

Resurgence

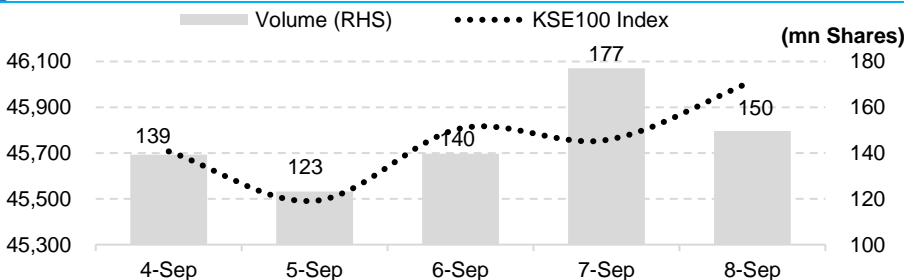
The market commenced on a positive note given the caretaker PM informed that Saudi Arabia is expected to invest USD 25bn in Pakistan. Moreover, the Pak Rupee witnessed a sharp appreciation in the open market after a crackdown against foreign currency smuggling was initiated, the impact of which boosted investors' confidence in the local bourse. Furthermore, the cotton arrival data showcased a 1,501K bales | 98% YoY jump, settling at 3,041K bales on 31st Aug'23 compared to 1,540K bales in SPLY. Moreover, urea and DAP offtake depicted a jump of 18% and 10x YoY, respectively in Aug'23. In addition, the MS and HSD sales increased by 5% and 11% YoY, respectively in Aug'23. Similarly, cement dispatches climbed up by 37% YoY in Aug'23. However, the massive jump in cut-off yields of T. Bills signalled a possible hike in SBP in the upcoming MPC next week, keeping the market in check. The USD/PKR parity settled at PKR 302.95, appreciating by PKR 2.52 | +0.82% WoW. Albeit, KSE-100 index closed at 46,013 points, up by 701points | +1.5% WoW.

Sector-wise positive contributions came from i) Fertilizer (171pts), ii) E&Ps (94pts), iii) OMCs (78pts), iv) Commercial Banks (77pts), and v) Power (74pts). Meanwhile, the sector which mainly contributed negatively were Pharmaceuticals (12pts), and Automobile Assembler (4pts). Scrip-wise positive contributors were DAWH (102pts), PPL (85pts), ENGRO (58pts), MEBL (52pts), and HUBC (47pts). Whereas, scrip-wise negative contributions came from BAML (44pts), LUCK (36pts), INDU (17pts), POL (15pts), and HMB (12pts).

Foreigner buying continued during this week, clocking in at USD 0.6mn compared to a net buy of USD 3.3mn last week. Major buying was witnessed in Commercial Banks (USD 1.2mn) and Exploration & Production (USD 0.7mn). On the local front, selling was reported by Mutual Funds (USD 2.5mn) followed by Banks/DFIs (USD 1.5mn). Average volumes arrived at 146mn shares (down by 31% WoW) while the average value traded settled at USD 17mn (down by 36% WoW).

Other major news: i) Sunridge acquires 37,123,188 voting shares of Al Shaheer, ii) Pakistan public debt surges 22pc to Rs61.75tr in July, iii) SBP reserves dip to \$7.8bn, down \$70m on debt repayment, iv) Wapda's hydro tariff increased by 29pc, and v) SIFC identifies 9 power projects worth \$6.87bn.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

Market participants are expected to keep a close eye on economic developments because they will significantly influence the market's trajectory. With the monetary policy announcement in the upcoming week, investors will maintain a cautious stance. Moreover, with the ongoing result season, the energy chain is expected to stay under the limelight given anticipation 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 3.6x (2024) as compared to its 5-year average of 5.7x offering a dividend yield of ~11.0% as compared to its 5-year average of ~6.7%.

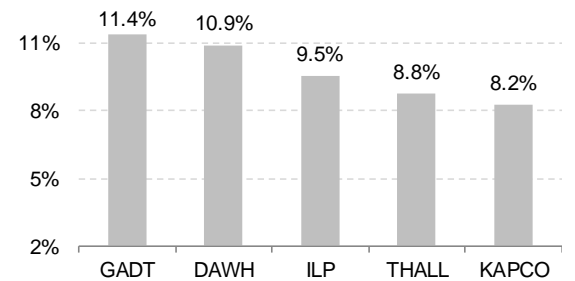
PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	46,013	1.5	13.8
KSEAll	30,698	1.5	11.5
KSE30	16,246	1.0	9.5
KMI30	77,128	2.4	13.0
BKTI	11,320	(0.3)	22.1
OGTI	12,024	1.6	11.2

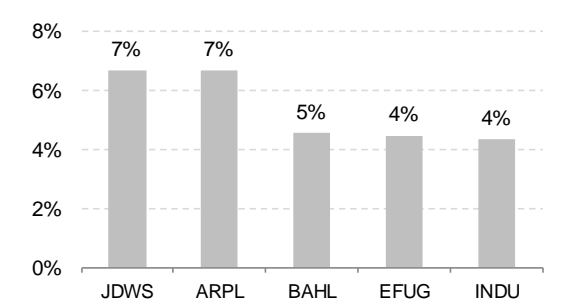
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
WTL	13.1	1.2
MLCF	7.6	28.7
KAPCO	6.2	25.9
PPL	6.2	72.0
DFML	5.9	17.6

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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Best Economic Research House of the Year: 2022

Corporate Finance House of the Year: 2022

Best Equity Research Analyst: 2022



Best Securities House: 2023
Best Investment Bank: 2023



Best Equity House: 2022

Business and Economic News of the Week

Kakar wants five-year economic plan drawn up (The News)

Caretaker Prime Minister Anwaar-ul-Haq Kakar has directed the Ministry of Planning to prepare a five-year plan and national economic agenda to set a long-term economic direction. The planning ministry was also mandated for the constitution of different working groups to formulate the next five-year plan from 2023-24 to the fiscal year 2028-29. The planning ministry has also been mandated to prepare a national economic agenda for long-term economic direction, setting the goal of economic revival. Under the plan, the planning ministry has been assigned the task of consolidating and synergizing various initiatives such as the Special Investment Facilitation Council (SIFC), China-Pakistan Economic Corridor (CPEC), Green Pakistan, Vision 2035 and 5Es [Exports, Environment & Climate Change, Equity and Empowerment Framework].

Analysts see 150bps hike in key policy rate (BR)

The Monetary Policy Committee of the State Bank of Pakistan is expected to increase interest rate by 150bps to 23.5 percent in its next meeting as precautionary measure to address the persistently high levels of inflation in the country, analyst said. "The monetary policy committee is set to commence its next meeting on September 14, 2023 and we expect the SBP to increase the policy rate by 150bps to 23.5 percent in this meeting," Sana Tawfik at Arif Habib Limited said. To recall, during its scheduled meeting on July 31, 2023, the SBP kept the policy rate unchanged. The MPC acknowledged a reduction in economic uncertainty since the last meeting and successful resolution of near-term external sector challenges, which boosted investor confidence.

ECC raises margins for fuel dealers, marketing firms (Dawn)

The Economic Coordination Committee (ECC) of the cabinet on Wednesday approved per-litre hikes of Rs1.64 and Rs1.87 in margins to petroleum dealers and oil marketing companies (OMCs), respectively, on petrol and diesel sales and allowed Rs40 billion supplementary grants to armed forces. However, the committee did not immediately clear a bailout package to PIA, nor did it allow the suspension of its tax and service charges payable to the Civil Aviation Authority and the Federal Board of Revenue without a sustainable restructuring plan for the airline.

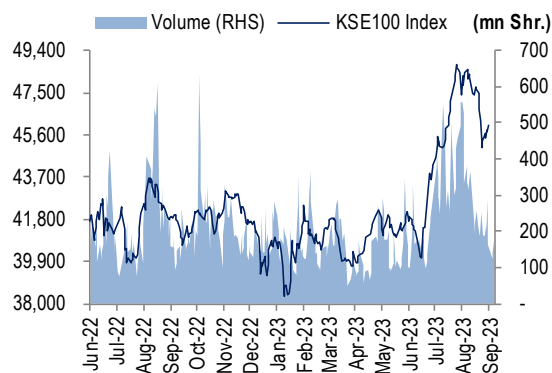
Interim set-up told to step up SOEs' privatization (Tribune)

The International Monetary Fund (IMF) has asked the caretaker government to implement the terms of the \$3 billion standby arrangement, including reducing costs and speeding up the process of privatization of public entities. The Washington-based lender has also demanded that 203 government companies should be removed from the ministries and placed under the finance ministry as per the pact. In July this year, Pakistan secured a badly-needed \$3 billion short-term financial package from the IMF, giving the economy a much-awaited respite as it teetered on the brink of default. According to finance ministry sources, the IMF's stance was that the management of these government companies by line ministries was an obstacle to improvement.

Petrol and diesel: Exchange adjustment rate for PSO kept at Rs4.24, Rs2.62 per litre (BR)

The Oil and Gas Regulatory Authority (OGRA) has kept Rs4.24 and Rs2.62 per litre exchange adjustment rate for Pakistan State Oil (PSO) on both petroleum products – petrol and high-speed diesel (HSD)- for the first half of September. The same rate was applicable during the second half of August 2023. The interim government had raised the petrol price by Rs14.91 per litre, while the price of HSD had been jacked up by Rs18.44 per litre. The new petrol price is at Rs305.36 per litre and HSD is now costing Rs311.84 per litre.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies

Companies	Index Contribution
Bullish Companies	
DAWH	102.2
PPL	84.8
ENGRO	57.5
MEBL	52.5
HUBC	46.6
	343.6

Bearish Companies

BAHL	(43.8)
LUCK	(36.2)
INDU	(16.9)
POL	(14.8)
HMB	(11.5)
	(123.3)

Sectors

Bullish Sectors

Fertilizer	170.8
Oil & Gas Exploration Companies	94.4
Oil & Gas Marketing Companies	77.9
Commercial Banks	76.7
Power Generation & Distribution	74.0
	493.8

Bearish Sectors

Pharmaceuticals	(11.6)
Automobile Assembler	(4.2)
Sugar & Allied Industries	(4.1)
Paper & Board	(3.7)
Close - End Mutual Fund	(1.1)
	(24.8)

FinanceAsia

Best Investment Bank: 2022



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Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price 8-Sep-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.	72.0	108.67	50.9	Buy	19.3	19.7	37.6	35.8	3.50	2.00	3.50	3.00	1.9	2.0	4.9	4.2	0.4	0.3	21.3	17.1	KSE100, KSE30, KMI & MSCI
OGDC	Oil and Gas Dev Co.	96.0	135.4	41.1	Buy	21.3	31.1	45.1	39.2	6.90	7.25	8.00	7.50	2.1	2.4	8.3	7.8	0.4	0.4	20.5	15.4	KSE100, KSE30, KMI & MSCI
POL	Pakistan Oilfields Ltd.	442.4	553.01	25.0	Buy	47.1	91.4	128.4	98.1	50.00	70.00	80.00	76.00	3.4	4.5	18.1	17.2	1.9	2.0	61.6	42.9	KSE100, KSE30 & MSCI
MARI	Mari Petroleum Ltd	1,610.8	2,414.8	49.9	Buy	235.7	247.8	420.7	536.7	141.00	124.00	147.00	268.00	3.8	3.0	9.1	16.6	1.4	1.1	39.0	41.0	KSE100, KSE30, KMI & MSCI
Commercial Banks																						
UBL	United Bank Ltd.*	141.1	187.9	33.2	Buy	24.8	25.8	40.5	46.6	18.00	22.00	33.00	34.00	3.5	3.0	23.4	24.1	0.7	0.6	20.6	21.4	KSE100, KSE30 & MSCI
BAFL	Bank Alfalah*	40.8	52.8	29.3	Buy	9.2	11.7	20.6	21.4	4.00	5.00	6.00	6.50	2.0	1.9	14.7	15.9	0.5	0.4	28.9	24.2	KSE100 & MSCI
MCB	MCB Bank Ltd.*	132.2	189.9	43.7	Buy	26.3	29.0	44.6	51.7	19.00	20.00	24.00	26.00	3.0	2.6	18.2	19.7	0.7	0.7	24.6	25.9	KSE100, KSE30 & MSCI
HBL	Habib Bank Ltd.*	97.3	123.4	26.8	Buy	23.9	23.2	32.6	37.8	7.50	6.75	7.00	7.50	3.0	2.6	7.2	7.7	0.4	0.4	15.6	16.1	KSE100, KSE30 & MSCI
ABL	Allied Bank Ltd.*	70.0	102.4	46.3	Buy	15.3	18.6	34.3	38.1	8.00	8.50	10.00	11.00	2.0	1.8	14.3	15.7	0.5	0.5	22.8	20.4	KSE100
NBP	National Bank of Pakistan.*	21.7	30.4	40.2	Buy	13.4	14.5	23.1	25.1	-	-	-	-	0.9	0.9	-	-	0.1	0.1	11.1	11.0	KSE100
AKBL	Askari Bank Ltd.*	15.4	20.2	31.1	Buy	6.7	9.7	11.4	12.7	-	-	1.00	1.50	1.4	1.2	6.5	9.7	0.2	0.2	20.4	19.0	KSE100
BOP	The Bank of Punjab*	3.6	6.2	72.3	Buy	3.8	3.2	1.7	1.9	-	-	-	-	2.2	1.9	-	-	0.2	0.2	8.0	8.4	KSE100 & MSCI
MEBL	Meezan Bank Ltd.*	119.9	151.6	26.5	Buy	15.8	25.1	34.1	37.2	6.00	8.50	12.00	13.00	3.5	3.2	10.0	10.8	1.3	1.0	44.1	36.0	KSE100, KSE30 & KMI
FABL	Faysal Bank Ltd.*	22.0	34.4	56.2	Buy	5.5	7.5	9.0	10.0	1.50	7.00	2.50	3.50	2.4	2.2	11.4	15.9	0.4	0.4	19.2	19.7	KSE100, KMI & MSCI
Fertilizer																						
ENGRO	Engro Corporation*	253.6	366.8	44.6	Buy	52.1	45.3	58.2	78.0	25.00	34.00	50.00	62.00	4.4	3.3	19.7	24.4	0.5	0.5	12.1	-	KSE100, KSE30, KMI & MSCI
FFBL	Fauji Fert. Bin Qasim	13.6	15.2	11.8	Hold	4.9	1.8	0.5	2.7	-	-	-	-	27.1	5.1	-	-	0.7	0.7	2.8	13.8	KSE100, KMI & MSCI
EFERT	Engro Fertilizer	77.0	97.3	26.4	Buy	15.8	12.0	11.0	12.1	16.50	13.50	12.00	14.00	7.0	6.4	15.6	18.2	2.7	3.0	34.9	44.3	KSE100, KSE30, KMI & MSCI
FFC	Fauji Fertilizer Co.	94.7	136.2	43.8	Buy	17.2	15.8	18.1	20.8	14.50	12.13	14.00	16.00	5.2	4.6	14.8	16.9	2.1	1.9	43.2	44.7	KSE100, KSE30 & MSCI
FATIMA	Fatima Fertilizer Co.	27.0	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.	27.8	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.	543.7	954.6	75.6	Buy	44.9	48.8	43.8	72.8	-	-	18.00	20.00	12.4	7.5	3.3	3.7	1.2	1.2	10.3	14.8	KSE100, KSE30, KMI & MSCI
LUCK	Lucky Cement Ltd.*	543.7	954.6	75.6	Buy	72.9	94.1	155.6	204.5	-	-	18.00	20.00	3.5	2.7	3.3	3.7	0.6	0.5	19.5	18.3	KSE100, KSE30, KMI & MSCI
FCCL	Fauji Cement Co.	10.8	19.1	76.5	Buy	1.4	2.9	3.0	4.1	-	-	-	-	3.6	2.6	-	-	0.4	0.3	11.8	13.9	KSE100, KMI & MSCI
ACPL	Attock Cement Ltd.	81.1	149.4	84.4	Buy	8.1	8.2	11.0	28.4	4.00	3.50	6.00	-	7.3	2.9	7.4	-	0.5	0.4	7.9	17.1	KSEALL, KMI & MSCI
DGKC	D.G. Khan Cement Co.	42.7	72.0	68.9	Buy	8.5	6.8	(8.2)	8.2	1.00	1.00	-	-	(5.2)	5.2	-	-	0.3	0.2	(5.0)	4.8	KSE100, KSE30, KMI & MSCI
KOHC	Kohat Cement Co.	165.1	291.9	76.8	Buy	17.9	25.7	29.7	36.0	-	-	-	-	5.6	4.6	-	-	1.0	0.8	19.2	19.1	KSE100, KMI & MSCI
MILCF	Maple Leaf Cement.*	28.7	56.5	96.9	Buy	3.6	4.2	5.4	9.0	-	-	-	2.00	5.3	3.2	-	7.0	0.6	0.5	12.5	17.9	KSE100, KMI & MSCI
POWER	Power Cement	3.5	na	na	na	0.3	(0.4)	na	na	-	-	-	-	Group Company: No estimates are given						KMI		
Oil & Gas Marketing																						
PSO	Pakistan State Oil	117.3	202.8	72.9	Buy	62.1	183.7	12.1	64.3	15.00	10.00	7.50	10.00	9.7	1.8	6.4	8.5	0.2	0.2	2.6	12.8	KSE100, KSE30, KMI & MSCI
APL	Attock Petroleum Ltd.	302.96	398.20	31.4	Buy	39.5	149.0	100.2	53.9	27.00	45.00	27.50	20.00	3.0	5.6	9.1	6.6	0.9	0.9	31.5	15.6	KSE100 & KMI
SNGP	Sui Northern Gas Pipeline Ltd.	42.0	66.3	57.8	Buy	17.3	16.3	18.8	20.5	7.00	4.00	8.00	8.00	2.2	2.0	19.0	19.0	0.5	0.5	149.7	249.7	KSE100, KSE30, KMI & MSCI
Automobile Assemblers																						
PSMC	Pak Suzuki Motor Co.	108.4	148.2	36.7	Buy	32.6	(77.0)	(152.6)	7.6	6.50	-	-	6.00	nm	14.3	-	5.5	0.4	0.3	(57.0)	2.4	KSE100 & KMI
INDU	Indus Motor Co.	945.0	1,322.0	39.9	Buy	163.2	201.0	123.0	125.5	103.50	93.75	71.80	61.00	7.7	7.5	7.6	6.5	1.3	1.2	17.2	16.2	KSE100
HCAR	Honda Atlas Cars (Pak)	109.6	122.2	11.5	Hold	12.6	17.6	(0.6)	9.3	4.52	7.00	-	5.00	(188.4)	11.8	-	4.6	0.8	0.7	(0.4)	6.5	KSE100 & KMI
MTL	Millat Tractors Ltd.	443.5	389.3	(12.2)	Hold	30.1	28.3	15.8	29.6	100.00	65.00	31.00	51.00	28.1	15.0	7.0	11.5	12.1	12.1	43.1	80.8	KSE100, KSE30, KMI & MSCI
Power Generation & Distribution**																						
HUBC	Hub Power Company*	81.5	126.9	77.4	Buy	26.0	21.9	34.6	37.7	12.00	6.50	29.50	15.75	2.4	2.2	36.2	19.3	0.8	0.6	34.4	32.1	KSE100, KSE30, KMI & MSCI
NCPL	Nishat Chu. Power Ltd.	19.5	21.0	18.1	Buy	6.8	6.8	10.8	7.5	-	10.00	-	4.00	1.8	2.6	-	20.5	0.3	0.2	15.6	10.0	KMI & MSCI
NPL	Nishat Power Limited	23.9	23.3	14.4	Hold	7.6	9.4	11.6	8.9	1.50	4.50	7.00	6.00	2.1	2.7	29.3	25.1	0.3	0.3	14.1	10.2	KSEALL & MSCI
Textile Composite																						
NML	Nishat Mills Ltd.	59.5	84.8	42.6	Buy	16.8	29.3	38.2	37.6	4.00	4.00	7.50	7.50	1.6	1.6	12.6	12.6	0.2	0.2	15.8	13.8	KSE100, KMI & MSCI
NCL	Nishat (Chunian) Ltd.	20.7	32.7	58.1	Buy	23.3	31.1	(2.5)	12.0	5.00	7.00	-	4.00	(8.2)	1.7	-	19.3	0.2	0.2	(2.6)	12.2	KSEALL
FML	Feroze1888 Mills Ltd.	78.0	104.3	33.7	Buy	10.8	8.5	22.5	15.5	3.43	4.27	10.93	6.00	3.5	5.0	14.0	7.7	1.0	0.9	29.0	18.5	KMI
ILP	Interloop Ltd.	41.7	71.4	71.3	Buy	4.5	8.8	14.4	13.6	2.50	4.00	5.00	5.50	2.9	3.1	12.0	13.2	1.3	1.0	53.2	36.8	KSE100 & KMI
Chemicals																						
LOTCHM	Lotte Chemical Pak Ltd.	Coverage Restricted due to Advisory Mandate																			KSE100 & KMI	
EPCL	Engro Polymer & Chem.	40.3	51.9	28.8	Buy	16.6	12.9	8.1	10.5	16.30	12.50	6.25	7.25	5.0	3.8	15.5	18.0	1.3	1.2	26.8	32.8	KSE100, KSE30 & KMI
LCI	Lucky Core Industries Limited	611.9	920.1	50.4	Buy	60.3	91.7	190.1	86.9	40.00	35.00	43.00	20.00	3.2	7.0	7.0	3.3	1.0	0.9	38.1	12.8	KSE100 & KMI
Engineering																						
ASTL	Amreli Steels Ltd.	19.7	24.0	21.6	Buy	4.61	4.46	(2.28)	4.35	-	-	-	-	(8.6)	4.5	-	-	0.4	0.3	(4.3)	7.7	KSEALL
AGHA	Agha Steel Industries Ltd.	9.3	18.3	97.2	Buy	3.37	3.07	1.53	2.16	-	-	-	-	6.1	4.3	-	-	0.3	0.3	5.7	7.6	KMI
ASL	Aisha Steel Mills Ltd.	5.1	na	na	na	6.9	1.2	na	na	2.00	-	-	-	Group Company: No estimates are given						KSEALL		
Technology & Communication																						
HUMNL	Hum Network Limited.	5.5	10.2	83.4	Buy	0.9	1.2	1.7	2.1	-	0.50	0.75	1.00	3.2	2.7	13.5	18.1	1.0	0.8	33.5	33.1	KSE All & MSCI

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
ILP	41.67	9.54	13.33	16.72	42.18	31.57	42.18	29.73	42.18	29.73
NPL	23.89	8.79	12.11	46.38	26.97	16.10	26.97	16.03	26.97	14.42
NCPL	19.50	8.51	2.79	37.03	24.22	15.37	24.22	14.08	24.22	12.78
KAPCO	25.89	8.24	9.94	10.49	26.13	20.23	26.13	20.23	26.13	20.23
KOHC	165.10	7.45	8.73	11.78	189.83	151.84	189.83	137.73	189.83	115.77
FML	77.99	7.19	4.88	27.36	82.00	67.98	82.00	56.11	82.00	53.25
PPL	72.01	6.54	9.02	7.20	77.97	56.30	77.97	56.30	82.65	50.33
APL	302.96	6.41	6.95	9.00	324.96	283.28	324.96	283.28	324.96	264.82
MLCF	28.71	6.14	5.75	27.20	33.39	27.05	33.39	24.58	33.39	19.34
PSO	117.29	5.65	6.67	(18.54)	137.47	101.33	137.47	99.03	161.97	99.03
LOTCHEM	23.87	4.78	5.62	8.63	29.57	22.60	29.81	20.65	29.81	18.89
BOP	3.61	4.64	5.56	(13.11)	4.82	3.19	4.82	3.19	5.18	3.19
FFBL	13.56	4.23	4.07	(11.55)	14.71	11.11	14.71	11.11	20.77	11.11
SNGP	42.82	3.68	4.39	17.98	47.64	38.05	47.64	37.35	47.64	27.86
MEBL	119.87	3.52	2.47	32.15	130.06	80.38	130.06	80.38	130.06	80.38
FATIMA	26.95	3.46	3.60	(3.93)	27.99	25.44	27.99	24.36	32.45	23.90
HCAR	109.55	3.39	6.74	(34.11)	144.75	82.41	144.75	82.41	187.97	82.41
HUMNL	5.54	3.36	3.55	(5.14)	6.15	5.35	6.15	5.30	6.24	5.24
ENGRO	253.62	3.04	3.03	12.55	273.69	246.14	280.67	233.89	280.67	187.80
AKBL	15.41	2.66	2.60	(11.83)	16.46	12.12	18.70	12.12	18.70	12.12
PSMC	108.40	2.42	5.73	(36.52)	131.44	82.38	131.44	82.38	187.35	82.38
FABL	22.00	2.34	3.53	(6.87)	25.36	19.12	25.36	19.12	27.60	19.12
BAFL	40.82	2.33	1.82	57.89	41.97	26.57	41.97	26.34	41.97	24.29
DGKC	42.66	2.20	0.35	(17.39)	57.99	41.74	57.99	41.74	61.27	39.44
NBP	21.69	2.17	1.97	(8.05)	26.50	18.89	26.50	18.89	28.24	18.89
HUBC	81.50	2.09	4.42	45.20	87.71	64.10	87.71	64.10	87.71	45.52
ACPL	81.05	1.78	3.30	43.32	97.28	78.22	97.28	56.00	97.28	52.13
OGDC	95.96	1.59	3.24	26.26	107.66	73.69	107.66	73.69	107.66	65.23
HBL	97.31	1.50	1.22	61.92	104.31	65.98	104.31	65.98	104.31	56.50
ABL	70.00	1.45	0.72	22.38	70.50	63.18	70.50	57.14	70.50	54.11
MCB	132.16	1.27	2.24	32.17	145.75	105.16	145.75	103.24	145.75	92.59
NML	59.47	1.04	2.04	8.15	69.51	54.98	69.51	52.38	69.51	49.40
NCL	20.69	0.88	0.39	(0.72)	25.02	20.00	25.02	20.00	32.56	20.00
FCCL	10.82	0.65	1.98	(9.98)	13.09	10.61	13.09	10.61	14.79	10.51
EPCL	40.31	0.32	0.83	6.19	44.62	38.59	45.02	38.59	51.25	36.20
MTL	443.53	0.32	0.63	53.58	443.53	334.57	443.53	334.57	443.53	284.33
AHCL	27.81	0.22	2.66	(19.25)	28.67	23.25	31.47	23.25	35.00	23.25
EFERT	77.01	0.06	0.13	14.68	83.91	76.91	83.99	74.57	83.99	64.90
MARI	1,610.81	(0.27)	0.95	10.65	1,705.63	1,494.03	1,705.63	1,485.39	1,705.63	1,307.83
FFC	94.73	(0.27)	0.07	6.65	98.35	93.75	99.88	90.59	99.88	87.28
UBL	141.08	(0.40)	1.43	78.19	153.37	102.10	153.37	89.12	153.37	72.38
POL	442.41	(0.89)	1.49	17.94	455.84	401.77	455.84	390.30	455.84	326.50
POWER	3.54	(1.12)	1.14	(23.38)	4.38	3.50	4.66	3.50	5.18	3.50
ITTEFAQ	4.88	(1.41)	2.74	(12.07)	7.12	4.40	7.12	4.40	7.65	4.20
AGHA	9.29	(1.90)	(2.21)	(33.17)	11.91	9.11	12.00	9.11	16.56	9.11
LUCK	543.71	(2.07)	(2.96)	21.75	626.57	507.96	626.57	392.97	626.57	383.90
LCI	611.91	(2.87)	(1.97)	(2.93)	686.02	569.72	686.02	516.31	713.86	513.64
ASTL	19.70	(3.76)	(3.81)	9.75	23.10	14.99	23.10	14.99	28.02	14.99

Source (s): Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	89.64	86.00	BUY	3.64
Companies	4.69	5.01	SELL	(0.32)
Banks / DFIs	2.61	4.13	SELL	(1.53)
NBFC	0.04	0.06	SELL	(0.02)
Mutual Funds	4.65	7.11	SELL	(2.46)
Other Organizations	1.03	1.01	BUY	0.03
Broker Proprietary Trading	18.62	18.81	SELL	(0.18)
Insurance Companies	0.85	0.64	BUY	0.20
Total	122.14	122.77	SELL	(0.63)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	115.59	115.24	BUY	0.35
Companies	13.71	12.74	BUY	0.97
Banks / DFIs	3.97	10.23	SELL	(6.26)
NBFC	0.03	0.06	SELL	(0.04)
Mutual Funds	7.44	9.89	SELL	(2.45)
Other Organizations	3.70	4.10	SELL	(0.40)
Broker Proprietary Trading	27.59	31.04	SELL	(3.45)
Insurance Companies	10.85	2.86	BUY	7.98
Total	182.88	186.17	SELL	-3.29

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	10.03	11.26	SELL	(1.22)
Fertilizer	2.76	2.71	BUY	0.06
Cement	10.59	9.28	BUY	1.31
Power Generation & Distribution	8.29	8.00	BUY	0.29
Exploration & Production	22.12	22.79	SELL	(0.67)
Oil & Gas Marketing Companies	10.34	10.34	SELL	(0.00)
Food and Personal Care Products	2.55	2.52	BUY	0.03
Textile Composite	2.66	2.70	SELL	(0.04)
Technology and Communication	9.28	9.19	BUY	0.10
Debt	-	-	SELL	-
All other Sectors	43.27	43.74	SELL	(0.47)
Total	121.89	122.52	SELL	(0.63)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	21.94	21.89	BUY	0.04
Fertilizer	4.32	4.54	SELL	(0.22)
Cement	12.03	12.57	SELL	(0.54)
Power Generation & Distribution	11.31	10.88	BUY	0.43
Exploration & Production	37.03	38.27	SELL	(1.23)
Oil & Gas Marketing Companies	10.69	10.65	BUY	0.04
Food and Personal Care Products	5.72	5.89	SELL	(0.17)
Textile Composite	5.41	5.76	SELL	(0.35)
Technology and Communication	19.13	20.12	SELL	(0.99)
Debt	-	-	SELL	-
All other Sectors	54.96	55.26	SELL	(0.30)
Total	182.54	185.83	SELL	(3.29)

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.00	BUY	0.01
Foreign Corporates	3.00	2.51	BUY	0.49
Overseas Pakistani	6.02	5.88	BUY	0.13
Total	9.03	8.39	BUY	0.63

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.02	0.01	BUY	0.01
Foreign Corporates	7.82	5.63	BUY	2.19
Overseas Pakistani	9.25	8.16	BUY	1.09
Total	17.09	13.80	BUY	3.29

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.65	0.43	BUY	1.22
Fertilizer	0.13	0.19	SELL	(0.06)
Cement	0.38	1.68	SELL	(1.31)
Power Generation & Distribution	0.42	0.71	SELL	(0.29)
Exploration & Production	2.09	1.41	BUY	0.67
Oil & Gas Marketing Companies	0.71	0.70	BUY	0.00
Food and Personal Care Products	0.17	0.20	SELL	(0.03)
Textile Composite	0.11	0.07	BUY	0.04
Technology and Communication	0.50	0.59	SELL	(0.10)
All other Sectors	2.88	2.41	BUY	0.47
Total	9.03	8.39	BUY	0.63

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	2.61	2.65	SELL	(0.04)
Fertilizer	0.52	0.31	BUY	0.22
Cement	1.33	0.80	BUY	0.53
Power Generation & Distribution	0.60	1.03	SELL	(0.43)
Exploration & Production	4.10	2.86	BUY	1.23
Oil & Gas Marketing Companies	1.26	1.30	SELL	(0.04)
Food and Personal Care Products	0.53	0.35	BUY	0.17
Textile Composite	0.79	0.44	BUY	0.35
Technology and Communication	2.26	1.27	BUY	0.99
All other Sectors	3.09	2.79	BUY	0.30
Total	17.09	13.80	BUY	3.29

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 (%)	44.4	1.4	n.a	2.8	2.8	3.3	3.6	3.5	2.0	8.0	11.0	-27.7%
P/E (x)	12.8	18.4	9.6	10.3	12.4	15.2	9.8	14.8	9.1	12.5	3.6	-71.3%
P/B (x)	1.7	2.7	1.6	1.2	1.2	1.5	1.1	2.0	0.8	1.5	0.6	-61.9%

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 (%)
Zimbabwe	ZHIALSH Index	125,549	2.7	0.3	544.0	Malaysia	FBMKLCI Index	1,455	(1.3)	(0.6)	(8.4)
Turkey	XU100 Index	8,314	2.7	4.3	5.2	Nigeria	NGSEINDX Index	68,113	(1.3)	2.5	(20.9)
Egypt	EGX30 Index	19,376	2.6	2.6	6.3	USA	SPX Index	4,451	(1.4)	(1.3)	15.9
Pakistan	KSE100 Index	46,013	2.4	3.1	(14.9)	Indonesia	JCI Index	6,925	(1.4)	(1.3)	2.1
Sri Lanka	CSEALL Index	11,466	2.2	2.8	54.9	Latvia	RIGSE Index	1,380	(1.5)	(2.1)	19.6
Romania	BET Index	13,708	2.1	1.7	17.0	USA	NDX Index	15,259	(1.5)	(1.6)	39.5
Estonia	TALSE Index	1,882	1.6	2.0	6.4	South Korea	KOSPI Index	2,548	(1.6)	(1.0)	7.8
Vietnam	VNIndex Index	1,241	1.5	1.5	21.1	Singapore	FSSTI Index	3,208	(1.7)	(1.7)	(3.2)
India	SENSEX Index	66,599	1.5	2.3	9.1	Switzerland	SMI Index	10,954	(1.7)	(2.5)	5.6
Slovenia	SBITOP Index	1,176	1.3	0.2	12.4	Germany	DAX Index	15,670	(1.8)	(3.0)	12.5
Philippines	PCOMP Index	6,223	0.8	0.8	(6.8)	Netherland	AEX Index	737	(1.9)	(2.1)	6.9
Lebanon	BLOM Index	1,808	0.8	(0.9)	28.2	Finland	HEX Index	9,725	(2.0)	(2.3)	(10.1)
Mongolia	MSETOP Index	34,811	0.8	2.2	(7.7)	France	CAC Index	7,201	(2.1)	(2.8)	11.1
Hungary	BUX Index	56,448	0.6	(1.2)	33.1	Thailand	SET Index	1,547	(2.1)	(2.7)	(9.6)
Denmark	KFX Index	2,197	0.4	1.5	19.3	Austria	ATX Index	3,125	(2.2)	(2.2)	(0.1)
Qatar	DSM Index	10,238	0.4	0.4	(4.0)	Portugal	PSI20 Index	6,092	(2.2)	(2.6)	6.3
Ghana	GGSECI Index	3,072	0.3	(0.8)	11.1	Oman	MSM30 Index	4,690	(2.3)	(2.3)	(3.4)
Norway	OBXP Index	569	0.3	1.0	(5.4)	Spain	IBEX Index	9,304	(2.3)	(3.4)	13.0
Kenya	NSEASI Index	98	0.2	(1.7)	(35.1)	Europe	SX5E Index	4,214	(2.3)	(3.2)	11.0
Jordan	JOSMGNFF Index	2,411	0.1	0.1	(3.5)	China	SHSZ300 Index	3,740	(2.4)	(1.8)	(9.2)
Croatia	CRO Index	2,470	0.0	(0.4)	25.0	Saudi Arabia	SASEIDX Index	11,216	(2.4)	(2.4)	7.3
Ukraine	PFTS Index	507	(0.0)	(0.2)	(2.4)	Brazil	IBOV Index	115,985	(2.5)	(0.6)	12.2
Mauritius	SEMDEX Index	2,074	(0.1)	(0.4)	(2.6)	Australia	AS51 Index	7,157	(2.5)	(3.2)	(4.6)
Bahrain	BHSEASI Index	1,942	(0.5)	(0.5)	2.5	Canada	SPTSX Index	20,132	(2.6)	(1.8)	2.6
Dubai	DFMGI Index	4,067	(0.5)	(0.4)	21.9	Luxembourg	LUXXX Index	1,428	(2.7)	(3.0)	(2.3)
Serbia	BELEX15 Index	888	(0.6)	(0.9)	8.0	New Zealand	NZSE Index	1,733	(2.7)	(3.0)	(10.0)
Belgium	BEL20 Index	3,646	(0.6)	(0.6)	(4.2)	Italy	FTSEMIB Index	28,070	(2.8)	(3.9)	18.3
Belgium	BEL20 Index	3,646	(0.6)	(0.6)	(4.2)	Czech Republic	PX Index	1,325	(3.3)	(4.0)	8.7
Kazakhstan	KZKAK Index	3,877	(0.8)	(1.0)	18.8	South Africa	JALSH Index	73,283	(3.3)	(3.2)	(10.4)
Hong Kong	HSI Index	18,202	(0.9)	(0.9)	(8.4)	Mexico	MEXBOL Index	52,483	(3.8)	(4.6)	20.2
Bulgaria	SOFIX Index	757	(1.0)	(1.1)	25.9	Russia	RTSI\$ Index	1,014	(4.0)	(4.3)	4.4
USA	INDU Index	34,501	(1.0)	(0.6)	4.1	Iceland	ICEXI Index	2,009	(4.0)	(5.2)	(3.5)
Uae	ADSMI Index	9,691	(1.0)	(1.2)	(5.1)	Russia	IMOEX Index	3,153	(4.1)	(4.6)	9.4
Taiwan	TWSE Index	16,576	(1.1)	(0.9)	12.4	Ireland	ISEQ Index	8,564	(4.7)	(5.5)	20.4
Japan	NKY Index	32,607	(1.1)	(1.3)	11.1	Greece	ASE Index	1,247	(4.8)	(6.2)	34.0
Sweden	OMX Index	2,176	(1.1)	(2.0)	(0.3)	Chile	IPSA Index	5,886	(5.7)	(5.8)	7.1
Lithuania	VILSE Index	956	(1.2)	(1.8)	0.8	Poland	WIG20 Index	1,933	(9.5)	(8.9)	9.2
Tunisia	TUSISE Index	8,957	(1.2)	(1.2)	9.8	Argentina	MERVAL Index	548,015	(13.7)	(16.1)	37.3
UK	UKX Index	7,436	(1.2)	(1.5)	3.0						

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

Key Economic Data & Commodities Prices

Month end	Units	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Current*
Money Market Data														
03-M T-Bill	%	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.95	23.13	23.74
06-M T-Bill	%	15.7	15.7	16.9	17.0	17.87	19.82	21.32	21.80	22.00	22.87	22.99	23.20	24.51
12-M T-Bill	%	15.7	15.7	16.9	17.0	17.95	19.93	21.39	21.76	22.00	22.93	23.02	23.28	24.73
03-Y PIB	%	13.8	14.1	15.1	15.6	16.83	18.20	18.33	18.30	19.10	19.47	19.46	20.57	21.16
05-Y PIB	%	13.1	13.2	14.0	14.6	15.48	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.80
10-Y PIB	%	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.95	23.13	23.74
06-M KIBOR	%	15.9	15.8	17.0	17.0	17.97	20.06	22.03	22.06	22.18	22.97	23.22	23.21	24.62
Policy Rate	%	15.00	15.00	16.00	16.00	17.00	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	23.2	26.6	23.8	24.5	27.6	31.6	35.4	36.4	38.0	29.4	28.3	27.4	27.4
Monetary Sector														
M1	PKR bn	22,661	22,578	22,805	22,963	22,798	23,131	24,074	24,802	25,017	26,157	25,857	n.a	25,857
M2	PKR bn	27,261	27,296	27,387	27,335	27,292	27,878	28,732	29,433	29,859	31,280	30,966	n.a	30,966
M3	PKR bn	30,737	30,737	30,818	30,744	30,688	31,241	32,070	32,743	33,140	34,545	34,246	n.a	34,246
Banking Sector														
Deposits	PKR bn	22,820	22,412	22,732	22,467	22,754	22,921	23,562	23,429	24,388	25,508	25,702	na	25,702
Advances	PKR bn	11,084	11,052	11,092	11,913	11,659	11,723	11,836	12,111	12,072	12,202	11,898	na	11,898
Investment	PKR bn	17,484	18,285	18,483	17,902	19,293	18,993	19,236	19,695	20,144	20,896	21,468	na	21,468
WALR	%	13.7	14.0	14.12	14.6	15.0	15.5	16.3	17.6	17.7	18.2	18.4	na	18.4
WADR	%	7.6	7.7	7.79	8.1	8.0	8.7	8.7	9.7	10.2	10.5	11.3	na	11.3
Spread	%	6.0	6.2	6.33	6.5	7.0	6.8	7.5	7.9	7.6	7.7	7.1	na	7.1
External Sector														
Forex Reserves	USD bn	13.3	14.7	13.4	10.8	8.4	9.3	9.8	10.0	9.5	9.2	13.5	13.2	13.1
With SBP	USD bn	7.9	8.9	7.5	5.3	3.1	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.8
With Banks	USD bn	5.4	5.8	5.9	5.6	5.3	5.5	5.6	5.6	5.4	4.7	5.3	5.3	5.3
Exchange rate	PKR/USD	228.5	220.9	223.9	226.4	267.9	261.5	283.7	283.8	285.5	286.0	286.6	305.5	303.0
C/A Balance	USD mn	(363.0)	(569.0)	(252.0)	(290.0)	(230.0)	(36.0)	750.0	78.0	220.0	504.0	(809.0)	na	(809.0)
Exports	USD bn	2.5	2.3	2.2	2.3	2.2	2.2	2.4	2.1	2.6	2.1	2.1	na	2.1
Imports	USD bn	4.8	4.6	4.3	4.2	3.9	3.9	4.0	3.7	3.8	3.2	4.2	na	4.2
Trade Balance	USD bn	(2.3)	(2.3)	(2.0)	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	na	(2.1)
Remittances	USD bn	2.4	2.2	2.1	2.1	1.9	2.0	2.5	2.2	2.0	2.2	2.0	na	2.0
Key Commodities Prices														
International														
Coal	USD/ton	295.0	214.6	250.8	205.6	141.7	143.1	132.5	127.9	100.2	100.3	102.7	113.1	114.3
Steel (HRC)	USD/ton	566.3	509.5	550.6	595.5	635.9	628.8	636.2	574.0	519.9	531.7	569.1	543.3	538.5
PTA	USD/ton	870.0	805.0	795.0	790.0	830.0	785.0	840.0	875.0	780.0	770.0	825.0	800.0	820.0
Gold	USD/oz	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	1,940.2	1,919.7
Cotton (COTLOOK A)	USD/lb	107.1	92.5	97.5	99.3	102.0	99.4	96.5	93.2	93.8	89.3	94.9	97.0	99.0
Crude oil (WTI)	USD/bbl	79.5	86.5	80.6	80.3	78.9	77.1	74.4	76.8	68.1	67.7	81.8	83.6	86.9
Crude oil (Arab Light)	USD/bbl	98.4	95.6	85.3	84.2	82.9	83.4	78.8	80.9	74.7	77.8	88.8	90.5	95.0
Crude oil (Brent)	USD/bbl	88.0	94.8	85.4	85.9	84.5	83.9	79.3	79.5	72.7	72.3	85.6	86.9	89.9
Local														
Cotton	PKR/maund	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	20,100.0	18,500
Cement	PKR/bag	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	1,144.7	1,140.8	1,177.0	1,191.4
Gold	PKR/10 grms	123,970	128,090	138,460	158,780	173,190	166,580	178,160	188,230	197,620	185,270	190,590	207,050	185,190

*Current Price

Disclaimer

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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**

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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, MEBL, FCCL, MLCF, KAPCO, NCPL and UNITY.