

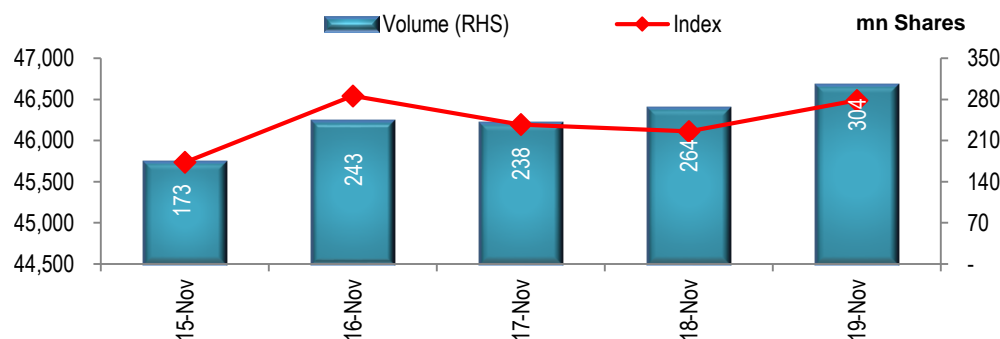
Market Review
Equities
IMF conundrum
Market Commentary

The market commenced on a negative note this week as a result of uncertainty of IMF disbursements and mounting inflationary pressure but gained momentum with the government agreeing to pay PKR 190bn to IPPs and unchanged petroleum prices. Albeit, pressure was once again witnessed with preponement of the SBP's monetary policy meeting with expectation ripe of a 100bps hike. However, the MPC announced a 150bps hike in the interest rate following the release of data on the current account deficit, which increased to USD 5.1bn in 4MFY21, against a positive balance of USD 1.3bn last year. However, in anticipation of the same, banks posted a rally on the last working day. That said, the KSE-100 index closed at 46,489 points, climbing up by 740pts (up by 1.6% WoW).

Sector-wise positive contributions came from i) Banks (403pts), ii) Fertilizer (172pts), iii) Cement (158pts), iv) E&P (140pts), and v) Power (43pts). Whereas, sectors which contributed negative were i) Technology (176pts), and ii) FMCG (41pts). Scrip-wise Positive contributors were MEBL (96pts), LUCK (76pts), UBL (73pts), PPL (72pts) and MCB (71pts). Meanwhile, scrip-wise negative contribution came from TRG (233pts), UNITY (32pts) and PSX (16pts).

Foreign selling continued this week, clocking-in at USD 25.0mn compared to a net sell of USD 5.3mn last week. Major selling was witnessed in Commercial Banks (USD 14.7mn) and Fertilizer (USD 4.7mn). On the local front, buying was reported by Insurance Companies (USD 13.5mn) followed by Companies (USD 7.7mn). Average volumes clocked-in at 245mn shares (down by 23% WoW) while average value traded settled at USD 53mn (down by 17% WoW).

Other major news: i) Shaukat Tarin outlines five actions demanded by IMF, ii) Govt decides to pay IPPs Rs190bn as equity of Discos, iii) Remittances hit \$10.6bn in July-October, iv) FDI declines 12pc in 4 months.

Exhibit: KSE100 index and volume

Outlook and Recommendation

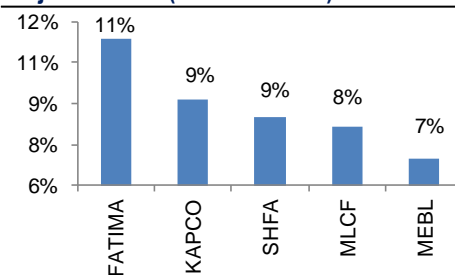
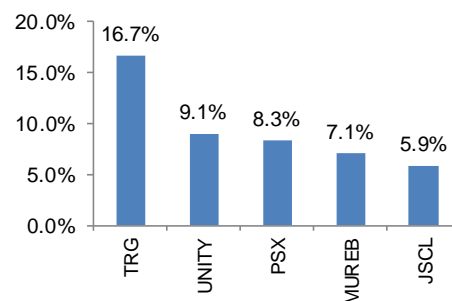
Following clarity in the monetary policy post today's meeting, we believe the market will react accordingly next week. The recent bill to make SBP autonomous as well as today's stance should now effectively remove another pre-condition of the IMF and therefore, we believe that market sentiment is hinged upon announcement of the IMF package. Once through, the market is likely to post a rebound. Our preferred stocks are FABL, EPCL, PSO, OGDC, HUBC, HBL, MCB, LUCK, AGHA, FFC, ENGRO, INDU, PTL, SNGP, UNITY, HTL, and ILP. The KSE-100 is currently trading at a PER of 4.9x (2022) compared to Asia Pac regional average of 14.8x while offering a dividend yield of ~8.4% versus ~2.2% offered by the region.

PSX Indices Performance

Index	Current	WoW (%)	CY21TD (%)
KSE100	46,489	1.62	6.2
KSEAI	31,728	1.61	3.1
KSE30	18,038	1.76	(0.8)
KMI30	75,477	2.24	6.1
BKTI	13,693	4.05	4.6
OGTI	11,383	3.21	(14.0)

PSX Volume Leaders

	Avg. Vol. (mn)	Closing
GGL	22.1	33.7
SERF	13.2	12.9
TPLP	9.6	50.3
TELE	8.2	17.8
WTL	8.1	2.3

Major Gainers (KSE100 Index)

Major Losers (KSE100 Index)

Analyst

AHL Research

research@arifhabibtd.com

+92-21-32462589



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Business & Economic developments during the week.

Shaukat Tarin outlines five actions demanded by IMF

Adviser to the Prime Minister on Finance Shaukat Tarin has said Pakistan will have to complete about five "prior actions" before the International Monetary Fund (IMF) calls a meeting of its board of directors to approve revival of its \$6 billion Extended Fund Facility suspended in April this year. Talking to journalists at the launch of Corporate Philanthropy Survey here on Tuesday, Mr Tarin said all issues with the IMF staff had been settled on the basis of which they gave "us a list of five prior actions" to complete so that they could call a board meeting on Pakistan's case. "Don't ask me [about] dates but IMF deal is done," he added. Mr Tarin said these prior actions included State Bank of Pakistan (Amendment) Bill, withdrawal of tax exemptions and increase in energy tariff. He said the action pertaining to tariff adjustment had already been met for now with a recent Rs1.39 per unit increase while bills to end tax exemptions and give autonomy to the SBP had been prepared. The next tariff increase would take place by February-March 2022. The finance adviser said the two bills were being fine-tuned for finalisation by the Ministry of Law and Justice after the two sides completed discussions. When pointed out that the IMF board may meet on December 17 as earlier scheduled and then delayed until February, he explained that the IMF board could be called anytime provided prior actions were complete.

Govt decides to pay IPPs Rs190bn as equity of Discos

The government has decided to pay about Rs 190 billion to the IPPs of pre-1994 policy, 1994, 2002 and 2015 policies as equity of power Distribution Companies (Discos) instead of outstanding subsidy, well informed sources told Business Recorder. On November 15, 2021, the Economic Coordination Committee (ECC) of the Cabinet headed by Omar Ayub Khan approved payment of Rs 134.783 billion to clear remaining agreed amount of 20 Independent Power Producers (IPPs) by December 3, 2021. On September 28, 2021, Federal Cabinet approved Rs 52.4 billion as first installment of 11 IPPs of Power Policy 2002 on Sep 28, 2021. These revised contracts have already been approved by ECC, CCoE and Federal Cabinet during the second week of February 21 after lot of a deliberation and effort. The ECC has also approved payment of undisputed amount of about Rs 9 billion to M/s Nishat Chunian of renowned businessman Mian Muhammad Mansha. "There was a dispute between Finance Division and Power Division on the head of payment. Finance was opposing to book the amount to be paid to the IPPs in the equity of Discos. This dispute has been resolved by the ECC, by allowing Power Division to book the amount in equity," the sources added. The outstanding amount as duly verified by CPPA was Rs 224.638 billion, of which Rs 89.860 billion, 40 per cent, as first instalment has already been paid to the IPPs.

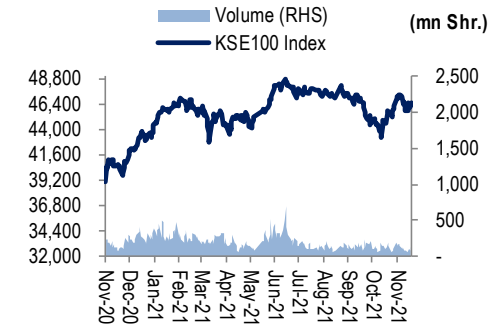
Remittances hit \$10.6bn in July-October

Inflows from overseas Pakistanis declined by 7.4 per cent in October when compared to a month earlier even though cumulative remittances reached a record \$10.6 billion during the first four months (July-October) of the current financial year. "At \$2.5bn in Oct21, remittances continue their strong streak, rising by 10pc from Oct20 and only moderating marginally compared to Sep21," the State Bank of Pakistan (SBP) said in a tweet on Sunday.

FDI declines 12pc in 4 months

Foreign Direct Investment (FDI) continued to post negative growth and declined by 12 percent during the first four months of this fiscal year (FY22). The State Bank of Pakistan (SBP) reported on Wednesday that Pakistan fetched FDI amounting to \$662 million during July-Oct of FY22 as against \$751 million in the same month of the previous fiscal year (FY21), showing a decline of \$88.5 million. During the period under review, overall FDI inflows were \$965.4 million against \$303.3 million outflow. Portfolio investment also registered downward trend with an outflow of \$ 178.3 million during July-Oct of FY22.

PSX Volume & Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
MEBL	96.4
LUCK	76.3
UBL	72.9
PPL	72.1
MCB	70.7
Total	388.3

Bearish Companies	
TRG	(232.5)
UNITY	(31.6)
PSX	(16.2)
PSO	(13.8)
EPCL	(13.6)
Total	(307.7)

Sectors	Index Contribution
Bullish Sectors	
Commercial Banks	403.0
Fertilizer	172.4
Cement	157.9
Total	733.3

Bearish Sectors	
Technology & Communication	(176.0)
Food & Personal Care Products	(40.9)
Inv. Banks / Inv. Cos. / Securities Cos.	(24.1)
Oil & Gas Marketing Companies	(17.6)
Transport	(4.5)
Total	(263.2)



Outstanding Company in the Financial Sector 2021



Best Corporate & Investment Bank: 2020



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Top 25 Companies

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AHL Universe - Recommendation Summary

Code	Company	Price 19-Nov-21	Target Price	Upside (%)	Stance	EPS (PKR)			DPS (PKR)			P/E (x)		DY (%)		P/B (x)		ROE (%)		Indices
						2020	2021	2022	2020	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	
Exploration & Production																				
PPL	Pakistan Petroleum Ltd.	76.5	148.7	94.3	Buy	18.5	19.3	23.6	1.00	3.50	4.50	4.0	3.2	4.6	5.9	0.5	0.5	14.3	15.4	KSE100, KSE30, KMI & MSCI
OGDC	Oil and Gas Dev Co.	84.3	187.1	121.9	Buy	23.5	21.3	28.2	6.75	6.90	11.50	4.0	3.0	8.2	13.6	0.5	0.4	12.4	15.2	KSE100, KSE30 & KMI
POL	Pakistan Oilfields Ltd.	370.8	554.4	49.5	Buy	57.7	47.1	70.8	50.00	50.00	64.00	7.9	5.2	13.5	17.3	2.7	2.4	33.6	48.4	KSE100, KSE30, KMI & MSCI
MARI	Mari Petroleum Ltd	1,737.1	2,356.0	35.6	Buy	227.2	235.7	315.6	6.10	141.00	189.35	7.4	5.5	8.1	10.9	2.0	1.8	30.1	34.0	KSE100, KSE30, KMI & MSCI
Commercial Banks																				
UBL	United Bank Ltd.*	140.0	176.2	25.9	Buy	17.1	23.1	26.1	12.00	16.00	17.00	6.0	5.4	11.4	12.1	0.8	0.8	13.6	15.3	KSE100, KSE30 & MSCI
BAFL	Bank Alfalah*	36.3	42.9	18.2	Buy	6.1	8.0	9.0	4.00	4.00	5.00	4.6	4.0	11.0	13.8	0.7	0.6	15.1	16.0	KSE100 & MSCI
MCB	MCB Bank Ltd.*	160.5	225.8	40.7	Buy	24.8	25.9	28.7	20.00	19.00	20.00	6.2	5.6	11.8	12.5	1.0	1.0	16.4	18.1	KSE100, KSE30 & MSCI
HBL	Habib Bank Ltd.*	125.9	179.7	42.8	Buy	21.1	24.1	26.9	4.25	7.00	8.00	5.2	4.7	5.6	6.4	0.6	0.6	12.8	13.3	KSE100, KSE30 & MSCI
ABL	Allied Bank Ltd.*	79.0	103.2	30.7	Buy	16.0	15.1	17.1	8.00	8.00	9.00	5.2	4.6	10.1	11.4	0.7	0.7	13.1	14.6	KSE100
NBP	National Bank of Pakistan.*	35.2	49.4	40.1	Buy	14.4	14.9	16.6	-	-	-	2.4	2.1	-	-	0.3	0.3	11.2	12.0	KSE100
AKBL	Askari Bank Ltd.*	24.0	27.5	14.7	Buy	8.6	7.5	8.3	3.00	1.00	1.50	3.2	2.9	4.2	6.3	0.5	0.4	17.0	17.0	KSE100
BOP	The Bank of Punjab*	8.8	10.9	24.0	Buy	2.6	4.3	4.9	1.00	0.75	1.00	2.0	1.8	8.5	11.4	0.4	0.4	21.8	22.7	KSE100
MEBL	Meezan Bank Ltd.*	149.9	177.4	18.4	Buy	13.8	16.3	18.3	7.00	6.00	7.00	9.2	8.2	4.0	4.7	3.0	2.4	34.6	32.5	KSE100, KSE30 & KMI
FABL	Faysal Bank Ltd.*	26.2	41.2	57.3	Buy	4.4	5.4	6.3	-	1.50	2.00	4.9	4.2	5.7	7.6	0.6	0.6	13.2	14.2	KSE100
Fertilizer																				
ENGRO	Engro Corporation*	289.5	410.5	41.8	Buy	43.6	51.8	47.2	26.00	33.00	35.00	5.6	6.1	11.4	12.1	0.7	0.7	13.8	11.9	KSE100, KSE30, KMI & MSCI
EFERT	Engro Fertilizer	76.3	77.8	1.9	Hold	13.6	14.3	7.1	13.00	14.50	6.50	5.3	10.8	19.0	8.5	2.3	2.3	41.7	21.2	KSE100, KSE30, KMI & MSCI
FFC	Fauji Fertilizer Co.	106.3	136.5	28.4	Buy	16.4	15.7	16.8	11.15	13.00	14.00	6.8	6.3	12.2	13.2	3.2	3.0	47.3	48.8	KSE100, KSE30 & MSCI
FATIMA	Fatima Fertilizer Co.	33.4	na	na	na	6.3	na	na	2.50	na	-	Group Company: No estimates are given						KSE100 & KMI		
AHCL	Arif Habib Corp. Ltd.	35.6	na	na	na	6.5	18.3	na	1.50	3.00	-	Group Company: No estimates are given						KSEALL		
Cement																				
LUCK	Lucky Cement Ltd.	768.3	1,387.3	80.6	Buy	10.3	43.5	68.8	-	-	22.00	17.7	11.2	-	2.9	2.2	1.9	13.2	18.1	KSE100, KSE30, KMI & MSCI
LUCK	Lucky Cement Ltd.*	768.3	1,387.3	80.6	Buy	19.0	70.7	118.9	-	-	22.00	10.9	6.5	-	2.9	1.6	1.4	15.8	22.6	KSE100, KSE30, KMI & MSCI
FCCL	Fauji Cement Co.	19.1	34.5	80.1	Buy	(0.0)	2.5	3.5	-	-	2.00	7.6	5.4	-	10.4	1.1	1.1	16.1	20.4	KSE100 & KMI
ACPL	Attock Cement Ltd.	132.0	265.1	100.8	Buy	8.1	8.1	21.4	3.50	4.00	7.00	16.4	6.2	3.0	5.3	1.1	0.9	6.6	16.0	KSEALL & KMI
DGKC	D.G. Khan Cement Co.	88.0	183.3	108.4	Buy	(4.9)	8.5	16.4	-	1.00	2.00	10.4	5.4	1.1	2.3	0.5	0.5	5.3	9.6	KSE100, KSE30 & KMI
KOHC	Kohat Cement Co.	187.0	298.3	59.5	Buy	(2.2)	17.4	28.8	-	-	10.00	10.7	6.5	-	5.3	1.7	1.5	17.1	24.2	KSE100 & KMI
MLCF	Maple Leaf Cement*	37.8	70.0	85.1	Buy	(3.2)	3.5	7.6	-	-	1.00	10.9	4.9	-	2.6	1.1	0.9	10.5	19.9	KSE100, KSE30 & KMI
POWER	Power Cement	7.1	na	na	na	(3.4)	0.2	na	-	-	-	Group Company: No estimates are given						KSEALL & KMI		
Oil & Gas Marketing																				
PSO	Pakistan State Oil	181.0	306.5	69.3	Buy	(13.8)	62.1	53.1	-	15.00	15.00	2.9	3.4	8.3	8.3	0.6	0.6	22.0	17.0	KSE100, KSE30, KMI & MSCI
APL	Attock Petroleum Ltd.	315.1	441.5	40.1	Buy	10.1	49.4	47.5	9.00	27.00	27.50	6.4	6.6	8.6	8.7	1.4	1.4	23.9	20.8	KSE100 & KMI
HTL	Hi-Tech Lubricants Ltd.	53.7	87.6	63.2	Buy	0.9	4.7	7.0	-	4.00	4.00	11.5	7.6	7.5	7.5	1.7	1.5	15.7	21.4	KSEALL & KMI
SNGP	Sui Northern Gas Pipeline Ltd.	42.1	91.1	116.6	Buy	9.5	21.6	21.4	4.00	6.00	6.00	1.9	2.0	14.3	14.3	0.7	0.6	49.7	49.7	KSE100 & KMI
Automobile Assemblers and Parts																				
PSMC	Pak Suzuki Motor Co.	229.3	416.5	81.7	Buy	(19.3)	42.1	53.7	-	17.00	22.00	5.5	4.3	7.4	9.6	0.7	0.7	13.9	16.2	KSE100 & KMI
INDU	Indus Motor Co.	1,225.5	1,524.5	24.4	Buy	64.7	163.2	165.7	30.00	103.50	109.00	7.5	7.4	8.4	8.9	2.0	2.0	28.7	26.7	KSE100
HCAR	Honda Atlas Cars (Pak)	216.0	362.7	67.9	Buy	4.8	12.6	34.5	1.00	4.52	14.00	17.2	6.3	2.1	6.5	1.7	1.5	10.2	25.2	KSE100 & KMI
MTL	Millat Tractors Ltd.	894.0	1,182.8	32.3	Buy	32.0	85.9	101.5	40.00	100.00	136.00	10.4	8.8	11.2	15.2	6.6	14.2	87.8	102.5	KSE100, KMI & MSCI
PTL	Panther Tyres Ltd.	42.8	78.9	84.4	Buy	1.5	5.1	7.6	-	2.00	2.50	8.4	5.6	4.7	5.8	1.1	1.1	16.7	19.6	KSEALL & KMI
Power Generation & Distribution**																				
HUBC	Hub Power Company*	74.0	144.6	95.4	Buy	19.3	26.0	24.2	-	12.00	12.75	2.8	3.1	16.2	17.2	0.9	0.8	34.8	27.6	KSE100, KSE30, KMI & MSCI
NCPL	Nishat Chu. Power Ltd.	13.8	25.2	82.8	Buy	12.5	6.8	4.5	-	-	3.00	2.0	3.1	-	21.7	0.2	0.2	12.4	7.6	KSEALL
NPL	Nishat Power Limited	18.1	35.0	93.1	Buy	13.8	7.6	5.0	2.00	1.50	9.00	2.4	3.6	8.3	49.7	0.2	0.2	10.8	6.7	KSEALL
KAPCO	Kot Addu Power Co.	31.1	50.7	62.9	Buy	26.8	11.6	13.3	1.50	10.00	10.00	2.7	2.3	32.2	32.2	0.4	0.5	16.3	19.1	KSE100 & KSE30
Textile Composite																				
NML	Nishat Mills Ltd.	88.1	162.3	84.3	Buy	10.0	16.8	22.5	3.00	4.00	7.00	5.2	3.9	4.5	7.9	0.4	0.4	7.5	9.5	KSE100 & KMI
NCL	Nishat (Chunian) Ltd.	44.2	57.7	30.7	Buy	1.1	23.3	14.2	1.00	5.00	4.00	1.9	3.1	11.3	9.1	0.6	0.5	34.3	17.4	KSE100
FML	Feroze1888 Mills Ltd.	89.1	144.9	62.7	Buy	7.8	11.4	17.5	2.34	3.43	6.98	7.8	5.1	3.9	7.8	1.4	1.1	18.9	24.5	KSE100 & KMI
ILP	Interloop Ltd.	74.7	95.4	27.7	Buy	2.0	7.0	10.4	2.00	2.50	5.50	10.7	7.2	3.3	7.4	3.3	2.7	33.3	41.3	KSE100 & KMI
Chemicals																				
LOTCEM	Lotte Chemical Pak Ltd.	14.2	15.4	8.8	Hold	1.4	2.9	2.2	0.75	1.50	1.00	4.9	6.5	10.6	7.1	1.1	1.1	23.6	17.0	KSE100
EPCL	Engro Polymer & Chem.	57.1	81.1	42.0	Buy	6.3	15.3	16.6	1.25	3.00	5.00	3.7	3.4	5.3	8.8	1.7	1.1	48.2	38.4	KSE100, KSE30 & KMI
ICI	ICI Pakistan Ltd.*	767.0	1,040.3	35.6	Buy	28.1	60.3	90.4	16.00	40.00	40.00	12.7	8.5	5.2	5.2	2.8	2.4	23.5	30.1	KSE100 & KMI
Leather																				
SGF	Service Global Footwear Limitec	51.6	71.3	38.3	Buy	3.5	2.7	4.8	-	1.50	2.50	19.1	10.8	2.9	4.8	1.6	1.5	10.3	14.4	KSEALL
Engineering																				
ASTL	Amreli Steels Ltd.	48.5	47.9	(1.3)	Hold	(4.2)	4.6	5.8	-	-	0.50	10.5	8.3	-	1.0	1.2	1.2	12.1	14.5	KSEALL
ITTEFAQ	Ittefaq Iron Industries Ltd.	13.9	25.5	84.1	Buy	(1.7)	1.8	2.7	-	-	-	7.5	5.1	-	-	0.5	0.4	6.5	8.8	KSEALL & KMI
AGHA	Agha Steel Industries Ltd.	28.8	48.7	69.1	Buy	2.0	3.4	5.3	-	-	1.00	8.6	5.4	-	3.5	1.3	1.1	18.5	21.2	KMI
Food & Personal Care Product																				
UNITY	Unity Foods Ltd.	26.4	54.4	106.3	Buy	0.2	3.4	4.7	-	0.50	1.00	7.9	5.6	1.9	3.8	1.9	1.5	34.3	30.4	KSE100, KSE30 & KMI

Source: Bloomberg, AHL Research, *Earnings Consolidated Basis,** Target Price also includes dividends which falls before Dec'21 and upside is total return

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
FATIMA	33.4	11.4	10.2	25.3	30.8	28.2	30.8	26.0	30.8	24.7
NCPL	13.8	9.5	13.5	(8.6)	14.6	11.7	17.5	11.7	20.6	11.7
KAPCO	31.1	9.1	11.1	44.3	35.7	26.6	37.0	26.6	37.0	20.6
MLCF	37.8	8.1	(1.7)	(16.0)	46.2	31.1	49.3	31.1	49.3	31.1
ASTL	48.5	7.9	21.1	0.6	47.5	36.5	47.7	36.5	51.9	36.5
MEBL	149.9	7.0	12.5	73.9	145.1	120.7	145.1	92.0	145.1	73.5
PPL	76.5	6.2	0.9	(11.4)	80.2	69.8	92.3	69.8	97.7	69.8
AKBL	24.0	6.0	3.6	17.1	24.6	20.4	24.6	20.0	24.6	16.1
FFBL	27.1	5.7	10.0	7.1	26.5	20.2	28.0	20.2	29.2	19.8
UBL	140.0	4.6	(0.0)	31.4	140.1	111.2	140.1	111.2	140.1	94.4
MCB	160.5	4.6	0.6	2.7	160.1	144.2	160.1	144.2	168.3	141.9
AHCL	35.6	4.2	(1.1)	(3.3)	37.7	32.6	37.7	32.6	39.1	31.7
LUCK	768.3	3.8	(0.6)	10.4	862.0	641.4	940.7	641.4	940.7	641.4
FCCL	19.1	3.6	(4.5)	(11.7)	22.3	16.2	24.5	16.2	27.2	16.2
OGDC	84.3	3.6	0.9	(12.6)	90.0	78.0	96.5	78.0	107.7	78.0
SGF	51.6	3.6	13.3	25.4	58.8	41.1	63.8	41.1	63.8	41.1
FABL	26.2	3.3	(7.1)	54.7	28.7	18.1	28.7	15.8	28.7	15.4
ENGRO	289.5	3.1	4.0	2.9	289.9	261.7	294.8	261.7	294.8	250.0
NPL	18.1	3.1	2.1	(16.9)	18.6	16.9	20.6	16.9	27.3	16.9
BAFL	36.3	2.9	(0.1)	15.9	36.8	30.2	36.8	28.9	36.8	27.1
KOHC	187.0	2.7	(2.1)	(14.7)	225.4	152.9	234.4	152.9	246.7	152.9
PTL	42.8	2.6	0.7	2.6	62.0	41.7	63.1	41.7	63.1	41.7
BOP	8.8	2.6	(0.3)	6.2	8.9	7.9	8.9	7.7	8.9	7.7
NML	88.1	2.4	(2.6)	(9.2)	95.2	81.8	100.2	81.8	117.4	76.3
NCL	44.2	2.4	(7.1)	17.0	47.8	41.0	49.3	41.0	49.3	32.2
MARI	1,737.1	2.2	2.2	41.3	1,779.2	1,417.6	1,779.2	1,417.6	1,779.2	1,159.8
DGKC	88.0	2.2	0.0	(22.3)	112.6	77.4	129.5	77.4	139.7	77.4
ACPL	132.0	2.2	(6.4)	(9.2)	163.6	123.4	175.6	123.4	185.2	123.4
NBP	35.2	2.0	2.6	(18.0)	36.4	32.5	37.8	32.5	43.9	30.5
HBL	125.9	2.0	(0.2)	1.8	128.0	106.3	132.9	106.3	133.9	106.3
ILP	74.7	1.9	(0.6)	16.8	76.8	68.2	76.8	62.8	76.8	52.6
HTL	53.7	1.7	2.5	56.1	65.2	45.8	66.8	45.8	74.9	29.7
HCAR	216.0	1.7	(8.2)	(33.3)	358.1	212.5	388.4	212.5	388.4	212.5
FFC	106.3	1.6	7.2	11.0	105.6	92.7	105.6	92.7	105.6	88.3
HUBC	74.0	1.2	(2.6)	3.4	78.0	72.0	78.0	69.6	82.4	67.2
AVN	104.2	1.1	0.4	36.2	139.8	101.8	139.8	70.5	139.8	51.8
EFERT	76.3	0.7	6.9	50.4	77.3	65.7	77.3	58.0	77.3	48.6
INDU	1,225.5	0.5	5.8	14.2	1,295.8	1,064.1	1,295.8	1,057.1	1,295.8	888.6
MTL	894.0	0.3	0.3	20.2	909.0	847.5	909.0	844.3	909.0	639.5
ABL	79.0	0.2	2.6	8.7	78.8	66.3	78.8	65.1	78.8	63.6
POWER	7.1	0.1	(3.3)	(27.9)	9.3	6.5	10.6	6.5	11.8	6.5
PSMC	229.3	0.1	2.2	(5.2)	356.5	202.9	364.5	202.9	364.5	179.3
APL	315.1	0.0	(4.4)	2.2	330.2	288.9	330.2	288.9	354.9	287.6
SNGP	42.1	(0.0)	6.9	7.0	47.8	38.7	50.5	34.4	50.5	32.4
ITTEFAQ	13.9	(0.1)	(2.9)	(16.1)	18.0	13.4	21.9	13.4	21.9	13.4
POL	370.8	(0.2)	(3.1)	6.6	385.5	352.1	385.5	332.3	390.5	307.1
ICI	767.0	(0.2)	(4.5)	5.9	843.1	757.0	897.6	757.0	897.6	647.5
LOTCHEM	14.2	(0.8)	2.3	8.9	14.3	12.0	15.3	12.0	15.6	10.2
PSO	181.0	(1.5)	(4.9)	(9.3)	219.4	182.7	230.7	182.7	240.3	172.7
FML	89.1	(1.5)	(11.8)	(6.9)	102.5	86.4	102.5	86.4	122.8	86.4
KEL	3.4	(2.9)	(2.6)	(13.0)	4.0	3.2	4.7	3.2	4.7	3.2
EPCL	57.1	(3.0)	(3.4)	47.6	60.8	50.1	60.8	39.6	60.8	34.6
UNITY	26.4	(9.1)	(7.5)	(17.7)	39.3	26.5	49.4	26.5	49.4	22.4

Local & Foreign Investors Portfolio Investment (USD mn)
LIPI Normal
Current Week

Category	Gross Buy	Gross Sell	Net	Net	Category	Gross Buy	Gross Sell	Net	Net
Individuals	215.05	217.09	SELL	-2.03	Individuals	285.13	295.37	SELL	-10.24
Companies	22.66	14.96	BUY	7.70	Companies	16.38	9.88	BUY	6.50
Banks / DFIs	3.42	6.96	SELL	-3.54	Banks / DFIs	6.18	3.05	BUY	3.14
NBFC	0.15	0.13	BUY	0.01	NBFC	0.10	0.22	SELL	-0.12
Mutual Funds	25.21	18.93	BUY	6.28	Mutual Funds	19.61	19.50	BUY	0.10
Other Organizations	3.93	1.64	BUY	2.29	Other Organizations	4.57	4.25	BUY	0.32
Broker Proprietary Trading	57.70	56.95	BUY	0.75	Broker Proprietary Trading	73.25	73.39	SELL	-0.14
Insurance Companies	18.99	5.48	BUY	13.51	Insurance Companies	17.48	11.75	BUY	5.72
Total	347.10	322.14	BUY	24.96	Total	422.70	417.42	BUY	5.28

LIPI Sector Wise
Current Week

Sector	Gross Buy	Gross Sell	Net	Net	Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	35.28	20.56	BUY	14.72	Commercial Banks	18.43	10.83	BUY	7.60
Fertilizer	15.75	11.03	BUY	4.72	Fertilizer	11.97	11.51	BUY	0.46
Cement	36.71	33.36	BUY	3.35	Cement	38.08	35.04	BUY	3.04
Power Generation & Distribution	6.43	5.95	BUY	0.48	Power Generation & Distribution	3.19	2.96	BUY	0.23
Exploration & Production	13.67	10.86	BUY	2.81	Exploration & Production	10.12	9.86	BUY	0.26
Oil & Gas Marketing Companies	5.99	5.78	BUY	0.21	Oil & Gas Marketing Companies	9.06	9.03	BUY	0.03
Food and Personal Care Products	18.09	18.35	SELL	-0.26	Food and Personal Care Products	21.42	21.62	SELL	-0.20
Textile Composite	4.00	4.09	SELL	-0.09	Textile Composite	7.15	7.25	SELL	-0.10
Technology and Communication	80.01	81.29	SELL	-1.29	Technology and Communication	111.26	114.50	SELL	-3.24
All other Sectors	129.18	128.87	BUY	0.31	All other Sectors	190.55	193.35	SELL	-2.80
Total	345.10	320.14	BUY	24.96	Total	421.22	415.94	BUY	5.28

FIPI Normal
Current Week

Category	Gross Buy	Gross Sell	Net	Net	Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.04	0.02	BUY	0.02	Foreign Individuals	0.15	0.19	SELL	-0.04
Foreign Corporates	4.93	31.64	SELL	-26.71	Foreign Corporates	8.29	17.11	SELL	-8.81
Overseas Pakistani	14.44	12.72	BUY	1.73	Overseas Pakistani	20.66	17.09	BUY	3.57
Total	19.41	44.38	SELL	-24.96	Total	29.10	34.39	SELL	-5.28

FIPI Sector Wise
Current Week

Sector	Gross Buy	Gross Sell	Net	Net	Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	3.86	18.58	SELL	-14.72	Commercial Banks	2.85	10.45	SELL	-7.60
Fertilizer	0.87	5.59	SELL	-4.72	Fertilizer	1.09	1.55	SELL	-0.46
Cement	1.27	4.62	SELL	-3.35	Cement	1.42	4.45	SELL	-3.04
Power Generation & Distribution	0.44	0.92	SELL	-0.48	Power Generation & Distribution	0.32	0.55	SELL	-0.23
Exploration & Production	0.40	3.21	SELL	-2.81	Exploration & Production	0.98	1.24	SELL	-0.26
Oil & Gas Marketing Companies	0.35	0.56	SELL	-0.21	Oil & Gas Marketing Companies	0.60	0.63	SELL	-0.03
Food and Personal Care Products	1.06	0.81	BUY	0.26	Food and Personal Care Products	1.36	1.17	BUY	0.20
Textile Composite	0.27	0.18	BUY	0.09	Textile Composite	0.55	0.45	BUY	0.10
Technology and Communication	4.87	3.59	BUY	1.29	Technology and Communication	7.93	4.69	BUY	3.24
All other Sectors	6.02	6.33	SELL	-0.31	All other Sectors	12.00	9.20	BUY	2.80
Total	19.41	44.38	SELL	-24.96	Total	29.10	34.39	SELL	-5.28

Source: NCCPL, AHL Research

Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	2.2	1.3	1.3	1.6	2.4	2.8	2.6	3.8	1.8	2.2	8.4	-73.7%
P/E (x)	15.7	21.6	13.2	16.9	12.8	16.6	11.4	13.8	10.8	14.8	4.9	-66.6%
P/B (x)	2.0	3.2	2.3	1.6	8.7	1.7	1.4	2.3	1.1	2.7	0.9	-68.5%

Source: Bloomberg, AHL Research

World's Major Stock Market Performance (USD based return)

Country	Index	Index Closing*	WTD (%)	CY21TD (%)	Country	Index	Index Closing*	WTD (%)	CY21TD (%)
Dubai	DFMGI Index	3,265	4.0	31.0	Bulgaria	SOFIX Index	608	(1.5)	24.8
Pakistan	KSE100 Index	46,489	1.9	(3.1)	India	SENSEX Index	59,636	(1.5)	23.0
Taiwan	TWSE Index	17,818	1.9	22.3	Greece	ASE Index	913	(1.5)	4.2
Mauritius	SEMDEX Index	2,145	1.8	19.3	Kenya	NSEASI Index	170	(1.5)	8.4
USA	NDX Index	16,483	1.7	27.9	Saudi Arabia	SASEIDX Index	11,710	(1.6)	34.8
Iceland	ICEXI Index	2,616	1.7	34.6	Ghana	GGSECI Index	2,919	(1.7)	44.8
Bangladesh	DSEX Index	7,092	1.4	29.6	New Zealand	NZSE Index	2,065	(1.7)	(6.6)
Oman	MSM30 Index	4,064	1.3	11.1	Lithuania	VILSE Index	954	(1.7)	7.3
Uae	ADSMI Index	8,349	0.8	65.5	UK	UKX Index	7,209	(1.7)	9.9
Thailand	SET Index	1,645	0.6	3.8	Europe	SX5E Index	4,353	(1.8)	13.2
Japan	NKY Index	29,746	0.6	(1.6)	Tunisia	TUSISE Index	7,022	(1.8)	(4.7)
Indonesia	JCI Index	6,720	0.6	10.6	Australia	AS51 Index	7,397	(1.8)	5.7
USA	SPX Index	4,705	0.5	25.3	Czech Republic	PX Index	1,364	(1.8)	26.0
Lebanon	BLOM Index	1,000	0.4	52.0	Egypt	EGX30 Index	11,338	(1.9)	4.80
Mongolia	MSETOP Index	40,035	0.2	107.7	South Africa	JALSH Index	70,315	(1.9)	10.5
Bahrain	BHSEASI Index	1,791	0.1	20.2	Finland	HEX Index	12,707	(2.2)	7.4
Sri Lanka	CSEALL Index	10,659	(0.0)	44.5	Croatia	CRO Index	1,996	(2.2)	5.9
Switzerland	SMI Index	12,578	(0.1)	12.0	Mexico	MEXBOL Index	50,832	(2.2)	10.9
China	SHSZ300 Index	4,890	(0.1)	(4.1)	Sweden	OMX Index	2,359	(2.3)	15.3
Slovenia	SBITOP Index	1,237	(0.1)	26.2	Latvia	RIGSE Index	1,266	(2.6)	2.4
Nigeria	NGSEINDX Index	43,174	(0.3)	3.7	Italy	FTSEMIB Index	27,282	(3.0)	12.7
Jordan	JOSMGNFF Index	2,089	(0.4)	26.1	Philippines	PCOMP Index	7,281	(3.0)	(3.3)
Singapore	FSSTI Index	3,232	(0.5)	10.4	Russia	IMOEX Index	4,018	(3.2)	24.1
USA	INDU Index	35,871	(0.64)	17.2	Hungary	BUX Index	51,331	(3.2)	11.6
Estonia	TALSE Index	2,051	(0.7)	40.3	Russia	RTSI\$ Index	1,726	(3.2)	24.4
Malaysia	FBMKLCI Index	1,526	(0.7)	(9.8)	Romania	BET Index	12,579	(3.3)	15.9
Morocco	MOSEMDX Index	10,792	(0.8)	13.7	Norway	OBXP Index	570	(3.4)	17.3
Qatar	DSM Index	11,950	(0.9)	15.5	Belgium	BEL20 Index	4,240	(3.5)	8.1
Germany	DAX Index	16,177	(0.9)	8.3	Ireland	ISEQ Index	8,265	(3.9)	3.5
Netherland	AEX Index	824	(0.9)	21.8	Turkey	XU100 Index	1,735	(4.5)	(21.2)
Canada	SPTSX Index	21,638	(0.9)	25.7	Spain	IBEX Index	8,751	(5.0)	0.1
South Korea	KOSPI Index	2,971	(1.0)	(5.6)	Zimbabwe	ZHIALLSH Index	11,818	(5.0)	348.3
Hong Kong	HSI Index	25,050	(1.1)	(8.5)	Austria	ATX Index	3,728	(5.3)	23.2
Kazakhstan	KZKAK Index	3,755	(1.2)	36.8	Portugal	PSI20 Index	5,517	(5.3)	4.0
Ukraine	PFTS Index	523	(1.2)	11.6	Brazil	IBOV Index	102,426	(5.5)	(20.1)
Serbia	BELEX15 Index	809	(1.2)	(0.2)	Luxembourg	LUXXX Index	1,624	(5.8)	11.5
Denmark	KFX Index	1,899	(1.3)	19.1	Argentina	MERVAL Index	89,512	(5.9)	46.4
France	CAC Index	7,093	(1.4)	18.0	Poland	WIG20 Index	2,231	(7.6)	1.0
Vietnam	VNIndex Index	1,452	(1.4)	34.2					

Source: Bloomberg, AHL Research, * Last Closing

Key Economic Data & Commodities Prices

Month end	Units	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Current*
Money Market Data																
03-M T-Bill	%	7.1	7.1	7.1	7.1	7.1	7.2	7.4	7.3	7.4	7.3	7.2	7.2	7.6	8.2	8.6
06-M T-Bill	%	7.2	7.2	7.2	7.2	7.2	7.4	7.8	7.5	7.6	7.5	7.5	7.4	8.0	8.8	9.0
12-M T-Bill	%	7.3	7.3	7.3	7.3	7.3	7.7	7.9	7.7	7.7	7.8	7.7	7.6	8.7	9.1	9.7
03-Y PIB	%	8.3	8.3	8.3	8.3	8.3	8.7	9.4	8.9	9.0	9.0	8.9	8.7	9.7	9.9	10.3
05-Y PIB	%	9.1	9.1	9.3	9.3	9.3	9.5	9.9	9.4	9.4	9.5	9.4	9.3	10.0	10.2	10.5
10-Y PIB	%	9.8	9.6	10.0	10.0	10.0	10.0	10.4	10.0	9.9	9.9	10.0	9.9	10.5	11.0	11.1
06-M KIBOR	%	7.3	7.4	7.4	7.4	7.4	7.6	7.9	7.6	7.7	7.7	7.6	7.5	8.2	8.9	9.1
Policy Rate	%	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.25	7.25	8.75
Inflation (YoY)																
Headline (CPI New Base)	%	9.0	8.9	8.3	8.0	5.7	8.7	9.1	11.1	10.9	9.7	8.4	8.4	9.0	9.2	9.2
Monetary Sector																
M1	PKR bn	17,232	17,317	17,541	17,951	17,930	18,186	18,403	18,723	18,935	19,824	19,888	19,812	20,094	na	20,094
M2	PKR bn	20,743	20,811	21,063	21,604	21,429	21,683	21,985	22,213	22,476	23,722	23,576	23,537	23,921	na	23,921
M3	PKR bn	25,083	25,163	25,419	25,970	25,708	25,935	26,228	26,441	26,606	27,731	27,563	27,494	27,857	na	27,857
Banking Sector																
Deposits	PKR bn	16,886	16,664	16,841	17,876	17,086	17,257	17,906	17,561	17,955	19,796	18,839	19,208	19,829	na	19,829
Advances	PKR bn	8,094	8,116	8,166	8,497	8,467	8,527	8,600	8,665	8,811	8,996	8,878	8,936	9,290	na	9,290
Investment	PKR bn	11,090	10,942	11,071	11,552	11,421	11,612	12,553	12,418	13,068	13,742	14,102	13,902	14,096	na	14,096
WALR	%	8.3	8.4	8.1	8.0	8.0	7.9	7.8	8.0	7.9	8.0	7.8	7.8	7.7	na	7.7
WADR	%	3.8	3.7	3.6	3.6	3.6	3.6	3.5	3.5	3.5	3.5	3.6	3.6	3.6	na	3.6
Spread	%	4.6	4.7	4.5	4.4	4.4	4.4	4.3	4.5	4.5	4.5	4.2	4.3	4.1	na	4.1
External Sector																
Forex Reserves	USD bn	19.4	19.4	20.3	20.5	20.1	20.1	20.6	22.7	23.3	23.3	24.9	27.2	26.0	23.9	24.0
With SBP	USD bn	12.2	12.2	13.1	13.4	13.0	13.0	13.5	15.6	16.1	16.1	17.8	20.1	19.3	17.2	17.3
With Banks	USD bn	7.2	7.2	7.2	7.1	7.1	7.1	7.1	7.1	7.2	7.2	7.0	7.1	6.7	6.7	6.7
Exchange rate	PKR/USD	165.70	160.26	159.42	160.28	159.83	160.22	152.76	153.45	154.40	157.54	162.43	166.39	170.66	171.65	175.24
C/A Balance	USD mn	27	448	563	(629)	(219)	(34)	(364)	(188)	(650)	(1,619)	(814)	(1,473)	(1,134)	(1,680)	(1,680)
Exports	USD bn	2.0	2.0	2.2	2.3	2.1	2.2	2.6	2.3	2.1	2.5	2.3	2.3	2.6	2.4	2.4
Imports	USD bn	3.8	3.5	4.1	5.0	4.4	4.5	5.2	5.0	5.0	6.3	5.4	6.0	6.1	6.0	6.0
Trade Balance	USD bn	(1.9)	(1.5)	(1.8)	(2.8)	(2.3)	(2.3)	(2.6)	(2.7)	(2.8)	(3.8)	(3.4)	(3.7)	(3.4)	(3.6)	(3.6)
Remittances	USD bn	2.5	2.3	2.3	2.4	2.3	2.3	2.7	2.8	2.5	2.7	2.7	2.7	2.7	2.5	2.5
Key Commodities Prices																
International																
Coal	USD/ton	62.3	59.4	83.7	87.7	87.1	83.3	96.9	93.2	108.3	114.9	123.0	146.8	200.5	220.0	135.0
Steel (HRC)	USD/ton	567.4	580.2	629.0	699.5	700.9	697.1	818.6	888.4	886.2	836.9	918.7	887.4	900.1	848.0	738.8
PTA	USD/ton	440.0	455.0	465.0	510.0	510.0	585.0	690.0	695.0	695.0	745.0	750.0	745.0	745.0	780.0	760.0
Gold	USD/oz	1,885.8	1,867.6	1,777.0	1,894.4	1,898.7	1,860.8	1,707.7	1,769.1	1,906.9	1,770.1	1,814.2	1,813.6	1,757.0	1,783.4	1,858.9
Cotton (COTLOOK A)	USD/lb	71.2	77.0	79.0	82.9	84.6	86.6	87.2	91.9	89.7	96.6	100.3	103.7	110.2	123.1	126.9
Crude oil (WTI)	USD/bbl	40.2	36.2	45.3	48.4	48.5	53.6	59.2	63.6	66.3	73.5	74.0	68.5	75.0	83.6	79.0
Crude oil (Arab Light)	USD/bbl	40.3	36.7	46.6	50.1	49.9	55.6	63.4	66.1	68.7	75.0	75.4	72.2	79.0	83.9	81.4
Crude oil (Brent)	USD/bbl	41.0	37.7	47.6	51.3	51.8	56.4	63.5	67.3	69.3	75.1	76.3	73.0	78.5	84.4	81.2
Local																
Cotton	PKR/maund	8,950	10,100	9,450	10,000	10,200	10,800	11,500	11,300	12,300	12,600	13,000	14,200	14,100	15,400	17,300
Cement	PKR/bag	566	568	574	582	587	597	611	615	615	640	654	674	678	723	-
Gold	PKR/10 grms	95,850	97,094	94,993	97,436	97,737	97,136	90,880	89,510	93,020	92,770	93,880	92,250	97,310	102,280	108,110

*Current Price

Disclaimer

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Equity Research Ratings

Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Dec'21 for Target Price. In addition, return excludes all type of taxes. For more details kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +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 (Ex. KEL) 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 shareholding in OGDC, NBP, AKBL, PSO, SNGP, NCL and EPCL.