

Bears dominated the market

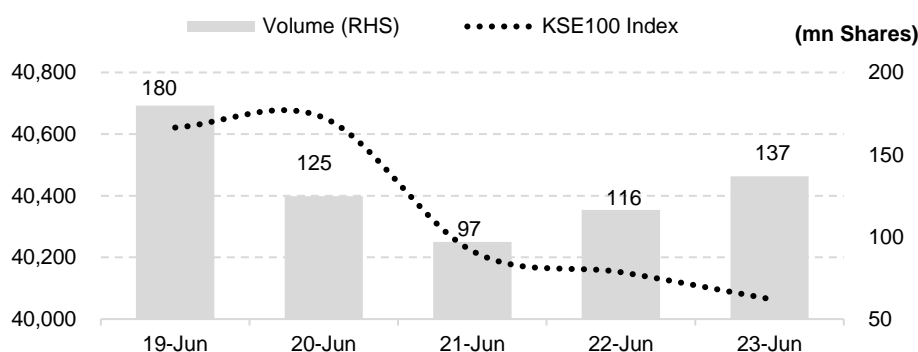
The market experienced subdued activity throughout the week, primarily due to the prevailing uncertainty surrounding the completion of the ninth review of the International Monetary Fund (IMF) program. On the economic front, Pakistan recorded a current account surplus of USD 255mn in May 2023, compared to a surplus of USD 78mn in Apr'23. Additionally, the government raised over PKR 2.4trn through the auction of T-bills. SBP-held forex reserves fell by USD 482mn WoW to USD 3.5bn. In addition, the PKR appreciated against the USD by PKR 0.46 (0.16%) on a week-on-week basis, closing the week at 286.74/USD. Overall, the market closed at 40,065 points, down by 1,236 points (-3.0%) on a week-on-week basis.

Sector-wise negative contributions came from i) Commercial Banks (214pts), ii) Fertilizer (194pts), iii) Technology & Communication (181pts), iv) Chemical (114pts), and v) Oil & Gas Exploration Companies (109pts). Whereas, the sector which contributed positively was Tobacco (14pts). Scrip-wise negative contributors were ENGRO (91pts), SYS (79pts), COLG (77pts), TRG (73pts), and UBL (66pts). Meanwhile, scrip-wise positive contributions came from SHEL (16pts), PAKT(14pts), UPFL (12pts), AGP (7pts), and MTL (7pts).

Foreigner buying was witnessed during this week, clocking in at USD 2.9mn compared to a net sell of USD 0.7mn last week. Major buying was witnessed in All Other Sectors (USD 1.2mn) and Banks (USD 1.0mn). On the local front, selling was reported by Brokers (USD 7.7mn) followed by Mutual Funds (USD 5.4mn). Average volumes arrived at 131mn shares (down by 19% WoW) while the average value traded settled at USD 13mn (down by 8% WoW).

Other major news: : i) SBP gets \$1bn from China, ii) Release of Rs703.6bn funds authorized for uplift projects, iii) FDI plunges 21pc in 11 months, and iv) KE tariff goes up by Rs1.52 per unit as payables surge to Rs592bn.

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

Next week, the market will have limited trading days due to the upcoming Eid holidays. Moreover, the market will be closely monitoring the progress of the ninth review of the IMF program. As this program is reaching its conclusion by the end of the week, it will be a critical period to determine whether the ninth review will be successfully concluded or not. Our preferred stocks are OGDC, PPL, MARI, MCB, FABL, MEBL, BAFL, LUCK, MLCF, FCCL, ENGRO, FFC, HUMNL, HUBC, PSO, and SNGP. The KSE-100 is currently trading at a PER of 3.3x (2023) compared to Asia Pac regional average of 11.1x while offering a dividend yield of ~12.6% versus ~3.0% offered by the region.

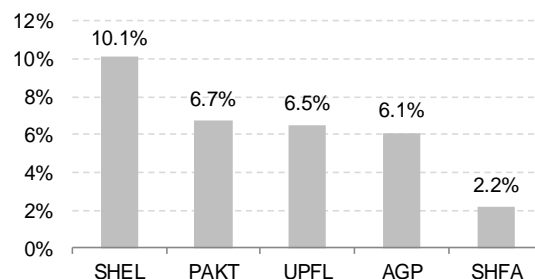
PSX Indices Performance

Index	Current	WoW (%)	CY23TD (%)
KSE100	40,065	(3.0)	(0.9)
KSEAll	27,202	(2.6)	(1.2)
KSE30	14,131	(2.8)	(4.8)
KMI30	68,895	(3.0)	0.9
BKTI	8,742	(2.3)	(5.7)
OGTI	10,243	(2.1)	(5.2)

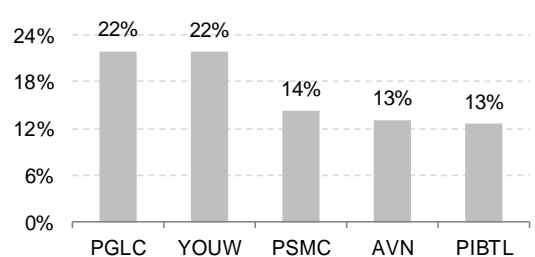
PSX Volume Leaders

	Avg. Vol. (mn)	Closing
WTL	19.0	1.1
KEL	10.9	1.6
CENERGY	4.8	2.8
HASCOL	3.5	5.2
SHEL	3.4	113.5

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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Best Economic Research House of the Year: 2022

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Best Equity Research Analyst: 2022



Best Securities House: 2022
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Business and Economic News of the Week

Over \$7bn lost in exports, remittances (Dawn)

As the PDM government keeps struggling to secure \$1.1 billion from the International Monetary Fund (IMF), the country lost \$7.15bn on account of shrinking exports and remittances during the first 11 months of FY23. Despite missing out on targets for the outgoing fiscal year, the government has fixed higher exports and remittances projections for FY24. Exports plunged by \$3.491bn, or 12 per cent, to \$25.380bn during July-May of FY23 compared to \$28.871bn in the same period of the last year, official data showed.

Pakistan, China sign \$4.8bn N-power plant deal (BR)

Pakistan and China signed a \$4.8 billion deal on Tuesday to build a 1,200-megawatt nuclear power plant, Prime Minister Shehbaz Sharif said, hailing the investment by a country that Pakistan views as its most dependable ally. Work on the Chashma 5 project would begin immediately, Sharif said on state-run news channel PTV following the signing of the memorandum of understanding (MOU) between China National Nuclear Cooperation and Pakistan Atomic Energy Commission. "The proposed increase in the fixed retail tax from 12% to 15% coupled with the reduction in retail timings puts severe pressure on the organised retail sector, which will result in mass store closures and a lower purchasing power of customers," it said, adding that it would drive many documented retailers out of business.

Rs76.726bn approved to keep CDMP commitment with IMF (BR)

The government has approved an amount of Rs 76.726 billion to maintain commitment of Circular Debt Management Plan (CDMP) with the IMF and clear liabilities of Government owned Power Plants (GPPs), well-informed sources told Business Recorder. The Federal Cabinet in its decision of February 28, 2023 approved revised Circular Debt Management Plan (CDMP) and allowed Rs 335 billion as advance payment under various heads of accounts including release of Rs 58 billion against Balochistan agricultural subsidy from head of account of IB 9048 subsidy.

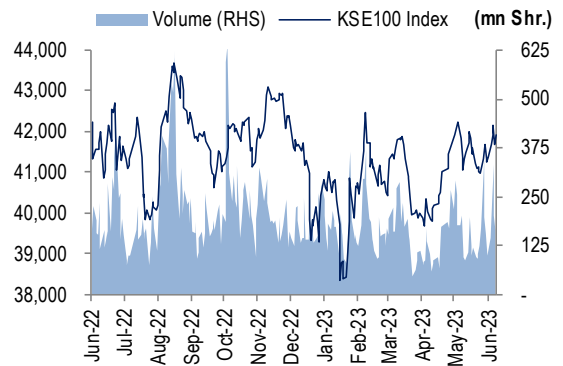
Pakistan has to repay \$10.35bn in debt servicing till Dec (The News)

The risk of default on external debt repayments will emerge within the first six months (July-Dec), as Pakistan will have to repay \$10.35 billion in foreign debt servicing till end of December 2023. In order to avert a balance of payment crisis, including repayment of external debt and obligations, Pakistan requires injections of \$4 to \$6 billion immediately in case there is no revival of the IMF programme by end of June 2023.

Oil imports shrink 22pc amid demand slowdown (BR)

Amid economic slowdown, the country's oil import bill and local production of petroleum products declined 21.84 per cent and 11.23pc, respectively, during the first 11 months of FY23. As a consequence, exports of petroleum products were down by 24.61pc in 11MFY23 from a year ago. The foreign sales of crude oil and petroleum products were down by 21.97pc and 32.65pc, respectively. In dollar terms, the oil imports dipped by 21.80pc to \$15.38 billion during 11MFY23 from \$19.67bn in the same period last year despite higher international prices, according to data released by the Federal Bureau of Statistics (PBS).

PSX Volume and KSE100 Index



Top Contributors in KSE100 Index

Companies	Index Contribution
Bullish Companies	
SHEL	15.6
PAKT	14.4
UPFL	12.5
AGP	7.3
MTL	6.7
	56.5

Bearish Companies

ENGRO	(90.5)
SYS	(79.3)
COLG	(76.7)
TRG	(72.8)
UBL	(65.7)
	(385.1)

Sectors

Bullish Sectors	Index Contribution
Tobacco	14.4
	14.4

Bearish Sectors

Commercial Banks	(214.1)
Fertilizer	(194.1)
Technology & Communication	(181.2)
Chemical	(114.5)
Oil & Gas Exploration Companies	(108.6)
	(812.5)



Best Investment Bank: 2022



Best Equity Advisor: 2021



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Broker- (Islamic) 2021

AHL Universe - Recommendation Summary

Code	Company	Price		TP	Upside (%)	Stance	EPS (PKR)				DPS (PKR)				P/E (x)		DY (%)		P/B (x)		ROE (%)		Indices
		23-Jun-23	Dec-23				2021	2022	2023	2024	2021	2022	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	
Exploration & Production																							
PPL	Pakistan Petroleum Ltd.	56.4	110.74	96.4	Buy	19.3	19.7	38.0	35.9	3.50	2.00	3.50	3.00	1.5	1.6	6.2	5.3	0.3	0.2	21.4	17.1	KSE100, KSE30, KMI & MSCI	
OGDC	Oil and Gas Dev Co.	74.4	137.7	85.0	Buy	21.3	31.1	46.3	43.5	6.90	7.25	8.00	7.50	1.6	1.7	10.7	10.1	0.3	0.3	21.0	17.0	KSE100, KSE30, KMI & MSCI	
POL	Pakistan Oilfields Ltd.	408.6	550.83	34.8	Buy	47.1	91.4	130.6	107.5	50.00	70.00	104.00	83.00	3.1	3.8	25.5	20.3	2.0	1.8	67.3	50.1	KSE100, KSE30, KMI & MSCI	
MARI	Marl Petroleum Ltd	1,518.5	2,597.1	71.0	Buy	235.7	247.8	424.9	538.6	141.00	124.00	212.00	269.00	3.6	2.8	14.0	17.7	1.3	1.0	39.1	40.5	KSE100, KSE30, KMI & MSCI	
Commercial Banks																							
UBL	United Bank Ltd.*	109.7	177.9	62.1	Buy	24.8	25.8	36.5	32.4	18.00	22.00	26.00	23.00	3.0	3.4	23.7	21.0	0.6	0.6	19.6	17.0	KSE100, KSE30 & MSCI	
BAFL	Bank Alfalah*	28.6	48.0	67.7	Buy	9.2	11.7	16.3	16.6	4.00	5.00	6.00	7.50	1.8	1.7	21.0	26.2	0.3	0.3	22.1	18.4	KSE100	
MCB	MCB Bank Ltd.*	110.3	173.3	57.0	Buy	26.3	29.0	36.8	37.1	19.00	20.00	24.00	23.00	3.0	3.0	21.8	20.8	0.7	0.6	22.4	21.7	KSE100, KSE30 & MSCI	
HBL	Habib Bank Ltd.*	68.2	102.4	50.3	Buy	23.9	23.2	33.4	36.8	7.50	6.75	6.50	8.00	2.0	1.9	9.5	11.7	0.3	0.2	15.1	14.0	KSE100, KSE30 & MSCI	
ABL	Allied Bank Ltd.*	65.5	101.1	54.3	Buy	15.3	18.6	23.7	24.0	8.00	8.50	10.00	12.00	2.8	2.7	15.3	18.3	0.5	0.4	18.4	15.5	KSE100	
NBP	National Bank of Pakistan.*	19.0	34.7	82.7	Buy	13.4	14.5	15.4	17.5	-	-	1.00	2.00	1.2	1.1	5.3	10.5	0.1	0.1	10.0	10.4	KSE100	
AKBL	Askari Bank Ltd.*	12.1	29.6	144.3	Buy	6.7	9.7	12.2	13.1	-	-	1.00	2.50	1.0	0.9	8.3	20.6	0.2	0.2	19.9	17.3	KSE100	
BOP	The Bank of Punjab*	3.2	6.7	109.4	Buy	3.8	3.2	3.6	4.2	-	-	0.50	0.75	0.9	0.8	15.7	23.5	0.1	0.1	16.9	17.2	KSE100	
MEBL	Meezan Bank Ltd.*	83.0	165.2	99.0	Buy	15.8	25.1	34.3	35.8	6.00	8.50	10.00	12.00	2.4	2.3	12.0	14.5	0.9	0.7	44.1	35.1	KSE100, KSE30 & KMI	
FABL	Faysal Bank Ltd.*	20.0	42.3	111.3	Buy	5.5	7.5	12.0	12.1	1.50	7.00	2.00	3.00	1.7	1.7	10.0	15.0	0.4	0.3	25.2	22.4	KSE100	
Fertilizer																							
ENGRO	Engro Corporation*	255.3	373.8	46.4	Buy	48.5	42.2	62.8	69.2	25.00	34.00	50.00	55.00	4.1	-	19.6	21.5	0.5	0.5	14.1	-	KSE100, KSE30, KMI & MSCI	
FFBL	Fauji Fert. Bin Qasim	11.2	16.1	44.4	Buy	4.9	1.8	1.2	2.8	-	-	-	-	9.0	4.0	-	-	0.6	0.5	6.5	13.0	KSE100 & KMI	
EFERT	Engro Fertilizer	80.0	92.0	15.0	Hold	15.8	12.0	13.3	13.5	16.50	13.50	15.00	15.50	6.0	5.9	18.7	19.4	2.8	3.1	42.3	49.5	KSE100, KSE30, KMI & MSCI	
FFC	Fauji Fertilizer Co.	96.8	135.6	40.0	Buy	17.2	15.8	21.8	22.5	14.50	12.13	17.00	17.00	4.4	4.3	17.6	17.6	2.1	1.9	50.8	46.3	KSE100, KSE30 & MSCI	
FATIMA	Fatima Fertilizer Co.	28.4	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.	23.4	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.	512.7	727.9	42.0	Buy	44.9	48.8	41.3	36.4	-	-	-	10.00	12.4	14.1	-	2.0	1.2	1.1	9.8	8.0	KSE100, KSE30, KMI & MSCI	
LUCK	Lucky Cement Ltd.*	512.7	727.9	42.0	Buy	72.9	94.1	152.7	141.8	-	-	-	10.00	3.4	3.6	-	2.0	0.7	0.6	21.9	17.2	KSE100, KSE30, KMI & MSCI	
FCCL	Fauji Cement Co.	11.6	17.8	54.0	Buy	1.4	2.9	4.6	4.4	-	-	-	1.00	2.5	2.6	-	8.7	0.4	0.4	17.5	14.3	KSE100 & KMI	
ACPL	Attock Cement Ltd.	84.0	77.9	(7.2)	Hold	8.1	8.2	9.1	5.3	4.00	3.50	-	-	9.3	15.9	-	-	0.6	0.6	6.9	3.8	KSEALL & KMI	
DGKC	D.G. Khan Cement Co.	49.3	58.9	19.4	Buy	8.5	6.8	6.2	7.4	1.00	1.00	-	-	7.9	6.6	-	-	0.3	0.3	3.8	4.4	KSE100, KSE30 & KMI	
KOHC	Kohat Cement Co.	165.8	194.7	17.4	Buy	17.4	25.0	32.3	21.9	-	-	-	-	5.1	7.6	-	-	1.0	0.9	21.3	12.2	KSE100 & KMI	
MCLFC	Maple Leaf Cement.*	27.1	38.7	42.6	Buy	3.6	4.2	7.7	7.2	-	-	2.00	3.00	3.5	3.7	7.4	11.1	0.6	0.5	17.8	14.6	KSE100, KSE30 & KMI	
POWER	Power Cement	3.9	na	na	na	0.3	(0.4)	na	na	-	-	-	-	Group Company: No estimates are given								KMI	
Oil & Gas Marketing																							
PSO	Pakistan State Oil	101.3	206.7	103.9	Buy	62.1	183.7	39.2	71.1	15.00	10.00	10.00	10.00	2.6	1.4	9.9	9.9	0.2	0.2	8.4	14.2	KSE100, KSE30, KMI & MSCI	
APL	Attock Petroleum Ltd.	293.51	394.60	34.4	Buy	39.5	149.0	98.0	51.1	27.00	45.00	25.00	20.00	3.0	5.7	8.5	6.8	0.9	0.9	31.3	15.2	KSE100 & KMI	
SNGP	Sui Northern Gas Pipeline Ltd.	42.6	69.5	63.0	Buy	17.3	20.1	15.8	25.3	7.00	8.00	6.00	10.00	2.7	1.7	14.1	23.5	0.6	0.5	149.7	249.7	KSE100 & KMI	
Automobile Assemblers																							
PSMC	Pak Suzuki Motor Co.	82.4	160.0	94.2	Buy	32.6	(77.0)	(1.4)	36.4	6.50	-	-	6.00	nm	2.3	-	7.3	0.3	0.3	(0.5)	11.7	KSE100 & KMI	
INDU	Indus Motor Co.	910.2	1,218.0	33.8	Buy	163.2	201.0	98.0	131.2	103.50	93.75	46.00	61.00	9.3	6.9	5.1	6.7	1.2	1.1	13.7	17.0	KSE100	
HCAR	Honda Atlas Cars (Pak)	82.4	109.0	32.3	Buy	12.6	17.6	1.8	13.1	4.52	7.00	-	5.00	45.2	6.3	-	6.1	0.6	0.6	1.3	9.2	KSE100 & KMI	
MTL	Milat Tractors Ltd.	382.8	548.6	43.3	Buy	45.2	42.4	27.7	46.6	100.00	65.00	31.00	51.00	13.8	8.2	8.1	13.3	7.0	7.0	50.5	84.8	KSE100, KSE30, KMI & MSCI	
Power Generation & Distribution**																							
HUBC	Hub Power Company*	64.4	119.7	94.5	Buy	26.0	21.9	32.3	36.8	12.00	6.50	29.50	15.00	2.0	1.7	45.8	23.3	0.6	0.5	31.2	30.0	KSE100, KSE30, KMI & MSCI	
NCPL	Nishat Chu. Power Ltd.	15.9	19.0	32.7	Buy	6.8	6.8	9.1	8.7	-	10.00	2.00	2.00	1.7	1.8	12.6	12.6	0.2	0.2	13.2	11.5	KSEALL	
NPL	Nishat Power Limited	16.4	21.1	41.2	Buy	7.6	9.4	9.5	8.4	1.50	4.50	4.00	2.00	1.7	1.9	24.4	12.2	0.2	0.2	11.6	9.6	KSEALL	
Textile Composite																							
NML	Nishat Mills Ltd.	55.0	72.1	31.1	Buy	16.8	29.3	39.7	30.1	4.00	4.00	6.00	6.00	1.4	1.8	10.9	10.9	0.2	0.2	17.3	12.3	KSE100 & KMI	
NCL	Nishat (Chunian) Ltd.	20.0	32.7	63.6	Buy	23.3	31.1	(2.5)	12.0	5.00	7.00	-	4.00	(7.9)	1.7	-	20.0	0.2	0.2	(2.6)	12.2	KSE100	
FML	Feroze1888 Mills Ltd.	71.6	91.8	28.2	Buy	10.8	8.5	26.7	11.5	3.43	4.27	5.00	6.00	2.7	6.2	7.0	8.4	0.9	0.8	34.5	13.8	KMI	
ILP	Interloop Ltd.	34.0	84.7	149.1	Buy	6.7	13.2	20.7	16.3	2.50	4.00	6.00	6.50	1.6	2.1	17.6	19.1	0.8	0.7	55.8	34.7	KSE100	
Chemicals																							
LOTCHM	Lotte Chemical Pak Ltd.	Coverage Restricted due to Advisory Mandate																		KSE100			
EPCL	Engro Polymer & Chem.	40.0	45.5	13.7	Hold	16.6	12.9	7.6	8.3	16.30	12.50	5.25	5.75	5.2	4.8	13.1	14.4	1.1	1.1	22.2	22.9	KSE100, KSE30 & KMI	
LCI	Lucky Core Industries Limited	591.6	890.2	50.5	Buy	60.3	91.7	261.9	111.9	40.00	35.00	20.00	20.00	2.3	5.3	3.4	3.4	1.1	0.9	59.3	19.5	KSE100 & KMI	
Engineering																							
ASTL	Amreli Steels Ltd.	15.0	24.0	59.8	Buy	4.61	4.46	3.09	4.35	-	-	-	-	4.9	3.4	-	-	0.3	0.3	5.8	7.7	KSEALL	
AGHA	Agha Steel Industries Ltd.	9.1	18.3	101.1	Buy	3.37	3.07	1.53	2.16	-	-	-	-	6.0	4.2	-	-	0.3	0.3	5.7	7.6	KSEALL	
ASL	Aisha Steel Mills Ltd.	5.2	na	na	na	6.9	1.2	na	na	2.00	-	-	-	Group Company: No estimates are given								KSEALL	
Technology & Communication																							
HUMNL	Hum Network Limited.	5.7	10.2	77.3	Buy	0.9	1.2	1.7	2.1	-	0.50	0.75	1.00	3.3	2.8	13.1	17.5	1.0	0.8	33.5	33.1	KSEALL	

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

Pakistan Weekly Update

Pakistan
Stock Market



June 23, 2023

AHL Universe - Performance

Code	Closing	WoW (%)	MTD (%)	CYTD (%)	90-Days		180-Days		365-Days	
					High	Low	High	Low	High	Low
ACPL	83.95	3.21	1.12	48.45	88.21	56.00	88.21	52.13	90.38	52.13
NCPL	15.86	3.05	(0.81)	11.45	16.68	14.08	17.02	12.78	17.46	9.03
PTL	21.89	1.91	4.19	5.65	21.89	18.76	21.89	15.17	33.53	15.17
SNGP	42.63	1.77	4.51	13.53	43.42	38.64	47.42	35.33	47.42	26.52
LCI	591.56	1.19	1.07	(6.15)	609.18	516.31	630.35	513.64	737.90	513.64
MTL	382.83	0.73	14.14	32.56	385.25	334.57	385.25	284.33	438.19	284.33
NPL	16.38	0.55	(0.67)	0.36	18.31	16.03	18.31	15.23	19.88	12.71
LUCK	512.74	0.29	(0.60)	14.81	537.02	392.97	537.02	383.90	537.02	383.90
UNITY	14.73	(0.14)	15.98	4.32	15.50	12.09	15.50	12.09	23.87	12.09
APL	293.51	(0.40)	(0.22)	5.60	304.07	291.70	304.95	275.81	309.85	224.99
FATIMA	28.38	(0.42)	1.76	(5.14)	29.42	25.98	30.27	25.49	34.61	25.49
HBL	68.17	(0.47)	(7.24)	11.28	76.96	67.26	76.96	57.60	91.17	57.60
KOHC	165.82	(0.49)	4.68	12.27	171.05	137.73	171.05	115.77	171.05	115.77
BAFL	28.60	(0.69)	(0.03)	2.93	31.02	28.31	31.02	26.11	31.59	25.50
ILP	34.00	(0.85)	12.63	(4.76)	34.63	29.73	37.30	29.73	39.73	29.73
MARI	1,518.52	(1.46)	(1.39)	4.31	1,599.39	1,494.03	1,599.39	1,307.83	1,623.16	1,307.83
FFBL	11.15	(1.50)	(0.45)	(27.27)	12.70	11.11	15.33	11.11	21.72	11.11
POL	408.64	(1.58)	(5.11)	8.94	435.49	390.70	435.49	375.10	435.49	314.47
FFC	96.83	(1.68)	(4.20)	5.61	103.10	93.51	103.10	91.36	103.10	90.10
OGDC	74.44	(2.05)	(0.51)	(2.06)	85.58	73.69	101.09	69.63	101.09	65.23
ABL	65.52	(2.19)	(2.21)	10.50	69.44	59.24	69.44	58.40	69.44	55.43
AHCL	23.37	(2.54)	(2.99)	(32.14)	31.01	23.25	34.65	23.25	35.00	23.25
FABL	20.00	(2.68)	(6.85)	(19.07)	24.45	20.00	25.15	20.00	30.18	16.99
EFERT	80.04	(2.85)	(6.97)	14.81	87.20	77.41	87.20	67.92	87.20	67.38
HUBC	64.39	(3.01)	(5.25)	14.72	70.98	64.10	70.98	51.39	70.98	45.52
MEBL	82.99	(3.18)	(6.66)	(11.35)	99.31	82.96	99.31	82.96	116.09	82.96
DGKC	49.31	(3.22)	(2.82)	(4.51)	53.81	41.87	53.81	39.44	63.83	39.44
MCB	110.34	(3.31)	(4.15)	5.17	116.01	108.41	116.01	97.15	116.01	97.15
NCL	20.00	(3.47)	(5.03)	(4.03)	22.00	20.00	23.78	20.00	43.73	20.00
PPL	56.38	(3.62)	(2.12)	(16.07)	68.20	56.30	82.65	56.30	82.65	50.33
HUMNL	5.73	(3.86)	3.43	(1.88)	6.01	5.30	6.24	5.30	6.32	5.24
FCCL	11.55	(3.91)	(1.95)	(3.91)	12.65	11.51	12.81	10.51	14.79	10.51
POWER	3.90	(3.94)	(2.01)	(15.58)	4.50	3.84	4.76	3.84	5.60	3.84
MLCF	27.13	(4.03)	(3.69)	20.20	29.08	24.58	29.08	19.34	29.36	19.34
EPCL	39.98	(4.17)	(5.82)	1.67	46.64	39.98	46.64	38.38	72.28	37.50
UBL	109.74	(4.17)	(5.63)	28.96	125.11	95.78	125.11	77.80	125.11	77.80
ENGRO	255.25	(4.20)	(9.77)	12.39	282.89	235.74	282.89	222.06	282.89	184.82
FML	71.60	(4.53)	(6.92)	16.93	82.00	56.11	82.00	53.25	82.00	53.25
INDU	910.21	(4.60)	(1.59)	(6.02)	964.60	860.79	994.37	773.37	1,104.26	773.37
NBP	18.97	(4.91)	(7.46)	(19.58)	21.81	18.89	25.65	18.89	33.44	18.89
KAPCO	20.23	(6.13)	(8.34)	(13.66)	25.33	20.23	25.78	20.23	25.78	20.23
PSO	101.33	(6.76)	2.19	(29.63)	117.89	99.03	147.53	99.03	181.36	99.03
NML	54.98	(6.91)	(7.64)	(0.02)	63.87	52.38	63.87	49.40	75.69	49.40
HTL	20.10	(7.50)	(9.50)	(22.30)	25.19	20.10	27.09	20.10	41.49	20.10
LOTCHEM	25.19	(8.17)	(7.18)	14.63	29.81	21.05	29.81	20.52	29.81	17.76
AKBL	12.12	(8.80)	(15.19)	(30.66)	16.27	12.12	18.70	12.12	18.70	12.12
ASTL	14.99	(10.40)	(10.40)	(16.49)	18.70	14.99	19.68	14.99	30.86	14.99
BOP	3.19	(10.64)	(11.88)	(23.22)	4.06	3.19	4.64	3.19	5.52	3.19
AGHA	9.11	(10.77)	(14.70)	(34.46)	12.00	9.11	13.90	9.11	16.56	9.11
HCAR	82.41	(11.00)	(11.68)	(50.43)	117.83	82.41	166.26	82.41	194.73	82.41
ITTEFAQ	4.40	(11.11)	(5.58)	(20.72)	5.76	4.40	6.03	4.20	8.60	4.20

Source (s): Bloomberg, AHL Research

Pakistan Weekly Update

Pakistan
Stock Market



June 23, 2023

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	86.83	87.11	SELL	(0.28)
Companies	26.27	15.73	BUY	10.54
Banks / DFIs	3.13	3.30	SELL	(0.17)
NBFC	0.04	0.03	BUY	0.01
Mutual Funds	5.41	10.80	SELL	(5.39)
Other Organizations	2.46	1.18	BUY	1.28
Broker Proprietary Trading	30.79	38.45	SELL	(7.66)
Insurance Companies	0.36	1.62	SELL	(1.26)
Total	155.30	158.22	SELL	(2.92)

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Individuals	69.64	65.23	BUY	4.40
Companies	3.71	4.54	SELL	(0.83)
Banks / DFIs	1.85	2.73	SELL	(0.88)
NBFC	0.10	0.04	BUY	0.06
Mutual Funds	7.80	9.77	SELL	(1.97)
Other Organizations	1.23	0.63	BUY	0.59
Broker Proprietary Trading	17.98	18.10	SELL	(0.13)
Insurance Companies	0.41	0.95	SELL	(0.55)
Total	102.70	101.99	BUY	0.71

LIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	11.72	12.69	SELL	(0.97)
Fertilizer	3.01	2.98	BUY	0.03
Cement	14.69	14.47	BUY	0.22
Power Generation & Distribution	4.49	4.49	BUY	0.00
Exploration & Production	17.36	17.57	SELL	(0.20)
Oil & Gas Marketing Companies	24.83	24.91	SELL	(0.09)
Food and Personal Care Products	6.39	6.78	SELL	(0.39)
Textile Composite	3.10	3.14	SELL	(0.04)
Technology and Communication	41.10	41.40	SELL	(0.30)
Debt	12.02	12.02	SELL	-
All other Sectors	21.29	22.47	SELL	(1.18)
Total	159.99	162.91	SELL	(2.92)

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	8.36	8.21	BUY	0.15
Fertilizer	2.22	2.04	BUY	0.18
Cement	15.49	15.46	BUY	0.03
Power Generation & Distribution	1.72	1.68	BUY	0.04
Exploration & Production	8.25	7.96	BUY	0.29
Oil & Gas Marketing Companies	12.47	12.41	BUY	0.07
Food and Personal Care Products	1.99	2.22	SELL	(0.23)
Textile Composite	4.33	4.40	SELL	(0.07)
Technology and Communication	15.21	15.27	SELL	(0.06)
Debt	2.79	2.79	SELL	-
All other Sectors	28.07	27.76	BUY	0.31
Total	100.90	100.19	BUY	0.71

FIPI Normal

Current Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	3.02	2.95	BUY	0.06
Foreign Corporates	2.11	1.43	BUY	0.69
Overseas Pakistani	6.65	4.47	BUY	2.17
Total	11.78	8.85	BUY	2.92

Last Week

Category	Gross Buy	Gross Sell	Net	Net
Foreign Individuals	0.01	0.00	BUY	0.01
Foreign Corporates	1.32	2.71	SELL	(1.40)
Overseas Pakistani	5.12	4.44	BUY	0.68
Total	6.45	7.16	SELL	(0.71)

FIPI Sector Wise

Current Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	1.96	0.98	BUY	0.97
Fertilizer	0.21	0.24	SELL	(0.03)
Cement	0.58	0.80	SELL	(0.22)
Power Generation & Distribution	0.16	0.17	SELL	(0.00)
Exploration & Production	0.76	0.56	BUY	0.20
Oil & Gas Marketing Companies	1.04	0.96	BUY	0.09
Food and Personal Care Products	0.51	0.11	BUY	0.39
Textile Composite	0.14	0.10	BUY	0.04
Technology and Communication	4.24	3.94	BUY	0.30
All other Sectors	2.18	1.00	BUY	1.18
Total	11.78	8.85	BUY	2.92

Last Week

Sector	Gross Buy	Gross Sell	Net	Net
Commercial Banks	0.77	0.92	SELL	(0.15)
Fertilizer	0.32	0.49	SELL	(0.18)
Cement	0.91	0.94	SELL	(0.03)
Power Generation & Distribution	0.13	0.17	SELL	(0.04)
Exploration & Production	0.51	0.79	SELL	(0.29)
Oil & Gas Marketing Companies	0.58	0.65	SELL	(0.07)
Food and Personal Care Products	0.35	0.12	BUY	0.23
Textile Composite	0.24	0.17	BUY	0.07
Technology and Communication	0.86	0.80	BUY	0.06
All other Sectors	1.80	2.11	SELL	(0.31)
Total	6.45	7.16	SELL	(0.71)

Forward Estimates

Country	Indonesia	India	Vietnam	Philippines	Sri Lanka	Thailand	China	Taiwan	S.Korea	Peer Avg	Pakistan	Prem/(Disc)
DY (%)	4.3	1.7	1.8	2.7	3.8	3.5	3.5	3.4	2.4	3.0	12.6	-76.2%
P/E (x)	12.6	17.6	9.2	10.9	3.0	14.3	9.7	15.0	10.0	11.4	3.3	-71.3%
P/B (x)	1.7	2.8	1.5	1.2	1.2	1.4	1.2	2.0	0.9	1.5	0.6	-61.2%

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 (%)
Latvia	RIGSE Index	1,245	8.9	11.6	10.5	Chile	IPSA Index	5,763	(1.5)	5.8	15.0
Kenya	NSEASI Index	107	6.8	2.3	(25.9)	Qatar	DSM Index	10,106	(1.5)	(0.4)	(5.1)
Mongolia	MSETOP Index	37,366	3.5	4.9	(0.3)	Canada	SPTSX Index	19,581	(1.7)	3.4	3.9
Ghana	GGSECI Index	2,737	2.3	6.2	(1.2)	USA	INDU Index	33,689	(1.8)	2.4	1.6
Croatia	CRO Index	2,362	1.3	7.2	21.7	Luxembourg	LUXXX Index	1,445	(1.8)	3.8	0.6
Vietnam	VNIndex Index	1,129	1.3	4.9	12.6	Philippines	PCOMP Index	6,394	(1.9)	(0.2)	(2.8)
Uae	ADSMI Index	9,557	1.2	1.6	(6.4)	Switzerland	SMI Index	11,198	(1.9)	1.9	7.4
Sri Lanka	CSEALL Index	9,339	1.1	2.8	31.5	New Zealand	NZSE Index	1,808	(2.0)	1.4	(2.6)
Oman	MSM30 Index	4,731	1.1	2.3	(2.6)	Netherland	AEX Index	754	(2.8)	3.1	11.3
Tunisia	TUSISE Index	8,924	1.0	3.2	11.2	Romania	BET Index	11,962	(2.8)	0.4	4.1
Estonia	TALSE Index	1,907	0.9	3.6	10.4	Pakistan	KSE100 Index	40,065	(2.8)	(3.5)	(21.7)
Hungary	BUX Index	50,120	0.7	8.8	25.4	Italy	FTSEMIB Index	27,167	(2.9)	6.8	16.5
Brazil	IBOV Index	118,785	0.6	16.4	19.2	Spain	IBEX Index	9,253	(2.9)	4.7	14.4
Belgium	BEL20 Index	3,521	0.5	(1.2)	(2.9)	Mexico	MEXBOL Index	53,563	(2.9)	4.8	25.5
Belgium	BEL20 Index	3,521	0.5	(1.2)	(2.9)	Denmark	KFX Index	2,002	(3.0)	0.2	10.8
Bahrain	BHSEASI Index	1,961	0.2	(0.1)	3.5	Poland	WIG20 Index	2,034	(3.1)	12.5	22.0
Kazakhstan	KZKAK Index	3,546	0.1	1.3	12.5	Singapore	FSSTI Index	3,192	(3.1)	1.4	(2.8)
Dubai	DFMGI Index	3,793	0.1	6.0	13.7	China	SHSZ300 Index	3,864	(3.2)	0.8	(4.1)
Argentina	MERVAL Index	415,186	0.1	15.0	44.1	UK	UKX Index	7,445	(3.5)	2.6	5.0
Mauritius	SEMDEX Index	1,982	0.0	0.1	(6.8)	Japan	NKY Index	32,782	(3.5)	3.7	15.1
Ukraine	PFTS Index	507	0.0	0.0	(2.4)	Europe	SX5E Index	4,257	(3.5)	3.4	14.1
Lithuania	VILSE Index	985	(0.2)	0.1	5.7	Portugal	PSI20 Index	5,873	(3.7)	5.0	4.3
Serbia	BELEX15 Index	861	(0.4)	(3.1)	6.5	France	CAC Index	7,137	(3.8)	3.0	12.1
Saudi Arabia	SASEIDX Index	11,459	(0.5)	4.0	9.6	Ireland	ISEQ Index	8,458	(3.9)	2.4	21.0
USA	SPX Index	4,382	(0.6)	4.8	14.1	Germany	DAX Index	15,749	(4.1)	3.0	15.0
Russia	RTSI\$ Index	1,040	(0.7)	(1.4)	7.2	Austria	ATX Index	3,066	(4.1)	3.2	(0.3)
India	SENSEX Index	62,979	(0.7)	1.5	4.4	Sweden	OMX Index	2,235	(4.3)	2.1	6.5
Iceland	ICEXI Index	1,934	(0.7)	0.4	(9.0)	South Korea	KOSPI Index	2,570	(4.3)	1.3	11.1
Slovenia	SBITOP Index	1,238	(0.8)	4.3	20.4	Thailand	SET Index	1,506	(4.6)	(2.7)	(10.9)
Egypt	EGX30 Index	17,713	(1.0)	1.2	(2.8)	Australia	AS51 Index	7,099	(4.8)	3.4	(1.2)
Greece	ASE Index	1,269	(1.0)	6.6	38.8	Turkey	XU100 Index	5,501	(5.3)	(7.0)	(25.5)
Indonesia	JCI Index	6,640	(1.1)	0.0	0.1	Finland	HEX Index	9,836	(5.7)	1.6	(6.9)
Russia	IMOEX Index	2,787	(1.1)	(1.2)	12.3	Hong Kong	HSI Index	18,890	(5.8)	3.6	(4.8)
USA	NDX Index	14,912	(1.1)	4.6	36.3	Norway	OBXP Index	526	(7.0)	2.5	(14.0)
Malaysia	FBMKLCI Index	1,391	(1.2)	(1.1)	(12.4)	Lebanon	BLOM Index	1,700	(7.5)	(7.8)	20.5
Jordan	JOSMGNFF Index	2,447	(1.2)	(1.4)	(2.1)	South Africa	JALSH Index	73,947	(8.3)	4.2	(7.7)
Taiwan	TWSE Index	17,202	(1.3)	3.2	20.8	Zimbabwe	ZHIALLSH Index	167,831	(9.9)	55.1	760.9
Bulgaria	SOFIX Index	678	(1.3)	4.1	14.8	Nigeria	NGSEINDX Index	59,201	(12.8)	(35.2)	(29.6)
Czech Republic	PX Index	1,303	(1.4)	3.2	12.4						

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

Pakistan Weekly Update

Pakistan
Stock Market



June 23, 2023

Key Economic Data & Commodities Prices

Month end	Units	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Current*
Money Market Data														
03-M T-Bill	%	15.0	15.5	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	21.94
06-M T-Bill	%	15.2	15.7	15.8	15.7	15.7	16.9	17.0	17.87	19.82	21.32	21.80	22.00	21.97
12-M T-Bill	%	15.3	15.8	15.9	15.7	15.7	16.9	17.0	17.95	19.93	21.39	21.76	22.00	21.98
03-Y PIB	%	13.5	13.4	13.7	13.8	14.1	15.1	15.6	16.83	18.20	18.33	18.30	19.10	18.90
05-Y PIB	%	12.9	13.4	13.0	13.1	13.2	14.0	14.6	15.48	15.80	15.23	15.00	15.10	15.53
10-Y PIB	%	15.0	15.5	15.8	15.5	15.6	16.8	16.7	17.75	19.53	21.60	21.90	22.09	21.94
06-M KIBOR	%	15.3	15.8	16.0	15.9	15.8	17.0	17.0	17.97	20.06	22.03	22.06	22.18	22.15
Policy Rate	%	13.75	15.00	15.00	15.00	15.00	16.00	16.00	17.00	17.00	20.00	21.00	21.00	21.00
Inflation (YoY)														
Headline (CPI New Base)	%	21.3	24.9	27.3	23.2	26.6	23.8	24.5	27.6	31.6	35.4	36.4	38.0	38.0
Monetary Sector														
M1	PKR bn	22,141	22,256	22,361	22,661	22,578	22,805	22,963	22,798	23,131	24,074	24,802	n.a	24,802
M2	PKR bn	26,768	26,799	26,894	27,261	27,296	27,387	27,335	27,292	27,878	28,732	29,433	n.a	29,433
M3	PKR bn	30,417	30,372	30,432	30,737	30,737	30,818	30,744	30,688	31,241	32,070	32,743	n.a	32,743
Banking Sector														
Deposits	PKR bn	22,810	22,101	22,152	22,820	22,412	22,732	22,467	22,754	22,921	23,562	23,429	24,388	24,388
Advances	PKR bn	10,886	10,858	10,922	11,084	11,052	11,092	11,913	11,659	11,723	11,836	12,111	12,072	12,072
Investment	PKR bn	17,419	17,608	18,183	17,484	18,285	18,483	17,902	19,293	18,993	19,236	19,695	20,144	20,144
WALR	%	11.4	12.8	13.2	13.7	14.0	14.12	14.6	15.0	15.5	16.3	17.6	n.a	17.6
WADR	%	7.0	7.1	7.5	7.6	7.7	7.79	8.1	8.0	8.7	8.7	9.7	n.a	9.7
Spread	%	4.4	5.8	5.7	6.0	6.2	6.33	6.5	7.0	6.8	7.5	7.9	n.a	7.9
External Sector														
Forex Reserves	USD bn	15.4	14.0	13.4	13.3	14.7	13.4	10.8	8.4	9.3	9.8	10.0	9.5	8.9
With SBP	USD bn	9.8	8.4	7.7	7.9	8.9	7.5	5.3	3.1	3.8	4.2	4.5	4.1	3.5
With Banks	USD bn	5.6	5.6	5.7	5.4	5.8	5.9	5.6	5.3	5.5	5.6	5.6	5.4	5.3
Exchange rate	PKR/USD	204.8	239.4	218.8	228.5	220.9	223.9	226.4	267.9	261.5	283.7	283.8	285.5	286.7
C/A Balance	USD mn	(2,187.0)	(1,215.0)	(676.0)	(363.0)	(569.0)	(252.0)	(290.0)	(230.0)	(36.0)	750.0	78.0	255.0	255.0
Exports	USD bn	3.1	2.3	2.8	2.5	2.3	2.2	2.3	2.2	2.2	2.4	2.1	2.6	2.6
Imports	USD bn	7.0	5.3	5.8	4.8	4.6	4.3	4.2	3.9	3.9	4.0	3.7	3.8	3.8
Trade Balance	USD bn	(3.9)	(3.1)	(3.0)	(2.3)	(2.3)	(2.0)	(1.9)	(1.7)	(1.7)	(1.6)	(1.6)	(1.2)	(1.2)
Remittances	USD bn	2.8	2.5	2.7	2.4	2.2	2.1	2.1	1.9	2.0	2.5	2.2	2.1	2.1
Key Commodities Prices														
International														
Coal	USD/ton	341.7	332.0	346.5	295.0	214.6	250.8	205.6	141.7	143.1	132.5	127.9	100.2	101.4
Steel (HRC)	USD/ton	659.8	587.0	577.8	566.3	509.5	550.6	595.5	635.9	628.8	636.2	574.0	519.9	539.5
PTA	USD/ton	965.0	870.0	860.0	870.0	805.0	795.0	790.0	830.0	785.0	840.0	875.0	780.0	790.0
Gold	USD/oz	1,807.3	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	1,914.0
Cotton (COTLOOK A)	USd/lb	135.5	131.4	135.3	107.1	92.5	97.5	99.3	102.0	99.4	96.5	93.2	93.8	92.2
Crude oil (WTI)	USD/bbl	105.8	98.6	89.6	79.5	86.5	80.6	80.3	78.9	77.1	74.4	76.8	68.1	69.5
Crude oil (Arab Light)	USD/bbl	116.3	111.9	105.2	98.4	95.6	85.3	84.2	82.9	83.4	78.8	80.9	74.7	79.3
Crude oil (Brent)	USD/bbl	114.8	110.0	96.5	88.0	94.8	85.4	85.9	84.5	83.9	79.3	79.5	72.7	74.1
Local														
Cotton	PKR/maund	17,200.0	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	18,700
Cement	PKR/bag	1,023.0	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
Gold	PKR/10 grms	121,660	138,890	123,890	123,970	128,090	138,460	158,780	173,190	166,580	178,160	188,230	197,620	186,900

*Current Price

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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 shareholding in OGDC, NBP, BOP, FABL and PTL.