

Robust Momentum

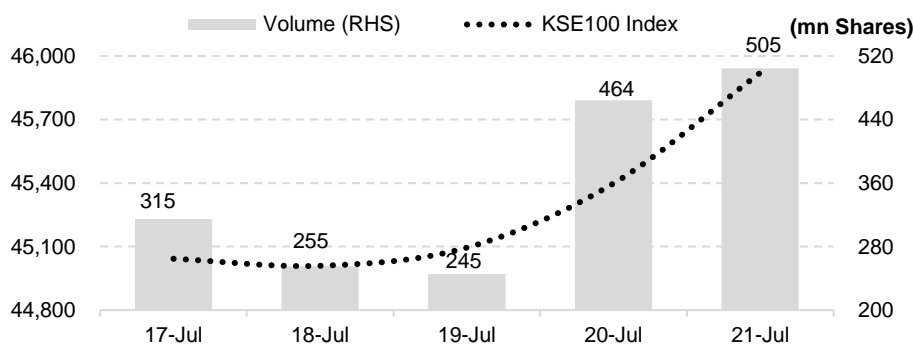
The local bourse opened on a negative note on Monday due to profit-taking witnessed by the investors. Moreover, the country report released by the IMF hinted at keeping the monetary policy tight, dividing the market sentiments regarding interest rates in upcoming policies. However, on Wednesday bulls took over, given Pakistan posted a fourth consecutive monthly Current Account Surplus of USD 334mn in Jun'23. In addition, an announcement of USD 600mn rollover from China further boosted investors' confidence. The SBP's reserves (as of 14th Jul'23) climbed up to USD 8.7bn (up by USD 4.2bn WoW), a level last seen during Oct'22, owing to substantial inflows from IMF, KSA, and UAE. The market participants welcomed the jump in SBP reserves, causing the market to cross the 46,000 points level during intraday (previously witnessed on 25th Apr'22) on Friday. Meanwhile, PKR depreciated during the week against USD, closing at PKR 286.81, losing PKR 9.22|-3.21% WoW. Overall, the market closed at 45,921 points, soaring by 853 points (up by 1.9%) WoW.

Sector-wise positive contributions came from i) Banks (768pts), ii) E&Ps (95pts), iii) Food & Personal Care (24pts), and iv) OMCs (22pts). Whereas, the sector which contributed negatively were i) Pharma (33pts), ii) Fertilizer (28pts), and iii) Miscellaneous (19pts). Scrip-wise positive contributors were UBL (308pts), MCB (126pts), MEBL (85pts), BAHL (80pts), and POL (69pts). Meanwhile, scrip-wise negative contributions came from i) ENGRO (31pts), SYS (15pts), CHCC (15pts), PSEL (14pts), and HINOON (12pts).

Foreigner buying continued during the week, settling at USD 5.4mn compared to a net buy of USD 1.0mn last week. Major buying was witnessed in Banks (USD 2.2mn) and E&P (USD 1.2mn). On the local front, selling was reported by Mutual Funds (USD 5.8mn) followed by Other Organizations (USD 1.9mn). Average volumes arrived at 357mn shares (down by 19% WoW) while the average value traded settled at USD 32mn (down by 28% WoW).

Other major news: i) E&P firms sound alarm over cash flow plight, ii) SBP designates D-SIBs for 2023, iii) 216k tonnes of sugar exported in FY23, iv) Govt committed to targeting agri and construction sectors, and v) Textile group exports decline 15pc to \$16.501bn YoY.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

We expect the market in the upcoming 4-day week to remain positive. With the commencement of the result season, certain sectors and scrips are expected to stay under the limelight. Moreover, the government is now seeking new financing opportunities from bilateral and multilateral sources, which if materializes will further boost the market sentiment. Our preferred stocks are OGDC, PPL, MARI, MCB, UBL, MEBL, LUCK, MLCF, ENGRO, FFC, HUBC, and INDU. The KSE-100 is currently trading at a PER of 3.7x (2024) as compared to its 5-year average of 5.9x offering a dividend yield of ~10.7% as compared to its 5-year average of ~6.6%.

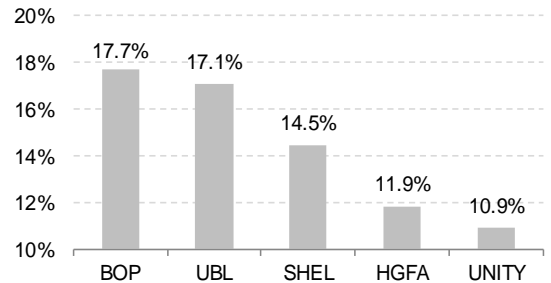
PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	45,921	1.9	13.6
KSEAll	30,731	1.3	11.6
KSE30	16,396	2.4	10.5
KMI30	77,020	0.6	12.8
BKTI	11,380	8.5	22.7
OGTI	11,410	1.7	5.6

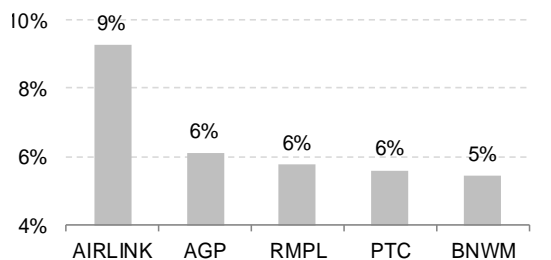
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
WTL	75.8	1.5
BOP	24.3	4.3
FFL	13.8	6.9
TPLP	12.2	13.5
KEL	11.6	2.0

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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Best Brokerage House of the Year 2022

Best Economic Research House of the Year: 2022

Corporate Finance House of the Year: 2022

Best Equity Research Analyst: 2022



Best Securities House: 2022
Best Investment Bank: 2022



Best Equity House: 2022

Business and Economic News of the Week

Govt to send team to Iran to negotiate proposals (The News)

Pakistan is likely to dispatch official delegation to Iran to negotiate proposals for joint investment in fertilizer production, well informed sources told Business Recorder. The understanding was reached between Islamabad and Tehran last month during a visit of a four member Iranian delegation from the Organization of Investment, Economic and Technical Assistance of Iran (OIETAI) led by Ali Fekri, Deputy Minister/ Head of OIETAI.

Fitch upgrades Wapda's rating (BR)

Fitch Ratings has upgraded Pakistan Water and Power Development Authority's Long-Term Foreign-Currency Issuer Default Rating (IDR) to "CCC" from "CCC-". Fitch typically does not assign Outlooks to issuers with a rating of "CCC+" or below due to the high volatility of these ratings. The upgrade follows the upgrade of the Pakistan sovereign on July 10, 2023 as WAPDA's ratings are equalised with that of Pakistan sovereign, and sensitive to any rating action on the sovereign.

Pakistan needs to boost its IT exports to \$25bn (The News)

Prime Minister Shehbaz Sharif on Thursday said that Pakistan was required to boost its IT exports to \$25 billion and investment to \$20 billion within a span of two to three years, as the government had already devised a mechanism to ensure one-window operations to facilitate the investors.

Electricity: govt hasn't enhanced peak hours (BR)

The government has not enhanced peak hours for electricity consumers in the country as it is neither mentioned in Discos' tariff determinations recently issued by the Nepra nor is it in the plan of authorities, well informed sources told Business Recorder. There were speculations in social media that the government has enhanced peak hours' duration by two hours along with the increase in basic electricity tariff by Rs 4.96 per unit across the board from July 1, 2023, which attracted considerable criticism from the public. The overall financial impact or rebasing will be of Rs 477 billion.

Oil industry, OGRA at odds over HSD price cut (The News)

The oil industry and the Oil and Gas Regulatory Authority (OGRA) are at odds over the decision to lower the price of high-speed diesel (HSD) by 2.4 percent for the second half of July, a move that the industry says violates the pricing formula agreed upon last year. The Oil Companies Advisory Council (OCAC) on Wednesday reiterated its stance, saying that the government and OGRA have violated the pricing formula decided in the Economic Coordination Committee of the cabinet meeting held on July 28, 2020.

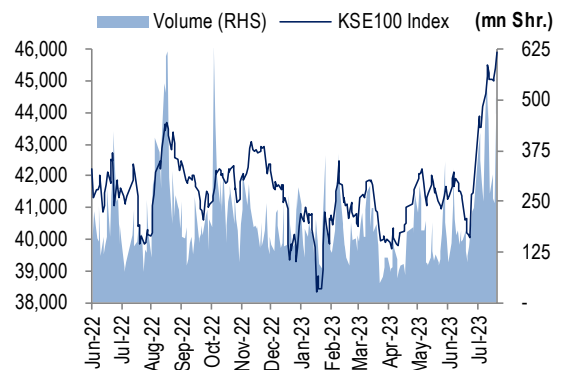
UAE firm to take over KPT's cargo terminal too (Dawn)

After the transfer of container terminal, the government has decided in principle to hand over the bulk and general cargo terminal at Karachi Port's East Wharf to Abu Dhabi Ports through a government-to-government deal under the Inter-Governmental Commercial Transaction Act, 2022.

Discos to charge Rs1.9039 per unit more in July bills (The News)

The National Electric Power Regulatory Authority (Nepra) has permitted the state-run power distribution companies (discos) to collect additional Rs1.9039/unit from the consumers in the July bills. This additional charge is related to the monthly fuel charges adjustments (FCA) for May 2023.

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
UBL	308.4
MCB	125.8
MEBL	85.1
BAHL	80.2
POL	69.4
Total	668.9

Bearish Companies	
ENGRO	(30.7)
SYS	(15.3)
CHCC	(14.6)
PSEL	(13.7)
HINOON	(12.4)
Total	(86.7)

Sectors	Index Contribution
Bullish Sectors	
Commercial Banks	767.7
Oil & Gas Exploration Companies	94.8
Food & Personal Care Products	23.9
Oil & Gas Marketing Companies	22.3
Power Generation & Distribution	20.6
Total	929.2

Bearish Sectors	
Pharmaceuticals	(33.3)
Fertilizer	(28.5)
Miscellaneous	(18.7)
Technology & Communication	(12.6)
Automobile Assembler	(12.1)
Total	(105.2)



Best Investment Bank: 2022



Best Equity Advisor: 2021



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Best Money Market
Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price 21-Jul-23	TP Jun-24	Upside (%)	Stance	EPS (PKR)				DPS (PKR)				P/E (x)		DY (%)		P/B (x)		ROE (%)		Indices
						2021	2022	2023	2024	2021	2022	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	
Exploration & Production																						
PPL	Pakistan Petroleum Ltd.	69.9	108.67	55.4	Buy	19.3	19.7	37.6	35.8	3.50	2.00	3.50	3.00	1.9	2.0	5.0	4.3	0.4	0.3	21.3	17.1	KSE100, KSE30, KMI & MSCI
OGDC	Oil and Gas Dev Co.	85.2	135.4	58.9	Buy	21.3	31.1	45.1	39.2	6.90	7.25	8.00	7.50	1.9	2.2	9.4	8.8	0.4	0.3	20.5	15.4	KSE100, KSE30, KMI & MSCI
POL	Pakistan Oilfields Ltd.	437.2	553.01	26.5	Buy	47.1	91.4	125.3	98.1	50.00	70.00	90.00	76.00	3.5	4.5	20.6	17.4	1.8	2.0	60.1	42.9	KSE100, KSE30, KMI & MSCI
MARI	Mari Petroleum Ltd	1,546.3	2,414.8	56.2	Buy	235.7	247.8	397.9	536.7	141.00	124.00	195.00	268.00	3.9	2.9	12.6	17.3	1.3	1.1	36.9	41.0	KSE100, KSE30, KMI & MSCI
Commercial Banks																						
UBL	United Bank Ltd.*	153.3	187.9	22.5	Buy	24.8	25.8	40.0	45.5	18.00	22.00	28.00	32.00	3.8	3.4	18.3	20.9	0.8	0.7	20.6	21.4	KSE100, KSE30 & MSCI
BAFL	Bank Alfalah*	38.2	48.0	25.7	Buy	9.2	11.7	21.0	21.6	4.00	5.00	6.00	6.50	1.8	1.8	15.7	17.0	0.5	0.4	28.9	24.2	KSE100
MCB	MCB Bank Ltd.*	139.8	189.9	35.9	Buy	26.3	29.0	42.4	49.6	19.00	20.00	23.00	26.00	3.3	2.8	16.5	18.6	0.8	0.7	24.6	25.9	KSE100, KSE30 & MSCI
HBL	Habib Bank Ltd.*	79.1	112.2	41.9	Buy	23.9	23.2	32.4	38.0	7.50	6.75	6.00	7.00	2.4	2.1	7.6	8.9	0.4	0.3	15.6	16.1	KSE100, KSE30 & MSCI
ABL	Allied Bank Ltd.*	71.2	102.4	43.8	Buy	15.3	18.6	28.0	28.7	8.00	8.50	10.00	12.00	2.5	2.5	14.0	16.9	0.5	0.5	22.8	20.4	KSE100
NBP	National Bank of Pakistan.*	20.6	30.4	47.7	Buy	13.4	14.5	17.0	18.6	-	-	-	-	1.2	1.1	-	-	0.1	0.1	11.1	11.0	KSE100
AKBL	Askari Bank Ltd.*	15.3	20.2	32.5	Buy	6.7	9.7	11.7	13.1	-	-	-	-	1.3	1.2	-	-	0.2	0.2	20.4	19.0	KSE100
BOP	The Bank of Punjab*	4.3	6.2	46.0	Buy	3.8	3.2	1.7	1.9	-	-	-	-	2.6	2.3	-	-	0.2	0.2	8.0	8.4	KSE100
MEBL	Meezan Bank Ltd.*	118.3	151.6	28.1	Buy	15.8	25.1	34.7	37.4	6.00	8.50	11.00	13.00	3.4	3.2	9.3	11.0	1.3	1.0	44.1	36.0	KSE100, KSE30 & KMI
FABL	Faysal Bank Ltd.*	25.1	34.4	37.2	Buy	5.5	7.5	9.5	10.9	1.50	7.00	1.50	2.00	2.6	2.3	6.0	8.0	0.5	0.4	19.2	19.7	KSE100
Fertilizer																						
ENGRO	Engro Corporation*	257.4	366.8	42.5	Buy	48.5	42.2	54.2	72.6	25.00	34.00	50.00	62.00	4.8	3.5	19.4	24.1	0.5	0.5	12.1	-	KSE100, KSE30, KMI & MSCI
FFBL	Fauji Fert. Bin Qasim	13.5	15.2	12.2	Hold	4.9	1.8	0.5	2.7	-	-	-	-	27.0	5.0	-	-	0.7	0.7	2.8	13.8	KSE100 & KMI
EFERT	Engro Fertilizer	82.2	97.3	18.5	Buy	15.8	12.0	11.0	12.1	16.50	13.50	12.00	14.00	7.5	6.8	14.6	17.0	2.8	3.2	34.9	44.3	KSE100, KSE30, KMI & MSCI
FFC	Fauji Fertilizer Co.	100.1	136.2	36.1	Buy	17.2	15.8	18.1	20.8	14.50	12.13	14.00	16.00	5.5	4.8	14.0	16.0	2.3	2.0	43.2	44.7	KSE100, KSE30 & MSCI
FATIMA	Fatima Fertilizer Co.	27.8	na	na	na	8.8	6.7	na	na	3.50	3.50	-	-	Group Company: No estimates are given								KSE100 & KMI
AHCL	Arif Habib Corp. Ltd.	28.2	na	na	na	18.3	8.5	na	na	3.00	4.00	-	-	Group Company: No estimates are given								KSEALL
Cement																						
LUCK	Lucky Cement Ltd.	583.0	954.6	63.7	Buy	44.9	48.8	43.6	67.3	-	-	-	20.00	13.4	8.7	-	3.4	1.3	1.2	10.3	14.8	KSE100, KSE30, KMI & MSCI
LUCK	Lucky Cement Ltd.*	583.0	954.6	63.7	Buy	72.9	94.1	151.9	189.0	-	-	-	20.00	3.8	3.1	-	3.4	0.6	0.5	19.0	18.3	KSE100, KSE30, KMI & MSCI
FCCL	Fauji Cement Co.	12.4	19.1	54.7	Buy	1.4	2.9	3.1	4.1	-	-	-	-	3.9	3.0	-	-	0.4	0.4	12.2	13.9	KSE100 & KMI
ACPL	Attock Cement Ltd.	90.0	149.4	66.0	Buy	8.1	8.2	24.7	28.4	4.00	3.50	-	-	3.6	3.2	-	-	0.6	0.5	17.7	17.1	KSEALL & KMI
DGKC	D.G. Khan Cement Co.	54.9	72.0	31.1	Buy	8.5	6.8	6.5	8.2	1.00	1.00	-	-	8.4	6.7	-	-	0.3	0.3	4.0	4.8	KSE100, KSE30 & KMI
KOHC	Kohat Cement Co.	176.5	291.9	65.5	Buy	17.4	25.0	30.4	35.1	-	-	-	-	5.8	5.0	-	-	1.1	0.9	20.2	19.1	KSE100 & KMI
MLCF	Maple Leaf Cement.*	31.2	56.5	81.0	Buy	3.6	4.2	7.7	9.0	-	-	-	2.00	4.1	3.5	-	6.4	0.7	0.6	17.8	17.9	KSE100, KSE30 & KMI
POWER	Power Cement	4.3	na	na	na	0.3	(0.4)	na	na	-	-	-	-	Group Company: No estimates are given								KMI
Oil & Gas Marketing																						
PSO	Pakistan State Oil	119.7	202.8	69.4	Buy	62.1	183.7	24.2	64.3	15.00	10.00	10.00	10.00	5.0	1.9	8.4	8.4	0.3	0.2	5.2	12.8	KSE100, KSE30, KMI & MSCI
APL	Attock Petroleum Ltd.	305.37	398.20	30.4	Buy	39.5	149.0	82.6	53.9	27.00	45.00	25.00	20.00	3.7	5.7	8.2	6.5	0.9	0.9	25.9	15.6	KSE100 & KMI
SNGP	Sui Northern Gas Pipeline Ltd.	44.9	66.3	47.7	Buy	17.3	16.3	18.8	20.5	7.00	4.00	8.00	8.00	2.4	2.2	17.8	17.8	0.6	0.5	149.7	249.7	KSE100 & KMI
Automobile Assemblers																						
PSMC	Pak Suzuki Motor Co.	125.0	148.2	18.6	Buy	32.6	(77.0)	(152.6)	7.6	6.50	-	-	6.00	nm	16.5	-	4.8	0.4	0.4	(57.0)	2.4	KSE100 & KMI
INDU	Indus Motor Co.	969.9	1,322.0	36.3	Buy	163.2	201.0	104.0	125.5	103.50	93.75	46.00	61.00	9.3	7.7	4.7	6.3	1.3	1.2	14.6	16.2	KSE100
HCAR	Honda Atlas Cars (Pak)	127.2	122.2	(4.0)	Hold	12.6	17.6	(0.6)	9.3	4.52	7.00	-	5.00	(218.8)	13.7	-	3.9	0.9	0.9	(0.4)	6.5	KSE100 & KMI
MTL	Millat Tractors Ltd.	396.4	389.3	(1.8)	Hold	30.1	28.3	15.8	29.6	100.00	65.00	31.00	51.00	25.1	13.4	7.8	12.9	10.8	10.8	43.1	80.8	KSE100, KSE30, KMI & MSCI
Power Generation & Distribution**																						
HUBC	Hub Power Company*	80.7	126.9	79.1	Buy	26.0	21.9	34.6	37.7	12.00	6.50	29.50	15.75	2.3	2.1	36.5	19.5	0.8	0.6	34.4	32.1	KSE100, KSE30, KMI & MSCI
NCPL	Nishat Chu. Power Ltd.	20.0	21.0	25.5	Buy	6.8	6.8	9.4	7.5	-	10.00	2.00	2.00	2.1	2.6	10.0	10.0	0.3	0.3	13.6	10.0	KSEALL
NPL	Nishat Power Limited	22.0	23.3	28.6	Buy	7.6	9.4	11.1	8.9	1.50	4.50	4.00	3.00	2.0	2.5	18.2	13.6	0.3	0.2	13.5	10.2	KSEALL
Textile Composite																						
NML	Nishat Mills Ltd.	61.7	84.8	37.5	Buy	16.8	29.3	38.2	37.6	4.00	4.00	7.50	7.50	1.6	1.6	12.2	12.2	0.2	0.2	15.8	13.8	KSE100 & KMI
NCL	Nishat (Chunian) Ltd.	21.8	32.7	50.4	Buy	23.3	31.1	(2.5)	12.0	5.00	7.00	-	4.00	(8.6)	1.8	-	18.4	0.2	0.2	(2.6)	12.2	KSE100
FML	Feroze1888 Mills Ltd.	68.5	104.3	52.3	Buy	10.8	8.5	26.7	15.5	3.43	4.27	5.00	6.00	2.6	4.4	7.3	8.8	0.9	0.8	34.5	18.5	KMI
ILP	Interloop Ltd.	37.4	71.4	91.0	Buy	4.5	8.8	12.8	13.6	2.50	4.00	5.00	5.50	2.9	2.8	13.4	14.7	1.1	0.9	47.4	36.8	KSE100
Chemicals																						
LOTCEM	Lotte Chemical Pak Ltd.	Coverage Restricted due to Advisory Mandate																	KSE100			
EPCL	Engro Polymer & Chem.	43.9	51.9	18.3	Buy	16.6	12.9	5.8	10.5	16.30	12.50	4.00	7.25	7.6	4.2	9.1	16.5	1.4	1.3	19.1	32.8	KSE100, KSE30 & KMI
LCI	Lucky Core Industries Limited	635.0	920.1	44.9	Buy	60.3	91.7	252.2	86.9	40.00	35.00	20.00	20.00	2.5	7.3	3.1	3.1	1.0	0.9	50.5	12.8	KSE100 & KMI
Engineering																						
ASTL	Amreli Steels Ltd.	20.7	24.0	15.9	Buy	4.61	4.46	3.09	4.35	-	-	-	-	6.7	4.7	-	-	0.4	0.4	5.8	7.7	KSEALL
AGHA	Agha Steel Industries Ltd.	10.7	18.3	71.5	Buy	3.37	3.07	1.53	2.16	-	-	-	-	7.0	5.0	-	-	0.4	0.4	5.7	7.6	KSEALL
ASL	Aisha Steel Mills Ltd.	6.4	na	na	na	6.9	1.2	na	na	2.00	-	-	-	Group Company: No estimates are given								KSEALL
Technology & Communication																						
HUMNL	Hum Network Limited.	6.0	10.2	70.7	Buy	0.9	1.2	1.7	2.1	-	0.50	0.75	1.00	3.5	2.9	12.6	16.8	1.0	0.9	33.5	33.1	KSEALL

Source: Bloomberg, AHL Research, *Earnings Consolidated Basis, **upside is total return

Pakistan Weekly Update

Pakistan
Stock Market



July 21, 2023

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
BOP	4.26	17.68	22.77	2.54	4.27	3.19	4.64	3.19	5.52	3.19
UBL	153.32	17.08	30.44	80.18	153.32	109.74	153.32	77.96	153.32	77.80
BAFL	38.16	9.34	25.36	37.33	38.16	28.52	38.16	26.22	38.16	25.50
AKBL	15.25	9.32	17.67	(12.75)	15.48	12.12	18.70	12.12	18.70	12.12
MCB	139.76	8.34	22.09	33.21	139.76	110.34	139.76	97.60	139.76	97.15
FABL	25.06	8.30	24.18	1.40	25.06	20.00	25.06	20.00	30.18	19.03
NPL	22.02	7.47	29.91	34.92	22.02	16.03	22.02	15.56	22.02	14.22
NCPL	19.95	6.06	19.46	40.20	19.95	14.93	19.95	13.60	19.95	9.78
MEBL	118.34	6.05	37.02	26.41	118.34	82.96	118.34	82.96	118.34	82.96
POL	437.18	4.53	8.81	16.55	437.18	399.99	437.18	380.93	437.18	319.04
SNGP	44.89	2.86	14.02	19.55	44.89	39.37	47.42	38.64	47.42	28.35
HCAR	127.24	2.39	37.77	(23.47)	127.24	82.41	136.00	82.41	193.98	82.41
PPL	69.91	2.31	18.21	4.08	70.97	56.30	82.65	56.30	82.65	50.33
NML	61.69	2.09	8.67	12.18	63.87	54.63	63.87	50.55	75.69	49.40
HUBC	80.74	1.00	16.04	43.85	80.74	64.10	80.74	53.34	80.74	45.52
PSMC	124.98	0.88	31.28	(26.81)	124.98	82.38	140.90	82.38	198.56	82.38
HBL	79.05	0.82	7.95	29.04	79.90	67.26	79.90	60.81	91.17	57.60
LUCK	583.02	0.57	11.67	30.55	583.29	431.25	583.29	392.97	583.29	383.90
FFC	100.06	0.34	1.65	9.13	103.10	96.77	103.10	93.18	103.10	90.10
ABL	71.20	0.28	6.27	20.08	73.00	63.84	73.00	59.19	73.00	55.43
MLCF	31.22	0.13	10.20	38.33	32.12	26.49	32.12	20.50	32.12	19.34
APL	305.37	(0.07)	1.71	9.87	311.52	293.51	311.52	279.52	311.52	241.43
OGDC	85.21	(0.11)	9.24	12.11	87.10	73.69	101.09	73.69	101.09	65.23
MARI	1,546.30	(0.23)	2.09	6.21	1,599.39	1,494.03	1,599.39	1,311.44	1,609.48	1,307.83
EPCL	43.87	(0.54)	3.83	11.56	46.07	39.98	46.64	39.18	59.60	37.50
EFERT	82.15	(0.75)	(0.46)	17.84	87.20	80.04	87.20	69.18	87.20	67.38
FATIMA	27.77	(0.79)	(6.84)	(7.18)	29.85	27.13	29.85	25.98	34.61	25.49
KOHC	176.45	(0.84)	1.72	19.47	188.77	147.10	188.77	126.19	188.77	115.77
NBP	20.58	(0.87)	5.65	(12.76)	21.47	18.89	25.65	18.89	33.44	18.89
NCL	21.75	(0.91)	7.14	4.37	22.98	20.00	23.78	20.00	43.73	20.00
AHCL	28.18	(0.95)	13.31	(18.18)	28.98	23.25	33.96	23.25	35.00	23.25
HUMNL	5.95	(1.00)	1.88	1.88	6.15	5.30	6.15	5.30	6.24	5.24
MTL	396.44	(1.04)	1.57	37.28	402.21	334.57	402.21	304.78	438.19	284.33
ILP	37.38	(1.08)	6.01	4.70	39.81	29.73	39.81	29.73	39.81	29.73
KAPCO	23.58	(1.21)	13.37	0.63	24.04	20.23	25.78	20.23	25.78	20.23
INDU	969.91	(1.35)	2.83	0.14	985.04	886.41	985.04	773.37	1,028.57	773.37
ENGRO	257.44	(1.45)	(0.94)	13.35	282.89	254.10	282.89	235.74	282.89	184.82
POWER	4.31	(1.60)	5.12	(6.71)	4.45	3.84	4.76	3.84	5.46	3.84
FFBL	13.51	(1.60)	14.69	(11.87)	14.34	11.11	14.34	11.11	21.03	11.11
PSO	119.68	(1.61)	7.81	(16.88)	124.43	99.03	140.60	99.03	181.36	99.03
LOTCHEM	27.94	(1.62)	1.53	27.15	29.81	23.97	29.81	20.52	29.81	18.89
FCCL	12.35	(1.98)	5.02	2.75	13.09	11.51	13.09	10.99	14.79	10.51
LCI	635.00	(2.10)	5.11	0.74	656.22	569.72	656.22	513.64	736.08	513.64
DGKC	54.93	(2.12)	7.08	6.37	57.99	46.04	57.99	39.44	63.83	39.44
ACPL	90.03	(2.81)	8.64	59.20	97.28	67.40	97.28	52.13	97.28	52.13
ASTL	20.66	(2.82)	34.59	15.10	22.00	14.99	22.00	14.99	30.86	14.99
AGHA	10.68	(3.70)	9.88	(23.17)	11.69	9.11	12.57	9.11	16.56	9.11
ITTEFAQ	5.98	(7.14)	30.85	7.75	7.12	4.40	7.12	4.20	8.60	4.20

Source (s): Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	139.74	139.84	SELL	(0.10)
Companies	11.59	10.86	BUY	0.73
Banks / DFIs	7.05	5.15	BUY	1.89
NBFC	0.07	0.10	SELL	(0.04)
Mutual Funds	12.07	17.85	SELL	(5.78)
Other Organizations	3.54	5.46	SELL	(1.92)
Broker Proprietary Trading	30.36	30.75	SELL	(0.39)
Insurance Companies	2.64	2.43	BUY	0.21
Total	207.06	212.46	SELL	(5.40)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	95.03	93.49	BUY	1.53
Companies	5.26	3.75	BUY	1.51
Banks / DFIs	3.19	4.61	SELL	(1.43)
NBFC	0.05	0.04	BUY	0.01
Mutual Funds	5.69	5.91	SELL	(0.22)
Other Organizations	1.09	2.20	SELL	(1.11)
Broker Proprietary Trading	18.08	18.33	SELL	(0.25)
Insurance Companies	0.78	1.78	SELL	(1.00)
Total	129.18	130.14	SELL	-0.96

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	31.06	33.29	SELL	(2.23)
Fertilizer	4.44	5.11	SELL	(0.67)
Cement	14.02	14.66	SELL	(0.64)
Power Generation & Distribution	12.80	13.06	SELL	(0.26)
Exploration & Production	23.39	24.55	SELL	(1.16)
Oil & Gas Marketing Companies	22.24	22.25	SELL	(0.01)
Food and Personal Care Products	12.50	12.66	SELL	(0.16)
Textile Composite	2.02	2.07	SELL	(0.05)
Technology and Communication	32.48	33.31	SELL	(0.82)
Debt	3.87	3.87	SELL	-
All other Sectors	48.69	48.09	BUY	0.60
Total	207.50	212.91	SELL	(5.40)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	8.23	8.71	SELL	(0.48)
Fertilizer	2.45	2.57	SELL	(0.12)
Cement	15.47	15.91	SELL	(0.44)
Power Generation & Distribution	2.22	1.99	BUY	0.22
Exploration & Production	12.08	12.20	SELL	(0.11)
Oil & Gas Marketing Companies	10.32	10.32	SELL	(0.01)
Food and Personal Care Products	7.70	7.73	SELL	(0.02)
Textile Composite	1.99	1.88	BUY	0.11
Technology and Communication	22.30	22.75	SELL	(0.46)
Debt	0.01	0.01	SELL	-
All other Sectors	46.13	45.78	BUY	0.35
Total	128.89	129.85	SELL	(0.96)

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.01	SELL	(0.01)
Foreign Corporates	5.97	0.79	BUY	5.18
Overseas Pakistani	10.69	10.46	BUY	0.23
Total	16.67	11.27	BUY	5.40

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.02	SELL	(0.01)
Foreign Corporates	1.08	0.59	BUY	0.50
Overseas Pakistani	7.57	7.10	BUY	0.48
Total	8.67	7.70	BUY	0.96

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	3.67	1.44	BUY	2.23
Fertilizer	0.89	0.22	BUY	0.67
Cement	1.04	0.41	BUY	0.64
Power Generation & Distribution	0.70	0.45	BUY	0.26
Exploration & Production	2.15	1.00	BUY	1.16
Oil & Gas Marketing Companies	1.25	1.24	BUY	0.01
Food and Personal Care Products	0.75	0.58	BUY	0.16
Textile Composite	0.25	0.20	BUY	0.05
Technology and Communication	3.02	2.19	BUY	0.82
All other Sectors	2.95	3.55	SELL	(0.60)
Total	16.67	11.27	BUY	5.40

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.99	0.51	BUY	0.48
Fertilizer	0.32	0.20	BUY	0.12
Cement	0.95	0.51	BUY	0.44
Power Generation & Distribution	0.12	0.34	SELL	(0.22)
Exploration & Production	0.80	0.69	BUY	0.11
Oil & Gas Marketing Companies	0.59	0.59	BUY	0.01
Food and Personal Care Products	0.44	0.41	BUY	0.02
Textile Composite	0.12	0.23	SELL	(0.11)
Technology and Communication	1.86	1.40	BUY	0.46
All other Sectors	2.47	2.82	SELL	(0.35)
Total	8.67	7.70	BUY	0.96

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 (%)	4.1	1.6	1.8	2.6	3.3	3.4	3.6	3.5	2.4	2.9	10.7	-72.7%
P/E (x)	13.0	18.1	9.4	11.3	9.7	14.8	9.6	14.8	10.0	12.3	3.7	-69.7%
P/B (x)	1.7	2.7	1.5	1.3	1.1	1.5	1.1	2.0	0.9	1.5	0.6	-61.5%

Source: Bloomberg, AHL Research

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

Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)	Country	Index	Index Closing*	WTD (%)	MTD (%)	CY23TD (%)
Iceland	ICEXI Index	2,119	4.8	11.3	3.7	Bulgaria	SOFIX Index	679	0.1	3.4	17.5
Chile	IPSA Index	6,323	2.6	7.1	24.5	Spain	IBEX Index	9,536	0.1	1.4	20.4
Portugal	PSI20 Index	6,192	2.4	6.6	12.4	Italy	FTSEMIB Index	28,899	(0.1)	4.4	26.7
Qatar	DSM Index	10,446	2.3	3.7	(1.9)	South Africa	JALSH Index	76,982	(0.2)	6.1	0.1
Nigeria	NGSEINDX Index	64,957	2.3	3.3	(25.5)	Indonesia	JCI Index	6,881	(0.2)	2.7	3.7
Argentina	MERVAL Index	459,108	2.2	2.8	49.7	Mauritius	SEMDEX Index	1,997	(0.3)	0.6	(6.7)
Sri Lanka	CSEALL Index	11,107	2.1	10.6	46.9	Serbia	BELEX15 Index	874	(0.3)	2.6	10.6
USA	INDU Index	35,225	2.1	2.4	6.3	Luxembourg	LUXXX Index	1,468	(0.3)	4.0	4.5
Norway	OBXP Index	550	2.0	8.6	(2.9)	Czech Republic	PX Index	1,335	(0.3)	5.4	15.8
Lebanon	BLOM Index	1,691	2.0	(1.8)	19.9	Philippines	PCOMP Index	6,648	(0.4)	3.8	3.0
Egypt	EGX30 Index	17,579	1.7	(0.2)	(3.2)	Slovenia	SBITOP Index	1,254	(0.4)	3.9	24.6
Kazakhstan	KZKAK Index	3,682	1.6	3.4	17.6	France	CAC Index	7,417	(0.4)	2.2	19.1
Thailand	SET Index	1,529	1.5	4.4	(7.6)	Uae	ADSMI Index	9,629	(0.4)	0.8	(5.7)
Vietnam	VNIndex Index	1,186	1.5	5.5	17.6	Dubai	DFMGI Index	3,986	(0.6)	5.1	19.5
Denmark	KFX Index	2,051	1.3	2.4	15.9	Malaysia	FBMKLCI Index	1,414	(0.6)	5.0	(8.7)
Jordan	JOSMGNFF Index	2,484	1.2	0.9	(0.5)	USA	NDX Index	15,466	(0.6)	1.9	41.4
Canada	SPTSX Index	20,437	1.1	1.8	8.2	Germany	DAX Index	16,152	(0.7)	2.0	20.6
India	SENSEX Index	66,684	1.1	3.1	10.6	Ireland	ISEQ Index	8,894	(0.9)	3.9	30.0
UK	UKX Index	7,670	0.9	2.8	9.2	Latvia	RIGSE Index	1,282	(1.0)	4.1	15.5
Austria	ATX Index	3,219	0.8	4.0	7.0	Mexico	MEXBOL Index	53,561	(1.0)	1.5	27.7
Turkey	XU100 Index	6,669	0.7	11.9	(15.9)	Finland	HEX Index	9,920	(1.0)	1.6	(4.6)
Croatia	CRO Index	2,411	0.7	4.7	26.9	Ghana	GGSECI Index	2,861	(1.0)	0.8	3.1
USA	SPX Index	4,535	0.7	1.9	18.1	Estonia	TALSE Index	1,893	(1.1)	2.2	11.3
Romania	BET Index	13,255	0.5	8.7	18.3	Lithuania	VILSE Index	982	(1.2)	2.1	7.8
Saudi Arabia	SASEIDX Index	11,756	0.4	2.6	12.5	Mongolia	MSETOP Index	36,903	(1.4)	(0.0)	(1.7)
Ukraine	PFTS Index	507	0.4	0.3	(2.1)	Pakistan	KSE100 Index	45,921	(1.4)	10.5	(10.3)
Poland	WIG20 Index	2,157	0.3	6.2	31.3	Europe	SX5E Index	4,381	(1.4)	1.5	20.0
Belgium	BEL20 Index	3,791	0.3	0.4	(2.4)	Australia	AS51 Index	7,314	(1.5)	2.6	2.6
Belgium	BEL20 Index	3,791	0.3	0.4	(2.4)	Hong Kong	HSI Index	19,075	(1.8)	1.1	(3.8)
Russia	IMOEX Index	2,914	0.3	2.9	9.5	Netherland	AEX Index	772	(1.8)	1.7	16.5
Brazil	IBOV Index	118,083	0.3	(0.4)	18.3	South Korea	KOSPI Index	2,610	(2.0)	4.4	14.7
Singapore	FSSTI Index	3,278	0.3	4.0	1.6	Japan	NKY Index	32,304	(2.2)	(0.6)	14.7
Switzerland	SMI Index	11,180	0.2	2.5	11.1	Sweden	OMX Index	2,225	(2.5)	(0.0)	9.2
Greece	ASE Index	1,341	0.2	6.9	49.9	China	SHSZ300 Index	3,822	(2.6)	0.5	(5.1)
Oman	MSM30 Index	4,805	0.2	0.8	(1.1)	Taiwan	TWSE Index	17,031	(2.8)	0.3	18.4
Hungary	BUX Index	53,357	0.2	5.5	32.6	Kenya	NSEASI Index	111	(2.9)	2.8	(24.3)
Tunisia	TUSISE Index	9,018	0.2	2.2	13.8	New Zealand	NZSE Index	1,836	(3.6)	1.0	(0.1)
Russia	RTSI\$ Index	1,016	0.1	3.3	4.7						

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

Key Economic Data & Commodities Prices

Month end	Units	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Current*
Money Market Data														
03-M T-Bill	%	15.5	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.82
06-M T-Bill	%	15.7	15.8	15.7	15.7	16.9	17.0	17.87	19.82	21.32	21.80	22.00	22.87	22.93
12-M T-Bill	%	15.8	15.9	15.7	15.7	16.9	17.0	17.95	19.93	21.39	21.76	22.00	22.93	22.96
03-Y PIB	%	13.4	13.7	13.8	14.1	15.1	15.6	16.83	18.20	18.33	18.30	19.10	19.47	19.13
05-Y PIB	%	13.4	13.0	13.1	13.2	14.0	14.6	15.48	15.80	15.23	15.00	15.10	16.08	16.34
10-Y PIB	%	15.5	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	22.65	22.82
06-M KIBOR	%	15.8	16.0	15.9	15.8	17.0	17.0	17.97	20.06	22.03	22.06	22.18	22.97	23.08
Policy Rate	%	15.00	15.00	15.00	15.00	16.00	16.00	17.00	17.00	20.00	21.00	21.00	22.00	22.00
Inflation (YoY)														
Headline (CPI New Base)	%	24.9	27.3	23.2	26.6	23.8	24.5	27.6	31.6	35.4	36.4	38.0	29.4	29.4
Monetary Sector														
M1	PKR bn	22,256	22,361	22,661	22,578	22,805	22,963	22,798	23,131	24,074	24,802	25,017	n.a	25,017
M2	PKR bn	26,799	26,894	27,261	27,296	27,387	27,335	27,292	27,878	28,732	29,433	29,859	n.a	29,859
M3	PKR bn	30,372	30,432	30,737	30,737	30,818	30,744	30,688	31,241	32,070	32,743	33,140	n.a	33,140
Banking Sector														
Deposits	PKR bn	22,101	22,152	22,820	22,412	22,732	22,467	22,754	22,921	23,562	23,429	24,388	25,508	25,508
Advances	PKR bn	10,858	10,922	11,084	11,052	11,092	11,913	11,659	11,723	11,836	12,111	12,072	12,202	12,202
Investment	PKR bn	17,608	18,183	17,484	18,285	18,483	17,902	19,293	18,993	19,236	19,695	20,144	20,896	20,896
WALR	%	12.8	13.2	13.7	14.0	14.12	14.6	15.0	15.5	16.3	17.6	17.7	n.a	17.7
WADR	%	7.1	7.5	7.6	7.7	7.79	8.1	8.0	8.7	8.7	9.7	10.2	n.a	10.2
Spread	%	5.8	5.7	6.0	6.2	6.33	6.5	7.0	6.8	7.5	7.9	7.6	n.a	7.6
External Sector														
Forex Reserves	USD bn	14.0	13.4	13.3	14.7	13.4	10.8	8.4	9.3	9.8	10.0	9.5	9.2	14.1
With SBP	USD bn	8.4	7.7	7.9	8.9	7.5	5.3	3.1	3.8	4.2	4.5	4.1	4.4	8.7
With Banks	USD bn	5.6	5.7	5.4	5.8	5.9	5.6	5.3	5.5	5.6	5.6	5.4	4.7	5.3
Exchange rate	PKR/USD	239.4	218.8	228.5	220.9	223.9	226.4	267.9	261.5	283.7	283.8	285.5	286.0	286.8
C/A Balance	USD mn	(1,215.0)	(676.0)	(363.0)	(569.0)	(252.0)	(290.0)	(230.0)	(36.0)	750.0	78.0	220.0	334.0	334.0
Exports	USD bn	2.3	2.8	2.5	2.3	2.2	2.3	2.2	2.2	2.4	2.1	2.6	2.1	2.1
Imports	USD bn	5.3	5.8	4.8	4.6	4.3	4.2	3.9	3.9	4.0	3.7	3.8	3.2	3.2
Trade Balance	USD bn	(3.1)	(3.0)	(2.3)	(2.3)	(2.0)	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.1)	(1.1)
Remittances	USD bn	2.5	2.7	2.4	2.2	2.1	2.1	1.9	2.0	2.5	2.2	2.0	2.2	2.2
Key Commodities Prices														
International														
Coal	USD/ton	332.0	346.5	295.0	214.6	250.8	205.6	141.7	143.1	132.5	127.9	100.2	100.3	97.3
Steel (HRC)	USD/ton	587.0	577.8	566.3	509.5	550.6	595.5	635.9	628.8	636.2	574.0	519.9	531.7	542.6
PTA	USD/ton	870.0	860.0	870.0	805.0	795.0	790.0	830.0	785.0	840.0	875.0	780.0	770.0	815.0
Gold	USD/oz	1,765.9	1,711.0	1,660.6	1,633.6	1,768.5	1,824.0	1,928.4	1,826.9	1,980.4	1,990.0	1,962.7	1,913.7	1,969.5
Cotton (COTLOOK A)	USD/lb	131.4	135.3	107.1	92.5	97.5	99.3	102.0	99.4	96.5	93.2	93.8	89.3	92.5
Crude oil (WTI)	USD/bbl	98.6	89.6	79.5	86.5	80.6	80.3	78.9	77.1	74.4	76.8	68.1	67.7	75.6
Crude oil (Arab Light)	USD/bbl	111.9	105.2	98.4	95.6	85.3	84.2	82.9	83.4	78.8	80.9	74.7	77.8	83.8
Crude oil (Brent)	USD/bbl	110.0	96.5	88.0	94.8	85.4	85.9	84.5	83.9	79.3	79.5	72.7	72.3	79.6
Local														
Cotton	PKR/maund	19,200.0	21,500.0	19,000.0	16,000.0	16,500.0	17,000.0	21,000.0	20,000.0	18,700.0	20,000.0	20,000.0	17,500.0	17,500
Cement	PKR/bag	1,042.4	1,035.8	1,029.5	1,033.2	1,043.5	1,043.7	1,043.0	1,109.9	1,125.8	1,120.9	1,121.4	1,145.4	1,142.4
Gold	PKR/10 grms	138,890	123,890	123,970	128,090	138,460	158,780	173,190	166,580	178,160	188,230	197,620	185,270	190,930

*Current Price

Disclaimer

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Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Dec'23 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 +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 OGDC, NBP and PSO.