



WEEKLY REPORT

THE BULLISH BEAT

SCRIP IN FOCUS:

Pakistan Oilfields Limited
(POL)

DATE:

Friday, August 22, 2025

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Upcoming Week: Scrip in Focus - POL

Pakistan Oil Fields Limited - Beyond the Barrel: A Debt-Free Ascent

Pakistan Oilfields Limited (PSX: POL) is a leading upstream exploration and production (E&P) company in Pakistan, engaged in crude oil and natural gas exploration, drilling, and production. As a subsidiary of the UK-domiciled Attock Oil Company, POL has established a vertically integrated presence through manufacturing and marketing by-products such as LPG (under the POLGAS brand), solvent oil, and sulphur. The company also operates an extensive crude oil pipeline network and maintains a strategic equity stake in National Refinery Limited, strengthening its value chain integration. With a history of both independent and joint-venture exploration projects, POL continues to play a vital role in enhancing Pakistan's hydrocarbon reserves and energy security.

At current levels, POL offers an attractive investment case, trading at a forward P/E multiple of ~6.2x (FY26E EPS: ~PKR 100-105). While FY25 profitability faced headwinds, with EPS declining 38% y/y to PKR 85.19, this was largely attributed to a one-off dry well expense in 1QFY25, compounded by elevated exploration costs and lower reserve replacement during the year. Importantly, these pressures are expected to normalize as recent discoveries, and an increasing number of successful wells bolster future output.

The forward outlook remains favourable, underpinned by (i) improved exploration success translating into higher production volumes, (ii) zero exposure to the chronic circular debt issue plaguing the energy chain, and (iii) the company's consistent reputation as the "dividend king" of the E&P sector. Together, these factors position POL as a compelling long-term investment, offering both capital appreciation and attractive dividend yields.

POL's Dividend Trajectory Signals Continued Investor Reward

Pakistan Oilfields Limited (POL) reinforced its status as a dividend leader in the E&P sector, announcing a final dividend of PKR 50/share in the last quarter of FY25, in addition to the PKR 25/share interim dividend declared in 2QFY25. This brings the total dividend payout to PKR 75/share, reflecting a payout ratio of ~88% and a dividend yield of 11.5%—significantly higher than the sector average of 4.5%. The elevated payout underscores POL's strong cash position, efficient capital allocation, and insulation from the circular debt that typically constrains industry peers. Looking ahead, with profitability expected to improve in FY26E (EPS: ~PKR 100-105) driven by recent exploration successes and production enhancements, the dividend is projected to rise further to ~PKR 90/share. This would reinforce POL's positioning as a consistent high-yield player, offering both attractive capital appreciation potential and superior income returns relative to the broader sector.

Strategic Exploration Portfolio: Balancing Operated Fields and Joint Ventures

Pakistan Oilfields Limited (POL) has strategically positioned itself within Pakistan's exploration and production (E&P) landscape by maintaining a balanced portfolio of independently operated and joint-venture wells. This dual approach reflects the company's risk diversification strategy in an industry characterized by high capital intensity and geological uncertainty. On the independent front, POL exercises full control and operational leadership in several key development and production leases, including Balkassar and Khaur, where it holds a 100% working interest, alongside majority stakes

Pakistan Oilfields Limited	
Symbol	POL
Bloomberg Code	POL PA
Mkt Cap (PKR Mn)	184,245.00
Mkt Cap (USD Mn)	653.21
No Of Shares (In Mn)	283.86
52 Weeks High	647.90
52 Weeks Low	653.50
Avg Volume (52 Weeks)	305,800.51
Avg Value	179,253,961.11
Source: PSX, HMFS Research	

Upcoming Week: Scrip in Focus - POL

in Pariwali, Meyal, Joyamair, Minwal, Dhulian, Turkwal, and Ikhlas block (80%). These operated fields not only provide stable cash flows but also underscore POL's technical and operational capabilities.

Complementing this, POL leverages joint-venture partnerships to expand its resource base while sharing financial and operational risks. Notably, its long-standing collaboration with MOL Pakistan in the Tal Block (25% pre-commerciality share) has yielded prolific discoveries such as Manzalai, Makori, and most recently Razgir, consolidating its reserve portfolio. Additionally, POL's partnerships with PPL (Adhi field, 11%), OGDC (Jhal Magsi, 24%), Orient Petroleum (Ratana, 4.54%), and MARI (Taung, 40%) allow it to participate in high-potential projects across multiple regions without bearing full operating burdens. This hybrid strategy—directly managing core assets while diversifying into non-operated ventures—strengthens POL's exploration footprint, mitigates downside risks, and enhances long-term growth potential in Pakistan's energy sector.

Insulation from Circular Debt: A Key Differentiator for POL's Financial Strength

Unlike its peers PPL and OGDC, POL carries no exposure to circular debt, a systemic challenge that continues to constrain the broader E&P sector. This distinction materially strengthens POL's financial outlook, as uninterrupted cash inflows translate into greater liquidity, healthier balance sheet positioning, and operational flexibility. POL's strong cash reserves insulate it from this liquidity trap, allowing the company to consistently fund exploration, drilling, and reserve replacement activities without balance sheet strain. Moreover, this financial independence enhances its capacity to sustain shareholder returns through superior dividend distributions, while simultaneously reinvesting in growth. In an industry where capital intensity and macroeconomic headwinds weigh heavily on profitability, POL's insulation from circular debt emerges as a critical competitive advantage, positioning it as a more resilient and attractive investment relative to its state-owned peers.

Operational Efficiency Anchoring Future Profitability

POL demonstrated notable financial resilience in 3QFY25 and 4QFY25, driven primarily by a sharp reduction in operating costs. Field expenses declined by an impressive 81% q/q, falling from PKR 3,227mn in 3QFY25 to PKR 601mn in 4QFY25, underscoring significant improvements in operational efficiency and production discipline. Exploration costs remained broadly stable at ~PKR 1,407mn, reflecting limited exposure to dry well write-offs, which often weigh heavily on sector margins. The cost discipline translated directly into profitability gains, with gross profit expanding by 7% and PAT rising 12% in 4QFY25, despite a 16% decline in net sales. This highlights POL's ability to defend earnings through strategic cost management, even in a softer revenue environment. Looking ahead, the company's improved financial positioning—marked by leaner operations, stable exploration outflows, and robust margins—creates a favorable outlook. As POL pursues new exploration outlets and capitalizes on its efficiency gains, it is well-placed to sustain profitability growth in FY26, positioning itself strongly against industry volatility while reinforcing its capacity to deliver shareholder value.

Upcoming Week: Scrip in Focus - POL

Risk to valuations

- Volatility in international oil prices impacting revenue streams and profitability.
- Exploration risk from potential dry wells leading to uncapitalized costs.
- Regulatory and pricing risks due to government intervention in gas/oil pricing policies.
- Delays in field development or commissioning of new wells impacting production timelines.
- Geopolitical and security challenges in exploration regions, particularly in Balochistan and KPK.
- Dividend payout risks if cash flows are redirected towards higher-than-expected CAPEX.

Financial Performance			
Amount in PKR 'Mn'	3QFY25	3QFY24	% Change
Net sales	14,551	12,282	-16%
Royalty	(1,570)	(1,290)	-18%
Operating/field costs	(3,227)	(601)	-81%
Gross profit	9,755	10,392	7%
Exploration costs	(1,412)	(1,407)	0%
Administrative expenses	(121)	(22)	-82%
Operating profit	8,222	8,963	9%
Financial charges	(1,086)	(1,830)	69%
Other income	2,846	3,310	16%
Other charges	(565)	(523)	-7%
Profit before tax	9,418	9,919	5%
Taxation	(2,806)	(2,490)	-11%
Profit after tax	6,612	7,428	12%
Profit after tax and preference dividends	6,612	7,428	
EPS	23.29	26.17	

Source: Company Financials, HMFS Research

Major Events

During the week, the stock market was impacted by a combination of news and events that had a considerable effect on its direction. Key events that shaped the market's trend included:

Reko Diq Momentum, Debt Relief, and Power Demand Weakness

The energy sector stood at the crossroads this week, marked by record investment commitments at Reko Diq alongside persistent weaknesses in the power chain. Pakistan Petroleum Limited (PPL) increased its Phase 1 funding to USD 715m, raising its shareholder contribution to USD 391m. The revision reflects both a six-month delay in first production to 2029 and higher contingencies recommended by lenders. Oil & Gas Development Company (OGDC) followed suit, approving critical financing agreements — the SOE Completion and Transfer Restrictions Agreements — and also raising its commitment to USD 715m. Together, these steps underpin the revised project cost of USD 3.5bn versus USD 3bn earlier, strengthening the project's financing base. Further reinforcing momentum, the Asian Development Bank approved a USD 410m financing package, including USD 300m in senior loans to RDMC and a USD 110m partial credit guarantee for the Government of Balochistan. This support not only de-risks the venture but also anchors what is expected to be Pakistan's largest FDI inflow, positioning Reko Diq as one of the world's top copper mines. On the other side, the Auditor General of Pakistan highlighted irregularities worth PKR 4,800bn in the power sector, underscoring persistent structural weaknesses. At the same time, progress was visible on the financial front: circular debt fell by 33% YoY to PKR 1.6tr in June 2025 after PKR 801bn payments to power producers. While this reduction signals some relief, sustainability remains contingent on continued reforms. For state-owned enterprises, receivable recoveries are expected to provide a further boost. OGDC anticipates inflows of PKR 87.7bn under the circular debt resolution plan, including PKR 7.7bn in upcoming interest instalments and PKR 80bn from Uch Power, reflecting tangible efforts to unlock long-standing dues. However, the power sector's operational side painted a weaker picture, with electricity generation down 5% YoY in July 2025 to 14,123 GWh. The decline, driven by reduced demand during monsoon season in Punjab and KPK, highlights ongoing demand volatility despite financial restructuring. Overall, the week's developments underline a sector balancing new investment momentum with enduring structural and operational challenges.

Pakistan's Economy: Stabilizing Inflows, Lingering Pressures

Pakistan's macro indicators in July 2025 painted a cautiously improving picture, with selective resilience offset by structural fragilities. The current account swung to a USD 254m deficit from June's USD 328m surplus, narrower than last year's USD 350m shortfall, keeping external balances under pressure. Encouragingly, Foreign Direct Investment rose 7% YoY to USD 208m, IT and ITeS exports surged 24% YoY to USD 354m, and Roshan Digital Account inflows remained steady at USD 185m, underscoring sustained foreign inflows. Fitch projected GDP growth to accelerate from 2.5% in 2024 to 3.5% by 2027, supported by easing interest rates and stronger private credit demand, while Moody's upgraded the long-term ratings of five major banks, reinforcing financial stability. On the industrial side, LSM contracted marginally by 0.74% in FY25, though June posted a 4.1% YoY rebound, hinting at short-term recovery momentum. Domestically, the government reduced HSD prices by PKR12.84 per litre, while CPPA-G sought a PKR 1.70/unit negative FCA adjustment for July, offering temporary consumer relief. Overall, the data highlights an economy gradually stabilizing on the back of external-

Major Events

inflows and banking sector upgrades, though underlying vulnerabilities in industry and the current account remain a critical constraint.

Pakistan Pairs Digital Innovation with Regional Market Expansion

Pakistan's economic landscape in July reflected both structural modernization and strengthening regional trade linkages. The State Bank launched the PRISM+ system, positioning Pakistan among a select group of countries adopting the ISO 20022 global standard, enhancing interoperability, transparency, and real-time liquidity management across payment systems. On the trade front, Pakistan and Iran agreed to expand bilateral agriculture trade to USD 3bn within two years, securing a stable rice export channel for Pakistan while opening reciprocal opportunities in dairy, nuts, and meat. Meanwhile, exports to nine regional countries rose 5.1% YoY in July to USD 357m, with stronger demand from China, Sri Lanka, and Bangladesh despite past policy-related strains. Together, these developments underscore Pakistan's dual focus on digital financial modernization and deeper regional integration, laying incremental support for long-term economic resilience.

Other News

IMF pushes for oversight of MPs' schemes: The International Monetary Fund has asked Pakistan to spend money on the parliamentarians' projects through regular approval processes by abandoning a special treatment and again urged to avoid mid-year budget adjustments without prior approval of parliament.

Govt launches risk coverage scheme to enhance financing for small farmers: The government has launched a risk coverage scheme for banks and microfinance lenders to improve financial access for small and marginalised farmers, the central bank said. With a view to enhance financing to small and marginalized farmers as well as the farmers in unserved and underserved areas, the government of has introduced a risk coverage scheme for banks and MFBs [microfinance banks] against their fresh financing to small and marginalised farmers.

PKR's REER index increases to 98.58: Pakistan Rupee's Real Effective Exchange Rate Index (REER) increased by 2.01% in July 2025 to a provisional value of 98.575 from the revised value of 96.63 in June 2025. According to data published by the State Bank of Pakistan (SBP), the REER index has decreased by 2.88% compared to July 2024.

Pakistan's Zarea successfully exports first consignment to UAE: Zarea Limited, one of Pakistan's largest commodities B2B platforms, announced on Monday its first export consignment to the United Arab Emirates (UAE) as part of its global expansion strategy. This milestone marks the launch of Zarea's global expansion strategy, focused on showcasing Pakistan's agricultural produce on the world stage, diversifying revenue streams, and capturing growth opportunities in high-potential international markets.

SBP-held foreign exchange reserves rise \$13mn, clock in at \$14.26bn: Foreign exchange reserves held by the State Bank of Pakistan (SBP) rose by \$13 million to \$14.26 billion during the week ended August 15, 2025, the central bank said on Thursday. Meanwhile, net foreign reserves held by commercial banks stood at \$5.31 billion, taking the country's total liquid foreign reserves to \$19.57 billion. The central bank did not attribute any reason to the increase in the FX reserves. "During the week ended on 15-Aug2025, SBP reserves increased by US\$13 million to US\$14,256.2 million," it said.

Breakup of trade data in July: PBS: Pakistan's trade deficit in July 2025 widened by 10.57% MoM to \$3.18 billion, compared to \$2.87bn in June 2025, according to provisional data released by the Pakistan Bureau of Statistics (PBS). On a yearly basis, the trade gap surged 29.43% from \$2.45bn recorded in July 2024.

Textile sector keeps exports in positive trajectory: PBS: Impressive performance of the textile sector kept the exports in a positive trajectory despite the poor performance of other exporting sectors. Textile exports went up by 32.13 per cent on a year-on-year basis and 10.37 per cent on a month-on-month basis. In July, textile exports were \$1.68 billion compared to \$1.52 billion in the corresponding period of the previous year

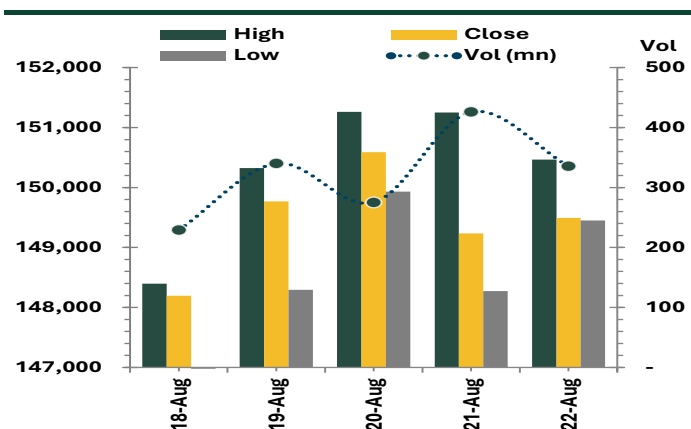
China eyes agricultural, mining cooperation with Pakistan, foreign minister says: China is willing to cooperate with Pakistan in industry, agriculture and mining, Foreign Minister Wang Yi told Pakistani counterpart Ishaq Dar. Beijing would continue to support Pakistan in safeguarding its national independence, sovereignty and territorial integrity and combatting terrorism, Wang told Dar, adding that China would continue to give priority to Pakistan in its regional diplomacy. Both countries should join hands to safeguard the multilateral trading system and oppose unilateral bullying, and upgrade the China-Pakistan Economic Corridor, he said.

Equity Market Review

Summary

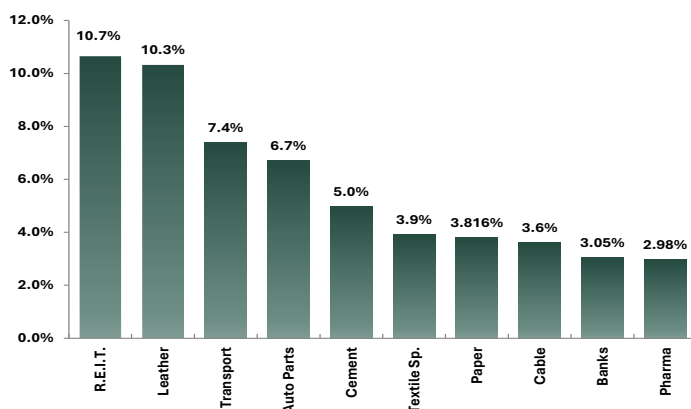
The KSE-100 index continued its impressive advance this week, scaling new heights before closing at 149,493.05. This represented a significant weekly gain of 3,001.42 points from the prior close of 146,491.63. The rally was driven by a robust mix of fundamental and technical factors. Favorable economic projections and ongoing structural reforms, particularly within the energy sector, fueled a palpable shift in investor sentiment. This was compounded by global credit agency Fitch's projection for Pakistan's real GDP growth to reach 3.5% by 2027, a forward-looking view that instilled greater confidence in the nation's economic trajectory. Furthermore, the government's commitment to addressing gas circular debt issues and a notable influx of liquidity from mutual funds, taking a more medium-term perspective, provided additional tailwinds. The market, however, saw a typical episode of profit-taking on the final trading day, a natural consequence of the recent record-breaking rally, which led to a marginal retreat from its intra-week peak. Trading activity remained consistently vigorous, with an average daily turnover of 321.26mn shares on the KSE-100 and 788.36mn shares across the broader market.

Daily Market Performance



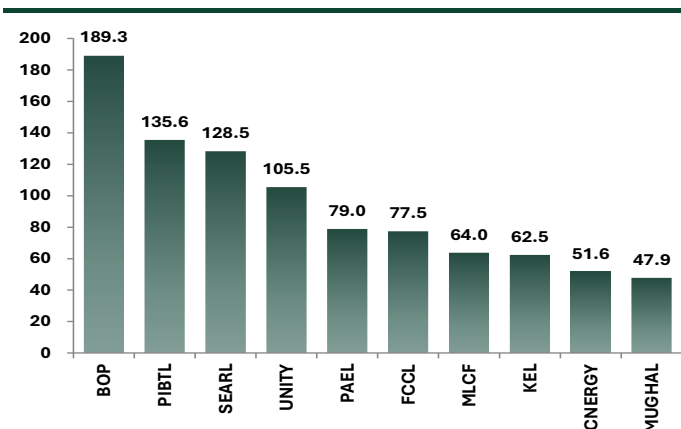
Source: PSX & HMFS Research

Sector Performance



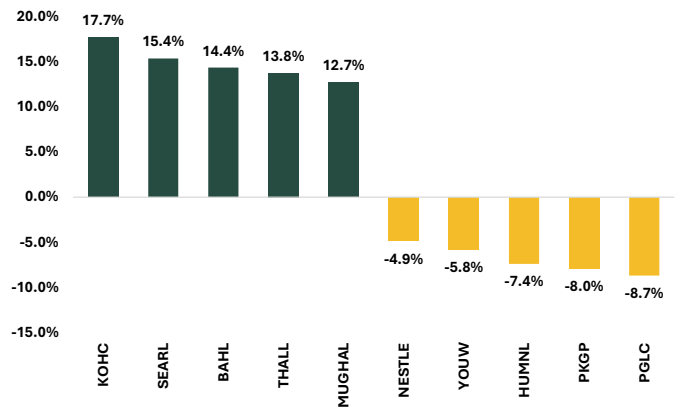
Source: PSX & HMFS Research

Top 10 Volume leaders (volumes in mn)



Source: PSX & HMFS Research

Gainers & Losers (KSE-100 Index)



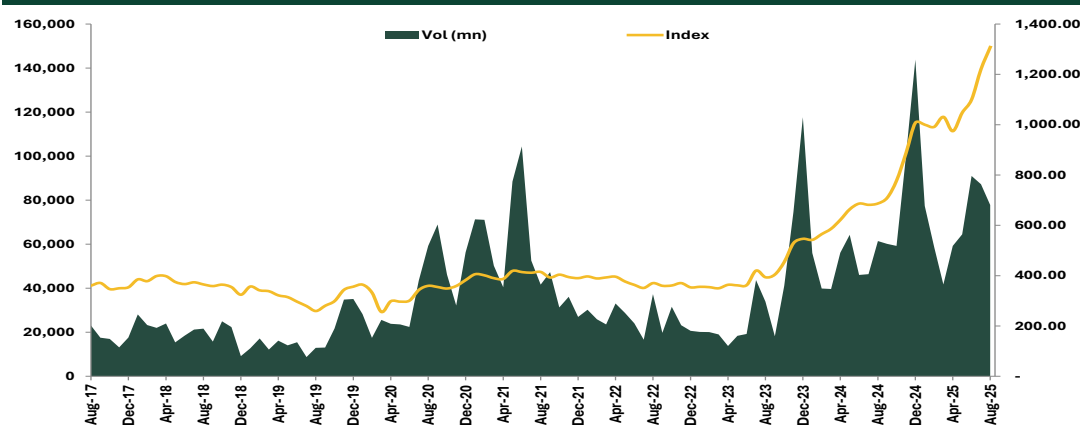
Source: PSX & HMFS Research

Equity Market Review

Outlook

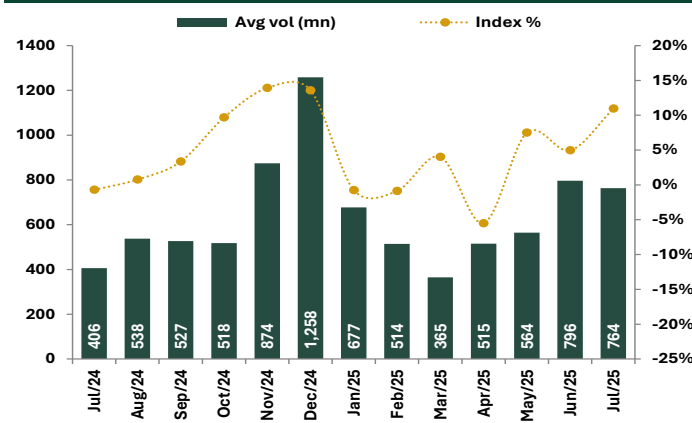
The current positive market dynamic is anticipated to extend into the coming weeks, supported by a strengthening macro-economic backdrop and a clear improvement in investor psychology. The endorsements from global credit agencies and favorable economic forecasts lend strong credence to a more stable and predictable economic environment. While the possibility of intermittent consolidation or profit-taking is a healthy part of any bull market, the underlying fundamentals of the Pakistani equity market appear resilient. With the corporate earnings season still in play and attractive dividend announcements anticipated, market participation is expected to remain active. Therefore, investors are encouraged to look past short-term volatility and build long-term positions in fundamentally sound companies that are poised to deliver sustainable returns.

Index Performance



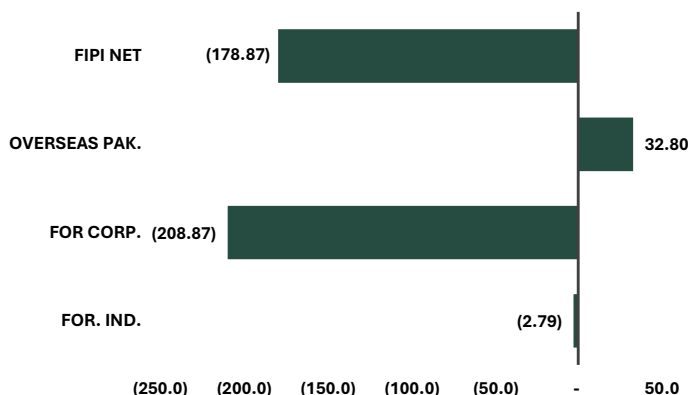
Source: PSX & HMFS Research

MoM Index gain vs Average Volume



Source: PSX & HMFS Research

FIPI (CYTD in USD mn)



Source: NCCPL & HMFS Research

Technical Analysis

KSE-100 Index



Source: HMFS Sales

Ascending Wedge Breakout

The KSE-100 Index had been trading within an ascending wedge formation—a technical setup that often signals potential bearish reversals. This pattern reflects a narrowing price range, typically indicating weakening momentum. Yesterday, the market decisively broke down through the lower boundary of the wedge, breaching key support levels. Today, being the final trading session of the week, the index closed below this critical zone, reinforcing the bearish signal and suggesting a shift in short-term sentiment.

Heading into next week, immediate resistance is expected near the previous high of 151,261.67, which now serves as a key pivot level. A sustained failure to reclaim this threshold could open the door to further downside pressure. Should the index continue to trade below this level, the next technical target is projected around 144,480—a zone that may attract increased selling activity and test investor conviction.

Traders and portfolio managers should remain vigilant, as breakdowns from wedge structures often accelerate momentum-driven selling. Risk management and disciplined positioning will be crucial, especially amid heightened volatility and shifting sentiment. Monitoring volume trends and intraday price action around these levels may offer additional clues for tactical decision-making.

KSE-100 Support Level

1S	149,235.26
2S	148,272.57
3S	146,929.84

Source: HMFS Sales

KSE-100 Resistance Level

1R	150,465.17
2R	150,948.93
3R	151,261.67

Source: HMFS Sales

Money Market Review

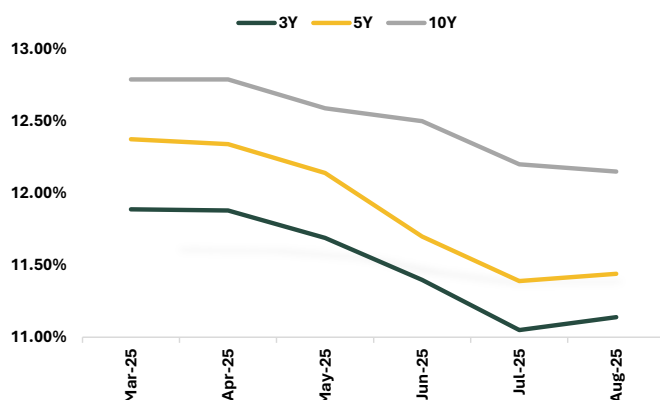
Summary

During the week, the State Bank of Pakistan (SBP) conducted a Market Treasury Bills (MTB) auction on August 20, 2025, raising a total of PKR 383.2bn against a target of PKR 450bn. The cut-off yields were set at 10.90% for 1-month, 10.85% for 3-month, 10.85% for 6-month, and 11.00% for 12-month papers. No auctions were held for Pakistan Investment Bonds (PIBs). Additionally, SBP injected PKR 1.04tn through a reverse repo Open Market Operation (OMO) during the week, providing substantial liquidity support. Looking ahead, the next MTB auction is scheduled for September 03, 2025, with a target of PKR 700bn, while the PIB auction is slated for September 04, 2025, targeting PKR 400bn.

Outlook

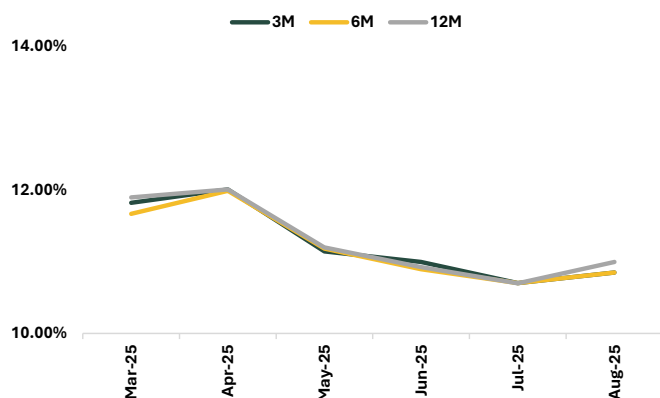
With MTB yields remaining largely stable in the latest auction, short-term rates are expected to remain anchored around current levels in the near term. The sizeable liquidity injection through OMO operations should further support stability in money market conditions. Going forward, market sentiment will likely hinge on upcoming inflation readings and the Monetary Policy Committee's guidance, as investors assess the scope and timing of any easing cycle. The larger target set for the next MTB auction may also test demand and provide clearer signals on yield direction.

PIB Yields



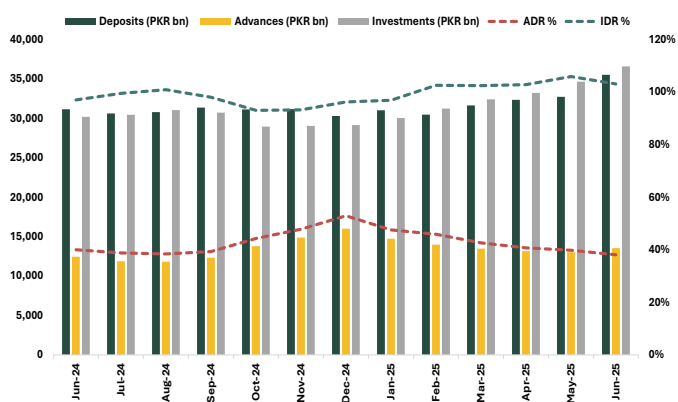
Source: SBP & HMFS Research

T-Bill Yields



Source: SBP & HMFS Research

Bank's ADR & IDR



Source: SBP & HMFS Research

Forex Market Review

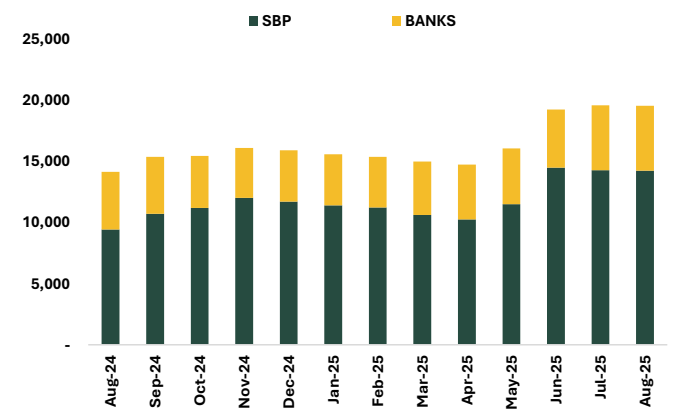
Summary

As per the latest data from the State Bank of Pakistan (SBP) for the week ending August 15, 2025, the country's foreign exchange reserves recorded a slight improvement. SBP-held reserves increased by USD 13mn, reaching USD 14.26bn compared to USD 14.24bn in the previous week. Reserves held by commercial banks also rose by USD 61.10mn, standing at USD 5.31bn. Consequently, Pakistan's total liquid foreign exchange reserves edged up by USD 74.10mn, settling at USD 19.57bn. Meanwhile, the Pakistani Rupee (PKR) appreciated by 16 paise w/w against the US Dollar. As of August 22, 2025, the PKR closed at PKR 281.90 per USD, signalling stable market sentiment.

Outlook

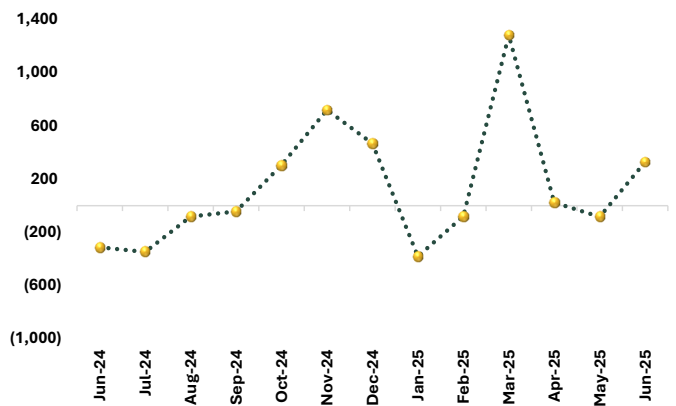
The forex market is expected to remain cautiously positive in the near term, underpinned by steady foreign inflows through RDA, improving FDI momentum, and external financing commitments such as the ADB's package for the Reko Diq project. The recent agreement with Iran to expand agricultural trade provides an additional recurring inflow channel, strengthening the trade side of reserves. While the widening trade deficit highlights underlying external account vulnerabilities, consistent foreign inflows and supportive financing commitments are expected to maintain market stability. Overall, sentiment remains favourable, with the rupee likely to sustain stability amid a positive inflow environment.

Foreign Exchange Reserves (USD bn)



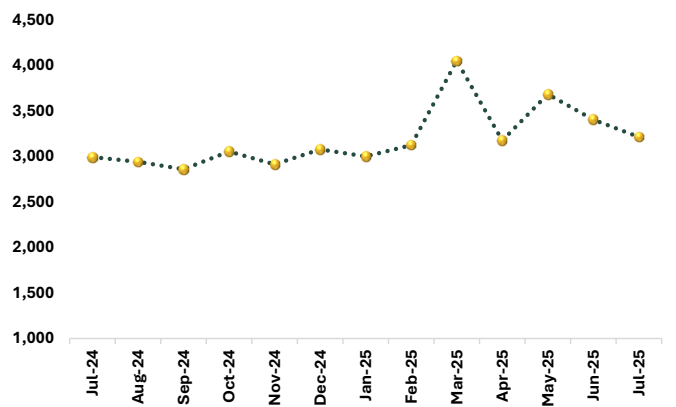
Source: SBP & HMFS Research

Current Account Balance (USD mn)



Source: SBP & HMFS Research

Remittances (USD mn)



Source: SBP & HMFS Research

Key Economic Indicators

Item	Units	Jul-25	Jun-25	May-25	Apr-25	Mar-25	Feb-25	%M/M	CY24	CY23	%Y/Y
Banking Indicators											
Return on Outstanding Loans	%	11.48%	11.81%	12.12%	12.31%	12.32%	12.31%	-0.33%	17.07%	17.48%	-0.41%
Return on Deposits	%	5.22%	5.34%	5.70%	5.83%	5.92%	5.57%	-0.12%	10.74%	10.30%	0.44%
Interest rate Spread	%	6.26%	6.47%	6.42%	6.48%	6.40%	6.74%	-0.21%	6.33%	7.18%	-0.85%
Deposits	(PKR bn)	-	35,498	32,715	32,316	31,626	30,458	8.51%	30,283	27,841	8.77%
Advances	(PKR bn)	-	13,522	13,025	13,139	13,470	13,973	3.82%	16,009	12,352	29.61%
Investments	(PKR bn)	-	36,571	34,626	33,204	32,384	31,213	5.62%	29,129	25,280	15.23%
ADR	%	-	38.09%	39.81%	40.66%	42.59%	45.88%	-1.72%	52.87%	44.37%	8.50%
IDR	%	-	103.03%	105.84%	102.75%	102.40%	102.48%	-2.82%	96.19%	90.80%	5.39%

Kibor (Ask Side)											
3-Month	%	11.02%	11.16%	11.44%	12.11%	12.02%	11.91%	-0.14%	18.81%	21.48%	-2.67%
6-Month	%	10.98%	11.16%	11.46%	12.10%	11.97%	11.81%	-0.17%	18.58%	21.58%	-3.00%
9-Month	%	11.19%	11.38%	11.70%	12.30%	12.15%	12.00%	-0.20%	18.50%	21.84%	-3.34%
1-Year	%	11.16%	11.39%	11.69%	12.29%	12.15%	11.98%	-0.23%	18.21%	21.86%	-3.65%

Avg. Exchange Rates											
USD		284.20	283.09	281.73	280.74	280.12	279.36	0.39%	278.53	280.44	-0.68%
Euro		332.05	326.32	317.78	316.55	303.02	290.89	1.75%	301.36	303.36	-0.66%
JPY		1.93	1.96	1.95	1.95	1.88	1.84	-1.36%	1.8410	1.9983	-7.87%
GBP		383.70	383.76	376.42	369.93	361.81	350.20	-0.01%	355.94	348.95	2.00%
CNY		39.62	39.42	39.05	38.44	38.64	38.40	0.52%	38.70	39.59	-2.25%

Item	Units	Jul-25	Jun-25	May-25	Apr-25	Mar-25	Feb-25	%M/M	FY25	FY24	%Y/Y
Inflation											
Avg. CPI	%	4.07%	4.49%	4.61%	4.73%	5.25%	5.85%	-0.42%	4.49%	23.41%	-18.92%
Avg. NFNE	%	7.00%	6.90%	7.30%	7.40%	8.20%	7.80%	0.10%	6.90%	12.20%	-5.30%

Commodities											
Arab Light (Avg.)	USD/bbl	70.81	69.93	64.60	68.75	75.25	79.15	1.26%	74.89	86.22	-13.14%

External Sector (FY USD mn)											
Total Imports	(USD Mn)	5,449	4,849	5,237	5,596	4,828	4,789	12.37%	58,387	54,937	6.28%
Total Exports	(USD Mn)	2,697	2,477	2,671	2,174	2,645	2,490	8.88%	32,039	30,684	4.42%
Trade Balance	(USD Mn)	(2,752)	(2,372)	(2,566)	(3,422)	(2,183)	(2,299)	-16.02%	(26,348)	(24,253)	-8.64%
Current Account Balance	(USD Mn)	-	328	(84)	24	1,283	(80)	490.48%	328	(313)	204.79%
Remittances	(USD Mn)	3,214	3,406	3,686	3,177	4,054	3,127	-5.64%	38,300	30,251	26.61%
Oil Import Bill	(USD Mn)	1,275.20	1,095.97	1,146.17	1,235.59	1,221.68	1,449.58	16.35%	15,003.59	15,161.83	-1.04%

Source: SBP, PBS, Oilprice.com, HMFS Research

Note: % change is of last available month

*N/M: Not Meaningful

Valuation Guide

	Symbol	Period End	Stance	Current Price	Fair Value	FV Return	M. Cap	EPS			DPS			DY		P/E		P/B		ROE		Total Yield
							PKR	2024 A	2025 E	2026 F	2024 A	2025 E	2026 F	2025 E	2026 F	2025 E	2026 F	2025 E	2026 F	2025 E	2026 F	CY-25/ FY-25
							Trn	PKR	PKR	PKR	PKR	PKR	PKR	%	%	x	x	x	x	%	%	%
1	FFC	Dec	HOLD	437.1	435.0	0%	622.1	45.5	57.8	61.2	36.5	43.4	49.0	10%	11%	7.6	7.1	4.1	3.7	54%	51%	9%
2	EFERT	Dec	BUY	205.0	220.0	7%	273.8	21.2	24.7	28.5	21.5	22.0	26.7	11%	13%	8.3	7.2	5.4	5.1	60%	65%	18%
3	INDU	Jun	HOLD	2311.1	2050.0	-11%	181.7	191.8	313.2	347.0	114.7	187.0	208.0	8%	9%	7.4	6.7	2.8	2.4	14%	27%	-2%
4	HCAR	Mar	HOLD	296.7	298.0	0%	42.4	16.3	19.0	27.3	6.5	8.0	11.5	3%	4%	15.6	10.9	1.8	1.6	8%	6%	4%
5	HBL	Dec	Sell	264.5	195.0	-26%	388.0	39.9	44.6	43.2	16.3	17.0	18.0	6%	7%	5.9	6.1	0.8	0.7	16%	13%	-20%
6	MCB	Dec	HOLD	355.7	325.0	-9%	421.5	48.6	45.5	44.5	36.0	36.0	36.0	10%	10%	7.8	8.0	1.7	1.6	37%	22%	1%
7	UBL	Dec	BUY	382.3	405.0	6%	957.4	61.1	64.0	60.5	44.0	45.0	44.0	12%	12%	6.0	6.3	1.3	1.2	29%	21%	18%
8	BAHL	Dec	Sell	205.9	158.0	-23%	228.8	37.7	34.9	35.5	17.0	16.0	15.0	8%	7%	5.9	5.8	1.4	1.2	35%	23%	-15%
9	ABL	Dec	HOLD	187.0	162.0	-13%	214.2	38.8	47.5	45.4	16.0	14.0	17.5	7%	9%	3.9	4.1	0.9	0.8	30%	24%	-6%
10	MEBL	Dec	Sell	409.2	298.0	-27%	736.8	57.3	45.7	45.2	28.0	28.0	27.0	7%	7%	9.0	9.1	2.6	2.4	41%	29%	-20%
11	MUGHAL	Jun	BUY	77.0	106.0	38%	25.9	6.0	1.8	2.8	0.0	0.0	0.0	0%	0%	42.8	27.5	0.8	0.8	15%	16%	38%
12	ISL	Jun	HOLD	104.7	98.0	-6%	45.6	8.4	3.3	4.7	5.5	1.5	1.0	1%	1%	31.7	22.3	2.0	1.9	6%	20%	-5%
13	OGDC	Jun	HOLD	263.1	260.0	-1%	1,131.7	48.6	40.0	48.0	10.1	12.0	14.0	5%	5%	6.6	5.5	0.8	0.7	18%	15%	4%
14	PPL	Jun	BUY	180.2	230.0	28%	490.4	42.0	40.0	43.5	6.0	7.0	8.0	4%	4%	4.5	4.1	0.7	0.6	20%	16%	32%
15	POL	Jun	BUY	649.1	688.0	6%	184.2	137.9	85.2	105.0	95.0	75.0	90.0	12%	14%	7.6	6.2	2.1	2.0	47%	28%	20%
16	LUCK	Jun	Sell	417.1	278.0	-33%	611.0	44.7	76.0	89.0	15.0	18.0	12.0	4%	3%	5.5	4.7	0.7	0.6	19%	12%	-30%
17	FCCL	Jun	HOLD	51.2	55.0	7%	125.7	3.4	6.7	7.9	1.0	1.0	1.0	2%	2%	7.6	6.5	1.6	1.3	12%	17%	9%
18	MLCF	Jun	HOLD	95.3	86.0	-10%	99.9	5.0	11.0	13.5	0.0	0.0	0.0	0%	0%	8.7	7.1	1.9	1.5	11%	12%	-10%
19	NML	Jun	BUY	150.0	175.0	17%	52.7	18.1	22.0	35.0	3.0	4.5	4.5	3%	3%	6.8	4.3	0.4	0.4	6%	6%	20%
20	ILP	Jun	HOLD	72.6	81.0	12%	101.7	8.4	2.5	6.0	5.5	1.0	2.0	1%	3%	29.0	12.1	1.3	1.2	40%	11%	14%
21	GATM	Jun	BUY	34.8	49.0	41%	25.7	6.4	4.7	7.0	0.0	0.0	0.0	0%	0%	7.4	5.0	0.5	0.5	11%	7%	41%
HMFS Universe							6,961.0							5%	6%					25%	21%	5%

(*) Under Review (A) Actual (E) Estimated (F) Forecasted

Contact Details

Chief Executive

Ather H. Medina

Chief Executive Officer

(92-21) 3582 2244

ather@hmfs.com.pk

Research Team

(92-21) 3264 8442

Uzma Taslim

Head Of Research

uzma.taslim@hmfs.com.pk

Rimsha Mohib

Research Analyst

rimsha.mohib@hmfs.com.pk

Hawwa Abdus Samad

Graduate Trainee Officer

hawwa@hmfs.com.pk

Rubeya Rashid

Research Analyst

rubeya.rashid@hmfs.com.pk

Sunain Rizwan

Graduate Trainee Officer

muhammad.sunain@hmfs.com.pk

Umesh Solanki

Database Manager

umesh.solanki@hmfs.com.pk

Sales Team

Syed Ahsan Ali

Head Of Sales

(92-21) 3582 2277

ahsan.ali@hmfs.com.pk

Kashif Ibrahim

Senior Equity Trader

(92-21) 3582 2274

kashif.ibrahim@hmfs.com.pk

Irfan Surya

Senior Equity Trader

(92-21) 3582 2217

muhammad.irfan@hmfs.com.pk

Online Desk

Iftikhar Hassan

Head Of Online / Retail Sales

(92-21) 3582 2208

iftikhar@hmfs.com.pk

Umair Ilyas

Online Trader

(92-21) 3514 8162

umair.ilyas@hmfs.com.pk

Mehak Nasir

Sales & Customer Support

(92-21) 3514 8162

mehak.nasir@hmfs.com.pk

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Total Return is based on both the Capital Gains return & the Dividend Yield & is exclusive of all applicable taxes