

## Mixed sentiment

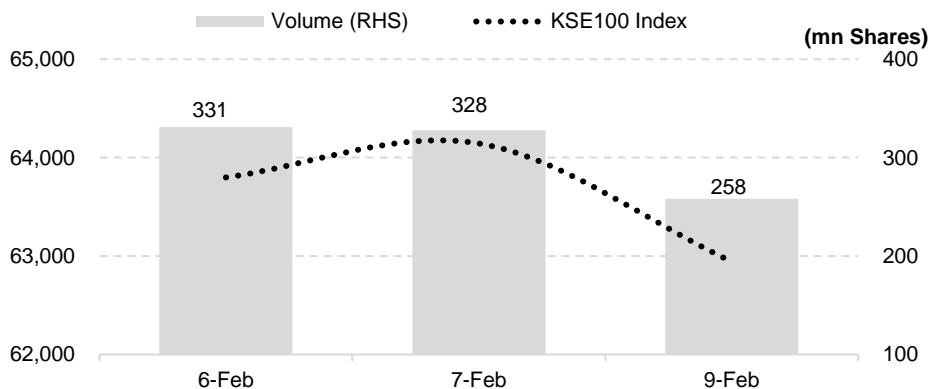
Throughout a three-day week, the local market exhibited a range-bound behavior. Market sentiment was predominantly influenced by election-related developments. Moreover, on the last day of the week, the market showed signs of pressure due to delay in announcement of polling results, leading towards uncertainty among investors. Furthermore, a T-bill auction took place on Tuesday, in which SBP raised PKR 64bn against the set target of PKR 480bn. Moreover, SBP's reserves reduced by USD 172mn, reaching USD 8.0bn. During the week PKR closed at 279.28 against USD, strengthening by PKR 0.13 | 0.05% WoW. Overall, the market closed at 62,944 points, declining by 59 points | -0.09% WoW.

Sector-wise negative contributions came from i) Fertilizer (60pts), ii) Technology & Communication (45pts), iii) Food & Personal Care Products (24pts), iv) Oil & Gas Marketing Companies (15pts) and v) Textile Composite (14pts). Meanwhile, the sectors which mainly contributed positively were i) Power Generation & Distribution (54pts), ii) Miscellaneous (40pts), iii) Commercial Banks (21pts), and iv) Oil & Gas Exploration Companies (15pts). Scrip-wise negative contributors were ENGRO (55pts), OGDG (50pts), SYS (31pts), HBL (28pts), and APL (20pts). Meanwhile, scrip-wise positive contributions came from. HUBC (62pts), PSEL (48pts), PPL (45pts), BAHF (40pts), and LUCK (22pts).

Foreign buying was witnessed during this week, clocking in at USD 5.7mn compared to a net sell of USD 9.7mn last week. Major buying was witnessed in Exploration & Production (USD 4.9mn) and Commercial Banks (USD 1.2mn). On the local front, selling was reported by Mutual Funds (USD 5.5mn) followed by Other Organizations (USD 1.2mn). Average volumes arrived at 306mn shares (down by 2.3% WoW) while the average value traded settled at USD 50mn (up by 21.7% WoW).

Other major news: i) OGRA hikes gas tariff, ii) 'Sui ML' between B'stan govt and PPL to be renewed, iii) Industrial subsidies burden may be cut by 91%, iv) CCoE approves amendments to refineries policy, and v) Rs24bn telemetry project approved.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

In the forthcoming week, we anticipate clarity on the election result front with the emergence of election winner(s) and the subsequent formation of the government. Market participants will closely monitor these developments for their potential impact on the market. Moreover, given the current result season, specific stocks are expected to attract attention due to anticipated strong financial performance. The scrips continue to trade at attractive levels, which could further entice investors. Our preferred stocks are OGDG, 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 4.3x (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%.

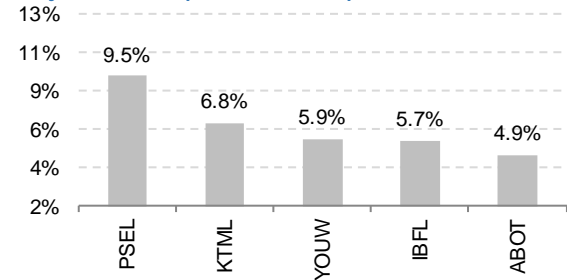
## PSX Indices Performance

Index	Current	WoW (%)	CY24TD (%)
KSE100	62,944	(0.1)	0.8
KSEAll	42,582	0.0	1.6
KSE30	21,288	(0.2)	2.5
KMI30	106,190	(0.2)	1.4
BKTI	15,549	0.1	3.9
OGTI	16,501	0.2	11.0

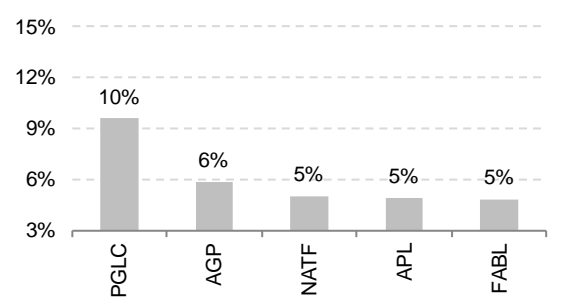
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
KEL	27.6	4.7
PIAA	24.6	10.4
OGDC	22.3	145.1
PRL	18.3	28.1
PPL	17.3	116.8

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



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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

### More stable govt can attract external financing: S&P (BR)

A more stable political environment in Pakistan is likely an important precondition to repairing the government's creditworthiness, says the S&P Global Ratings. The rating agency in a note on Pakistan stated that together with new policy moves to improve investor confidence and bring down inflation, this could lift fiscal and external metrics sufficiently for the sovereign ratings to move to the "B" rating category. It further stated that if the coming elections yield a government that has popular support and able to work with key institutions in the country

### Caretakers make record borrowing from banks (Dawn)

The caretaker government of Prime Minister Anwaarul Haq Kakar has made a record borrowing of almost Rs4 trillion from banks so far. The economy, already crushed under a huge debt burden, may witness an unprecedented increase in borrowings at the end of 2023-24 on June 30 as the amount has already surpassed the total borrowed in the entire FY23. The State Bank of Pakistan's data showed that the government borrowed Rs3.99tr from July 1 to Jan 19, 2023-24 against Rs1.398tr in the same period last year, reflecting an increase of 185 per cent.

### Power tariff plan after 25pc subsidy cut ready for IMF nod (The News)

Contrary to the promises, being made by major political parties in the ongoing electioneering to lower the electricity tariff or provide free units to the poor consumers, the Power Division think tank, under directives and approval by the Special Investment Facilitation Council (SIFC), has tailored new power tariff design to reduce the 25 per cent cross-subsidy, being extended to domestic consumers, to stimulate economic activities, led by export-oriented industrial growth for the IMF concurrence. The top mandarins of the Finance Ministry would seek the Fund's nod on the tariff rationalisation plan, prepared by the Power Division think-tank.

### SECP to appoint new auditors (BR)

The Securities and Exchange Commission of Pakistan (SECP) has decided to appoint new auditors for carrying out the audit of the SECP Regulated Entities. In this regard, the SECP has issued a Circular No 03 of 2024. The SECP Regulated Entities included securities brokers, futures brokers, asset management companies, insurance companies and their distribution agents, securities and futures advisors and others. Through this circular, the SECP has asked the auditors/eligible firms to submit its application in the prescribed form to the Commission by the end February 2024 for working as auditors to conduct audit of SECP Regulated Entities.

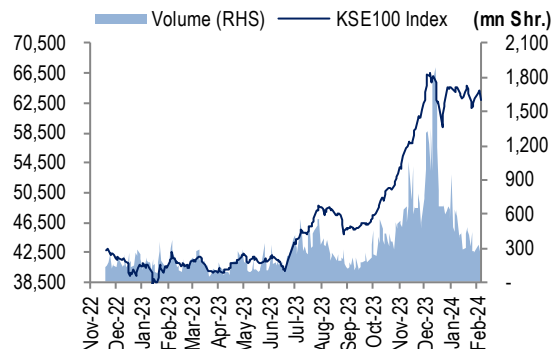
### Ecneec approves seven projects worth Rs253bn (Dawn)

The Executive Committee of the National Economic Council (Ecneec) on Wednesday approved seven development projects costing over Rs253 billion including a water sector project strongly opposed by the Sindh government. Caretaker Finance Minister Dr Shamshad Akhtar who presided over the meeting asked the Sindh government to agitate its reservations before the Council of Common Interests (CCI) over the issue of water shares that the lower riparian provinces believed would be compromised by the Greater Thal Canal (Phase-II).

### Fuel oil exports dry up in Jan as power plants boost consumption (The News)

The refining sector halted fuel oil exports in January as domestic demand surged due to increased power generation from furnace oil-based plants, industry officials said on Tuesday. The export of fuel oil came to a halt in the month of January after three months as the country exported a huge quantity of fuel oil in the second quarter of this financial year," an industry official told The News.

## PSX Volume and KSE100 Index



## Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
HUBC	62.1
PSEL	47.5
PPL	44.4
BAHL	40.4
LUCK	21.5
	<b>215.9</b>

## Bearish Companies

ENGRO	(54.8)
OGDC	(50.1)
SYS	(30.7)
HBL	(28.2)
APL	(20.1)
	<b>(183.9)</b>

## Sectors

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Power Generation & Distribution	53.7
Miscellaneous	39.6
Commercial Banks	20.7
Oil & Gas Exploration Companies	15.5
Paper & Board	14.1
	<b>143.5</b>

## Bearish Sectors

Fertilizer	(60.0)
Technology & Communication	(44.9)
Food & Personal Care Products	(24.0)
Oil & Gas Marketing Companies	(15.1)
Textile Composite	(13.8)
	<b>(157.9)</b>



Best Investment Bank: 2022



Best Equity Advisor: 2021



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## AHL Universe - Recommendation Summary

Code	Company	Price		TP Dec-24	Total Return (%)	Stance	EPS (PKR)			DPS (PKR)			P/E (x)		DY (%)		P/B (x)		ROE (%)		Indices
		9-Feb-24	Dec-24				2023	2024	2025	2023	2024	2025	2023	2024	2023	2024	2023	2024			
<b>Exploration &amp; Production</b>																					
PPL	Pakistan Petroleum Ltd.	116.8	129.61	11.0	Hold	37.4	39.5	37.4	2.50	3.50	3.50	3.1	3.0	2.1	3.0	0.6	0.5	20.9	18.3	KSE100, KSE30, KMI & MSCI	
OGDC	Oil and Gas Dev Co.	145.1	165.6	14.2	Hold	52.2	45.2	43.5	8.55	9.00	8.75	2.8	3.2	5.9	6.2	0.6	0.5	22.9	17.0	KSE100, KSE30, KMI & MSCI	
POL	Pakistan Oilfields Ltd.	435.2	554.82	27.5	Buy	128.4	120.4	110.8	80.00	76.00	70.00	3.4	3.6	18.4	17.5	1.8	1.7	61.4	49.2	KSE100, KSE30 & MSCI	
MARI	Mari Petroleum Ltd	2,274.1	2,711.4	19.2	Buy	420.7	553.3	609.1	147.00	235.00	280.00	5.4	4.1	6.5	10.3	1.8	1.4	37.5	38.9	KSE100, KSE30, KMI & MSCI	
<b>Commercial Banks</b>																					
UBL	United Bank Ltd.*	184.2	276.0	49.9	Buy	46.3	56.1	52.3	44.00	42.00	39.00	4.0	3.3	23.9	22.8	1.0	0.9	24.8	28.7	KSE100, KSE30 & MSCI	
BAFL	Bank Alfalah*	50.9	69.1	36.0	Buy	23.2	25.9	23.9	8.00	8.00	7.00	2.2	2.0	15.7	15.7	0.6	0.5	32.0	29.1	KSE100 & MSCI	
MCB	MCB Bank Ltd.*	183.8	294.1	60.0	Buy	54.9	61.4	58.7	30.00	34.00	33.00	3.3	3.0	16.3	18.5	1.0	0.9	31.4	30.9	KSE100, KSE30 & MSCI	
HBL	Habib Bank Ltd.*	110.7	158.3	43.0	Buy	40.8	50.2	43.5	8.00	10.00	10.00	2.7	2.2	7.2	9.0	0.5	0.4	19.4	20.3	KSE100, KSE30 & MSCI	
ABL	Allied Bank Ltd.*	89.8	148.8	65.7	Buy	35.6	38.6	33.3	11.00	14.00	12.00	2.5	2.3	12.2	15.6	0.7	0.6	28.6	26.3	KSE100	
NBP	National Bank of Pakistan.*	28.2	47.6	68.8	Buy	24.6	26.0	22.4	-	3.00	2.00	1.1	1.1	-	10.6	0.2	0.2	15.7	14.6	KSE100	
AKBL	Askari Bank Ltd.*	24.0	33.7	40.2	Buy	14.1	15.0	13.8	2.00	5.00	4.00	1.7	1.6	8.3	20.8	0.4	0.3	24.9	22.1	KSE100	
BOP	The Bank of Punjab*	6.0	7.9	30.5	Buy	2.8	3.2	2.9	-	0.75	0.50	2.2	1.9	-	12.4	0.3	0.2	13.2	13.4	KSE100 & MSCI	
MEBL	Meezan Bank Ltd.*	167.9	240.0	42.9	Buy	48.6	57.7	54.9	17.00	22.00	21.00	3.5	2.9	10.1	13.1	1.7	1.3	59.8	50.7	KSE100, KSE30 & KMI	
FABL	Faysal Bank Ltd.*	31.0	53.4	71.9	Buy	11.6	16.1	14.9	3.50	6.00	6.00	2.7	1.9	11.3	19.3	0.6	0.5	23.1	27.9	KSE100, KMI & MSCI	
<b>Fertilizer</b>																					
ENGRO	Engro Corporation*	316.2	372.1	17.7	Buy	63.2	76.0	85.6	54.00	61.00	69.00	5.0	4.2	17.1	19.3	0.5	0.5	12.1	12.2	KSE100, KSE30, KMI & MSCI	
FFBL	Fauji Fert. Bin Qasim	26.0	29.9	14.8	Hold	3.4	4.6	5.5	1.00	1.00	1.00	7.6	5.7	3.8	-	1.3	1.1	18.3	20.8	KSE100, KMI & MSCI	
EFERT	Engro Fertilizer	124.8	110.2	(11.7)	Hold	16.4	17.5	18.1	18.00	20.00	20.00	7.6	7.1	14.4	16.0	3.9	4.2	49.7	56.7	KSE100, KSE30, KMI & MSCI	
FFC	Fauji Fertilizer Co.	112.6	152.3	35.2	Buy	23.3	27.7	28.3	15.49	21.00	22.00	4.8	4.1	13.8	18.7	2.5	2.2	54.6	56.7	KSE100, KSE30 & MSCI	
FATIMA	Fatima Fertilizer Co.	34.4	na	na	na	na	na	na	na	na	na	Group Company: No estimates are given						KSE100 & KMI			
AHCL	Arif Habib Corp. Ltd.	37.2	na	na	na	8.4	na	na	-	na	na	Group Company: No estimates are given						KSEALL			
<b>Cement</b>																					
LUCK	Lucky Cement Ltd.*	747.0	1,148.9	53.8	Buy	166.4	217.6	232.7	18.00	20.00	43.00	4.5	3.4	2.4	2.7	0.8	0.7	21.2	21.8	KSE100, KSE30, KMI & MSCI	
FCCL	Fauji Cement Co.	18.0	35.0	94.9	Buy	3.0	3.8	7.0	-	-	2.00	5.9	4.7	-	-	0.7	0.6	12.1	13.5	KSE100, KMI & MSCI	
ACPL	Attock Cement Ltd.	92.5	155.1	67.7	Buy	11.0	22.2	30.4	6.00	10.00	12.00	8.4	4.2	6.5	10.8	0.2	0.2	4.0	4.9	KSEALL, KMI & MSCI	
DGKC	D.G. Khan Cement Co.	70.7	98.7	39.6	Buy	(8.3)	9.8	16.2	-	-	4.00	(8.5)	7.2	-	-	0.5	0.5	(5.4)	6.5	KSE100, KSE30, KMI & MSCI	
KOHC	Kohat Cement Co.	217.3	322.1	48.2	Buy	29.7	38.6	37.3	-	11.58	11.18	7.3	5.6	-	5.3	1.3	1.1	19.4	20.8	KSE100, KMI & MSCI	
MLCF	Maple Leaf Cement.*	37.6	59.4	57.9	Buy	5.4	6.7	8.2	-	2.00	3.00	7.0	5.6	-	5.3	0.9	4.1	13.2	26.5	KSE100, KMI & MSCI	
POWER	Power Cement	5.5	na	na	na	0.2	na	na	-	na	na	Group Company: No estimates are given						KMI			
<b>Oil &amp; Gas Marketing</b>																					
PSO	Pakistan State Oil	164.4	258.8	57.4	Buy	12.1	65.9	73.7	7.50	10.00	12.00	13.6	2.5	4.6	6.1	0.4	0.3	2.6	13.7	KSE100, KSE30, KMI & MSCI	
ANL	Attock Petroleum Ltd.	389.48	398.20	2.2	Hold	100.2	97.3	110.6	27.50	57.50	67.50	3.9	4.0	7.1	14.8	1.1	1.0	30.2	25.4	KSE100 & KMI	
SNGP	Sui Northern Gas Pipeline Ltd.	66.1	84.3	27.5	Buy	18.8	23.3	25.6	8.00	7.00	8.00	3.5	2.8	12.1	10.6	0.8	0.7	149.7	249.7	KSE100, KSE30, KMI & MSCI	
<b>Automobile Assemblers</b>																					
PSMC	Pak Suzuki Motor Co.	609.0				Coverage Restricted due to Advisory Mandate															KSE100 & KMI
INDU	Indus Motor Co.	1,465.9	1,571.0	7.2	Hold	123.0	186.1	227.1	71.80	109.00	133.00	11.9	7.9	4.9	7.4	1.9	1.7	16.9	23.2	KSE100	
HCAR	Honda Atlas Cars (Pak)	210.0	248.1	18.2	Buy	1.8	13.6	24.0	-	5.00	11.00	115.3	15.4	-	2.4	1.6	1.4	1.3	9.7	KSE100 & KMI	
MTL	Millat Tractors Ltd.	561.9	661.2	17.7	Buy	17.6	48.6	59.0	25.00	49.00	53.00	31.9	11.6	4.4	8.7	14.0	14.1	45.8	121.4	KSE100, KSE30, KMI & MSCI	
<b>Power Generation &amp; Distribution</b>																					
HUBC	Hub Power Company*	115.8	170.7	47.4	Buy	44.4	53.4	57.5	30.00	30.00	24.25	2.6	2.2	25.9	25.9	1.0	0.8	40.6	39.4	KSE100, KSE30, KMI & MSCI	
NCPL	Nishat Chu. Power Ltd.	26.4	29.6	11.9	Hold	10.8	12.7	10.3	-	4.00	2.75	2.5	2.1	-	15.1	0.4	0.4	16.4	18.1	KMI & MSCI	
NPL	Nishat Power Ltd.	31.6	35.8	13.1	Hold	11.6	13.6	9.9	7.00	6.00	4.00	2.7	2.3	22.1	19.0	0.4	0.3	14.1	15.4	KSEALL & MSCI	
<b>Textile Composite</b>																					
NML	Nishat Mills Ltd.	73.4	107.3	46.3	Buy	34.6	41.3	44.4	5.00	6.00	6.50	2.1	1.8	6.8	8.2	0.3	0.3	14.4	15.2	KSE100, KMI & MSCI	
NCL	Nishat (Chunian) Ltd.	26.6	39.0	46.8	Buy	(4.2)	10.8	11.5	-	4.00	4.00	(6.4)	2.5	-	15.0	0.3	0.3	(4.4)	12.1	KSEALL	
ILP	Interloop Ltd.	70.6	99.2	40.6	Buy	14.4	16.2	20.1	5.00	5.50	8.00	4.9	4.3	7.1	7.8	2.2	1.7	52.2	44.3	KSE100 & KMI	
<b>Chemicals</b>																					
LOTICHEM	Lotte Chemical Pak Ltd.	20.42	27.90	36.6	Buy	4.5	4.5	4.9	3.50	2.00	2.50	4.5	4.6	17.1	9.8	1.3	1.1	28.8	25.6	KSE100 & KMI	
EPCL	Engro Polymer & Chem.	47.7	56.8	19.2	Buy	6.6	8.6	10.6	5.50	6.00	7.50	7.2	5.5	11.5	12.6	1.6	1.5	22.1	27.8	KSE100, KSE30 & KMI	
LCI	Lucky Core Industries Ltd.	756.3	937.1	23.9	Buy	191.1	86.8	113.1	43.00	40.00	50.00	4.0	8.7	5.7	5.3	1.6	1.1	45.7	14.6	KSE100 & KMI	
<b>Leather &amp; Tanneries</b>																					
SGF	Service Global Footwear Ltd.	50.23	76.40	52.1	Buy	4.9	8.8	14.3	3.00	3.50	5.50	10.2	5.7	6.0	7.0	1.6	1.3	15.9	25.6	KMI	
<b>Engineering</b>																					
ASTL	Amreli Steels Ltd.	23.0	27.4	19.1	Buy	(2.3)	1.5	5.7	-	-	2.00	(10.1)	15.3	-	-	0.5	0.5	(4.6)	3.0	KSEALL	
AGHA	Agha Steel Industries Ltd.	12.0	26.7	122.3	Buy	1.5	1.1	5.1	-	-	-	8.0	11.1	-	-	0.4	0.4	5.6	3.9	KMI	
ASL	Aisha Steel Mills Ltd.	7.3	na	na	na	(3.5)	na	na	-	na	na	Group Company: No estimates are given						KSEALL			
<b>Technology &amp; Communication</b>																					
SYS	Systems Ltd.	389.8	614.0	57.5	Buy	31.7	35.7	43.1	5.00	6.75	12.50	12.3	10.9	1.3	1.7	3.5	2.6	33.3	27.5	KSE100, KSE30, KMI & MSCI	

Source: Bloomberg, AHL Research, \*Earnings Consolidated Basis

## AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
ABL	89.82	4.44	4.44	8.22	90.51	75.00	90.51	64.86	90.51	54.84
HUMNL	6.64	4.08	7.10	(3.07)	8.04	6.20	8.04	5.35	8.04	5.30
NPL	31.61	4.05	3.61	2.13	33.85	27.95	33.85	19.01	33.85	13.93
FATIMA	34.40	2.59	2.69	(3.07)	37.01	32.01	37.01	25.55	37.01	24.36
PPL	116.78	2.13	2.39	1.52	133.79	86.31	133.79	64.82	133.79	55.25
MARI	2,274.11	1.58	5.06	13.26	2,427.97	1,591.06	2,427.97	1,464.30	2,427.97	1,328.69
HUBC	115.78	1.57	1.61	(1.12)	123.69	109.82	123.69	69.33	123.69	50.65
AKBL	24.03	1.56	1.99	(2.79)	25.18	19.00	25.18	15.01	25.18	12.12
LOTCHEM	20.42	1.39	2.66	(24.34)	28.59	19.80	28.59	19.80	29.81	19.80
UBL	184.15	0.82	1.15	3.55	190.05	158.00	190.05	129.39	190.05	74.47
LUCK	747.01	0.75	1.78	(5.08)	818.48	681.73	818.48	514.35	818.48	379.99
KOHC	217.34	0.73	0.73	(7.21)	249.06	194.43	249.06	151.84	249.06	126.19
SNGP	66.10	0.56	1.27	(10.09)	79.07	53.35	79.07	41.02	79.07	37.35
EFERT	124.81	0.52	2.19	11.21	129.39	95.80	129.39	70.50	129.39	67.77
ACPL	92.52	0.40	0.38	(3.85)	107.42	85.63	107.42	73.13	107.42	48.59
BAFL	50.85	0.08	0.71	4.82	53.19	38.36	53.19	37.71	53.19	25.73
INDU	1,465.87	0.06	0.06	22.16	1,465.23	1,012.71	1,465.23	864.68	1,465.23	772.84
MEBL	167.92	0.05	4.22	4.07	175.04	144.29	175.04	110.44	175.04	77.46
PSO	164.39	(0.05)	0.46	(6.97)	217.22	141.76	217.22	103.66	217.22	93.36
MCB	183.76	(0.15)	2.63	6.50	191.57	148.03	191.57	119.02	191.57	92.38
NCPL	26.43	(0.23)	(0.26)	(5.51)	32.23	24.39	32.23	17.91	32.23	13.60
ASTL	22.97	(0.35)	(7.53)	(0.39)	27.53	22.22	27.53	18.29	27.53	14.99
ILP	70.56	(0.41)	1.79	(2.00)	75.25	58.57	75.25	35.17	75.25	28.44
MTL	561.87	(0.48)	7.20	(3.34)	655.84	486.17	655.84	403.21	655.84	305.24
FCCL	17.96	(0.50)	0.50	(5.07)	20.51	15.99	20.51	10.54	20.51	10.54
LCI	756.34	(0.58)	0.83	0.60	778.24	627.63	778.24	535.23	778.24	471.25
POL	435.24	(0.64)	(0.53)	3.15	451.57	408.58	451.57	372.54	451.57	337.02
HCAR	209.96	(0.88)	(8.29)	(1.76)	281.91	174.61	281.91	102.63	281.91	82.41
NCL	26.59	(1.01)	(1.74)	2.47	29.99	24.90	29.99	19.98	29.99	19.98
NBP	28.21	(1.02)	1.47	(12.15)	37.46	23.71	37.46	21.00	37.46	18.89
HBL	110.72	(1.03)	(0.41)	(0.11)	129.52	96.43	129.52	87.89	129.52	63.87
FFC	112.60	(1.11)	(0.77)	(0.52)	120.77	104.02	120.77	87.50	120.77	87.13
KAPCO	29.46	(1.50)	0.24	3.62	31.99	26.47	31.99	19.19	31.99	16.48
OGDC	145.08	(1.71)	7.24	29.02	147.60	103.54	147.60	88.95	147.60	70.52
POWER	5.50	(1.79)	-	(7.72)	6.43	5.19	6.43	3.49	6.43	3.49
AGHA	12.02	(1.80)	(2.28)	(15.53)	16.16	12.22	16.16	9.19	16.16	9.11
EPCL	47.67	(1.93)	0.48	2.32	51.25	41.40	51.25	37.08	51.25	36.41
DGKC	70.69	(2.06)	(0.69)	(8.67)	82.50	63.85	82.50	41.54	82.50	39.44
ENGRO	316.16	(2.14)	(0.47)	7.21	332.41	285.32	332.41	236.68	332.41	230.52
AHCL	37.24	(2.62)	(1.04)	3.67	38.79	30.00	38.79	24.35	38.79	23.25
ITTEFAQ	7.05	(2.62)	(1.81)	(9.50)	8.62	6.46	8.62	4.75	8.62	4.20
MLCF	37.60	(2.82)	(1.36)	(3.39)	42.71	36.24	42.71	27.05	42.71	21.45
BOP	6.04	(2.89)	(2.58)	(6.79)	7.57	4.34	7.57	3.42	7.57	3.19
NML	73.36	(3.35)	(2.20)	(4.38)	83.64	70.81	83.64	53.08	83.64	46.58
FFBL	26.04	(3.56)	(2.73)	(18.37)	32.43	18.66	32.43	12.94	32.43	11.11
FML	86.00	(4.59)	(8.97)	(4.71)	94.68	83.23	94.68	63.37	94.68	50.81
FABL	31.04	(4.84)	(3.69)	(4.73)	33.85	25.07	33.85	20.42	33.85	18.37
APL	389.48	(4.94)	(2.88)	2.90	423.29	343.26	423.29	269.21	423.29	269.21

Source (s): Bloomberg, AHL Research

# Pakistan Weekly Update

Pakistan  
Stock Market



February 9, 2024

## Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	4.0	1.4	3.3	2.6	3.6	3.5	3.6	3.5	2.0	3.0	10.4	-70.8%
P/E (x)	13.9	18.3	8.8	11.8	7.7	14.4	9.9	16.4	9.0	12.2	4.3	-64.7%
P/B (x)	1.9	3.0	1.6	1.4	1.0	1.3	1.1	2.2	0.9	1.6	0.7	-55.0%

Source: Bloomberg, AHL Research

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

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	133.91	130.09	BUY	3.82
Companies	3.65	4.78	SELL	(1.13)
Banks / DFIs	6.59	7.27	SELL	(0.68)
NBFC	0.10	0.08	BUY	0.02
Mutual Funds	5.38	10.84	SELL	(5.46)
Other Organizations	1.02	2.24	SELL	(1.21)
Broker Proprietary Trading	31.95	32.72	SELL	(0.76)
Insurance Companies	3.36	3.64	SELL	(0.28)
<b>Total</b>	<b>185.96</b>	<b>191.65</b>	<b>SELL</b>	<b>(5.69)</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	191.57	191.69	SELL	(0.12)
Companies	12.97	12.16	BUY	0.80
Banks / DFIs	11.10	10.77	BUY	0.33
NBFC	0.09	0.07	BUY	0.01
Mutual Funds	8.14	9.19	SELL	(1.05)
Other Organizations	4.58	3.34	BUY	1.24
Broker Proprietary Trading	44.80	43.29	BUY	1.51
Insurance Companies	7.84	0.86	BUY	6.98
<b>Total</b>	<b>281.08</b>	<b>271.38</b>	<b>BUY</b>	<b>9.71</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	10.41	11.60	SELL	(1.20)
Fertilizer	5.03	6.19	SELL	(1.15)
Cement	9.06	8.18	BUY	0.88
Power Generation & Distribution	7.30	7.54	SELL	(0.24)
Exploration & Production	74.34	79.23	SELL	(4.89)
Oil & Gas Marketing Companies	10.08	10.03	BUY	0.05
Food and Personal Care Products	3.30	3.29	BUY	0.01
Textile Composite	0.88	0.89	SELL	(0.01)
Technology and Communication	12.25	11.72	BUY	0.53
Debt	0.00	0.00	BUY	0.00
All other Sectors	52.95	52.61	BUY	0.34
<b>Total</b>	<b>185.59</b>	<b>191.28</b>	<b>SELL</b>	<b>(5.69)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	24.63	21.92	BUY	2.71
Fertilizer	9.43	9.95	SELL	(0.53)
Cement	12.12	9.93	BUY	2.19
Power Generation & Distribution	11.98	10.40	BUY	1.58
Exploration & Production	88.05	87.52	BUY	0.52
Oil & Gas Marketing Companies	17.91	16.77	BUY	1.14
Food and Personal Care Products	9.61	9.68	SELL	(0.07)
Textile Composite	2.31	2.89	SELL	(0.58)
Technology and Communication	33.85	32.25	BUY	1.60
Debt	0.00	0.00	SELL	(0.00)
All other Sectors	70.54	69.40	BUY	1.14
<b>Total</b>	<b>280.43</b>	<b>270.73</b>	<b>BUY</b>	<b>9.71</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	SELL	(0.00)
Foreign Corporates	8.64	1.60	BUY	7.04
Overseas Pakistani	11.59	12.94	SELL	(1.35)
<b>Total</b>	<b>20.24</b>	<b>14.55</b>	<b>BUY</b>	<b>5.69</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	SELL	(0.00)
Foreign Corporates	5.21	16.43	SELL	(11.21)
Overseas Pakistani	15.41	13.90	BUY	1.51
<b>Total</b>	<b>20.62</b>	<b>30.33</b>	<b>SELL</b>	<b>(9.71)</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.50	0.31	BUY	1.20
Fertilizer	1.70	0.54	BUY	1.15
Cement	0.46	1.34	SELL	(0.88)
Power Generation & Distribution	0.70	0.46	BUY	0.24
Exploration & Production	10.29	5.40	BUY	4.89
Oil & Gas Marketing Companies	0.52	0.57	SELL	(0.05)
Food and Personal Care Products	0.41	0.42	SELL	(0.01)
Textile Composite	0.08	0.07	BUY	0.01
Technology and Communication	1.01	1.53	SELL	(0.53)
All other Sectors	3.57	3.91	SELL	(0.34)
<b>Total</b>	<b>20.24</b>	<b>14.55</b>	<b>BUY</b>	<b>5.69</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.93	3.64	SELL	(2.71)
Fertilizer	3.02	2.49	BUY	0.53
Cement	0.43	2.62	SELL	(2.19)
Power Generation & Distribution	0.93	2.51	SELL	(1.58)
Exploration & Production	5.50	6.03	SELL	(0.52)
Oil & Gas Marketing Companies	1.02	2.15	SELL	(1.14)
Food and Personal Care Products	0.55	0.48	BUY	0.07
Textile Composite	0.71	0.13	BUY	0.58
Technology and Communication	2.81	4.41	SELL	(1.60)
All other Sectors	4.72	5.85	SELL	(1.14)
<b>Total</b>	<b>20.62</b>	<b>30.33</b>	<b>SELL</b>	<b>(9.71)</b>

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY24TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY24TD (%)
China	SHSZ300 Index	3,365	5.8	4.2	(3.2)	Bulgaria	SOFIX Index	781	(0.1)	(1.5)	(0.7)
Slovenia	SBITOP Index	1,389	4.2	4.1	7.9	Egypt	EGX30 Index	28,411	(0.1)	0.4	15.1
Denmark	KFX Index	2,555	4.1	4.1	8.9	Sweden	OMX Index	2,360	(0.1)	(1.0)	(5.6)
Turkey	XU100 Index	9,016	3.3	5.0	16.2	Taiwan	TWSE Index	18,096	(0.2)	0.9	(1.6)
Netherland	AEX Index	850	3.2	3.1	5.1	UK	UKX Index	7,602	(0.3)	(1.2)	(2.9)
Kazakhstan	KZKAK Index	4,403	3.0	4.0	7.4	Kenya	NSEASI Index	92	(0.3)	(0.1)	(2.2)
Belgium	BEL20 Index	3,668	2.6	3.6	2.0	Oman	MSM30 Index	4,547	(0.4)	(0.3)	1.4
Belgium	BEL20 Index	3,668	2.6	3.6	2.0	Jordan	JOSMGNFF Index	2,484	(0.4)	0.1	2.4
Saudi Arabia	SASEIDX Index	12,203	2.4	3.4	2.3	Estonia	TALSE Index	1,776	(0.4)	(0.4)	(2.3)
Philippines	PCOMP Index	6,850	2.4	3.3	5.1	Ukraine	PFTS Index	507	(0.4)	(0.3)	1.2
Mongolia	MSETOP Index	42,934	2.1	4.0	5.0	Ghana	GGSECI Index	3,178	(0.4)	(0.5)	(2.3)
Vietnam	VNIndex Index	1,199	1.9	3.0	5.4	Tunisia	TUSISE Index	8,349	(0.4)	(1.3)	(6.5)
Ireland	ISEQ Index	9,263	1.5	0.2	2.9	Australia	AS51 Index	7,645	(0.6)	(1.7)	(4.0)
Japan	NKY Index	36,897	1.4	(0.5)	3.9	Thailand	SET Index	1,388	(0.7)	0.4	(6.7)
Hong Kong	HSI Index	15,747	1.4	1.7	(7.7)	India	SENSEX Index	71,595	(0.7)	(0.3)	(0.7)
Greece	ASE Index	1,406	1.3	2.0	5.8	Canada	SPTSX Index	20,920	(0.8)	(1.0)	(2.1)
Italy	FTSEMIB Index	31,165	1.3	0.6	(0.1)	Mexico	MEXBOL Index	57,762	(0.9)	0.7	(0.6)
Europe	SX5E Index	4,719	1.2	0.7	1.6	Iceland	ICEXI Index	2,293	(0.9)	(2.3)	6.6
Serbia	BELEX15 Index	895	1.1	1.3	(0.6)	Qatar	DSM Index	9,961	(0.9)	(1.4)	(6.0)
Lebanon	BLOM Index	1,936	1.0	1.6	(3.0)	Dubai	DFMGI Index	4,184	(1.1)	0.4	3.1
Sri Lanka	CSEALL Index	10,567	1.0	3.4	2.8	Uae	ADSMI Index	9,344	(1.2)	(1.7)	(2.4)
USA	NDX Index	17,783	0.8	3.8	5.7	Malaysia	FBMKLCI Index	1,512	(1.3)	(0.8)	0.1
USA	SPX Index	4,998	0.8	3.1	4.8	Latvia	RIGSE Index	1,362	(1.4)	(0.9)	(0.8)
France	CAC Index	7,661	0.7	(0.7)	(1.2)	Norway	OBXP Index	545	(1.5)	(3.5)	(9.0)
South Korea	KOSPI Index	2,620	0.7	4.8	(4.6)	Singapore	FSSTI Index	3,138	(1.5)	(1.1)	(5.1)
New Zealand	NZSE Index	1,790	0.6	(0.2)	(2.6)	Czech Republic	PX Index	1,452	(1.5)	(2.3)	(2.1)
Russia	RTSI\$ Index	1,123	0.5	(0.2)	3.6	South Africa	JALSH Index	73,646	(1.6)	(3.1)	(8.1)
Luxembourg	LUXXX Index	1,527	0.5	0.7	(2.6)	Poland	WIG20 Index	2,315	(1.6)	1.0	(3.3)
Indonesia	JCI Index	7,235	0.4	1.1	(2.2)	Spain	IBEX Index	9,912	(1.6)	(2.4)	(4.5)
Croatia	CRO Index	2,686	0.4	(0.0)	3.2	Hungary	BUX Index	64,953	(1.7)	(0.5)	2.7
Brazil	IBOV Index	128,217	0.3	(0.9)	(7.2)	Chile	IPSA Index	6,001	(1.9)	(3.5)	(11.9)
Germany	DAX Index	16,986	0.2	(0.3)	(1.3)	Switzerland	SMI Index	11,125	(1.9)	(3.6)	(4.3)
USA	INDU Index	38,726	0.2	1.5	2.8	Portugal	PSI20 Index	6,142	(2.0)	(3.6)	(6.6)
Mauritius	SEMDEX Index	2,046	0.2	(1.8)	(3.1)	Finland	HEX Index	9,799	(2.6)	(4.4)	(5.6)
Romania	BET Index	15,695	0.1	0.4	(0.7)	Austria	ATX Index	3,354	(2.7)	(3.7)	(5.0)
Russia	IMOEX Index	3,236	0.1	(0.5)	2.8	Nigeria	NGSEINDX Index	101,656	(5.1)	(37.6)	(14.6)
Bahrain	BHSEASI Index	2,068	0.1	0.1	5.5	Zimbabwe	ZHIALSH Index	568,812	(9.8)	(6.6)	45.2
Lithuania	VILSE Index	965	(0.0)	(0.6)	(0.8)	Argentina	MERVAL Index	1,115,907	(15.6)	(11.9)	16.8
<b>Pakistan</b>	<b>KSE100 Index</b>	<b>62,944</b>	<b>(0.0)</b>	<b>1.6</b>	<b>1.7</b>						

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

## Key Economic Data & Commodities Prices

Month end	Units	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	19.53	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.28	20.70	20.52
06-M T-Bill	%	19.82	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.37	21.00	20.97
12-M T-Bill	%	19.93	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.32	20.84	20.60
03-Y PIB	%	18.20	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.54	16.73	16.70
05-Y PIB	%	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.90	15.47	15.46
10-Y PIB	%	15.50	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.91	14.17	14.18
06-M KIBOR	%	20.06	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.49	20.97	21.21
Policy Rate	%	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	31.6	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.7	28.3	28.3
<b>Monetary Sector</b>														
M1	PKR bn	23,131	24,074	24,802	25,017	26,157	25,857	25,964	26,184	26,403	26,717	27,130	n/a	27,130
M2	PKR bn	27,878	28,732	29,433	29,859	31,280	30,966	31,209	31,425	31,722	32,000	32,594	n/a	32,594
M3	PKR bn	31,241	32,070	32,743	33,140	34,545	34,246	34,483	34,287	34,906	35,180	35,741	n/a	35,741
<b>Banking Sector</b>														
Deposits	PKR bn	22,921	23,562	23,429	24,388	25,508	25,702	26,110	26,318	26,398	26,798	27,841	n/a	27,841
Advances	PKR bn	11,723	11,836	12,111	12,072	12,202	11,898	11,775	11,857	11,898	11,964	12,352	n/a	12,352
Investment	PKR bn	18,993	19,236	19,695	20,144	20,896	21,468	22,016	22,622	23,232	24,587	25,280	n/a	25,280
WALR	%	15.5	16.3	17.6	17.7	18.2	18.4	18.9	19.3	19.3	19.3	14.7	n/a	14.7
WADR	%	8.7	8.7	9.7	10.2	10.5	11.3	11.3	11.4	11.6	11.7	8.4	n/a	8.4
Spread	%	6.8	7.5	7.9	7.6	7.7	7.1	7.6	7.9	7.7	7.6	6.3	n/a	6.3
<b>External Sector</b>														
Forex Reserves	USD bn	9.3	9.8	10.0	9.5	9.2	13.5	13.2	12.5	12.0	12.0	13.2	13.3	13.1
With SBP	USD bn	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.6	7.4	7.4	8.2	8.2	8.0
With Banks	USD bn	5.5	5.6	5.6	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.0	5.0	5.1
Exchange rate	PKR/USD	261.5	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	285.2	281.9	279.5	279.3
C/A Balance	USD mn	(36.0)	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(46.0)	(184.0)	(15.0)	397.0	n/a	397.0
Exports	USD bn	2.2	2.4	2.1	2.6	2.1	2.1	2.5	2.5	2.8	2.7	2.8	n/a	2.8
Imports	USD bn	3.9	4.0	3.7	3.8	3.2	4.2	4.0	4.0	4.4	4.4	4.1	n/a	4.1
Trade Balance	USD bn	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	(1.7)	(1.3)	n/a	(1.3)
Remittances	USD bn	2.0	2.5	2.2	2.1	2.2	2.0	2.1	2.2	2.5	2.3	2.4	n/a	2.4
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	143.1	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	108.0	101.0	95.0	92.5
Steel (HRC)	USD/ton	628.8	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	560.2	574.4	567.0	561.5
PTA	USD/ton	785.0	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	765.0	780.0	800.0	780.0
Gold	USD/oz	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	2,063.0	2,039.5	2,035.4
Cotton (COTLOOK A)	USD/lb	99.4	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	89.7	91.4	93.3	96.0
Crude oil (WTI)	USD/bbl	77.1	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	76.0	71.7	75.9	73.9
Crude oil (Arab Light)	USD/bbl	83.4	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	87.7	80.4	84.9	80.5
Crude oil (Brent)	USD/bbl	83.9	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	82.8	77.0	81.7	79.2
<b>Local</b>														
Cotton	PKR/maund	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	17,300.0	20,000.0	20,500.0
Cement	PKR/bag	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	1,232.5	1,213.0	1,209.5
Gold	PKR/10 grms	166,580	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	186,474	187,930	189,300	190,160

\*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'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 HBL, NBP, BOP, FCCL, MLCF and SNGP.