

## Uncertainties prevail

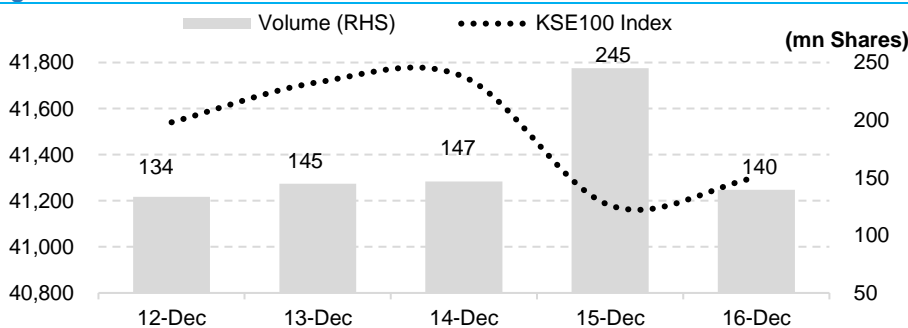
The market commenced on a negative note this week, carrying forward the momentum from last week owing to concerns over weak economic indicators. The market briefly turned positive given ADB approved USD 554mn financial package for rehabilitation work post floods. Moreover, the IMF shared that the discussion with Pakistan related to the ninth review was productive, keeping the momentum positive. However, the market turned negative again in the latter part of the week due to increase in political noise. Furthermore, remittances declined by 14% YoY in Nov'22. In addition to this, LSMI output plummeted by 3.6% MoM | 7.75% YoY during Oct'22. Moreover, SBP's foreign exchange reserves data depicted a dip of USD 15mn, clocking at USD 6.64 bn. With this, PKR depreciated by PKR 0.54 | 0.24% WoW against USD, settling at PKR 224.94. The index closed at 41,301 points, losing 397 points (down by 0.95%) WoW.

Sector-wise negative contributions came from i) Banks (232pts), ii) Chemical (92pts), iii) Automobile Assembler (83pts), iv) Power (68pts) and v) Food and Personal Care Products (61pts). Whereas, the sectors which contributed positively were i) Miscellaneous (164pts) and ii) Fertilizer (110pts). Scrip-wise negative contributors were MTL (77pts), UBL (70pts), HUBC (68pts), BAHF (58pts) and LOTCHEM (44pts). Meanwhile, scrip-wise positive contribution came from PSEL (167pts), SYS (132pts), ENGRO (115pts), PAKT (20pts) and OGDC (10pts).

Foreigners selling continued during this week, clocking in at USD 9.6mn compared to a net sell of USD 6.3mn last week. Major selling was witnessed in Commercial Bank (USD 12.0mn) and Cement (USD 0.4mn). On the local front, buying was reported by Banks/DFIs (USD 12.8mn) followed by Companies (USD 6.2mn). Average volumes clocked in at 162mn shares (down by 10% WoW) while average value traded settled at USD 20mn (up by 10% WoW).

Other major news: i) MTL notifies non-production days, ii) Kohinoor Spinning Mills announces temporary shutdown as downturn bites, iii) First bike sales slump in 25 years, and iv) Cabinet gives go-ahead to Reko Diq project.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

Keeping in view the developments on the political and economic front, the market is expected to remain range bound. Moreover, we believe, market would also be keenly following developments on external front with any inflows by any bilateral/multi-lateral financial institutions or from any friendly countries likely to trigger positive momentum. Our preferred stocks are OGDC, PPL, MARI, MCB, FABL, MEBL, BAFL, LUCK, MLCF, FCCL, ENGRO, FFC, HUBC, PSO and SNGP. The KSE-100 is currently trading at a PER of 4.0x (2023) compared to Asia Pac regional average of 12.8x while offering a dividend yield of ~10.2% versus ~2.8% offered by the region.

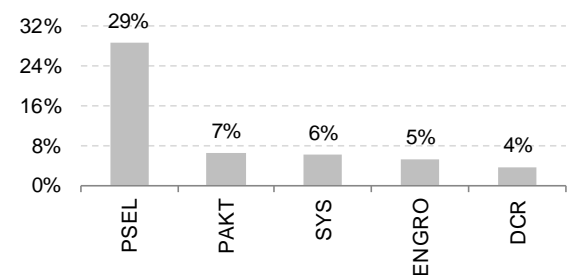
## PSX Indices Performance

Index	Current	WoW (%)	CY22TD (%)
KSE100	41,301	(1.0)	(7.4)
KSEAll	27,809	(1.1)	(9.5)
KSE30	15,242	(1.0)	(12.9)
KMI30	69,507	(0.6)	(3.0)
BKTI	9,501	(2.8)	(26.3)
OGTI	10,328	(0.8)	(10.0)

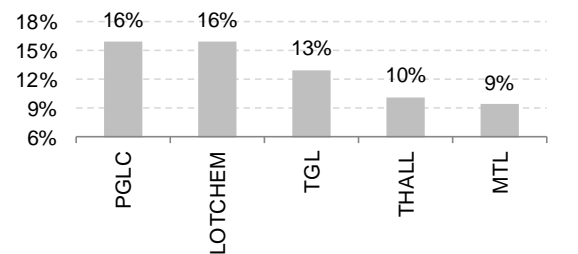
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
BAFL	13.2	30.8
WTL	10.8	1.3
DFML	8.6	14.6
TPLP	7.1	19.4
HASCOL	5.0	6.8

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



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## Business and Economic News of the Week

### Flood recovery efforts: Five financing pacts worth \$775m inked with ADB (BR)

The government of Pakistan and the Asian Development Bank (ADB) Thursday signed five financing agreements of \$775 million to support recovery and reconstruction efforts, in the flood-affected areas of Balochistan, Khyber-Pakhtunkhwa, and Sindh. These projects will support reconstruction and rehabilitation of irrigation and drainage structures, flood risk, and on-farm water management, as well as improving power and transport infrastructure in the flood-affected provinces. The signed agreements also include a project to improve access to quality employment for skilled workers in Punjab. Sardar Ayaz Sadiq, Federal Minister for Economic Affairs witnessed the signing of five financing agreements between the Economic Affairs Division (EAD) and the ADB. Dr Kazim Niaz, secretary EAD and Asad Aleem, deputy country director ADB signed the financing agreements.

### Engro to buy back 70m shares (The News)

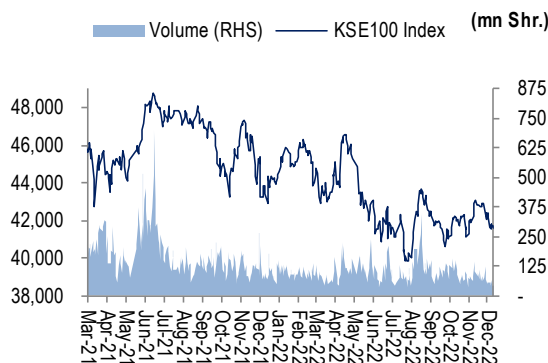
Engro Corporation has announced a buy-back of its 70 million ordinary shares worth around Rs20 billion. In a statement to the Pakistan Stock Exchange (PSX) on Thursday, the company announced that its board of directors had okayed to recommend to the members/shareholders, for their approval vide vide special resolutions(s), the purchase/buy-back of up to 70 million issued and paid-up ordinary shares of the company, having paid-up/face value of Rs10 each. The shares are around 12.1 percent of the total outstanding shares of the company. The purchase would be made between February 03, 2023 to July 25, 2023 (both days inclusive) or till such date that the purchase is complete, whichever is earlier, read the Engro statement. The shares would be purchased at the current rate. Engro shares increased by Rs7.7 to Rs276.72 by close of the day, pulling up the benchmark index at the PSX most of the day. The index however later closed in negative at the close of the session.

### Govt. devices plan to conserve energy, cut import bill (Dawn)

The government has devised a national contingency energy-saving plan to stabilize the economy, conserve energy, and cut the import bill because an "extraordinary situation" required "extraordinary measures", the information minister said on Thursday. The plan, prepared by Finance Minister Ishaq Dar, was approved in a high-level meeting presided over by Prime Minister Shehbaz Sharif on Thursday at the Prime Minister's Office. Information Minister Marriyum Aurangzeb tweeted that the plan would be presented in the next cabinet meeting for final approval and all the chief ministers would also be invited so that it could be implemented in collaboration with the provinces. Under the plan, a crackdown on electricity theft would be launched and many private and government buildings would be converted to solar energy.

### Govt slashes petrol price by Rs10 per liter (Tribune)

The federal government on Thursday slashed the prices of petroleum products by up to Rs10 per litre effective from December 16, 2022. Finance Minister Ishaq Dar in a tweet said that the government had reduced the price of high speed diesel by Rs7.50 per litre. The government slashed the price of petrol by Rs10 per litre, kerosene oil by Rs10 per litre and light diesel oil (LDO) by Rs10 per litre. Following reduction in the prices of petroleum products, the high speed diesel will be sold at Rs227.80 per litre. Petrol will be available at Rs214.80 per litre following reduction in the price. The kerosene oil will be sold at Rs171.83 per litre. The price of light diesel oil has been reduced to Rs169 per litre.



### Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
PSEL	167.1
SYS	131.8
ENGRO	114.9
PAKT	19.6
OGDC	10.5
	<b>443.9</b>

<b>Bearish Companies</b>	
MTL	(76.9)
UBL	(69.7)
HUBC	(68.2)
BAHL	(58.3)
LOTCEM	(44.2)
	<b>(317.2)</b>

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Miscellaneous	164.3
Fertilizer	109.6
Technology & Communication	88.6
Tobacco	19.6
	<b>382.1</b>

<b>Bearish Sectors</b>	
Commercial Banks	(231.6)
Chemical	(92.4)
Automobile Assembler	(83.3)
Power Generation & Distribution	(68.4)
Food & Personal Care Products	(61.2)
	<b>(536.8)</b>



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## AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
ENGRO	275.67	5.21	4.82	15.33	276.72	218.37	276.72	213.21	276.72	213.21
DGKC	49.79	2.89	(2.08)	(38.97)	61.27	48.39	63.83	48.39	83.50	48.39
KAPCO	27.93	2.61	(0.57)	11.67	28.16	25.76	28.61	23.14	28.61	22.88
ILP	59.87	2.48	6.82	(9.17)	62.43	55.03	63.04	55.00	74.78	55.00
FATIMA	35.84	2.43	(1.86)	8.59	38.41	34.56	38.87	34.56	41.29	31.69
INDU	996.75	2.14	(0.18)	(14.35)	1,002.08	893.65	1,145.78	893.65	1,395.65	893.65
OGDC	72.52	0.85	(0.06)	(7.79)	77.97	68.36	82.55	68.36	86.66	68.36
SNGP	38.12	0.77	(0.26)	42.47	40.62	28.82	40.62	26.52	40.62	20.70
NCL	24.53	0.49	(8.91)	(35.76)	32.32	24.28	43.73	24.28	49.30	24.28
FML	66.00	-	(5.20)	(3.93)	71.45	60.59	71.60	58.92	71.60	57.41
APL	307.00	(0.06)	(2.63)	38.14	322.96	276.03	322.96	234.51	322.96	213.65
PPL	55.93	(0.20)	(0.99)	(27.31)	64.89	51.05	73.68	51.05	85.19	51.05
NBP	24.43	(0.20)	(2.51)	(29.23)	27.22	24.06	33.44	24.06	37.01	24.06
FFC	102.28	(0.26)	(0.31)	15.69	103.66	96.99	108.31	96.99	116.83	86.06
AHCL	34.49	(0.43)	3.26	8.07	35.00	29.41	35.00	29.08	35.67	29.08
MEBL	104.77	(0.49)	(4.34)	(9.17)	118.80	104.44	123.44	97.88	127.81	97.88
MCB	117.17	(0.50)	(1.79)	(11.99)	119.99	111.32	123.76	109.81	142.65	109.81
LUCK	450.52	(0.58)	(4.71)	(33.68)	516.76	442.09	523.37	411.93	701.27	411.93
NCPL	14.30	(0.83)	(5.61)	46.70	17.46	13.15	17.46	9.03	17.46	7.51
MARI	1,652.18	(1.09)	(1.08)	7.56	1,710.23	1,540.80	1,724.77	1,540.80	1,733.59	1,488.92
EFERT	80.41	(1.09)	(1.12)	22.87	82.14	74.32	88.20	74.32	92.01	64.50
FFBL	15.92	(1.12)	(6.41)	(35.75)	20.09	15.89	21.72	15.89	27.25	15.89
ABL	63.00	(1.18)	(0.80)	(14.61)	65.00	60.52	66.74	59.80	81.99	59.80
NML	56.14	(1.53)	(4.34)	(25.02)	66.51	56.14	75.69	56.14	91.05	56.14
HBL	64.49	(1.95)	(3.15)	(40.08)	82.72	64.34	94.85	64.34	115.09	64.34
FABL	26.16	(2.13)	(5.66)	46.43	31.54	20.95	31.54	17.76	31.54	16.49
POL	404.55	(2.30)	(3.76)	35.27	420.35	341.95	420.35	329.35	420.35	288.81
AGHA	12.58	(2.48)	(3.31)	(51.93)	16.56	12.51	16.56	12.51	27.62	12.51
POWER	4.59	(2.55)	(3.16)	(27.83)	5.12	4.54	5.60	4.54	6.64	4.54
KOHC	153.36	(2.69)	(5.24)	(18.69)	167.18	149.04	167.18	118.99	190.59	118.99
NPL	17.96	(2.97)	(7.04)	25.46	19.48	16.74	22.18	14.18	22.18	12.60
SGF	35.54	(3.00)	(1.93)	(15.07)	38.66	34.51	40.69	34.51	47.86	34.51
ICI	645.00	(3.03)	(6.72)	(11.04)	709.00	645.00	752.17	645.00	810.27	645.00
MLCF	22.81	(3.22)	(10.09)	(36.55)	29.12	22.81	29.36	22.81	38.44	22.81
ITTEFAQ	5.73	(4.02)	(9.76)	(52.13)	7.60	5.69	8.60	5.69	12.53	5.69
FCCL	11.90	(4.03)	(11.52)	(27.12)	14.79	11.88	14.79	11.32	16.95	11.32
HUBC	62.75	(4.04)	(5.10)	18.85	70.01	51.75	70.01	51.16	70.01	50.67
AKBL	20.26	(4.21)	(3.52)	(7.99)	21.39	17.53	21.39	16.54	23.57	16.54
PSO	138.77	(4.38)	(7.58)	(18.88)	158.60	138.77	181.36	138.77	185.15	138.77
UBL	105.34	(4.84)	(1.09)	(10.66)	113.63	105.34	116.53	100.73	129.51	100.73
BOP	4.90	(4.85)	(5.41)	(34.92)	5.56	4.90	6.07	4.90	7.76	4.90
ACPL	62.98	(4.89)	(7.71)	(53.15)	85.99	62.98	90.38	62.98	135.25	62.98
HUMNL	5.84	(5.50)	-	13.34	6.18	5.24	6.32	5.24	6.79	4.79
PSMC	134.66	(5.65)	(13.50)	(40.55)	187.35	134.44	211.21	134.44	236.06	134.44
HTL	26.90	(5.81)	(15.57)	(32.07)	39.18	26.90	41.49	26.90	45.72	26.90
UNITY	15.34	(5.89)	(10.81)	(42.05)	23.87	15.34	23.87	15.34	32.42	15.34
BAFL	30.75	(6.05)	(4.21)	1.46	34.26	30.43	34.26	27.66	34.26	27.66
HCAR	142.21	(7.93)	(7.08)	(37.44)	187.97	142.21	194.73	142.21	232.15	142.21
EPCL	45.20	(8.30)	(11.22)	4.96	57.13	45.20	77.79	45.20	81.94	42.45
MTL	535.14	(9.37)	(14.45)	15.07	721.02	535.14	736.07	535.14	740.88	460.62
PTL	21.00	(9.68)	(15.19)	(47.98)	30.24	21.00	33.53	21.00	40.94	21.00

Source (s): Bloomberg, AHL Research

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

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	69.44	71.94	SELL	(2.50)
Companies	10.30	4.05	BUY	6.24
Banks / DFIs	16.86	4.06	BUY	12.80
NBFC	0.07	0.18	SELL	(0.12)
Mutual Funds	6.93	14.05	SELL	(7.12)
Other Organizations	2.33	0.85	BUY	1.49
Broker Proprietary Trading	18.56	18.40	BUY	0.16
Insurance Companies	2.84	4.24	SELL	(1.40)
<b>Total</b>	<b>127.33</b>	<b>117.77</b>	<b>BUY</b>	<b>9.55</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	87.87	79.06	BUY	8.82
Companies	8.02	7.13	BUY	0.89
Banks / DFIs	5.62	5.70	SELL	(0.09)
NBFC	0.05	0.26	SELL	(0.21)
Mutual Funds	4.25	7.96	SELL	(3.71)
Other Organizations	0.96	1.18	SELL	(0.22)
Broker Proprietary Trading	19.62	20.10	SELL	(0.47)
Insurance Companies	4.37	3.11	BUY	1.26
<b>Total</b>	<b>130.76</b>	<b>124.50</b>	<b>BUY</b>	<b>6.26</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	23.75	11.78	BUY	11.97
Fertilizer	12.86	12.78	BUY	0.08
Cement	10.40	10.04	BUY	0.37
Power Generation & Distribution	3.97	4.23	SELL	(0.26)
Exploration & Production	6.14	6.76	SELL	(0.62)
Oil & Gas Marketing Companies	6.03	6.11	SELL	(0.08)
Food and Personal Care Products	3.69	3.72	SELL	(0.04)
Textile Composite	2.14	2.52	SELL	(0.38)
Technology and Communication	25.22	26.33	SELL	(1.10)
Debt	0.90	0.90	SELL	(0.00)
All other Sectors	32.22	32.61	SELL	(0.39)
<b>Total</b>	<b>127.33</b>	<b>117.77</b>	<b>BUY</b>	<b>9.55</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	18.03	7.78	BUY	10.25
Fertilizer	8.49	9.60	SELL	(1.12)
Cement	13.75	13.55	BUY	0.20
Power Generation & Distribution	2.11	2.39	SELL	(0.27)
Exploration & Production	6.19	7.36	SELL	(1.17)
Oil & Gas Marketing Companies	8.86	8.96	SELL	(0.10)
Food and Personal Care Product	2.31	2.36	SELL	(0.05)
Textile Composite	2.62	3.76	SELL	(1.14)
Technology and Communication	39.72	40.56	SELL	(0.84)
Debt	0.01	0.01	SELL	-
All other Sectors	28.69	28.18	BUY	0.50
<b>Total</b>	<b>130.76</b>	<b>124.50</b>	<b>BUY</b>	<b>6.26</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.02	0.01	BUY	0.02
Foreign Corporates	4.51	15.51	SELL	(11.00)
Overseas Pakistani	5.29	3.86	BUY	1.43
<b>Total</b>	<b>9.82</b>	<b>19.37</b>	<b>SELL</b>	<b>(9.55)</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.03	0.01	BUY	0.03
Foreign Corporates	4.09	33.04	SELL	(28.95)
Overseas Pakistani	29.25	6.59	BUY	22.65
<b>Total</b>	<b>33.38</b>	<b>39.64</b>	<b>SELL</b>	<b>(6.26)</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.03	13.00	SELL	(11.97)
Fertilizer	1.25	1.33	SELL	(0.08)
Cement	0.50	0.86	SELL	(0.37)
Power Generation & Distribution	0.39	0.13	BUY	0.26
Exploration & Production	1.20	0.59	BUY	0.62
Oil & Gas Marketing Companies	0.35	0.27	BUY	0.08
Food and Personal Care Products	0.27	0.23	BUY	0.04
Textile Composite	0.42	0.04	BUY	0.38
Technology and Communication	2.30	1.19	BUY	1.10
All other Sectors	2.11	1.72	BUY	0.39
<b>Total</b>	<b>9.82</b>	<b>19.37</b>	<b>SELL</b>	<b>(9.55)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	20.27	30.52	SELL	(10.25)
Fertilizer	4.01	2.89	BUY	1.12
Cement	1.04	1.24	SELL	(0.20)
Power Generation & Distribution	0.43	0.16	BUY	0.27
Exploration & Production	1.59	0.42	BUY	1.17
Oil & Gas Marketing Companies	0.48	0.38	BUY	0.10
Food and Personal Care Product	0.17	0.12	BUY	0.05
Textile Composite	1.17	0.03	BUY	1.14
Technology and Communication	2.17	1.33	BUY	0.84
All other Sectors	2.04	2.55	SELL	(0.50)
<b>Total</b>	<b>33.38</b>	<b>39.64</b>	<b>SELL</b>	<b>(6.26)</b>

Source (s): NCCPL, AHL Research

## Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	3.3	1.5	2.0	2.2	3.6	3.0	3.0	4.1	2.3	2.8	10.2	-72.7%
P/E (x)	14.1	18.9	9.9	13.0	10.5	14.8	10.2	12.9	11.4	12.8	4.0	-69.2%
P/B (x)	1.7	2.9	1.5	1.5	8.7	1.5	1.2	1.8	0.9	2.4	0.6	-76.0%

Source: Bloomberg, AHL Research

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY22TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY22TD (%)
Ghana	GGSECI Index	2,454	42.4	58.3	(39.6)	Portugal	PSI20 Index	5,656	(1.0)	(0.7)	(5.3)
Turkey	XU100 Index	5,231	4.5	5.0	99.8	Slovenia	SBITOP Index	1,060	(1.0)	2.8	(21.0)
Zimbabwe	ZHIALSH Index	15,343	4.2	5.3	44.7	Belgium	BEL20 Index	3,658	(1.0)	2.2	(20.9)
Hungary	BUX Index	44,340	4.0	(0.2)	(25.7)	Spain	IBEX Index	8,146	(1.1)	0.2	(12.3)
Latvia	RIGSE Index	1,160	3.2	7.1	(14.6)	Thailand	SET Index	1,619	(1.1)	(0.1)	(6.9)
Mongolia	MSETOP Index	36,901	2.7	7.7	(30.8)	Sri Lanka	CSEALL Index	8,740	(1.2)	1.4	(60.5)
Tunisia	TUSISE Index	8,123	2.7	4.1	5.9	<b>Pakistan</b>	<b>KSE100 Index</b>	<b>41,301</b>	<b>(1.2)</b>	<b>(2.9)</b>	<b>(27.3)</b>
Egypt	EGX30 Index	15,142	1.7	13.6	(19.4)	China	SHSZ300 Index	3,954	(1.3)	4.4	(27.0)
Kazakhstan	KZKAK Index	3,203	1.6	4.6	(19.1)	Taiwan	TWSE Index	14,529	(1.5)	(2.1)	(28.2)
Oman	MSM30 Index	4,856	1.5	5.3	17.6	South Korea	KOSPI Index	2,360	(1.7)	(3.8)	(27.9)
Kenya	NSEASI Index	128	1.4	1.1	(29.0)	India	SENSEX Index	61,338	(1.7)	(4.2)	(5.2)
Indonesia	JCI Index	6,812	1.2	(3.3)	(5.4)	Japan	NKY Index	27,527	(1.8)	0.1	(19.7)
Estonia	TALSE Index	1,787	1.2	4.5	(16.2)	USA	NDX Index	11,345	(1.9)	(5.7)	(30.5)
Poland	WIG20 Index	1,740	1.1	2.7	(29.6)	Italy	FTSEMIB Index	23,662	(1.9)	(1.1)	(18.8)
Croatia	CRO Index	1,933	0.9	5.0	(13.0)	Iceland	ICEXI Index	2,146	(1.9)	(3.5)	(25.1)
Lithuania	VILSE Index	955	0.8	3.8	(7.3)	Switzerland	SMI Index	10,821	(2.0)	(0.6)	(17.4)
Uae	ADSMI Index	10,328	0.8	(2.1)	21.7	Romania	BET Index	11,921	(2.0)	4.2	(13.9)
Saudi Arabia	SASEIDX Index	10,290	0.4	(5.6)	(8.9)	Canada	SPTSX Index	19,601	(2.0)	(5.1)	(14.5)
Vietnam	VNIndex Index	1,052	0.3	4.9	(32.1)	Mexico	MEXBOL Index	49,342	(2.1)	(6.4)	(4.0)
Serbia	BELEX15 Index	808	0.2	2.0	(7.4)	Ireland	ISEQ Index	7,051	(2.1)	(0.2)	(22.2)
Dubai	DFMGI Index	3,329	0.1	0.2	4.2	Hong Kong	HSI Index	19,451	(2.2)	4.9	(16.7)
Bulgaria	SOFIX Index	600	0.1	2.3	(11.4)	Germany	DAX Index	13,939	(2.4)	(0.4)	(17.7)
Czech Republic	PX Index	1,163	(0.0)	(1.2)	(21.6)	Australia	AS51 Index	7,149	(2.5)	(2.2)	(11.7)
Bahrain	BHSEASI Index	1,854	(0.1)	(0.6)	3.2	Netherland	AEX Index	701	(2.5)	(0.4)	(18.1)
Lebanon	BLOM Index	1,303	(0.1)	0.4	26.6	France	CAC Index	6,453	(2.7)	(1.5)	(15.9)
Greece	ASE Index	908	(0.2)	2.5	(5.2)	UK	UKX Index	7,341	(2.7)	(1.2)	(10.6)
Nigeria	NGSEINDX Index	49,317	(0.2)	2.2	8.7	Europe	SX5E Index	3,808	(2.8)	(1.2)	(17.4)
Norway	OBXP Index	549	(0.3)	(3.3)	(13.0)	Austria	ATX Index	3,055	(2.9)	(2.7)	(25.8)
Jordan	JOSMGNFF Index	2,497	(0.3)	0.2	17.7	Finland	HEX Index	10,728	(3.0)	(0.3)	(21.7)
Philippines	PCOMP Index	6,497	(0.4)	(1.9)	(16.1)	South Africa	JALSH Index	72,989	(3.3)	(5.7)	(10.1)
Malaysia	FBMKLCI Index	1,479	(0.4)	(0.3)	(11.4)	Sweden	OMX Index	2,057	(3.4)	0.2	(25.8)
Ukraine	PFTS Index	519	(0.4)	(0.0)	(26.6)	Chile	IPSA Index	5,112	(3.8)	(2.2)	14.9
Singapore	FSSTI Index	3,241	(0.6)	(0.7)	3.0	Luxembourg	LUXXX Index	1,423	(4.0)	(0.1)	(20.2)
Denmark	KFX Index	1,811	(0.7)	4.4	(8.9)	Qatar	DSM Index	10,977	(4.2)	(7.5)	(5.2)
Bangladesh	DSEX Index	6,257	(0.7)	(2.1)	(23.9)	Brazil	IBOV Index	103,738	(4.5)	(8.8)	3.7
New Zealand	NZSE Index	1,811	(0.8)	2.2	(20.1)	Argentina	MERVAL Index	164,733	(5.2)	(5.2)	17.6
USA	INDU Index	33,202	(0.8)	(4.0)	(8.6)	Russia	RTSI\$ Index	1,038	(5.6)	(7.8)	(35.0)
Mauritius	SEMDEX Index	2,046	(1.0)	0.3	(3.4)	Russia	IMOEX Index	2,130	(5.6)	(7.5)	(35.3)
USA	SPX Index	3,896	(1.0)	(4.5)	(18.3)						

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



## Key Economic Data & Commodities Prices

Month end	Units	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	10.4	10.2	10.5	11.8	14.5	14.3	15.0	15.5	15.8	15.5	15.6	16.8	16.87
06-M T-Bill	%	11.3	10.6	10.9	12.4	14.6	14.5	15.2	15.7	15.8	15.7	15.7	16.9	16.90
12-M T-Bill	%	11.4	10.8	11.0	12.5	14.6	14.6	15.3	15.8	15.9	15.7	15.7	16.9	16.92
03-Y PIB	%	11.4	10.8	10.9	12.2	13.2	13.6	13.5	13.4	13.7	13.8	14.1	15.1	15.30
05-Y PIB	%	11.5	10.9	11.0	12.0	12.9	12.6	12.9	13.4	13.0	13.1	13.2	14.0	14.30
10-Y PIB	%	10.4	10.2	10.5	11.8	14.5	14.3	15.0	15.5	15.8	15.5	15.6	16.8	16.87
06-M KIBOR	%	11.5	10.7	11.0	12.5	15.0	14.7	15.3	15.8	16.0	15.9	15.8	17.0	17.01
Policy Rate	%	9.75	9.75	9.75	9.75	12.25	13.75	13.75	15.00	15.00	15.00	15.00	16.00	16.00
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	12.3	13.0	13.0	12.7	13.4	13.8	21.3	24.9	27.3	23.2	26.6	23.8	23.8
<b>Monetary Sector</b>														
M1	PKR bn	20,444	20,204	20,210	20,683	21,179	21,448	22,141	22,256	22,361	22,661	22,578	n.a	22,578
M2	PKR bn	24,369	24,211	24,176	24,727	25,155	25,634	26,768	26,799	26,894	27,261	27,296	n.a	27,296
M3	PKR bn	28,273	28,122	28,097	28,648	28,927	29,346	30,417	30,372	30,432	30,737	30,737	n.a	30,737
<b>Banking Sector</b>														
Deposits	PKR bn	20,972	19,949	19,914	20,476	20,052	21,151	22,810	22,101	22,152	22,820	22,412	22,732	22,732
Advances	PKR bn	10,149	9,944	9,961	10,328	10,638	10,822	10,886	10,858	10,922	11,084	11,052	11,092	11,092
Investment	PKR bn	14,124	14,424	14,541	15,012	15,210	15,556	17,419	17,608	18,183	17,484	18,285	18,483	18,483
WALR	%	8.7	9.3	9.6	9.6	10.26	10.78	11.4	12.8	13.2	13.7	14.0	n.a	14.0
WADR	%	4.6	5.1	5.0	4.9	5.24	6.18	7.0	7.1	7.5	7.6	7.1	n.a	7.1
Spread	%	4.1	4.3	4.6	4.7	5.02	4.6	4.4	5.8	5.7	6.0	6.9	n.a	6.9
<b>External Sector</b>														
Forex Reserves	USD bn	23.9	22.1	22.9	18.6	16.4	15.8	16.2	14.0	13.4	13.6	14.7	13.4	12.6
With SBP	USD bn	17.7	15.7	16.5	12.0	10.5	9.7	10.3	8.4	7.7	7.9	8.9	7.5	6.7
With Banks	USD bn	6.2	6.4	6.4	6.5	5.9	6.0	5.9	5.6	5.7	5.7	5.8	5.9	5.9
Exchange rate	PKR/USD	176.5	176.7	177.5	183.5	185.9	198.5	204.8	239.4	218.8	228.5	220.9	223.9	224.9
C/A Balance	USD mn	(1,863)	(2,531)	(519.0)	(1,028.0)	(623.0)	(1,425.0)	(2,187.0)	(1,215.0)	(676.0)	(363.0)	(567.0)	n.a	(567)
Exports	USD bn	2.9	2.5	2.9	3.1	3.2	2.5	3.1	2.3	2.8	2.5	2.3	n.a	2.3
Imports	USD bn	6.5	6.3	5.2	6.2	6.0	5.7	7.0	5.3	5.8	4.8	4.6	n.a	4.6
Trade Balance	USD bn	(3.6)	(3.8)	(2.3)	(3.1)	(2.8)	(3.2)	(3.9)	(3.1)	(3.0)	(2.3)	(2.3)	n.a	(2.3)
Remittances	USD bn	2.5	2.1	2.2	2.8	3.1	2.3	2.8	2.5	2.7	2.4	2.2	2.1	2.1
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	137.3	174.0	261.0	254.4	295.0	341.5	341.7	332.0	346.5	295.0	214.6	250.8	226.8
Steel (HRC)	USD/ton	747.2	766.4	785.8	830.8	773.2	726.0	659.8	587.0	577.8	566.3	509.5	550.6	592.5
PTA	USD/ton	725.0	815.0	875.0	935.0	960.0	995.0	965.0	870.0	860.0	870.0	805.0	795.0	775.0
Gold	USD/oz	1,829.2	1,797.2	1,909.0	1,937.4	1,894.5	1,837.4	1,807.3	1,765.9	1,711.0	1,660.6	1,633.6	1,768.5	1,776.9
Cotton (COTLOOK A)	USD/lb	125.9	135.9	135.2	153.6	154.3	157.5	135.5	131.4	135.3	107.1	92.5	97.5	99.5
Crude oil (WTI)	USD/bbl	75.2	88.2	95.7	100.3	105.4	114.7	105.8	98.6	89.6	79.5	86.5	80.6	76.1
Crude oil (Arab Light)	USD/bbl	79.2	91.1	99.9	109.3	110.6	124.6	116.3	111.9	105.2	98.4	95.6	85.3	83.4
Crude oil (Brent)	USD/bbl	77.8	91.2	101.0	107.9	107.6	122.8	114.8	110.0	96.5	88.0	94.8	85.4	81.2
<b>Local</b>														
Cotton	PKR/maund	18,000	19,400	20,000	20,500	21,000	22,500	17,200	19,200	21,500	19,000	16,000	16,500	16,500.0
Cement	PKR/bag	738.5	737.1	748.4	865.5	869.9	874.9	1,023.0	1,042.4	1,035.8	1,029.5	1,033.2	1,043.5	1,043.5
Gold	PKR/10 grms	107,940	108,880	111,460	110,940	116,430	121,740	121,660	138,890	123,890	123,970	128,090	138,460	147,040

\*Current Price

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\* Upside for Power Generation Companies 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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