

Market Review

Lackluster Sentiment

Equities

Market Commentary

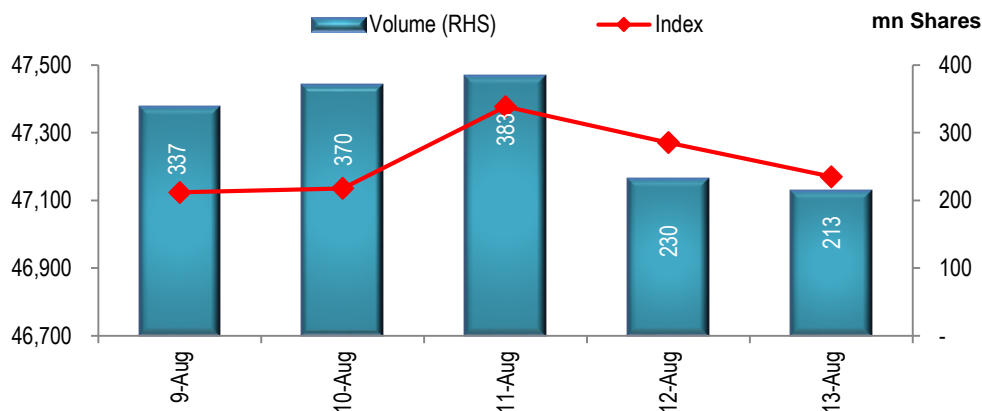
The market commenced on a negative note given mounting concerns over current account. Moreover, recent depreciation of Pak Rupee against USD (closing at PKR 164) kept the momentum weak. During the week, the market bounced back and cushioned the dip amid robust financial results of some scrips, massive incentives approved by Federal Govt. for technology and telecom sector, robust remittances (USD 2.7bn in Jul'21) and 114% YoY surge in automobile sales in Jul'21. Albeit, the KSE-100 closed at 47,170 points, shedding 320 points (down by 0.7%) WoW.

Sector-wise negative contributions came from i) Cement (112pts), ii) Oil & Gas Marketing Companies (67pts), iii) Oil & Gas Exploration (52pts), iv) Power Generation & Distribution (41pts) and v) Fertilizer (39pts). Whereas, the sectors that contributed positively included i) Technology & Communication (47pts) and ii) Food & Personal Care Products (37pts). Scrip-wise negative contributors were LUCK (43pts), PPL (32pts), HUBC (32pts), PSO (32pts) and OGDC (31pts). Meanwhile, scrip-wise positive contribution came from TRG (83pts), MEBL (46pts), and FCEPL (44pts).

Foreign buying continued this week, clocking at USD 4.0mn against a net buy of USD 3.1mn last week. Buying was witnessed in Technology (USD 4.2mn), Banks (USD 0.9mn) and Fertilizer (USD 0.3mn). On the domestic front, major selling was reported by Insurance (USD 6.6mn) and Individuals (USD 3.0mn). Average volumes clocked-in at 307mn shares (down by 33% WoW) while average value traded settled at USD 73mn (down by 14% WoW).

Other major news: i) Services exports grow by 9.19pc to \$5.937bn, ii) Lucky gets permission to set up assembly plant for Samsung mobile devices, iii) K-Electric signs 150mmcf RLNG supply deal with PLL, and iv) Textile exports up by 21pc in FY21.

Exhibit: KSE100 index and volume



Outlook and Recommendation

We anticipate the market to be positive next week, given expectation of strong results in the ongoing result season. Meanwhile, concerns over COVID-19 fourth may keep the sentiment skittish. Furthermore, prevailing tension in Afghanistan with continuing withdrawal of US army by end of this month may exert pressure on the local bourse. Our preferred stocks are EPCL, PSO, OGDC, HUBC, HBL, FFC, LUCK, ACPL, ENGRO, UBL, SNGP, and NML. The KSE-100 is currently trading at a PER of 6.6x (2021) compared to Asia Pac regional average of 16.0x while offering a dividend yield of ~6.6% versus ~2.4% offered by the region.

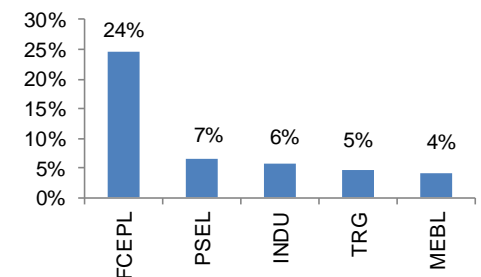
PSX Indices Performance

| Index | Current | WoW (%) | CY21TD (%) |
|--------|---------|---------|------------|
| KSE100 | 47,170 | (0.67) | 7.8 |
| KSEAI | 32,269 | (0.84) | 4.8 |
| KSE30 | 18,855 | (0.58) | 3.7 |
| KMI30 | 75,930 | (1.19) | 6.7 |
| BKTI | 13,009 | 0.26 | (0.6) |
| OGTI | 12,079 | (1.42) | (8.7) |

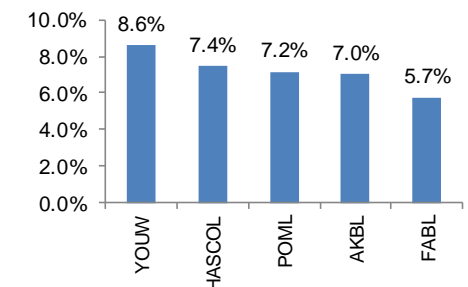
PSX Volume Leaders

| | Avg. Vol. (mn) | Closing |
|------|----------------|---------|
| WTL | 27.0 | 3.3 |
| GGL | 19.9 | 44.4 |
| TELE | 16.0 | 17.1 |
| BYCO | 13.4 | 9.8 |
| TPLP | 13.2 | 42.2 |

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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 Best Domestic
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Top 25 Listed Companies


**CFA Society
Pakistan**

**CFA Society
Pakistan**

 Best Equity Research
Analyst: 2020

 Corporate Finance House
of the Year: 2020

Business & Economic developments during the week.
Pakistan to get \$2.77 billion from IMF on August 23 (Tribune)

Federal Minister for Finance and Revenue Shukat Tarin has said that Pakistan will get \$2.77 billion on August 23 from the International Monetary Fund's (IMF) general allocations of \$650 billion it had approved to boost global liquidity amid coronavirus pandemic across the globe. Addressing a press conference in Islamabad on Thursday, the finance minister said that the fund would directly transfer the amount to the State Bank of Pakistan (SBP), which, he said, would help further improve the country's foreign exchange reserves, hence have "a very good impact on the economy". The minister said that it was unconditional allocations from the IMF and would be used in a productive manner. He said that Pakistan had been already working on a reform programme to bring stability and sustainability under the IMF programme. He said that the measures taken by the government had been bearing fruits as was shown by the growth in revenue collection, adding that the increase in revenues was indicative of economic growth.

Power subsidy rationalization plan unveiled (BR)

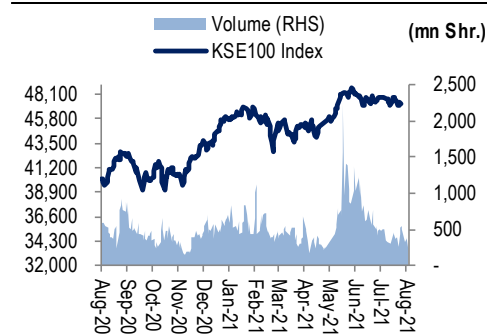
The government Monday unveiled a three-phased power subsidy rationalisation plan aimed at trimming down the number of beneficiaries of non Time of Use (ToU) domestic consumers across the country, including KE, and increase tariff of consumers using over 200 units in a month through new slabs. The plan came under discussion at a public hearing at National Electric Power Regulatory Authority. Chairman Nepra, Tauseef H. Farooqi, Member Sindh, Rafique Ahmad Shaikh, Member Balochistan, Rehmatullah Baloch and Member KP, Engineer Masood Anwar Khan conducted the hearing. During the hearing, Power Division, presented its three-phased tariff subsidy rationalization plan, which the Authority observed needs clarifications especially with respect to average of six month consumption, move to next slab and one slab benefit. CPPA-G wants immediate implementation of the subsidy phasing out plan, without waiting for determinations of Discos for FY 2021-22.

Remittance loyalty programme approved (Dawn)

The Economic Coordination Committee (ECC) of the Cabinet on Wednesday approved the National Remittance Loyalty Programme (NRLP) envisaging incentives for overseas Pakistanis to sustain positive trajectory of remittances. "The NRLP will offer incentives/rewards to overseas Pakistanis for sending remittances to Pakistan based on point's accumulation structure," said a summary presented by Incharge Secretary Finance Yousaf Khan to the ECC on the basis of a proposal already approved by the prime minister on July 2, 2021. The scheme would cost the exchequer about Rs13.1 billion this year. The ECC meeting, presided over by Finance Minister Shaukat Tarin, approved the structure and estimated financial impact of the NRLP with a view to incentivise remitters to transfer funds through formal channels thus further strengthening the inflow of remittances, said an official announcement after the meeting. The finance minister directed to exercise due diligence before the launch for seamless integration with all service providers to ensure smooth working of NRLP, it added.

Fiscal stimulus likely to fuel economic recovery in FY2021/22: SBP (The News)

Economic recovery is expected to accelerate in the current fiscal year of 2021/22 as fiscal stimulus extended to businesses and households during coronavirus restrictions boosts confidence in the economy, central bank said on Thursday. "The recovery could already be seen in the more than expected gross domestic product growth during FY2021," said Dr Reza Baqir, governor State Bank of Pakistan (SBP) at an event titled 'Ensuring Sustainable Growth and Promoting Digitization,' organised by the SBP in collaboration with the Federation of Pakistan Chamber of Commerce and Industry (FPCCI). "The impact of measures are taken to digitalise the financial sector and improving the business environment through improving ease in doing business will help to make it more sustainable," governor Baqir added.

PSX Volume & Index

Top Contributors in KSE100 Index

| Companies | Index Contribution |
|--------------------------|--------------------|
| Bullish Companies | |
| TRG | 82.9 |
| MEBL | 46.4 |
| FCEPL | 44.1 |
| PSEL | 29.1 |
| UBL | 26.5 |
| | 229.0 |
| Bearish Companies | |
| LUCK | (42.8) |
| PPL | (32.3) |
| HUBC | (31.8) |
| PSO | (31.6) |
| OGDC | (31.1) |
| | (169.6) |

| Sectors | Index Contribution |
|---------------------------------|--------------------|
| Bullish Sectors | |
| Technology & Communication | 47.4 |
| Food & Personal Care Products | 37.4 |
| Miscellaneous | 25.9 |
| Commercial Banks | 10.4 |
| Synthetic & Rayon | 0.9 |
| | 122.0 |
| Bearish Sectors | |
| Cement | (111.8) |
| Oil & Gas Marketing Companies | (67.0) |
| Oil & Gas Exploration Companies | (52.3) |
| Power Generation & Distribution | (41.4) |
| Fertilizer | (39.1) |
| | (311.5) |

AHL Universe - Performance

| Code | Closing | WoW (%) | MTD (%) | CYTD (%) | 90-Days | | 180-Days | | 365-Days | |
|---------|---------|---------|---------|----------|---------|---------|----------|---------|----------|---------|
| | | | | | High | Low | High | Low | High | Low |
| INDU | 1,324.8 | 5.9 | 7.2 | 10.6 | 1,346.2 | 1,120.0 | 1,346.2 | 967.3 | 1,389.1 | 967.3 |
| UBL | 129.5 | 1.8 | 3.6 | 14.4 | 132.3 | 121.7 | 132.3 | 109.6 | 132.3 | 95.7 |
| EPCL | 57.7 | 1.7 | 11.4 | 26.2 | 58.6 | 46.7 | 58.6 | 42.4 | 58.6 | 30.2 |
| POL | 392.6 | 0.7 | 2.7 | 4.2 | 402.0 | 360.1 | 417.9 | 351.2 | 423.1 | 300.8 |
| ENGRO | 296.1 | 0.7 | 0.4 | 0.8 | 307.8 | 290.9 | 307.8 | 261.0 | 307.8 | 260.6 |
| ABL | 71.9 | 0.5 | (0.2) | (15.8) | 74.2 | 68.8 | 84.8 | 68.5 | 89.1 | 68.5 |
| HBL | 129.7 | 0.5 | 2.4 | 1.9 | 136.8 | 122.0 | 136.8 | 111.2 | 137.8 | 111.2 |
| MARI | 1,496.4 | 0.3 | (1.0) | 16.5 | 1,600.3 | 1,490.6 | 1,600.3 | 1,467.8 | 1,622.1 | 1,179.7 |
| PTL | 75.0 | 0.1 | (1.5) | 21.9 | 77.9 | 61.5 | 77.9 | 58.8 | 77.9 | 58.8 |
| NML | 97.0 | (0.1) | 0.6 | (4.7) | 105.1 | 86.1 | 123.1 | 80.0 | 123.1 | 80.0 |
| FFC | 106.0 | (0.5) | (0.5) | 4.3 | 109.4 | 102.9 | 109.4 | 98.5 | 109.4 | 93.8 |
| UNITY | 37.9 | (0.5) | (5.0) | 18.2 | 49.4 | 35.7 | 49.4 | 25.3 | 49.4 | 12.9 |
| FATIMA | 28.2 | (0.8) | (0.1) | (3.2) | 29.4 | 26.0 | 29.9 | 26.0 | 31.9 | 26.0 |
| APL | 331.7 | (1.1) | 2.9 | (0.9) | 342.4 | 318.4 | 350.0 | 315.1 | 385.0 | 307.7 |
| ILP | 74.0 | (1.3) | 1.3 | 8.7 | 76.1 | 65.6 | 76.6 | 61.3 | 76.6 | 50.5 |
| NCL | 51.0 | (1.4) | (1.2) | 21.2 | 54.9 | 46.2 | 54.9 | 43.6 | 54.9 | 34.6 |
| MTL | 1,077.8 | (1.4) | (1.3) | 10.8 | 1,134.8 | 1,060.4 | 1,154.4 | 982.0 | 1,154.4 | 749.1 |
| NPL | 19.3 | (1.4) | (2.7) | (18.4) | 22.3 | 18.9 | 25.6 | 18.9 | 29.6 | 18.9 |
| KEL | 3.8 | (1.6) | (0.5) | (3.1) | 4.7 | 3.7 | 4.7 | 3.6 | 4.7 | 3.6 |
| NCPL | 14.3 | (1.7) | (5.8) | (5.4) | 17.5 | 14.2 | 18.5 | 14.0 | 20.6 | 12.9 |
| EFERT | 76.1 | (1.7) | 0.0 | 20.3 | 77.9 | 68.0 | 77.9 | 62.0 | 77.9 | 58.9 |
| ICI | 870.5 | (1.7) | (3.0) | 14.5 | 920.6 | 851.6 | 920.6 | 791.3 | 920.6 | 679.3 |
| HUBC | 75.1 | (1.8) | (2.1) | (1.7) | 82.2 | 74.6 | 87.8 | 73.7 | 87.9 | 69.1 |
| LUCK | 856.6 | (1.8) | (3.5) | 23.1 | 940.7 | 856.6 | 940.7 | 767.2 | 940.7 | 597.9 |
| MCB | 163.0 | (1.9) | 0.8 | (1.6) | 167.4 | 152.9 | 170.2 | 152.9 | 178.5 | 145.1 |
| OGDC | 91.0 | (2.2) | (2.6) | (9.2) | 100.2 | 86.5 | 110.0 | 86.5 | 111.9 | 84.1 |
| KAPCO | 39.3 | (2.2) | 0.9 | 62.1 | 41.5 | 34.7 | 41.5 | 32.1 | 41.5 | 20.2 |
| BOP | 8.1 | (2.3) | (0.9) | (12.3) | 8.6 | 7.7 | 9.4 | 7.7 | 10.3 | 7.7 |
| LOTCHEM | 15.6 | (2.4) | 0.9 | 8.7 | 17.0 | 14.1 | 17.2 | 12.9 | 17.2 | 10.4 |
| NBP | 34.1 | (2.5) | (3.4) | (20.6) | 37.8 | 32.7 | 40.5 | 30.5 | 43.9 | 30.5 |
| PPL | 79.9 | (2.5) | (2.4) | (9.9) | 94.9 | 79.9 | 94.9 | 79.9 | 101.8 | 77.5 |
| FCCL | 21.6 | (2.5) | (1.0) | (0.2) | 24.5 | 21.6 | 27.2 | 21.6 | 27.2 | 18.7 |
| HCAR | 356.7 | (2.5) | (1.6) | 10.1 | 388.4 | 293.9 | 388.4 | 232.4 | 388.4 | 232.4 |
| BAFL | 32.4 | (2.6) | (1.4) | (8.2) | 33.7 | 30.7 | 35.3 | 28.9 | 38.7 | 28.9 |
| MLCF | 43.1 | (2.7) | (0.2) | (4.3) | 49.3 | 42.6 | 49.3 | 41.7 | 49.3 | 34.2 |
| SNGP | 49.9 | (2.8) | 0.5 | 12.4 | 56.3 | 38.9 | 56.3 | 36.6 | 67.9 | 36.6 |
| PSO | 214.3 | (2.9) | (3.0) | 1.9 | 243.2 | 214.3 | 253.4 | 212.2 | 253.4 | 180.7 |
| ASTL | 42.6 | (3.1) | 1.3 | (11.6) | 47.7 | 37.6 | 48.0 | 36.8 | 53.5 | 36.8 |
| ACPL | 156.7 | (3.2) | (11.9) | 4.4 | 181.3 | 156.7 | 191.2 | 154.0 | 191.2 | 141.9 |
| PSMC | 350.7 | (3.4) | 3.2 | 45.0 | 364.5 | 260.9 | 364.5 | 235.4 | 364.5 | 179.3 |
| FML | 99.0 | (3.6) | 1.0 | (0.4) | 102.7 | 96.1 | 118.7 | 93.9 | 127.5 | 93.9 |
| AHCL | 36.5 | (3.8) | (3.8) | (9.0) | 40.0 | 35.5 | 41.1 | 34.5 | 44.5 | 34.0 |
| DGKC | 105.2 | (4.1) | (3.2) | (8.2) | 131.1 | 105.2 | 141.5 | 105.2 | 141.5 | 101.1 |
| POWER | 8.6 | (4.1) | (3.7) | (12.6) | 10.6 | 8.6 | 11.4 | 8.1 | 11.8 | 8.0 |
| FFBL | 25.5 | (4.4) | (4.5) | 0.7 | 28.0 | 25.5 | 29.2 | 24.2 | 29.2 | 17.7 |
| ITTEFAQ | 16.1 | (5.9) | (4.6) | (2.3) | 21.9 | 13.6 | 21.9 | 13.6 | 21.9 | 10.3 |
| AKBL | 20.7 | (7.0) | (5.9) | (11.5) | 22.9 | 20.0 | 25.0 | 19.0 | 25.0 | 17.8 |
| AVN | 117.3 | (8.0) | 2.7 | 51.6 | 127.7 | 71.3 | 127.7 | 61.3 | 127.7 | 48.5 |

Local & Foreign Investors Portfolio Investment (USD mn)
LIPI Normal
Current Week

| Category | Current Week | | | | Last Week | | | | |
|----------------------------|---------------|---------------|-------------|--------------|----------------------------|---------------|---------------|-------------|--------------|
| | Gross Buy | Gross Sell | Net | Net | Category | Gross Buy | Gross Sell | Net | Net |
| Individuals | 350.97 | 353.98 | SELL | -3.01 | Individuals | 402.30 | 394.74 | BUY | 7.56 |
| Companies | 14.51 | 11.98 | BUY | 2.53 | Companies | 23.66 | 20.95 | BUY | 2.71 |
| Banks / DFIs | 8.97 | 7.85 | BUY | 1.11 | Banks / DFIs | 9.79 | 8.63 | BUY | 1.15 |
| NBFC | 0.35 | 0.22 | BUY | 0.12 | NBFC | 0.52 | 0.14 | BUY | 0.38 |
| Mutual Funds | 16.72 | 16.88 | SELL | -0.16 | Mutual Funds | 23.14 | 33.69 | SELL | -10.55 |
| Other Organizations | 3.93 | 2.73 | BUY | 1.20 | Other Organizations | 4.03 | 2.62 | BUY | 1.41 |
| Broker Proprietary Trading | 87.09 | 86.21 | BUY | 0.88 | Broker Proprietary Trading | 76.18 | 75.91 | BUY | 0.28 |
| Insurance Companies | 4.69 | 11.30 | SELL | -6.62 | Insurance Companies | 7.53 | 13.60 | SELL | -6.08 |
| Total | 487.21 | 491.16 | SELL | -3.95 | Total | 547.14 | 550.27 | SELL | -3.13 |

LIPI Sector Wise
Current Week

| Sector | Current Week | | | | Last Week | | | | |
|---------------------------------|---------------|---------------|-------------|--------------|---------------------------------|---------------|---------------|-------------|--------------|
| | Gross Buy | Gross Sell | Net | Net | Sector | Gross Buy | Gross Sell | Net | Net |
| Commercial Banks | 13.06 | 13.92 | SELL | -0.86 | Commercial Banks | 23.45 | 23.34 | BUY | 0.11 |
| Fertilizer | 5.87 | 6.19 | SELL | -0.32 | Fertilizer | 8.66 | 8.51 | BUY | 0.15 |
| Cement | 19.54 | 19.43 | BUY | 0.11 | Cement | 24.18 | 25.52 | SELL | -1.34 |
| Power Generation & Distribution | 3.73 | 3.81 | SELL | -0.08 | Power Generation & Distribution | 5.58 | 5.89 | SELL | -0.31 |
| Exploration & Production | 7.92 | 7.26 | BUY | 0.65 | Exploration & Production | 10.31 | 10.04 | BUY | 0.27 |
| Oil & Gas Marketing Companies | 14.72 | 14.88 | SELL | -0.16 | Oil & Gas Marketing Companies | 24.83 | 25.07 | SELL | -0.24 |
| Food and Personal Care Products | 55.71 | 55.81 | SELL | -0.10 | Food and Personal Care Products | 66.74 | 66.90 | SELL | -0.16 |
| Textile Composite | 22.33 | 22.23 | BUY | 0.10 | Textile Composite | 20.80 | 20.33 | BUY | 0.47 |
| Technology and Communication | 157.61 | 161.78 | SELL | -4.18 | Technology and Communication | 154.54 | 156.34 | SELL | -1.80 |
| All other Sectors | 184.75 | 183.88 | BUY | 0.87 | All other Sectors | 205.51 | 205.80 | SELL | -0.29 |
| Total | 485.24 | 489.20 | SELL | -3.95 | Total | 544.61 | 547.74 | SELL | -3.13 |

FIPI Normal
Current Week

| Category | Current Week | | | | Last Week | | | | |
|---------------------|--------------|--------------|------------|-------------|---------------------|--------------|--------------|------------|-------------|
| | Gross Buy | Gross Sell | Net | Net | Category | Gross Buy | Gross Sell | Net | Net |
| Foreign Individuals | 0.23 | 0.24 | SELL | 0.00 | Foreign Individuals | 0.21 | 0.16 | BUY | 0.04 |
| Foreign Corporates | 7.30 | 3.95 | BUY | 3.34 | Foreign Corporates | 5.30 | 3.95 | BUY | 1.35 |
| Overseas Pakistani | 22.73 | 22.12 | BUY | 0.61 | Overseas Pakistani | 28.44 | 26.71 | BUY | 1.74 |
| Total | 30.26 | 26.31 | BUY | 3.95 | Total | 33.95 | 30.82 | BUY | 3.13 |

FIPI Sector Wise
Current Week

| Sector | Current Week | | | | Last Week | | | | |
|---------------------------------|--------------|--------------|------------|-------------|---------------------------------|--------------|--------------|------------|-------------|
| | Gross Buy | Gross Sell | Net | Net | Sector | Gross Buy | Gross Sell | Net | Net |
| Commercial Banks | 2.29 | 1.43 | BUY | 0.86 | Commercial Banks | 3.60 | 3.71 | SELL | -0.11 |
| Fertilizer | 0.72 | 0.40 | BUY | 0.32 | Fertilizer | 1.32 | 1.48 | SELL | -0.15 |
| Cement | 1.82 | 1.93 | SELL | -0.11 | Cement | 2.24 | 0.90 | BUY | 1.34 |
| Power Generation & Distribution | 0.56 | 0.48 | BUY | 0.08 | Power Generation & Distribution | 0.65 | 0.34 | BUY | 0.31 |
| Exploration & Production | 0.81 | 1.46 | SELL | -0.65 | Exploration & Production | 0.93 | 1.19 | SELL | -0.27 |
| Oil & Gas Marketing Companies | 1.13 | 0.97 | BUY | 0.16 | Oil & Gas Marketing Companies | 1.68 | 1.45 | BUY | 0.24 |
| Food and Personal Care Products | 2.27 | 2.17 | BUY | 0.10 | Food and Personal Care Products | 2.74 | 2.58 | BUY | 0.16 |
| Textile Composite | 0.87 | 0.98 | SELL | -0.10 | Textile Composite | 1.17 | 1.64 | SELL | -0.47 |
| Technology and Communication | 11.07 | 6.89 | BUY | 4.18 | Technology and Communication | 8.35 | 6.55 | BUY | 1.80 |
| All other Sectors | 8.72 | 9.59 | SELL | -0.87 | All other Sectors | 11.27 | 10.98 | BUY | 0.29 |
| Total | 30.26 | 26.31 | BUY | 3.95 | Total | 33.95 | 30.82 | BUY | 3.13 |

Source: NCCPL, AHL Research

Forward Estimates

| Country | Indonesia | India | Vietnam | Philippines | Sri Lanka | Thailand | China | Taiwan | S.Korea | Peer Avg | Pakistan | Prem/(Disc) |
|---------|-----------|-------|---------|-------------|-----------|----------|-------|--------|---------|----------|----------|-------------|
| DY (%) | 2.2 | 1.4 | 1.6 | 2.0 | 3.1 | 3.0 | 2.6 | 3.7 | 1.7 | 2.4 | 6.6 | -64.2% |
| P/E (x) | 17.4 | 24.4 | 15.7 | 17.7 | 12.7 | 17.9 | 13.0 | 13.9 | 11.4 | 16.0 | 6.6 | -58.6% |
| P/B (x) | 1.8 | 3.0 | 2.3 | 1.4 | 8.7 | 1.6 | 1.4 | 2.2 | 1.1 | 2.6 | 1.1 | -58.0% |

World's Major Stock Market Performance (USD based return)

| Country | Index | Index Closing* | WTD (%) | MTD (%) | CY21TD (%) | Country | Index | Index Closing* | WTD (%) | MTD (%) | CY21TD (%) |
|----------------|----------------|----------------|---------|---------|------------|-----------------|---------------------|----------------|--------------|--------------|------------|
| Lebanon | BLOM Index | 1,065 | 8.8 | 10.7 | 61.9 | Kenya | NSEASI Index | 181 | 0.8 | 1.1 | 18.7 |
| Argentina | MERVAL Index | 69,493 | 5.3 | 4.9 | 17.6 | Netherland | AEX Index | 773 | 0.8 | 1.7 | 19.2 |
| Chile | IPSA Index | 4,375 | 3.8 | 1.1 | (3.7) | Hong Kong | HSI Index | 26,392 | 0.8 | 1.5 | (3.5) |
| Ireland | ISEQ Index | 8,785 | 3.4 | 4.7 | 14.6 | Thailand | SET Index | 1,528 | 0.7 | (0.9) | (5.2) |
| Czech Republic | PX Index | 1,274 | 3.0 | 4.9 | 22.6 | Mexico | MEXBOL Index | 51,050 | 0.6 | 0.3 | 16.3 |
| Iceland | ICEXI Index | 2,465 | 2.9 | 2.3 | 32.0 | Hungary | BUX Index | 50,211 | 0.6 | 3.9 | 18.3 |
| Romania | BET Index | 12,136 | 2.7 | 1.7 | 17.4 | Malaysia | FBMKLCI Index | 1,505 | 0.6 | 0.3 | (12.2) |
| Italy | FTSEMIB Index | 26,652 | 2.6 | 4.2 | 14.7 | Japan | NKY Index | 27,977 | 0.6 | 2.2 | (4.5) |
| Uae | ADSMI Index | 7,594 | 2.4 | 3.8 | 50.5 | Canada | SPTSX Index | 20,521 | 0.6 | 0.8 | 20.0 |
| Estonia | TALSE Index | 1,840 | 2.2 | 3.0 | 31.1 | China | SHSZ300 Index | 4,946 | 0.6 | 2.5 | (4.4) |
| Austria | ATX Index | 3,646 | 2.1 | 3.9 | 25.5 | Ukraine | PFTS Index | 525 | 0.6 | 0.5 | 11.7 |
| India | SENSEX Index | 55,437 | 2.0 | 5.5 | 14.2 | USA | SPX Index | 4,461 | 0.5 | 1.5 | 18.8 |
| Russia | RTSI\$ Index | 1,664 | 1.9 | 2.4 | 20.0 | Kazakhstan | KZKAK Index | 3,106 | 0.5 | 0.7 | 15.1 |
| Serbia | BELEX15 Index | 796 | 1.9 | 1.6 | 2.3 | Greece | ASE Index | 896 | 0.3 | 0.04 | 6.55 |
| Norway | OBXP Index | 545 | 1.9 | 2.3 | 13.1 | Croatia | CRO Index | 1,964 | 0.3 | 0.0 | 8.8 |
| Nigeria | NGSEINDX Index | 39,510 | 1.8 | 2.5 | (4.5) | Bulgaria | SOFIX Index | 581 | 0.2 | 1.1 | 24.4 |
| Switzerland | SMI Index | 12,457 | 1.8 | 1.3 | 11.7 | Finland | HEX Index | 13,235 | 0.1 | 0.5 | 16.5 |
| Turkey | XU100 Index | 1,446 | 1.7 | 2.2 | (14.9) | South Africa | JALSH Index | 69,411 | 0.1 | (0.7) | 15.9 |
| Vietnam | VNIndex Index | 1,357 | 1.7 | 4.2 | 24.4 | New Zealand | NZSE Index | 2,081 | 0.1 | 1.9 | (5.7) |
| Egypt | EGX30 Index | 10,885 | 1.6 | 1.4 | 0.6 | Morocco | MOSEMDX Index | 10,188 | 0.1 | 1.3 | 10.4 |
| Mauritius | SEMDEX Index | 1,940 | 1.5 | 1.0 | 9.7 | Oman | MSM30 Index | 4,002 | 0.0 | (0.7) | 9.4 |
| Lithuania | VILSE Index | 978 | 1.5 | 0.5 | 14.6 | USA | NDX Index | 15,089 | (0.1) | 0.9 | 17.1 |
| Bangladesh | DSEX Index | 6,699 | 1.5 | 4.4 | 23.9 | Dubai | DFMGI Index | 2,815 | (0.2) | 1.8 | 12.9 |
| Germany | DAX Index | 15,990 | 1.51 | 2.0 | 11.6 | Ghana | GGSECI Index | 2,744 | (0.4) | (0.0) | 38.5 |
| Spain | IBEX Index | 9,002 | 1.5 | 2.9 | 7.3 | Tunisia | TUSISE Index | 7,283 | (0.4) | (0.6) | 2.0 |
| Denmark | KFX Index | 1,813 | 1.5 | 3.7 | 18.5 | Singapore | FSSTI Index | 3,165 | (0.5) | (0.2) | 8.4 |
| Europe | SX5E Index | 4,231 | 1.4 | 2.6 | 14.6 | Pakistan | KSE100 Index | 47,170 | (1.0) | (0.7) | 5.1 |
| Portugal | PSI20 Index | 5,203 | 1.4 | 2.7 | 2.2 | Indonesia | JCI Index | 6,139 | (0.9) | 1.7 | 0.3 |
| Latvia | RIGSE Index | 1,266 | 1.4 | 1.4 | 6.6 | Qatar | DSM Index | 10,920 | (1.1) | 1.7 | 4.2 |
| France | CAC Index | 6,900 | 1.3 | 3.5 | 19.6 | Sri Lanka | CSEALL Index | 7,996 | (1.4) | (1.8) | 9.6 |
| Australia | AS51 Index | 7,629 | 1.2 | 3.3 | 10.7 | Brazil | IBOV Index | 120,701 | (1.7) | (2.2) | 0.3 |
| Belgium | BEL20 Index | 4,350 | 1.2 | 2.7 | 15.6 | Jordan | JOSMGNFF Index | 2,000 | (1.9) | (4.3) | 20.6 |
| Luxembourg | LUXXX Index | 1,708 | 1.1 | 2.4 | 22.1 | Philippines | PCOMP Index | 6,320 | (3.0) | (0.3) | (15.8) |
| Sweden | OMX Index | 2,408 | 1.1 | 0.8 | 21.4 | Taiwan | TWSE Index | 16,982 | (3.3) | (1.1) | 16.3 |
| UK | UKX Index | 7,220 | 1.1 | 2.2 | 13.2 | South Korea | KOSPI Index | 3,171 | (4.5) | (2.0) | 3.2 |
| Poland | WIG20 Index | 2,297 | 1.0 | 0.9 | 10.9 | | | | | | |
| Saudi Arabia | SASEIDX Index | 11,324 | 1.0 | 2.8 | 30.4 | | | | | | |
| Bahrain | BHSEASI Index | 1,631 | 1.0 | 2.1 | 9.5 | | | | | | |
| USA | INDU Index | 35,500 | 0.8 | 1.6 | 16.0 | | | | | | |

Source: Bloomberg, AHL Research, * Last Closing

Key Economic Data & Commodities Prices

| Month end | Units | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Current* |
|-------------------------------|-------------|--------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|----------|
| Money Market Data | | | | | | | | | | | | | | | | |
| 03-M T-Bill | % | 7.1 | 7.0 | 7.1 | 7.1 | 7.1 | 7.1 | 7.1 | 7.1 | 7.2 | 7.4 | 7.3 | 7.4 | 7.3 | 7.2 | 7.2 |
| 06-M T-Bill | % | 7.1 | 7.0 | 7.2 | 7.2 | 7.2 | 7.2 | 7.2 | 7.2 | 7.4 | 7.8 | 7.5 | 7.6 | 7.5 | 7.5 | 7.4 |
| 12-M T-Bill | % | 7.1 | 7.0 | 7.3 | 7.3 | 7.3 | 7.3 | 7.3 | 7.3 | 7.7 | 7.9 | 7.7 | 7.7 | 7.8 | 7.7 | 7.7 |
| 03-Y PIB | % | 7.5 | 8.0 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.7 | 9.4 | 8.9 | 9.0 | 9.0 | 8.9 | 8.8 |
| 05-Y PIB | % | 8.1 | 8.6 | 8.9 | 9.1 | 9.1 | 9.3 | 9.3 | 9.3 | 9.5 | 9.9 | 9.4 | 9.4 | 9.5 | 9.4 | 9.4 |
| 10-Y PIB | % | 8.7 | 9.2 | 9.5 | 9.8 | 9.6 | 10.0 | 10.0 | 10.0 | 10.0 | 10.4 | 10.0 | 9.9 | 9.9 | 10.0 | 9.9 |
| 06-M KIBOR | % | 7.2 | 7.1 | 7.3 | 7.3 | 7.4 | 7.4 | 7.4 | 7.4 | 7.6 | 7.9 | 7.6 | 7.7 | 7.7 | 7.6 | 7.6 |
| Policy Rate | % | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Inflation (YoY) | | | | | | | | | | | | | | | | |
| Headline (CPI New Base) | % | 8.6 | 9.3 | 8.2 | 9.0 | 8.9 | 8.3 | 8.0 | 5.7 | 8.7 | 9.1 | 11.1 | 10.9 | 9.7 | 8.4 | 8.4 |
| Monetary Sector | | | | | | | | | | | | | | | | |
| M1 | PKR bn | 17,206 | 17,159 | 17,128 | 17,232 | 17,317 | 17,541 | 17,951 | 17,930 | 18,186 | 18,403 | 18,723 | 18,935 | na | na | na |
| M2 | PKR bn | 20,640 | 20,530 | 20,519 | 20,743 | 20,811 | 21,063 | 21,604 | 21,429 | 21,683 | 21,985 | 22,213 | 22,476 | na | na | na |
| M3 | PKR bn | 24,966 | 24,854 | 24,853 | 25,083 | 25,163 | 25,419 | 25,971 | 25,711 | 25,942 | 26,228 | 26,441 | 26,616 | na | na | na |
| Banking Sector | | | | | | | | | | | | | | | | |
| Deposits | PKR bn | 16,229 | 16,122 | 16,327 | 16,886 | 16,664 | 16,841 | 17,876 | 17,086 | 17,257 | 17,906 | 17,561 | 17,955 | 19,796 | na | 19,796 |
| Advances | PKR bn | 8,202 | 8,120 | 8,053 | 8,094 | 8,116 | 8,166 | 8,497 | 8,467 | 8,527 | 8,600 | 8,665 | 8,811 | 8,996 | na | 8,996 |
| Investment | PKR bn | 10,681 | 10,809 | 10,869 | 11,090 | 10,942 | 11,071 | 11,552 | 11,421 | 11,612 | 12,553 | 12,418 | 13,068 | 13,742 | na | 13,742 |
| WALR | % | 10.1 | 8.9 | 8.7 | 8.3 | 8.4 | 8.1 | 8.0 | 8.0 | 7.9 | 7.8 | 8.0 | 7.9 | 8.0 | na | 8.0 |
| WADR | % | 4.4 | 3.9 | 3.8 | 3.8 | 3.7 | 3.6 | 3.6 | 3.6 | 3.6 | 3.5 | 3.5 | 3.5 | 3.5 | na | 3.5 |
| Spread | % | 5.7 | 5.0 | 4.9 | 4.6 | 4.7 | 4.5 | 4.4 | 4.4 | 4.4 | 4.3 | 4.5 | 4.5 | 4.5 | na | 4.5 |
| External Sector | | | | | | | | | | | | | | | | |
| Forex Reserves | USD bn | 18.0 | 19.6 | 19.9 | 19.4 | 19.4 | 20.3 | 20.5 | 20.1 | 20.1 | 20.6 | 22.7 | 23.3 | 23.3 | 24.9 | 24.6 |
| With SBP | USD bn | 11.2 | 12.5 | 12.7 | 12.2 | 12.2 | 13.1 | 13.4 | 13.0 | 13.0 | 13.5 | 15.6 | 16.1 | 16.1 | 17.8 | 17.6 |
| With Banks | USD bn | 6.7 | 7.1 | 7.2 | 7.2 | 7.2 | 7.2 | 7.1 | 7.1 | 7.1 | 7.1 | 7.1 | 7.2 | 7.2 | 7.0 | 7.0 |
| Exchange rate | PKR/USD | 168.1 | 167.0 | 166.2 | 165.7 | 160.3 | 159.4 | 160.3 | 159.8 | 160.2 | 152.8 | 153.5 | 154.4 | 157.5 | 162.4 | 164.0 |
| C/A Balance | USD mn | (121) | 583 | 255 | 27 | 448 | 563 | (629) | (219) | (34) | (364) | (188) | (650) | (1,644) | na | (1,644) |
| Exports | USD bn | 1.6 | 1.9 | 1.5 | 2.0 | 2.0 | 2.2 | 2.3 | 2.1 | 2.2 | 2.6 | 2.3 | 2.1 | 2.5 | na | 2.5 |
| Imports | USD bn | 3.6 | 3.6 | 3.2 | 3.8 | 3.5 | 4.1 | 5.0 | 4.4 | 4.5 | 5.2 | 5.0 | 5.0 | 6.3 | na | 6.3 |
| Trade Balance | USD bn | (2.0) | (1.7) | (1.6) | (1.9) | (1.5) | (1.8) | (2.8) | (2.3) | (2.3) | (2.6) | (2.7) | (2.8) | (3.8) | na | (3.8) |
| Remittances | USD bn | 2.5 | 2.8 | 2.1 | 2.5 | 2.3 | 2.3 | 2.4 | 2.3 | 2.3 | 2.7 | 2.8 | 2.5 | 2.7 | na | 2.7 |
| Key Commodities Prices | | | | | | | | | | | | | | | | |
| International | | | | | | | | | | | | | | | | |
| Coal | USD/ton | 54.7 | 53.7 | 59.2 | 62.3 | 59.4 | 83.7 | 87.7 | 87.1 | 83.3 | 96.9 | 93.2 | 108.3 | 114.9 | 123.0 | 137.1 |
| Steel (HRC) | USD/ton | 534.1 | 556.6 | 582.9 | 567.4 | 580.2 | 629.0 | 699.5 | 700.9 | 697.1 | 818.6 | 888.4 | 886.2 | 836.9 | 918.7 | 893.4 |
| PTA | USD/ton | 445.0 | 440.0 | 450.0 | 440.0 | 455.0 | 465.0 | 510.0 | 510.0 | 585.0 | 690.0 | 695.0 | 695.0 | 745.0 | 750.0 | 755.0 |
| Gold | USD/oz | 1,781 | 1,957 | 1,968 | 1,886 | 1,868 | 1,777 | 1,894 | 1,899 | 1,861 | 1,708 | 1,769 | 1,907 | 1,770 | 1,814 | 1,753 |
| Cotton (COTLOOK A) | USD/lb | 68.0 | 67.1 | 71.1 | 71.2 | 77.0 | 79.0 | 82.9 | 84.6 | 86.6 | 87.2 | 91.9 | 89.7 | 96.6 | 100.3 | 101.0 |
| Crude oil (WTI) | USD/bbl | 39.3 | 39.9 | 42.6 | 40.2 | 36.2 | 45.3 | 48.4 | 48.5 | 53.6 | 59.2 | 63.6 | 66.3 | 73.5 | 74.0 | 69.1 |
| Crude oil (Arab Light) | USD/bbl | 35.2 | 42.7 | 46.9 | 40.3 | 36.7 | 46.6 | 50.1 | 49.9 | 55.6 | 63.4 | 66.1 | 68.7 | 75.0 | 75.4 | 73.7 |
| Crude oil (Brent) | USD/bbl | 41.2 | 42.9 | 45.3 | 41.0 | 37.7 | 47.6 | 51.3 | 51.8 | 56.4 | 63.5 | 67.3 | 69.3 | 75.1 | 76.3 | 71.3 |
| Local | | | | | | | | | | | | | | | | |
| Cotton | PKR/maund | 8,200 | 8,100 | 8,600 | 8,950 | 10,100 | 9,450 | 10,000 | 10,200 | 10,800 | 11,500 | 11,300 | 12,300 | 12,600 | 13,000 | 13,500 |
| Cement | PKR/bag | 545.9 | 558.8 | 558.2 | 565.9 | 568.2 | 573.6 | 581.7 | 587.2 | 597.0 | 610.6 | 614.9 | 615.2 | 640.1 | 653.9 | 672.2 |
| Gold | PKR/10 grms | 89,592 | 105,238 | 100,652 | 95,850 | 97,094 | 94,993 | 97,436 | 97,737 | 97,136 | 90,880 | 89,510 | 93,020 | 92,770 | 93,880 | 92,250 |

*Current Price

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|--------|--|
| BUY | Upside* of subject security(ies) is more than +10% from last closing of market price(s) |
| HOLD | Upside* of subject security(ies) is between -10% and +10% from last closing of market price(s) |
| SELL | Upside* of subject security(ies) is less than -10% from last closing of market price(s) |

* Upside for Power Generation Companies (Ex. KEL) is upside plus dividend yield.

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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)**

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- **Interest Rate Risk**
- **Exchange Rate (Currency) Risk**

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- Arif Habib Limited (AHL) has shareholding in OGDC, NBP, PSO, BOP and AKBL.