

KSE-100 Index dips below 60,000 points

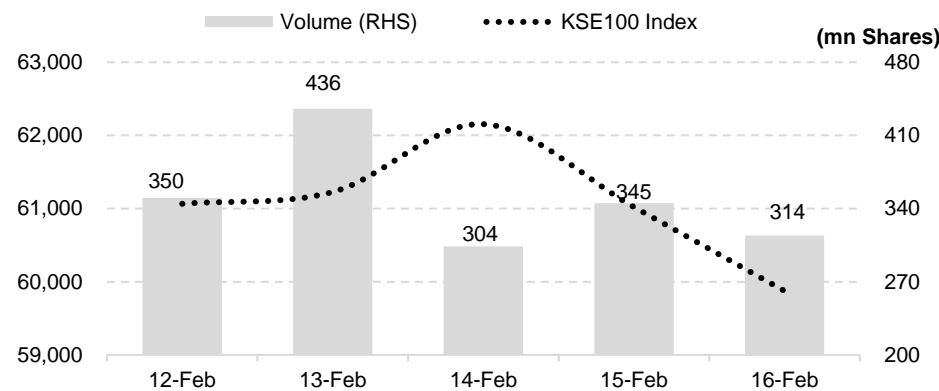
The local bourse remained under pressure during the week amid political uncertainty and IMF rejecting the proposal related to curtailment of the stock of circular debt, due to which investor's confidence was adversely impacted. Furthermore, the caretaker federal cabinet approved 12.3% weighted average hike in gas prices. Additionally, in Dec'23 Large Scale Manufacturing Industries (LSMI) output rose by 3.4% YoY. Also, there was a rise in the prices of petroleum products by PKR 2.73 of MS and PKR 8.37 of HSD. Along with this, the remittances surged by 26% YoY to arrive at USD 2.4bn during Jan'24. Moreover, SBP's reserves inched up by USD 12mn, reaching USD 8.1bn. During the week PKR closed at 279.36 against USD, weakening by PKR 0.08 | 0.03% WoW. Overall, the market closed at 59,872.96 points, declining by 3,071 points | -4.9% WoW.

Sector-wise negative contributions came from i) Oil & Gas Exploration Companies (1,176pts), ii) Cement (288pts), iii) Power Generation & Distribution (287pts), iv) Oil & Gas Marketing Companies (216pts) and v) Commercial Banks (206pts). Meanwhile, the sectors which mainly contributed positively were Textile Spinning (3pts). Scrip-wise negative contributors were OGDC (730pts), PPL (377pts), HUBC (221pts), PSO (149pts) and LUCK (117pts). Meanwhile, scrip-wise positive contributions came from EFERT (93pts), MCB (33pts), FATIMA (19pts), NATF (14pts), and AGP (9.24pts).

Foreign buying was witnessed during this week, clocking in at USD 5.2mn compared to a net buy of USD 5.7mn last week. Major buying was witnessed in Exploration & Production (USD 2.2mn) and All other sectors (USD 1.2mn). On the local front, selling was reported by Broker Proprietary Trading (USD 5.9mn) followed by Banks / DFI (USD 2.1mn). Average volumes arrived at 350mn shares (up by 14.5% WoW) while the average value traded settled at USD 48mn (down by 3.6% WoW).

Other major news: i) Govt shares in FWBL likely to be sold to UAE, ii) Govt securities: federal govt borrows less than target, iii) ECC okays Rs6bn Centre share of grant for imported urea iv) PIA, Discos' sell-off plans, and v) SBP suspends authorisation of three more exchange companies.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

In the upcoming week, we anticipate clarity on the political front which enhance investor's confidence. Furthermore, with the ongoing result season, particular stocks are anticipated to garner interest owing to their expected robust financial performance. The scrips continue to trade at attractive levels, which could further entice investors. Our preferred stocks are OGDC, 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 4.1x (2024) as compared to its 5-year average of 5.9x offering a dividend yield of ~11.0% as compared to its 5-year average of ~6.0%.

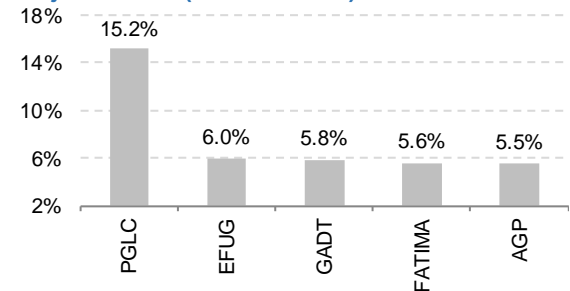
PSX Indices Performance

Index	Current	WoW (%)	CY24TD (%)
KSE100	59,873	(4.9)	(4.1)
KSEAll	40,387	(5.2)	(3.6)
KSE30	20,099	(5.6)	(3.3)
KMI30	98,506	(7.2)	(5.9)
BKTI	15,379	(1.1)	2.8
OGTI	14,109	(14.5)	(5.1)

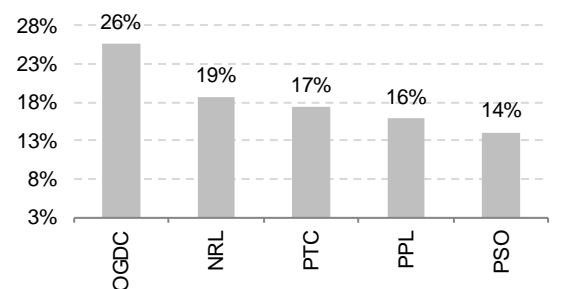
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
KEL	45.0	4.1
WTL	23.3	1.2
OGDC	19.0	107.9
PRL	16.8	24.2
PIAA	15.6	10.2

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

Ogra cuts rates of imported RLNG (BR)

"The Oil and Gas Regulatory Authority (Ogra) on Thursday notified a decline in the rates of imported RLNG up to 9.03 per cent on a month-to-month basis in February. According to the notification, the Ogra states, "The decrease in RLNG prices is due to decrease in DES price." New prices will be applicable with retrospective effect from February 1, 2024.

IMF's liberal import plan may imperil stable rupee (Dawn)

The caretaker government of Prime Minister Anwaarul Haq Kakar has made a record borrowing of almost Rs4 trillion from banks so far. The economy, already crushed under a huge debt burden, may witness an unprecedented increase in borrowings at the end of 2023-24 on June 30 as the amount has already surpassed the total borrowed in the entire FY23. The State Bank of Pakistan's data showed that the government borrowed Rs3.99tr from July 1 to Jan 19, 2023-24 against Rs1.398tr in the same period last year, reflecting an increase of 185 per cent.

SBP reserves inch up by \$13 million to \$8.057 billion (The News)

The foreign exchange reserves held by the central bank increased by \$13 million to \$8.057 billion in the week ending February 9, the State Bank of Pakistan (SBP) said on Thursday. By our correspondent KARACHI: The foreign exchange reserves held by the central bank increased by \$13 million to \$8.057 billion in the week ending February 9, the State Bank of Pakistan (SBP) said on Thursday. The country's total reserves rose by \$52 million to \$13.149 billion

FBR delays issuance of three key notifications (BR)

The Federal Board of Revenue (FBR) has delayed issuance of three key notifications dealing with the documentation of economy, withholding agents and integration of databases and financial transactions. These three major documentation measures are related to the integration of financial data and transactions of 145 organisations, documentation of withholding agents' transactions and online integration of businesses. The draft rules (SRO 1771(I)2023, SRO 1846(I)/2023 & SRO1845 (I)2023) of all three measures were issued last month, but their final notifications have not been issued by the FBR.

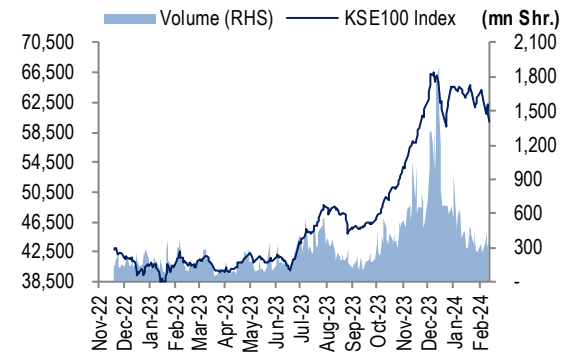
VATF says export-oriented industries face daunting challenge amid soaring gas tariffs (The News)

The Value-Added Textile Forum (VATF), a group representing various textile associations, on Wednesday accused the caretaker government of sabotaging the industry and trade with its 'engineered' economic policies that have pushed up the cost of energy and other inputs to historic highs

Moody's speaks of elevated political uncertainty (BR)

Political uncertainty persists in Pakistan following inconclusive election results, a credit negative, says Moody's Investors Services (Moody's). The rating agency in its latest report on Pakistan stated that overall, uncertainty around Pakistan's ability to quickly negotiate a new International Monetary Fund (IMF) programme after the current one expires in April 2024 remains very high. Pakistan's government liquidity and external vulnerability risks will remain very high until there is clarity on a credible longer-term financing plan

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies Index Contribution

Bullish Companies

EFERT	92.8
MCB	33.3
FATIMA	18.5
NATF	14.3
AGP	9.2
Total	168.1

Bearish Companies

OGDC	(729.9)
PPL	(377.4)
HUBC	(221.1)
PSO	(149.4)
LUCK	(116.7)
Total	(1,594.5)

Sectors Index Contribution

Bullish Sectors

Textile Spinning	2.8
Leasing Companies	0.3
Jute	0.0
Synthetic & Rayon	0.0
Woollen	-
Total	3.1

Bearish Sectors

Oil & Gas Exploration Companies	(1,176.3)
Cement	(288.2)
Power Generation & Distribution	(287.3)
Oil & Gas Marketing Companies	(216.0)
Commercial Banks	(207.5)
Total	(2,175.4)

FinanceAsia

Best Investment Bank: 2022



Excellence Award Leading
Brokerage House for RDA2021



Best Equity Advisor: 2021



Best Money Market
Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price 16-Feb-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.	98.2	129.61	31.9	Buy	37.4	39.5	37.4	2.50	3.50	3.50	2.6	2.5	2.5	3.6	0.5	0.4	20.9	18.3	KSE100, KSE30, KMI & MSCI	
OGDC	Oil and Gas Dev Co.	107.9	165.6	53.5	Buy	52.2	45.2	43.5	8.55	9.00	8.75	2.1	2.4	7.9	8.3	0.4	0.4	22.9	17.0	KSE100, KSE30, KMI & MSCI	
POL	Pakistan Oilfields Ltd.	408.4	554.82	35.8	Buy	128.4	120.4	110.8	80.00	76.00	70.00	3.2	3.4	19.6	18.6	1.7	1.6	61.4	49.2	KSE100, KSE30 & MSCI	
MARI	Mari Petroleum Ltd	2,198.3	2,711.4	23.3	Buy	420.7	553.3	609.1	147.00	235.00	280.00	5.2	4.0	6.7	10.7	1.7	1.4	37.5	38.9	KSE100, KSE30, KMI & MSCI	
Commercial Banks																					
UBL	United Bank Ltd.*	181.9	276.0	51.8	Buy	46.3	56.1	52.3	44.00	42.00	39.00	3.9	3.2	24.2	23.1	1.0	0.9	24.8	28.7	KSE100, KSE30 & MSCI	
BAFL	Bank Alfalah*	50.6	69.1	36.7	Buy	23.2	25.9	23.9	8.00	8.00	7.00	2.2	1.9	15.8	15.8	0.6	0.5	32.0	29.1	KSE100 & MSCI	
MCB	MCB Bank Ltd.*	186.4	294.1	57.8	Buy	54.9	61.4	58.7	30.00	34.00	33.00	3.4	3.0	16.1	18.2	1.0	0.9	31.4	30.9	KSE100, KSE30 & MSCI	
HBL	Habib Bank Ltd.*	110.1	158.3	43.8	Buy	40.8	50.2	43.5	8.00	10.00	10.00	2.7	2.2	7.3	9.1	0.5	0.4	19.4	20.3	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	14.0	16.3	0.6	0.5	29.0	26.3	KSE100	
NBP	National Bank of Pakistan.*	27.3	47.6	74.2	Buy	24.6	26.0	22.4	-	3.00	2.00	1.1	1.1	-	11.0	0.2	0.1	15.7	14.6	KSE100	
AKBL	Askari Bank Ltd.*	23.4	33.7	43.8	Buy	14.1	15.0	13.8	2.00	5.00	4.00	1.7	1.6	8.5	21.3	0.4	0.3	24.9	22.1	KSE100	
BOP	The Bank of Punjab*	5.9	7.9	34.0	Buy	2.8	3.2	2.9	-	0.75	0.50	2.1	1.8	-	12.8	0.3	0.2	13.2	13.4	KSE100 & MSCI	
MEBL	Meezan Bank Ltd.*	167.7	240.0	43.1	Buy	47.7	57.7	54.9	20.00	22.00	21.00	3.5	2.9	11.9	13.1	1.7	1.3	58.7	50.7	KSE100, KSE30 & KMI	
FABL	Faysal Bank Ltd.*	30.8	53.4	73.4	Buy	13.3	16.1	14.9	4.00	6.00	6.00	2.3	1.9	13.0	19.5	0.6	0.5	26.6	27.9	KSE100, KMI & MSCI	
Fertilizer																					
ENGRO	Engro Corporation*	305.9	372.1	21.6	Buy	63.2	76.0	85.6	54.00	61.00	69.00	4.8	4.0	17.7	19.9	0.5	0.5	12.1	12.2	KSE100, KSE30, KMI & MSCI	
FFBL	Fauji Fert. Bin Qasim	25.2	29.9	18.8	Buy	3.4	4.6	5.5	1.00	1.00	1.00	7.4	5.5	4.0	-	1.3	1.0	18.3	20.8	KSE100, KMI & MSCI	
EFERT	Engro Fertilizer	129.9							Under Review											KSE100, KSE30, KMI & MSCI	
FFC	Fauji Fertilizer Co.	109.3	152.3	39.4	Buy	23.3	27.7	28.3	15.49	21.00	22.00	4.7	3.9	14.2	19.2	2.4	2.1	54.6	56.7	KSE100, KSE30 & MSCI	
FATIMA	Fatima Fertilizer Co.	36.3	na	na	na	na	na	na	na	na	na	Group Company: No estimates are given								KSE100 & KMI	
AHCL	Arif Habib Corp. Ltd.	35.6	na	na	na	8.4	na	na	-	na	na	Group Company: No estimates are given								KSEALL	
Cement																					
LUCK	Lucky Cement Ltd.*	703.5	1,148.9	63.3	Buy	166.4	217.6	232.7	18.00	20.00	43.00	4.2	3.2	2.6	2.8	0.8	0.6	21.2	21.8	KSE100, KSE30, KMI & MSCI	
FCCL	Fauji Cement Co.	17.0	35.0	106.0	Buy	3.0	3.8	7.0	-	-	2.00	5.6	4.4	-	-	0.6	0.6	12.1	13.5	KSE100, KMI & MSCI	
ACPL	Attock Cement Ltd.	82.5	155.1	87.9	Buy	11.0	22.2	30.4	6.00	10.00	12.00	7.5	3.7	7.3	12.1	0.2	0.2	4.0	4.9	KSEALL, KMI & MSCI	
DGKC	D.G. Khan Cement Co.	64.1	98.7	54.0	Buy	(8.3)	9.8	16.2	-	-	4.00	(7.7)	6.5	-	-	0.4	0.4	(5.4)	6.5	KSE100, KSE30, KMI & MSCI	
KOHC	Kohat Cement Co.	202.5	322.1	59.0	Buy	29.7	38.6	37.3	-	11.58	11.18	6.8	5.2	-	5.7	1.2	1.0	19.4	20.8	KSE100, KSE30 & MSCI	
MLCF	Maple Leaf Cement.*	35.9	59.4	65.5	Buy	5.4	6.7	8.2	-	2.00	3.00	6.7	5.3	-	5.6	0.9	4.0	13.2	26.5	KSE100, KMI & MSCI	
POWER	Power Cement	5.4	na	na	na	0.2	na	na	-	na	na	Group Company: No estimates are given								KMI	
Oil & Gas Marketing																					
PSO	Pakistan State Oil	141.2	258.8	83.3	Buy	12.1	65.9	73.7	7.50	10.00	12.00	11.7	2.1	5.3	7.1	0.3	0.3	2.6	13.7	KSE100, KSE30, KMI & MSCI	
ANL	Attock Petroleum Ltd.	361.32	398.20	10.2	Hold	100.2	97.3	110.6	27.50	57.50	67.50	3.6	3.7	7.6	15.9	1.0	0.9	30.2	25.4	KSE100 & KMI	
SNGP	Sui Northern Gas Pipeline Ltd.	60.9	84.3	38.4	Buy	18.8	23.3	25.6	8.00	7.00	8.00	3.2	2.6	13.1	11.5	0.8	0.6	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.	1,450.7	1,571.0	8.3	Hold	123.0	186.1	227.1	71.80	109.00	133.00	11.8	7.8	4.9	7.5	1.9	1.7	16.9	23.2	KSE100	
HCAR	Honda Atlas Cars (Pak)	195.8	248.1	26.7	Buy	1.8	13.6	24.0	-	5.00	11.00	107.5	14.4	-	2.6	1.5	1.3	1.3	9.7	KSE100 & KMI	
MTL	Millat Tractors Ltd.	539.4	661.2	22.6	Buy	17.6	48.6	59.0	25.00	49.00	53.00	30.6	11.1	4.6	9.1	13.4	13.5	45.8	121.4	KSE100, KSE30, KMI & MSCI	
Power Generation & Distribution																					
HUBC	Hub Power Company*	108.3	170.7	57.6	Buy	44.4	53.4	57.5	30.00	30.00	24.25	2.4	2.0	27.7	27.7	0.9	0.7	40.6	39.4	KSE100, KSE30, KMI & MSCI	
NCPL	Nishat Chu. Power Ltd.	24.5	29.6	20.5	Buy	10.8	12.7	10.3	-	4.00	2.75	2.3	1.9	-	16.3	0.4	0.3	16.4	18.1	KMI & MSCI	
NPL	Nishat Power Ltd.	30.7	35.8	16.3	Buy	11.6	13.6	9.9	7.00	6.00	4.00	2.7	2.3	22.8	19.5	0.4	0.3	14.1	15.4	KSEALL & MSCI	
Textile Composite																					
NML	Nishat Mills Ltd.	67.7	107.3	58.5	Buy	34.6	41.3	44.4	5.00	6.00	6.50	2.0	1.6	7.4	8.9	0.3	0.2	14.4	15.2	KSE100, KMI & MSCI	
NCL	Nishat (Chunian) Ltd.	25.5	39.0	53.2	Buy	(4.2)	10.8	11.5	-	4.00	4.00	(6.1)	2.3	-	15.7	0.3	0.3	(4.4)	12.1	KSEALL	
ILP	Interloop Ltd.	69.5	99.2	42.7	Buy	14.4	16.2	20.1	5.00	5.50	8.00	4.8	4.3	7.2	7.9	2.2	1.7	52.2	44.3	KSE100 & KMI	
Chemicals																					
LOTICHEM	Lotte Chemical Pak Ltd.	18.85	27.90	48.0	Buy	4.5	4.5	4.9	3.50	2.00	2.50	4.2	4.2	18.6	10.6	1.2	1.0	28.8	25.6	KSE100 & KMI	
EPCL	Engro Polymer & Chem.	45.7	56.8	24.4	Buy	6.6	8.6	10.6	5.50	6.00	7.50	6.9	5.3	12.0	13.1	1.5	1.4	22.1	27.8	KSE100, KSE30 & KMI	
LCI	Lucky Core Industries Ltd.	742.3	937.1	26.2	Buy	191.1	86.8	113.1	43.00	40.00	50.00	3.9	8.6	5.8	5.4	1.6	1.0	45.7	14.6	KSE100 & KMI	
Leather & Tanneries																					
SGF	Service Global Footwear Ltd.	50.38	76.40	51.6	Buy	4.9	8.8	14.3	3.00	3.50	5.50	10.3	5.7	6.0	6.9	1.6	1.4	15.9	25.6	KMI	
Engineering																					
ASTL	Amreli Steels Ltd.	21.7	27.4	26.0	Buy	(2.3)	1.5	5.7	-	-	2.00	(9.5)	14.4	-	-	0.4	0.4	(4.6)	3.0	KSEALL	
AGHA	Agha Steel Industries Ltd.	11.2	26.7	139.7	Buy	1.5	1.1	5.1	-	-	-	7.5	10.3	-	-	0.4	0.4	5.6	3.9	KMI	
ASL	Aisha Steel Mills Ltd.	6.5	na	na	na	(3.5)	na	na	-	na	na	Group Company: No estimates are given								KSEALL	
Technology & Communication																					
SYS	Systems Ltd.	370.9	614.0	65.5	Buy	31.7	35.7	43.1	5.00	6.75	12.50	11.7	10.4	1.3	1.8	3.3	2.5	33.3	27.5	KSE100, KSE30, KMI & MSCI	

Source: Bloomberg, AHL Research, *Earnings Consolidated Basis

Pakistan Weekly Update

Pakistan
Stock Market



February 16, 2024

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
FATIMA	36.33	5.61	8.45	2.37	37.01	33.26	37.01	25.76	37.01	24.36
EFERT	129.88	4.06	6.35	15.73	129.88	97.80	129.88	70.50	129.88	68.98
FML	88.70	3.14	(6.11)	(1.72)	94.68	82.01	94.68	63.37	94.68	50.81
MCB	186.40	1.44	4.10	8.03	191.57	151.49	191.57	119.02	191.57	93.72
SGF	50.38	0.30	(1.22)	(16.48)	60.32	41.67	60.32	28.65	60.32	23.03
AKBL	19.00	-	-	-	19.00	19.00	19.00	19.00	19.00	19.00
POL	408.42	(0.52)	(1.05)	2.61	425.98	385.43	425.98	351.43	425.98	317.92
BAFL	50.58	(0.53)	0.18	4.27	53.19	39.82	53.19	37.71	53.19	25.73
HBL	110.06	(0.60)	(1.01)	(0.70)	129.52	96.91	129.52	87.89	129.52	63.87
FABL	30.76	(0.90)	(4.56)	(5.59)	33.85	26.39	33.85	20.42	33.85	18.37
INDU	1,450.66	(1.04)	(0.98)	20.90	1,518.26	1,105.60	1,518.26	864.68	1,518.26	793.23
UBL	181.86	(1.24)	(0.11)	2.26	190.05	164.39	190.05	129.39	190.05	75.00
POWER	5.43	(1.27)	(1.27)	(8.89)	6.43	5.19	6.43	3.49	6.43	3.49
ILP	69.52	(1.47)	0.29	(3.44)	75.25	63.50	75.25	35.17	75.25	28.44
LCI	742.26	(1.86)	(1.05)	(1.27)	778.60	647.04	778.60	535.23	778.60	471.25
HUMNL	6.47	(2.56)	4.35	(5.55)	8.04	6.20	8.04	5.35	8.04	5.30
BOP	5.88	(2.65)	(5.16)	(9.26)	7.57	4.73	7.57	3.42	7.57	3.19
NPL	30.74	(2.75)	0.75	(0.68)	33.85	29.31	33.85	19.01	33.85	14.30
FFC	109.25	(2.98)	(3.72)	(3.48)	120.77	107.07	120.77	87.50	120.77	87.13
NBP	27.33	(3.12)	(1.69)	(14.89)	37.46	27.33	37.46	21.00	37.46	18.89
ENGRO	305.88	(3.25)	(3.71)	3.72	332.41	285.32	332.41	236.68	332.41	230.52
MARI	2,198.25	(3.34)	1.55	9.48	2,427.97	1,635.84	2,427.97	1,464.30	2,427.97	1,328.69
FFBL	25.15	(3.42)	(6.05)	(21.16)	32.43	22.33	32.43	12.94	32.43	11.11
KAPCO	28.35	(3.77)	(3.54)	(0.28)	31.99	27.52	31.99	19.19	31.99	16.48
MTL	539.44	(3.99)	2.92	(7.20)	655.84	518.27	655.84	403.21	655.84	305.45
EPCL	45.67	(4.20)	(3.73)	(1.97)	51.25	43.55	51.25	37.08	51.25	36.41
NCL	25.47	(4.21)	(5.88)	(1.85)	29.99	24.90	29.99	19.98	29.99	19.98
ABL	85.99	(4.26)	(0.01)	3.60	90.51	77.00	90.51	64.87	90.51	54.88
AHCL	35.55	(4.54)	(5.53)	(1.03)	38.79	30.00	38.79	24.35	38.79	23.25
MLCF	35.87	(4.60)	(5.90)	(7.84)	42.71	35.87	42.71	27.05	42.71	21.98
APL	361.32	(4.74)	(7.48)	(1.98)	412.21	334.28	412.21	262.16	412.21	262.16
FCCL	16.99	(5.40)	(4.92)	(10.20)	20.51	16.72	20.51	10.54	20.51	10.54
ASTL	21.71	(5.49)	(12.60)	(5.85)	27.53	21.71	27.53	18.29	27.53	14.99
LUCK	703.45	(5.83)	(4.16)	(10.61)	818.48	703.45	818.48	514.35	818.48	379.99
HUBC	108.32	(6.44)	(4.93)	(7.49)	123.69	108.32	123.69	69.33	123.69	51.95
HCAR	195.80	(6.74)	(14.48)	(8.38)	281.91	195.80	281.91	102.63	281.91	82.41
KOHC	202.51	(6.82)	(6.15)	(13.54)	249.06	194.43	249.06	151.84	249.06	126.19
NCPL	24.54	(7.15)	(7.40)	(12.26)	32.23	23.59	32.23	17.91	32.23	13.60
AGHA	11.15	(7.24)	(9.35)	(21.64)	16.07	11.15	16.16	9.19	16.16	9.11
NML	67.73	(7.67)	(9.71)	(11.72)	83.64	67.73	83.64	53.08	83.64	47.00
LOTICHEM	18.85	(7.69)	(5.23)	(30.16)	28.59	18.85	28.59	18.85	29.81	18.85
SNGP	60.91	(7.85)	(6.68)	(17.15)	79.07	60.64	79.07	41.02	79.07	37.35
ACPL	82.54	(8.31)	(7.96)	(11.84)	104.52	82.54	104.52	71.15	104.52	47.28
ITTEFAQ	6.43	(8.79)	(10.45)	(17.46)	8.62	6.43	8.62	4.75	8.62	4.20
DGKC	64.10	(9.32)	(9.95)	(17.18)	82.50	63.85	82.50	41.54	82.50	39.44
PSO	141.18	(14.12)	(13.73)	(20.11)	217.22	141.18	217.22	103.66	217.22	93.36
PPL	98.23	(15.88)	(13.87)	(14.60)	133.79	90.53	133.79	64.82	133.79	55.25
OGDC	107.93	(25.61)	(20.22)	(4.02)	155.57	105.09	155.57	88.95	155.57	70.52

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 (%)	4.0	1.4	3.3	2.6	3.6	3.5	3.6	3.5	2.0	3.0	10.4	-70.8%
P/E (x)	13.9	18.3	8.8	11.8	7.7	14.4	9.9	16.4	9.0	12.2	4.3	-64.7%
P/B (x)	1.9	3.0	1.6	1.4	1.0	1.3	1.1	2.2	0.9	1.6	0.7	-55.0%

Source: Bloomberg, AHL Research

Pakistan Weekly Update

Pakistan
Stock Market



February 16, 2024

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	223.24	224.75	SELL	(1.51)
Companies	10.46	11.23	SELL	(0.77)
Banks / DFIs	12.29	14.41	SELL	(2.12)
NBFC	0.15	0.10	BUY	0.06
Mutual Funds	13.82	10.86	BUY	2.95
Other Organizations	2.23	3.15	SELL	(0.91)
Broker Proprietary Trading	47.55	53.43	SELL	(5.88)
Insurance Companies	5.76	2.82	BUY	2.95
Total	315.51	320.75	SELL	(5.23)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	133.91	130.09	BUY	3.82
Companies	3.65	4.78	SELL	(1.13)
Banks / DFIs	6.59	7.27	SELL	(0.68)
NBFC	0.10	0.08	BUY	0.02
Mutual Funds	5.38	10.84	SELL	(5.46)
Other Organizations	1.02	2.24	SELL	(1.21)
Broker Proprietary Trading	31.95	32.72	SELL	(0.76)
Insurance Companies	3.36	3.64	SELL	(0.28)
Total	185.96	191.65	SELL	(5.69)

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	19.54	19.34	BUY	0.20
Fertilizer	16.09	17.01	SELL	(0.92)
Cement	16.75	16.11	BUY	0.64
Power Generation & Distribution	15.91	16.72	SELL	(0.81)
Exploration & Production	100.95	103.12	SELL	(2.17)
Oil & Gas Marketing Companies	27.57	28.03	SELL	(0.46)
Food and Personal Care Products	6.64	7.55	SELL	(0.91)
Textile Composite	1.33	1.35	SELL	(0.02)
Technology and Communication	25.76	25.40	BUY	0.36
Debt	0.05	0.05	SELL	0.00
All other Sectors	84.39	85.54	SELL	(1.15)
Total	314.97	320.20	SELL	(5.23)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	10.41	11.60	SELL	(1.20)
Fertilizer	5.03	6.19	SELL	(1.15)
Cement	9.06	8.18	BUY	0.88
Power Generation & Distribution	7.30	7.54	SELL	(0.24)
Exploration & Production	74.34	79.23	SELL	(4.89)
Oil & Gas Marketing Companies	10.08	10.03	BUY	0.05
Food and Personal Care Products	3.30	3.29	BUY	0.01
Textile Composite	0.88	0.89	SELL	(0.01)
Technology and Communication	12.25	11.72	BUY	0.53
Debt	-	0.03	SELL	(0.03)
All other Sectors	52.95	52.61	BUY	0.34
Total	185.59	191.31	SELL	(5.69)

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.02	0.05	SELL	(0.03)
Foreign Corporates	6.27	4.89	BUY	1.38
Overseas Pakistani	18.81	14.93	BUY	3.88
Total	25.11	19.88	BUY	5.23

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	SELL	(0.00)
Foreign Corporates	8.64	1.60	BUY	7.04
Overseas Pakistani	11.59	12.94	SELL	(1.35)
Total	20.24	14.55	BUY	5.69

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	2.92	3.13	SELL	(0.20)
Fertilizer	1.67	0.75	BUY	0.92
Cement	0.68	1.32	SELL	(0.64)
Power Generation & Distribution	1.52	0.71	BUY	0.81
Exploration & Production	6.71	4.54	BUY	2.17
Oil & Gas Marketing Companies	1.63	1.17	BUY	0.46
Food and Personal Care Products	1.31	0.40	BUY	0.91
Textile Composite	0.10	0.07	BUY	0.02
Technology and Communication	2.69	3.05	SELL	(0.36)
All other Sectors	5.87	4.72	BUY	1.15
Total	25.11	19.88	BUY	5.23

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.50	0.31	BUY	1.20
Fertilizer	1.70	0.54	BUY	1.15
Cement	0.46	1.34	SELL	(0.88)
Power Generation & Distribution	0.70	0.46	BUY	0.24
Exploration & Production	10.29	5.40	BUY	4.89
Oil & Gas Marketing Companies	0.52	0.57	SELL	(0.05)
Food and Personal Care Products	0.41	0.42	SELL	(0.01)
Textile Composite	0.08	0.07	BUY	0.01
Technology and Communication	1.01	1.53	SELL	(0.53)
All other Sectors	3.57	3.91	SELL	(0.34)
Total	20.24	14.55	BUY	5.69

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	91	8.9	8.4	6.1	Greece	ASE Index	1,411	0.5	2.4	6.2
Mongolia	MSETOP Index	45,024	4.9	9.0	10.0	Hungary	BUX Index	65,785	0.5	0.4	3.7
Hong Kong	HSI Index	16,340	3.7	5.5	(4.3)	Philippines	PCOMP Index	6,873	0.4	3.7	5.5
Japan	NKY Index	38,487	3.7	3.3	7.8	Croatia	CRO Index	2,700	0.3	0.5	3.7
Chile	IPSA Index	6,204	3.1	(0.2)	(8.9)	Sri Lanka	CSEALL Index	10,586	0.3	3.7	3.1
Kazakhstan	KZKAK Index	4,571	3.1	7.2	10.7	USA	INDU Index	38,773	0.3	1.6	2.9
Taiwan	TWSE Index	18,607	2.9	3.8	1.2	Netherland	AEX Index	855	0.3	3.8	5.8
Singapore	FSSTI Index	3,222	2.6	1.5	(2.6)	Bulgaria	SOFIX Index	784	0.2	(1.1)	(0.3)
Norway	OBXP Index	557	2.6	(0.9)	(6.6)	Australia	AS51 Index	7,658	0.2	(1.4)	(3.7)
Sweden	OMX Index	2,413	2.6	1.4	(3.4)	Romania	BET Index	15,752	0.2	0.8	(0.3)
Saudi Arabia	SASEIDX Index	12,485	2.3	5.8	4.6	Spain	IBEX Index	9,928	0.2	(2.2)	(4.3)
Poland	WIG20 Index	2,372	2.3	3.1	(1.3)	USA	SPX Index	5,030	0.1	3.8	5.4
Serbia	BELEX15 Index	918	2.1	3.6	1.7	Mexico	MEXBOL Index	57,252	0.0	0.4	(1.0)
Qatar	DSM Index	10,155	2.0	0.6	(4.2)	Tunisia	TUSISE Index	8,359	0.0	(1.2)	(6.4)
Turkey	XU100 Index	9,263	1.9	7.3	18.8	Bahrain	BHSEASI Index	2,068	(0.0)	0.0	5.4
Italy	FTSEMIB Index	31,796	1.9	2.6	2.0	Ghana	GGSECI Index	3,179	(0.4)	(0.9)	(2.7)
Egypt	EGX30 Index	28,926	1.8	2.3	17.3	Jordan	JOSMGNFF Index	2,471	(0.4)	(0.3)	1.9
Oman	MSM30 Index	4,630	1.8	1.5	3.2	Thailand	SET Index	1,386	(0.4)	(0.2)	(7.2)
Dubai	DFMGI Index	4,259	1.8	2.2	4.9	Brazil	IBOV Index	127,804	(0.6)	(0.8)	(7.0)
Austria	ATX Index	3,418	1.6	(1.8)	(3.1)	Belgium	BEL20 Index	3,706	(0.6)	3.0	1.4
France	CAC Index	7,780	1.6	0.9	0.4	Belgium	BEL20 Index	3,706	(0.6)	3.0	1.4
Indonesia	JCI Index	7,336	1.6	2.6	(0.7)	Slovenia	SBITOP Index	1,380	(0.6)	3.4	7.2
Switzerland	SMI Index	11,343	1.5	(2.4)	(3.0)	Lithuania	VILSE Index	962	(0.6)	(0.9)	(1.2)
Czech Republic	PX Index	1,490	1.5	(0.7)	(0.5)	USA	NDX Index	17,846	(0.6)	4.1	6.1
Finland	HEX Index	9,911	1.4	(3.3)	(4.5)	Nigeria	NGSEINDX Index	105,415	(0.7)	(38.4)	(15.7)
South Africa	JALSH Index	73,840	1.3	(2.1)	(7.1)	Estonia	TALSE Index	1,766	(0.9)	(1.0)	(2.8)
Denmark	KFX Index	2,592	1.2	5.6	10.5	Ukraine	PFTS Index	507	(0.9)	(1.4)	0.1
Germany	DAX Index	17,158	1.2	0.7	(0.3)	Mauritius	SEMDEX Index	2,049	(1.6)	(3.4)	(4.6)
UK	UKX Index	7,685	1.1	(0.3)	(2.0)	Iceland	ICEX Index	2,283	(1.8)	(3.3)	5.5
South Korea	KOSPI Index	2,649	1.1	5.9	(3.5)	New Zealand	NZSE Index	1,768	(1.8)	(1.9)	(4.2)
Malaysia	FBMKLCI Index	1,534	1.1	0.3	1.2	Russia	RTSI\$ Index	1,101	(1.9)	(2.2)	1.6
India	SENSEX Index	72,427	1.1	0.9	0.5	Russia	IMOEX Index	3,245	(2.4)	(2.9)	0.3
Europe	SX5E Index	4,768	0.9	1.8	2.6	Lebanon	BLOM Index	1,890	(2.4)	(0.9)	(5.3)
Uae	ADSMI Index	9,427	0.9	(0.9)	(1.6)	Latvia	RIGSE Index	1,323	(3.0)	(3.7)	(3.6)
Canada	SPTSX Index	21,223	0.9	0.2	(0.8)	Argentina	MERVAL Index	1,093,752	(3.5)	(14.1)	14.0
Portugal	PSI20 Index	6,178	0.7	(3.0)	(6.0)	Pakistan	KSE100 Index	59,873	(4.9)	(3.3)	(3.3)
Luxembourg	LUXXX Index	1,545	0.7	1.9	(1.4)	Zimbabwe	ZHIALSH Index	516,231	(15.0)	(22.3)	20.8
Ireland	ISEQ Index	9,322	0.6	0.8	3.6	Argentina	MERVAL Index	1,115,907	(15.6)	(11.9)	16.8
Vietnam	VNIndex Index	1,210	0.6	3.5	6.0						

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

Pakistan Weekly Update

Pakistan
Stock Market



February 16, 2024

Key Economic Data & Commodities Prices

Month end	Units	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Current*
Money Market Data														
03-M T-Bill	%	19.53	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.28	20.70	20.86
06-M T-Bill	%	19.82	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.37	21.00	21.07
12-M T-Bill	%	19.93	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.32	20.84	20.74
03-Y PIB	%	18.20	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.54	16.73	16.58
05-Y PIB	%	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.90	15.47	15.47
10-Y PIB	%	15.50	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.91	14.17	14.12
06-M KIBOR	%	20.06	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.49	20.97	21.43
Policy Rate	%	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	31.6	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.7	28.3	28.3
Monetary Sector														
M1	PKR bn	23,131	24,074	24,802	25,017	26,157	25,857	25,964	26,184	26,403	26,717	27,130	n/a	27,130
M2	PKR bn	27,878	28,732	29,433	29,859	31,280	30,966	31,209	31,425	31,722	32,000	32,594	n/a	32,594
M3	PKR bn	31,241	32,070	32,743	33,140	34,545	34,246	34,483	34,287	34,906	35,180	35,741	n/a	35,741
Banking Sector														
Deposits	PKR bn	22,921	23,562	23,429	24,388	25,508	25,702	26,110	26,318	26,398	26,798	27,841	n/a	27,841
Advances	PKR bn	11,723	11,836	12,111	12,072	12,202	11,898	11,775	11,857	11,898	11,964	12,352	n/a	12,352
Investment	PKR bn	18,993	19,236	19,695	20,144	20,896	21,468	22,016	22,622	23,232	24,587	25,280	n/a	25,280
WALR	%	15.5	16.3	17.6	17.7	18.2	18.4	18.9	19.3	19.3	19.3	14.7	n/a	14.7
WADR	%	8.7	8.7	9.7	10.2	10.5	11.3	11.3	11.4	11.6	11.7	8.4	n/a	8.4
Spread	%	6.8	7.5	7.9	7.6	7.7	7.1	7.6	7.9	7.7	7.6	6.3	n/a	6.3
External Sector														
Forex Reserves	USD bn	9.3	9.8	10.0	9.5	9.2	13.5	13.2	12.5	12.0	12.0	13.2	13.3	13.1
With SBP	USD bn	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.6	7.4	7.4	8.2	8.2	8.1
With Banks	USD bn	5.5	5.6	5.6	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.0	5.0	5.1
Exchange rate	PKR/USD	261.5	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	285.2	281.9	279.5	279.4
C/A Balance	USD mn	(36.0)	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(46.0)	(184.0)	(15.0)	397.0	n/a	397.0
Exports	USD bn	2.2	2.4	2.1	2.6	2.1	2.1	2.5	2.5	2.8	2.7	2.8	n/a	2.8
Imports	USD bn	3.9	4.0	3.7	3.8	3.2	4.2	4.0	4.0	4.4	4.4	4.1	n/a	4.1
Trade Balance	USD bn	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	(1.7)	(1.3)	n/a	(1.3)
Remittances	USD bn	2.0	2.5	2.2	2.1	2.2	2.0	2.1	2.2	2.5	2.3	2.4	n/a	2.4
Key Commodities Prices														
International														
Coal	USD/ton	143.1	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	108.0	101.0	95.0	91.4
Steel (HRC)	USD/ton	628.8	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	560.2	574.4	567.0	561.6
PTA	USD/ton	785.0	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	765.0	780.0	800.0	785.0
Gold	USD/oz	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	2,039.5	1,992.3
Cotton (COTLOOK A)	USD/lb	99.4	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	89.7	91.4	93.3	98.9
Crude oil (WTI)	USD/bbl	77.1	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	76.0	71.7	75.9	76.6
Crude oil (Arab Light)	USD/bbl	83.4	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	87.7	80.4	84.9	84.5
Crude oil (Brent)	USD/bbl	83.9	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	82.8	77.0	81.7	81.6
Local														
Cotton	PKR/maund	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	20,000.0	21,000.0
Cement	PKR/bag	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	1,213.0	1,209.5
Gold	PKR/10 grms	166,580	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	186,474	187,930	189,300	187,420

*Current Price

Disclaimer

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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, BOP, FCCL, MLCF, SNGP.