

## 73k level; New landmark

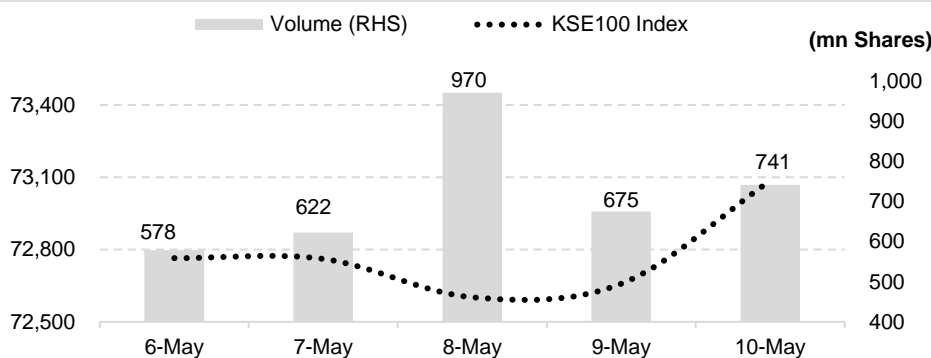
The market sentiment during the week remained robust, leading the index to close the week at the highest-ever level of 73,086pts. The arrival of Saudi investors in Pakistan to discuss investment prospects in mining, agriculture, IT, and other industries of Pakistan set the tone of positive momentum in the market. On the economic front, the headline inflation clocked in at 17.3% in Apr'24 compared to 20.7% in SPLY, which has paved the way for a potential cut in the policy rate in the upcoming MPC meeting. Moreover, the remittances during Apr'24 climbed up by 28% YoY. In addition to this, the SBP reserves have reported an increase of USD 1.1bn to arrive at USD 9.1bn, reflecting the disbursement of the final tranche under Stand-by Arrangement by IMF. The Pak Rupee showcased a meager appreciation of PKR 0.09 | 0.03% WoW, arriving at 278.12 against the greenback. On a weekly basis, the index gained 1,183pts | +1.65%, arriving at 73,086pts.

Sector-wise positive contributions came from i) Pharmaceuticals (272pts), ii) Power (164pts), iii) Technology (123pts), iv) Leather & Tanneries (115pts), and v) Cable & Electrical Goods (56pts). Meanwhile, the sectors that contributed negatively were i) E&Ps (132pts) and ii) OMCs (25pts). Scrip-wise positive contributors were DAWH (146pts), SRVI (115pts), KAPCO (70pts), GLAXO (67pts), and HINOON (63pts). Meanwhile, scrip-wise negative contributions came from EFERT (122pts), OGDCL (59pts), MEBL (48pts), MARI (40pts), and PPL (39pts).

Foreigner buying continued during this week, clocking in at USD 2.7mn compared to a net buy of USD 8.0mn last week. Major buying was witnessed in Fertilizer (USD 2.2mn) and Cement (USD 1.4mn). On the local front, selling was reported by Other Organizations (USD 4.7mn) followed by Brokers (USD 1.9mn). Average volumes arrived at 717mn shares (up by 39% WoW), while the average value traded settled at USD 88mn (up by 2.4% WoW).

Other major news: i) Togh-02 well in KP: OGDCL announces commencement of production ii) Uprise Group enters bid for PIA privatisation, iii) CCP launches phase 2 review of PTCL's Telenor acquisition, iv) ARL unit back online, and v) Citi Pharma forms JV with China's Hangzhou Newsea to boost API production.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

The market sentiment is expected to remain positive in the upcoming week. The investors will closely monitor developments related to a new IMF program, investments from Saudi Arabia and Qatar, and the upcoming Federal Budget 2024-25. Our preferred stocks are OGDCL, MCB, UBL, MEBL, FABL, HBL LUCK, MLCF, FCCL, FFC, HUBC, PSO and SYS. The KSE-100 is currently trading at a PER of 4.7x (2024) as compared to its 5-year average of 6.1x offering a dividend yield of ~9.7% as compared to its 5-year average of ~7.3%.

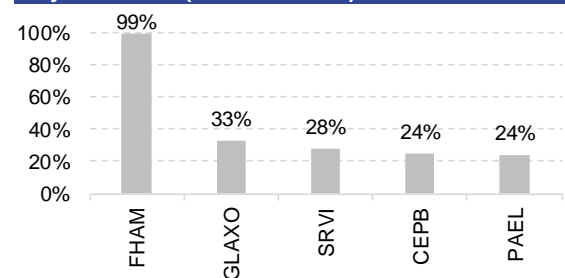
## PSX Indices Performance

Index	Current	WoW (%)	CY24TD (%)
KSE100	73,086	1.6	17.0
KSEAll	47,547	1.3	13.4
KSE30	23,427	(0.7)	12.8
KMI30	121,447	0.1	16.0
BKTI	17,456	(0.7)	16.7
OGTI	17,101	(1.7)	15.1

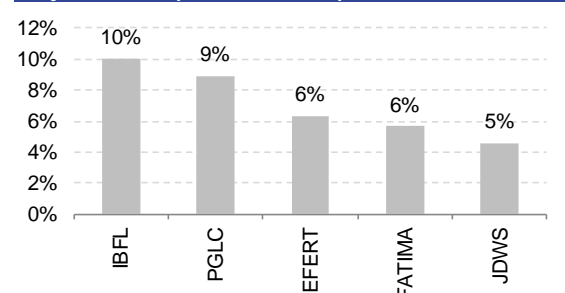
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
WTL	144.7	1.6
PAEL	43.3	29.0
KEL	34.7	4.8
HUMNL	29.5	9.7
FCCL	22.1	23.1

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



Analyst

AHL Research

research@arifhabibltd.com

+92-21-32462589



2023

Best Brokerage House  
Best Economic Research  
Corporate Finance House  
Best Equity Sales Person  
(Runner up)

2022

Best Equity Research Analyst



2023

Best Securities House  
Best Investment Bank



2022

Best Equity House

## Business and Economic News of the Week

### IPAK IPO oversubscribed 1.41x (The News)

The International Packaging Films Limited's (IPAK) initial public offer (IPO) has been oversubscribed 1.41 times, the company said on Thursday. "The IPO received an overwhelming response from institutional investors and high-net worth individuals, with the strike price clocking in at Rs25.2 per share, higher than the floor price of Rs21," the leading flexible packaging films manufacturer of the country said in a statement. The IPAK aims to raise Rs1.77 billion in total. Several brokerages had issued almost unanimous calls to 'subscribe', resulting in investor demand amounting to RS1.77 billion against the IPO's book-building size of Rs1.47 billion at the floor price.

### Upgradation of existing/Brownfield refineries: 6-month extension proposed in policy signing (BR)

Petroleum Division has proposed six months' extension in signing of Pakistan Oil Refining Policy for upgradation of existing/Brownfield refineries as a few refineries are still not ready to sign the policy. Prime Minister Shehbaz Sharif had also directed Petroleum Division to arrange signing ceremony in his presence, but the latter has so far not been successful in firming up the date for the signing ceremony. Petroleum Division, in its summary to be considered by the Cabinet Committee on Energy (CCoE), in its forthcoming meeting considered the summary of Petroleum Division on 6 February, 2024, and approved the proposed amendments in the subject Policy.

### PSO proposes swapping debt for stake in public sector companies (The News)

Pakistan State Oil, the country's largest oil marketer, says it is in talks with the government on a plan to acquire stakes in public sector energy companies and offset mounting debt it is owed by firms such as the national airline. Stopping the pile-up of unresolved debt across Pakistan's power sector, and ultimately settling it, is a top concern of the International Monetary Fund (IMF), with which Islamabad begin talks this month for a new long-term loan deal. "Everything will be done through competitive bidding and we will participate and if we win, the stakes will be offset against (PSO's receivables)," said Syed Muhammad Taha, the managing director and chief executive of state-backed PSO.

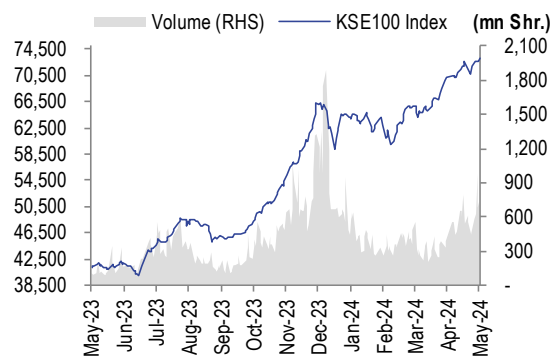
### May power bills: NEPRA approves Rs2.83 per unit hike in FCA (BR)

The National Electric Power Regulatory Authority (NEPRA) has approved a hike of Rs2.83 per unit in the fuel cost adjustment (FCA) for March 2024, which will reflect in the bills of May 2024, according to its notification issued on Wednesday. The latest levy will be applicable to all the consumer categories of the ex-Wapda distribution companies (XWDiscos) except Electric Vehicle Charging Stations (EVCS) and lifeline consumers. The K.Electric (KE) consumers will also remain exempted from the said price hike.

### Urea price hike stands as government's warning falls flat (The News)

The government has failed to enforce a rollback of a unilateral urea price increase by fertilizer manufacturers, leaving farmers facing higher costs and potentially threatening agricultural productivity. Despite warnings, manufacturers have refused to budge on the Rs550 per bag price hike, citing increased production costs. Last week, manufacturers requested a three-day grace period from the government to reconsider their pricing strategy. However, the deadline has passed without any action from the manufacturers to revise prices downward. The failure to enforce a rollback follows the government's caution to fertilizer companies against the price increase, citing adverse effects on the agricultural sector.

## PSX Volume and KSE100 Index



## Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
DAWH	146.0
SRVI	115.1
KAPCO	70.5
GLAXO	66.8
HINOON	63.3
	<b>461.6</b>

<b>Bearish Companies</b>	
EFERT	(122.4)
OGDC	(58.8)
MEBL	(48.3)
MARI	(39.7)
PPL	(38.6)
	<b>(307.8)</b>

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Pharmaceuticals	272.2
Power Generation & Distribution	163.6
Technology & Communication	123.0
Leather & Tanneries	115.1
Cable & Electrical Goods	56.5
	<b>730.3</b>

<b>Bearish Sectors</b>	
Oil & Gas Exploration Companies	(131.7)
Oil & Gas Marketing Companies	(24.6)
Miscellaneous	(24.0)
Tobacco	(9.7)
Food & Personal Care Products	(7.5)
	<b>(197.5)</b>

**FinanceAsia**

Best Investment Bank: 2022



Excellence Award Leading  
Brokerage House for RDA2021



Best Equity Advisor: 2021



Best Money Market  
Broker- (Islamic) 2021

## AHL Universe - Recommendation Summary

Code	Company	Price 10-May-24	TP Dec-24	Total Return (%)	Stance	EPS (PKR)			DPS (PKR)			P/E (x)		DY (%)		P/B (x)		ROE (%)		Indices
						2023	2024	2025	2023	2024	2025	2023	2024	2023	2024	2023	2024	2023	2024	
<b>Exploration &amp; Production</b>																				
PPL	Pakistan Petroleum Ltd.	122.5	129.61	5.8	Hold	37.4	39.5	37.4	2.50	3.50	3.50	3.3	3.1	2.0	2.9	0.6	0.5	20.9	18.3	KSE100, KSE30, KMI & MSCI
OGDC	Oil and Gas Dev Co.	133.9	165.6	23.7	Buy	52.2	45.2	43.5	8.55	9.00	8.75	2.6	3.0	6.4	6.7	0.5	0.5	22.9	17.0	KSE100, KSE30, KMI & MSCI
POL	Pakistan Oilfields Ltd.	458.7	554.82	21.0	Buy	128.4	120.4	110.8	80.00	76.00	70.00	3.6	3.8	17.4	16.6	1.9	1.8	61.4	49.2	KSE100, KSE30 & MSCI
MARI	Mari Petroleum Ltd.	2,681.6	2,711.4	1.1	Hold	420.7	553.3	609.1	147.00	235.00	280.00	6.4	4.8	5.5	8.8	2.1	1.7	37.5	38.9	KSE100, KSE30, KMI & MSCI
<b>Commercial Banks</b>																				
UBL	United Bank Ltd.*	195.0	276.0	41.5	Buy	45.0	56.1	52.3	44.00	42.00	39.00	4.3	3.5	22.6	21.5	0.8	1.0	21.4	25.7	KSE100, KSE30 & MSCI
BAFL	Bank Alfalah*	58.6	69.1	18.0	Buy	23.2	25.9	23.9	8.00	8.00	7.00	2.5	2.3	13.7	13.7	0.7	0.6	30.2	27.8	KSE100 & MSCI
MCB	MCB Bank Ltd.*	203.2	294.1	44.7	Buy	54.9	61.4	58.7	30.00	34.00	33.00	3.7	3.3	14.8	16.7	1.0	1.0	29.8	29.5	KSE100, KSE30 & MSCI
HBL	Habib Bank Ltd.*	113.0	158.3	40.1	Buy	39.3	50.2	43.5	9.75	12.00	10.00	2.9	2.3	8.6	10.6	0.5	0.4	17.7	19.4	KSE100, KSE30 & MSCI
ABL	Allied Bank Ltd.*	96.5	148.8	54.2	Buy	36.1	38.6	33.3	12.00	14.00	12.00	2.7	2.5	12.4	14.5	0.6	0.6	25.2	23.3	KSE100
NBP	National Bank of Pakistan.*	39.3	68.0	73.3	Buy	25.0	8.2	18.5	-	4.00	9.00	1.6	4.8	-	10.2	0.2	0.2	15.0	4.5	KSE100
AKBL	Askari Bank Ltd.*	21.8	33.7	54.4	Buy	14.8	15.0	13.8	2.50	5.00	4.00	1.5	1.5	11.5	22.9	0.3	0.3	25.1	21.4	KSE100
BOP	The Bank of Punjab*	5.0	7.9	57.9	Buy	3.4	3.2	2.9	1.00	0.75	0.50	1.5	1.5	20.0	15.0	0.2	0.2	15.2	12.9	KSE100 & MSCI
MEBL	Meezan Bank Ltd.*	211.3	266.3	26.0	Buy	47.7	57.5	54.0	20.00	26.00	24.50	4.4	3.7	9.5	12.3	2.0	1.5	55.3	47.2	KSE100, KSE30 & KMI
FABL	Faysal Bank Ltd.*	36.7	51.8	40.9	Buy	13.3	16.1	15.0	4.00	5.00	4.50	2.8	2.3	10.9	13.6	0.6	0.5	25.1	25.1	KSE100, KMI & MSCI
<b>Fertilizer</b>																				
ENGRO	Engro Corporation*	347.2	372.1	7.2	Hold	63.9	76.0	85.6	48.00	61.00	69.00	5.4	4.6	13.8	17.6	0.6	0.5	12.2	12.2	KSE100, KSE30, KMI & MSCI
FFBL	Fauji Fert. Bin Qasim	33.7																		KSE100, KMI & MSCI
EFERT	Engro Fertilizer	145.1																		KSE100, KSE30, KMI & MSCI
FFC	Fauji Fertilizer Co.	143.1	152.3	6.4	Hold	23.3	27.7	28.3	15.49	21.00	22.00	6.1	5.2	10.8	14.7	2.9	2.7	52.7	54.9	KSE100, KSE30 & MSCI
FATIMA	Fatima Fertilizer Co.	49.3	na	na	na	11.0	na	na	4.50	na										KSE100 & KMI
AHCL	Arif Habib Corp. Ltd.	39.8	na	na	na	8.4	na	na	-	na										KSEALL
<b>Cement</b>																				
LUCK	Lucky Cement Ltd.^	862.2	1,239.0	33.2	Buy	46.8	89.2	127.4	18.00	20.00	43.00	18.4	9.7	2.1	2.3	1.8	1.6	10.3	17.4	KSE100, KSE30, KMI & MSCI
LUCK	Lucky Cement Ltd.*	862.2	1,148.9	33.2	Buy	166.4	217.6	232.7	18.00	20.00	43.00	5.2	4.0	2.1	2.3	1.0	0.8	21.2	21.8	KSE100, KSE30, KMI & MSCI
FCCL	Fauji Cement Co.	23.1	35.0	51.8	Buy	3.0	3.8	7.0	-	-	2.00	7.6	6.0	-	-	0.9	0.8	12.1	13.5	KSE100, KMI & MSCI
ACPL	Attock Cement Ltd.	96.4	155.1	60.9	Buy	11.0	22.2	30.4	6.00	10.00	12.00	8.7	4.4	6.2	10.4	0.2	0.2	4.0	4.9	KSEALL, KMI & MSCI
DGKC	D.G. Khan Cement Co.	90.8	98.7	8.7	Hold	(8.3)	9.8	16.2	-	-	4.00	(10.9)	9.2	-	-	0.6	0.6	(5.4)	6.5	KSE100, KSE30, KMI & MSCI
KOHC	Kohat Cement Co.	223.0	322.1	44.4	Buy	29.7	38.6	37.3	-	11.58	11.18	7.5	5.8	-	5.2	1.3	1.1	19.4	20.8	KSE100, KMI & MSCI
MLCF	Maple Leaf Cement.*	39.9	59.4	48.6	Buy	5.4	6.7	8.2	-	2.00	3.00	7.4	5.9	-	5.0	1.0	4.4	13.2	26.5	KSE100, KMI & MSCI
POWER	Power Cement	6.0	na	na	na	0.2	na	na	-	na										KMI
<b>Oil &amp; Gas Marketing</b>																				
PSO	Pakistan State Oil	181.4	258.8	42.7	Buy	12.1	65.9	73.7	7.50	10.00	12.00	15.0	2.8	4.1	5.5	0.4	0.4	2.6	13.7	KSE100, KSE30, KMI & MSCI
APL	Attock Petroleum Ltd.	380.69	398.20	4.6	Hold	100.2	97.3	110.6	27.50	57.50	67.50	3.8	3.9	7.2	15.1	1.0	0.9	30.2	25.4	KSE100 & KMI
SNGP	Sui Northern Gas Pipeline Ltd.	70.1	84.3	20.3	Buy	18.8	23.3	25.6	8.00	7.00	8.00	3.7	3.0	11.4	10.0	0.9	0.7	149.7	249.7	KSE100, KSE30, KMI & MSCI
<b>Automobile Assemblers</b>																				
INDU	Indus Motor Co.	1,587.2	1,571.0	(1.0)	Hold	123.0	147.5	196.4	71.80	109.00	133.00	12.9	10.8	4.5	6.9	2.1	1.9	16.9	18.4	KSE100
HCAR	Honda Atlas Cars (Pak)	313.0																		KSE100 & KMI
MTL	Millat Tractors Ltd.	606.2	661.2	9.1	Hold	17.6	48.6	59.0	25.00	49.00	53.00	34.4	12.5	4.1	8.1	15.1	15.2	45.8	121.4	KSE100, KSE30, KMI & MSCI
<b>Power Generation &amp; Distribution</b>																				
HUBC	Hub Power Company*	136.0	170.7	25.5	Buy	44.4	53.4	57.5	30.00	30.00	24.25	3.1	2.5	22.1	22.1	1.1	0.9	40.6	39.4	KSE100, KSE30, KMI & MSCI
NCLP	Nishat Chu. Power Ltd.	29.9	29.6	(1.1)	Hold	10.8	12.7	10.3	-	4.00	2.75	2.8	2.3	-	13.4	0.5	0.4	16.4	18.1	KMI & MSCI
NPL	Nishat Power Ltd.	35.9	35.8	(0.4)	Hold	11.6	13.6	9.9	7.00	6.00	4.00	3.1	2.6	19.5	16.7	0.4	0.4	14.1	15.4	KSEALL & MSCI
<b>Textile Composite</b>																				
NML	Nishat Mills Ltd.	73.5	107.3	46.1	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.	28.6	39.0	36.3	Buy	(4.2)	10.8	11.5	-	4.00	4.00	(6.9)	2.6	-	14.0	0.3	0.3	(4.4)	12.1	KSEALL
ILP	Interloop Ltd.	83.8	99.2	18.5	Buy	14.4	16.2	20.1	5.00	5.50	8.00	5.8	5.2	6.0	6.6	2.7	2.0	52.2	44.3	KSE100 & KMI
<b>Chemicals</b>																				
LOTCHEM	Lotte Chemical Pak Ltd.	18.25	27.90	52.9	Buy	3.4	4.5	4.9	3.00	2.00	2.50	5.4	4.1	16.4	11.0	1.1	1.0	21.3	25.6	KSE100 & KMI
EPCL	Engro Polymer & Chem.	42.8	56.8	32.8	Buy	9.8	8.6	10.6	6.00	6.00	7.50	4.4	5.0	14.0	14.0	1.4	1.3	32.1	27.2	KSE100, KSE30 & KMI
LCI	Lucky Core Industries Ltd.	855.6	937.1	9.5	Hold	191.1	86.8	113.1	43.00	40.00	50.00	4.5	9.9	5.0	4.7	1.8	1.2	45.7	14.6	KSE100 & KMI
<b>Leather &amp; Tanneries</b>																				
SGF	Service Global Footwear Ltd.	68.69	76.40	11.2	Hold	5.7	8.8	14.3	5.00	8.00	13.00	12.0	7.8	7.3	11.6	2.2	1.8	18.6	25.6	KMI
<b>Engineering</b>																				
ASTL	Amreli Steels Ltd.	26.0	27.4	5.1	Hold	(2.3)	1.5	5.7	-	-	2.00	(11.4)	17.3	-	-	0.5	0.5	(4.6)	3.0	KSEALL
AGHA	Agha Steel Industries Ltd.	10.2																		KMI
ASL	Aisha Steel Mills Ltd.	7.8	na	na	na	(3.5)	na	na	-	na										KSEALL
<b>Technology &amp; Communication</b>																				
SYS	Systems Ltd.	388.4	614.0	58.1	Buy	29.8	35.7	43.1	5.00	6.75	12.50	13.0	10.9	1.3	1.7	3.5	2.6	31.3	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
HUMNL	9.70	36.24	37.98	41.61	10.03	6.25	10.03	6.20	10.03	5.35
POWER	5.97	17.98	17.29	0.17	5.97	4.98	6.43	4.98	6.43	3.49
KAPCO	32.90	15.68	19.90	34.71	33.32	23.75	33.32	23.26	33.32	14.16
SGF	68.69	14.69	14.45	17.82	69.02	47.32	69.02	38.39	69.02	24.03
NPL	35.89	13.29	13.63	33.69	35.89	26.39	35.89	25.42	35.89	12.40
DGKC	90.84	12.38	20.54	17.36	90.84	63.58	90.84	63.58	90.84	41.54
NCL	28.64	10.96	12.31	10.37	28.64	23.15	29.99	23.15	29.99	19.98
ILP	83.75	9.71	17.58	19.61	83.75	62.58	83.75	57.77	83.75	27.65
ASTL	26.03	9.69	10.67	12.88	26.43	21.19	27.53	21.19	27.53	14.99
FCCL	23.06	7.96	17.65	21.88	23.06	16.44	23.06	15.99	23.06	10.54
LCI	855.60	6.51	6.67	13.81	857.47	738.03	857.47	627.63	857.47	520.00
ITTEFAQ	6.34	6.20	7.46	(18.61)	7.53	5.90	8.62	5.90	8.62	4.40
MLCF	39.93	6.06	10.49	2.60	39.93	34.35	42.71	34.35	42.71	26.49
LOTCHEM	18.25	5.86	3.22	(26.74)	19.58	17.04	26.39	17.04	27.52	17.04
NML	73.48	4.33	8.84	(4.22)	76.87	64.18	83.64	64.18	83.64	50.66
ACPL	96.42	4.00	4.63	2.99	103.44	82.54	104.52	82.54	104.52	69.78
NCPL	29.89	3.86	14.74	6.86	29.89	23.59	32.23	23.59	32.23	15.35
AGHA	10.17	3.78	2.73	(28.53)	13.32	9.72	16.07	9.72	16.16	9.11
ABL	96.50	3.67	1.65	27.05	96.50	77.20	96.50	68.63	96.50	55.53
POL	458.66	2.29	2.54	15.23	459.48	404.26	459.48	385.43	459.48	327.26
NBP	39.26	1.95	(0.38)	22.27	44.19	27.08	44.19	24.51	44.19	18.89
FFC	143.08	1.65	1.95	35.67	145.55	101.61	145.55	98.14	145.55	81.53
LUCK	862.23	1.58	2.93	9.56	863.76	699.89	863.76	681.73	863.76	450.40
HUBC	135.99	1.55	4.76	22.51	137.58	102.69	137.58	102.69	137.58	53.98
PSO	181.39	1.52	2.15	2.65	185.47	141.18	217.22	141.18	217.22	93.36
AHCL	39.75	1.43	(0.08)	10.66	40.51	34.52	40.51	30.00	40.51	23.25
HBL	112.96	0.77	0.44	9.39	114.14	100.55	120.67	89.84	120.67	60.02
MTL	606.24	0.60	1.01	8.68	653.00	517.68	653.00	497.37	653.00	310.72
UBL	195.01	0.41	0.70	22.76	200.47	160.01	200.47	141.14	200.47	85.18
MCB	203.21	0.00	2.05	28.93	206.86	166.37	206.86	136.80	206.86	90.95
APL	380.69	(0.01)	(0.29)	3.28	415.22	350.45	415.22	334.28	415.22	262.16
AKBL	21.83	(0.27)	(5.21)	(0.55)	25.16	19.51	25.16	16.87	25.16	10.76
BOP	4.99	(0.40)	(2.16)	(8.02)	5.69	4.90	6.34	3.63	6.34	2.67
EPCL	42.78	(0.42)	0.42	(6.04)	47.97	42.05	50.08	40.70	50.08	35.58
PPL	122.46	(0.69)	7.45	9.62	124.29	95.40	129.93	80.28	129.93	53.65
INDU	1,587.17	(0.76)	(1.42)	33.40	1,619.99	1,438.42	1,619.99	1,004.16	1,619.99	853.92
SNGP	70.10	(0.82)	4.15	(4.65)	73.39	60.64	79.07	53.51	79.07	38.05
BAFL	58.57	(0.88)	2.98	36.67	59.70	44.14	59.70	33.89	59.70	23.44
FABL	36.74	(1.04)	(4.50)	23.17	42.28	27.52	42.28	22.95	42.28	16.82
KOHC	223.04	(1.15)	1.83	(4.78)	234.06	202.51	249.06	194.43	249.06	150.90
MEBL	211.32	(1.45)	(0.64)	40.79	222.53	154.05	222.53	134.22	222.53	72.05
OGDC	133.91	(1.74)	1.76	23.22	150.35	104.31	150.35	100.06	150.35	68.15
ENGRO	347.15	(2.07)	(3.06)	21.95	364.87	295.25	364.87	275.40	364.87	228.45
MARI	2,681.57	(3.30)	(1.67)	33.55	2,829.10	2,147.01	2,829.10	1,604.16	2,829.10	1,378.93
HCAR	313.04	(4.30)	2.44	46.47	335.91	195.80	335.91	174.61	335.91	82.41
FFBL	33.68	(4.56)	(6.81)	9.84	36.14	23.27	36.14	17.94	36.14	10.68
FATIMA	49.27	(5.65)	(6.83)	47.80	52.88	31.59	52.88	30.33	52.88	23.90
EFERT	145.14	(6.32)	(8.02)	43.25	167.01	109.58	167.01	87.51	167.01	63.65

Source (s): Bloomberg, AHL Research

**Forward Estimates**

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	4.9	1.3	3.0	2.9	3.4	3.9	3.5	3.4	2.0	3.1	9.7	-67.6%
P/E (x)	12.0	18.2	9.5	10.1	13.5	13.2	10.4	16.3	9.0	12.4	4.7	-62.2%
P/B (x)	1.7	2.9	1.6	1.2	1.1	1.3	1.1	2.4	0.9	1.6	0.8	-49.5%

Source: Bloomberg, AHL Research

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

LIPI Normal Current Week					Last Week				
Category	Gross Buy	Gross Sell	Net	Net	Category	Gross Buy	Gross Sell	Net	Net
Individuals	418.73	418.64	BUY	0.09	Individuals	314.93	316.77	SELL	(1.84)
Companies	18.88	18.34	BUY	0.54	Companies	19.06	18.21	BUY	0.85
Banks / DFIs	14.36	14.72	SELL	(0.36)	Banks / DFIs	12.17	13.88	SELL	(1.71)
NBFC	0.16	0.21	SELL	(0.05)	NBFC	0.18	0.25	SELL	(0.07)
Mutual Funds	12.39	10.75	BUY	1.63	Mutual Funds	8.62	9.13	SELL	(0.50)
Other Organizations	2.19	6.91	SELL	(4.72)	Other Organizations	1.51	7.13	SELL	(5.62)
Broker Proprietary Trading	69.79	71.70	SELL	(1.91)	Broker Proprietary Trading	60.94	61.58	SELL	(0.64)
Insurance Companies	7.38	5.33	BUY	2.05	Insurance Companies	3.89	2.40	BUY	1.49
<b>Total</b>	<b>543.88</b>	<b>546.61</b>	<b>SELL</b>	<b>(2.73)</b>	<b>Total</b>	<b>421.32</b>	<b>429.35</b>	<b>SELL</b>	<b>(8.04)</b>

LIPI Sector Wise Current Week					Last Week				
Sector	Gross Buy	Gross Sell	Net	Net	Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	24.45	25.81	SELL	(1.36)	Commercial Banks	28.60	30.92	SELL	(2.32)
Fertilizer	24.08	26.29	SELL	(2.20)	Fertilizer	24.37	27.72	SELL	(3.34)
Cement	59.57	60.95	SELL	(1.38)	Cement	32.64	33.35	SELL	(0.71)
Power Generation & Distribution	27.10	27.12	SELL	(0.02)	Power Generation & Distribution	18.74	18.55	BUY	0.18
Exploration & Production	71.55	70.56	BUY	0.99	Exploration & Production	80.74	81.74	SELL	(1.00)
Oil & Gas Marketing Companies	15.55	15.08	BUY	0.47	Oil & Gas Marketing Companies	14.32	14.59	SELL	(0.27)
Food and Personal Care Products	17.58	17.53	BUY	0.05	Food and Personal Care Product:	14.34	14.40	SELL	(0.06)
Textile Composite	5.54	5.60	SELL	(0.06)	Textile Composite	2.75	3.29	SELL	(0.54)
Technology and Communication	53.49	53.89	SELL	(0.40)	Technology and Communication	58.86	59.01	SELL	(0.15)
Debt	0.00	0.00	SELL	0.00	Debt	0.00	0.00	SELL	0.00
All other Sectors	244.81	243.63	BUY	1.18	All other Sectors	145.88	145.70	BUY	0.18
<b>Total</b>	<b>543.73</b>	<b>546.46</b>	<b>SELL</b>	<b>(2.73)</b>	<b>Total</b>	<b>421.24</b>	<b>429.27</b>	<b>SELL</b>	<b>(8.04)</b>

FIPI Normal Current Week					Last Week				
Category	Gross Buy	Gross Sell	Net	Net	Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.22	0.28	SELL	(0.05)	Foreign Individuals	0.12	0.15	SELL	(0.03)
Foreign Corporates	10.35	7.68	BUY	2.67	Foreign Corporates	9.66	3.83	BUY	5.84
Overseas Pakistani	33.69	33.57	BUY	0.12	Overseas Pakistani	27.18	24.95	BUY	2.23
<b>Total</b>	<b>44.26</b>	<b>41.53</b>	<b>BUY</b>	<b>2.73</b>	<b>Total</b>	<b>36.96</b>	<b>28.92</b>	<b>BUY</b>	<b>8.04</b>

FIPI Sector Wise Current Week					Last Week				
Sector	Gross Buy	Gross Sell	Net	Net	Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	2.87	1.50	BUY	1.36	Commercial Banks	4.92	2.60	BUY	2.32
Fertilizer	3.78	1.58	BUY	2.20	Fertilizer	5.11	1.76	BUY	3.34
Cement	7.42	6.04	BUY	1.38	Cement	2.47	1.76	BUY	0.71
Power Generation & Distribution	2.72	2.69	BUY	0.03	Power Generation & Distribution	2.55	2.74	SELL	(0.18)
Exploration & Production	5.68	6.67	SELL	(0.99)	Exploration & Production	4.75	3.76	BUY	1.00
Oil & Gas Marketing Companies	1.18	1.65	SELL	(0.47)	Oil & Gas Marketing Companies	1.67	1.40	BUY	0.27
Food and Personal Care Products	1.14	1.19	SELL	(0.05)	Food and Personal Care Product:	0.99	0.93	BUY	0.06
Textile Composite	0.37	0.31	BUY	0.06	Textile Composite	0.77	0.23	BUY	0.54
Technology and Communication	4.22	3.83	BUY	0.40	Technology and Communication	4.40	4.25	BUY	0.15
All other Sectors	14.85	16.02	SELL	(1.18)	All other Sectors	9.32	9.50	SELL	(0.18)
<b>Total</b>	<b>44.22</b>	<b>41.49</b>	<b>BUY</b>	<b>2.73</b>	<b>Total</b>	<b>36.96</b>	<b>28.92</b>	<b>BUY</b>	<b>8.04</b>

Source (s): NCCPL, AHL Research

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY24TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY24TD (%)
Kenya	NSEASI Index	106	4.5	2.9	38.5	Malaysia	FBMKLCI Index	1,601	0.8	2.3	6.6
Germany	DAX Index	18,773	4.4	5.6	9.1	Dubai	DFMGI Index	4,173	0.7	0.4	2.8
Switzerland	SMI Index	11,754	4.2	5.7	(2.3)	Egypt	EGX30 Index	26,003	0.7	7.4	(31.3)
Portugal	PSI20 Index	6,912	4.0	5.4	5.2	Uae	ADSMI Index	9,090	0.6	0.3	(5.1)
Bulgaria	SOFIX Index	838	3.8	3.8	6.6	Lithuania	VILSE Index	975	0.5	2.0	0.3
Poland	WIG20 Index	2,523	3.4	3.4	6.0	Mauritius	SEMDEX Index	2,164	0.4	2.3	0.7
Europe	SX5E Index	5,085	3.4	4.2	9.5	Sri Lanka	CSEALL Index	12,519	0.4	0.7	27.4
France	CAC Index	8,219	3.4	3.8	6.1	Qatar	DSM Index	9,633	0.2	(1.0)	(9.1)
Sweden	OMX Index	2,628	3.3	4.4	1.6	Thailand	SET Index	1,372	0.2	1.4	(9.9)
Italy	FTSEMIB Index	34,657	3.1	3.6	11.2	Bahrain	BHSEASI Index	2,030	0.1	0.0	3.5
Finland	HEX Index	10,270	3.1	5.1	(1.0)	Turkey	XU100 Index	10,219	(0.0)	2.4	25.5
South Africa	JALSH Index	78,464	3.0	5.2	1.0	Serbia	BELEX15 Index	996	(0.0)	(0.0)	10.7
Denmark	KFX Index	2,663	3.0	(0.1)	13.2	Oman	MSM30 Index	4,770	(0.1)	(0.3)	6.4
Austria	ATX Index	3,687	2.7	4.4	4.5	Jordan	JOSMGNFF Index	2,364	(0.1)	(1.1)	(2.6)
Greece	ASE Index	1,484	2.7	3.3	11.7	Tunisia	TUSISE Index	9,113	(0.1)	0.5	2.0
Netherland	AEX Index	911	2.7	4.5	12.7	Mongolia	MSETOP Index	42,991	(0.1)	(0.5)	5.6
Norway	OBXP Index	618	2.7	4.8	0.7	Estonia	TALSE Index	1,780	(0.2)	0.6	(2.0)
Hong Kong	HSI Index	18,964	2.6	6.9	11.2	Singapore	FSSTI Index	3,291	(0.4)	0.7	(1.1)
Chile	IPSA Index	6,612	2.6	5.1	1.8	Saudi Arabia	SASEIDX Index	12,284	(0.5)	(0.9)	2.9
Czech Republic	PX Index	1,550	2.5	2.0	5.8	Russia	RTSI\$ Index	1,178	(0.6)	0.3	8.7
UK	UKX Index	8,434	2.5	3.7	7.0	Croatia	CRO Index	2,796	(0.6)	0.5	7.4
Mexico	MEXBOL Index	57,765	2.5	3.8	1.6	Ukraine	PFTS Index	507	(0.6)	0.0	(3.8)
Spain	IBEX Index	11,106	2.4	3.2	7.0	Ireland	ISEQ Index	10,001	(0.7)	1.7	11.1
Hungary	BUX Index	69,202	2.3	3.3	9.6	Indonesia	JCI Index	7,089	(0.9)	(0.9)	(6.7)
Canada	SPTSX Index	22,365	2.1	3.7	3.1	Russia	IMOEX Index	3,450	(1.1)	0.2	7.5
USA	INDU Index	39,444	2.0	4.3	4.7	Japan	NKY Index	38,229	(1.3)	0.6	3.2
China	SHSZ300 Index	3,666	1.9	1.9	5.0	New Zealand	NZSE Index	1,749	(1.5)	0.1	(6.7)
Vietnam	VNIndex Index	1,245	1.8	2.5	5.0	Ghana	GGSECI Index	3,647	(1.7)	(3.4)	(0.5)
<b>Pakistan</b>	<b>KSE100 Index</b>	<b>73,086</b>	<b>1.7</b>	<b>2.9</b>	<b>18.6</b>	India	SENSEX Index	72,664	(1.8)	(2.5)	0.3
Taiwan	TWSE Index	20,709	1.7	2.0	8.9	Argentina	MERVAL Index	1,430,243	(1.9)	7.3	40.9
USA	SPX Index	5,213	1.7	3.5	9.3	Lebanon	BLOM Index	1,635	(2.0)	(2.7)	(18.1)
Slovenia	SBITOP Index	1,464	1.6	3.5	13.7	Iceland	ICEXI Index	2,056	(2.0)	(3.2)	(5.9)
Australia	AS51 Index	7,749	1.5	3.0	(1.3)	Latvia	RIGSE Index	1,273	(2.0)	(0.4)	(7.3)
Luxembourg	LUXXX Index	1,407	1.4	2.9	(10.2)	Brazil	IBOV Index	127,569	(2.3)	1.9	(10.4)
USA	NDX Index	18,127	1.3	3.9	7.7	Philippines	PCOMP Index	6,512	(2.4)	(2.6)	(2.9)
Kazakhstan	KZKAK Index	5,066	1.3	1.7	25.4	Nigeria	NGSEINDX Index	98,234	(4.1)	(3.1)	(16.5)
Romania	BET Index	17,292	1.0	2.2	9.5	Belgium	BEL20 Index	4,013	(5.2)	(4.8)	(14.8)
South Korea	KOSPI Index	2,728	0.8	2.4	(3.5)						

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

## Key Economic Data &amp; Commodities Prices

Month end	Units	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.28	20.70	21.21	21.72	21.62	21.57
06-M T-Bill	%	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.37	21.00	21.50	21.54	21.20	21.35
12-M T-Bill	%	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.32	20.84	20.76	20.73	20.80	20.65
03-Y PIB	%	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.54	16.73	16.90	16.74	16.61	16.67
05-Y PIB	%	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.90	15.47	15.58	15.57	15.45	15.45
10-Y PIB	%	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.91	14.17	14.32	14.22	14.18	14.20
06-M KIBOR	%	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.49	20.97	21.73	21.70	21.54	21.58
Policy Rate	%	21.00	22.00	22.00	22.00	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)	%	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.7	28.3	23.1	20.7	17.3	17.3
<b>Monetary Sector</b>														
M1	PKR bn	25,017	26,157	25,857	25,964	26,184	26,403	26,717	27,130	27,085	27,421	28,168	n.a	28,168
M2	PKR bn	29,859	31,280	30,966	31,209	31,425	31,722	32,000	32,594	32,466	32,997	33,750	n.a	33,750
M3	PKR bn	33,140	34,545	34,246	34,483	34,287	34,906	35,180	35,741	35,584	36,119	36,861.2	n.a	36,861
<b>Banking Sector</b>														
Deposits	PKR bn	24,388	25,508	25,702	26,110	26,318	26,398	26,798	27,841	27,541	27,886	28,322	n.a	28,322
Advances	PKR bn	12,072	12,202	11,898	11,775	11,857	11,898	11,964	12,352	12,095	12,062	11,964	n.a	11,964
Investment	PKR bn	20,144	20,896	21,468	22,016	22,622	23,232	24,587	25,280	25,603	25,449	26,270	n.a	26,270
WALR	%	17.7	18.2	18.4	18.9	19.3	19.3	19.3	14.7	19.04	18.9	16.3	n.a	16.3
WADR	%	10.2	10.5	11.3	11.3	11.4	11.6	11.7	8.4	12.02	12.0	8.7	n.a	8.7
Spread	%	7.6	7.7	7.1	7.6	7.9	7.7	7.6	6.3	7.02	7.0	7.5	n.a	7.5
<b>External Sector</b>														
Forex Reserves	USD bn	9.5	9.2	13.5	13.2	12.5	12.0	12.0	13.2	13.3	12.4	13.4	13.3	14.5
With SBP	USD bn	4.1	4.4	8.2	7.8	7.6	7.4	7.4	8.2	8.2	8.0	8.0	8.0	9.1
With Banks	USD bn	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.0	5.0	4.5	5.3	5.3	5.3
Exchange rate	PKR/USD	285.5	286.0	286.6	305.5	287.7	281.5	285.2	281.9	279.5	279.1	277.9	278.3	278.1
C/A Balance	USD mn	220.0	504.0	(775.0)	(160.0)	(46.0)	(184.0)	(15.0)	404.0	(303.0)	98.0	619.0	n.a	619.0
Exports	USD bn	2.6	2.1	2.1	2.5	2.5	2.8	2.7	2.8	2.7	2.5	2.5	n.a	2.5
Imports	USD bn	3.8	3.2	4.2	4.0	4.0	4.4	4.4	4.1	4.6	4.4	4.4	n.a	4.4
Trade Balance	USD bn	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	(1.7)	(1.3)	(1.9)	(1.8)	(1.9)	n.a	(1.9)
Remittances	USD bn	2.1	2.2	2.0	2.1	2.2	2.5	2.3	2.4	2.4	2.2	3.0	2.8	2.8
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	100.2	100.3	102.7	113.1	122.5	120.9	108.0	101.0	95.0	101.1	98.3	104.5	107.3
Steel (HRC)	USD/ton	519.9	531.7	569.1	543.3	532.3	526.8	560.2	574.4	567.0	559.4	517.3	527.1	528.5
PTA	USD/ton	780.0	770.0	825.0	800.0	830.0	790.0	765.0	780.0	800.0	785.0	775.0	800.0	790.0
Gold	USD/oz	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	2,044.3	2,229.9	2,286.3	2,346.3
Cotton (COTLOOK A)	USD/lb	93.8	89.3	94.9	97.0	98.4	95.0	89.7	91.4	93.3	105.3	95.6	88.3	85.4
Crude oil (WTI)	USD/bbl	68.1	67.7	81.8	83.6	91.7	81.0	76.0	71.7	75.9	78.3	83.2	81.9	79.3
Crude oil (Arab Light)	USD/bbl	74.7	77.8	88.8	90.5	97.7	91.2	87.7	80.4	84.9	82.5	88.3	89.5	86.5
Crude oil (Brent)	USD/bbl	72.7	72.3	85.6	86.9	95.4	87.4	82.8	77.0	81.7	83.6	87.5	87.9	83.9
<b>Local</b>														
Cotton	PKR/maund	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	21,500.0	21,500.0	20,000.0	19,700.0
Cement	PKR/bag	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	1,234.8	1,220.9	1,218.0	1,204.4
Gold	PKR/10 grms	197,620	185,270	190,590	207,050	176,270	185,530	186,474	187,930	189,300	188,920	198,910	201,820	203,710

\*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 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**

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 NBP, BOP and FCCL.