REP-110

HABIBMETRO
Financial Services

WEEKLY REPORT

MOMENTUM MEETS MAYHEM

SCRIP IN FOCUS:

The Organic Meat Company Limited (TOMCL)

DATE:

Friday, June 20, 2025

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Upcoming Week: Scrip in Focus - TOMCL

The Organic Meat Company Limited - Red Meat Powerhouse

The Organic Meat Company Limited	
Symbol	TOMCL
Bloomberg Code	TOMCL PA
Mkt Cap (PKR Mn)	4,492.00
Mkt Cap (USD Mn)	16.09
No Of Shares (In Mn)	178.49
52 Weeks High	47.70
52 Weeks Low	23.57
Avg Volume (52 Weeks)	2,637,687.25
Avg Value	93,597,531.04

Source: PSX, HMFS Research

Despite rising concerns over food security and a rapidly expanding population, Pakistan's food sector continues to receive limited corporate and investor attention. This disconnect is particularly evident on the Pakistan Stock Exchange, where representation from the processed meat segment remains scarce. In this context, 'The Organic Meat Company Limited' (TOMCL) holds the distinction of being the most recent—and among the major—red meat processing and export company to secure a listing on the PSX, debuting in 2020 as a rare, pioneering presence in an underserved sector.

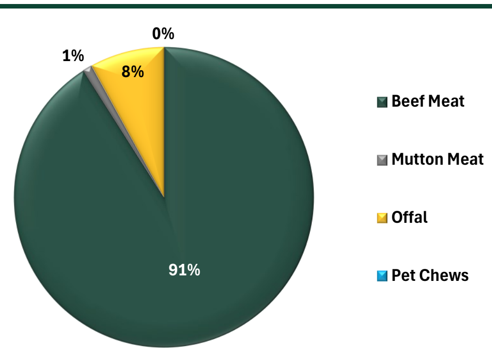
TOMCL stands as one of Pakistan's largest halal meat processors and exporters, commanding the widest international market reach in the industry. With a remarkable 4-year (FY21- FY24) revenue CAGR of 44.27% and FY25E EPS of ~PKR 4.0, TOMCL is at a sizeable discount trading at a forward P/E of just ~7.5x versus the industry average of 23x. Its differentiated market positioning, ongoing expansions, broad export footprint, reduced finance costs and demonstrated resilience to price volatility reinforce its investment case. We recommend a BUY call on TOMCL for this week, as the stock currently offers attractive upside potential.

TOMCL's Industry Firsts:

TOMCL holds a distinct first-mover advantage in Pakistan's meat export industry with successfully achieving the following milestones.

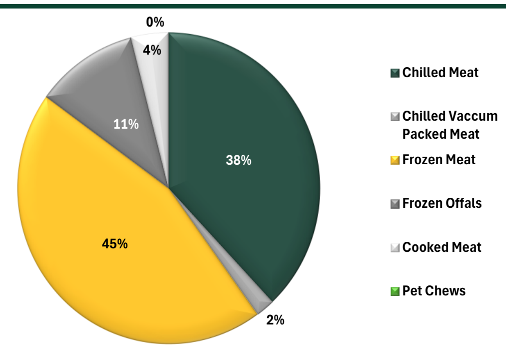
- Pioneered deboning and vacuum-packed chilled/frozen meat exports.
- First to ship fresh chilled meat via sea to UAE, Oman & Qatar.
- Initiated cooked/heat-treated meat exports to Foot-and-Mouth Disease (FMD)-restricted countries.
- Among the first Pakistani exporters approved by Saudi Food and Drug Authority (SFDA) & General Administration of Customs of the People's Republic of China (GACC) for KSA and China, respectively.
- Secured exclusive supply approvals from Middle Eastern food processing companies, Americana and Seara.
- Established Pakistan's largest animal fattening facility.
- First to export pet chews with FDA (USDA) and Canadian clearance.
- Introduced private labeling for major Middle East importers.
- Only Pakistani firm with EU approval for sheep & salted beef casings.
- Post- Mustafa & Sons Meat Halal Limited (MSMHL) acquisition: initiated casings & red/white offal exports to the EU & GCC.

Revenue By Product Line - FY 2024



Source: Company Financials & HMFS Research

Sales Mix By Volumes - FY 2024



Source: Company Financials & HMFS Research

Upcoming Week: Scrip in Focus - TOMCL

Strong 9MFY25 Results: Profitability Up Despite Margin Compression

TOMCL posted a strong 9MFY25 performance, with revenues reaching PKR 11.33bn—up 32% y/y—driven by sustained export momentum. A 37% rise in COGS due to elevated raw material prices and capex-linked overheads, gross margins slightly shrunk. Finance costs declined by 24% y/y, reflecting reduced borrowings and lower interest rates. Other income surged significantly by 13.56x, led by unrealized gains from biological assets. Net profit rose 35% y/y to PKR 495mn (EPS: PKR 2.58). The company remains focused on balance sheet deleveraging by FY26, with capex to be financed primarily through internal cash flows.

Financial Performance			
Amount in PKR 'Mn'	**9MFY25**	**9MFY24**	**% Change**
Sales- net	11,323.86	8,575.30	32%
Cost of Sales	(10,208.65)	(7,442.76)	37%
Gross Profit	**1,115.21**	**1,132.54**	**-2%**
Administrative Expenses	(218.30)	(106.24)	105%
Selling Expenses	(267.93)	(429.12)	-38%
Allowance for Doubtful debts	(79.98)	(10.76)	643%
Operating Profit	549.00	586.41	-6%
Finance Costs	(133.69)	(175.91)	-24%
Other Income	169.76	12.52	1256%
Profit before Taxation and Levy	**585.06**	**423.02**	**38%**
Levy	(137.64)	(81.57)	69%
Profit before Taxation	**447.42**	**341.45**	**31%**
Taxation	12.33	-	
Profit for the period	**459.76**	**341.45**	**35%**
EPS	**2.58**	**1.91**	

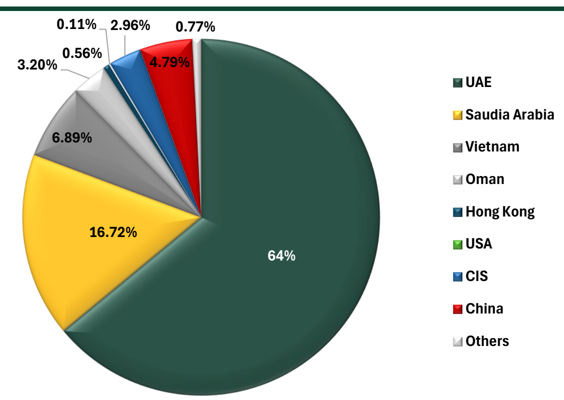
Source: Company Financials, HMFS Research

Commanding Global Reach with Export Resilience

In 9MFY25, TOMCL posted exports of PKR 6.83bn alongside PKR 4.5bn in local sales. While export volumes softened slightly—primarily due to USD strength against the Euro and limited traction in frozen beef, the impact was mitigated by a notable pickup in domestic demand.

Despite this short-term pressure, TOMCL continues to lead as one of Pakistan's fastest-growing premium red meat exporters, with active penetration across the Middle East, CIS, Europe, North America, and South Asia, with Russia identified as a future strategic market. With Pakistan's total meat exports crossing USD 517mn in 2024 and the PKR gradually depreciating, TOMCL is well-positioned to unlock higher export margins, benefiting from favorable currency conversion and global pricing dynamics.

Revenue By Destination- FY 2024



Source: Company Financials & HMFS Research

Upcoming Week: Scrip in Focus - TOMCL

Export Contracts:

TOMCL continues to expand its global presence through strategic export deals. The current export projects are outlined below:

- **Italy Market Entry:** Recently, secured its first export order from Italy, marking entry into a new European market.
- **China Contract Win:** In September 2024, TOMCL bagged a USD 12mn (Net impact: ~PKR 1.23 per share) cooked beef supply contract for FY25 with the People's Republic of China, reinforcing its growing footprint in high-volume Asian markets.
- **Product Line Expansion in UAE:** Received regulatory clearance to export frozen and fresh red & white offal (vacuum-packed) to the UAE, diversifying its product offering in the GCC region.
- **UAE Contract Renewal:** In April 2024, TOMCL successfully renewed a USD 4mn (Net impact: ~PKR 0.4 per share) export contract for 1,000 MT of beef to the UAE, reflecting sustained client confidence and recurring order visibility.

TOMCL's Right Issue: Funding Growth While Reducing Leverage

On November 2024, TOMCL announced a Right Issue of 30mn shares at PKR 27/share, aiming to raise PKR 810mn. The proceeds were to be utilized to deleverage the balance sheet, strengthen working capital, and support targeted capacity enhancements—primarily the tripe cooking and red offal processing units. This capital raise underscores management's focus on reducing finance costs and enabling export-led growth.

Expansion & Capacity Enhancement:

TOMCL currently operates five purpose-built facilities, encompassing slaughtering, meat processing (raw and cooked), a dedicated fattening farm, and advanced cooking/heating units—supporting end-to-end meat value chain control. Below are the additional capacity enhancements undertaken by the company:

- **Phase-II Expansion (Sept. 2024):** Successfully Completed Phase-II expansion, increasing total production capacity by 40%, including 300 MT/month of frozen cooked beef. This supports value-added product growth and strengthens TOMCL's export reach, particularly in the newly entered Chinese market.
- **Enhanced Slaughtering Capacity:** Company is commissioning of a new beef slaughtering unit, which has effectively doubled the company's slaughtering throughput, reinforcing upstream capability and export readiness.

Risks to Valuation:

No scrips are devoid of risks, and TOMCL is no different. Here are some risks to our valuation:

- **Capex Execution:** Delays in expansion may affect future growth.
- **Doubtful Debts:** Higher provisioning could drag net income downward.
- **Export Dependence:** Heavy reliance on selected markets adds concentration risk.
- **Tax Regime Shift:** Transition from FTR to MTR increases the effective tax burden on exports.
- **Super Tax Exposure:** Potential outflow could weigh on profitability.
- **PKR Appreciation:** Currency strength may erode export-driven revenue.

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:

Budget FY26 Revisions: Fiscal Reforms Face Resistance Amid Revenue Expansion Push

As debate intensifies around the proposed FY26 budget, several contentious measures aimed at expanding the tax base and non-tax revenues have met pushback from both parliamentary committees and industry stakeholders. The Senate Standing Committee on Finance rejected the government's plan to impose a PKR 2.5/litre carbon levy on petroleum products, which was expected to generate PKR 48bn in FY26. The measure, proposed by the finance minister with a view to doubling the levy by FY27, was criticized for its inflationary impact and was blocked at the committee level, signalling a setback in non-tax revenue mobilization. Similarly, a proposal to impose an 18% sales tax on imported solar panels was rolled back following resistance from both houses of Parliament. The Finance Ministry later revised the rate down to 10%, acknowledging affordability concerns and jurisdictional objections raised by the provinces. In contrast, a significant development came with the approval of the Off the Grid (Captive Power Plants) Levy Bill, 2025, which introduces a staged levy on natural gas and RLNG consumption by captive power plants, rising from 5% to 20% by August 2026. The legislation aims to improve cost recovery without altering regulated gas prices and will be enforced through designated billing agents. Additionally, the federal cabinet endorsed Pakistan's largest-ever power sector restructuring plan, targeting the elimination of PKR 1.275tn in circular debt over six years. Crucially, the plan emphasizes that this adjustment will be achieved without adding pressure to the national budget, marking a pivotal step in the energy sector's long-term financial sustainability.

Current Account Deficit Narrows Despite Dip in Exports and Rise in Imports

Pakistan posted a current account deficit of USD 105mn in May 2025, compared to a surplus of USD 47mn in April 2025. However, the deficit was 56% lower y/y than the USD 235mn deficit reported in May 2024, reflecting improvement in the external position on an annual basis. Exports of goods and services amounted to USD 3.15bn, down 15% y/y from the sply. In contrast, imports rose 7% y/y to USD 6.36bn, widening the trade gap for the month. Offsetting some of this pressure, workers' remittances increased 13% y/y, reaching USD 3.69bn in May 2025. The textile sector, which contributed 58% of total exports, saw a 4.8% y/y decline to USD 1.41bn, along with a 2.4% m/m decrease. On the import side, the petroleum group's bill fell 15.8% y/y to USD 1.14bn, while petroleum product imports dropped 22.2% m/m to USD 486.7mn. Meanwhile, Foreign Direct Investment (FDI) declined 7.6% y/y to USD 1.98bn during 11MFY25. The narrowing current account deficit reflects the impact of tight monetary policy, modest growth, and import controls. While these measures have eased external pressure, persistent weakness in exports and growing imports highlight the need for continued policy discipline to preserve macroeconomic stability.

Strait Under Stress: Iran-Israel Escalation Rattles Oil Markets and Global Trade

The ongoing escalation between Iran and Israel has shifted from covert conflict to direct military exchanges, heightening geopolitical risk across global markets. After Israel conducted strikes on Iranian nuclear and energy infrastructure, Iran retaliated with missile and drone attacks on Israeli cities and government installations. This shift marks a dangerous evolution in regional tensions, with broader implications for energy flows and maritime trade. Amid the heightened conflict, global shipping routes face mounting risk. Maritime authorities, including those from the UK and Greece, have advised merchant fleets to avoid transiting the Gulf of Aden and exercise caution near the Strait of Hormuz—a chokepoint responsible for 35% of global seaborne oil movement. While the Strait remains open, the US-led Combined Maritime Force has raised the conflict threat level, and Iran has hinted at a possible closure, which would disrupt both oil and container traffic, amplifying volatility in energy and trade markets. Meanwhile, Brent and WTI crude prices rose by ~4% over the week, with benchmarks nearing USD 76.45 and USD 74.84 per barrel, respectively. The price surge was fuelled by supply-side fears, especially after Israel struck major Iranian facilities like the South Pars gas field and Shahr Rey refinery. Although there has been no immediate disruption to global energy supply, the risk of direct US involvement has kept markets on edge. As uncertainty grows, the economic implications will hinge on whether the conflict remains localized or expands regionally, with energy markets, inflation, and trade routes hanging in the balance.

Other News

Pak Datacom signs MoU with intl broadband satellite service provider: Pak Datacom Limited (PDL) announced on Thursday the signing of a Memorandum of Understanding (MoU) with an international-based broadband satellite services operator. The agreement was signed after a successful limited test and trial-based arrangement with them, the PDL said in a notice to the Pakistan Stock Exchange (PSX).

PIA's flight to privatization gains momentum with 8 qualified bidders: The Privatisation Commission has received Expressions of Interest (EOIs) from eight interested parties for the divestment of 51 to 100 percent shareholding, along with management control, of Pakistan International Airlines Corporation Limited (PIACL), as part of the government's second attempt to privatize the national carrier. Today marked the final deadline for the submission of Statements of Qualification (SOQs).

Pakistan launches National Electric Vehicle Policy 2025-30: Pakistan government on Thursday officially launched the National Electric Vehicle (NEV) Policy 2025-30. Speaking at the launch, Special Assistant to the Prime Minister on Industries and Production Haroon Akhtar Khan called the policy a "historic and transformative step" in Pakistan's journey towards industrial, environmental, and energy reforms, according to a statement from the Ministry of Industries and Production.

Auto financing in Pakistan rises to Rs271bn in May: Automobile financing in Pakistan has increased to Rs271.24bn in May 2025, witnessing a rise of 3.01% MoM compared to Rs263.31bn recorded in April 2025, according to the latest data released by the central bank. On a year-on-year basis, car financing increased by 16.51%, as in the same period last year, the figure for financing was reported at Rs232.79bn.

Farmers endure unbearable losses on multiple crop failures, says PKI: Farmers have been enduring unbearable losses on multiple crop failures and price crash of commodities, unfolding an agricultural emergency in the country, said the Pakistan Kissan Ittehad on Wednesday. The agricultural sector is teetering on the brink of collapse, with growth falling by a staggering 5.84 per cent in just one year and major crop production shrinking over 13 per cent, including a devastating 8.9 per cent drop in wheat crop.

MoF signs 1bn loan facility backed by ADB guarantee: The Ministry of Finance has signed a syndicated term finance facility of $1 billion partially guaranteed by a policy based guarantee of the Asian Development Bank (ADB)'s Programme "Improved Resource Mobilization &Utilisation Reform". An official statement by the Finance Ministry stated that Dubai Islamic Bank acted as the sole Islamic global coordinator while Standard Chartered Bank acted as the mandated lead arranger and book runners.

Hino, Mitsubishi Fuso to merge under new deal: Hinopak Motors Limited (PSX: Hino) informed on Tuesday that a definitive agreement was reached between Mitsubishi Fuso Truck and and Bus Corporation (MFTBC) and Hino Motors Limited- the parent company. "Under this agreement, a new publicly listed holding company will be established, which will hold 100% ownership of both MFTBC and Hino," the company wrote in a notice to the Pakistan Stock Exchange (PSX).

Pakistan's business confidence rises in May 2025: The overall Business Confidence Index (BCI) increased by 0.3 points, reaching 57.2 in May 2025, according to the latest results of the Business Confidence Survey (BCS), conducted by the State Bank of Pakistan (SBP) in collaboration with the Institute of Business Administration (IBA). This uptick was driven primarily by the Industry sector, while the Services sector showed a slight dip. Specifically, the BCI for the Industry sector increased by 2.8 points to 57.9, whereas confidence in the Services sector decreased by 0.5 points to 57.

Pakistan consumer confidence rises by 4% in May: The consumer confidence Index (CCI) in Pakistan increased by 4% to 44.6 points in May compared to last month, according to a survey report released by the State Bank of Pakistan (SBP). Sentiments regarding the Current Economic Conditions (CEC) index also increased by 3.4% to 44.7 points while the Expected Economic Conditions (EEC) index was up by 4.6% to 44.5 points over the previous wave.

Pakistan exhibits auto parts at Automechanika Istanbul to tap regional markets: Pakistan is aiming to expand its footprint in the regional automotive parts market as 12 companies from the sector participate in Automechanika Istanbul, held from June 12 to 15 at the TUYAP Exhibition Centre. The Trade Development Authority of Pakistan (TDAP), under the Ministry of Commerce, is spearheading the country's participation.

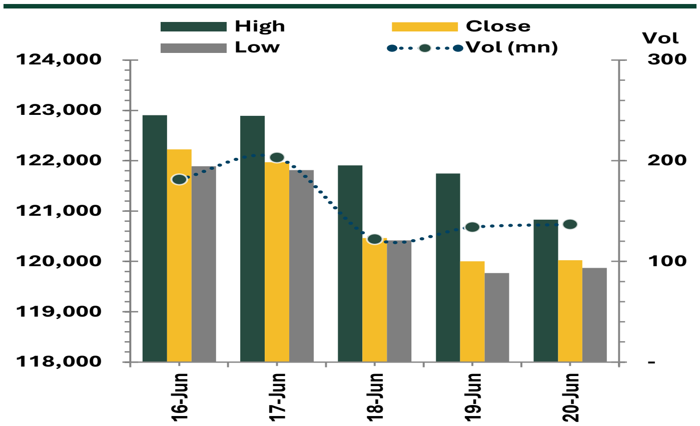
Revised PPAs with wind power plants expected in next two weeks: The task force on power currently in talks with wind power plants (WPPs) is likely to come up with revised power purchase agreements (PPA) in the next two weeks as has been done with IPPs and government power plants. The government has already revised the power purchase agreements with IPPs and government power plants (GPPs).

Equity Market Review

Summary

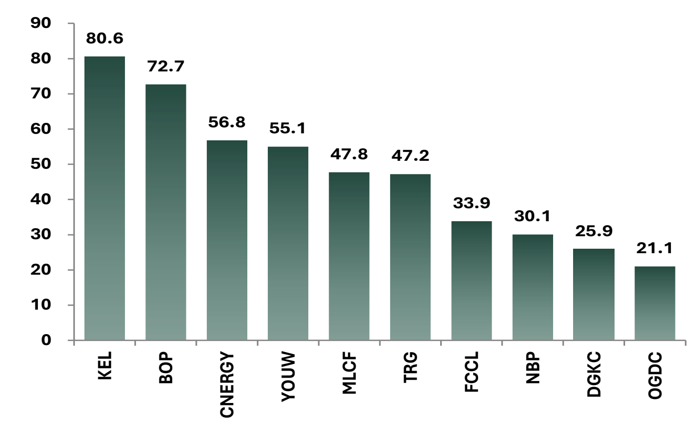
After last week's euphoric budget-driven rally, the KSE-100 Index entered a corrective phase this week, as the market faced renewed selling pressure driven by post-budget uncertainty, muted policy signals, and escalating geopolitical concerns. The week opened on a subdued note with a marginal gain on Monday, but sentiment quickly turned cautious as concerns around potential fiscal slippages and lack of fresh triggers weighed heavily on investor confidence. From Tuesday onward, the market saw a consistent downward drift, with the benchmark index shedding over 2,200 points between Tuesday and Thursday. Hopes of a recovery emerged on Friday as the session began with a sharp rally led by value buying in banking, power, and fertilizer sectors. However, the optimism proved short-lived, and the index succumbed to late-session profit-taking, closing the day modestly in the red. By week's end, the KSE-100 had posted a net loss of ~2,120.33 points, settling near the 120,023.23 level. Despite the pullback, trading volumes remained relatively stable, averaging ~155.56mn shares on the KSE-100 and ~817.72mn shares across the broader market, indicating continued investor engagement, albeit with a defensive bias.

Daily Market Performance



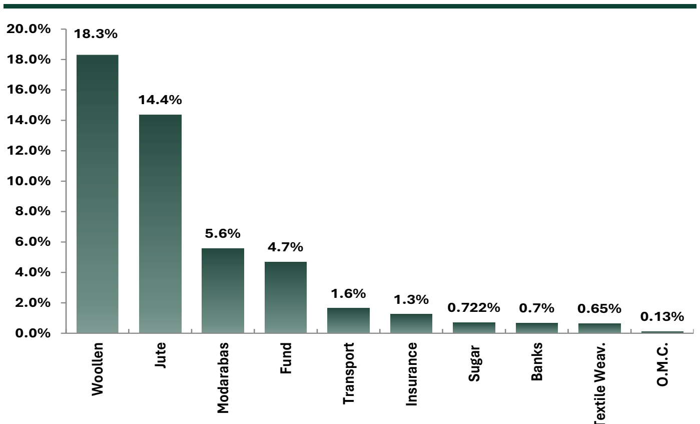
Source: PSX & HMFS Research

Top 10 Volume leaders (volumes in mn)



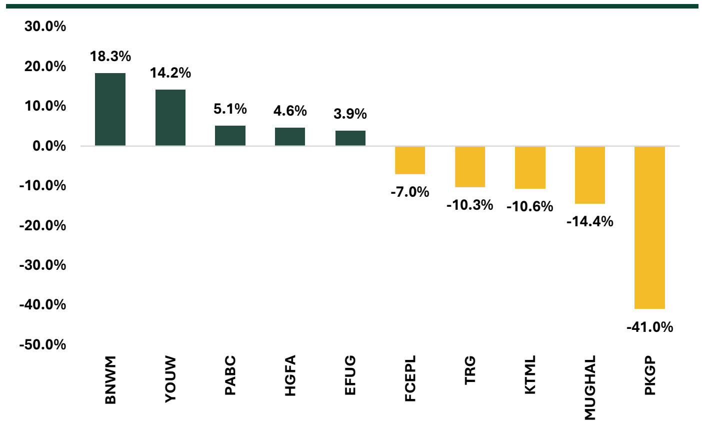
Source: PSX & HMFS Research

Sector Performance



Source: PSX & HMFS Research

Gainers & Losers (KSE-100 Index)



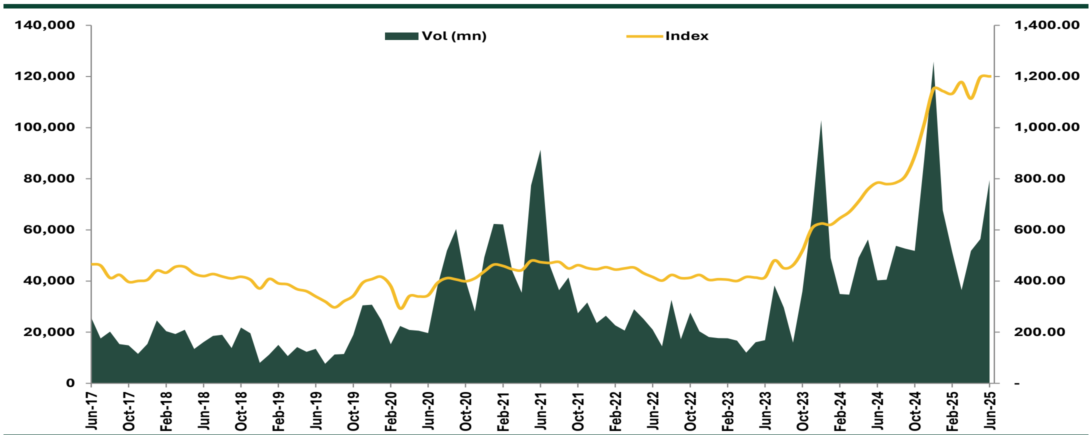
Source: PSX & HMFS Research

Equity Market Review

Outlook

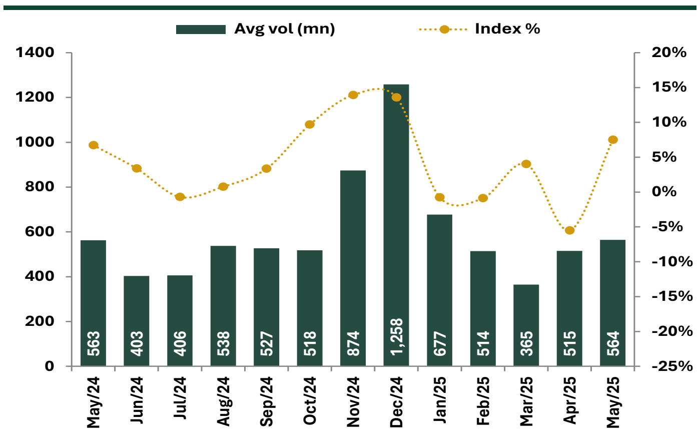
Following this week's pullback, the market is expected to remain in a consolidation phase as investors reassess valuations in light of the unchanged policy rate and simmering geopolitical tensions. While valuations appear relatively compelling after the recent correction, clarity on taxation measures and fiscal execution from the FY26 budget will be crucial for any sustained rebound. Furthermore, external headwinds—such as rising global oil prices and regional security risks—may continue to cap near-term upside. Given these dynamics, we advise a cautious but opportunistic stance. Investors should selectively accumulate fundamentally strong scrips, especially in sectors positioned to benefit from potential policy clarity or external inflows, while maintaining agility to navigate short-term volatility.

Index Performance



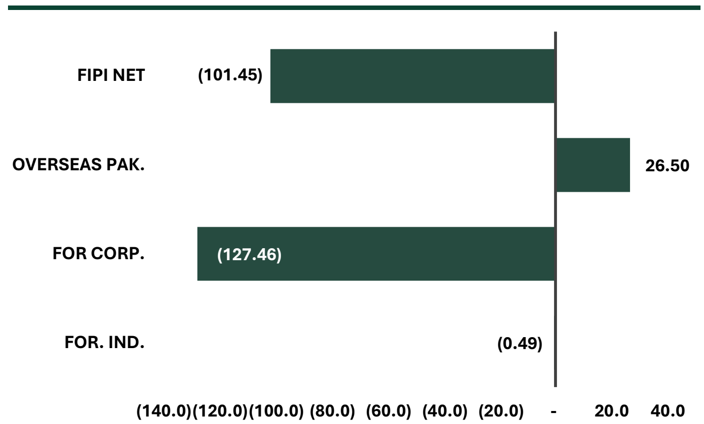
Source: PSX & HMFS Research

MoM Index gain vs Average Volume



Source: PSX & HMFS Research

FIPI (CYTD in USD mn)



Source: NCCPL & HMFS Research

Money Market Review

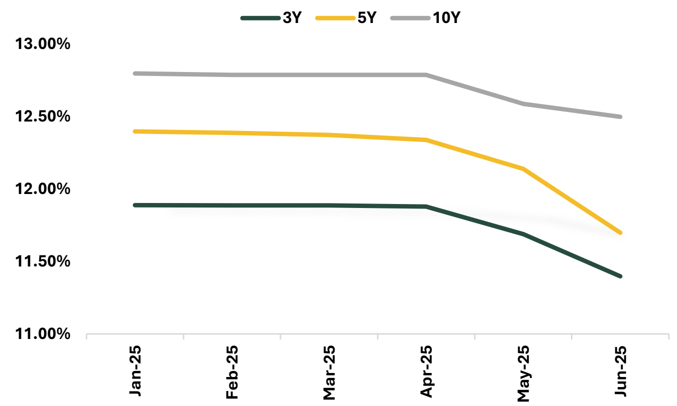
Summary

In a deviation from the regular auction schedule, the State Bank of Pakistan (SBP) conducted a short-tenor Market Treasury Bill (MTB) auction during the week, raising a substantial PKR 909bn through a 22-day instrument at a cut-off yield of 11.36%. The move likely reflects the central bank's tactical liquidity management amid evolving cash flow requirements in the banking system ahead of FY26. Additionally, the SBP conducted a Pakistan Investment Bonds (PIBs) auction, mobilizing PKR 303bn. Cut-off yields were observed at 11.39% for the 2-year, 11.40% for the 3-year, 11.70% for the 5-year, 12.49% for the 10-year, and 12.70% for the 15-year tenor.

Outlook

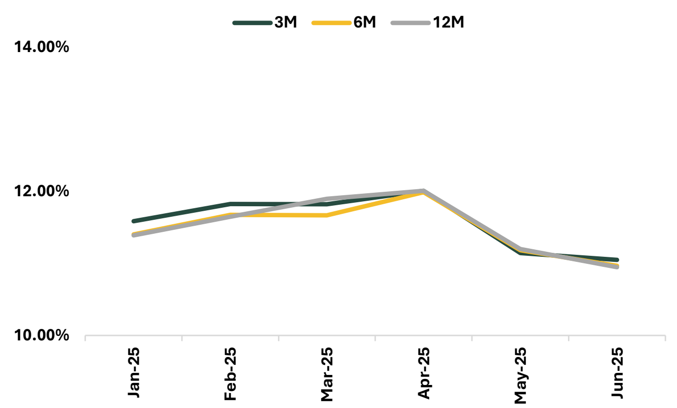
The SBP opted to maintain the policy rate in its June 16 MPC meeting, reflecting a cautious stance as it balances improving domestic indicators against external risks. Despite stable macro fundamentals, the central bank kept the policy rate unchanged at 11%, citing concerns over post-budget inflationary pressures and geopolitical uncertainty. While deeply positive real interest rates provide space for future easing, the SBP appears in no rush to pivot. The current pause is likely to continue in the near term, with monetary easing more probable later in the year as inflation trends become more predictable and external conditions stabilize.

PIB Yields



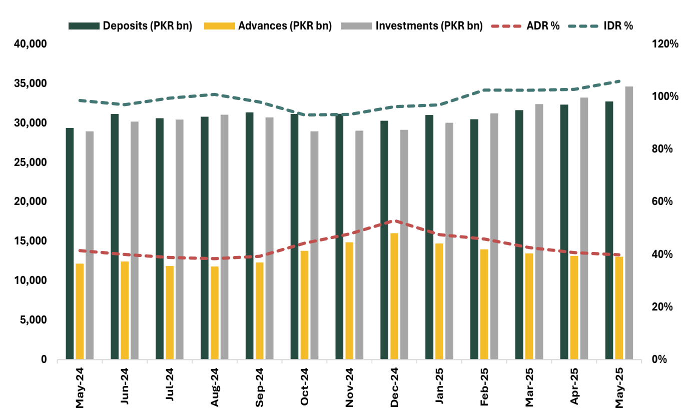
Source: SBP & HMFS Research

T-Bill Yields



Source: SBP & HMFS Research

Bank's ADR & IDR



Source: SBP & HMFS Research

Forex Market Review

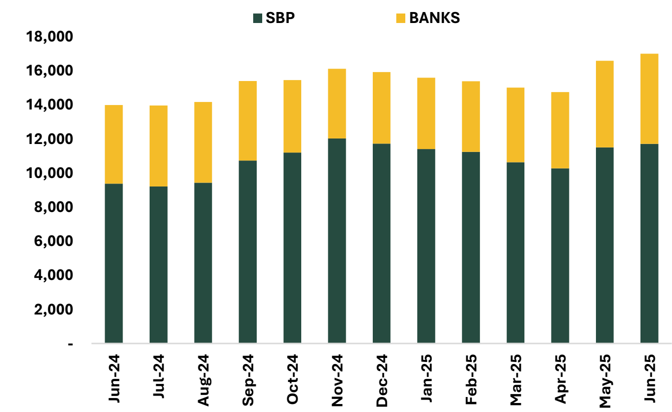
Summary

As per the latest data from the SBP dated June 13, 2025, the foreign exchange reserves held by the central bank increased by USD 46.3mn w/w, reaching USD 11.72bn, compared to USD 11.68bn in the previous week. Similarly, reserves held by commercial banks rose by USD 83.2mn to USD 5.28bn. As a result, Pakistan's total liquid foreign exchange reserves posted a weekly increase of USD 129.5mn, settling at USD 17bn. The Pakistani Rupee (PKR) witnessed marginal depreciation during the week, slipping by 74 paisa w/w against the US Dollar. As of June 20, 2025, the PKR closed at PKR 283.70 per USD, signalling stable market sentiment.

Outlook

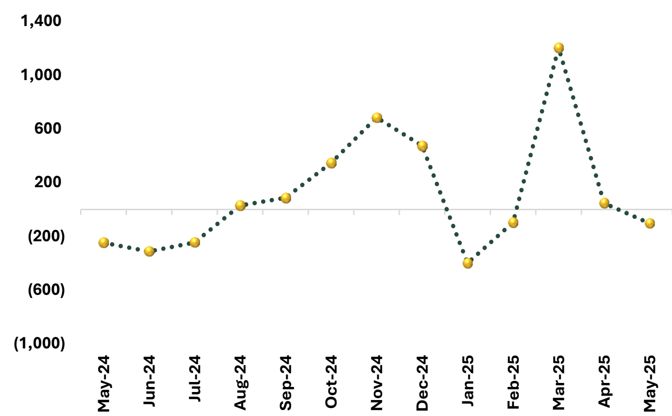
The outlook for the forex market in the upcoming week remains cautious, following the re-emergence of a current account deficit in May 2025 after the last few months of surplus. The drop in exports and subdued foreign direct investment (FDI) continue to weigh on foreign exchange reserves. However, a notable rise in remittances has helped offset some of this pressure and is expected to provide short-term support to the external account. Looking ahead, medium-term prospects remain more constructive. Government initiatives aimed at boosting exports and strengthening bilateral trade relationships could gradually improve reserve accumulation. That said, in the near term, the PKR/USD parity is likely to remain under pressure due to ongoing geopolitical tensions and renewed volatility in global oil markets, both of which pose downside risks to currency stability.

Foreign Exchange Reserves (USD bn)



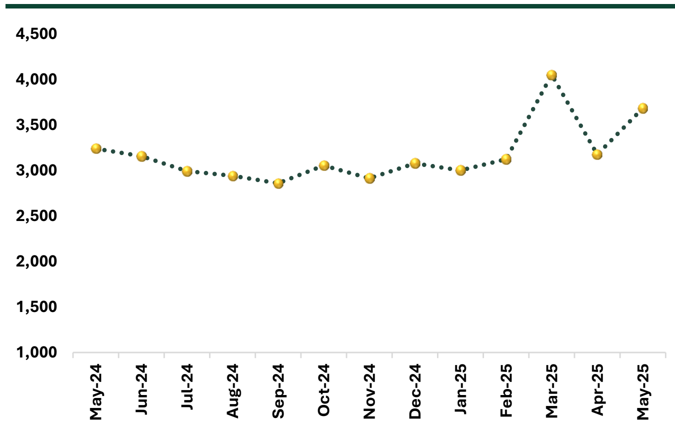
Source: SBP & HMFS Research

Current Account Balance (USD mn)



Source: SBP & HMFS Research

Remittances (USD mn)



Source: SBP & HMFS Research

Key Economic Indicators

Item	Units	May-25	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	%M/M	CY24	CY23	%Y/Y
Banking Indicators											
Return on Outstanding Loans	%	12.12%	12.31%	12.32%	12.31%	12.59%	13.24%	-0.19%	17.07%	17.48%	-0.41%
Return on Deposits	%	5.70%	5.83%	5.92%	5.57%	6.52%	7.48%	-0.13%	10.74%	10.30%	0.44%
Interest rate Spread	%	6.42%	6.48%	6.40%	6.74%	6.07%	5.76%	-0.06%	6.33%	7.18%	-0.85%
Deposits	(PKR bn)	32,715	32,316	31,626	30,458	31,003	30,283	1.23%	30,283	27,841	8.77%
Advances	(PKR bn)	13,025	13,139	13,470	13,973	14,728	16,009	-0.87%	16,009	12,352	29.61%
Investments	(PKR bn)	34,626	33,204	32,384	31,213	30,023	29,129	4.28%	29,129	25,280	15.23%
ADR	%	39.81%	40.66%	42.59%	45.88%	47.50%	52.87%	-0.84%	52.87%	44.37%	8.50%
IDR	%	105.84%	102.75%	102.40%	102.48%	96.84%	96.19%	3.10%	96.19%	90.80%	5.39%
Kibor (Ask Side)											
3-Month	%	11.44%	12.11%	12.02%	11.91%	11.88%	12.36%	-0.67%	18.81%	21.48%	-2.67%
6-Month	%	11.46%	12.10%	11.97%	11.81%	11.86%	12.33%	-0.64%	18.58%	21.58%	-3.00%
9-Month	%	11.70%	12.30%	12.15%	12.00%	12.09%	12.51%	-0.60%	18.50%	21.84%	-3.34%
1-Year	%	11.69%	12.29%	12.15%	11.98%	12.07%	12.48%	-0.60%	18.21%	21.86%	-3.65%
Avg. Exchange Rates											
USD		281.73	280.74	280.12	279.36	278.75	278.22	0.35%	278.53	280.44	-0.68%
Euro		317.78	316.55	303.02	290.89	288.59	291.44	0.39%	301.36	303.36	-0.66%
JPY		1.95	1.95	1.88	1.84	1.78	1.81	-0.41%	1.8410	1.9983	-7.87%
GBP		376.42	369.93	361.81	350.20	344.14	351.90	1.75%	355.94	348.95	2.00%
CNY		39.05	38.44	38.64	38.40	38.19	38.20	1.59%	38.70	39.59	-2.25%

Item	Units	May-25	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	%M/M	FY24	FY23	%Y/Y
Inflation											
Avg. CPI	%	4.61%	4.73%	5.25%	5.85%	6.50%	7.22%	-0.12%	23.41%	29.18%	-5.77%
Avg. NFNE	%	7.30%	7.40%	8.20%	7.80%	7.80%	8.10%	-0.10%	12.20%	18.50%	-6.30%
Commodities											
Arab Light (Avg.)	USD/bbl	64.60	68.75	75.25	79.15	78.96	73.57	-6.03%	86.22	88.47	-2.54%
External Sector (FY USD mn)											
Total Imports	(USD Mn)	5,172	5,596	4,828	4,789	5,258	5,358	-7.58%	54,937	55,727	-1.42%
Total Exports	(USD Mn)	2,553	2,174	2,645	2,490	2,951	2,911	17.43%	30,684	27,770	10.49%
Trade Balance	(USD Mn)	(2,619)	(3,422)	(2,183)	(2,299)	(2,307)	(2,447)	23.47%	(24,253)	(27,957)	13.25%
Current Account Balance	(USD Mn)	(103)	47	1,204	(97)	(399)	474	-319.15%	(313)	504	-162.10%
Remittances	(USD Mn)	3,686	3,177	4,054	3,124	3,003	3,080	16.01%	30,251	27,019	11.96%
Oil Import Bill	(USD Mn)	1,146.17	1,235.59	1,221.68	1,449.58	1,570.91	1,252.87	-7.24%	15,161.83	17,938.52	-15.48%

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	**BUY**	374.1	435.0	16%	532.3	45.5	57.8	61.2	36.5	43.4	49.0	12%	13%	6.5	6.1	3.5	3.1	54%	51%	28%
2	**EFERT**	Dec	**BUY**	180.3	220.0	22%	240.8	21.2	24.7	28.5	21.5	22.0	26.7	12%	15%	7.3	6.3	4.7	4.5	60%	65%	34%
3	**INDU**	Jun	**BUY**	1757.8	2050.0	17%	138.2	191.8	297.6	421.0	114.7	178.0	252.0	10%	14%	5.9	4.2	2.1	1.7	14%	27%	27%
4	**HCAR**	Mar	**HOLD**	269.9	298.0	10%	38.5	16.3	13.3	25.0	6.5	7.0	13.0	3%	5%	20.2	10.8	1.6	1.5	8%	6%	13%
5	**HBL**	Dec	**BUY**	166.3	195.0	17%	243.9	39.9	44.6	43.2	16.3	17.0	18.0	10%	11%	3.7	3.8	0.5	0.5	16%	13%	27%
6	**MCB**	Dec	**BUY**	277.9	325.0	17%	329.3	48.6	45.5	44.5	36.0	36.0	36.0	13%	13%	6.1	6.2	1.3	1.3	37%	22%	30%
7	**UBL**	Dec	**HOLD**	525.0	405.0	-23%	657.4	61.1	64.0	60.5	44.0	45.0	44.0	9%	8%	8.2	8.7	1.8	1.7	29%	21%	-14%
8	**BAHL**	Dec	**HOLD**	153.3	158.0	3%	170.3	37.7	34.9	35.5	17.0	16.0	15.0	10%	10%	4.4	4.3	1.0	0.9	35%	23%	14%
9	**ABL**	Dec	**BUY**	140.9	162.0	15%	161.4	38.8	47.5	45.4	16.0	14.0	17.5	10%	12%	3.0	3.1	0.7	0.6	30%	24%	25%
10	**MEBL**	Dec	**HOLD**	308.3	298.0	-3%	553.2	57.3	45.7	45.2	28.0	28.0	27.0	9%	9%	6.7	6.8	2.0	1.8	41%	29%	6%
11	**MUGHAL**	Jun	**BUY**	67.0	106.0	58%	22.5	6.0	1.8	2.8	0.0	0.0	0.0	0%	0%	37.2	23.9	0.7	0.7	15%	16%	58%
12	**ISL**	Jun	**HOLD**	86.6	98.0	13%	37.7	8.4	2.6	3.7	5.5	1.5	1.0	2%	1%	33.4	23.4	1.7	1.6	6%	20%	15%
13	**OGDC**	Jun	**BUY**	212.3	260.0	22%	912.9	48.6	40.0	48.0	10.1	12.0	14.0	6%	7%	5.3	4.4	0.7	0.6	18%	15%	28%
14	**PPL**	Jun	**BUY**	163.6	230.0	41%	445.2	42.0	40.0	43.5	6.0	7.0	8.0	4%	5%	4.1	3.8	0.6	0.5	20%	16%	45%
15	**POL**	Jun	**BUY**	536.5	688.0	28%	152.3	137.9	89.0	111.8	95.0	60.0	90.0	11%	17%	6.0	4.8	1.7	1.6	52%	36%	39%
16	**LUCK**	Jun	**HOLD**	329.9	278.0	-16%	483.3	94.5	103.4	69.3	15.0	18.0	12.0	5%	4%	3.2	4.8	0.6	0.5	19%	12%	-10%
17	**FCCL**	Jun	**BUY**	44.7	55.0	23%	109.7	3.4	6.7	7.9	1.0	1.0	1.0	2%	2%	6.7	5.7	1.4	1.1	12%	17%	25%
18	**MLCF**	Jun	**HOLD**	81.4	86.0	6%	85.2	5.0	12.3	9.2	0.0	0.0	0.0	0%	0%	6.6	8.8	1.6	1.4	11%	12%	6%
19	**NML**	Jun	**BUY**	118.3	175.0	48%	41.6	18.1	22.0	35.0	3.0	4.5	4.5	4%	4%	5.4	3.4	0.3	0.3	6%	6%	52%
20	**ILP**	Jun	**BUY**	61.8	81.0	31%	86.6	8.4	2.5	6.0	5.5	1.0	2.0	2%	3%	24.7	10.3	1.1	1.0	40%	11%	33%
21	**GATM**	Jun	**BUY**	23.6	49.0	107%	17.5	6.4	4.7	7.0	0.0	0.0	0.0	0%	0%	5.0	3.4	0.4	0.3	11%	7%	107%
						22%	**5,459.8**							**6%**	**7%**					**25%**	**21%**	**28%**

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

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