

Positive momentum continuous

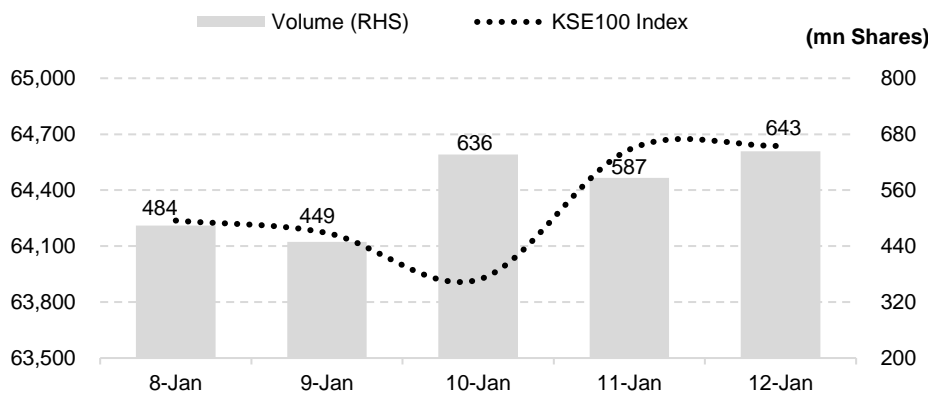
The local market maintained a range-bound trajectory throughout the week. Positive economic developments included the approval of the 2nd Stand-By Arrangement (SBA) tranche by the IMF's Executive Board, amounting to USD 700mn. This approval is expected to provide crucial economic stabilization to the country. Furthermore, the remittances for Dec'23 reached USD 2.4bn, reflecting a substantial 13% YoY | 5% MoM increase. Furthermore, there was a notable decline in cut-off yields for the 3-year, 5-year, and 10-year PIBs by 45bps, 44bps, and 59bps, respectively. In addition, the SBP's reserves increased by USD 66mn last week, reaching a total of USD 8.2bn. During the week, the PKR closed at 280.36 against the USD, appreciating by 1.04 | 0.37% WoW. Overall, the market concluded at 64,638 points, marking an increase of 123 points or +0.2% WoW.

Sector-wise positive contributions came from i) Oil & Gas Exploration Companies (242pts), ii) Fertilizer (214pts), iii) Automobile Assemblers (56pts), iv) Miscellaneous (38pts), and v) Engineering (9pts). Meanwhile, the sectors which mainly contributed negatively were i) Commercial Banks (173pts), ii) Cement (88pts), iii) Technology & Communication (84pts), iv) Oil & Gas Marketing Companies (38pts), and v) Refinery (27ts). Scrip-wise positive contributors were ENGRO (111pts), PPL (106pts), MARI (103pts), EFERT (75pts), and INDU (70pts). Meanwhile, scrip-wise negative contributions came from UBL (58pts), MEBL (49pts), TRG (35pts), SYS (32pts), and DGKC (25pts).

Foreigner buying was witnessed during this week, clocking in at USD 1.9mn compared to a net sell of USD 3.1mn last week. Major buying was witnessed in Fertilizer (USD 0.85mn) and Other sectors (USD 0.8mn). On the local front, selling was reported by Banks / DFIs (USD 4.9mn) followed by Broker Proprietary Trading (USD 3.7mn). Average volumes arrived at 560mn shares (down by 18.5% WoW) while the average value traded settled at USD 57mn (down by 18.1% WoW).

Other major news: i) PSX to auction Rs400bn Islamic Bonds in 1Q2024, ii) Govt grants first electric rickshaw license to Sazgar, iii) PM says govt, KE to ensure smooth power supply to Karachi, iv) SBP gives Rs1.25tr to meet funding needs of banks.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

We expect the KSE-100 index to remain positive in the coming week. The Prime Minister has written a letter to rollover a USD 2bn loan to the UAE, which is scheduled to mature in the upcoming week. A successful rollover is expected to enhance Pakistan's foreign reserve position, and expected to instill confidence among investors. Moreover, the scrips are trading at attractive valuations, and are expected to further boost positive sentiment at the index. 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 4.4x (2024) as compared to its 5-year average of 5.9x offering a dividend yield of ~10.3% as compared to its 5-year average of ~6.0%.

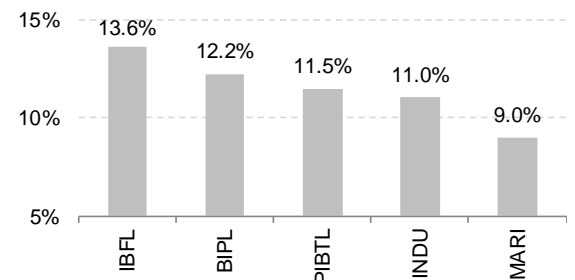
PSX Indices Performance

Index	Current	WoW (%)	CY24TD (%)
KSE100	64,638	0.2	3.5
KSEAll	43,740	0.9	4.4
KSE30	21,631	0.4	4.1
KMI30	109,346	0.8	4.4
BKTI	15,279	(0.8)	2.1
OGTI	16,530	3.9	11.2

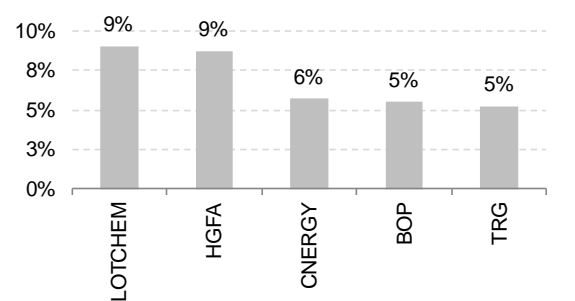
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
KEL	155.0	5.8
HASCOL	31.1	8.0
WTL	27.0	1.4
PIBTL	25.8	6.7
PIAA	25.4	9.0

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



Analyst

AHL Research

research@arifhabilttd.com

+92-21-32462589



Best Brokerage House of the Year: 2023

Best Economic Research House of the Year: 2023

Corporate Finance House of the Year: 2023

Best Equity Research Analyst: 2022

Best Equity Sales Person (Runner up): 2023



Best Securities House: 2023
Best Investment Bank: 2023



Best Equity House: 2022

Business and Economic News of the Week

Nine cent energy tariffs approved: minister (BR)

The Apex Committee of the Special Investment Facilitation Council (SIFC) has approved an energy tariff of nine cents for the industrial sector against the current rate of 14 cents and the matter will be taken in the next Cabinet meeting. This was stated by caretaker Federal Minister for Commerce and Industry Dr Gohar Ejaz while talking to Business Recorder on the sidelines of the 4th Pakistan Africa Trade Development Conference and Single Country Exhibition in Cairo.

High lending rates, inflation weigh growth outlook down (Dawn)

The World Bank on Wednesday projected Pakistan's economic outlook to remain subdued during the current fiscal year and slightly recover next year amid prolonged global economic challenges. "In Pakistan, the economic outlook for FY24 remains subdued, with growth projected at only 1.7pc. Monetary policy is expected to remain tight to contain inflation, while fiscal policy is also set to be contractionary, reflecting pressures from high debt-service payments", said the World Bank in its latest publication Global Economic Prospects — January 2024" released on Wednesday.

SBP gives Rs1.25tr to meet funding needs of banks (Tribune)

Pakistan's central bank has injected Rs1.25 trillion into conventional and Shariah-compliant banks for up to 28 days apparently in an effort to overcome shortage of funds and meet financing demand from the cash-strapped government. Besides, the Karachi Inter-bank Offered Rate (Kibor) – the six-month benchmark interest rate at which banks lend money to each other – dropped more than three percentage points to 21.38% on Friday compared to the recent peak of 24.70%.

Export of services falls in November (Dawn)

The services sector exports in November contracted year-on-year for the first time during the current fiscal year, according to data compiled by the Pakistan Bureau of Statistics. The services exports fell to \$631.93 million in November marking a 15.85 per cent decline from the \$750.95m in the corresponding month last year. Contrary to this, merchandise exports reversed the trend and increased in December and November after a continual fall in the current fiscal year..

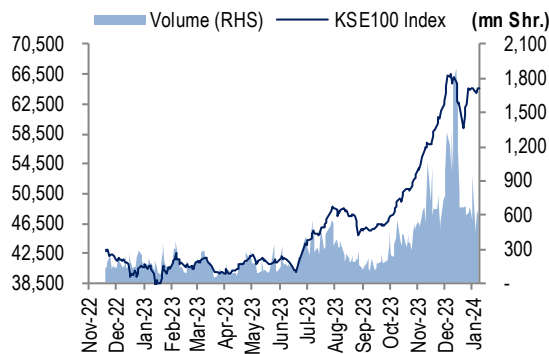
PC okays 51% PIA stake sale (Tribune)

The Privatisation Commission (PC) board on Tuesday approved the transaction structure to sell a minimum of 51% stake in Pakistan International Airlines (PIA) after cleansing its balance sheet by transferring almost three-fourths of the Rs825 billion to a new company. Reconvening on Tuesday, the board by and large endorsed the "legal segregation" of PIA into good and bad PIA and approved the transaction structure, according to privatisation ministry officials. The financial advisors' report remained incomplete and was submitted without the valuation of the assets. Breaking from past transparency practices, the PC did not issue a press statement after the board meeting. The board proceedings remained inconclusive a day earlier after at least three members did not attend.

Taxation dispute delays refinery upgrade deals under new policy (The News)

The refining sector is struggling to finalize agreements with the government for upgrading their facilities to produce cleaner fuels under a new policy, as a dispute over taxation remains unresolved, sources told The News on Monday. As the deadline for the signing of agreements will expire on January 16, 2024, both sides have to resolve the issue of taxation escrow account. Under the policy, the release from the joint escrow account will be made on a pro rata basis, However, Federal Board of Revenue (FBR) wants taxation on the release from escrow account, whereas the refining sector wants the government to consider it as a grant to avoid taxation. Industry officials said any taxation on it would make it economically unfeasible for the refineries to go for upgradation.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
ENGRO	110.8
PPL	105.6
MARI	103.0
EFERT	74.9
INDU	69.6
Total	464.0

Bearish Companies	
UBL	(58.1)
MEBL	(49.0)
TRG	(34.8)
SYS	(31.8)
DGKC	(24.8)
Total	(198.5)

Sectors	Index Contribution
Bullish Sectors	
Oil & Gas Exploration Companies	242.1
Fertilizer	214.1
Automobile Assembler	56.0
Miscellaneous	37.8
Engineering	9.4
Total	559.4

Bearish Sectors	
Commercial Banks	(173.3)
Cement	(87.8)
Technology & Communication	(84.1)
Oil & Gas Marketing Companies	(38.1)
Refinery	(26.7)
Total	(409.9)

FinanceAsia

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Broker- (Islamic) 2021

Pakistan Weekly Update

Pakistan
Stock Market



January 12, 2024

AHL Universe - Recommendation Summary

Code	Company	Price 12-Jan-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		
Exploration & Production																					
PPL	Pakistan Petroleum Ltd.	133.8	129.61	(3.1)	Hold	37.4	39.5	37.4	2.50	3.50	3.50	3.6	3.4	1.9	2.6	0.7	0.6	20.9	18.3	KSE100, KSE30, KMI & MSCI	
OGDC	Oil and Gas Dev Co.	127.5	165.6	29.9	Buy	52.2	45.2	43.5	8.55	9.00	8.75	2.4	2.8	6.7	7.1	0.5	0.5	22.9	17.0	KSE100, KSE30, KMI & MSCI	
POL	Pakistan Oilfields Ltd.	429.7	554.82	29.1	Buy	128.4	120.4	110.8	80.00	76.00	70.00	3.3	3.6	18.6	17.7	1.8	1.7	61.4	49.2	KSE100, KSE30 & MSCI	
MARI	Mari Petroleum Ltd	2,319.3	2,711.4	16.9	Buy	420.7	553.3	609.1	147.00	235.00	280.00	5.5	4.2	6.3	10.1	1.8	1.5	37.5	38.9	KSE100, KSE30, KMI & MSCI	
Commercial Banks																					
UBL	United Bank Ltd.*	180.2	276.0	53.2	Buy	46.7	56.1	52.3	43.00	42.00	39.00	3.9	3.2	23.9	23.3	1.0	0.9	24.9	28.7	KSE100, KSE30 & MSCI	
BAFL	Bank Alfalah*	49.0	69.1	41.1	Buy	21.8	25.9	23.9	6.00	8.00	7.00	2.2	1.9	12.2	16.3	0.6	0.5	30.1	29.1	KSE100 & MSCI	
MCB	MCB Bank Ltd.*	175.4	294.1	67.7	Buy	53.6	61.4	58.7	30.00	34.00	33.00	3.3	2.9	17.1	19.4	0.9	0.8	30.6	30.9	KSE100, KSE30 & MSCI	
HBL	Habib Bank Ltd.*	118.5	158.3	33.6	Buy	41.0	50.2	43.5	8.00	10.00	10.00	2.9	2.4	6.8	8.4	0.5	0.4	19.4	20.3	KSE100, KSE30 & MSCI	
ABL	Allied Bank Ltd.*	83.9	148.8	77.4	Buy	32.8	38.6	33.3	11.00	14.00	12.00	2.6	2.2	13.1	16.7	0.6	0.5	26.4	26.3	KSE100	
NBP	National Bank of Pakistan.*	32.2	47.6	47.8	Buy	23.5	26.0	22.4	-	3.00	2.00	1.4	1.2	-	9.3	0.2	0.2	15.0	14.6	KSE100	
AKBL	Askari Bank Ltd.*	23.8	33.7	41.7	Buy	12.7	15.0	13.8	3.00	5.00	4.00	1.9	1.6	12.6	21.0	0.4	0.3	22.4	22.1	KSE100	
BOP	The Bank of Punjab*	6.5	7.9	20.5	Buy	2.8	3.2	2.9	0.50	0.75	0.50	2.3	2.0	7.6	11.5	0.3	0.3	13.4	13.4	KSE100 & MSCI	
MEBL	Meezan Bank Ltd.*	160.9	240.0	49.2	Buy	47.5	57.7	54.9	18.00	22.00	21.00	3.4	2.8	11.2	13.7	1.7	1.2	58.5	50.7	KSE100, KSE30 & KMI	
FABL	Faysal Bank Ltd.*	33.8	53.4	57.7	Buy	12.0	16.1	14.9	4.00	6.00	6.00	2.8	2.1	11.8	17.7	0.6	0.6	24.0	27.9	KSE100, KMI & MSCI	
Fertilizer																					
ENGRO	Engro Corporation*	310.8	372.1	19.7	Buy	63.2	76.0	85.6	54.00	61.00	69.00	4.9	4.1	17.4	19.6	0.5	0.5	12.1	12.2	KSE100, KSE30, KMI & MSCI	
FFBL	Fauji Fert. Bin Qasim	29.3	29.9	1.9	Hold	2.1	4.6	5.5	-	-	1.00	13.9	6.4	-	-	1.5	1.2	11.4	20.8	KSE100, KMI & MSCI	
EFERT	Engro Fertilizer	123.2	110.2	(10.6)	Hold	16.4	17.5	18.1	18.00	20.00	20.00	7.5	7.1	14.6	16.2	3.8	4.2	49.7	56.7	KSE100, KSE30, KMI & MSCI	
FFC	Fauji Fertilizer Co.	118.0	152.3	29.0	Buy	25.6	27.7	28.3	20.00	21.00	22.00	4.6	4.3	16.9	17.8	2.6	2.3	59.8	56.7	KSE100, KSE30 & MSCI	
FATIMA	Fatima Fertilizer Co.	35.9	na	na	na	na	na	na	na	na	na	Group Company: No estimates are given									KSE100 & KMI
AHCL	Arif Habib Corp. Ltd.	36.8	na	na	na	8.4	na	na	-	na	na	Group Company: No estimates are given									KSEALL
Cement																					
LUCK	Lucky Cement Ltd.*	788.1	1,148.9	45.8	Buy	166.4	217.6	232.7	18.00	20.00	43.00	4.7	3.6	2.3	2.5	0.9	0.7	21.2	21.8	KSE100, KSE30, KMI & MSCI	
FCCL	Fauji Cement Co.	19.7	35.0	78.1	Buy	3.0	3.8	7.0	-	-	2.00	6.5	5.1	-	-	0.7	0.6	12.1	13.5	KSE100, KMI & MSCI	
ACPL	Attock Cement Ltd.	91.4	155.1	69.7	Buy	11.0	22.2	30.4	6.00	10.00	12.00	8.3	4.1	6.6	10.9	0.2	0.2	4.0	4.9	KSEALL, KMI & MSCI	
DGKC	D.G. Khan Cement Co.	77.0	98.7	28.2	Buy	(8.3)	9.8	16.2	-	-	4.00	(9.3)	7.8	-	-	0.5	0.5	(5.4)	6.5	KSE100, KSE30, KMI & MSCI	
KOHC	Kohat Cement Co.	237.2	322.1	35.8	Buy	29.7	38.6	37.3	-	11.58	11.18	8.0	6.1	-	4.9	1.4	1.2	19.4	20.8	KSE100, KMI & MSCI	
MLCF	Maple Leaf Cement.*	39.6	59.4	50.1	Buy	5.4	6.7	8.2	-	2.00	3.00	7.4	5.9	-	5.1	0.9	4.4	13.2	26.5	KSE100, KMI & MSCI	
POWER	Power Cement	5.8	na	na	na	0.2	na	na	-	na	na	Group Company: No estimates are given									KMI
Oil & Gas Marketing																					
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	
ANL	Attock Petroleum Ltd.	379.80	398.20	4.8	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.	77.1	84.3	9.3	Hold	18.8	23.3	25.6	8.00	7.00	8.00	4.1	3.3	10.4	9.1	1.0	0.8	149.7	249.7	KSE100, KSE30, KMI & MSCI	
Automobile Assemblers																					
PSMC	Pak Suzuki Motor Co.	834.8				Coverage Restricted due to Advisory Mandate															KSE100 & KMI
INDU	Indus Motor Co.	1,422.1	1,571.0	10.5	Hold	123.0	186.1	227.1	71.80	109.00	133.00	11.6	7.6	5.0	7.7	1.9	1.7	16.9	23.2	KSE100	
HCAR	Honda Atlas Cars (Pak)	264.9	248.1	(6.3)	Hold	1.8	19.4	27.8	-	8.00	11.00	145.4	13.7	-	3.0	2.0	1.8	1.3	13.8	KSE100 & KMI	
MTL	Millat Tractors Ltd.	580.1	661.2	14.0	Hold	17.6	48.6	59.0	25.00	49.00	53.00	32.9	11.9	4.3	8.4	14.4	14.6	45.8	121.4	KSE100, KSE30, KMI & MSCI	
Power Generation & Distribution																					
HUBC	Hub Power Company*	119.7	170.7	42.6	Buy	44.4	53.4	57.5	30.00	30.00	24.25	2.7	2.2	25.1	25.1	1.0	0.8	40.6	39.4	KSE100, KSE30, KMI & MSCI	
NCPL	Nishat Chu. Power Ltd.	28.1	29.6	5.4	Hold	10.8	12.7	10.3	-	4.00	2.75	2.6	2.2	-	14.3	0.4	0.4	16.4	18.1	KMI & MSCI	
NPL	Nishat Power Ltd.	31.3	35.8	14.4	Hold	11.6	13.6	9.9	7.00	6.00	4.00	2.7	2.3	22.4	19.2	0.4	0.3	14.1	15.4	KSEALL & MSCI	
Textile Composite																					
NML	Nishat Mills Ltd.	80.9	107.3	32.7	Buy	34.6	41.3	44.4	5.00	6.00	6.50	2.3	2.0	6.2	7.4	0.3	0.3	14.4	15.2	KSE100, KMI & MSCI	
NCL	Nishat (Chunian) Ltd.	28.5	39.0	37.0	Buy	(4.2)	10.8	11.5	-	4.00	4.00	(6.8)	2.6	-	14.0	0.3	0.3	(4.4)	12.1	KSEALL	
ILP	Interloop Ltd.	72.4	99.2	37.1	Buy	14.4	16.2	20.1	5.00	5.50	8.00	5.0	4.5	6.9	7.6	2.3	1.7	52.2	44.3	KSE100 & KMI	
Chemicals																					
LOTCEM	Lotte Chemical Pak Ltd.	25.06	27.90	11.3	Hold	4.5	4.5	4.9	3.50	2.00	2.50	5.5	5.6	14.0	8.0	1.5	1.3	28.8	25.6	KSE100 & KMI	
EPCL	Engro Polymer & Chem.	47.1	56.8	20.5	Buy	6.6	8.6	10.6	5.50	6.00	7.50	7.1	5.5	11.7	12.7	1.6	1.5	22.1	27.8	KSE100, KSE30 & KMI	
LCI	Lucky Core Industries Ltd.	764.3	937.1	22.6	Buy	191.1	86.8	113.1	43.00	40.00	50.00	4.0	8.8	5.6	5.2	1.6	1.1	45.7	14.6	KSE100 & KMI	
Leather & Tanneries																					
SGF	Service Global Footwear Ltd.	57.65	76.40	32.5	Buy	4.9	8.8	14.3	3.00	3.50	5.50	11.8	6.5	5.2	6.1	1.8	1.5	15.9	25.6	KMI	
Engineering																					
ASTL	Amreli Steels Ltd.	23.8	27.4	15.0	Buy	(2.3)	1.5	5.7	-	-	2.00	(10.4)	15.8	-	-	0.5	0.5	(4.6)	3.0	KSEALL	
AGHA	Agha Steel Industries Ltd.	13.8	26.7	93.2	Buy	1.5	1.1	5.1	-	-	-	9.2	12.8	-	-	0.5	0.5	5.6	3.9	KMI	
ASL	Aisha Steel Mills Ltd.	8.3	na	na	na	(3.5)	na	na	-	na	na	Group Company: No estimates are given									KSEALL
Technology & Communication																					
SYS	Systems Ltd.	422.4	614.0	45.3	Buy	31.7	35.7	43.1	5.00	6.75	12.50	13.3	11.8	1.2	1.6	3.8	2.9	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
PSMC	834.77	24.06	49.50	49.50	607.99	132.49	898.57	102.53	898.57	82.38
INDU	1,422.11	11.03	18.52	18.52	1,292.53	869.18	1,446.85	864.68	1,446.85	731.72
MARI	2,319.26	9.02	10.65	10.65	2,191.83	1,528.65	2,319.26	1,484.96	2,319.26	1,260.12
HCAR	264.85	8.59	23.92	23.92	232.13	133.16	281.91	102.63	281.91	82.41
EFERT	123.24	5.02	9.81	9.81	114.72	76.75	123.46	70.50	123.46	61.97
PPL	133.79	4.99	16.31	16.31	133.79	79.26	133.79	64.82	133.79	55.25
ENGRO	310.80	4.96	5.39	5.39	325.10	250.59	325.10	236.68	325.10	223.97
NCL	28.48	3.68	9.75	9.75	29.99	22.03	29.99	19.98	29.99	19.98
DGKC	65.79	2.99	22.58	(15.14)	82.43	47.15	82.50	41.54	82.50	39.44
NPL	31.25	2.80	0.97	0.97	33.85	23.40	33.85	19.01	33.85	13.66
OGDC	127.53	1.99	13.41	13.41	126.75	91.39	127.53	81.54	127.53	67.70
NCPL	28.06	1.89	0.32	0.32	32.23	21.59	32.23	17.91	32.23	13.60
FABL	33.82	1.41	3.81	3.81	33.41	23.09	33.82	20.42	33.82	18.37
AHCL	36.84	1.24	2.56	2.56	38.79	24.50	38.79	24.35	38.79	23.25
ASTL	23.79	1.02	3.17	3.17	27.53	20.17	27.53	18.29	27.53	14.99
FML	90.84	0.93	0.65	0.65	93.00	81.00	93.00	61.56	93.00	48.22
HBL	118.47	0.90	6.88	6.88	129.52	91.48	129.52	74.74	129.52	56.54
NML	80.88	0.22	5.42	5.42	83.64	57.68	83.64	53.08	83.64	45.52
LCI	764.31	0.03	(1.84)	(1.84)	799.01	571.11	799.01	554.30	799.01	485.52
ABL	83.90	(0.11)	1.08	1.08	90.51	67.29	90.51	64.86	90.51	54.84
LUCK	788.06	(0.21)	0.14	0.14	818.48	580.18	818.48	514.35	818.48	371.22
FATIMA	35.86	(0.28)	1.04	1.04	35.89	28.98	37.01	25.55	37.01	23.90
HUMNL	6.68	(0.30)	(2.48)	(2.48)	8.04	5.47	8.04	5.35	8.04	5.30
POWER	5.81	(0.34)	(2.52)	(2.52)	6.43	4.06	6.43	3.49	6.43	3.49
FFC	118.01	(0.41)	4.26	4.26	120.77	90.34	120.77	87.50	120.77	86.42
KAPCO	29.40	(0.41)	3.41	3.41	31.99	21.95	31.99	19.12	31.99	16.48
POL	429.66	(0.44)	1.83	1.83	451.57	387.84	451.57	372.54	451.57	326.66
HUBC	119.72	(0.70)	2.25	2.25	123.69	80.45	123.69	69.33	123.69	45.65
MTL	580.07	(0.84)	(0.21)	(0.21)	655.84	427.10	655.84	382.07	655.84	288.53
PSO	181.41	(0.90)	2.66	2.66	217.22	116.04	217.22	103.66	217.22	93.36
MCB	175.39	(0.97)	1.65	1.65	191.57	129.29	191.57	119.02	191.57	87.67
BAFL	48.99	(1.15)	0.99	0.99	53.19	38.31	53.19	33.03	53.19	24.29
EPCL	47.13	(1.17)	1.16	1.16	51.25	39.15	51.25	37.08	51.25	34.95
MEBL	160.90	(1.19)	(0.29)	(0.29)	175.04	116.53	175.04	106.27	175.04	77.46
APL	379.80	(1.20)	0.34	0.34	403.54	295.67	403.54	269.21	403.54	264.37
FCCL	19.65	(1.26)	3.86	3.86	20.51	11.90	20.51	10.54	20.51	10.51
NBP	32.21	(1.41)	0.31	0.31	37.46	22.77	37.46	20.37	37.46	18.89
UBL	180.19	(1.88)	1.32	1.32	190.05	138.63	190.05	127.55	190.05	67.60
AKBL	23.79	(2.06)	(3.76)	(3.76)	25.18	15.57	25.18	14.21	25.18	12.12
MLCF	39.55	(2.47)	1.62	1.62	42.71	31.95	42.71	27.05	42.71	19.34
SNGP	77.12	(2.47)	4.90	4.90	78.47	46.48	79.07	41.02	79.07	34.15
ILP	72.39	(3.16)	0.54	0.54	75.25	44.51	75.25	34.93	75.25	28.44
ITTEFAQ	7.78	(3.23)	(0.13)	(0.13)	8.62	5.61	8.62	4.75	8.62	4.20
AGHA	13.83	(4.49)	(2.81)	(2.81)	16.16	10.79	16.16	9.19	16.16	9.11
KOHC	237.16	(4.78)	1.25	1.25	234.23	173.46	249.06	151.84	249.06	115.77
BOP	6.54	(5.49)	0.93	0.93	7.57	3.94	7.57	3.42	7.57	3.19
ACPL	91.41	(6.08)	(5.00)	(5.00)	107.42	79.87	107.42	73.13	107.42	48.59
FFBL	29.33	(7.39)	(8.06)	(8.06)	32.08	15.10	32.43	12.94	32.43	11.11
LOTCHEM	25.06	(9.01)	(7.15)	(7.15)	28.59	24.50	29.18	22.60	29.81	20.52

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 (%)	3.9	1.4	2.9	2.7	3.6	3.5	3.7	3.5	2.0	3.0	10.3	-70.8%
P/E (x)	13.8	18.4	9.9	11.5	7.6	14.5	9.6	15.8	9.1	12.2	4.4	-64.3%
P/B (x)	0.4	3.0	1.5	1.4	1.0	1.3	1.1	2.1	0.8	1.4	0.7	-47.5%

Source: Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	260.23	259.80	BUY	0.43
Companies	12.16	5.74	BUY	6.42
Banks / DFIs	15.05	19.98	SELL	(4.94)
NBFC	0.13	0.13	BUY	0.00
Mutual Funds	6.65	7.95	SELL	(1.30)
Other Organizations	1.58	1.84	SELL	(0.26)
Broker Proprietary Trading	52.02	55.71	SELL	(3.69)
Insurance Companies	3.50	2.04	BUY	1.46
Total	351.32	353.20	SELL	(1.88)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	335.43	346.06	SELL	(10.63)
Companies	9.07	15.22	SELL	(6.15)
Banks / DFIs	12.80	7.42	BUY	5.38
NBFC	0.24	0.24	BUY	0.00
Mutual Funds	11.50	6.85	BUY	4.64
Other Organizations	7.59	2.11	BUY	5.49
Broker Proprietary Trading	69.35	65.07	BUY	4.28
Insurance Companies	3.90	3.79	BUY	0.11
Total	449.87	446.74	BUY	3.12

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	14.24	13.88	BUY	0.35
Fertilizer	22.45	23.30	SELL	(0.85)
Cement	16.86	17.07	SELL	(0.21)
Power Generation & Distribution	27.47	27.62	SELL	(0.15)
Exploration & Production	84.26	83.44	BUY	0.82
Oil & Gas Marketing Companies	27.49	28.08	SELL	(0.58)
Food and Personal Care Products	10.87	11.20	SELL	(0.34)
Textile Composite	2.61	2.54	BUY	0.07
Technology and Communication	28.14	28.34	SELL	(0.20)
Debt	0.11	0.19	SELL	(0.09)
All other Sectors	116.22	117.02	SELL	(0.80)
Total	350.71	352.69	SELL	(1.88)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	21.09	20.10	BUY	0.99
Fertilizer	12.94	13.72	SELL	(0.78)
Cement	34.34	33.99	BUY	0.34
Power Generation & Distribution	33.34	32.65	BUY	0.69
Exploration & Production	100.35	98.40	BUY	1.95
Oil & Gas Marketing Companies	40.16	40.26	SELL	(0.10)
Food and Personal Care Products	20.89	20.88	BUY	0.01
Textile Composite	4.03	3.65	BUY	0.38
Technology and Communication	53.13	52.99	BUY	0.14
Debt	0.04	0.16	SELL	(0.11)
All other Sectors	128.91	129.42	SELL	(0.51)
Total	449.24	446.23	BUY	3.12

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	BUY	0.00
Foreign Corporates	4.34	4.17	BUY	0.17
Overseas Pakistani	23.97	22.26	BUY	1.71
Total	28.31	26.43	BUY	1.88

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.02	SELL	(0.01)
Foreign Corporates	2.88	3.57	SELL	(0.69)
Overseas Pakistani	28.86	31.28	SELL	(2.43)
Total	31.75	34.87	SELL	(3.12)

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.05	1.40	SELL	(0.35)
Fertilizer	2.23	1.39	BUY	0.85
Cement	1.43	1.22	BUY	0.21
Power Generation & Distribution	1.96	1.81	BUY	0.15
Exploration & Production	6.24	7.06	SELL	(0.82)
Oil & Gas Marketing Companies	2.25	1.67	BUY	0.58
Food and Personal Care Products	0.98	0.65	BUY	0.34
Textile Composite	0.14	0.21	SELL	(0.07)
Technology and Communication	2.76	2.55	BUY	0.21
All other Sectors	9.16	8.36	BUY	0.80
Total	28.19	26.31	BUY	1.88

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.18	2.17	SELL	(0.99)
Fertilizer	2.35	1.57	BUY	0.78
Cement	3.07	3.41	SELL	(0.34)
Power Generation & Distribution	2.15	2.84	SELL	(0.69)
Exploration & Production	5.22	7.17	SELL	(1.95)
Oil & Gas Marketing Companies	2.41	2.31	BUY	0.10
Food and Personal Care Products	1.66	1.67	SELL	(0.01)
Textile Composite	0.16	0.54	SELL	(0.38)
Technology and Communication	4.12	4.26	SELL	(0.14)
All other Sectors	9.44	8.93	BUY	0.51
Total	31.75	34.87	SELL	(3.12)

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 (%)
Japan	NKY Index	35,577	6.2	3.1	3.1	Europe	SX5E Index	4,466	0.0	(2.3)	(2.3)
Russia	RTSI\$ Index	1,142	5.0	5.4	5.4	Singapore	FSSTI Index	3,192	0.0	(2.5)	(2.5)
Russia	IMOEX Index	3,197	4.9	4.5	4.5	Italy	FTSEMIB Index	30,428	(0.1)	(0.8)	(0.8)
Turkey	XU100 Index	7,977	3.7	4.8	4.8	Sweden	OMX Index	2,349	(0.1)	(4.5)	(4.5)
USA	NDX Index	16,821	3.2	(0.0)	(0.0)	Ghana	GGSECI Index	3,129	(0.2)	(0.2)	(0.2)
Romania	BET Index	15,826	3.2	1.8	1.8	Saudi Arabia	SASEIDX Index	12,116	(0.2)	1.5	1.5
Hungary	BUX Index	63,396	2.8	4.3	4.3	Australia	AS51 Index	7,498	(0.3)	(3.4)	(3.4)
Greece	ASE Index	1,345	2.5	2.9	2.9	Philippines	PCOMP Index	6,643	(0.4)	2.1	2.1
Croatia	CRO Index	2,602	1.8	1.6	1.6	Taiwan	TWSE Index	17,513	(0.5)	(4.0)	(4.0)
USA	SPX Index	4,780	1.8	0.2	0.2	Switzerland	SMI Index	11,188	(0.5)	(1.3)	(1.3)
Latvia	RIGSE Index	1,361	1.5	0.8	0.8	Mongolia	MSETOP Index	41,256	(0.6)	0.5	0.5
Uae	ADSMI Index	9,791	1.3	2.2	2.2	Vietnam	VNIndex Index	1,155	(0.6)	1.2	1.2
Kazakhstan	KZKAK Index	4,288	1.3	3.3	3.3	Kenya	NSEASI Index	93	(0.7)	(0.6)	(0.6)
India	SENSEX Index	72,568	1.0	0.8	0.8	Canada	SPTSX Index	20,918	(0.7)	(1.8)	(1.8)
Belgium	BEL20 Index	3,679	1.0	0.8	0.8	Nigeria	NGSEINDX Index	82,854	(0.7)	5.4	5.4
Belgium	BEL20 Index	3,679	1.0	0.8	0.8	Finland	HEX Index	10,187	(0.8)	(0.2)	(0.2)
Slovenia	SBITOP Index	1,275	1.0	0.6	0.6	South Africa	JALSH Index	73,730	(0.8)	(6.1)	(6.1)
Denmark	KFX Index	2,372	1.0	2.7	2.7	UK	UKX Index	7,622	(0.9)	(1.7)	(1.7)
Jordan	JOSMGNFF Index	2,473	0.9	1.9	1.9	Austria	ATX Index	3,400	(0.9)	(2.1)	(2.1)
Czech Republic	PX Index	1,456	0.8	1.8	1.8	Iceland	ICEXI Index	2,177	(0.9)	1.2	1.2
Bahrain	BHSEASI Index	1,986	0.7	1.3	1.3	Spain	IBEX Index	10,053	(1.1)	(1.6)	(1.6)
New Zealand	NZSE Index	1,791	0.7	(1.0)	(1.0)	Lebanon	BLOM Index	1,831	(1.2)	(8.2)	(8.2)
Oman	MSM30 Index	4,607	0.7	2.7	2.7	Poland	WIG20 Index	2,254	(1.2)	(5.2)	(5.2)
USA	INDU Index	37,711	0.7	0.1	0.1	Sri Lanka	CSEALL Index	10,611	(1.3)	0.2	0.2
Ukraine	PFTS Index	507	0.6	0.7	0.7	Brazil	IBOV Index	130,649	(1.3)	(3.3)	(3.3)
Serbia	BELEX15 Index	883	0.6	(0.4)	(0.4)	Tunisia	TUSISE Index	8,429	(1.4)	(4.5)	(4.5)
Pakistan	KSE100 Index	64,638	0.6	4.1	4.1	Argentina	MERVAL Index	1,043,924	(1.5)	11.3	11.3
Portugal	PSI20 Index	6,562	0.4	1.5	1.5	China	SHSZ300 Index	3,284	(1.6)	(5.2)	(5.2)
Dubai	DFMGI Index	4,104	0.4	1.1	1.1	Mexico	MEXBOL Index	55,439	(1.7)	(3.6)	(3.6)
Netherland	AEX Index	781	0.3	(1.8)	(1.8)	Indonesia	JCI Index	7,241	(1.8)	(1.6)	(1.6)
Egypt	EGX30 Index	25,519	0.3	3.4	3.4	Norway	OBXP Index	569	(1.8)	(2.4)	(2.4)
Qatar	DSM Index	10,466	0.3	(1.2)	(1.2)	Hong Kong	HSI Index	16,245	(1.9)	(4.8)	(4.8)
Mauritius	SEMDEX Index	2,051	0.2	(0.4)	(0.4)	Thailand	SET Index	1,414	(1.9)	(2.7)	(2.7)
Estonia	TALSE Index	1,824	0.2	2.0	2.0	Luxembourg	LUXXX Index	1,484	(2.0)	(3.7)	(3.7)
Germany	DAX Index	16,635	0.2	(1.8)	(1.8)	South Korea	KOSPI Index	2,525	(2.2)	(6.8)	(6.8)
France	CAC Index	7,437	0.2	(2.5)	(2.5)	Chile	IPSA Index	6,029	(2.5)	(5.8)	(5.8)
Lithuania	VILSE Index	954	0.2	(0.4)	(0.4)	Ireland	ISEQ Index	8,443	(2.5)	(4.7)	(4.7)
Malaysia	FBMKLCI Index	1,487	0.1	1.0	1.0	Zimbabwe	ZHIALSH Index	259,732	(20.2)	(8.9)	(8.9)
Bulgaria	SOFIX Index	768	0.0	(0.7)	(0.7)						

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

Key Economic Data & Commodities Prices

Month end	Units	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Current*
Money Market Data														
03-M T-Bill	%	17.75	19.53	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.28	20.44
06-M T-Bill	%	17.87	19.82	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.37	20.59
12-M T-Bill	%	17.95	19.93	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.32	20.59
03-Y PIB	%	16.83	18.20	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.54	16.33
05-Y PIB	%	15.48	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.90	15.62
10-Y PIB	%	14.45	15.50	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.91	14.73
06-M KIBOR	%	17.97	20.06	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.49	20.98
Policy Rate	%	17.00	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	27.6	31.6	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.7	29.7
Monetary Sector														
M1	PKR bn	22,798	23,131	24,074	24,802	25,017	26,157	25,857	25,964	26,184	26,403	26,717	n.a	26,717
M2	PKR bn	27,292	27,878	28,732	29,433	29,859	31,280	30,966	31,209	31,425	31,722	32,000	n.a	32,000
M3	PKR bn	30,688	31,241	32,070	32,743	33,140	34,545	34,246	34,483	34,287	34,906	35,180	n.a	35,180
Banking Sector														
Deposits	PKR bn	22,754	22,921	23,562	23,429	24,388	25,508	25,702	26,110	26,318	26,398	26,798	n.a	26,798
Advances	PKR bn	11,659	11,723	11,836	12,111	12,072	12,202	11,898	11,775	11,857	11,898	11,964	n.a	11,964
Investment	PKR bn	19,293	18,993	19,236	19,695	20,144	20,896	21,468	22,016	22,622	23,232	24,587	n.a	24,587
WALR	%	15.0	15.5	16.3	17.6	17.7	18.2	18.4	18.9	19.3	19.3	19.3	n.a	19.3
WADR	%	8.0	8.7	8.7	9.7	10.2	10.5	11.3	11.3	11.4	11.6	11.7	n.a	11.7
Spread	%	7.0	6.8	7.5	7.9	7.6	7.7	7.1	7.6	7.9	7.7	7.6	n.a	7.6
External Sector														
Forex Reserves	USD bn	8.4	9.3	9.8	10.0	9.5	9.2	13.5	13.2	12.5	12.0	12.0	13.2	13.3
With SBP	USD bn	3.1	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.6	7.4	7.4	8.2	8.2
With Banks	USD bn	5.3	5.5	5.6	5.6	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.0	5.1
Exchange rate	PKR/USD	267.9	261.5	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	285.2	281.9	280.4
C/A Balance	USD mn	(230.0)	(36.0)	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(46.0)	(184.0)	9.0	n.a	9.0
Exports	USD bn	2.2	2.2	2.4	2.1	2.6	2.1	2.1	2.5	2.5	2.8	2.7	n.a	2.7
Imports	USD bn	3.9	3.9	4.0	3.7	3.8	3.2	4.2	4.0	4.0	4.4	4.5	n.a	4.5
Trade Balance	USD bn	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	(1.7)	n.a	(1.7)
Remittances	USD bn	1.9	2.0	2.5	2.2	2.1	2.2	2.0	2.1	2.2	2.5	2.3	2.4	2.4
Key Commodities Prices														
International														
Coal	USD/ton	141.7	143.1	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	108.0	101.0	95.9
Steel (HRC)	USD/ton	635.9	628.8	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	560.2	574.4	563.7
PTA	USD/ton	830.0	785.0	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	765.0	780.0	780.0
Gold	USD/oz	1,928.4	1,826.9	1,980.4	1,990.0	1,962.7	1,913.7	1,965.1	1,940.2	1,864.9	1,983.9	2,036.4	2,063.0	2,028.9
Cotton (COTLOOK A)	USd/lb	102.0	99.4	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	89.7	91.4	90.9
Crude oil (WTI)	USD/bbl	78.9	77.1	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	76.0	71.7	72.0
Crude oil (Arab Light)	USD/bbl	82.9	83.4	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	87.7	80.4	81.8
Crude oil (Brent)	USD/bbl	84.5	83.9	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	82.8	77.0	77.4
Local														
Cotton	PKR/maund	21,000.0	20,000.0	18,700.0	20,000.0	20,000.0	17,500.0	17,935.0	20,100.0	17,700.0	17,000.0	17,200.0	17,300.0	19,000.0
Cement	PKR/bag	1,043.0	1,109.9	1,125.8	1,120.9	1,121.4	1,144.7	1,140.8	1,177.0	1,196.1	1,195.9	1,241.3	1,232.5	1,221.6
Gold	PKR/10 grms	173,190	166,580	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	186,474	187,930	188,790

*Current Price

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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 and BOP.