

66k level: Market climbing new heights

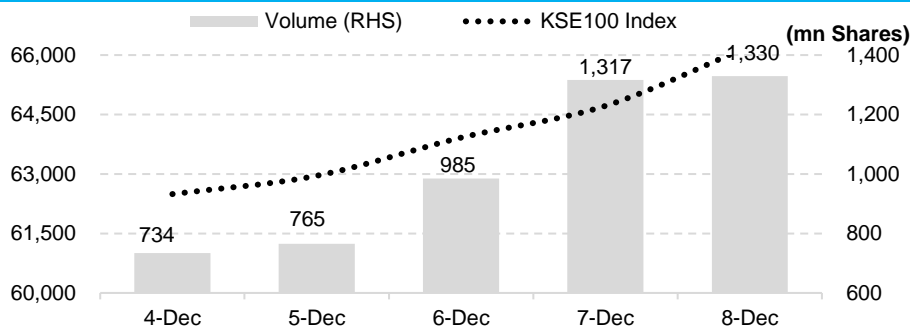
The index reached a significant milestone, hitting a new high of 66k points this week. The sentiment remained robust since IMF board meeting is now set to be on 11th Jan 2024. Additionally, Pakistan and Saudi Arabia have agreed upon investment modalities during the week, which will pave way for signing of free trade agreement with GCC in future. Moreover, the petroleum sales witnessed 9% MoM jump in Nov'23. Furthermore, urea and DAP offtake showcased a healthy growth of 33% and 26% MoM, respectively. Whereas, the cement dispatches decreased by 2% YoY | 8% MoM in Nov'23. Meanwhile, SBP's reserves plummeted by USD 237mn, reaching USD 7bn. During the week PKR closed at 283.87 against USD, appreciating by PKR 1.09 | 0.38% WoW. Overall, the market closed at 66,224 points, swelling up by 4,532 points | +7.3% WoW, which is highest ever weekly pointwise return. Moreover, KSE-100 became the World's best performing market on weekly basis.

Sector-wise positive contributions came from i) Commercial Banks (1,704pts), ii) Oil & Gas Exploration Companies (997pts), iii) Fertilizer (387pts), iv) Oil & Gas Marketing Companies (333pts) and v) Power Generation (166pts). Meanwhile, the sectors which mainly contributed negatively were i) Automobile Assembler (19pts), and ii) Cement (11pts). Scrip-wise positive contributors were PPL (388pts), HBL (320pts), OGDC (294pts), MARI (282pts), and BAML (271pts). Meanwhile, scrip-wise negative contributions came from LUCK (70pts), MTL (26pts), SYS (7pts), IBFL (7pts), and FATIMA (5pts).

Foreigner buying continued during this week, clocking in at USD 11.2mn compared to a net buy of USD 17.5mn last week. Major buying was witnessed in Banks (USD 4.3mn) and All Other Sectors (USD 2.4mn). On the local front, selling was reported by Banks and DFIs (USD 13.0mn) followed by Individuals (USD 3.7mn). Average volumes arrived at 1,026mn shares (up by 64% WoW) while the average value traded settled at USD 118mn (up 48% WoW).

Other major news: i) SSGC subsidiary to go public, ii) Ghani Chemical looks to establish Pakistan's 'largest ASU plant' in Khyber Pakhtunkhwa, iii) Cotton arrival up 5.2pc in second half of Nov, iv) Cherat Packaging agrees to sell Papersack Line V for €4.4m, and v) Jul-Oct govt debt stocks increased by Rs1.641trn.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

We expect the market to retain the positive momentum in the coming week. The monetary policy announcement is scheduled in the upcoming week, where we expect policy rate to remain unchanged at 22%. Furthermore, the scrips continue to trade at attractive levels, which could further entice investors. Furthermore, over last ten years, seven times the market has closed positively in the month of December. Keeping in view the momentum, we expect the market to close positively this month. Our preferred stocks are OGDC, PPL, MARI, MCB, UBL, MEBL, FABL, HBL LUCK, MLCF, FCCL, FFC, HUBC, PSO and INDU. The KSE-100 is currently trading at a PER of 4.4x (2024) as compared to its 5-year average of 5.9x offering a dividend yield of ~10.4% as compared to its 5-year average of ~6.0%.

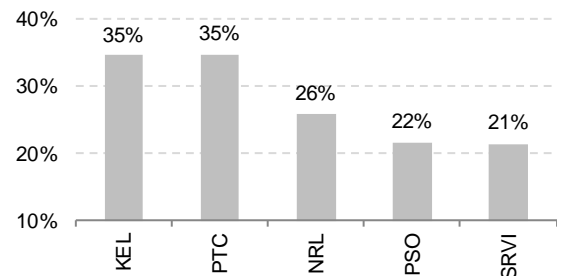
PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	66,224	7.3	63.8
KSEAll	43,882	6.9	59.4
KSE30	22,123	7.6	49.1
KMI30	111,195	6.7	62.9
BKTI	16,315	12.2	76.0
OGTI	15,397	13.9	42.4

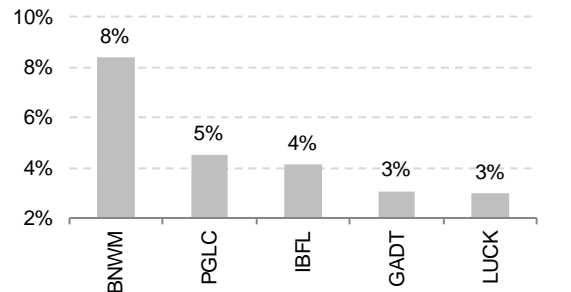
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
KEL	149.7	4.4
WTL	58.7	1.7
CENERGY	56.1	5.1
HASCOL	36.8	7.1
PTC	33.3	9.7

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



Analyst

AHL Research

research@arifhabiblt.com

+92-21-32462589



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

Ijara Sukuk: PSX conducted maiden auction on Friday (BR)

Pakistan Stock Exchange Limited will carry out the first-ever auction of the one-year listed Government of Pakistan Ijara Sukuk in accordance with the auction target calendar from December 2023 till February 2024. The PSX will conduct the first-ever auction on Friday (Dec 8) with the government target to raise Rs 30 billion. The second auction of this GoP Ijara Sukuk will be carried out on January 23, 2024 and the last auction would be held on February 20, 2024, with the government plan to raise Rs 90 billion from the sale of one-year Ijara Sukuk on the said three auctions.

Economic blueprint set for next govt: PM Kakar (Dawn)

Reiterating the government's commitment to providing a conducive environment and streamlining regulations, Caretaker Prime Minister Anwaarul Haq Kakar on Thursday urged the business community to take advantage of the Special Investment Facilitation Council (SIFC). Addressing a ceremony for the distribution of Pakistan Stock Exchange (PSX) Awards to the top 25 companies for 2022, Mr Kakar said the interim set-up's ultimate goal was to provide a blueprint for the next government. He said the government had sought help from the Pakistan Army to facilitate the business environment through the SIFC forum.

Govt supports China's efforts to expand use of RMB (BR)

Pakistan had been a long-time supporter of China's efforts to expand the use of the Renminbi (RMB) as a global currency, said Minister of Planning, Development and Special Initiatives, Prof. Ahsan Iqbal. Talking to China Economic Net (CEN) during his visit to Beijing, he said that recently, China had been ramping up support for RMB clearing and settlement in its foreign trade, especially with Belt and Road Initiative countries and Pakistan was one of the leading countries to use RMB for international trade settlement.

ADB approves \$659m in financing (BR)

The Asian Development Bank (ADB) has approved three projects totalling \$658.8 million to help Pakistan achieve its goal of more inclusive and sustainable growth and development. The projects will focus on improving domestic resource mobilisation; rehabilitating schools damaged by the devastating August 2022 floods; and enhancing agricultural productivity to improve food security.

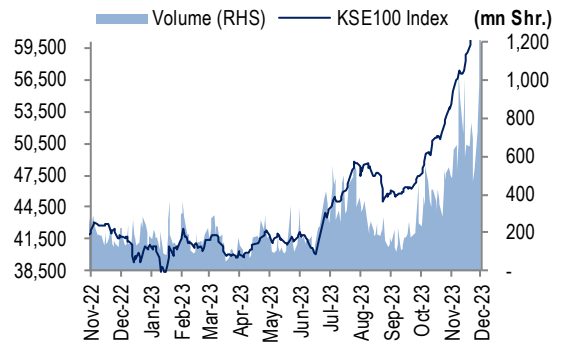
Export industry seeks lower wheeling charges to buy cheaper power (The News)

Pakistan's export industry, facing turbulence due to a challenging economic outlook, has urged the government to lower wheeling charges for using the national grid's power transmission and distribution infrastructure. Already burdened by a high tariff of 14 cents per unit, the industry seeks to transition to a competitive trading bilateral contract market (CTBCM) regime. This would enable them to purchase electricity from independent power producers (IPPs) at lower rates.

KSA commits financial support to help secure IMF deal: govt (BR)

Minister of State for Finance, Dr Aisha Ghaus Pasha Thursday said Saudi Arabia has made the commitment to the International Monetary Fund (IMF) and Pakistan got this indication from the Fund in this regard. Talking to the media at the conclusion of the NA Standing Committee on Finance meeting, she said that the IMF has indicated to Pakistan that Saudi Arabia has made the commitment with respect to external financing. The UAE's support will play an important role in reaching staff-level agreement with the IMF on the 9th review and subsequent release of the next tranche.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
PPL	387.5
HBL	320.0
OGDC	293.7
MARI	282.2
BAHL	271.0
Total	1,554.4

Bearish Companies

LUCK	(69.5)
MTL	(25.7)
SYS	(7.3)
IBFL	(7.1)
FATIMA	(5.3)
Total	(114.8)

Sectors

Sectors	Index Contribution
Bullish Sectors	
Commercial Banks	1,703.7
Oil & Gas Exploration Companies	997.0
Fertilizer	386.5
Oil & Gas Marketing Companies	333.3
Power Generation & Distribution	166.5
Total	3,586.9

Bearish Sectors

Automobile Assembler	(18.7)
Cement	(11.0)
Textile Spinning	(1.8)
Woollen	(0.4)
Leasing Companies	(0.1)
Total	(32.0)

FinanceAsia

Best Investment Bank: 2022



Excellence Award Leading Brokerage House for RDA 2021



Best Equity Advisor: 2021



Best Money Market Broker- (Islamic) 2021

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
PSO	217.22	21.51	24.63	60.03	217.22	112.21	217.22	95.52	217.22	93.36
MARI	2,067.41	20.29	21.06	47.39	2,067.41	1,528.65	2,067.41	1,439.52	2,067.41	1,260.12
PPL	113.85	20.20	24.06	72.71	113.85	70.28	113.85	55.31	113.85	50.04
NBP	37.46	19.30	20.53	58.80	37.46	21.70	37.46	18.89	37.46	18.89
FABL	33.11	19.10	21.15	45.85	33.11	20.55	33.11	18.37	33.11	18.37
BAFL	53.19	16.49	17.52	105.73	53.19	37.71	53.19	26.61	53.19	24.29
HBL	129.52	16.12	15.98	120.72	129.52	87.89	129.52	64.99	129.52	55.17
OGDC	125.38	13.60	15.24	72.39	125.38	90.59	125.38	70.80	125.38	63.70
FFBL	27.77	13.07	15.71	81.15	27.77	13.63	27.77	11.11	27.77	11.11
MEBL	175.04	12.83	13.05	100.25	175.04	110.44	175.04	77.49	175.04	77.46
MCB	189.60	11.96	13.03	100.25	189.60	119.02	189.60	99.57	189.60	87.67
AHCL	33.53	11.77	11.77	(2.64)	33.53	24.35	33.53	23.25	34.90	23.25
AKBL	24.54	11.44	11.75	40.41	24.54	15.04	24.54	12.12	24.54	12.12
EPCL	49.44	9.84	9.77	38.07	49.44	37.08	49.44	36.41	49.44	34.15
NPL	32.20	9.71	9.86	121.21	32.27	21.34	32.27	14.36	32.27	13.58
ACPL	105.15	9.45	14.49	99.50	107.42	77.92	107.42	72.90	107.42	48.59
APL	398.62	9.07	9.61	50.91	398.62	279.27	398.62	269.21	398.62	262.11
KAPCO	31.55	8.79	10.51	65.25	31.55	21.20	31.55	16.48	31.55	16.48
SNGP	69.44	7.96	10.15	91.32	70.09	44.94	70.09	38.05	70.09	34.15
POWER	6.43	7.53	12.02	39.18	6.43	3.50	6.43	3.49	6.43	3.49
FCCL	20.25	7.37	15.45	68.47	20.51	10.78	20.51	10.54	20.51	10.51
NCPL	26.24	7.19	7.59	84.40	26.24	18.82	26.24	15.37	26.24	12.78
EFERT	108.78	7.14	7.79	73.18	108.78	70.50	108.78	70.50	108.78	61.20
BOP	5.67	6.18	4.61	36.46	5.67	3.57	5.67	3.19	5.67	3.19
PSMC	578.64	6.12	8.02	238.84	578.64	112.00	578.64	82.38	578.64	82.38
ABL	90.51	5.98	7.78	64.75	90.51	67.23	90.51	60.69	90.51	53.16
FML	91.20	5.92	5.92	64.48	93.00	76.29	93.00	61.56	93.00	48.22
ITTEFAQ	8.15	5.03	6.26	46.85	8.51	4.94	8.51	4.40	8.51	4.20
HUMNL	8.04	4.55	11.05	37.67	8.04	5.47	8.04	5.35	8.04	5.30
ILP	75.25	4.51	12.21	120.34	75.25	39.56	75.25	31.18	75.25	28.44
UBL	190.05	4.46	4.69	157.03	190.05	130.18	190.05	95.36	190.05	67.60
ENGRO	314.92	3.71	7.85	41.80	314.92	236.68	314.92	236.68	314.92	217.14
FFC	116.49	3.20	3.72	36.34	116.49	87.50	116.49	87.50	116.49	85.13
DGKC	65.79	2.99	22.58	(15.14)	80.54	43.35	80.54	41.54	80.54	39.44
ASTL	27.02	2.35	5.96	50.53	27.23	18.29	27.23	14.99	27.23	14.99
NCL	29.74	2.27	3.30	42.71	29.99	19.98	29.99	19.98	29.99	19.98
NML	82.34	2.13	5.24	62.50	83.07	54.62	83.07	50.66	83.07	45.52
POL	441.91	1.97	1.62	36.44	444.98	375.13	444.98	346.92	444.98	323.89
LCI	749.40	1.54	7.88	25.77	749.40	554.30	749.40	547.29	749.40	485.52
INDU	1,238.32	1.37	4.04	35.14	1,251.89	864.68	1,251.89	861.19	1,251.89	731.72
HUBC	123.38	0.94	0.90	147.46	123.69	73.91	123.69	56.94	123.69	45.65
MLCF	42.71	0.83	7.99	89.23	42.71	28.51	42.71	27.05	42.71	19.34
LOTCHEM	28.01	0.76	1.12	27.47	28.59	24.47	29.55	22.60	29.81	18.89
AGHA	15.87	(0.31)	1.41	14.17	16.16	9.51	16.16	9.11	16.16	9.11
KOHC	227.18	(0.90)	6.10	53.81	230.71	162.65	230.71	151.84	230.71	115.77
HCAR	229.78	(1.01)	(0.28)	38.21	232.13	112.55	232.13	82.41	232.13	82.41
MTL	619.83	(1.56)	5.83	121.79	655.84	403.21	655.84	357.77	655.84	275.15
FATIMA	33.35	(1.62)	(1.33)	18.88	34.60	27.12	34.60	25.44	34.60	23.90

Source (s): Bloomberg, AHL Research

Pakistan Weekly Update

Pakistan
Stock Market



December 8, 2023

Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	4.1	1.4	3.0	2.8	3.6	3.6	3.7	3.5	2.0	3.1	10.4	-70.8%
P/E (x)	13.6	18.4	9.1	10.6	12.6	14.1	9.7	15.5	9.1	12.5	4.4	-65.1%
P/B (x)	0.1	2.9	1.4	1.3	1.1	1.3	1.1	2.1	0.8	1.3	0.7	-45.2%

Source: Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	548.71	552.41	SELL	(3.69)
Companies	31.93	31.26	BUY	0.66
Banks / DFIs	10.54	23.56	SELL	(13.02)
NBFC	0.26	0.28	SELL	(0.02)
Mutual Funds	20.97	14.10	BUY	6.87
Other Organizations	6.10	5.05	BUY	1.04
Broker Proprietary Trading	96.90	99.95	SELL	(3.05)
Insurance Companies	6.72	6.66	BUY	0.06
Total	722.12	733.27	SELL	(11.15)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	275.46	271.52	BUY	3.94
Companies	14.24	18.72	SELL	(4.48)
Banks / DFIs	7.32	21.29	SELL	(13.97)
NBFC	0.13	0.22	SELL	(0.09)
Mutual Funds	10.63	13.20	SELL	(2.57)
Other Organizations	5.80	5.67	BUY	0.14
Broker Proprietary Trading	50.57	50.22	BUY	0.36
Insurance Companies	4.82	5.60	SELL	(0.78)
Total	368.97	386.43	SELL	-17.46

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	51.80	56.06	SELL	(4.26)
Fertilizer	23.61	25.46	SELL	(1.85)
Cement	57.52	58.91	SELL	(1.39)
Power Generation & Distribution	28.67	29.83	SELL	(1.16)
Exploration & Production	131.76	130.64	BUY	1.12
Oil & Gas Marketing Companies	67.32	68.12	SELL	(0.80)
Food and Personal Care Products	30.73	30.20	BUY	0.54
Textile Composite	7.68	8.26	SELL	(0.58)
Technology and Communication	87.85	88.21	SELL	(0.36)
Debt	0.18	0.18	SELL	-
All other Sectors	235.00	237.39	SELL	(2.39)
Total	722.12	733.27	SELL	(11.15)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	39.95	45.66	SELL	(5.70)
Fertilizer	15.53	17.24	SELL	(1.71)
Cement	51.28	56.33	SELL	(5.05)
Power Generation & Distribution	11.34	13.79	SELL	(2.45)
Exploration & Production	37.42	37.79	SELL	(0.37)
Oil & Gas Marketing Companies	22.89	24.11	SELL	(1.21)
Food and Personal Care Product	15.33	14.46	BUY	0.87
Textile Composite	9.66	10.09	SELL	(0.43)
Technology and Communication	35.65	34.80	BUY	0.85
Debt	-	-	SELL	-
All other Sectors	128.04	130.29	SELL	(2.25)
Total	367.09	384.55	SELL	(17.46)

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.03	0.13	SELL	(0.10)
Foreign Corporates	19.75	9.13	BUY	10.62
Overseas Pakistani	42.45	41.82	BUY	0.63
Total	62.23	51.09	BUY	11.15

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.02	0.04	SELL	(0.02)
Foreign Corporates	26.81	10.13	BUY	16.68
Overseas Pakistani	20.78	19.98	BUY	0.80
Total	47.61	30.15	BUY	17.46

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	7.98	3.72	BUY	4.26
Fertilizer	4.09	2.24	BUY	1.85
Cement	5.83	4.44	BUY	1.39
Power Generation & Distribution	4.01	2.85	BUY	1.16
Exploration & Production	7.30	8.42	SELL	(1.12)
Oil & Gas Marketing Companies	5.25	4.45	BUY	0.80
Food and Personal Care Products	1.93	2.46	SELL	(0.54)
Textile Composite	1.08	0.50	BUY	0.58
Technology and Communication	6.35	5.99	BUY	0.36
All other Sectors	18.41	16.01	BUY	2.39
Total	62.23	51.09	BUY	11.15

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	8.92	3.22	BUY	5.70
Fertilizer	3.66	1.94	BUY	1.71
Cement	7.80	2.75	BUY	5.05
Power Generation & Distribution	3.54	1.09	BUY	2.45
Exploration & Production	5.67	5.30	BUY	0.37
Oil & Gas Marketing Companies	2.16	0.95	BUY	1.21
Food and Personal Care Product	1.06	1.93	SELL	(0.87)
Textile Composite	1.32	0.90	BUY	0.43
Technology and Communication	3.21	4.06	SELL	(0.85)
All other Sectors	10.26	8.01	BUY	2.25
Total	47.61	30.15	BUY	17.46

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)
Pakistan	KSE100 Index	66,224	7.8	9.9	30.7	Latvia	RIGSE Index	1,362	0.6	0.9	20.3
Argentina	MERVAL Index	941,830	7.3	14.6	126.8	USA	INDU Index	36,117	(0.4)	0.5	9.0
Mongolia	MSETOP Index	38,424	5.0	4.1	2.8	Poland	WIG20 Index	2,303	(0.4)	3.4	39.8
India	SENSEX Index	69,826	3.3	4.2	13.8	Philippines	PCOMP Index	6,235	(0.4)	0.3	(4.6)
Lebanon	BLOM Index	1,667	2.8	2.4	18.2	Finland	HEX Index	9,906	(0.5)	0.4	(7.7)
Vietnam	VNIndex Index	1,124	2.3	2.9	8.9	Mexico	MEXBOL Index	54,457	(0.5)	0.4	25.6
Kenya	NSEASI Index	94	1.7	2.1	(40.7)	South Korea	KOSPI Index	2,518	(0.7)	(1.4)	8.4
Sweden	OMX Index	2,299	1.5	3.3	12.3	Ukraine	PFTS Index	507	(0.8)	(1.1)	(1.9)
Sri Lanka	CSEALL Index	10,794	1.1	2.2	42.9	Malaysia	FBMKLCI Index	1,442	(0.8)	(0.8)	(8.9)
France	CAC Index	7,479	0.9	1.3	16.3	Spain	IBEX Index	10,151	(0.8)	(0.1)	24.2
Europe	SX5E Index	4,494	0.8	1.5	19.3	UK	UKX Index	7,529	(0.9)	0.7	5.1
Australia	AS51 Index	7,195	0.7	1.6	(0.9)	Dubai	DFMGI Index	3,952	(0.9)	(1.0)	18.5
Indonesia	JCI Index	7,160	0.6	1.3	4.3	Portugal	PSI20 Index	6,529	(0.9)	(0.2)	14.8
Germany	DAX Index	16,651	0.6	1.7	20.4	Jordan	JOSMGNFF Index	2,382	(1.1)	(1.1)	(4.8)
Iceland	ICEXI Index	1,966	0.6	1.8	(9.0)	Hungary	BUX Index	58,376	(1.1)	(0.6)	40.0
Belgium	BEL20 Index	3,680	0.6	0.6	(5.5)	Ireland	ISEQ Index	8,446	(1.1)	0.1	19.6
Belgium	BEL20 Index	3,680	0.6	0.6	(5.5)	Thailand	SET Index	1,381	(1.3)	(0.2)	(18.8)
Switzerland	SMI Index	10,993	0.5	1.3	8.0	Turkey	XU100 Index	7,939	(1.4)	(0.5)	(6.9)
Zimbabwe	ZHIALSH Index	193,304	0.5	0.3	12.0	Estonia	TALSE Index	1,746	(1.4)	(1.3)	(0.5)
Saudi Arabia	SASEIDX Index	11,225	0.5	0.5	7.4	Austria	ATX Index	3,301	(1.4)	(0.7)	6.3
Singapore	FSSTI Index	3,111	0.3	1.1	(4.3)	Oman	MSM30 Index	4,594	(1.4)	(1.4)	(5.4)
Netherlands	AEX Index	780	0.2	1.0	14.0	Uae	ADSMI Index	9,401	(1.4)	(1.7)	(7.9)
Slovenia	SBITOP Index	1,228	0.2	0.6	18.2	Ghana	GGSECI Index	3,129	(1.4)	(1.5)	7.8
USA	NDX Index	16,022	0.2	0.5	46.5	Canada	SPTSX Index	20,279	(1.5)	0.2	4.1
Bahrain	BHSEASI Index	1,942	0.1	0.1	2.5	Greece	ASE Index	1,271	(1.6)	(1.3)	37.6
Czech Republic	PX Index	1,407	0.1	0.1	16.8	Japan	NKY Index	32,308	(1.7)	(0.9)	12.4
Romania	BET Index	14,979	0.1	0.1	28.7	Latvia	RIGSE Index	1,345	(1.7)	(1.7)	17.4
Luxembourg	LUXXX Index	1,423	0.1	0.3	(1.9)	Qatar	DSM Index	9,848	(2.0)	(2.0)	(7.6)
New Zealand	NZSE Index	1,734	0.1	1.2	(6.2)	Brazil	IBOV Index	126,010	(2.3)	(0.7)	23.8
Chile	IPSA Index	5,971	(0.0)	2.3	10.7	Lithuania	VILSE Index	935	(2.4)	(2.8)	(0.6)
Bulgaria	SOFIX Index	752	(0.0)	(0.3)	26.0	China	SHSZ300 Index	3,399	(2.8)	(3.1)	(15.4)
Tunisia	TUSISE Index	8,606	(0.1)	(0.1)	5.9	Russia	IMOEX Index	3,072	(2.9)	(4.2)	14.6
Kazakhstan	KZKAK Index	4,158	(0.1)	(0.2)	29.0	Hong Kong	HSI Index	16,334	(2.9)	(4.2)	(17.5)
Taiwan	TWSE Index	17,384	(0.1)	(0.6)	20.4	Serbia	BELEX15 Index	871	(3.1)	(1.7)	6.8
Croatia	CRO Index	2,459	(0.1)	0.0	25.4	Russia	RTSI\$ Index	1,061	(3.2)	(4.9)	9.3
USA	SPX Index	4,586	(0.2)	0.4	19.4	Denmark	KFX Index	2,180	(3.3)	(3.0)	19.3
Egypt	EGX30 Index	24,686	(0.2)	(0.2)	35.5	South Africa	JALSH Index	74,163	(3.5)	(2.0)	(8.5)
Mauritius	SEMDEX Index	2,054	(0.3)	(2.7)	(2.1)	Norway	OBXP Index	567	(3.6)	(2.2)	(7.3)
Italy	FTSEMIB Index	30,118	(0.3)	0.3	27.9	Nigeria	NGSEINDX Index	71,248	(9.2)	(5.6)	(26.1)

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

Key Economic Data & Commodities Prices

Month end	Units	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Current*
Money Market Data														
03-M T-Bill	%	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.77
06-M T-Bill	%	17.0	17.87	19.82	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.57
12-M T-Bill	%	17.0	17.95	19.93	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.26
03-Y PIB	%	15.6	16.83	18.20	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.46
05-Y PIB	%	14.6	15.48	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.98
10-Y PIB	%	13.7	14.45	15.50	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.96
06-M KIBOR	%	17.0	17.97	20.06	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.72
Policy Rate	%	16.00	17.00	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	24.5	27.6	31.6	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.2
Monetary Sector														
M1	PKR bn	22,963	22,798	23,131	24,074	24,802	25,017	26,157	25,857	25,964	26,184	26,403	n.a	26,403
M2	PKR bn	27,335	27,292	27,878	28,732	29,433	29,859	31,280	30,966	31,209	31,425	31,722	n.a	31,722
M3	PKR bn	30,744	30,688	31,241	32,070	32,743	33,140	34,545	34,246	34,483	34,287	34,906.3	n.a	34,906
Banking Sector														
Deposits	PKR bn	22,467	22,754	22,921	23,562	23,429	24,388	25,508	25,702	26,110	26,318	26,398	n.a	26,398
Advances	PKR bn	11,913	11,659	11,723	11,836	12,111	12,072	12,202	11,898	11,775	11,857	11,898	n.a	11,898
Investment	PKR bn	17,902	19,293	18,993	19,236	19,695	20,144	20,896	21,468	22,016	22,622	23,232	n.a	23,232
WALR	%	14.6	15.0	15.5	16.3	17.6	17.7	18.2	18.4	18.9	19.3	19.3	n.a	19.3
WADR	%	8.1	8.0	8.7	8.7	9.7	10.2	10.5	11.3	11.3	11.4	11.6	n.a	11.6
Spread	%	6.5	7.0	6.8	7.5	7.9	7.6	7.7	7.1	7.6	7.9	7.7	n.a	7.7
External Sector														
Forex Reserves	USD bn	10.8	8.4	9.3	9.8	10.0	9.5	9.2	13.5	13.2	12.5	12.0	12.0	12.1
With SBP	USD bn	5.3	3.1	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.6	7.4	7.4	7.0
With Banks	USD bn	5.6	5.3	5.5	5.6	5.6	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.1
Exchange rate	PKR/USD	226.4	267.9	261.5	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	285.2	283.9
C/A Balance	USD mn	(290.0)	(230.0)	(36.0)	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(46.0)	(74.0)	n.a	(74.0)
Exports	USD bn	2.3	2.2	2.2	2.4	2.1	2.6	2.1	2.1	2.5	2.5	2.8	n.a	2.8
Imports	USD bn	4.2	3.9	3.9	4.0	3.7	3.8	3.2	4.2	4.0	4.0	4.3	n.a	4.3
Trade Balance	USD bn	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	n.a	(1.6)
Remittances	USD bn	2.0	1.9	2.0	2.5	2.2	2.1	2.2	2.0	2.1	2.2	2.5	n.a	2.5
Key Commodities Prices														
International														
Coal	USD/ton	205.6	141.7	143.1	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	108.0	108.5
Steel (HRC)	USD/ton	595.5	635.9	628.8	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	560.2	565.3
PTA	USD/ton	790.0	830.0	785.0	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	765.0	765.0
Gold	USD/oz	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	2,036.4	2,028.5
Cotton (COTLOOK A)	USD/lb	99.3	102.0	99.4	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	89.7	90.0
Crude oil (WTI)	USD/bbl	80.3	78.9	77.1	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	76.0	69.3
Crude oil (Arab Light)	USD/bbl	84.2	82.9	83.4	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	87.7	78.9
Crude oil (Brent)	USD/bbl	85.9	84.5	83.9	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	82.8	74.1
Local														
Cotton	PKR/maund	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	17,000.0
Cement	PKR/bag	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	1,241.3	1,245.6
Gold	PKR/10 grms	158,780	173,190	166,580	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	186,474	186,390

*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, NBP, BOP, FFBL, MLCF and PSO.