6)
Saudi Arabia	SASEIDX Index	11,598	1.2	1.2	10.9	Austria	ATX Index	3,098	(1.9)	(1.9)	0.9
Mauritius	SEMDEX Index	1,994	0.9	0.9	(6.4)	Singapore	FSSTI Index	3,139	(1.9)	(1.9)	(4.2)
Tunisia	TUSISE Index	9,020	0.9	0.9	12.3	Taiwan	TWSE Index	16,664	(2.0)	(2.0)	15.7
Uae	ADSMI Index	9,604	0.6	0.6	(6.0)	Italy	FTSEMIB Index	27,666	(2.1)	(2.1)	18.8
Oman	MSM30 Index	4,790	0.5	0.5	(1.4)	Australia	AS51 Index	7,042	(2.5)	(2.5)	(2.4)
Lithuania	VILSE Index	985	0.4	0.4	5.9	Canada	SPTSX Index	19,811	(2.7)	(2.7)	3.5
Jordan	JOSMGNFF Index	2,471	0.2	0.2	(1.1)	Switzerland	SMI Index	10,961	(2.7)	(2.7)	5.4
Slovenia	SBITOP Index	1,234	0.2	0.2	20.1	Netherland	AEX Index	753	(2.8)	(2.8)	11.3
India	SENSEX Index	65,280	0.1	0.1	7.3	Hong Kong	HSI Index	18,366	(2.8)	(2.8)	(7.5)
Bahrain	BHSEASI Index	1,959	0.1	0.1	3.4	Poland	WIG20 Index	2,024	(2.8)	(2.8)	20.1
Bulgaria	SOFIX Index	671	(0.0)	(0.0)	13.6	UK	UKX Index	7,252	(3.1)	(3.1)	2.9
Belgium	BEL20 Index	3,504	(0.0)	(0.0)	(2.8)	Egypt	EGX30 Index	17,102	(3.2)	(3.2)	(6.1)
Belgium	BEL20 Index	3,504	(0.0)	(0.0)	(2.8)	South Africa	JALSH Index	74,520	(3.3)	(3.3)	(8.8)
Malaysia	FBMKLCI Index	1,378	(0.0)	(0.0)	(13.1)	Argentina	MERVAL Index	417,549	(3.4)	(3.4)	40.6
Greece	ASE Index	1,279	(0.0)	(0.0)	40.1	Germany	DAX Index	15,604	(3.5)	(3.5)	14.1
Ukraine	PFTS Index	507	(0.0)	(0.0)	(2.4)	Ireland	ISEQ Index	8,428	(3.5)	(3.5)	20.7
Chile	IPSA Index	5,792	(0.1)	(0.1)	16.1	Brazil	IBOV Index	117,426	(3.5)	(3.5)	14.5
Portugal	PSI20 Index	5,916	(0.2)	(0.2)	5.2	Sweden	OMX Index	2,252	(3.8)	(3.8)	5.1
China	SHSZ300 Index	3,826	(0.2)	(0.2)	(5.8)	Europe	SX5E Index	4,237	(3.8)	(3.8)	13.7
Estonia	TALSE Index	1,886	(0.2)	(0.2)	8.7	France	CAC Index	7,118	(3.9)	(3.9)	12.0
Lebanon	BLOM Index	1,718	(0.2)	(0.2)	21.8	Spain	IBEX Index	9,220	(4.0)	(4.0)	14.1
Croatia	CRO Index	2,344	(0.3)	(0.3)	20.9	Hungary	BUX Index	49,993	(5.2)	(5.2)	19.2
South Korea	KOSPI Index	2,527	(0.3)	(0.3)	9.5						

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

## Key Economic Data & Commodities Prices

Month end	Units	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	15.5	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.67
06-M T-Bill	%	15.7	15.8	15.7	15.7	16.9	17.0	17.87	19.82	21.32	21.80	22.00	22.87	22.89
12-M T-Bill	%	15.8	15.9	15.7	15.7	16.9	17.0	17.95	19.93	21.39	21.76	22.00	22.93	22.94
03-Y PIB	%	13.4	13.7	13.8	14.1	15.1	15.6	16.83	18.20	18.33	18.30	19.10	19.47	18.88
05-Y PIB	%	13.4	13.0	13.1	13.2	14.0	14.6	15.48	15.80	15.23	15.00	15.10	16.08	15.93
10-Y PIB	%	15.5	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.67
06-M KIBOR	%	15.8	16.0	15.9	15.8	17.0	17.0	17.97	20.06	22.03	22.06	22.18	22.97	22.98
Policy Rate	%	15.00	15.00	15.00	15.00	16.00	16.00	17.00	17.00	20.00	21.00	21.00	22.00	22.00
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	24.9	27.3	23.2	26.6	23.8	24.5	27.6	31.6	35.4	36.4	38.0	29.4	29.4
<b>Monetary Sector</b>														
M1	PKR bn	22,256	22,361	22,661	22,578	22,805	22,963	22,798	23,131	24,074	24,802	n.a	n.a	24,802
M2	PKR bn	26,799	26,894	27,261	27,296	27,387	27,335	27,292	27,878	28,732	29,433	n.a	n.a	29,433
M3	PKR bn	30,372	30,432	30,737	30,737	30,818	30,744	30,688	31,241	32,070	32,743	n.a	n.a	32,743
<b>Banking Sector</b>														
Deposits	PKR bn	22,101	22,152	22,820	22,412	22,732	22,467	22,754	22,921	23,562	23,429	24,388	n.a	24,388
Advances	PKR bn	10,858	10,922	11,084	11,052	11,092	11,913	11,659	11,723	11,836	12,111	12,072	n.a	12,072
Investment	PKR bn	17,608	18,183	17,484	18,285	18,483	17,902	19,293	18,993	19,236	19,695	20,144	n.a	20,144
WALR	%	12.8	13.2	13.7	14.0	14.12	14.6	15.0	15.5	16.3	17.6	n.a		17.6
WADR	%	7.1	7.5	7.6	7.7	7.79	8.1	8.0	8.7	8.7	9.7	n.a	n.a	9.7
Spread	%	5.8	5.7	6.0	6.2	6.33	6.5	7.0	6.8	7.5	7.9	n.a	n.a	7.9
<b>External Sector</b>														
Forex Reserves	USD bn	14.0	13.4	13.3	14.7	13.4	10.8	8.4	9.3	9.8	10.0	9.5	9.7	9.7
With SBP	USD bn	8.4	7.7	7.9	8.9	7.5	5.3	3.1	3.8	4.2	4.5	4.1	4.5	4.5
With Banks	USD bn	5.6	5.7	5.4	5.8	5.9	5.6	5.3	5.5	5.6	5.6	5.4	5.3	5.3
Exchange rate	PKR/USD	239.4	218.8	228.5	220.9	223.9	226.4	267.9	261.5	283.7	283.8	285.5	n.a	277.9
C/A Balance	USD mn	(1,215.0)	(676.0)	(363.0)	(569.0)	(252.0)	(290.0)	(230.0)	(36.0)	750.0	78.0	255.0	n.a	255.0
Exports	USD bn	2.3	2.8	2.5	2.3	2.2	2.3	2.2	2.2	2.4	2.1	2.6	n.a	2.6
Imports	USD bn	5.3	5.8	4.8	4.6	4.3	4.2	3.9	3.9	4.0	3.7	3.8	n.a	3.8
Trade Balance	USD bn	(3.1)	(3.0)	(2.3)	(2.3)	(2.0)	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	n.a	(1.2)
Remittances	USD bn	2.5	2.7	2.4	2.2	2.1	2.1	1.9	2.0	2.5	2.2	2.0	n.a	2.0
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	332.0	346.5	295.0	214.6	250.8	205.6	141.7	143.1	132.5	127.9	100.2	100.3	104.3
Steel (HRC)	USD/ton	587.0	577.8	566.3	509.5	550.6	595.5	635.9	628.8	636.2	574.0	519.9	531.7	536.9
PTA	USD/ton	870.0	860.0	870.0	805.0	795.0	790.0	830.0	785.0	840.0	875.0	780.0	770.0	775.0
Gold	USD/oz	1,765.9	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	1,910.9
Cotton (COTLOOK A)	USd/lb	131.4	135.3	107.1	92.5	97.5	99.3	102.0	99.4	96.5	93.2	93.8	89.3	93.0
Crude oil (WTI)	USD/bbl	98.6	89.6	79.5	86.5	80.6	80.3	78.9	77.1	74.4	76.8	68.1	67.7	71.8
Crude oil (Arab Light)	USD/bbl	111.9	105.2	98.4	95.6	85.3	84.2	82.9	83.4	78.8	80.9	74.7	77.8	80.4
Crude oil (Brent)	USD/bbl	110.0	96.5	88.0	94.8	85.4	85.9	84.5	83.9	79.3	79.5	72.7	72.3	76.5
<b>Local</b>														
Cotton	PKR/maund	19,200.0	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	16,700
Cement	PKR/bag	1,042.4	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	1,144.7
Gold	PKR/10 grms	138,890	123,890	123,970	128,090	138,460	158,780	173,190	166,580	178,160	188,230	197,620	185,270	178,160

\*Current Price



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Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Dec'23 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**

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

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