

Pakistan Weekly Update

Pakistan
Stock Market

March 15, 2024

Market remained underpressure

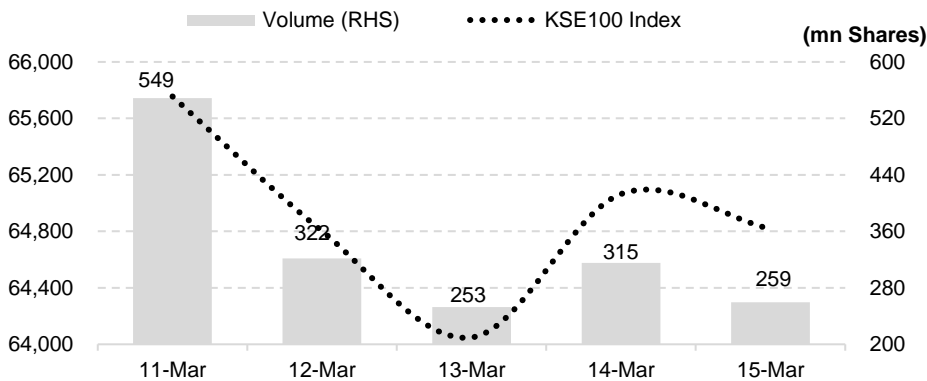
The stock market remained under pressure throughout the week, primarily due to divided opinions about upcoming MPS, alongside negotiation of Gov't with the IMF for final review. Concurrently, the formation of the cabinet and the appointment of Muhammad Aurangzeb as finance minister brought resolution to lingering uncertainties. On the economic front, the Government of Pakistan raised PKR 93bn against a target of PKR 50bn through Ijarah Sukuk, while Broad Money (M2) increased by PKR 496bn to PKR 32.7trn as of 1st Mar'24. Additionally, SBP reserves increased by USD 17mn WoW, reaching USD 7.9bn. The PKR appreciated slightly, closing at 278.74 against the USD, with a WoW increase of PKR 0.29 | 0.11%. The market closed at 64,816 points, down by 977 points | 1.5% WoW.

Sector-wise negative contributions came from i) Fertilizer (215pts), ii) Oil & Gas Exploration (190pts), iii) Commercial Banks (174pts), iv) Oil & Gas Marketing Companies (103pts) and v) Power (55pts). Meanwhile, the sectors which mainly contributed positively were i) Automobile Parts (20pts), ii) Paper & Board (6pts), and iii) Chemicals (4pts). Scrip-wise negative contributors were DAWH (203pts), OGDC (108pts), ENGRO (78pts), BAH (68pts) and UBL (68pts). Meanwhile, scrip-wise positive contributions came from MEBL (62pts), EFERT (52pts), LUCK (47pts), THALL (20pts), and PTC (18pts).

Foreign buying continued during this week, clocking in at USD 2.7mn compared to a net buy of USD 6.3mn last week. Major buying was witnessed in Commercial Banks (USD 1.9mn) and Cement (USD 1.83mn). On the local front, selling was reported by Companies (USD 2.5mn) followed by Broker Proprietary (USD 1.7mn). Average volumes arrived at 340mn shares (down by 20.1% WoW) while the average value traded settled at USD 41mn (down by 30.5% WoW).

Other major news: i) Minister, FAs discuss PIACL privatization, ii) Govt sets timelines for energy projects, including Iran-Pipeline oversight, iii) POL products' prices may be kept unchanged, iv) Pakistan's oil reserves dip 14 percent y/y amid production decline.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

Ongoing discussions with the IMF are focused on securing the second tranche of the SBA. On successful conclusion, Pakistan will receive the third tranche of the SBA, totaling USD 1.1 bn. Additionally, the energy minister has emphasized the importance of addressing the energy circular debt, with efforts to expedite its resolution underway; any favorable progress in this regard would uplift market sentiment. Moreover, the upcoming MPC meeting scheduled for 18th Mar'24, where we expect a rate cut of 100bps, that could potentially stimulate positive market sentiment. Our preferred stocks are OGDC, MARI, MCB, UBL, MEBL, FABL, HBL, LUCK, MLCF, FCCL, FFC, HUBC, PSO and INDU. The KSE-100 is currently trading at a PER of 4.2x (2024) as compared to its 5-year average of 5.9x offering a dividend yield of ~10.5% as compared to its 5-year average of ~7.7%.

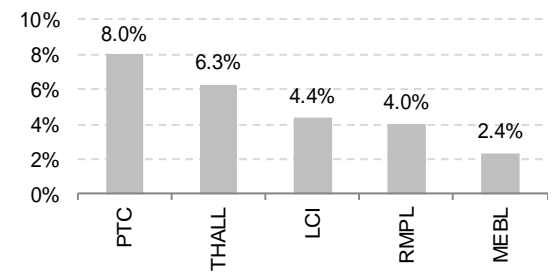
PSX Indices Performance

Index	Current	WoW (%)	CY24TD (%)
KSE100	64,816	(1.5)	3.8
KSEAll	43,157	(1.2)	3.0
KSE30	21,557	(2.1)	3.8
KMI30	110,060	(1.1)	5.1
BKTI	15,889	(2.7)	6.2
OGTI	15,660	(2.2)	5.4

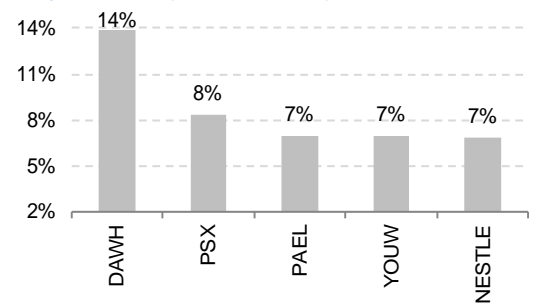
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
CENERGY	39.5	4.9
HASCOL	33.7	8.6
WTL	20.3	1.3
KOSM	17.8	4.6
KEL	15.0	4.5

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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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

All IMF targets met: finance ministry (The News)

Just ahead of kick-starting talks with the IMF review mission from today (Thursday), the finance ministry claimed on Wednesday that Pakistan met all the agreed targets for the successful completion of the second review and release of the third tranche of \$1.1 billion under the Standby Arrangement (SBA) programme. "Pakistan has met all structural benchmarks, qualitative performance criteria and indicative targets for successful completion of the IMF review. This would be the final review of SBA and staff level agreement is expected after this appraisal."

Renewable energy plants to be set up by public sector oil companies (BR)

The Prime Minister's Office (PMO) has given one month's time to the Ministry of Energy (Petroleum Division and Power Division) to materialise a concrete plan to set up renewable energy plants by the public sector oil companies. This plan was part of maiden speech delivered by the Prime Minister- elect, Shehbaz Sharif (before he was sworn in as PM) in a rowdy session of the National Assembly.

Govt mulls help to expand tax base (Tribune)

As the number of active taxpayers further shrinks to 3.4 million, down 41% over the previous year, the government is considering seeking financial assistance from the Bill and Melinda Gates Foundation to improve digital services in the Federal Board of Revenue (FBR). Compared to a week ago, the names of about 500,000 people were omitted from the Active Taxpayers List (ATL) for tax year 2023 due to their inability to timely submit the annual income tax returns.

External debt servicing consumed \$2.4bn in 1st quarter (The News)

Amid its dwindling foreign exchange reserves, Pakistan repaid \$2.4 billion in the form of debt servicing of external public loans during the first quarter (July-September) of the current fiscal year, out of which the major chunk was paid back to the IMF. "The government paid an amount of USD2,404 million from Jul-Sep 2023-24 on account of debt servicing of external public loans. This consists of principal repayment of USD1,627 million and interest payments of USD777 million,"

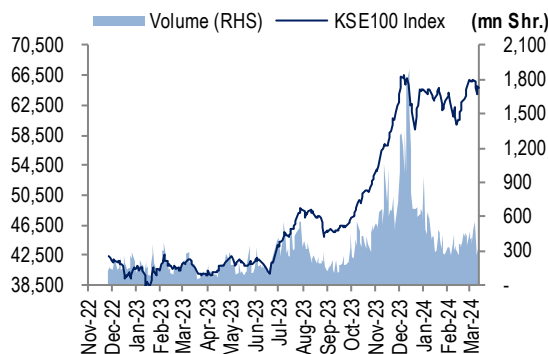
MoF asks PAOs to set aside funds in budget estimates (BR)

Ministry of Finance (MoF) has asked Principal Accounting Officers (PAOs) of all the Ministries to ensure allocation of sufficient funds for arrears and current subscriptions to international agencies in the budget estimates of next fiscal year to clear all pending payments, official sources told Business Recorder. Cogent basis should be used while estimating the budgetary requirements for this purpose, the Ministry added.

Fuel oil exports hit half-million tonnes amid local demand shift (The News)

The country exported over 500,000 metric tonnes of fuel oil in the first eight months of the current financial year, as tepid local demand shifted sales overseas, industry data showed on Tuesday. Refineries refrained from exporting fuel oil in February when domestic consumption increased for power generation. According to the figures, the highest export of fuel was recorded in the month of December when the country exported over 135,000 metric tonnes; however, it dropped in January when local power plants started lifting the furnace oil for power generation as its export dropped to 89,000 metric tonnes in the month.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
MEBL	61.5
EFERT	52.0
LUCK	46.6
THALL	20.3
PTC	17.9
Total	198.3

Bearish Companies

DAWH	(203.4)
OGDC	(107.9)
ENGRO	(78.4)
BAHL	(68.4)
UBL	(68.3)
Total	(526.4)

Sectors

Sectors	Index Contribution
Bullish Sectors	
Automobile Parts & Accessories	20.3
Paper & Board	6.0
Chemical	3.5
Real Estate Investment Trust	2.1
Glass & Ceramics	1.5
Total	33.3

Bearish Sectors

Fertilizer	(215.1)
Oil & Gas Exploration Companies	(190.0)
Commercial Banks	(173.6)
Oil & Gas Marketing Companies	(102.6)
Power Generation & Distribution	(55.4)
Total	(736.8)

FinanceAsia

Best Investment Bank: 2022



Best Equity Advisor: 2021



Excellence Award Leading Brokerage House for RDA 2021



Best Money Market Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price 15-Mar-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.	111.6	129.61	16.1	Buy	37.4	39.5	37.4	2.50	3.50	3.50	3.0	2.8	2.2	3.1	0.6	0.5	20.9	18.3	KSE100, KSE30, KMI & MSCI	
OGDC	Oil and Gas Dev Co.	123.7	165.6	33.9	Buy	52.2	45.2	43.5	8.55	9.00	8.75	2.4	2.7	6.9	7.3	0.5	0.4	22.9	17.0	KSE100, KSE30, KMI & MSCI	
POL	Pakistan Oilfields Ltd.	419.4	554.82	32.3	Buy	128.4	120.4	110.8	80.00	76.00	70.00	3.3	3.5	19.1	18.1	1.8	1.7	61.4	49.2	KSE100, KSE30 & MSCI	
MARI	Mari Petroleum Ltd	2,446.1	2,711.4	10.8	Hold	420.7	553.3	609.1	147.00	235.00	280.00	5.8	4.4	6.0	9.6	1.9	1.5	37.5	38.9	KSE100, KSE30, KMI & MSCI	
Commercial Banks																					
UBL	United Bank Ltd.*	178.3	276.0	54.8	Buy	45.0	56.1	52.3	44.00	42.00	39.00	4.0	3.2	24.7	23.6	0.8	0.9	21.4	25.7	KSE100, KSE30 & MSCI	
BAFL	Bank Alfalah*	52.0	69.1	33.1	Buy	23.2	25.9	23.9	8.00	8.00	7.00	2.2	2.0	15.4	15.4	0.6	0.5	30.2	27.8	KSE100 & MSCI	
MCB	MCB Bank Ltd.*	188.9	294.1	55.7	Buy	54.9	61.4	58.7	30.00	34.00	33.00	3.4	3.1	15.9	18.0	0.9	0.9	29.8	29.5	KSE100, KSE30 & MSCI	
HBL	Habib Bank Ltd.*	113.6	158.3	39.4	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.*	86.0	148.8	73.0	Buy	36.1	38.6	33.3	12.00	14.00	12.00	2.4	2.2	13.9	16.3	0.5	0.5	25.2	23.3	KSE100	
NBP	National Bank of Pakistan.*	30.0	47.6	58.6	Buy	25.0	26.0	22.4	-	3.00	2.00	1.2	1.2	-	10.0	0.2	0.2	15.0	13.9	KSE100	
AKBL	Askari Bank Ltd.*	22.9	33.7	47.0	Buy	14.8	15.0	13.8	2.50	5.00	4.00	1.5	1.5	10.9	21.8	0.3	0.3	25.1	21.4	KSE100	
BOP	The Bank of Punjab*	6.2	7.9	26.7	Buy	3.4	3.2	2.9	1.00	0.75	0.50	1.8	1.9	16.1	12.1	0.3	0.2	15.2	12.9	KSE100 & MSCI	
MEBL	Meezan Bank Ltd.*	192.9	240.0	24.4	Buy	47.7	57.7	54.9	20.00	24.00	22.00	4.0	3.3	10.4	12.4	1.8	1.5	55.3	48.5	KSE100, KSE30 & KMI	
FABL	Faysal Bank Ltd.*	29.8	53.4	79.3	Buy	13.3	16.1	14.9	4.00	6.00	6.00	2.2	1.9	13.4	20.2	0.5	0.5	25.1	26.5	KSE100, KMI & MSCI	
Fertilizer																					
ENGRO	Engro Corporation*	333.2	372.1	11.7	Hold	63.9	76.0	85.6	48.00	61.00	69.00	5.2	4.4	14.4	18.3	0.6	0.5	12.2	12.2	KSE100, KSE30, KMI & MSCI	
FFBL	Fauji Fert. Bin Qasim	25.2	29.9	18.4	Buy	3.4	4.6	5.5	1.00	1.00	1.00	7.4	5.5	4.0	-	1.2	1.0	17.7	20.2	KSE100, KMI & MSCI	
EFERT	Engro Fertilizer	142.0							Under Review											KSE100, KSE30, KMI & MSCI	
FFC	Fauji Fertilizer Co.	117.7	152.3	29.3	Buy	23.3	27.7	28.3	15.49	21.00	22.00	5.0	4.3	13.2	17.8	2.4	2.3	52.7	54.9	KSE100, KSE30 & MSCI	
FATIMA	Fatima Fertilizer Co.	37.1	na	na	na	na	na	na	na	na	na	Group Company: No estimates are given								KSE100 & KMI	
AHCL	Arif Habib Corp. Ltd.	37.5	na	na	na	8.4	na	na	-	na	na	Group Company: No estimates are given								KSEALL	
Cement																					
LUCK	Lucky Cement Ltd.*	775.1	1,148.9	48.2	Buy	166.4	217.6	232.7	18.00	20.00	43.00	4.7	3.6	2.3	2.6	0.9	0.7	21.2	21.8	KSE100, KSE30, KMI & MSCI	
FCCL	Fauji Cement Co.	17.6	35.0	98.4	Buy	3.0	3.8	7.0	-	-	2.00	5.8	4.6	-	-	0.7	0.6	12.1	13.5	KSE100, KMI & MSCI	
ACPL	Attock Cement Ltd.	86.8	155.1	78.7	Buy	11.0	22.2	30.4	6.00	10.00	12.00	7.9	3.9	6.9	11.5	0.2	0.2	4.0	4.9	KSEALL, KMI & MSCI	
DGKC	D.G. Khan Cement Co.	68.5	98.7	44.2	Buy	(8.3)	9.8	16.2	-	-	4.00	(8.3)	7.0	-	-	0.5	0.4	(5.4)	6.5	KSE100, KSE30, KMI & MSCI	
KOHC	Kohat Cement Co.	214.8	322.1	49.9	Buy	29.7	38.6	37.3	-	11.58	11.18	7.2	5.6	-	5.4	1.3	1.0	19.4	20.8	KSE100, KMI & MSCI	
MLCF	Maple Leaf Cement.*	36.8	59.4	61.2	Buy	5.4	6.7	8.2	-	2.00	3.00	6.8	5.5	-	5.4	0.9	4.1	13.2	26.5	KSE100, KMI & MSCI	
POWER	Power Cement	5.3	na	na	na	0.2	na	na	-	na	na	Group Company: No estimates are given								KMI	
Oil & Gas Marketing																					
PSO	Pakistan State Oil	165.5	258.8	56.4	Buy	12.1	65.9	73.7	7.50	10.00	12.00	13.7	2.5	4.5	6.0	0.4	0.3	2.6	13.7	KSE100, KSE30, KMI & MSCI	
APL	Attock Petroleum Ltd.	390.56	398.20	2.0	Hold	100.2	97.3	110.6	27.50	57.50	67.50	3.9	4.0	7.0	14.7	1.1	1.0	30.2	25.4	KSE100 & KMI	
SNGP	Sui Northern Gas Pipeline Ltd.	63.2	84.3	33.3	Buy	18.8	23.3	25.6	8.00	7.00	8.00	3.4	2.7	12.7	11.1	0.8	0.7	149.7	249.7	KSE100, KSE30, KMI & MSCI	
Automobile Assemblers																					
PSMC	Pak Suzuki Motor Co.	609.0							Coverage Restricted due to Advisory Mandate												KSE100 & KMI
INDU	Indus Motor Co.	1,556.5	1,571.0	0.9	Hold	123.0	147.5	196.4	71.80	109.00	133.00	12.7	10.6	4.6	7.0	2.0	1.8	16.9	18.4	KSE100	
HCAR	Honda Atlas Cars (Pak)	231.1	248.1	7.4	Hold	1.8	13.6	24.0	-	5.00	11.00	126.9	17.0	-	2.2	1.7	1.6	1.3	9.7	KSE100 & KMI	
MTL	Millat Tractors Ltd.	575.9	661.2	14.8	Hold	17.6	48.6	59.0	25.00	49.00	53.00	32.7	11.8	4.3	8.5	14.3	14.5	45.8	121.4	KSE100, KSE30, KMI & MSCI	
Power Generation & Distribution																					
HUBC	Hub Power Company*	115.7	170.7	47.6	Buy	44.4	53.4	57.5	30.00	30.00	24.25	2.6	2.2	25.9	25.9	0.9	0.8	40.6	39.4	KSE100, KSE30, KMI & MSCI	
NCPL	Nishat Chu. Power Ltd.	26.9	29.6	10.0	Hold	10.8	12.7	10.3	-	4.00	2.75	2.5	2.1	-	14.9	0.4	0.4	16.4	18.1	KMI & MSCI	
NPL	Nishat Power Ltd.	29.8	35.8	20.0	Buy	11.6	13.6	9.9	7.00	6.00	4.00	2.6	2.2	23.5	20.1	0.4	0.3	14.1	15.4	KSEALL & MSCI	
Textile Composite																					
NML	Nishat Mills Ltd.	66.6	107.3	61.1	Buy	34.6	41.3	44.4	5.00	6.00	6.50	1.9	1.6	7.5	9.0	0.3	0.2	14.4	15.2	KSE100, KMI & MSCI	
NCL	Nishat (Chunian) Ltd.	24.0	39.0	62.4	Buy	(4.2)	10.8	11.5	-	4.00	4.00	(5.8)	2.2	-	16.6	0.3	0.3	(4.4)	12.1	KSEALL	
ILP	Interloop Ltd.	71.0	99.2	39.7	Buy	14.4	16.2	20.1	5.00	5.50	8.00	4.9	4.4	7.0	7.7	2.3	1.7	52.2	44.3	KSE100 & KMI	
Chemicals																					
LOTICHEM	Lotte Chemical Pak Ltd.	18.96	27.90	47.2	Buy	3.4	4.5	4.9	3.00	2.00	2.50	5.7	4.2	15.8	10.5	1.2	1.0	21.3	25.6	KSE100 & KMI	
EPCL	Engro Polymer & Chem.	43.5	56.8	30.5	Buy	9.8	8.6	10.6	6.00	6.00	7.50	4.4	5.0	13.8	13.8	1.4	1.4	32.1	27.2	KSE100, KSE30 & KMI	
LCI	Lucky Core Industries Ltd.	800.0	937.1	17.1	Buy	191.1	86.8	113.1	43.00	40.00	50.00	4.2	9.2	5.4	5.0	1.7	1.1	45.7	14.6	KSE100 & KMI	
Leather & Tanneries																					
SGF	Service Global Footwear Ltd.	54.58	76.40	40.0	Buy	5.7	8.8	14.3	5.00	8.00	13.00	9.5	6.2	9.2	14.7	1.7	1.5	18.6	25.6	KMI	
Engineering																					
ASTL	Amreli Steels Ltd.	23.8	27.4	15.1	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.	11.6							Under Review												KMI
ASL	Aisha Steel Mills Ltd.	7.1	na	na	na	(3.5)	na	na	-	na	na	Group Company: No estimates are given									KSEALL
Technology & Communication																					
SYS	Systems Ltd.	410.2	614.0	49.7	Buy	31.7	35.7	43.1	5.00	6.75	12.50	12.9	11.5	1.2	1.6	3.7	2.8	33.3	27.5	KSE100, KSE30, KMI & MSCI	

Source: Bloomberg, AHL Research, *Earnings Consolidated Basis

Pakistan Weekly Update

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March 15, 2024

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
FML	90.30	10.12	1.46	0.06	94.68	82.00	94.68	76.29	94.68	50.81
NCPL	26.88	4.88	9.85	(3.90)	32.23	23.59	32.23	20.19	32.23	14.08
LCI	800.00	4.35	3.26	6.41	801.56	697.45	801.56	549.05	801.56	471.25
NPL	29.80	2.37	1.36	4.47	31.20	27.34	31.20	20.06	31.20	13.18
MEBL	192.89	2.35	2.66	19.54	195.21	148.56	195.21	110.44	195.21	77.46
LUCK	775.10	2.26	3.02	(1.51)	814.38	699.89	818.48	550.08	818.48	379.99
FFBL	25.24	1.97	(2.06)	(17.69)	31.17	23.27	31.17	13.10	31.17	10.68
EFERT	142.03	1.97	2.26	33.77	142.03	98.53	142.03	66.70	142.03	65.99
ITTEFAQ	6.60	1.69	1.85	(15.28)	8.62	6.25	8.62	4.94	8.62	4.40
ASTL	23.77	1.24	11.23	3.08	27.53	21.19	27.53	18.50	27.53	14.99
NCL	24.03	0.84	(2.48)	(7.40)	29.98	23.82	29.99	20.29	29.99	19.98
AGHA	11.56	0.78	1.58	(18.76)	16.07	11.03	16.16	10.06	16.16	9.11
NBP	30.03	0.60	4.34	(6.48)	37.46	27.08	37.46	21.92	37.46	18.89
FFC	117.73	0.51	(1.34)	4.01	120.77	109.06	120.77	88.56	120.77	87.13
BOP	6.22	0.48	(0.80)	(4.01)	7.57	5.72	7.57	3.71	7.57	3.19
MARI	2,446.08	0.35	4.15	21.82	2,530.50	1,867.64	2,530.50	1,464.30	2,530.50	1,370.95
INDU	1,556.48	0.15	2.84	30.82	1,556.48	1,176.75	1,556.48	860.24	1,556.48	807.56
ILP	71.01	0.14	(0.87)	1.42	73.18	62.58	73.18	39.01	73.18	27.65
AHCL	37.50	(0.19)	7.05	4.40	38.79	34.52	38.79	24.35	38.79	23.25
AKBL	22.92	(0.39)	(2.13)	(7.28)	25.18	21.67	25.18	15.04	25.18	12.12
HUBC	115.66	(0.62)	1.33	2.34	119.39	104.55	119.39	72.56	119.39	54.96
HBL	113.59	(0.76)	(2.05)	2.48	129.52	108.00	129.52	87.89	129.52	64.43
ABL	86.03	(1.23)	(0.81)	3.65	90.51	81.99	90.51	67.23	90.51	54.88
FCCL	17.64	(1.23)	(4.55)	(6.77)	20.51	16.83	20.51	10.84	20.51	10.54
BAFL	51.95	(1.23)	(0.82)	17.23	53.38	41.35	53.38	34.45	53.38	24.06
POL	419.40	(1.24)	(1.68)	5.37	428.75	385.43	428.75	356.50	428.75	317.92
EPCL	43.53	(1.27)	(2.11)	(6.57)	51.25	43.27	51.25	37.08	51.25	36.41
LOTCHEM	18.96	(1.35)	(2.27)	(29.75)	28.59	18.46	28.59	18.46	29.81	18.46
FATIMA	37.07	(1.38)	0.30	4.45	38.05	33.43	38.05	27.47	38.05	24.36
MCB	188.91	(1.47)	(0.06)	14.68	194.73	160.17	194.73	116.86	194.73	93.40
KAPCO	27.27	(1.52)	0.93	11.66	27.74	23.64	27.74	18.65	27.74	14.16
ACPL	86.80	(1.90)	(2.05)	(7.29)	104.52	82.54	104.52	75.81	104.52	50.78
SGF	54.58	(2.03)	(2.54)	(9.52)	60.32	48.96	60.32	30.36	60.32	24.29
NML	66.62	(2.23)	(3.60)	(13.16)	83.64	66.62	83.64	55.31	83.64	48.27
KOHC	214.80	(2.39)	0.85	(8.30)	249.06	194.43	249.06	163.27	249.06	137.73
UBL	178.34	(2.47)	(1.69)	6.26	184.97	159.62	184.97	126.57	184.97	78.55
MLCF	36.82	(2.75)	(4.86)	(5.40)	42.71	35.87	42.71	29.25	42.71	24.58
ENGRO	333.22	(2.76)	3.01	12.99	350.58	285.32	350.58	236.68	350.58	230.52
APL	390.56	(2.77)	(0.13)	5.96	415.22	334.28	415.22	275.31	415.22	262.16
PPL	111.62	(2.88)	0.46	(0.90)	131.00	96.18	131.00	69.57	131.00	54.10
POWER	5.34	(3.26)	(2.91)	(10.40)	6.43	5.19	6.43	3.66	6.43	3.49
HUMNL	6.67	(3.33)	(0.60)	(2.63)	8.04	6.20	8.04	5.47	8.04	5.30
MTL	575.87	(3.40)	(0.96)	3.23	629.39	497.37	629.39	386.95	629.39	310.72
DGKC	68.47	(3.47)	(1.52)	(11.54)	82.50	64.10	82.50	43.42	82.50	41.54
SNGP	63.24	(3.70)	(7.41)	(13.98)	79.07	60.64	79.07	45.59	79.07	37.35
FABL	29.75	(3.72)	(6.89)	(2.89)	31.95	28.25	31.95	19.73	31.95	17.27
OGDC	123.69	(4.20)	0.77	12.13	152.61	103.09	152.61	89.65	152.61	69.17
PSO	165.51	(5.06)	0.68	(6.34)	217.22	141.18	217.22	113.58	217.22	93.36

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	3.2	2.6	3.3	3.8	3.4	3.4	2.0	3.0	10.5	-71.6%
P/E (x)	14.3	18.2	8.9	11.7	11.2	13.2	10.5	16.3	9.0	12.6	4.2	-66.9%
P/B (x)	1.9	2.9	1.6	1.4	1.0	1.3	1.2	2.2	0.8	1.6	0.7	-54.1%

Source: Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	309.56	307.97	BUY	1.59
Companies	14.63	21.40	SELL	(6.77)
Banks / DFIs	8.13	8.07	BUY	0.06
NBFC	0.22	0.19	BUY	0.03
Mutual Funds	5.95	6.40	SELL	(0.46)
Other Organizations	1.46	1.81	SELL	(0.35)
Broker Proprietary Trading	60.18	59.85	BUY	0.33
Insurance Companies	1.46	2.17	SELL	(0.71)
Total	401.59	407.86	SELL	(6.27)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	274.87	273.78	BUY	1.09
Companies	11.92	15.56	SELL	(3.64)
Banks / DFIs	6.97	13.34	SELL	(6.38)
NBFC	0.12	0.23	SELL	(0.11)
Mutual Funds	9.85	6.86	BUY	2.99
Other Organizations	4.30	5.57	SELL	(1.26)
Broker Proprietary Trading	52.89	52.35	BUY	0.53
Insurance Companies	2.34	5.99	SELL	(3.65)
Total	363.25	373.69	SELL	(10.44)

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	17.74	25.64	SELL	(7.90)
Fertilizer	12.16	12.68	SELL	(0.52)
Cement	17.65	17.71	SELL	(0.06)
Power Generation & Distribution	8.97	8.72	BUY	0.26
Exploration & Production	80.14	79.46	BUY	0.68
Oil & Gas Marketing Companies	31.32	30.83	BUY	0.50
Food and Personal Care Products	12.98	13.02	SELL	(0.04)
Textile Composite	1.10	1.17	SELL	(0.07)
Technology and Communication	56.18	54.92	BUY	1.26
Debt	0.00	0.00	SELL	0.00
All other Sectors	162.88	163.26	SELL	(0.38)
Total	401.13	407.40	SELL	(6.27)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	28.40	32.39	SELL	(3.99)
Fertilizer	16.43	18.41	SELL	(1.98)
Cement	21.34	21.69	SELL	(0.35)
Power Generation & Distribution	12.33	11.91	BUY	0.42
Exploration & Production	68.22	69.80	SELL	(1.58)
Oil & Gas Marketing Companies	20.53	20.32	BUY	0.21
Food and Personal Care Product	20.29	20.19	BUY	0.10
Textile Composite	2.26	2.78	SELL	(0.53)
Technology and Communication	64.73	64.11	BUY	0.62
Debt	0.00	0.00	SELL	(0.00)
All other Sectors	107.39	110.75	SELL	(3.36)
Total	361.92	372.35	SELL	(10.44)

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.06	0.01	BUY	0.05
Foreign Corporates	8.80	1.48	BUY	7.32
Overseas Pakistani	22.50	23.59	SELL	(1.09)
Total	31.36	25.09	BUY	6.27

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.03	SELL	(0.03)
Foreign Corporates	15.31	3.36	BUY	11.95
Overseas Pakistani	17.25	18.73	SELL	(1.49)
Total	32.56	22.12	BUY	10.44

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	11.10	3.20	BUY	7.90
Fertilizer	0.94	0.42	BUY	0.52
Cement	1.31	1.25	BUY	0.06
Power Generation & Distribution	0.78	1.03	SELL	(0.26)
Exploration & Production	2.82	3.50	SELL	(0.68)
Oil & Gas Marketing Companies	1.59	2.09	SELL	(0.50)
Food and Personal Care Products	0.88	0.85	BUY	0.04
Textile Composite	0.16	0.09	BUY	0.07
Technology and Communication	3.22	4.48	SELL	(1.26)
All other Sectors	8.56	8.18	BUY	0.38
Total	31.36	25.09	BUY	6.27

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	6.24	2.25	BUY	3.99
Fertilizer	3.19	1.20	BUY	1.98
Cement	2.08	1.73	BUY	0.35
Power Generation & Distribution	1.20	1.62	SELL	(0.42)
Exploration & Production	4.40	2.81	BUY	1.58
Oil & Gas Marketing Companies	1.10	1.31	SELL	(0.21)
Food and Personal Care Product	0.87	0.97	SELL	(0.10)
Textile Composite	0.67	0.14	BUY	0.53
Technology and Communication	2.95	3.57	SELL	(0.62)
All other Sectors	9.87	6.51	BUY	3.36
Total	32.56	22.12	BUY	10.44

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	100	8.8	17.4	26.1	Denmark	KFX Index	2,732	0.0	8.6	17.7
Chile	IPSA Index	6,461	4.1	2.8	(2.5)	USA	NDX Index	18,015	(0.0)	(0.2)	7.1
Zimbabwe	ZHIALLSH Index	569,457	3.6	(9.2)	(7.8)	Switzerland	SMI Index	11,712	(0.2)	2.4	(0.1)
Sri Lanka	CSEALL Index	11,357	3.5	8.1	13.2	Uae	ADSMI Index	9,213	(0.2)	(0.5)	(3.8)
Egypt	EGX30 Index	31,316	3.3	(30.1)	(17.9)	Tunisia	TUSISE Index	8,712	(0.2)	1.6	(1.5)
Argentina	MERVAL Index	1,039,095	3.2	1.4	6.3	Ghana	GGSECI Index	3,352	(0.3)	1.6	(0.8)
Mexico	MEXBOL Index	56,059	2.8	3.4	(0.9)	Mauritius	SEMDEX Index	2,066	(0.4)	(2.1)	(3.9)
Nigeria	NGSEINDX Index	104,056	2.8	5.6	(20.4)	Portugal	PSI20 Index	6,157	(0.5)	0.8	(5.3)
Hong Kong	HSI Index	16,721	2.2	1.4	(2.1)	Romania	BET Index	16,301	(0.5)	3.4	4.4
Czech Republic	PX Index	1,491	2.0	3.8	1.7	Norway	OBXP Index	570	(0.6)	2.4	(5.0)
Spain	IBEX Index	10,553	1.9	6.3	2.7	Luxembourg	LUXXX Index	1,475	(0.6)	(0.1)	(4.8)
Bahrain	BHSEASI Index	2,047	1.7	2.1	4.4	Latvia	RIGSE Index	1,335	(0.7)	0.8	(1.7)
Slovenia	SBITOP Index	1,433	1.4	2.7	12.5	South Africa	JALSH Index	73,186	(0.7)	3.2	(7.2)
France	CAC Index	8,170	1.3	3.9	6.6	Serbia	BELEX15 Index	958	(0.7)	4.3	7.5
Poland	WIG20 Index	2,392	1.2	0.1	1.5	Lithuania	VILSE Index	953	(0.9)	0.3	(1.0)
Saudi Arabia	SASEIDX Index	12,729	1.2	0.8	6.7	Netherland	AEX Index	858	(1.0)	1.9	7.3
Croatia	CRO Index	2,805	1.1	3.7	8.9	Thailand	SET Index	1,389	(1.0)	1.5	(6.3)
Vietnam	VNIndex Index	1,264	1.0	0.6	9.8	Finland	HEX Index	9,780	(1.0)	0.2	(4.7)
Italy	FTSEMIB Index	33,845	0.8	4.7	9.7	Estonia	TALSE Index	1,751	(1.1)	0.6	(2.6)
Mongolia	MSETOP Index	44,465	0.7	(0.4)	8.9	Indonesia	JCI Index	7,328	(1.1)	0.9	(0.6)
Bulgaria	SOFIX Index	813	0.7	3.8	4.5	Taiwan	TWSE Index	19,683	(1.2)	3.7	6.1
China	SHSZ300 Index	3,570	0.5	1.4	2.7	Greece	ASE Index	1,417	(1.2)	0.2	7.8
USA	SPX Index	5,150	0.5	1.1	8.0	Pakistan	KSE100 Index	64,816	(1.4)	0.5	4.9
Ireland	ISEQ Index	9,766	0.5	3.8	9.8	Ukraine	PFTS Index	507	(1.5)	(1.9)	(1.8)
Kazakhstan	KZKAK Index	5,021	0.5	5.1	21.9	South Korea	KOSPI Index	2,667	(1.5)	1.3	(2.8)
USA	INDU Index	38,906	0.5	(0.2)	3.2	Russia	RTSI\$ Index	1,132	(1.8)	0.4	4.5
Sweden	OMX Index	2,532	0.4	3.5	2.4	Philippines	PCOMP Index	6,822	(1.8)	(0.8)	5.4
Brazil	IBOV Index	127,690	0.4	(1.3)	(7.3)	Russia	IMOEX Index	3,301	(1.9)	0.7	3.8
Singapore	FSSTI Index	3,174	0.4	1.7	(3.4)	Iceland	ICEXI Index	2,192	(2.1)	0.1	2.6
Malaysia	FBMKLCI Index	1,553	0.3	0.9	4.1	India	SENSEX Index	72,584	(2.3)	0.1	0.9
Germany	DAX Index	17,957	0.3	2.4	5.5	Belgium	BEL20 Index	3,713	(2.3)	(4.6)	(4.4)
Jordan	JOSMGNFF Index	2,500	0.3	1.4	3.1	Belgium	BEL20 Index	3,713	(2.3)	(4.6)	(4.4)
Europe	SX5E Index	4,999	0.3	3.3	8.8	Hungary	BUX Index	64,988	(2.6)	(1.4)	1.9
Qatar	DSM Index	10,256	0.2	(2.1)	(3.2)	New Zealand	NZSE Index	1,762	(2.7)	(0.1)	(4.7)
UK	UKX Index	7,742	0.2	2.4	(0.1)	Lebanon	BLOM Index	1,675	(3.1)	(4.4)	(16.0)
Oman	MSM30 Index	4,786	0.2	5.1	6.7	Australia	AS51 Index	7,670	(3.2)	0.6	(3.0)
Canada	SPTSX Index	21,830	0.1	2.6	1.7	Japan	NKY Index	38,708	(3.6)	(0.3)	9.5
Austria	ATX Index	3,398	0.1	2.3	(2.7)	Turkey	XU100 Index	8,889	(3.7)	(6.2)	9.2
Dubai	DFMGI Index	4,254	0.0	(1.3)	4.8						

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

Pakistan Weekly Update

Pakistan
Stock Market



March 15, 2024

Key Economic Data & Commodities Price

Month end	Units	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Current*
Money Market Data														
03-M T-Bill	%	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.28	20.70	21.21	21.00
06-M T-Bill	%	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.37	21.00	21.50	21.01
12-M T-Bill	%	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.32	20.84	20.76	20.34
03-Y PIB	%	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.54	16.73	16.90	16.72
05-Y PIB	%	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.90	15.47	15.58	15.45
10-Y PIB	%	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.91	14.17	14.32	14.22
06-M KIBOR	%	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.49	20.97	21.73	21.35
Policy Rate	%	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.7	28.3	23.1	23.1
Monetary Sector														
M1	PKR bn	24,074	24,802	25,017	26,157	25,857	25,964	26,184	26,403	26,717	27,130	27,085.1	n.a	27,085
M2	PKR bn	28,732	29,433	29,859	31,280	30,966	31,209	31,425	31,722	32,000	32,594	32,466	n.a	32,466
M3	PKR bn	32,070	32,743	33,140	34,545	34,246	34,483	34,287	34,906	35,180	35,741	35,584.3	n.a	35,584
Banking Sector														
Deposits	PKR bn	23,562	23,429	24,388	25,508	25,702	26,110	26,318	26,398	26,798	27,841	27,541	27,886	27,886
Advances	PKR bn	11,836	12,111	12,072	12,202	11,898	11,775	11,857	11,898	11,964	12,352	12,095	12,062	12,095
Investment	PKR bn	19,236	19,695	20,144	20,896	21,468	22,016	22,622	23,232	24,587	25,280	25,603	25,449	25,603
WALR	%	16.3	17.6	17.7	18.2	18.4	18.9	19.3	19.3	19.3	14.7	19.0	n.a	19.0
WADR	%	8.7	9.7	10.2	10.5	11.3	11.3	11.4	11.6	11.7	8.4	12.0	n.a	12.0
Spread	%	7.5	7.9	7.6	7.7	7.1	7.6	7.9	7.7	7.6	6.3	7.0	n.a	7.0
External Sector														
Forex Reserves	USD bn	9.8	10.0	9.5	9.2	13.5	13.2	12.5	12.0	12.0	13.2	13.3	13.0	13.2
With SBP	USD bn	4.2	4.5	4.1	4.4	8.2	7.8	7.6	7.4	7.4	8.2	8.2	7.9	7.9
With Banks	USD bn	5.6	5.6	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.0	5.0	5.1	5.2
Exchange rate	PKR/USD	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	285.2	281.9	279.5	279.1	278.7
C/A Balance	USD mn	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(46.0)	(184.0)	(15.0)	404.0	(269.0)	n.a	(269.0)
Exports	USD bn	2.4	2.1	2.6	2.1	2.1	2.5	2.5	2.8	2.7	2.8	2.7	n.a	2.7
Imports	USD bn	4.0	3.7	3.8	3.2	4.2	4.0	4.0	4.4	4.4	4.1	4.5	n.a	4.5
Trade Balance	USD bn	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	(1.7)	(1.3)	(1.8)	n.a	(1.8)
Remittances	USD bn	2.5	2.2	2.1	2.2	2.0	2.1	2.2	2.5	2.3	2.4	2.4	2.2	2.2
Key Commodities Prices														
International														
Coal	USD/ton	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	108.0	101.0	95.0	101.1	99.0
Steel (HRC)	USD/ton	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	560.2	574.4	567.0	559.4	528.9
PTA	USD/ton	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	765.0	780.0	800.0	785.0	760.0
Gold	USD/oz	1,980.4	1,990.0	1,962.7	1,913.7	1,965.1	1,940.2	1,864.9	1,983.9	2,036.4	2,063.0	2,039.5	2,044.3	2,162.2
Cotton (COTLOOK A)	USD/lb	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	89.7	91.4	93.3	105.3	100.2
Crude oil (WTI)	USD/bbl	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	76.0	71.7	75.9	78.3	81.3
Crude oil (Arab Light)	USD/bbl	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	87.7	80.4	84.9	82.5	86.0
Crude oil (Brent)	USD/bbl	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	82.8	77.0	81.7	83.6	85.4
Local														
Cotton	PKR/maund	18,700.0	20,000.0	20,000.0	17,500.0	17,935.0	20,100.0	17,700.0	17,000.0	17,200.0	17,300.0	20,000.0	21,500.0	21,500.0
Cement	PKR/bag	1,125.8	1,120.9	1,121.4	1,144.7	1,140.8	1,177.0	1,196.1	1,195.9	1,241.3	1,232.5	1,213.0	1,234.8	1,227.4
Gold	PKR/10 grms	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	186,474	187,930	189,300	188,920	192,820

*Current Price

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Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Dec'24 for Target Price. In addition, return excludes all type of taxes. For more details kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +15% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -15% and +15% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -15% from last closing of market price(s)

* Upside for Power Generation Companies is upside plus dividend yield.

Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- **Discounted Cash Flow (DCF)**
- **Dividend Discounted Model (DDM)**
- **Sum of the Parts (SoTP)**
- **Justified Price to Book (JPTB)**
- **Reserved Base Valuation (RBV)**

Risks

The following risks may potentially impact our valuations of subject security (ies);

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

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In order to avoid any conflict of interest, we hereby disclosed that;

Arif Habib Limited (AHL) has a shareholding in PPL, OGDC, NBP, BOP AND MLCF.