

## Market Awaits IMF Nod

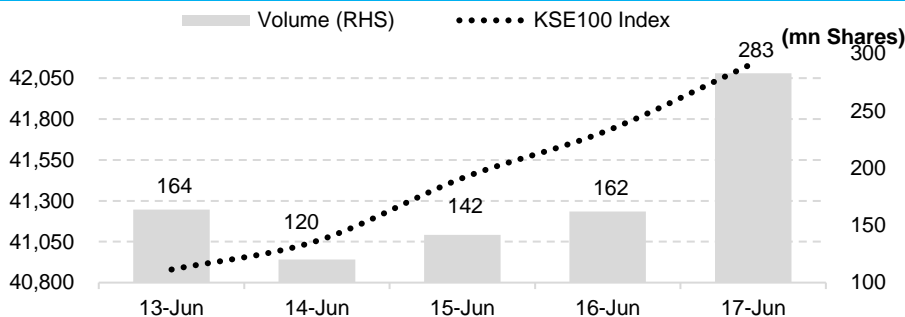
This week, the market opened on a negative note amid concerns over the dissatisfaction expressed by IMF upon measures taken in Federal Budget 2022-23, whereby the market plunged by 1,135 points DoD. After the bloodbath, the market sentiment turned positive amid the expectation of the exclusion of Pakistan from FATF's grey list. Moreover, the investors remained elated owed to the news flow regarding China agreeing to roll over loans worth USD 2.3bn to Pakistan and extending further assistance by USD 2.5bn to USD 2.8bn. Furthermore, the government increased the prices of MS and HSD by PKR 24.03/ltr and PKR 59.16/ltr, respectively, while completely eliminating the remaining subsidies, fulfilling one of the major conditions of IMF. However, the PKR continued to plummet throughout the week against the USD, closing at PKR 208 (lowest level ever) while SBP reserves dropped to a staggering USD 8.99bn. The market closed at 42,141 points, up by 126 points (up by 0.3% WoW).

Sector-wise positive contributions came from i) E&P (116pts), ii) Cement (90pts), iii) OMC (80pts), iv) Power Generation (56pts), and v) Engineering (51pts). Whereas, sectors which contributed negatively were i) Commercial Banks (263pts), ii) Chemical (34pts) and iii) Technology (33pts). Scrip-wise positive contributors were HUBC (51pts), PSO (50pts), POL (36pts), PPL (32pts) and OGDC (31pts). Meanwhile, scrip-wise negative contribution came from UBL (75pts), MEBL (71pts), BAHL (46pts), MCB (44pts) and SCBPL (34pts).

Foreign selling was witnessed this week, clocking in at USD 1.91mn compared to a net sell of USD 0.42mn last week. Major selling was witnessed in Banks (USD 1.4mn) and Fertilizer (USD 1.1mn). On the local front, buying was reported by companies (USD 10.5mn) followed by individuals (USD 5.8mn). Average volumes clocked in at 174mn shares (up 3% WoW) while average value traded settled at USD 25mn (up 16% WoW).

Other major news: i) Nepra okays Rs1.55/unit hike for Discos, ii) Textile exports surge by 28.6% in July/May, iii) OGDCL discovers gas in Sindh and iv) Jul-Apr period: Banks disburse over Rs1trn agri credit.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

Pakistan has fulfilled all the requirements to enter into the IMF program (elimination of petroleum subsidies, hike in electricity tariff and budgetary measures) and the government is opting to further expand revenue measures, with which agreement with IMF for the loan tranche of USD 1bn is expected to materialize. Hence, we expect the market to be positive in the coming week. However, continuous Pak Rupee depreciation against greenback will raise concerns over inflation. Our preferred stocks are OGDC, PPL, MARI, HBL, MCB, UBL, MEBL, FABL, LUCK, MLCF, FCCL, ENGRO, FFC, HUBC, PSO, INDU and SNGP. The KSE-100 is currently trading at a PER of 4.2x (2022) compared to Asia Pac regional average of 11.8x while offering a dividend yield of ~9.4% versus ~2.8% offered by the region.

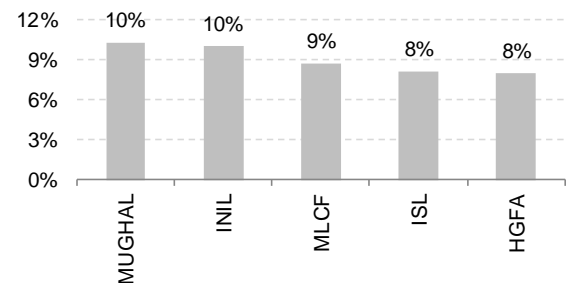
## PSX Indices Performance

Index	Current	WoW (%)	CY22TD (%)
KSE100	42,141	0.3	(5.5)
KSEAll	28,767	(0.3)	(6.4)
KSE30	16,101	0.2	(8.0)
KMI30	69,840	1.4	(2.6)
BKTI	11,002	(2.8)	(14.7)
OGTI	11,419	2.4	(0.4)

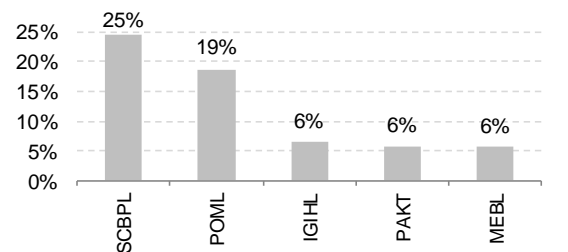
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
HUMNL	11.3	7.5
CENERGY	10.5	5.4
PRL	8.9	17.9
WTL	8.6	1.5
TPLP	8.5	19.5

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



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## Business & Economic developments during the week.

### Pakistan seeks US help to revive IMF deal (Tribune)

Pakistan has sought the United States support for the revival of the International Monetary Fund programme, as the global lender has yet to agree to a staff level pact despite the government having taken many difficult steps. The government's economic team met with US Ambassador Donald Blome and sought Washington's support and acknowledgement of the actions taken so far, at least two people familiar with the discussions told The Express Tribune. Blome was apprised about measures that have been taken to revive the programme and bring stability in the economy, they added. Finance Minister Miftah Ismail and Minister of State for Finance Dr Aisha Pasha met with the US envoy.

### Pakistan not asked to renegotiate CPEC IPPs deals: IMF (The News)

The International Monetary Fund (IMF) has not asked Pakistan to renegotiate deals with Independent Power Producers (IPPs) for the China-Pakistan Economic Corridor (CPEC). "The IMF did not ask Pakistan to renegotiate CPEC's IPP contracts. These claims are simply untrue. Rather the IMF supports the government's multi-pronged strategy to restore energy sector viability, which shares the burden of restoring viability across all stakeholders — the government, producers and consumers," the IMF's Resident Chief in Pakistan Esther Pervez Ruiz stated in a statement on Thursday. The sources said that the outstanding amount of circular debt for Chinese IPPs ballooned to over Rs300 billion and Prime Minister Shehbaz Sharif approved Rs50 billion to clear the first instalment of the piling up liability.

### Pakistan Housing Finance Project: Financing agreement signed with WB (BR)

Pakistan and the World Bank on Wednesday signed a financing agreement for the "Pakistan Housing Finance Project" worth \$85 million with the objective to increase access to housing finance for households, and support capital market development in the country. Mian Asad Hayaud Din, Secretary Ministry of Economic Affairs Pakistan and Gailius J Draugelis, acting country director, WB signed the Financing Agreement while a representative of Pakistan Mortgage Refinance Company (PMRC) signed the Project Agreement. Federal Minister for Economic Affairs Sardar Ayaz Sadiq witnessed the signing ceremony of the agreement.

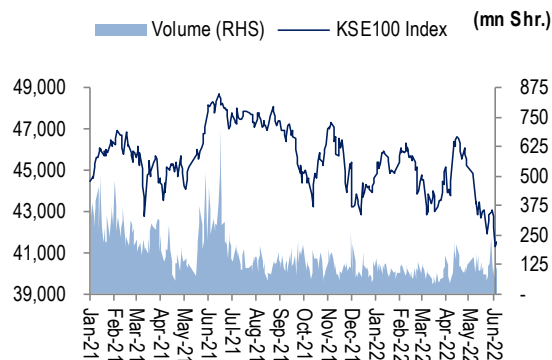
### Large-Scale Manufacturing output shrinks 13.3pc in April (Dawn)

In the first month of the PML-N-led coalition government, the Large-Scale Manufacturing (LSM) shrank month-on-month by 13.3 per cent in April, the Pakistan Bureau of Statistics (PBS) reported on Thursday. The big industry posted a robust growth of 26.6pc in March, the last month of the PTI government. However, the LSM grew year-on-year 15.4pc in April. The production estimation for LSM industries was made on the new base year of 2015-16. However, the PBS also released a separate estimation with old base of 2005-06. As per the old base 2005-06, the LSM grew by 5.3pc in April compared to a year ago.

### Issuance of PIBs, Sukuks: MoF asks PD to coordinate with its Debt Wing (BR)

The Finance Ministry has asked the Power Division to coordinate with its Debt Wing for issuance of PIBs and Sukuks against second tranche under 2002 power policy as per approved mechanism for settlement with IPPs, well-informed sources told Business Recorder. The government has to pay second tranche of 60 percent of total amount of Rs 95 billion to 11 IPPs as per the agreements before July 6, 2022. Of Rs 95 billion, 1/3rd is payable in cash, 1/3rd in Sukuk and 1/3rd in PIB bonds.

## PSX Volume & Index



## Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
HUBC	51.2
PSO	49.9
POL	35.7
PPL	32.4
OGDC	30.9
	<b>200.0</b>

## Bearish Companies

UBL	(75.0)
MEBL	(71.8)
BAHL	(45.8)
MCB	(43.8)
SCBPL	(34.3)
	<b>(270.8)</b>

## Sectors

### Bullish Sectors

Oil & Gas Exploration Companies	115.7
Cement	89.9
Oil & Gas Marketing Companies	80.2
Power Generation & Distribution	56.2
	<b>342.0</b>

### Bearish Sectors

Commercial Banks	(263.3)
Chemical	(33.6)
Technology & Communication	(33.0)
Tobacco	(16.9)
Automobile Parts & Accessories	(10.8)
	<b>(357.5)</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
MLCF	28.01	8.78	2.71	(22.09)	38.44	23.95	38.44	23.95	49.25	23.95
PTL	30.72	7.79	6.85	(26.44)	34.19	24.62	42.35	24.62	63.09	24.62
SNGP	33.83	7.60	17.55	1.14	33.83	25.88	37.14	25.88	50.47	25.88
DGKC	59.96	6.60	(2.65)	(27.71)	76.05	54.35	84.89	54.35	129.19	54.35
HUMNL	7.50	6.53	5.19	21.29	8.15	6.02	8.15	5.18	8.73	5.18
KOHC	140.09	5.79	1.17	(25.72)	174.82	126.22	190.59	126.22	234.44	126.22
PSO	172.92	5.74	5.00	(4.93)	172.92	155.63	196.85	155.63	228.26	155.63
FCCL	14.98	4.54	(0.99)	(18.45)	18.59	13.99	19.07	13.99	24.40	13.99
HCAR	174.46	3.51	0.78	(23.26)	201.49	163.67	232.15	163.67	372.93	163.67
HUBC	68.19	3.16	1.72	3.83	72.96	63.03	76.76	63.03	76.76	63.03
AGHA	14.59	3.04	(7.95)	(44.25)	20.14	13.83	27.62	13.83	34.28	13.83
ASTL	23.91	2.88	(8.07)	(46.58)	33.02	21.94	47.09	21.94	48.54	21.94
PPL	71.01	2.79	3.33	(8.49)	79.13	64.91	85.92	64.91	90.17	64.91
POL	416.56	2.69	4.01	22.73	416.56	366.19	416.56	327.12	416.56	317.73
NML	76.01	2.62	3.95	(4.49)	90.59	71.26	96.77	71.26	98.05	71.26
MTL	886.94	2.53	(1.06)	55.15	910.70	622.05	910.70	566.20	910.70	561.85
APL	316.26	2.36	3.73	5.11	331.72	293.35	343.95	284.13	343.95	276.78
OGDC	82.52	2.36	1.78	(0.96)	86.76	75.17	91.81	75.17	93.24	75.17
FML	62.40	2.30	(2.36)	(12.87)	69.50	59.85	77.40	59.85	99.21	59.85
KAPCO	27.76	2.06	0.95	(3.21)	31.42	26.24	31.99	26.24	32.78	23.61
BAFL	33.04	1.82	(2.85)	1.17	36.87	31.59	36.87	31.59	36.87	27.27
NCL	46.41	1.71	(1.59)	8.05	55.46	44.13	55.46	38.66	55.46	37.24
ITTEFAQ	7.15	1.71	(3.90)	(40.27)	10.77	6.75	12.53	6.75	21.85	6.75
AKBL	17.99	1.64	(2.28)	(18.30)	20.24	17.02	23.57	17.02	24.61	17.02
MARI	1,689.93	1.50	4.65	5.96	1,769.52	1,586.58	1,800.13	1,546.06	1,800.13	1,366.75
NCPL	15.15	1.00	(3.44)	(5.31)	17.44	13.68	18.67	12.27	18.67	11.74
EFERT	89.51	0.80	3.23	31.76	95.51	78.47	95.51	66.30	95.51	55.19
FFC	110.84	0.79	(3.74)	19.08	123.01	99.30	123.01	90.60	123.01	86.03
POWER	5.66	0.71	3.28	(11.01)	6.62	5.17	6.67	5.17	10.60	5.17
HTL	39.62	0.71	(1.22)	(5.09)	47.27	37.34	48.19	36.53	64.09	36.53
HBL	95.73	0.53	(7.42)	(14.49)	114.02	90.44	119.71	90.44	126.10	90.44
ENGRO	264.27	0.17	(1.42)	1.56	284.00	251.78	284.00	251.78	284.00	249.97
FATIMA	36.91	0.16	1.26	11.84	41.29	34.85	41.29	31.69	41.29	25.58
PSMC	189.48	-	4.98	(16.35)	220.49	176.00	236.06	176.00	353.92	176.00
FFBL	21.26	(0.09)	(3.97)	(14.21)	24.93	20.59	27.25	20.59	27.99	20.22
UNITY	20.51	(0.19)	(9.93)	(22.52)	28.25	20.05	32.42	20.05	49.36	20.05
SGF	41.39	(0.27)	(0.53)	(6.93)	49.47	39.58	50.86	39.58	61.22	39.44
NBP	28.03	(0.43)	(4.85)	(16.14)	32.44	27.48	35.83	27.48	36.63	27.48
FABL	21.87	(0.59)	(7.02)	(1.09)	28.38	20.41	28.38	20.41	28.38	15.72
LUCK	463.79	(0.73)	(1.79)	(31.72)	643.64	436.17	701.27	436.17	925.05	436.17
ILP	64.52	(0.97)	(4.51)	(8.86)	74.50	63.98	80.32	63.17	80.32	63.17
EPCL	82.75	(1.52)	(3.63)	76.76	89.08	55.37	89.08	45.36	89.08	34.16
AHCL	36.00	(1.64)	(2.70)	0.47	40.05	35.00	40.05	33.10	40.05	32.19
NPL	16.69	(1.82)	(4.63)	(7.31)	19.49	16.29	21.21	15.50	21.21	15.27
ABL	70.40	(1.92)	(1.00)	(10.30)	84.89	69.00	87.22	69.00	87.22	63.20
INDU	1,186.59	(1.93)	(3.86)	0.71	1,353.46	1,186.59	1,413.03	1,169.63	1,413.03	1,020.18
ICI	725.06	(2.07)	1.78	(2.20)	828.45	679.00	828.45	679.00	874.55	679.00
MCB	126.86	(3.20)	(5.20)	(11.53)	148.47	123.84	153.64	123.84	153.64	123.84
ACPL	75.09	(3.73)	(9.19)	(45.12)	126.52	75.09	137.68	75.09	172.46	75.09
BOP	5.53	(3.83)	(7.06)	(26.55)	7.38	5.44	7.76	5.44	7.92	5.44
LOTCHEM	23.29	(4.16)	(14.12)	70.50	27.80	14.31	27.80	13.15	27.80	12.03
UBL	120.12	(4.83)	(8.38)	(4.99)	138.86	117.46	138.86	117.46	138.86	102.89
MEBL	117.90	(5.62)	(10.05)	(9.92)	145.03	116.91	145.03	116.91	149.90	92.83

Source (s): Bloomberg, AHL Research

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

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	112.71	106.93	BUY	5.78
Companies	17.58	7.04	BUY	10.54
Banks / DFIs	7.97	7.61	BUY	0.36
NBFC	0.09	0.52	SELL	(0.43)
Mutual Funds	7.17	10.11	SELL	(2.94)
Other Organizations	0.81	1.84	SELL	(1.03)
Broker Proprietary Trading	28.16	32.57	SELL	(4.41)
Insurance Companies	1.77	7.73	SELL	(5.97)
<b>Total</b>	<b>176.25</b>	<b>174.34</b>	<b>BUY</b>	<b>1.91</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	130.37	124.73	BUY	5.64
Companies	9.93	4.37	BUY	5.57
Banks / DFIs	8.51	9.82	SELL	(1.31)
NBFC	0.05	0.14	SELL	(0.09)
Mutual Funds	8.21	12.30	SELL	(4.09)
Other Organizations	4.95	2.98	BUY	1.97
Broker Proprietary Trading	33.07	32.57	BUY	0.50
Insurance Companies	2.02	9.78	SELL	(7.76)
<b>Total</b>	<b>197.11</b>	<b>196.69</b>	<b>BUY</b>	<b>0.42</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	11.78	10.40	BUY	1.38
Fertilizer	10.29	9.18	BUY	1.11
Cement	25.70	25.43	BUY	0.28
Power Generation & Distribution	3.78	3.73	BUY	0.06
Exploration & Production	23.23	22.33	BUY	0.89
Oil & Gas Marketing Companies	14.57	14.43	BUY	0.15
Food and Personal Care Products	7.41	7.41	BUY	0.00
Textile Composite	2.44	2.42	BUY	0.02
Technology and Communication	21.10	22.13	SELL	(1.03)
Debt	0.00	0.00	SELL	-
All other Sectors	56.00	56.95	SELL	(0.95)
<b>Total</b>	<b>176.31</b>	<b>174.40</b>	<b>BUY</b>	<b>1.91</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	16.30	12.14	BUY	4.16
Fertilizer	7.51	8.31	SELL	(0.80)
Cement	16.32	15.90	BUY	0.42
Power Generation & Distribution	5.02	5.97	SELL	(0.95)
Exploration & Production	23.25	24.15	SELL	(0.91)
Oil & Gas Marketing Companies	8.22	8.26	SELL	(0.05)
Food and Personal Care Products	12.43	12.54	SELL	(0.11)
Textile Composite	2.31	2.25	BUY	0.05
Technology and Communication	20.54	20.86	SELL	(0.32)
Debt	7.33	7.33	BUY	0.00
All other Sectors	77.90	78.98	SELL	(1.08)
<b>Total</b>	<b>197.11</b>	<b>196.69</b>	<b>BUY</b>	<b>0.42</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.04	SELL	(0.03)
Foreign Corporates	5.77	6.72	SELL	(0.95)
Overseas Pakistani	7.38	8.31	SELL	(0.93)
<b>Total</b>	<b>13.16</b>	<b>15.07</b>	<b>SELL</b>	<b>(1.91)</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.11	SELL	(0.10)
Foreign Corporates	8.96	9.93	SELL	(0.97)
Overseas Pakistani	10.30	9.65	BUY	0.65
<b>Total</b>	<b>19.27</b>	<b>19.69</b>	<b>SELL</b>	<b>(0.42)</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.86	2.24	SELL	(1.38)
Fertilizer	1.49	2.60	SELL	(1.11)
Cement	1.00	1.28	SELL	(0.28)
Power Generation & Distribution	0.30	0.36	SELL	(0.06)
Exploration & Production	1.22	2.12	SELL	(0.89)
Oil & Gas Marketing Companies	0.82	0.97	SELL	(0.15)
Food and Personal Care Products	0.39	0.39	SELL	(0.00)
Textile Composite	0.17	0.19	SELL	(0.02)
Technology and Communication	2.82	1.79	BUY	1.03
All other Sectors	4.10	3.15	BUY	0.94
<b>Total</b>	<b>13.16</b>	<b>15.07</b>	<b>SELL</b>	<b>(1.91)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	2.17	6.33	SELL	(4.16)
Fertilizer	1.70	0.90	BUY	0.80
Cement	0.88	1.30	SELL	(0.42)
Power Generation & Distribution	1.39	0.45	BUY	0.95
Exploration & Production	2.89	1.99	BUY	0.91
Oil & Gas Marketing Companies	0.79	0.75	BUY	0.05
Food and Personal Care Products	0.58	0.46	BUY	0.11
Textile Composite	0.14	0.20	SELL	(0.05)
Technology and Communication	1.82	1.49	BUY	0.32
All other Sectors	6.91	5.83	BUY	1.08
<b>Total</b>	<b>19.27</b>	<b>19.69</b>	<b>SELL</b>	<b>(0.42)</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 (%)	2.8	1.8	1.7	2.1	4.0	3.2	3.0	4.5	2.3	2.8	9.4	-70.0%
P/E (x)	14.8	15.8	9.9	12.8	9.0	14.6	9.8	10.9	8.5	11.8	4.2	-64.3%
P/B (x)	1.9	2.4	1.7	1.4	8.7	1.5	1.2	1.8	0.9	2.4	0.7	-70.1%

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 (%)
Russia	IMOEX Index	2,356	6.0	11.7	(17.7)	Poland	WIG20 Index	1,695	(3.6)	(12.3)	(32.3)
Russia	RTSI\$ Index	1,317	3.8	9.0	(17.5)	Austria	ATX Index	3,075	(3.7)	(9.7)	(26.2)
China	SHSZ300 Index	4,309	1.7	4.8	(17.3)	Iceland	ICEXI Index	2,208	(3.8)	(6.5)	(16.4)
Tunisia	TUSISE Index	7,454	0.5	(1.1)	(2.2)	Egypt	EGX30 Index	9,867	(3.8)	(3.5)	(30.8)
Zimbabwe	ZHIALSH Index	24,136	0.2	4.6	127.6	Mongolia	MSETOP Index	33,363	(4.1)	(1.7)	(31.2)
Hungary	BUX Index	39,443	0.1	(3.1)	(33.7)	Europe	SX5E Index	3,458	(4.2)	(10.8)	(25.9)
Ukraine	PFTS Index	519	(0.0)	(0.3)	(8.2)	Norway	OBXP Index	572	(4.2)	(11.4)	(10.6)
Jordan	JOSMGNFF Index	2,435	(0.2)	(1.5)	14.7	Mexico	MEXBOL Index	47,559	(4.2)	(11.4)	(10.6)
Oman	MSM30 Index	4,123	(0.3)	0.2	(0.2)	Greece	ASE Index	828	(4.3)	(9.1)	(14.6)
Ghana	GGSECI Index	2,544	(0.7)	(2.4)	(29.2)	Qatar	DSM Index	12,562	(4.3)	(3.0)	8.2
Lebanon	BLOM Index	1,452	(1.0)	2.3	41.0	Philippines	PCOMP Index	6,332	(4.4)	(8.7)	(15.6)
Serbia	BELEX15 Index	820	(1.3)	(3.5)	(7.3)	France	CAC Index	5,929	(4.4)	(10.4)	(23.7)
Bangladesh	DSEX Index	6,426	(1.3)	(3.7)	(12.2)	Kazakhstan	KZKAK Index	2,617	(4.5)	(6.3)	(30.6)
Latvia	RIGSE Index	1,119	(1.6)	3.5	(18.6)	Kenya	NSEASI Index	124	(4.6)	(4.2)	(28.2)
Bahrain	BHSEASI Index	1,852	(1.7)	(3.6)	3.0	Mauritius	SEMDEX Index	2,167	(4.6)	(6.8)	(1.7)
Nigeria	NGSEINDX Index	52,312	(1.7)	(3.2)	23.9	USA	INDU Index	29,927	(4.7)	(9.3)	(17.6)
UAE	ADSMI Index	9,457	(1.8)	(5.9)	11.4	Brazil	IBOV Index	102,807	(4.7)	(14.5)	6.7
Belgium	BEL20 Index	3,711	(1.8)	(6.9)	(20.7)	Germany	DAX Index	13,139	(4.8)	(10.8)	(23.3)
Romania	BET Index	12,153	(2.0)	(5.1)	(13.7)	Croatia	CRO Index	2,002	(4.9)	(5.5)	(10.7)
Czech Republic	PX Index	1,294	(2.0)	(3.6)	(15.5)	Ireland	ISEQ Index	6,492	(4.9)	(13.2)	(29.2)
Lithuania	VILSE Index	905	(2.0)	(4.1)	(13.2)	Estonia	TALSE Index	1,738	(5.1)	(8.1)	(19.5)
Slovenia	SBITOP Index	1,150	(2.1)	(2.0)	(15.3)	India	SENSEX Index	51,360	(5.4)	(8.1)	(15.9)
Turkey	XU100 Index	2,514	(2.2)	(6.4)	3.5	Vietnam	VNIndex Index	1,217	(5.4)	(6.0)	(20.2)
Malaysia	FBMKLCI Index	1,457	(2.4)	(7.5)	(12.0)	Taiwan	TWSE Index	15,641	(5.5)	(9.3)	(20.1)
Bulgaria	SOFIX Index	607	(2.4)	(4.0)	(11.5)	New Zealand	NZSE Index	1,688	(5.6)	(9.4)	(26.1)
Italy	FTSEMIB Index	22,055	(2.5)	(12.1)	(25.3)	Sri Lanka	CSEALL Index	7,472	(5.6)	(8.1)	(65.7)
South Africa	JALSH Index	66,361	(2.6)	(10.2)	(10.2)	Denmark	KFX Index	1,575	(5.7)	(9.0)	(21.7)
Singapore	FSSTI Index	3,098	(2.7)	(5.4)	(3.7)	Thailand	SET Index	1,559	(5.9)	(8.9)	(11.1)
Spain	IBEX Index	8,187	(2.7)	(9.6)	(12.9)	USA	NDX Index	11,128	(6.0)	(12.0)	(31.8)
<b>Pakistan</b>	<b>KSE100 Index</b>	<b>42,141</b>	<b>(2.8)</b>	<b>(7.0)</b>	<b>(20.1)</b>	USA	SPX Index	3,667	(6.0)	(11.3)	(23.1)
Portugal	PSI20 Index	5,929	(2.9)	(7.4)	(1.9)	Netherland	AEX Index	642	(6.1)	(11.9)	(25.8)
Switzerland	SMI Index	10,476	(3.1)	(10.3)	(22.8)	Luxembourg	LUXXX Index	1,500	(6.1)	(13.3)	(16.9)
Argentina	MERVAL Index	87,061	(3.2)	(7.8)	(12.8)	Saudi Arabia	SASEIDX Index	11,824	(6.2)	(8.5)	4.9
Finland	HEX Index	10,445	(3.3)	(7.6)	(24.7)	Sweden	OMX Index	1,893	(6.4)	(11.1)	(30.4)
Hong Kong	HSI Index	21,075	(3.4)	(1.6)	(10.5)	Japan	NKY Index	25,963	(6.8)	(9.0)	(22.8)
Dubai	DFMGI Index	3,262	(3.4)	(2.5)	2.1	South Korea	KOSPI Index	2,441	(6.9)	(12.9)	(24.5)
Indonesia	JCI Index	6,937	(3.4)	(4.8)	1.5	Canada	SPTSX Index	19,004	(7.2)	(10.2)	(12.2)
UK	UKX Index	7,102	(3.4)	(9.4)	(13.0)	Chile	IPSA Index	5,029	(7.7)	(11.4)	14.1

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

## Key Economic Data & Commodities Prices

Month end	Units	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	7.3	7.2	7.2	7.6	8.2	9.7	10.4	10.2	10.5	11.8	14.5	14.3	14.9
06-M T-Bill	%	7.5	7.5	7.4	8.0	8.8	10.2	11.3	10.6	10.9	12.4	14.6	14.5	15.2
12-M T-Bill	%	7.8	7.7	7.6	8.7	9.1	10.7	11.4	10.8	11.0	12.5	14.6	14.6	15.6
03-Y PIB	%	9.0	8.9	8.7	9.7	9.9	11.4	11.4	10.8	10.9	12.2	13.2	13.6	13.7
05-Y PIB	%	9.5	9.4	9.3	10.0	10.2	11.5	11.5	10.9	11.0	12.0	12.9	12.6	13.0
10-Y PIB	%	9.9	10.0	9.9	10.5	11.0	11.9	11.6	11.1	11.1	11.9	12.6	12.6	12.9
06-M KIBOR	%	7.7	7.6	7.5	8.2	8.9	10.3	11.5	10.7	11.0	12.5	15.0	14.7	11.0
Policy Rate	%	7.00	7.00	7.00	7.25	7.25	8.75	9.75	9.75	9.75	9.75	12.25	13.75	13.75
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	9.7	8.4	8.4	9.0	9.2	11.5	12.3	13.0	13.0	12.7	13.4	13.8	13.8
<b>Monetary Sector</b>														
M1	PKR bn	19,824	19,888	19,812	20,085	19,902	20,128	20,444	20,204	20,210	20,683	21,179	n.a	21,179
M2	PKR bn	23,722	23,576	23,537	23,904	23,646	23,933	24,369	24,211	24,176	24,727	25,155	n.a	25,155
M3	PKR bn	27,731	27,563	27,494	27,840	27,576	27,854	28,273	28,122	28,097	28,648	28,927	n.a	28,927
<b>Banking Sector</b>														
Deposits	PKR bn	19,796	18,839	19,208	19,829	19,344	19,668	20,972	19,949	19,914	20,476	20,052	n.a	20,052
Advances	PKR bn	8,996	8,878	8,936	9,290	9,394	9,646	10,149	9,944	9,961	10,328	10,638	n.a	10,638
Investment	PKR bn	13,742	14,102	13,902	14,096	13,796	13,556	14,124	14,424	14,541	15,012	15,210	n.a	15,210
WALR	%	8.0	7.8	7.8	7.7	7.9	8.0	8.7	9.34	9.6	9.6	10.26	n.a	10.3
WADR	%	3.5	3.6	3.6	3.6	3.7	3.8	4.6	5.08	5.0	4.9	5.24	n.a	5.2
Spread	%	4.5	4.2	4.3	4.1	4.2	4.2	4.1	4.26	4.6	4.7	5.02	n.a	5.0
<b>External Sector</b>														
Forex Reserves	USD bn	23.3	24.9	27.2	26.0	23.8	22.3	23.9	22.1	22.9	18.6	16.4	15.8	14.9
With SBP	USD bn	16.1	17.8	20.1	19.3	17.2	16.0	17.7	15.7	16.5	12.0	10.5	9.7	9.0
With Banks	USD bn	7.2	7.0	7.1	6.7	6.6	6.4	6.2	6.4	6.4	6.5	5.9	6.0	6.0
Exchange rate	PKR/USD	157.5	162.4	166.4	170.7	171.7	175.7	176.5	176.7	177.5	183.5	185.9	198.5	208.75
C/A Balance	USD mn	(1,619)	(814)	(1,473)	(1,134)	(1,760)	(1,908)	(1,863)	(2,531)	(519.0)	(1,028.0)	(623.0)	n.a	(623)
Exports	USD bn	2.5	2.3	2.3	2.6	2.4	2.7	2.9	2.5	2.9	3.1	3.2	n.a	3.2
Imports	USD bn	6.3	5.4	6.0	6.1	6.0	6.4	6.5	6.3	5.2	6.2	6.0	n.a	6.0
Trade Balance	USD bn	(3.8)	(3.4)	(3.7)	(3.4)	(3.7)	(3.7)	(3.6)	(3.8)	(2.3)	(3.1)	(2.8)	n.a	(3.1)
Remittances	USD bn	2.7	2.7	2.7	2.7	2.5	2.4	2.5	2.1	2.2	2.8	3.1	2.3	2.3
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	114.9	123.0	146.8	200.5	220.0	117.0	137.3	174.0	261.0	254.4	295.0	341.5	323.0
Steel (HRC)	USD/ton	836.9	918.7	887.4	900.1	848.0	744.9	747.2	766.4	785.8	830.8	773.2	726.0	704.8
PTA	USD/ton	745.0	750.0	745.0	745.0	780.0	735.0	725.0	815.0	875.0	935.0	960.0	995.0	1,085.0
Gold	USD/oz	1,770.1	1,814.2	1,813.6	1,757.0	1,783.4	1,774.5	1,829.2	1,797.2	1,909.0	1,937.4	1,894.5	1,837.4	1,857.3
Cotton (COTLOOK A)	USD/lb	96.6	100.3	103.7	110.2	123.1	123.3	125.9	135.9	135.2	153.6	154.3	157.5	161.3
Crude oil (WTI)	USD/bbl	73.5	74.0	68.5	75.0	83.6	66.2	75.2	88.2	95.7	100.3	105.4	114.7	117.6
Crude oil (Arab Light)	USD/bbl	75.0	75.4	72.2	79.0	83.9	72.8	79.2	91.1	99.9	109.3	110.6	124.6	120.0
Crude oil (Brent)	USD/bbl	75.1	76.3	73.0	78.5	84.4	70.6	77.8	91.2	101.0	107.9	107.6	122.8	119.8
<b>Local</b>														
Cotton	PKR/maund	12,600	13,000	14,200	14,100	15,400	17,500	18,000	19,400	20,000	20,500	21,000	22,500	20,800
Cement	PKR/bag	640	654	674	678	723	742	739	737	748	865	870	875	991
Gold	PKR/10 grms	92,770	93,880	92,250	97,310	102,280	101,680	107,940	108,880	111,460	110,940	116,430	121,740	119,860

\*Current Price

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Rating	Description
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 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)**

## 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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Arif Habib Limited (AHL) has shareholding in OGDC, PPL, NBP, AKBL, MLCF, FCCL, FFBL, PSO, UNITY and SNGP.