

# Pakistan Weekly Update

Pakistan  
Stock Market



January 19, 2024

## Market remained suppressed

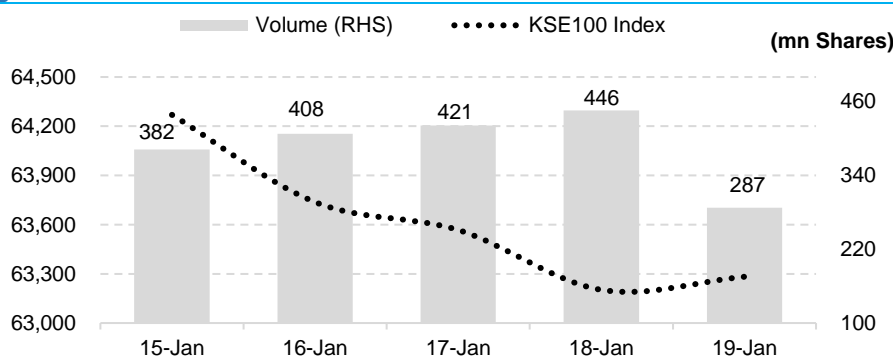
During the week local bourse remained depressed, amid political uncertainty and western border tension which caused panic in the market. In addition to this, SBP has confirmed that it has received inflows of USD 706mn on the successful completion of the first review by the IMF. The SBP reserves are anticipated to reach USD 8.9bn next week. Moreover, UAE rolled over USD 2bn for one more year, which were maturing in Jan'24. Furthermore, during Nov'23 LSM registered a growth of 1.6% YoY. Alongside this, Pakistan posted a CA surplus of USD 397mn in Dec'23, also net FDI witnessed a growth of 35% YoY settling at USD 863mn in 1HFY24. Pakistan and Dubai have signed an investment agreement exceeding \$3 billion, including cooperation in railways, economic zones, and infrastructure development. Additionally, SBP's reserves plunged by USD 127mn last week, reaching a total of USD 8bn. During the week, PKR closed at 280.36 against the USD, appreciating by +0.5 | +0.16% WoW. Overall, the market concluded at 63,282 points, marking an decrease of 1,355 points or -2.1% WoW.

Sector-wise negative contributions came from i) Cement (230pts), ii) Oil & Gas Exploration Companies (222pts), iii) Power Generation & Distribution (148pts), iv) Automobile Assembler (82pts), and v) Miscellaneous (78pts). Meanwhile, the sectors which mainly contributed positively were i) Fertilizer (42pts). Scrip-wise negative contributors were PPL (234pts), LUCK (103pts), HUBC (100pts), MTL (91pts), and HBL (68pts). Meanwhile, scrip-wise positive contributions came from ENGRO (104pts), MEBL (54pts), MARI(45pts), UBL (39pts), and POL (31pts).

Foreigner selling was witnessed during this week, clocking in at USD 1.19mn compared to a net buy of USD 1.88mn last week. Major selling was witnessed in Banks (USD 2.6mn) and E&P's (USD 1.4mn). On the local front, buying was reported by Insurance (USD 11.5mn) followed by Companies (USD 1.8mn). Average volumes arrived at 389mn shares (down by 30.5% WoW) while the average value traded settled at USD 49mn (down by 13.7% WoW).

Other major news: i) RDA accounts attract \$7.2bn from overseas Pakistanis, ii) Cotton output falls short of revised target amid Punjab slump, iii) PM says growth 'will be slow but sustainable', iv) Rs306bn authorised for PSDP projects.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

## Outlook and Recommendation

We expect the KSE-100 index to be positive in the coming week, amid favorable expectations of quarterly results which will be closely monitored by the investors. Also, GoP will conduct auction for Ijarah Sukuk on 23<sup>rd</sup> Jan'24 at PSX, targeting an amount of PKR 100bn. Moreover, the scrips are trading at attractive valuations, and are expected to further boost positive sentiment at the index. 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 4.3x (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 ~6.0%.

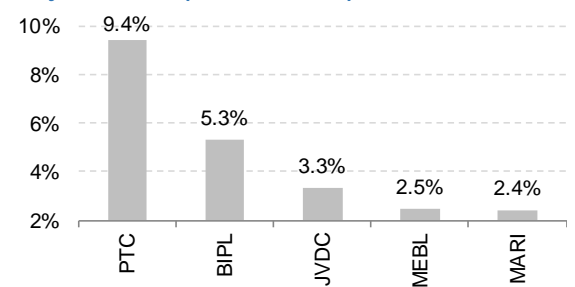
## PSX Indices Performance

Index	Current	WoW (%)	CY24TD (%)
KSE100	63,282	(2.1)	1.3
KSEAll	42,859	(2.0)	2.3
KSE30	21,275	(1.6)	2.4
KMI30	106,569	(2.5)	1.8
BKTI	15,237	(0.3)	1.9
OGTI	16,113	(2.5)	8.4

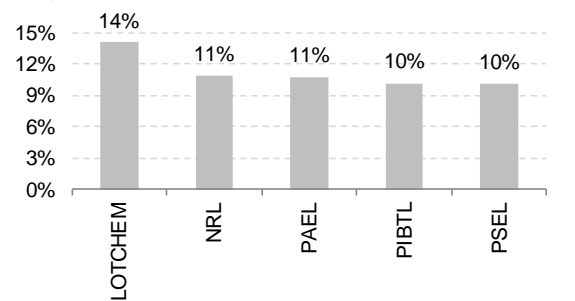
## PSX Volume Leaders

	Avg. Vol. (mn)	Closing
KEL	51.4	5.4
PIAA	30.6	12.0
PTC	28.5	13.8
WTL	23.2	1.3
PIBTL	18.6	6.8

## Major Gainers (KSE100 Index)



## Major Losers (KSE100 Index)



## Analyst

AHL Research

research@arifhabibtd.com

+92-21-32462589



Best Brokerage House of the Year 2023

Best Economic Research House of the Year: 2023

Corporate Finance House of the Year: 2023

Best Equity Research Analyst: 2022

Best Equity Sales Person (Runner up): 2023



Best Securities House: 2023  
Best Investment Bank: 2023



Best Equity House: 2022

## Business and Economic News of the Week

### Circular debt jumps to over Rs5.725trn (BR)

Pakistan's energy sector circular debt has jumped to Rs 5.725 trillion as of November 2023, of which share of power sector stood at Rs 2.703 trillion whereas contribution of gas sector at Rs 3.022 trillion, sources close to caretaker Minister for Power and Petroleum told Business Recorder. The caretaker minister has prepared an innovative plan to reduce circular debt of energy sector, which has been shared with caretaker Finance Minister Dr. Shamshad Akhtar.

### Wheat crop at risk from severe drought: experts (The News)

Pakistan's wheat and other Rabi crops are facing a severe threat from an extended dry spell that has lasted for months, agriculture experts warned on Wednesday. The country, which is largely dependent on agriculture for its food security, has received only 1.1 mm of rainfall in December 2023, a 92 percent drop from the average, according to the Meteorological Department

### \$5.968bn borrowed from multiple sources during 1HFY (BR)

The country borrowed \$5.968 billion from multiple financing sources during the first half (July-December) of the current fiscal year 2023-24 compared to \$5.595 billion borrowed during the same period of 2022-23, revealed the Economic Affairs Division (EAD) data. Data further shows that the country received \$1.621 billion in December 2023 compared to \$478.05 million in December 2022.

### KATI hails new industrial zone (The News)

The Korangi Association of Trade and Industry (KATI) on Wednesday welcomed the announcement of a new industrial zone spanning 10,000 acres in Karachi by the Caretaker Federal Minister for Industry and Commerce, Dr. Gohar Ijaz. Acting President Nighat Awan expressed her appreciation for the move, emphasizing that KATI has consistently advocated for the promotion of industrialization, underscoring its pivotal role in stabilizing Pakistan's economy.

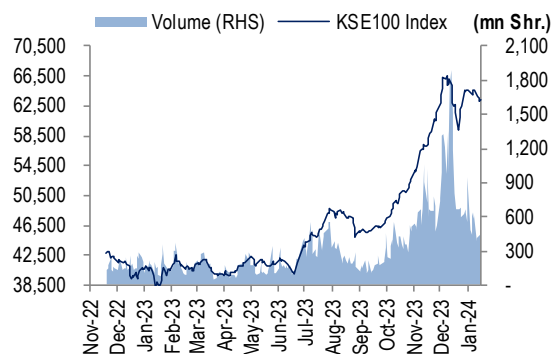
### CPPA-G seeks Rs5.62/unit raise in Discos' tariffs (BR)

The Central Power Purchasing Agency-Guaranteed (CPPA-G) has sought an increase of Rs5.62 per unit in Discos' tariffs for December 2023 to recover additional Rs37 billion from Discos consumers under monthly fuel charges adjustment (FCA). The National Electric Power Regulator Authority (Nepra) will hold a public hearing on January 31, 2024, on the CPPA-G's request for adjustment in Discos' tariffs. According to the data submitted to the Nepra, in September 2023, hydel generation was just 1,859 GWh constituting 24.06 per cent of total generation. The power generation from local coal-fired power plants was 110 GWh in December 2023, which was 16.95 per cent of total generation at a price of Rs12.3307 per unit, whereas, 384 GWh was generated from imported coal at Rs17.25 per unit (4.97 per cent).

### Iran serves new notice on Pakistan for delay in IP gas line project (The News)

Iran has issued a third notice to Islamabad, renewing its intention to move the arbitration court for not laying the pipeline as part of the IP gas line project. The project has been facing delays since 2014. Pakistan received the latest notice almost 10 days ago, top government officials told The News. "Iran earlier asked Pakistan in Nov-Dec 2022 in its second notice to construct a portion of the Iran-Pakistan gas line project in its territory till Feb-March 2024 or be ready to pay a penalty of \$18 billion. Before that, Tehran sent a notice to Islamabad in Feb 2019 to move an arbitration court for not laying down the pipeline in Pakistan's territory in the stipulated period under the IP gas line project. It threatened to invoke the penalty clause of Gas Sales Purchase Agreement (GSPA). The GSPA was signed in 2009 for 25 years but the project could not take shape."

### PSX Volume and KSE100 Index



### Top Contributors in KSE100 Index

Companies	Index Contribution
<b>Bullish Companies</b>	
ENGRO	103.6
MEBL	53.8
MARI	45.5
UBL	38.5
POL	31.0
<b>Total</b>	<b>272.4</b>

### Bearish Companies

PPL	(233.7)
LUCK	(103.1)
HUBC	(99.9)
MTL	(90.8)
HBL	(68.5)
<b>Total</b>	<b>(595.9)</b>

### Sectors

Sectors	Index Contribution
<b>Bullish Sectors</b>	
Fertilizer	41.8
Sugar & Allied Industries	0.8
Modarabas	0.5
Jute	0.0
Synthetic & Rayon	0.0
<b>Total</b>	<b>43.1</b>

### Bearish Sectors

Cement	(230.2)
Oil & Gas Exploration Companies	(222.3)
Power Generation & Distribution	(148.3)
Automobile Assembler	(82.1)
Oil & Gas Marketing Companies	(77.8)
<b>Total</b>	<b>(760.7)</b>

**FinanceAsia**

Best Investment Bank: 2022



Best Equity Advisor: 2021



Excellence Award Leading  
Brokerage House for RDA2021



Best Money Market  
Broker- (Islamic) 2021



## AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
ENGRO	323.52	4.09	9.70	9.70	325.10	265.96	325.10	236.68	325.10	230.52
HCAR	274.59	3.68	28.48	28.48	281.91	169.76	281.91	102.63	281.91	82.41
DGKC	65.79	2.99	22.58	(15.14)	82.50	52.85	82.50	41.54	82.50	39.44
AHCL	37.78	2.55	5.18	5.18	38.79	29.26	38.79	24.35	38.79	23.25
MEBL	164.86	2.46	2.17	2.17	175.04	131.06	175.04	110.44	175.04	77.46
MARI	2,375.37	2.42	13.32	13.32	2,375.37	1,540.82	2,375.37	1,507.09	2,375.37	1,263.60
POL	437.51	1.83	3.69	3.69	451.57	402.97	451.57	372.54	451.57	328.92
INDU	1,442.98	1.47	20.26	20.26	1,446.85	928.13	1,446.85	864.68	1,446.85	731.72
UBL	182.78	1.44	2.78	2.78	190.05	148.01	190.05	129.39	190.05	67.74
ACPL	92.61	1.31	(3.75)	(3.75)	107.42	79.96	107.42	73.13	107.42	48.59
MCB	177.53	1.22	2.89	2.89	191.57	140.91	191.57	119.02	191.57	88.07
ABL	84.86	1.14	2.24	2.24	90.51	71.07	90.51	64.86	90.51	54.84
APL	383.63	1.01	1.35	1.35	403.54	318.59	403.54	269.21	403.54	265.64
KAPCO	29.51	0.37	3.80	3.80	31.99	21.95	31.99	19.19	31.99	16.48
NPL	31.27	0.06	1.03	1.03	33.85	23.45	33.85	19.01	33.85	13.88
FFC	117.75	(0.22)	4.03	4.03	120.77	97.10	120.77	87.50	120.77	86.82
EPCL	47.02	(0.23)	0.92	0.92	51.25	39.15	51.25	37.08	51.25	35.68
AKBL	23.55	(1.01)	(4.73)	(4.73)	25.18	18.26	25.18	15.01	25.18	12.12
ILP	71.62	(1.06)	(0.53)	(0.53)	75.25	44.51	75.25	35.17	75.25	28.44
BAFL	48.46	(1.08)	(0.10)	(0.10)	53.19	38.36	53.19	36.56	53.19	24.40
PSO	179.30	(1.16)	1.47	1.47	217.22	137.79	217.22	103.66	217.22	93.36
EFERT	121.22	(1.64)	8.01	8.01	123.46	86.00	123.46	70.50	123.46	62.33
FFBL	28.78	(1.88)	(9.78)	(9.78)	32.43	15.91	32.43	12.94	32.43	11.11
FML	88.79	(2.26)	(1.62)	(1.62)	93.00	82.09	93.00	63.37	93.00	48.22
NBP	31.44	(2.39)	(2.09)	(2.09)	37.46	23.00	37.46	21.00	37.46	18.89
ASTL	23.19	(2.52)	0.56	0.56	27.53	20.54	27.53	18.29	27.53	14.99
OGDC	124.21	(2.60)	10.46	10.46	130.29	97.61	130.29	87.72	130.29	70.52
HUBC	116.34	(2.82)	(0.64)	(0.64)	123.69	92.20	123.69	69.33	123.69	47.38
NCPL	27.18	(3.14)	(2.82)	(2.82)	32.23	21.98	32.23	17.91	32.23	13.60
AGHA	13.39	(3.18)	(5.90)	(5.90)	16.16	13.32	16.16	9.19	16.16	9.11
HBL	114.63	(3.24)	3.42	3.42	129.52	91.48	129.52	86.95	129.52	58.25
MLCF	38.15	(3.54)	(1.98)	(1.98)	42.71	35.56	42.71	27.05	42.71	20.50
LCI	736.70	(3.61)	(5.38)	(5.38)	799.01	620.16	799.01	554.30	799.01	485.52
BOP	6.27	(4.13)	(3.24)	(3.24)	7.57	4.14	7.57	3.42	7.57	3.19
NCL	27.29	(4.18)	5.16	5.16	29.99	23.31	29.99	19.98	29.99	19.98
FCCL	18.75	(4.58)	(0.90)	(0.90)	20.51	13.46	20.51	10.54	20.51	10.54
HUMNL	6.37	(4.64)	(7.01)	(7.01)	8.04	5.48	8.04	5.35	8.04	5.30
NML	76.99	(4.81)	0.35	0.35	83.64	60.02	83.64	53.08	83.64	46.58
LUCK	749.47	(4.90)	(4.77)	(4.77)	818.48	609.36	818.48	514.35	818.48	379.99
FATIMA	34.02	(5.13)	(4.14)	(4.14)	37.01	30.93	37.01	25.55	37.01	24.36
KOHC	224.90	(5.17)	(3.98)	(3.98)	249.06	175.02	249.06	151.84	249.06	126.19
MTL	545.44	(5.97)	(6.16)	(6.16)	655.84	452.44	655.84	382.28	655.84	294.95
ITTEFAQ	7.31	(6.04)	(6.16)	(6.16)	8.62	6.24	8.62	4.75	8.62	4.20
FABL	31.63	(6.48)	(2.92)	(2.92)	33.82	23.16	33.82	20.42	33.82	18.37
POWER	5.40	(7.06)	(9.40)	(9.40)	6.43	4.33	6.43	3.49	6.43	3.49
SNGP	71.29	(7.56)	(3.03)	(3.03)	79.07	50.72	79.07	41.02	79.07	37.35
PPL	122.28	(8.60)	6.30	6.30	133.79	79.26	133.79	64.82	133.79	55.25
LOTCHEM	21.54	(14.05)	(20.19)	(20.19)	28.59	21.54	29.18	21.54	29.81	20.52
PSMC	609.00	(27.05)	9.07	9.07	898.57	295.66	898.57	102.53	898.57	82.38

Source (s): Bloomberg, AHL Research

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## Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	4.0	1.4	2.9	2.7	3.5	3.5	3.7	3.4	2.0	3.0	10.5	-71.4%
P/E (x)	13.7	18.4	10.1	11.3	7.5	14.4	9.5	16.0	9.1	12.2	4.3	-65.1%
P/B (x)	1.9	2.9	1.5	1.3	1.0	1.3	1.1	2.2	0.8	1.4	0.7	-46.9%

Source: Bloomberg, AHL Research



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

### LIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	215.13	214.80	BUY	0.33
Companies	8.07	6.29	BUY	1.79
Banks / DFIs	9.12	12.78	SELL	(3.67)
NBFC	0.11	0.07	BUY	0.04
Mutual Funds	4.21	9.43	SELL	(5.22)
Other Organizations	1.83	4.13	SELL	(2.29)
Broker Proprietary Trading	49.17	50.43	SELL	(1.26)
Insurance Companies	20.32	8.84	BUY	11.48
<b>Total</b>	<b>307.96</b>	<b>306.77</b>	<b>BUY</b>	<b>1.19</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	260.23	259.80	BUY	0.43
Companies	12.16	5.74	BUY	6.42
Banks / DFIs	15.05	19.98	SELL	(4.94)
NBFC	0.13	0.13	BUY	0.00
Mutual Funds	6.65	7.95	SELL	(1.30)
Other Organizations	1.58	1.84	SELL	(0.26)
Broker Proprietary Trading	52.02	55.71	SELL	(3.69)
Insurance Companies	3.50	2.04	BUY	1.46
<b>Total</b>	<b>351.32</b>	<b>353.20</b>	<b>SELL</b>	<b>-1.88</b>

### LIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	19.60	16.98	BUY	2.63
Fertilizer	17.47	18.47	SELL	(0.99)
Cement	14.62	13.99	BUY	0.62
Power Generation & Distribution	19.44	19.15	BUY	0.29
Exploration & Production	72.95	71.55	BUY	1.40
Oil & Gas Marketing Companies	30.93	31.64	SELL	(0.71)
Food and Personal Care Products	12.32	13.72	SELL	(1.40)
Textile Composite	1.22	1.22	BUY	0.01
Technology and Communication	28.14	29.00	SELL	(0.86)
Debt	0.01	0.01	SELL	-
All other Sectors	90.92	90.72	BUY	0.20
<b>Total</b>	<b>307.63</b>	<b>306.44</b>	<b>BUY</b>	<b>1.19</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	14.24	13.88	BUY	0.35
Fertilizer	22.45	23.30	SELL	(0.85)
Cement	16.86	17.07	SELL	(0.21)
Power Generation & Distribution	27.47	27.62	SELL	(0.15)
Exploration & Production	84.26	83.44	BUY	0.82
Oil & Gas Marketing Companies	27.49	28.08	SELL	(0.58)
Food and Personal Care Products	10.87	11.20	SELL	(0.34)
Textile Composite	2.61	2.54	BUY	0.07
Technology and Communication	28.14	28.34	SELL	(0.20)
Debt	0.00	0.01	SELL	(0.00)
All other Sectors	116.22	117.02	SELL	(0.80)
<b>Total</b>	<b>350.61</b>	<b>352.50</b>	<b>SELL</b>	<b>(1.88)</b>

### FIPI Normal

#### Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.06	SELL	(0.06)
Foreign Corporates	5.06	5.47	SELL	(0.40)
Overseas Pakistani	20.49	21.22	SELL	(0.73)
<b>Total</b>	<b>25.56</b>	<b>26.75</b>	<b>SELL</b>	<b>(1.19)</b>

#### Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.00	0.00	BUY	0.00
Foreign Corporates	4.34	4.17	BUY	0.17
Overseas Pakistani	23.97	22.26	BUY	1.71
<b>Total</b>	<b>28.31</b>	<b>26.43</b>	<b>BUY</b>	<b>1.88</b>

### FIPI Sector Wise

#### Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.91	3.54	SELL	(2.63)
Fertilizer	2.32	1.32	BUY	1.00
Cement	1.11	1.73	SELL	(0.63)
Power Generation & Distribution	1.31	1.60	SELL	(0.29)
Exploration & Production	5.57	6.96	SELL	(1.40)
Oil & Gas Marketing Companies	2.57	1.85	BUY	0.72
Food and Personal Care Products	2.18	0.77	BUY	1.40
Textile Composite	0.10	0.11	SELL	(0.01)
Technology and Communication	4.03	3.18	BUY	0.86
All other Sectors	5.53	5.73	SELL	(0.20)
<b>Total</b>	<b>25.62</b>	<b>26.80</b>	<b>SELL</b>	<b>(1.19)</b>

#### Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.05	1.40	SELL	(0.35)
Fertilizer	2.23	1.39	BUY	0.85
Cement	1.43	1.22	BUY	0.21
Power Generation & Distribution	1.97	1.82	BUY	0.15
Exploration & Production	6.27	7.09	SELL	(0.82)
Oil & Gas Marketing Companies	2.26	1.67	BUY	0.58
Food and Personal Care Products	0.99	0.65	BUY	0.34
Textile Composite	0.14	0.21	SELL	(0.07)
Technology and Communication	2.77	2.56	BUY	0.20
All other Sectors	9.19	8.39	BUY	0.80
<b>Total</b>	<b>28.29</b>	<b>26.40</b>	<b>BUY</b>	<b>1.88</b>

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY24TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY24TD (%)
Nigeria	NGSEINDX Index	94,350	20.5	29.5	29.5	Sri Lanka	CSEALL Index	10,433	(1.1)	(0.9)	(0.9)
Zimbabwe	ZHIALLSH Index	315,982	11.0	2.7	2.7	Japan	NKY Index	35,963	(1.1)	2.2	2.2
Argentina	MERVAL Index	1,133,638	9.3	20.3	20.3	Luxembourg	LUXXX Index	1,476	(1.1)	(4.7)	(4.7)
Egypt	EGX30 Index	26,843	5.2	8.8	8.8	Estonia	TALSE Index	1,815	(1.1)	0.9	0.9
Ireland	ISEQ Index	8,850	4.5	(0.6)	(0.6)	Tunisia	TUSISE Index	8,407	(1.2)	(5.2)	(5.2)
Vietnam	VNIndex Index	1,182	2.2	3.5	3.5	Germany	DAX Index	16,600	(1.2)	(2.5)	(2.5)
Kazakhstan	KZKAK Index	4,357	2.1	5.5	5.5	Saudi Arabia	SASEIDX Index	11,959	(1.3)	0.2	0.2
Iceland	ICEXI Index	2,216	1.5	3.6	3.6	Denmark	KFX Index	2,345	(1.4)	1.0	1.0
Mongolia	MSETOP Index	41,806	1.4	1.9	1.9	Qatar	DSM Index	10,319	(1.4)	(2.6)	(2.6)
Latvia	RIGSE Index	1,379	1.2	1.5	1.5	France	CAC Index	7,404	(1.4)	(3.5)	(3.5)
Ukraine	PFTS Index	507	1.0	1.6	1.6	India	SENSEX Index	71,683	(1.5)	(0.6)	(0.6)
USA	NDX Index	16,982	0.9	0.9	0.9	Chile	IPSA Index	5,868	(1.5)	(8.2)	(8.2)
Belgium	BEL20 Index	3,577	0.5	1.3	1.3	Malaysia	FBMKLCI Index	1,486	(1.6)	(0.6)	(0.6)
Belgium	BEL20 Index	3,577	0.5	1.3	1.3	Greece	ASE Index	1,339	(1.6)	1.8	1.8
Bahrain	BHSEASI Index	1,992	0.3	1.6	1.6	Romania	BET Index	15,605	(1.8)	(0.2)	(0.2)
Slovenia	SBITOP Index	1,289	0.3	1.1	1.1	Singapore	FSSTI Index	3,152	(1.9)	(4.3)	(4.3)
Taiwan	TWSE Index	17,682	0.1	(4.0)	(4.0)	Canada	SPTSX Index	20,757	(1.9)	(3.2)	(3.2)
Turkey	XU100 Index	8,012	0.0	5.0	5.0	<b>Pakistan</b>	<b>KSE100 Index</b>	<b>63,282</b>	<b>(1.9)</b>	<b>2.0</b>	<b>2.0</b>
USA	SPX Index	4,781	(0.1)	0.2	0.2	Austria	ATX Index	3,350	(2.0)	(4.1)	(4.1)
Ghana	GGSECI Index	3,145	(0.1)	(0.4)	(0.4)	Czech Republic	PX Index	1,443	(2.1)	0.0	0.0
Jordan	JOSMGNFF Index	2,468	(0.2)	1.7	1.7	UK	UKX Index	7,487	(2.3)	(3.8)	(3.8)
Hungary	BUX Index	64,379	(0.2)	4.6	4.6	Switzerland	SMI Index	11,175	(2.3)	(3.1)	(3.1)
USA	INDU Index	37,469	(0.3)	(0.6)	(0.6)	Australia	AS51 Index	7,421	(2.4)	(5.7)	(5.7)
Oman	MSM30 Index	4,587	(0.4)	2.3	2.3	Philippines	PCOMP Index	6,504	(2.4)	(0.3)	(0.3)
Russia	IMOEX Index	3,163	(0.5)	3.5	3.5	Norway	OBXP Index	562	(2.6)	(5.1)	(5.1)
Serbia	BELEX15 Index	882	(0.5)	(1.0)	(1.0)	Poland	WIG20 Index	2,206	(2.7)	(7.8)	(7.8)
Dubai	DFMGI Index	4,082	(0.5)	0.5	0.5	Spain	IBEX Index	9,888	(2.7)	(3.7)	(3.7)
Croatia	CRO Index	2,607	(0.5)	1.2	1.2	Mexico	MEXBOL Index	54,708	(3.5)	(6.1)	(6.1)
Indonesia	JCI Index	7,227	(0.6)	(2.0)	(2.0)	Thailand	SET Index	1,383	(3.5)	(5.9)	(5.9)
Netherlands	AEX Index	782	(0.6)	(2.3)	(2.3)	New Zealand	NZSE Index	1,762	(3.6)	(4.4)	(4.4)
Russia	RTSI\$ Index	1,128	(0.7)	4.1	4.1	South Korea	KOSPI Index	2,473	(3.6)	(10.0)	(10.0)
Lithuania	VILSE Index	953	(0.7)	(1.0)	(1.0)	Sweden	OMX Index	2,308	(3.6)	(7.6)	(7.6)
China	SHSZ300 Index	3,270	(0.8)	(5.9)	(5.9)	Portugal	PSI20 Index	6,331	(3.8)	(2.6)	(2.6)
Mauritius	SEMDEX Index	2,054	(0.8)	(0.7)	(0.7)	Lebanon	BLOM Index	1,762	(3.8)	(11.7)	(11.7)
Italy	FTSEMIB Index	30,416	(0.8)	(1.4)	(1.4)	South Africa	JALSH Index	72,665	(3.8)	(9.1)	(9.1)
Uae	ADSMI Index	9,712	(0.8)	1.4	1.4	Finland	HEX Index	9,870	(3.9)	(3.9)	(3.9)
Kenya	NSEASI Index	93	(0.9)	(1.7)	(1.7)	Brazil	IBOV Index	127,316	(4.4)	(6.7)	(6.7)
Europe	SX5E Index	4,463	(1.0)	(2.9)	(2.9)	Hong Kong	HSI Index	15,309	(5.8)	(10.3)	(10.3)
Bulgaria	SOFIX Index	775	(1.0)	(0.4)	(0.4)						

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

## Key Economic Data & Commodities Prices

Month end	Units	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Current*
<b>Money Market Data</b>														
03-M T-Bill	%	17.75	19.53	21.60	21.90	22.09	22.65	22.95	23.13	22.46	21.65	21.33	21.28	20.34
06-M T-Bill	%	17.87	19.82	21.32	21.80	22.00	22.87	22.99	23.20	22.81	21.70	21.33	21.37	20.50
12-M T-Bill	%	17.95	19.93	21.39	21.76	22.00	22.93	23.02	23.28	22.90	21.76	21.30	21.32	20.37
03-Y PIB	%	16.83	18.20	18.33	18.30	19.10	19.47	19.46	20.57	19.11	17.82	16.50	16.54	16.35
05-Y PIB	%	15.48	15.80	15.23	15.00	15.10	16.08	16.86	17.22	17.23	15.46	15.90	15.90	15.32
10-Y PIB	%	14.45	15.50	15.22	15.10	15.10	15.32	15.96	16.31	16.12	15.15	14.97	14.91	14.27
06-M KIBOR	%	17.97	20.06	22.03	22.06	22.18	22.97	23.22	23.21	22.95	22.00	21.47	21.49	20.73
Policy Rate	%	17.00	17.00	20.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
<b>Inflation (YoY)</b>														
Headline (CPI New Base)	%	27.6	31.6	35.4	36.4	38.0	29.4	28.3	27.4	31.4	26.8	29.2	29.7	29.7
<b>Monetary Sector</b>														
M1	PKR bn	22,798	23,131	24,074	24,802	25,017	26,157	25,857	25,964	26,184	26,403	26,717	n.a	26,717
M2	PKR bn	27,292	27,878	28,732	29,433	29,859	31,280	30,966	31,209	31,425	31,722	32,000	n.a	32,000
M3	PKR bn	30,688	31,241	32,070	32,743	33,140	34,545	34,246	34,483	34,287	34,906	35,180	n.a	35,180
<b>Banking Sector</b>														
Deposits	PKR bn	22,754	22,921	23,562	23,429	24,388	25,508	25,702	26,110	26,318	26,398	26,798	27,841	27,841
Advances	PKR bn	11,659	11,723	11,836	12,111	12,072	12,202	11,898	11,775	11,857	11,898	11,964	12,352	12,352
Investment	PKR bn	19,293	18,993	19,236	19,695	20,144	20,896	21,468	22,016	22,622	23,232	24,587	25,280	25,280
WALR	%	15.0	15.5	16.3	17.6	17.7	18.2	18.4	18.9	19.3	19.3	19.3	n.a	19.3
WADR	%	8.0	8.7	8.7	9.7	10.2	10.5	11.3	11.3	11.4	11.6	11.7	n.a	11.7
Spread	%	7.0	6.8	7.5	7.9	7.6	7.7	7.1	7.6	7.9	7.7	7.6	n.a	7.6
<b>External Sector</b>														
Forex Reserves	USD bn	8.4	9.3	9.8	10.0	9.5	9.2	13.5	13.2	12.5	12.0	12.0	13.2	13.1
With SBP	USD bn	3.1	3.8	4.2	4.5	4.1	4.4	8.2	7.8	7.6	7.4	7.4	8.2	8.0
With Banks	USD bn	5.3	5.5	5.6	5.6	5.4	4.7	5.3	5.3	4.9	4.6	4.6	5.0	5.1
Exchange rate	PKR/USD	267.9	261.5	283.7	283.8	285.5	286.0	286.6	305.5	287.7	281.5	285.2	281.9	279.9
C/A Balance	USD mn	(230.0)	(36.0)	750.0	78.0	220.0	504.0	(775.0)	(160.0)	(46.0)	(184.0)	(15.0)	397.0	397.0
Exports	USD bn	2.2	2.2	2.4	2.1	2.6	2.1	2.1	2.5	2.5	2.8	2.7	2.8	2.8
Imports	USD bn	3.9	3.9	4.0	3.7	3.8	3.2	4.2	4.0	4.0	4.4	4.4	4.1	4.1
Trade Balance	USD bn	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(2.1)	(1.5)	(1.5)	(1.6)	(1.7)	(1.3)	(1.3)
Remittances	USD bn	1.9	2.0	2.5	2.2	2.1	2.2	2.0	2.1	2.2	2.5	2.3	2.4	2.4
<b>Key Commodities Prices</b>														
<b>International</b>														
Coal	USD/ton	141.7	143.1	132.5	127.9	100.2	100.3	102.7	113.1	122.5	120.9	108.0	101.0	96.1
Steel (HRC)	USD/ton	635.9	628.8	636.2	574.0	519.9	531.7	569.1	543.3	532.3	526.8	560.2	574.4	561.0
PTA	USD/ton	830.0	785.0	840.0	875.0	780.0	770.0	825.0	800.0	830.0	790.0	765.0	780.0	780.0
Gold	USD/oz	1,928.4	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	2,023.3
Cotton (COTLOOK A)	USd/lb	102.0	99.4	96.5	93.2	93.8	89.3	94.9	97.0	98.4	95.0	89.7	91.4	91.7
Crude oil (WTI)	USD/bbl	78.9	77.1	74.4	76.8	68.1	67.7	81.8	83.6	91.7	81.0	76.0	71.7	74.1
Crude oil (Arab Light)	USD/bbl	82.9	83.4	78.8	80.9	74.7	77.8	88.8	90.5	97.7	91.2	87.7	80.4	81.5
Crude oil (Brent)	USD/bbl	84.5	83.9	79.3	79.5	72.7	72.3	85.6	86.9	95.4	87.4	82.8	77.0	79.1
<b>Local</b>														
Cotton	PKR/maund	21,000.0	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	19,000.0
Cement	PKR/bag	1,043.0	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	1,216.2
Gold	PKR/10 grms	173,190	166,580	178,160	188,230	197,620	185,270	190,590	207,050	176,270	185,530	186,474	187,930	188,700

\*Current Price



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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.

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

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

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

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Arif Habib Limited (AHL) has a shareholding in NBP and BOP.