

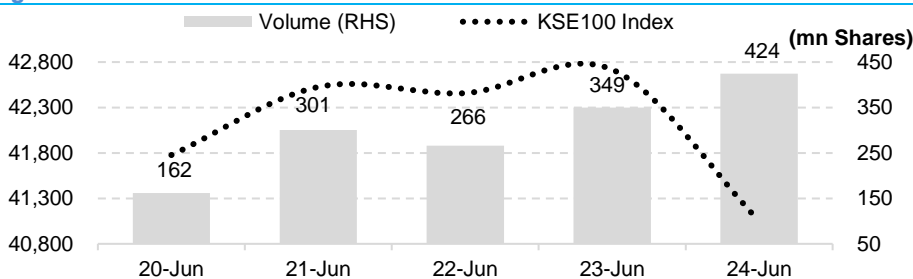
Super tax announcement eroded the sentiment

The market commenced on a negative note this week over uncertainty over the IMF Program, whereby the index shed 300 points DoD. However, the sentiment turned positive when a Chinese consortium of banks signed a USD 2.3bn loan facility agreement, and the ECC approved the second installment of PKR 96bn to the IPPs of the 2002 power policy. Furthermore, the finance minister announced that an IMF deal is imminent which also helped boost investor sentiment. However, during the last trading session, the government announced a 10% super tax on 13 major sectors as well as a 4% additional levy on banks, which caused the market to spiral and hit an intra-day low of 40,555pts. In other news, SBP reserves decreased by USD 748mn to USD 8.24bn which put further pressure on the PKR, which dipped to an all-time low of 211.93/USD, however the announcement of the China deal helped the PKR recover some lost ground and close at 207.48 for the week. The market closed at 41,052 points, down by 1,089 points (down by 2.58%) WoW. Sector-wise negative contributions came from i) Banks (296pts), ii) E&Ps (194pts), iii) Cement (194pts), iv) Fertilizer (120pts) and v) Textile Composite (61pts). Whereas, sectors which contributed positively were i) Tobacco (12pts), ii) Insurance (12pts), and iii) Paper & Board (8pts). Scrip-wise negative contributors were UBL (97pts), POL (88pts), ENGRO (83pts), LUCK (79pts) and HUBC (75pts). Meanwhile, scrip-wise positive contribution came from EFUG (20pts), KEL (18pts), KAPCO (13pts), PAKT (12pts) and PKGS (8pts).

Foreign selling was witnessed this week, clocking in at USD 2.39mn compared to a net sell of USD 1.91mn last week. Major selling was witnessed in All Other Sector (USD 3.5mn) and Banks (USD 1.9mn). On the local front, buying was reported by Individual (USD 7.0mn) followed by Other Organization (USD 3.4mn). Average volumes clocked in at 301mn shares (up by 73% WoW) while average value traded settled at USD 44mn (up by 72% WoW).

Other major news: i) OGDCL discovers oil, gas reserves in Sindh, Punjab, ii) Steel bar prices raised to Rs236,000 a tonne, iii) Non-textile exports soar to \$11.2bn and iv) FBR abolishes 2pc additional duty on the import of edible palm

Figure: KSE100 Index and PSX Volume



Source (s): PSX, AHL Research

Outlook and Recommendation

We believe clarity should emerge next week on certain economic policies which should aid sentiments at the bourse. It seems Pakistan has met all requirements to enter into the IMF program to receive the USD 1bn tranche. Once the package comes through, other sources of FX should also open up which should relieve some pressure on our dwindling FX reserves. Chinese loan of USD 2.3bn has already been rolled over and hence, we expect the market to be positive in the coming week. Our preferred stocks are OGDC, PPL, MARI, HBL, MCB, UBL, MEBL, FABL, LUCK, MLCF, FCCL, ENGRO, FFC, HUBC, PSO, INDU and SNGP. The KSE-100 is currently trading at a PER of 4.1x (2022) compared to Asia Pac regional average of 11.8x while offering a dividend yield of ~9.6% versus ~2.7% offered by the region.

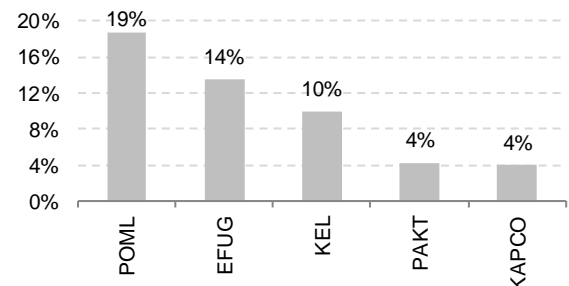
PSX Indices Performance

| Index | Current | WoW (%) | CY22TD (%) |
|--------|---------|---------|------------|
| KSE100 | 41,052 | (2.6) | (7.9) |
| KSEAll | 28,196 | (2.0) | (8.2) |
| KSE30 | 15,662 | (2.7) | (10.5) |
| KMI30 | 67,513 | (3.3) | (5.8) |
| BKTI | 10,635 | (3.3) | (17.6) |
| OGTI | 10,978 | (3.9) | (4.3) |

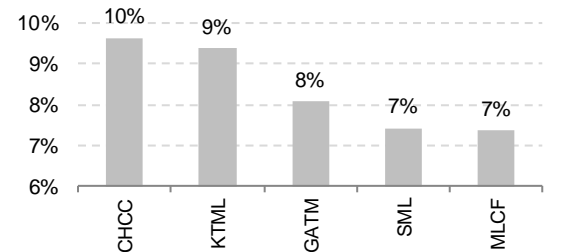
PSX Volume Leaders

| | Avg. Vol. (mn) | Closing |
|---------|----------------|---------|
| PRL | 22.2 | 18.1 |
| CENERGY | 21.8 | 5.4 |
| TPLP | 18.5 | 20.0 |
| KEL | 15.4 | 2.9 |
| UNITY | 13.1 | 20.3 |

Major Gainers (KSE100 Index)



Major Losers (KSE100 Index)



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Best Brokerage House of the Year 2021

Best Economic Research House of the Year: 2021

Corporate Finance House of the Year: 2021

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Outstanding Company in the Financial Sector 2021



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Business & Economic developments during the week.

Progress made over FY23 budget: IMF (BR)

Key progress has been made in talks on the revival of Pakistan's International Monetary Fund bailout programme, both sides said on Wednesday, with Islamabad expecting the lender to increase the size and duration of the 39-month, \$6 billion facility. The statements came as Pakistan's economy teeters on the brink of a financial crisis, with foreign exchange reserves drying up fast and the Pakistani rupee at record lows against the US dollar as uncertainty surrounded the IMF programme. "Discussions between the IMF staff and the authorities on policies to strengthen macroeconomic stability in the coming year continue, and important progress has been made over the FY23 budget," Esther Perez Ruiz, the IMF's resident representative in Islamabad, told Reuters.

Highest single-day inflow takes RDA total to \$4.5bn (Dawn)

In a tweet, the State Bank of Pakistan (SBP) said, "Today marks yet another historic day in #RoshanDigitalAccount, with \$57mn in deposit inflows, highest ever daily figure. With this significant increase, total deposits in RDA have crossed \$4.5bn. The US dollar again appreciated against the rupee to reach Rs211.50 in the interbank market on Tuesday. The State Bank of Pakistan reported the closing price at Rs211.48 while the exchange companies quoted it at Rs211.80.

K-Electric seeks Rs11.3 per unit tariff hike (Tribune)

K-Electric has requested the National Electric Power Regulatory Authority (Nepra) to increase its power tariff by Rs11.33 per unit on account of fuel cost adjustment for May 2022. The major impact on the fuel cost adjustment for May came from the increase in the price of furnace oil and electricity purchased from the Central Power Purchasing Agency-Guarantee (CPPA-G). The price of furnace oil increased 38% in May compared to March while the price of re-gasified liquefied natural gas (RLNG) rose 50% in the same time period. The price of electricity bought from CPPA-G swelled 53% to Rs13.897 per kilowatt-hour (kWh) in May as compared to Rs9.387 per kWh in March.

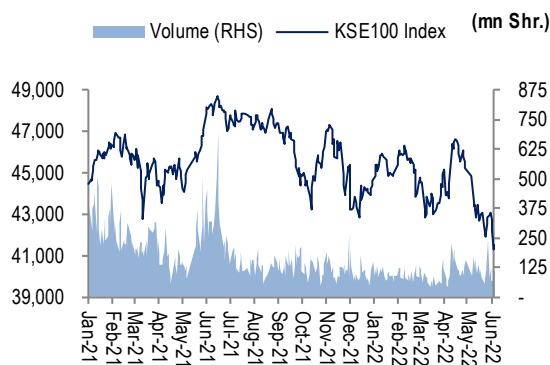
RDA receives highest single day deposits of \$57 million (The News)

Roshan Digital Account (RDA) received \$57 million from overseas Pakistanis on Tuesday, setting an all-time deposits record for a single day. "Today marks yet another historic day in Roshan Digital Account, with \$57 million in deposit inflows, the highest ever daily figure. With this significant increase, total deposits in RDA have crossed \$4.5 billion," the State Bank of Pakistan's official Twitter handle said. "We are humbled by the continuous trust and commitment of our overseas Pakistanis," it added. Pakistan received \$4.525 billion inflows through RDA as of June 21. These funds stood at \$4.356 billion till the end of May. The non-resident Pakistanis (NRPs) opened 416,837 accounts from 175 countries.

Super tax a one-time levy, will help narrow budget deficit: Miftah Ismail (BR)

Finance Minister Miftah Ismail elaborated on Friday that the government's recently-announced indirect tax (super tax) is aimed to helping the state accumulate funds under the head of tax collection and narrow down the budget deficit. He was referring to the 10% poverty alleviation tax, or super tax, imposed on large industries. The announcement was made by Prime Minister Shehbaz Sharif on Friday morning. Speaking in the National Assembly, Miftah said that this tax is a one-time levy, and will be imposed on 13 sectors ie sugar, cement, steel, textile, tobacco, fertilizer, bank, oil and gas, beverages, automobile, chemical, airlines and LNG terminals.

PSX Volume & Index



Top Contributors in KSE100 Index

| Companies | Index Contribution |
|--------------------------|--------------------|
| Bullish Companies | |
| EFUG | 20.4 |
| KEL | 18.1 |
| KAPCO | 13.0 |
| PAKT | 12.2 |
| PKGS | 8.4 |
| | 72.0 |

Bearish Companies

| | |
|-------|----------------|
| UBL | (97.5) |
| POL | (88.0) |
| ENGRO | (83.4) |
| LUCK | (78.6) |
| HUBC | (74.6) |
| | (422.2) |

Sectors

| Sectors | Index Contribution |
|------------------------|--------------------|
| Bullish Sectors | |
| Tobacco | 12.2 |
| Insurance | 11.8 |
| Paper & Board | 8.4 |
| Refinery | 5.2 |
| | 37.5 |

Bearish Sectors

| | |
|---------------------------------|----------------|
| Commercial Banks | (296.3) |
| Oil & Gas Exploration Companies | (194.1) |
| Cement | (193.6) |
| Fertilizer | (120.0) |
| Textile Composite | (60.7) |
| | (864.7) |



Best Brokerage House of the Year 2021

Best Economic Research House of the Year: 2021

Corporate Finance House of the Year: 2021

Best Equity Research Analyst: 2021



Outstanding Company in the Financial Sector 2021



Best Broker in Pakistan

AHL Universe - Performance

| Code | Closing | WoW (%) | MTD (%) | CYTD (%) | 90-Days | | 180-Days | | 365-Days | |
|---------|----------|---------|---------|----------|----------|----------|----------|----------|----------|----------|
| | | | | | High | Low | High | Low | High | Low |
| NPL | 19.17 | 14.86 | 9.54 | 6.46 | 19.49 | 16.29 | 21.21 | 16.29 | 21.21 | 15.27 |
| KAPCO | 28.89 | 4.07 | 5.05 | 0.73 | 31.42 | 26.24 | 31.99 | 26.24 | 32.43 | 23.61 |
| LOTCEM | 24.09 | 3.43 | (11.17) | 76.35 | 27.80 | 14.46 | 27.80 | 13.15 | 27.80 | 12.03 |
| NCPL | 15.55 | 2.64 | (0.89) | (2.81) | 17.44 | 14.30 | 18.67 | 12.41 | 18.67 | 11.74 |
| AGHA | 14.71 | 0.82 | (7.19) | (43.79) | 20.14 | 13.83 | 27.62 | 13.83 | 34.28 | 13.83 |
| PTL | 30.88 | 0.52 | 7.41 | (26.05) | 34.19 | 24.62 | 42.35 | 24.62 | 63.09 | 24.62 |
| FABL | 21.98 | 0.50 | (6.55) | (0.59) | 28.38 | 20.41 | 28.38 | 20.41 | 28.38 | 15.72 |
| APL | 317.50 | 0.39 | 4.14 | 5.52 | 331.72 | 293.35 | 343.95 | 289.26 | 343.95 | 276.78 |
| FATIMA | 36.99 | 0.22 | 1.48 | 12.08 | 41.29 | 34.90 | 41.29 | 31.69 | 41.29 | 25.58 |
| MARI | 1,693.46 | 0.21 | 4.87 | 6.18 | 1,769.52 | 1,586.58 | 1,800.13 | 1,546.06 | 1,800.13 | 1,366.75 |
| ICI | 726.29 | 0.17 | 1.96 | (2.03) | 828.45 | 679.00 | 828.45 | 679.00 | 874.55 | 679.00 |
| FFC | 110.79 | (0.05) | (3.79) | 19.03 | 123.01 | 102.07 | 123.01 | 90.60 | 123.01 | 86.03 |
| MCB | 125.77 | (0.86) | (6.02) | (12.29) | 148.47 | 123.84 | 153.64 | 123.84 | 153.64 | 123.84 |
| EPCL | 81.87 | (1.06) | (4.66) | 74.88 | 89.08 | 55.77 | 89.08 | 46.14 | 89.08 | 34.16 |
| UNITY | 20.25 | (1.27) | (11.07) | (23.50) | 28.25 | 20.05 | 32.42 | 20.05 | 48.16 | 20.05 |
| HCAR | 172.13 | (1.34) | (0.56) | (24.28) | 201.49 | 163.67 | 232.15 | 163.67 | 372.93 | 163.67 |
| MTL | 874.90 | (1.36) | (2.40) | 53.05 | 910.70 | 647.86 | 910.70 | 566.20 | 910.70 | 561.85 |
| HTL | 39.03 | (1.49) | (2.69) | (6.51) | 47.27 | 37.34 | 48.19 | 37.34 | 64.09 | 36.53 |
| EFERT | 88.16 | (1.51) | 1.67 | 29.77 | 95.51 | 81.49 | 95.51 | 66.98 | 95.51 | 56.01 |
| FML | 61.42 | (1.57) | (3.90) | (14.24) | 69.50 | 59.85 | 73.48 | 59.85 | 99.21 | 59.85 |
| ABL | 68.99 | (2.00) | (2.98) | (12.10) | 84.89 | 68.99 | 87.22 | 68.99 | 87.22 | 63.20 |
| SNGP | 33.15 | (2.01) | 15.18 | (0.90) | 35.52 | 25.88 | 37.14 | 25.88 | 50.47 | 25.88 |
| BOP | 5.41 | (2.17) | (9.08) | (28.14) | 7.38 | 5.41 | 7.76 | 5.41 | 7.92 | 5.41 |
| ITTEFAQ | 6.99 | (2.24) | (6.05) | (41.60) | 10.77 | 6.75 | 12.53 | 6.75 | 20.49 | 6.75 |
| PSMC | 184.93 | (2.40) | 2.46 | (18.36) | 220.49 | 176.00 | 236.06 | 176.00 | 353.92 | 176.00 |
| ASTL | 23.33 | (2.43) | (10.30) | (47.88) | 33.02 | 21.94 | 47.09 | 21.94 | 48.54 | 21.94 |
| PSO | 168.04 | (2.82) | 2.04 | (7.61) | 174.93 | 155.63 | 196.85 | 155.63 | 224.35 | 155.63 |
| HBL | 92.87 | (2.99) | (10.18) | (17.04) | 114.02 | 90.44 | 119.71 | 90.44 | 126.10 | 90.44 |
| AKBL | 17.45 | (3.00) | (5.21) | (20.75) | 20.24 | 17.02 | 23.57 | 17.02 | 24.61 | 17.02 |
| SGF | 40.11 | (3.09) | (3.60) | (9.81) | 49.47 | 39.58 | 50.86 | 39.58 | 61.22 | 39.44 |
| MEBL | 114.09 | (3.23) | (12.96) | (12.83) | 145.03 | 114.09 | 145.03 | 114.09 | 149.90 | 92.83 |
| POWER | 5.46 | (3.53) | (0.36) | (14.15) | 6.62 | 5.17 | 6.64 | 5.17 | 10.60 | 5.17 |
| OGDC | 79.40 | (3.78) | (2.07) | (4.71) | 86.76 | 75.17 | 91.81 | 75.17 | 93.24 | 75.17 |
| ILP | 62.00 | (3.91) | (8.24) | (12.42) | 74.17 | 62.00 | 80.32 | 62.00 | 80.32 | 62.00 |
| ENGRO | 253.81 | (3.96) | (5.32) | (2.46) | 284.00 | 251.78 | 284.00 | 251.78 | 284.00 | 249.97 |
| HUMNL | 7.20 | (4.00) | 0.98 | 16.44 | 8.15 | 6.02 | 8.15 | 5.95 | 8.73 | 5.18 |
| FFBL | 20.31 | (4.47) | (8.27) | (18.04) | 24.93 | 20.31 | 27.25 | 20.31 | 27.92 | 20.22 |
| HUBC | 65.14 | (4.47) | (2.83) | (0.82) | 72.96 | 63.03 | 76.76 | 63.03 | 76.76 | 63.03 |
| PPL | 67.57 | (4.84) | (1.67) | (12.92) | 79.00 | 64.91 | 85.92 | 64.91 | 90.17 | 64.91 |
| BAFL | 31.34 | (5.15) | (7.85) | (4.04) | 36.87 | 31.34 | 36.87 | 31.34 | 36.87 | 27.27 |
| NBP | 26.57 | (5.21) | (9.81) | (20.51) | 32.44 | 26.57 | 35.83 | 26.57 | 36.63 | 26.57 |
| NML | 71.59 | (5.82) | (2.09) | (10.04) | 90.59 | 71.26 | 96.77 | 71.26 | 96.77 | 71.26 |
| LUCK | 436.17 | (5.96) | (7.64) | (35.79) | 643.64 | 436.17 | 701.27 | 436.17 | 925.05 | 436.17 |
| INDU | 1,114.90 | (6.04) | (9.67) | (5.38) | 1,353.46 | 1,114.90 | 1,413.03 | 1,114.90 | 1,413.03 | 1,020.18 |
| DGKC | 56.29 | (6.12) | (8.61) | (32.13) | 76.05 | 54.35 | 84.89 | 54.35 | 128.98 | 54.35 |
| KOHC | 131.41 | (6.20) | (5.10) | (30.32) | 174.82 | 126.22 | 190.59 | 126.22 | 234.44 | 126.22 |
| POL | 389.60 | (6.47) | (2.72) | 14.79 | 420.13 | 366.19 | 420.13 | 327.78 | 420.13 | 317.73 |
| FCCL | 14.01 | (6.48) | (7.40) | (23.73) | 18.59 | 13.99 | 19.07 | 13.99 | 24.40 | 13.99 |
| NCL | 43.38 | (6.53) | (8.02) | 0.99 | 55.46 | 43.38 | 55.46 | 41.28 | 55.46 | 37.24 |
| UBL | 112.21 | (6.59) | (14.42) | (11.24) | 138.86 | 112.21 | 138.86 | 112.21 | 138.86 | 102.89 |
| ACPL | 69.85 | (6.98) | (15.53) | (48.95) | 126.52 | 69.85 | 137.68 | 69.85 | 172.46 | 69.85 |
| MLCF | 25.95 | (7.35) | (4.84) | (27.82) | 38.44 | 23.95 | 38.44 | 23.95 | 49.25 | 23.95 |
| AHCL | 33.02 | (8.28) | (10.76) | (7.84) | 40.05 | 33.02 | 40.05 | 33.02 | 40.05 | 32.19 |

Source (s): Bloomberg, AHL Research

Local & Foreign Investors Portfolio Investment (USD mn)

LIPI Normal

Current Week

| Category | Gross Buy | Gross Sell | Net | Net |
|----------------------------|---------------|---------------|------------|-------------|
| Individuals | 246.84 | 239.86 | BUY | 6.98 |
| Companies | 14.57 | 14.70 | SELL | (0.12) |
| Banks / DFIs | 9.85 | 7.77 | BUY | 2.09 |
| NBFC | 0.14 | 0.84 | SELL | (0.69) |
| Mutual Funds | 16.17 | 17.24 | SELL | (1.07) |
| Other Organizations | 5.30 | 1.93 | BUY | 3.37 |
| Broker Proprietary Trading | 63.23 | 62.99 | BUY | 0.24 |
| Insurance Companies | 1.54 | 9.95 | SELL | (8.41) |
| Total | 357.66 | 355.27 | BUY | 2.39 |

Last Week

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

LIPI Sector Wise

Current Week

| Sector | Gross Buy | Gross Sell | Net | Net |
|---------------------------------|---------------|---------------|------------|-------------|
| Commercial Banks | 20.25 | 18.31 | BUY | 1.94 |
| Fertilizer | 11.75 | 11.06 | BUY | 0.69 |
| Cement | 31.87 | 31.93 | SELL | (0.06) |
| Power Generation & Distribution | 10.18 | 10.67 | SELL | (0.49) |
| Exploration & Production | 21.28 | 21.96 | SELL | (0.68) |
| Oil & Gas Marketing Companies | 22.87 | 23.12 | SELL | (0.25) |
| Food and Personal Care Products | 25.36 | 25.59 | SELL | (0.23) |
| Textile Composite | 7.09 | 7.06 | BUY | 0.04 |
| Technology and Communication | 65.36 | 67.39 | SELL | (2.03) |
| Debt | 3.32 | 3.32 | SELL | - |
| All other Sectors | 138.32 | 134.86 | BUY | 3.46 |
| Total | 357.66 | 355.27 | BUY | 2.39 |

Last Week

| Sector | Gross Buy | Gross Sell | Net | Net |
|---------------------------------|---------------|---------------|------------|-------------|
| Commercial Banks | 11.78 | 10.40 | BUY | 1.38 |
| Fertilizer | 10.29 | 9.18 | BUY | 1.11 |
| Cement | 25.70 | 25.42 | BUY | 0.28 |
| Power Generation & Distribution | 3.78 | 3.73 | BUY | 0.06 |
| Exploration & Production | 23.22 | 22.33 | BUY | 0.89 |
| Oil & Gas Marketing Companies | 14.57 | 14.42 | BUY | 0.15 |
| Food and Personal Care Product | 7.40 | 7.40 | BUY | 0.00 |
| Textile Composite | 2.44 | 2.42 | BUY | 0.02 |
| Technology and Communication | 21.09 | 22.13 | SELL | (1.03) |
| Debt | 0.00 | 0.00 | SELL | - |
| All other Sectors | 55.98 | 56.92 | SELL | (0.94) |
| Total | 176.25 | 174.34 | BUY | 1.91 |

FIPI Normal

Current Week

| Category | Gross Buy | Gross Sell | Net | Net |
|---------------------|--------------|--------------|-------------|---------------|
| Foreign Individuals | 0.03 | 0.07 | SELL | (0.04) |
| Foreign Corporates | 5.05 | 9.12 | SELL | (4.07) |
| Overseas Pakistani | 18.48 | 16.76 | BUY | 1.72 |
| Total | 23.56 | 25.95 | SELL | (2.39) |

Last Week

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

FIPI Sector Wise

Current Week

| Sector | Gross Buy | Gross Sell | Net | Net |
|---------------------------------|--------------|--------------|-------------|---------------|
| Commercial Banks | 1.46 | 3.40 | SELL | (1.94) |
| Fertilizer | 1.47 | 2.17 | SELL | (0.69) |
| Cement | 1.89 | 1.83 | BUY | 0.06 |
| Power Generation & Distribution | 1.00 | 0.51 | BUY | 0.49 |
| Exploration & Production | 1.24 | 0.56 | BUY | 0.68 |
| Oil & Gas Marketing Companies | 2.01 | 1.76 | BUY | 0.25 |
| Food and Personal Care Products | 1.58 | 1.35 | BUY | 0.23 |
| Textile Composite | 0.38 | 0.41 | SELL | (0.04) |
| Technology and Communication | 6.20 | 4.16 | BUY | 2.03 |
| All other Sectors | 6.34 | 9.79 | SELL | (3.46) |
| Total | 23.56 | 25.95 | SELL | (2.39) |

Last Week

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

Source (s): NCCPL, AHL Research

Forward Estimates

| Country | Indonesia | India | Vietnam | Philippines | Sri Lanka | Thailand | China | Taiwan | S.Korea | Peer Avg | Pakistan | Prem/(Disc) |
|---------|-----------|-------|---------|-------------|-----------|----------|-------|--------|---------|----------|----------|-------------|
| DY (%) | 2.8 | 1.8 | 1.8 | 2.1 | 4.0 | 3.2 | 3.0 | 3.6 | 2.4 | 2.7 | 9.6 | -71.6% |
| P/E (x) | 14.7 | 16.2 | 9.6 | 12.5 | 9.2 | 14.6 | 10.2 | 10.7 | 8.3 | 11.8 | 4.1 | -65.2% |
| P/B (x) | 1.9 | 2.5 | 1.7 | 1.3 | 8.7 | 1.5 | 1.2 | 1.8 | 0.8 | 2.4 | 0.7 | -70.8% |

Source: Bloomberg, AHL Research

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

| Country | Index | Index Closing* | WTD (%) | MTD (%) | CY22TD (%) | Country | Index | Index Closing* | WTD (%) | MTD (%) | CY22TD (%) |
|--------------|---------------|----------------|---------|---------|------------|-----------------|---------------------|----------------|--------------|--------------|---------------|
| Russia | IMOEX Index | 2,373 | 7.2 | 17.9 | (13.1) | Czech Republic | PX Index | 1,282 | (0.1) | (4.1) | (16.0) |
| Russia | RTSI\$ Index | 1,402 | 6.6 | 16.1 | (12.1) | Germany | DAX Index | 13,043 | (0.1) | (11.1) | (23.6) |
| Denmark | KFX Index | 1,654 | 5.8 | (4.2) | (17.5) | Poland | WIG20 Index | 1,673 | (0.1) | (13.3) | (33.1) |
| Switzerland | SMI Index | 10,708 | 4.2 | (7.5) | (20.4) | Oman | MSM30 Index | 4,115 | (0.2) | (0.0) | (0.4) |
| USA | NDX Index | 11,698 | 3.8 | (7.5) | (28.3) | Belgium | BEL20 Index | 3,680 | (0.4) | (7.3) | (21.1) |
| USA | SPX Index | 3,796 | 3.3 | (8.1) | (20.4) | Jordan | JOSMGNFF Index | 2,423 | (0.5) | (2.0) | 14.2 |
| Romania | BET Index | 12,454 | 3.1 | (2.4) | (11.2) | Nigeria | NGSEINDEX Index | 51,675 | (0.5) | (4.4) | 22.4 |
| Hong Kong | HSI Index | 21,719 | 3.1 | 1.4 | (7.8) | Sweden | OMX Index | 1,866 | (0.5) | (12.2) | (31.3) |
| Netherland | AEX Index | 651 | 2.9 | (10.5) | (24.6) | Lithuania | VILSE Index | 895 | (0.7) | (5.0) | (14.0) |
| Sri Lanka | CSEALL Index | 7,651 | 2.7 | (5.7) | (64.8) | Canada | SPTSX Index | 18,717 | (0.8) | (12.3) | (14.2) |
| France | CAC Index | 6,007 | 2.7 | (8.9) | (22.4) | Mongolia | MSETOP Index | 33,179 | (0.8) | (2.5) | (31.8) |
| USA | INDU Index | 30,677 | 2.6 | (7.0) | (15.6) | Slovenia | SBITOP Index | 1,131 | (0.9) | (3.2) | (16.4) |
| UK | UKX Index | 7,134 | 2.5 | (8.7) | (12.3) | Austria | ATX Index | 2,966 | (1.0) | (12.6) | (28.6) |
| Portugal | PSI20 Index | 5,991 | 2.4 | (6.1) | (0.6) | Finland | HEX Index | 10,216 | (1.0) | (9.4) | (26.2) |
| India | SENSEX Index | 52,728 | 2.3 | (5.9) | (13.9) | Mexico | MEXBOL Index | 46,658 | (1.1) | (11.2) | (10.4) |
| Serbia | BELEX15 Index | 834 | 2.3 | (1.5) | (5.3) | Ireland | ISEQ Index | 6,396 | (1.3) | (14.2) | (30.0) |
| China | SHSZ300 Index | 4,395 | 2.3 | 7.0 | (15.6) | Lebanon | BLOM Index | 1,431 | (1.4) | 0.8 | 39.1 |
| Greece | ASE Index | 840 | 2.3 | (7.6) | (13.1) | Bangladesh | DSEX Index | 6,328 | (1.4) | (5.1) | (13.4) |
| Europe | SX5E Index | 3,494 | 2.2 | (9.6) | (24.9) | Malaysia | FBMKLCI Index | 1,437 | (1.6) | (9.0) | (13.5) |
| Japan | NKY Index | 26,492 | 2.0 | (7.6) | (21.6) | Mauritius | SEMDEX Index | 2,143 | (1.6) | (5.6) | (0.4) |
| South Africa | JALSH Index | 65,783 | 1.6 | (10.4) | (10.4) | Luxembourg | LUXXX Index | 1,457 | (1.7) | (15.5) | (19.0) |
| New Zealand | NZSE Index | 1,721 | 1.5 | (8.3) | (25.2) | Dubai | DFMGI Index | 3,202 | (1.8) | (4.3) | 0.2 |
| Indonesia | JCI Index | 7,043 | 1.4 | (3.6) | 2.8 | Bahrain | BHSEASI Index | 1,816 | (1.9) | (5.4) | 1.1 |
| Australia | AS51 Index | 6,579 | 1.4 | (12.3) | (16.1) | Pakistan | KSE100 Index | 41,052 | (2.0) | (8.8) | (21.7) |
| Spain | IBEX Index | 8,193 | 1.1 | (9.2) | (12.5) | Taiwan | TWSE Index | 15,303 | (2.1) | (11.2) | (21.8) |
| Hungary | BUX Index | 39,645 | 1.1 | (2.4) | (33.2) | Uae | ADSMI Index | 9,238 | (2.3) | (8.1) | 8.8 |
| Tunisia | TUSISE Index | 7,545 | 0.9 | 0.2 | (0.9) | Norway | OBXP Index | 544 | (2.4) | (15.0) | (14.2) |
| Italy | FTSEMIB Index | 21,863 | 0.9 | (12.5) | (25.6) | Vietnam | VNIndex Index | 1,185 | (2.7) | (8.6) | (22.3) |
| Estonia | TALSE Index | 1,736 | 0.9 | (7.5) | (18.9) | Brazil | IBOV Index | 98,080 | (3.1) | (19.9) | (0.1) |
| Bulgaria | SOFIX Index | 613 | 0.6 | (2.7) | (10.3) | Kazakhstan | KZKAK Index | 2,658 | (3.1) | (9.1) | (32.7) |
| Singapore | FSSTI Index | 3,112 | 0.5 | (5.1) | (3.3) | Kenya | NSEASI Index | 118 | (3.1) | (8.7) | (31.6) |
| Latvia | RIGSE Index | 1,113 | 0.5 | 3.8 | (18.4) | South Korea | KOSPI Index | 2,367 | (3.2) | (15.7) | (26.9) |
| Croatia | CRO Index | 2,005 | 0.5 | (5.2) | (10.4) | Philippines | PCOMP Index | 6,218 | (4.1) | (12.3) | (18.9) |
| Ukraine | PFTS Index | 519 | 0.4 | 0.2 | (7.8) | Saudi Arabia | SASEIDX Index | 11,311 | (4.4) | (12.5) | 0.3 |
| Ghana | GGSECI Index | 2,508 | 0.4 | (3.8) | (30.2) | Egypt | EGX30 Index | 9,440 | (4.5) | (7.8) | (33.9) |
| Turkey | XU100 Index | 2,548 | 0.3 | (5.5) | 4.5 | Chile | IPSA Index | 4,935 | (5.3) | (15.7) | 8.6 |
| Thailand | SET Index | 1,569 | (0.0) | (9.0) | (11.2) | Argentina | MERVAL Index | 83,170 | (5.3) | (12.7) | (17.5) |
| Iceland | ICEXI Index | 2,245 | (0.1) | (6.6) | (16.5) | | | | | | |

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

Key Economic Data & Commodities Prices

| Month end | Units | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | Apr-22 | May-22 | Current* |
|-------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|---------|---------|----------|
| Money Market Data | | | | | | | | | | | | | | |
| 03-M T-Bill | % | 7.3 | 7.2 | 7.2 | 7.6 | 8.2 | 9.7 | 10.4 | 10.2 | 10.5 | 11.8 | 14.5 | 14.3 | 14.8 |
| 06-M T-Bill | % | 7.5 | 7.5 | 7.4 | 8.0 | 8.8 | 10.2 | 11.3 | 10.6 | 10.9 | 12.4 | 14.6 | 14.5 | 15.3 |
| 12-M T-Bill | % | 7.8 | 7.7 | 7.6 | 8.7 | 9.1 | 10.7 | 11.4 | 10.8 | 11.0 | 12.5 | 14.6 | 14.6 | 15.5 |
| 03-Y PIB | % | 9.0 | 8.9 | 8.7 | 9.7 | 9.9 | 11.4 | 11.4 | 10.8 | 10.9 | 12.2 | 13.2 | 13.6 | 13.6 |
| 05-Y PIB | % | 9.5 | 9.4 | 9.3 | 10.0 | 10.2 | 11.5 | 11.5 | 10.9 | 11.0 | 12.0 | 12.9 | 12.6 | 12.8 |
| 10-Y PIB | % | 9.9 | 10.0 | 9.9 | 10.5 | 11.0 | 11.9 | 11.6 | 11.1 | 11.1 | 11.9 | 12.6 | 12.6 | 12.7 |
| 06-M KIBOR | % | 7.7 | 7.6 | 7.5 | 8.2 | 8.9 | 10.3 | 11.5 | 10.7 | 11.0 | 12.5 | 15.0 | 14.7 | 11.0 |
| Policy Rate | % | 7.00 | 7.00 | 7.00 | 7.25 | 7.25 | 8.75 | 9.75 | 9.75 | 9.75 | 9.75 | 12.25 | 13.75 | 13.75 |
| Inflation (YoY) | | | | | | | | | | | | | | |
| Headline (CPI New Base) | % | 9.7 | 8.4 | 8.4 | 9.0 | 9.2 | 11.5 | 12.3 | 13.0 | 13.0 | 12.7 | 13.4 | 13.8 | 13.8 |
| Monetary Sector | | | | | | | | | | | | | | |
| M1 | PKR bn | 19,824 | 19,888 | 19,812 | 20,085 | 19,902 | 20,128 | 20,444 | 20,204 | 20,210 | 20,683 | 21,179 | n.a | 21,179 |
| M2 | PKR bn | 23,722 | 23,576 | 23,537 | 23,904 | 23,646 | 23,933 | 24,369 | 24,211 | 24,176 | 24,727 | 25,155 | n.a | 25,155 |
| M3 | PKR bn | 27,731 | 27,563 | 27,494 | 27,840 | 27,576 | 27,854 | 28,273 | 28,122 | 28,097 | 28,648 | 28,927 | n.a | 28,927 |
| Banking Sector | | | | | | | | | | | | | | |
| Deposits | PKR bn | 19,796 | 18,839 | 19,208 | 19,829 | 19,344 | 19,668 | 20,972 | 19,949 | 19,914 | 20,476 | 20,052 | n.a | 20,052 |
| Advances | PKR bn | 8,996 | 8,878 | 8,936 | 9,290 | 9,394 | 9,646 | 10,149 | 9,944 | 9,961 | 10,328 | 10,638 | n.a | 10,638 |
| Investment | PKR bn | 13,742 | 14,102 | 13,902 | 14,096 | 13,796 | 13,556 | 14,124 | 14,424 | 14,541 | 15,012 | 15,210 | n.a | 15,210 |
| WALR | % | 8.0 | 7.8 | 7.8 | 7.7 | 7.9 | 8.0 | 8.7 | 9.34 | 9.6 | 9.6 | 10.26 | 10.8 | 10.8 |
| WADR | % | 3.5 | 3.6 | 3.6 | 3.6 | 3.7 | 3.8 | 4.6 | 5.08 | 5.0 | 4.9 | 5.24 | 6.2 | 6.2 |
| Spread | % | 4.5 | 4.2 | 4.3 | 4.1 | 4.2 | 4.2 | 4.1 | 4.26 | 4.6 | 4.7 | 5.02 | 4.6 | 4.6 |
| External Sector | | | | | | | | | | | | | | |
| Forex Reserves | USD bn | 23.3 | 24.9 | 27.2 | 26.0 | 23.8 | 22.3 | 23.9 | 22.1 | 22.9 | 18.6 | 16.4 | 15.8 | 14.2 |
| With SBP | USD bn | 16.1 | 17.8 | 20.1 | 19.3 | 17.2 | 16.0 | 17.7 | 15.7 | 16.5 | 12.0 | 10.5 | 9.7 | 8.2 |
| With Banks | USD bn | 7.2 | 7.0 | 7.1 | 6.7 | 6.6 | 6.4 | 6.2 | 6.4 | 6.4 | 6.5 | 5.9 | 6.0 | 6.0 |
| Exchange rate | PKR/USD | 157.5 | 162.4 | 166.4 | 170.7 | 171.7 | 175.7 | 176.5 | 176.7 | 177.5 | 183.5 | 185.9 | 198.5 | 207.48 |
| C/A Balance | USD mn | (1,619) | (814) | (1,473) | (1,134) | (1,760) | (1,908) | (1,863) | (2,531) | (519.0) | (1,028.0) | (623.0) | n.a | (623) |
| Exports | USD bn | 2.5 | 2.3 | 2.3 | 2.6 | 2.4 | 2.7 | 2.9 | 2.5 | 2.9 | 3.1 | 3.2 | n.a | 3.2 |
| Imports | USD bn | 6.3 | 5.4 | 6.0 | 6.1 | 6.0 | 6.4 | 6.5 | 6.3 | 5.2 | 6.2 | 6.0 | n.a | 6.0 |
| Trade Balance | USD bn | (3.8) | (3.4) | (3.7) | (3.4) | (3.7) | (3.7) | (3.6) | (3.8) | (2.3) | (3.1) | (2.8) | n.a | (3.1) |
| Remittances | USD bn | 2.7 | 2.7 | 2.7 | 2.7 | 2.5 | 2.4 | 2.5 | 2.1 | 2.2 | 2.8 | 3.1 | 2.3 | 2.3 |
| Key Commodities Prices | | | | | | | | | | | | | | |
| International | | | | | | | | | | | | | | |
| Coal | USD/ton | 114.9 | 123.0 | 146.8 | 200.5 | 220.0 | 117.0 | 137.3 | 174.0 | 261.0 | 254.4 | 295.0 | 341.5 | 331.4 |
| Steel (HRC) | USD/ton | 836.9 | 918.7 | 887.4 | 900.1 | 848.0 | 744.9 | 747.2 | 766.4 | 785.8 | 830.8 | 773.2 | 726.0 | 645.9 |
| PTA | USD/ton | 745.0 | 750.0 | 745.0 | 745.0 | 780.0 | 735.0 | 725.0 | 815.0 | 875.0 | 935.0 | 960.0 | 995.0 | 1,025.0 |
| Gold | USD/oz | 1,770.1 | 1,814.2 | 1,813.6 | 1,757.0 | 1,783.4 | 1,774.5 | 1,829.2 | 1,797.2 | 1,909.0 | 1,937.4 | 1,894.5 | 1,837.4 | 1,822.8 |
| Cotton (COTLOOK A) | USD/lb | 96.6 | 100.3 | 103.7 | 110.2 | 123.1 | 123.3 | 125.9 | 135.9 | 135.2 | 153.6 | 154.3 | 157.5 | 156.5 |
| Crude oil (WTI) | USD/bbl | 73.5 | 74.0 | 68.5 | 75.0 | 83.6 | 66.2 | 75.2 | 88.2 | 95.7 | 100.3 | 105.4 | 114.7 | 104.3 |
| Crude oil (Arab Light) | USD/bbl | 75.0 | 75.4 | 72.2 | 79.0 | 83.9 | 72.8 | 79.2 | 91.1 | 99.9 | 109.3 | 110.6 | 124.6 | 111.2 |
| Crude oil (Brent) | USD/bbl | 75.1 | 76.3 | 73.0 | 78.5 | 84.4 | 70.6 | 77.8 | 91.2 | 101.0 | 107.9 | 107.6 | 122.8 | 110.1 |
| Local | | | | | | | | | | | | | | |
| Cotton | PKR/maund | 12,600 | 13,000 | 14,200 | 14,100 | 15,400 | 17,500 | 18,000 | 19,400 | 20,000 | 20,500 | 21,000 | 22,500 | 21,000 |
| Cement | PKR/bag | 640 | 654 | 674 | 678 | 723 | 742 | 739 | 737 | 748 | 865 | 870 | 875 | 1,022 |
| Gold | PKR/10 grms | 92,770 | 93,880 | 92,250 | 97,310 | 102,280 | 101,680 | 107,940 | 108,880 | 111,460 | 110,940 | 116,430 | 121,740 | 120,630 |

*Current Price

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| Rating | Description |
|--------|--|
| BUY | Upside* of subject security(ies) is more than +10% from last closing of market price(s) |
| HOLD | Upside* of subject security(ies) is between -10% and +10% from last closing of market price(s) |
| SELL | Upside* of subject security(ies) is less than -10% from last closing of market price(s) |

* Upside for Power Generation Companies is upside plus dividend yield.

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

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

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- **Exchange Rate (Currency) Risk**

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