REP-110

HABIBMETRO
Financial Services

WEEKLY REPORT

THE UPWARD RUSH

SCRIP IN FOCUS:

Pakistan Aluminium Beverage Cans Limited (PABC)

DATE:

Friday, October 03, 2025

Table Of Content

Upcoming Week: Scrip in Focus - PABC

Pakistan Aluminium Beverage Cans Limited	
Symbol	PABC
Bloomberg Code	PABC PA
Mkt Cap (PKR Mn)	57,849.54
Mkt Cap (USD Mn)	205.68
No Of Shares (In Mn)	361.11
52 Weeks High	170.85
52 Weeks Low	75.50
Avg Volume (52 Weeks)	291,727.54
Avg Value	37,415,903.22

Source: PSX, HMFS Research

PABC: Sustained Growth Backed by Expansion, Export Momentum & Policy Protection

Pakistan Aluminium Beverage Cans Limited (PSX: PABC) is the sole manufacturer of aluminium beverage cans in Pakistan, catering to major domestic bottlers and an expanding export clientele. The company has successfully leveraged economies of scale, cost efficiencies, and product quality to dominate the local market while diversifying geographically across key regional markets. PABC's business model is further strengthened by anti-dumping duties on competing imports, a recently completed debottlenecking project, and rising demand from both local and regional beverage producers.

Following a robust 1HCY25 performance, we maintain a BUY stance, driven by solid earnings growth, attractive valuation, and strong order visibility. The company posted an EPS of PKR 10.78 in 1HCY25 (up ~40% y/y), supported by higher volumes and improved utilization post-expansion, despite margin compression at the gross level. With CY25E EPS projected at ~PKR 22, PABC trades at a compelling forward P/E of ~7x, significantly below the industry average of ~11x, offering re-rating potential as earnings visibility improves.

Scaling Up: Capacity Expansion, Operational Efficiency & Cost Management

PABC has completed its debottlenecking and equalization project, adding 100mn cans per annum to its capacity and raising total output potential to approximately 1.3bn cans per year. The project enhances throughput, optimizes production flow, and reduces bottlenecks, enabling PABC to serve rising domestic and export demand efficiently.

While improved utilization helped control per-unit costs, gross margins declined to 34.90% in 1HCY25 from 37.15% last year, primarily due to the withdrawal of aluminium coil rebates by the Chinese Government and other input cost pressures. Management expects to sustain high utilization levels going forward, leveraging additional capacity and a healthy order pipeline across both local and international markets, which may partially offset cost headwinds in subsequent quarters

Export Footprint: Expanding Reach Across Key Regional Markets

Exports remain PABC's core growth driver, contributing over 54% of total revenue in 1HCY25, up ~11% y/y to PKR 7.9bn despite disruptions caused by border closures. The company currently supplies to Afghanistan, Central Asian states, and Bangladesh, reinforcing its strong foothold in regional markets and reflecting steady progress in its diversification strategy.

Building on this foundation, management is focused on further broadening the customer base across South and Central Asia to strengthen resilience against domestic market fluctuations and mitigate concentration risk. Looking ahead, exports are expected to remain strong, supported by consistent demand from regional bottlers, rising consumption of canned beverages, and limited regional competition — barring potential new capacity in Uzbekistan anticipated by end of CY25.

Upcoming Week: Scrip in Focus - PABC

Policy Support: Anti-Dumping Duty Safeguards

PABC's domestic market position is underpinned by anti-dumping duties on aluminium beverage cans imported from Jordan, Sri Lanka, and the UAE, initially imposed in May 2019. In February 2025, the National Tariff Commission (NTC) initiated a sunset review to assess continuation of these duties, following PABC's petition.

The final ruling is expected within 12 months of the review's initiation, and during this period, the existing duties remain in force—shielding PABC from low-cost imports and preserving its pricing discipline. If reaffirmed, these duties (historically ranging 17%–22%) will continue to safeguard PABC's margins and competitiveness, serving as a key policy catalyst in the near term.

Domestic Demand: Rising Bottler Base & New Entrants

The local beverage market is witnessing a notable surge in new bottlers and cola brands, diversifying demand beyond the traditional giants. This structural shift, alongside the growing popularity of energy drinks and locally produced sodas, is expanding the addressable domestic market for aluminium cans.

Despite temporary challenges such as brand boycotts or changing consumer preferences, PABC's broad customer portfolio and export exposure ensure operational stability. The entry of new brands and bottlers is expected to drive sustained demand for lightweight, recyclable packaging solutions, aligning with global sustainability trends.

Outlook – Well-Positioned for Sustained Growth & Valuation Re-Rating

PABC stands at a pivotal stage where capacity expansion, export diversification, and policy protection converge to drive long-term earnings growth. The company's defensive business model, strong balance sheet, and robust order visibility offer confidence amid macroeconomic uncertainty.

Going forward, continued export momentum, a stable FX environment, and policy clarity on anti-dumping protection could unlock further valuation re-rating. However, near-term profitability will remain sensitive to input cost pass-through, following a decline in gross margins to 34.90% in 1HCY25. Net margins improved to 28.73% during the period, primarily due to SEZ-related tax exemptions under the SEZ Act 2012, as no current tax provision was recorded.

With trading multiples significantly below the industry multiple, we see substantial upside as investor confidence strengthens, provided gross margins stabilize in 2HCY25.

Risks to Valuation

- Adverse outcome of anti-dumping sunset review, leading to import competition
- PKR depreciation, impacting imported raw material costs (aluminium sheets)
- Regional capacity additions (e.g., Uzbekistan) intensifying price competition
- Slower-than-expected uptake in new export markets

Upcoming Week: Scrip in Focus - PABC

- Domestic demand volatility tied to consumer trends or brand-specific disruptions
- Any change in SEZ tax treatment that could impact net margins

Financial Performance

Amount in PKR 'Mn'	1HCY25	1HCY24	% Change
Net sales	13,544	11,735	15.4%
Cost of sales	(8,817)	(7,375)	19.6%
Gross profit	**4,727**	**4,360**	**8.4%**
Selling/distribution expenses	(692)	(351)	97.2%
Administrative expenses	(371)	(309)	20.1%
Operating profit	**3,665**	**3,700**	**-0.9%**
Financial charges	(418)	(535)	-21.9%
Other income	1,061	746	42.2%
Other charges	(392)	(323)	21.4%
Profit before tax	**3,915**	**3,589**	**9.1%**
Taxation	(24)	(825)	-97.1%
Profit after tax	**3,891**	**2,765**	**40.7%**
EPS	**10.78**	**7.66**	

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:

Pakistan Rising — But Can Inflation Derail the Story?

Pakistan's economic narrative in September reflected resilience alongside persisting headwinds. The government successfully repaid USD 500mn Eurobond on time, reaffirming its credibility in meeting external obligations, while remaining well-positioned to retire the upcoming USD 1.3bn bond due in April 2026. Encouragingly, cement dispatches surged 16% y/y in 1QFY26, underscoring an industrial rebound that aligns with the Asian Development Bank's forecast of 3% GDP growth for FY2026, supported by reforms and improved investor sentiment. Fiscal authorities reiterated there will be no mini-budget or additional taxation this year, pledging instead to meet the IMF-mandated tax-to-GDP target of 11%, a stance that signals policy stability. On the external front, Pakistan's evolving partnership with Saudi Arabia, including a new security pact and economic roadmap, was described by Bloomberg as "the first concrete indication of what a post-American world might look like," potentially unlocking long-term investment opportunities. Yet, this progress contrasts with mounting macro pressures. Inflation nearly doubled to 5.6% in September — a 10-month high — as food and fuel costs spiked, exacerbated by flood-driven supply disruptions. The trade deficit widened sharply by 46% y/y to USD 3.3bn, with imports rising 14% and exports contracting 12%, highlighting vulnerabilities in external balances. The petrol price's hike to PKR 268.68/litre and diesel to PKR 276.18/litre further intensified cost-push inflation, particularly on food staples. While Pakistan's economic outlook is supported by reforms and external commitments, sustaining momentum will require balancing debt obligations with domestic relief as inflationary pressures weigh heavily on households.

IMF Review Opens as Pakistan Faces Revenue Gaps and Reform Pressures

Pakistan and the IMF initiated talks this week for the second review of the USD 7bn Extended Fund Facility (EFF) and the first review of the Resilience and Sustainability Facility (RSF), with discussions focused on fiscal performance and governance reforms. Technical-level meetings will precede policy discussions, with a successful review potentially unlocking nearly USD 1bn under the EFF, as well as the RSF financing. The IMF has sought updates on progress in streamlining the National Finance Commission (NFC) award process and addressing the FBR's revenue shortfall, as collections fell PKR 198bn short of the Jul–Sep target (PKR 2.885trn vs. PKR 3.083trn). While authorities considered a flood levy on luxury imports such as vehicles above 1800cc, the IMF opposed new levies on imported goods. Instead, the FBR imposed a 40% regulatory duty on the commercial import of old and used vehicles. Separately, the Petroleum Division is expected to raise the issue of GST exemptions on petroleum products—estimated to have cost the industry PKR 40bn last year—in a bid to secure USD 6bn in refinery investments. The Finance Minister also ruled out additional revenue measures via a mini-budget, emphasizing that Pakistan remains "well-positioned" to meet external obligations, including the USD 1.3bn Eurobond due in April 2026, after settling a USD 500mn Eurobond maturity on September 30. The review, therefore, is not just about unlocking funds but about reconciling IMF demands with Pakistan's fiscal realities and limited policy space.

Major Events

Consumption Resilient, Affordability Fragile — The Energy Dilemma

September underscored the deep paradox of Pakistan's energy economy — consumption is recovering, yet affordability remains under stress. Consumers were hit with a PKR 2 per unit fuel cost adjustment, a reflection of costly imports and inefficiencies in the power mix. At the policy front, the government sought waivers from the IMF — both on GST for petroleum products and surcharges tied to IPPs — highlighting the difficulty of balancing fiscal commitments with public relief. K-Electric's clarification that it receives no operational subsidies further underlined structural distortions in the sector. Yet, despite elevated prices and policy uncertainty, petroleum sales rose 6% YoY in 1QFY26, pointing to resilient underlying demand. The tension between short-term waivers and long-term sustainability remains the defining challenge for Pakistan's energy outlook.

Other News

Afghanistan, Iran and Russia: ECC approves draft SRO to amend B2B barter trade rules: The Economic Coordination Committee (ECC) of the Cabinet on Thursday approved a draft Statutory Regulatory Order (SRO), aimed at amending the Business-to-Business (B2B) Barter Trade Mechanism governing bilateral trade with Afghanistan, Iran and Russia. The SRO is aimed at amending the B2B Barter Trade Mechanism governing bilateral trade with Afghanistan, Iran, and Russia.

KE does not receive 'operational subsidies': CFO: K-Electric (KE), the country's only privatised power utility, asserted on Thursday that its electricity generation is cheaper than the power produced in other parts of the country if nuclear and hydropower generation obtained from the national grid are excluded. He further highlighted that KE had originally been promised indigenous gas for its power plants. However, the company was later compelled to shift to re-gasified liquefied natural gas (RLNG), a more expensive fuel. This shift, he emphasized, was not under KE's control.

Digitalisation: all govt payments will go via Raast by FY26, says SBP: In a major step towards making big payments through digital channels, the State Bank of Pakistan (SBP) said on Thursday it had chalked out plans to move all the government payments through Raast – the country's instant payment system – by the end of ongoing fiscal year 2025-26. He further said the government had announced subsidy for merchants in Raast to share their cost and encourage them to join the digital payment platform.

Procter & Gamble to exit Pakistan as part of global restructuring: In a major corporate development, Gillette Pakistan Limited announced that its parent company, Procter & Gamble (P&G), will discontinue its business operations in Pakistan as part of a global restructuring plan. The listed company disclosed the development in its notice to the Pakistan Stock Exchange (PSX) on Thursday.

PKR Inches Up by 1.20 paisa against USD: The Pakistani rupee (PKR) strengthened by 1.20 paisa or 0.00% against the US dollar in Wednesday's interbank session to settle the trade at PKR 281.31 per USD, compared to previous closing of 281.32. Throughout the day, the currency saw an intraday high (bid) of 281.30 and a low (ask) of 281.30. In the open market, exchange companies quoted the dollar at 281.20 for buying and 282.40 for selling.

Oil, gas exploration activities: Malik, US firm discuss revival plan for dormant block: Ali Pervaiz Malik, the Federal Minister for Petroleum, and senior officials from the international and local energy sectors met here on Wednesday to discuss a plan for reviving oil and gas exploration activities in the Peshawar Block. The Peshawar Block had remained inactive for several years. The new collaboration between Hycarbex-American Energy, Mari Energies, and Fatima Petroleum will form a Joint Venture (JV) to recommence exploration and development activities, injecting new life into the project.

Pakistan's finance ministry projects September inflation at 3.5–4.5% despite floods: Pakistan's finance ministry on Tuesday projected consumer inflation for September to remain in a 3.5-4.5% range, citing flood-related disruptions caused by recent floods. "Despite the disruption caused by recent floods, economic activity has remained broadly stable," the Ministry of Finance said in its monthly outlook.

Finance ministry claims surge contained: public debt swells to Rs80.5trn in FY25: Pakistan's total public debt swelled by 13 percent to Rs80.5 trillion in fiscal year 2025, though the Finance Ministry claimed the surge was contained compared to previous years due to what it says historic fiscal discipline and proactive debt management. Domestic debt accounted for Rs54.5 trillion (68 percent) of the total, while external debt stood at Rs26 trillion (32 percent).

Other News

FBR Extends Income Tax Return Filing Deadline to October 15, 2025: The Federal Board of Revenue (FBR) has extended the deadline for filing Income Tax Returns for Tax Year 2025 until October 15, 2025. The decision has been made under the authority granted by Section 214A of the Income Tax Ordinance, 2001, and comes in response to numerous requests from trade bodies, tax bar associations, and members of the general public.

NBP crosses $1.5bn market cap, secures 2nd largest rank: The National Bank of Pakistan (NBP) has achieved a significant milestone, with its market capitalization soaring past the $1.5 billion mark. As of the close of business on September 30, 2025, NBP's market capitalization stood at USD 1,515,725,602, solidifying its position as the second-largest bank in the country by market value. This performance highlights NBP's robust financial health and its appeal to domestic and international investors.

Dar leads efforts to boost yields with Pakistan Cotton Plan 2026: Deputy Prime Mini-s-ter Ishaq Dar is spearheading the launch of a new comprehensive str-ategy, the Pakistan Cotton Plan 2026, aimed at aggressively revivi-ng the country's declining cotton production. The plan, which consolidates various earlier proposals from the Ministry of Food Security and the All Pakistan Textile Mills Association (APTMA), is expected to be presented to the deputy prime minister shortly, it has been learnt.

e-bikes, rickshaws: SBP launches interest-free'cost sharing scheme': Following the federal government's decision, the State Bank of Pakistan (SBP) has launched an interest-free cost sharing scheme for e-bikes and rickshaws/loaders to promote energy efficiency and accelerate the shift towards green technologies in the automotive sector. The loans will be offered through banks under both conventional and Islamic financing modes, with a repayment period of up to two years for e-bikes and three years for rickshaws/loaders.

Aurangzeb briefs German envoy over IMF review mission: Ina Lepel, Ambassador of the Federal Republic of Germany to Pakistan, called on Federal Minister for Finance and Revenue, Senator Muhammad Aurangzeb, at the Finance Division on Monday. Welcoming the Ambassador, the Finance Minister extended his best wishes and assured continued engagement to further deepen bilateral cooperation. He thanked the Government of Germany for its valuable technical and financial assistance to Pakistan and emphasized the significance of investment by German companies in diverse sectors of the economy.

NA to take up Asaan Karobar, two other key bills today: The Asaan Karobar Bill, 2025 is among three bills to be taken up for passage on the first day of the National Assembly session scheduled for Monday (today) at 5pm. The Asaan Karobar bill provides for reforms of the regulatory regime applicable to business, trade and investment by removing cumbersome and complex regulatory requirements and to establish the Pakistan Regulatory Registry and the Pakistan Business Portal.

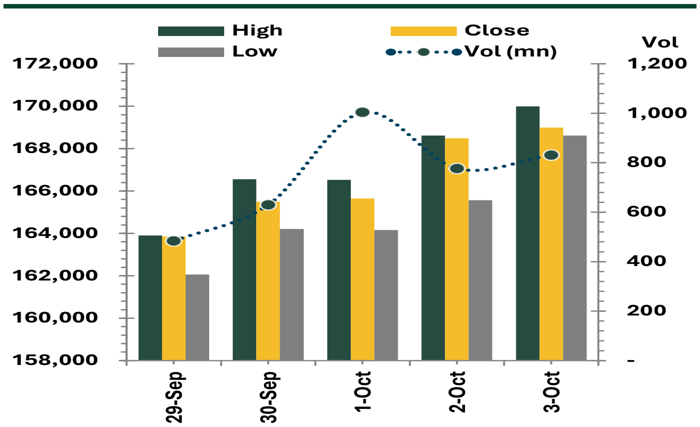
Circular debt will be wiped out in 6 years: Leghari: Minister for Power, Sardar Awais Ahmed Khan Leghari has said that power sector circular debt will be brought down to zero in the next six years. He further stated that a scheme to reduce circular debt by Rs 1.225 trillion has been signed, adding that consumers have been paying approximately Rs. 3.25 per unit as a debt service surcharge (DSS).

Equity Market Review

Summary

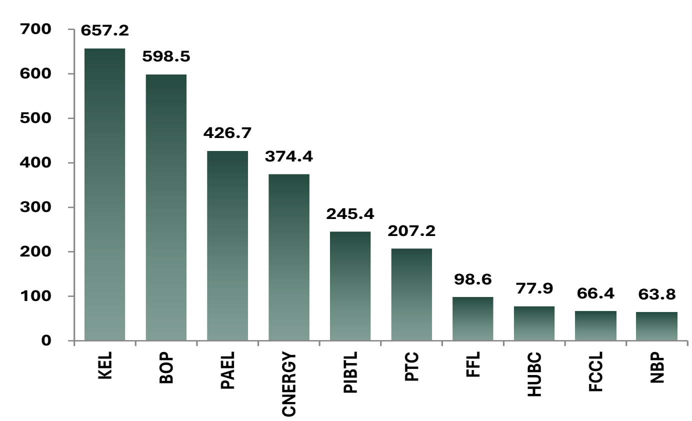
The Pakistan Stock Exchange witnessed a bullish streak this week, with the KSE-100 index scaling new highs almost daily, peaking at 169,988 amid reinforced investor confidence. Optimism was underpinned by the arrival of the IMF delegation for tranche review talks and the government's economic team visit to Riyadh, aimed at charting a bilateral roadmap. Investors gravitated towards equities, encouraged by limited returns in alternative asset classes, supportive tax incentives, and strong participation from mutual funds. Sentiment further strengthened after the finance minister ruled out the imposition of a mini-budget, assuring no additional tax measures, while reaffirming Pakistan's commitment to achieving the IMF's 11% tax-to-GDP target. Despite this, a brief mid-week correction interrupted the rally, but sentiment quickly rebounded, with banking and energy sectors driving gains. By the close of the week, the benchmark index settled at 168,990.07, marking a robust weekly gain of 6,733 points. Trading activity remained buoyant, with average daily volumes at ~745mn shares on the KSE-100 and ~1.48bn shares across the broader market.

Daily Market Performance



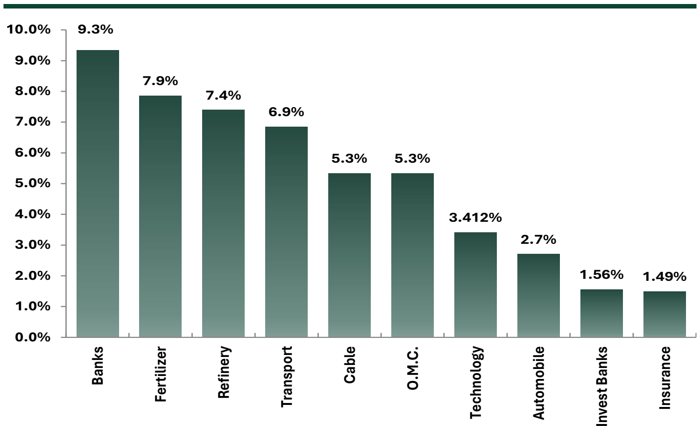
Source: PSX & HMFS Research

Top 10 Volume leaders (volumes in mn)



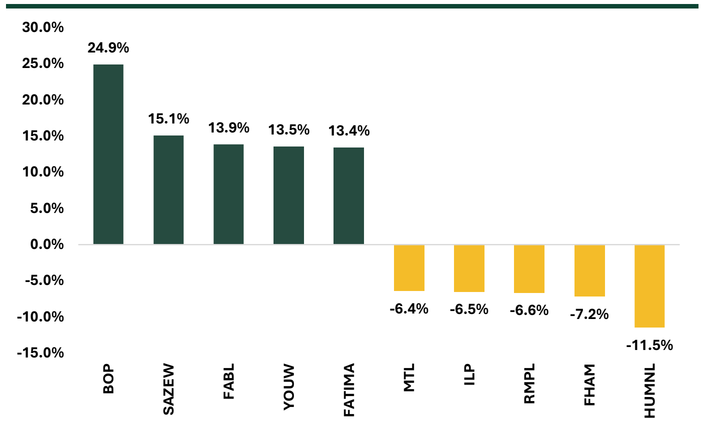
Source: PSX & HMFS Research

Sector Performance



Source: PSX & HMFS Research

Gainers & Losers (KSE-100 Index)



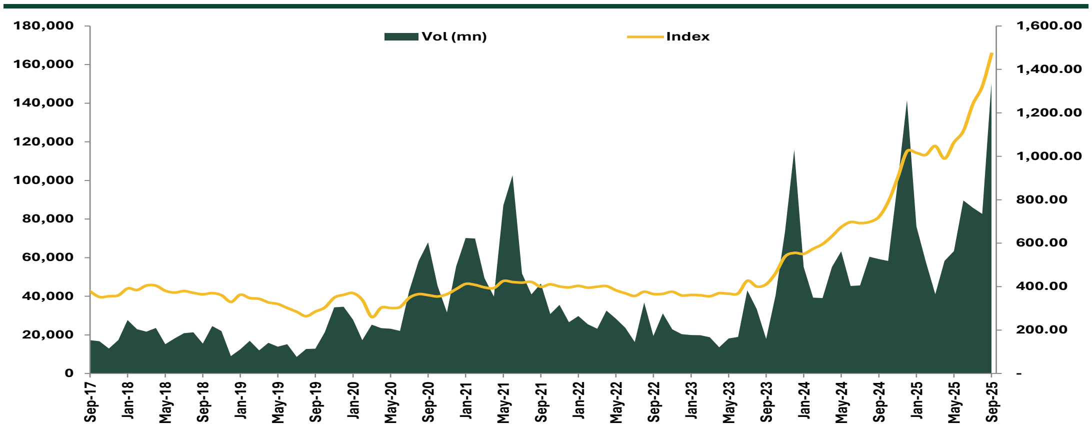
Source: PSX & HMFS Research

Equity Market Review

Outlook

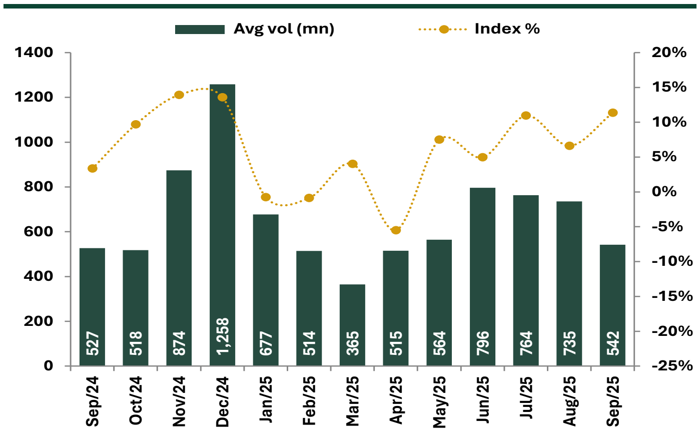
The equity market is expected to adopt a cautious tone after recently breaching record highs, with profit-taking likely to trigger a correction phase as investors lock in gains. Meanwhile, sidelined participants may wait for dips to re-enter at more attractive levels. In the near term, upcoming banking sector results could act as a key catalyst, potentially propelling the index beyond the 170k mark, while progress on circular debt management may provide further momentum to the energy sector. Additionally, the outcome of the ongoing IMF review will be critical in shaping overall market direction. Against this backdrop, investors are advised to stay alert to market shifts, monitor sector-specific triggers, and focus on fundamentally strong scrips with sustainable long-term growth potential.

Index Performance



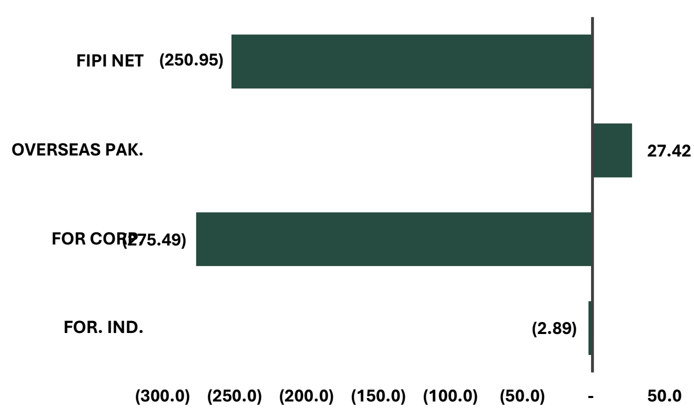
Source: PSX & HMFS Research

MoM Index gain vs Average Volume



Source: PSX & HMFS Research

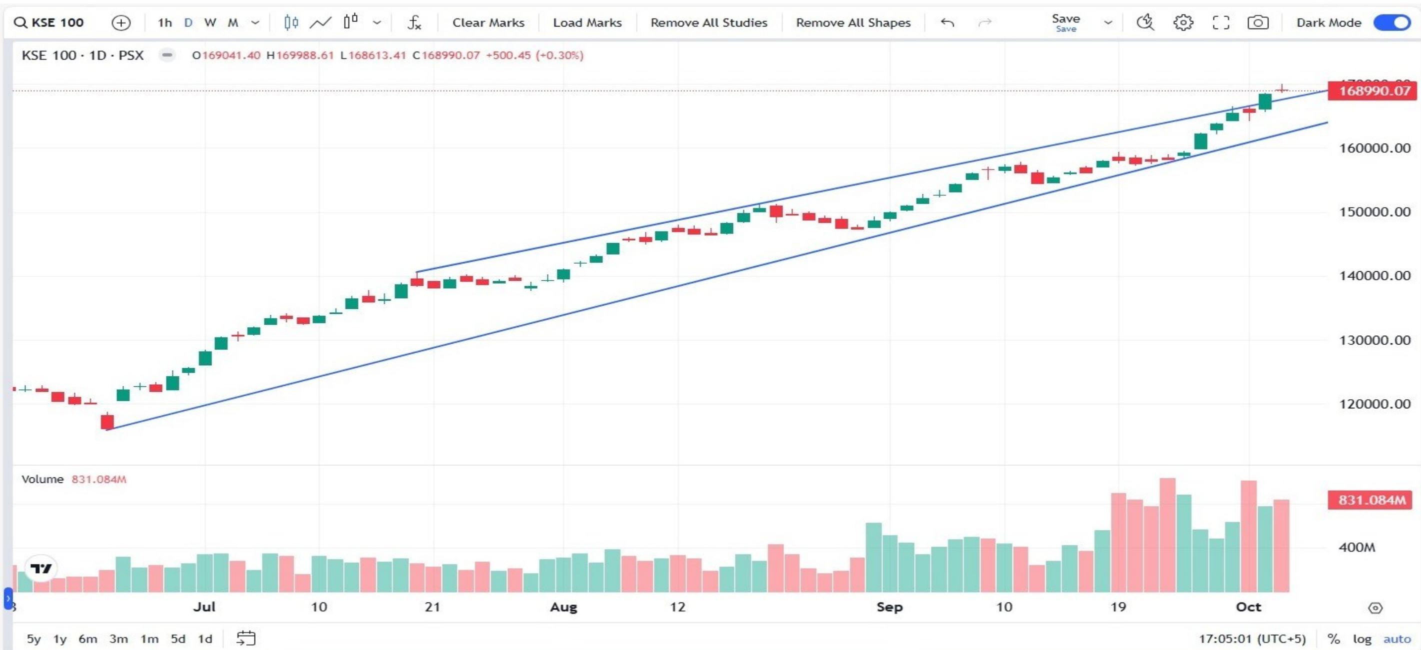
FIPI (CYTD in USD mn)



Source: NCCPL & HMFS Research

Technical Analysis

KSE-100 Index



Source: HMFS Sales

KSE-100 Index Rockets +4.15%, Eyes 173,800 After Trendline Breakout

The KSE-100 index closed the week at a record high of 168,990.07, marking a robust gain of 6,733.07 points (4.15%) and confirming a breakout above the major trendline resistance, a level that had previously capped upward momentum for several months. This bullish surge was supported by unprecedented trading volumes, signaling strong investor confidence, institutional buying, and renewed optimism in the broader market. Technically, the index formed a bullish candle, indicating sustained buying throughout the week, while momentum indicators like RSI and MACD continue to support the upward trajectory with no immediate signs of reversal. With immediate support now established around 166,079, the index appears poised to test higher resistance levels near 170,500–173,800 in the coming sessions, barring any macroeconomic headwinds or geopolitical surprises. The breakout not only shifts the medium-term bias to strongly bullish but also opens the door for a potential re-rating of key sectors, especially banking, energy, and cement, which have shown relative strength during this rally.

KSE-100 Support Level	
S1	168,619.32
S2	167,283.68
S3	166,079.47

Source: HMFS Sales

KSE-100 Resistance Level	
R1	169,988.61
R2	170,799.80
R3	173,800.00

Source: HMFS Sales

Money Market Review

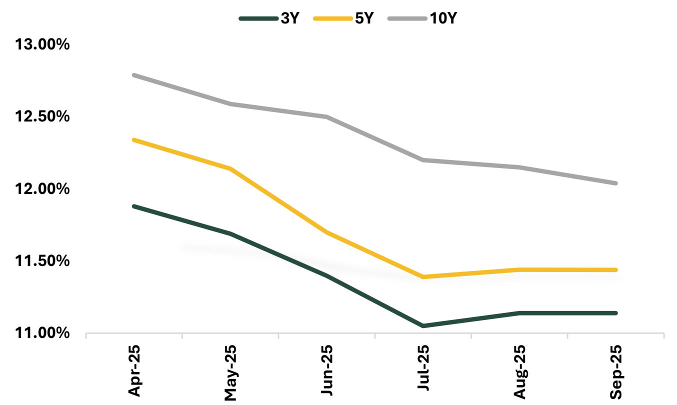
Summary

The State Bank of Pakistan (SBP) conducted a Market Treasury Bills (MTBs) auction on October 1, receiving bids of PKR 1.5tn across 1-, 3-, 6-, and 12-month tenors. Cut-off yields increased by 19–41 basis points, reflecting tighter liquidity conditions and upward pressure on short-term rates. In addition, SBP executed a reverse repo-based Open Market Operation (OMO), injecting PKR 9.6tn in the market. Looking ahead, the next PIB and MTB auctions are scheduled for October 14 and October 15, respectively.

Outlook

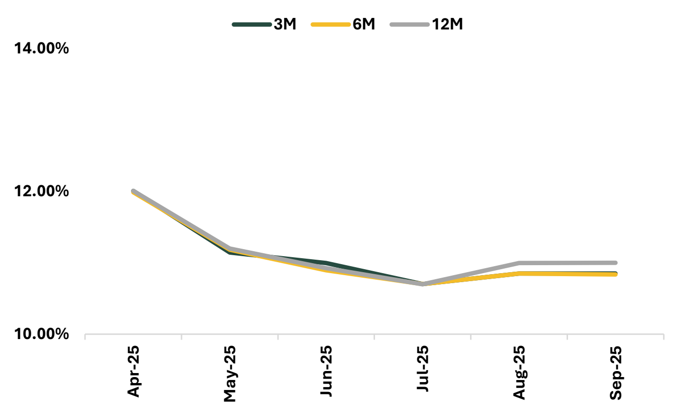
The recent rise in cut-off yields reflects tighter liquidity conditions, largely influenced by higher inflation, which accelerated to 5.6% in September from 3% in August due to flood-related disruptions. Elevated yields in the short term are likely to absorb liquidity and keep benchmarks such as KIBOR firm. While this trend signals inflationary pressures and cautious market sentiment—posing headwinds for the broader economy—it also offers attractive returns for investors in government securities .

PIB Yields



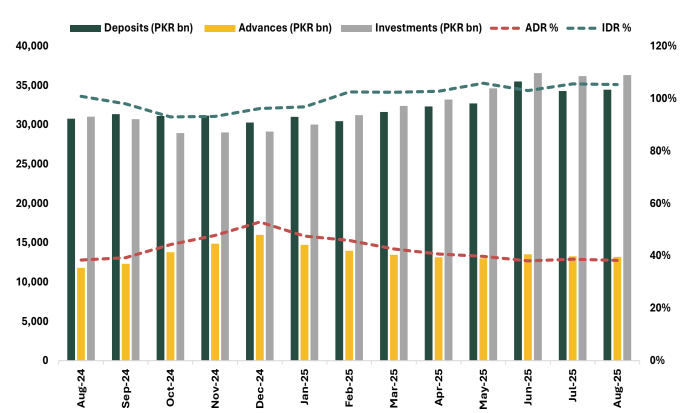
Source: SBP & HMFS Research

T-Bill Yields



Source: SBP & HMFS Research

Bank's ADR & IDR



Source: SBP & HMFS Research

Forex Market Review

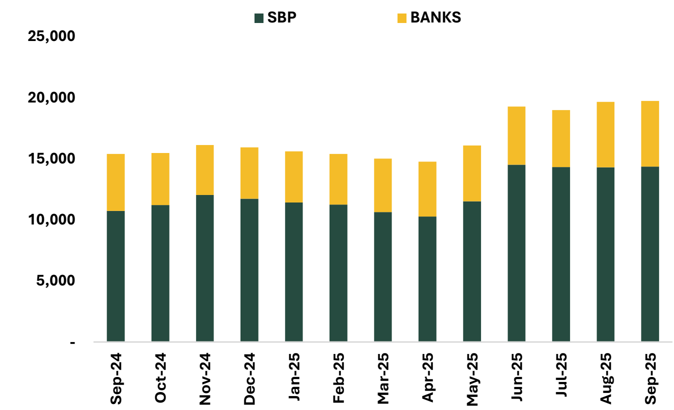
Summary

As of September 26, 2025, Pakistan's total liquid foreign exchange reserves stood at USD 19.8bn, marking a w/w increase of USD 3.4mn. Commercial bank reserves decreased by USD 17.5mn to USD 5.39bn, while SBP-held reserves increased by USD 20.9mn to USD 14.4bn. The PKR remained broadly stable against the USD, closing the week at 281.26, a marginal appreciation of PKR 0.11 w/w.

Outlook

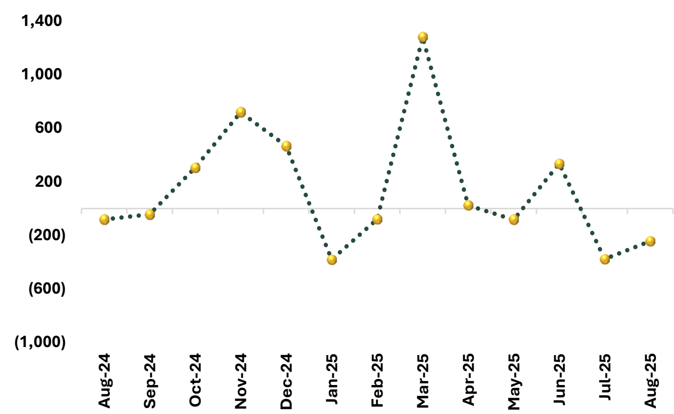
The forex outlook remains cautious as external pressures continue to outweigh modest reserve gains. The trade deficit widened by 46% y/y to USD 3.34bn in September, primarily on the back of higher imports, signalling sustained demand-side pressure on the external account. This deterioration, coupled with the USD 500mn Eurobond repayment during the month, would weigh heavily on the reserve position. Looking ahead, the medium-term trajectory will hinge on the timely realization of external inflows. Recent investment commitments from China, ongoing CPEC projects, and expected support from bilateral partners are critical to rebuilding buffers. In the absence of these inflows, reserves could face renewed pressure, but if realized, SBP's management could keep the PKR broadly stable against the USD with some volatility.

Foreign Exchange Reserves (USD bn)



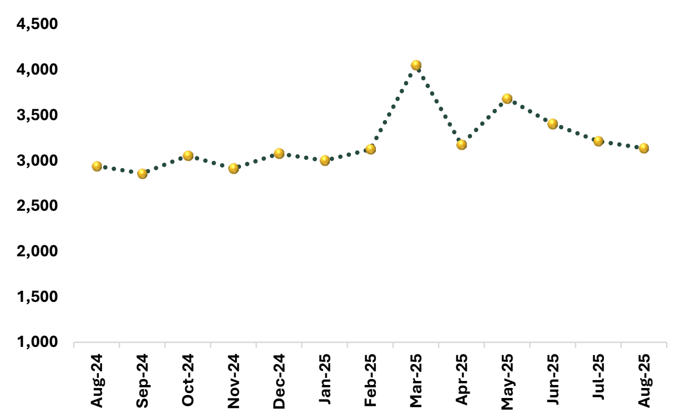
Source: SBP & HMFS Research

Current Account Balance (USD mn)



Source: SBP & HMFS Research

Remittances (USD mn)



Source: SBP & HMFS Research

Key Economic Indicators

Item	Units	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25	%M/M	CY24	CY23	%Y/Y
Banking Indicators											
Return on Outstanding Loans	%	11.33%	11.48%	11.81%	12.12%	12.31%	12.32%	-0.15%	17.07%	17.48%	-0.41%
Return on Deposits	%	5.31%	5.23%	5.34%	5.70%	5.83%	5.92%	0.08%	10.74%	10.30%	0.44%
Interest rate Spread	%	6.02%	6.25%	6.47%	6.42%	6.48%	6.40%	-0.23%	6.33%	7.18%	-0.85%
Deposits	(PKR bn)	34,463	34,280	35,498	32,715	32,316	31,626	0.53%	30,283	27,841	8.77%
Advances	(PKR bn)	13,193	13,273	13,522	13,025	13,139	13,470	-0.60%	16,009	12,352	29.61%
Investments	(PKR bn)	36,303	36,191	36,571	34,626	33,204	32,384	0.31%	29,129	25,280	15.23%
ADR	%	38.28%	38.72%	38.09%	39.81%	40.66%	42.59%	-0.44%	52.87%	44.37%	8.50%
IDR	%	105.34%	105.57%	103.03%	105.84%	102.75%	102.40%	-0.24%	96.19%	90.80%	5.39%
Kibor (Ask Side)											
3-Month	%	11.05%	11.02%	11.16%	11.44%	12.11%	12.02%	0.04%	18.81%	21.48%	-2.67%
6-Month	%	11.05%	10.98%	11.16%	11.46%	12.10%	11.97%	0.07%	18.58%	21.58%	-3.00%
9-Month	%	11.25%	11.19%	11.38%	11.70%	12.30%	12.15%	0.07%	18.50%	21.84%	-3.34%
1-Year	%	11.26%	11.16%	11.39%	11.69%	12.29%	12.15%	0.10%	18.21%	21.86%	-3.65%
Avg. Exchange Rates											
USD		282.19	284.20	283.09	281.73	280.74	280.12	-0.71%	278.53	280.44	-0.68%
Euro		328.15	332.05	326.32	317.78	316.55	303.02	-1.18%	301.36	303.36	-0.66%
JPY		1.91	1.93	1.96	1.95	1.95	1.88	-1.15%	1.8410	1.9983	-7.87%
GBP		379.09	383.70	383.76	376.42	369.93	361.81	-1.20%	355.94	348.95	2.00%
CNY		39.33	39.62	39.42	39.05	38.44	38.64	-0.74%	38.70	39.59	-2.25%

Item	Units	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25	%M/M	FY25	FY24	%Y/Y
Inflation											
Avg. CPI	%	3.53%	4.07%	4.49%	4.61%	4.73%	5.25%	-0.54%	4.49%	23.41%	-18.92%
Avg. NFNE	%	6.90%	7.00%	6.90%	7.30%	7.40%	8.20%	-0.10%	6.90%	12.20%	-5.30%
Commodities											
Arab Light (Avg.)	USD/bbl	71.59	70.81	69.93	64.60	68.75	75.25	1.10%	74.89	86.22	-13.14%
External Sector (FY USD mn)											
Total Imports	(USD Mn)	5,285	5,830	4,849	5,237	5,596	4,828	-9.35%	58,387	54,937	6.28%
Total Exports	(USD Mn)	2,417	2,685	2,477	2,671	2,174	2,645	-9.98%	32,039	30,684	4.42%
Trade Balance	(USD Mn)	(2,868)	(3,145)	(2,372)	(2,566)	(3,422)	(2,183)	8.81%	(26,348)	(24,253)	-8.64%
Current Account Balance	(USD Mn)	(245)	(379)	335	(84)	24	1,283	35.36%	328	(313)	204.79%
Remittances	(USD Mn)	3,138	3,215	3,406	3,686	3,177	4,054	-2.38%	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	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**	481.7	495.0	3%	685.5	45.5	57.8	61.2	36.5	43.4	49.0	9%	10%	8.3	7.9	4.5	4.0	54%	51%	12%
2	**EFERT**	Dec	**HOLD**	230.2	220.0	-4%	307.4	21.2	24.7	28.5	21.5	22.0	26.7	10%	12%	9.3	8.1	6.0	5.8	60%	65%	5%
3	**INDU**	Jun	**HOLD**	2204.5	2050.0	-7%	173.3	191.8	292.7	347.0	114.7	176.0	208.0	8%	9%	7.5	6.4	2.6	2.3	14%	27%	2%
4	**HCAR**	Mar	**HOLD**	297.5	298.0	0%	42.5	16.3	19.0	27.3	6.5	8.0	11.5	3%	4%	15.7	10.9	1.8	1.6	8%	6%	4%
5	**HBL**	Dec	**HOLD**	300.9	240.0	-20%	441.3	39.9	44.6	43.2	16.3	17.0	18.0	6%	6%	6.7	7.0	0.9	0.8	16%	13%	-15%
6	**MCB**	Dec	**HOLD**	365.6	375.0	3%	433.2	48.6	45.5	44.5	36.0	36.0	36.0	10%	10%	8.0	8.2	1.7	1.7	37%	22%	12%
7	**UBL**	Dec	**HOLD**	404.0	405.0	0%	1,011.7	61.1	64.0	60.5	44.0	45.0	44.0	11%	11%	6.3	6.7	1.4	1.3	29%	21%	11%
8	**BAHL**	Dec	**HOLD**	211.9	169.0	-20%	235.5	37.7	34.9	35.5	17.0	16.0	15.0	8%	7%	6.1	6.0	1.4	1.2	35%	23%	-13%
9	**ABL**	Dec	**HOLD**	184.3	175.0	-5%	211.1	38.8	47.5	45.4	16.0	14.0	17.5	8%	9%	3.9	4.1	0.9	0.8	30%	24%	3%
10	**MEBL**	Dec	**HOLD**	459.3	452.0	-2%	827.0	57.3	45.7	45.2	28.0	28.0	27.0	6%	6%	10.1	10.2	2.9	2.6	41%	29%	5%
11	**MUGHAL**	Jun	**BUY**	88.3	106.0	20%	29.7	6.0	2.8	2.8	0.0	0.0	0.0	0%	0%	31.2	31.6	1.1	1.1	15%	4%	20%
12	**ISL**	Jun	**Sell**	125.0	98.0	-22%	54.4	8.4	3.3	4.7	5.5	1.5	1.0	1%	1%	37.9	26.6	2.4	2.3	6%	20%	-21%
13	**OGDC**	Jun	**HOLD**	277.9	260.0	-6%	1,195.3	48.6	39.5	48.0	10.1	15.1	18.0	5%	6%	7.0	5.8	0.9	0.8	18%	15%	0%
14	**PPL**	Jun	**BUY**	202.4	230.0	14%	550.8	42.0	33.8	43.5	6.0	7.5	8.0	4%	4%	6.0	4.7	0.8	0.7	20%	13%	18%
15	**POL**	Jun	**HOLD**	736.2	688.0	-7%	209.0	137.9	85.2	105.0	95.0	75.0	90.0	10%	12%	8.6	7.0	2.4	2.3	47%	28%	6%
16	**LUCK**	Jun	**Sell**	474.1	278.0	-41%	694.6	44.7	76.0	89.0	15.0	18.0	12.0	4%	3%	6.2	5.3	0.8	0.7	19%	12%	-39%
17	**FCCL**	Jun	**HOLD**	61.0	59.0	-3%	149.7	3.4	5.4	7.9	1.0	1.0	2.0	2%	3%	11.2	7.7	1.9	1.6	12%	17%	0%
18	**MLCF**	Jun	**HOLD**	108.9	120.0	10%	114.1	5.0	11.0	16.9	0.0	0.0	0.0	0%	0%	9.9	6.4	2.2	1.6	11%	12%	10%
19	**NML**	Jun	**HOLD**	161.2	175.0	9%	56.7	18.1	17.1	35.0	3.0	2.0	4.5	1%	3%	9.4	4.6	0.4	0.4	6%	6%	11%
20	**ILP**	Jun	**BUY**	73.4	84.0	14%	102.9	8.4	3.8	6.0	5.5	1.0	2.0	1%	3%	19.1	12.2	1.3	1.2	40%	11%	17%
21	**GATM**	Jun	**BUY**	37.0	49.0	32%	27.4	6.4	5.4	7.0	0.0	0.0	0.0	0%	0%	6.9	5.3	0.6	0.5	11%	8%	32%
HMFS Universe						**-2%**	**7,552.9**							**5%**	**6%**	**11.4**	**9.2**	**1.7**	**1.6**	**25%**	**20%**	**3%**

(*) 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

Disclaimer

This research report is for information purposes only and does not constitute nor is it intended as an offer or solicitation for the purchase or sale of securities or other financial instruments. Neither the information contained in this research report nor any future information made available with the subject matter contained herein will form the basis of any contract. Information and opinions contained herein have been compiled or arrived at by Habib Metropolitan Financial Services (HMFS) from publicly available information and sources that HMFS believed to be reliable. Whilst every care has been taken in preparing this research report, no research analyst, director, officer, employee, agent or adviser of any member of HMFS gives or makes any representation, warranty or undertaking, whether express or implied, and accepts no responsibility or liability as to the reliability, accuracy or completeness of the information set out in this research report. Any responsibility or liability for any information contained herein is expressly disclaimed. All information contained herein is subject to change at any time without notice. No member of HMFS has an obligation to update, modify or amend this research report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. Furthermore, past performance is not indicative of future results.

The investments and strategies discussed herein may not be suitable for all investors or any particular class of investor. Investors should make their own investment decisions using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives when investing. Investors should consult their independent advisors if they have any doubts as to the applicability to their business or investment objectives of the information and the strategies discussed herein. This research report is being furnished to certain persons as permitted by applicable law, and accordingly may not be reproduced or circulated to any other person without the prior written consent of a member of HMFS. This research report may not be relied upon by any retail customers or person to whom this research report may not be provided by law. Unauthorized use or disclosure of this research report is strictly prohibited. Members of HMFS and/or their respective principals, directors, officers, and employees and their families may own, have positions or affect transactions in the securities or financial instruments referred herein or in the investments of any issuers discussed herein, may engage in securities transactions in a manner inconsistent with the research contained in this research report and with respect to securities or financial instruments covered by this research report, may sell to or buy from customers on a principal basis and may serve or act as director, placement agent, advisor or lender, or make a market in, or may have been a manager or a co-manager of the most recent public offering in respect of any investments or issuers of such securities or financial instruments referenced in this research report or may perform any other investment banking or other services for, or solicit investment banking or other business from any company mentioned in this research report. Investing in Pakistan involves a high degree of risk and many persons, physical and legal, may be restricted from dealing in the securities market of Pakistan. Investors should perform their own due diligence before investing. No part of the compensation of the authors of this research report was, is or will be directly or indirectly related to the specific recommendations or views contained in the research report. By accepting this research report, you agree to be bound by the foregoing limitations.

HMFS and / or any of its affiliates, which operate outside Pakistan, do and seek to do business with the company(s) covered in this research document. Investors should consider this research report as only a single factor in making their investment decision. HMFS prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer/company prior to the publication of a research report containing such rating, recommendation or investment thesis. Furthermore, it is stated that the research analyst (s) or their close relatives have neither served as a director/officer in the past 3 years nor have received any compensation from the subject company in the past 12 months. Additionally, as per regulation 8(2)(i) of the Research Analyst Regulations, 2015, research analysts currently do not have a financial interest in the securities of the subject company aggregating more than 1% of the value of the company. The research analyst(s) also certifies that any spouse(s) or dependents (if relevant) do not hold a beneficial interest in the securities that are subject of this report.

HMFS endeavors to make all reasonable efforts to disseminate its publication to all eligible clients in a timely manner through either physical or electronic distribution such as mail, fax and/or email. Nevertheless, not all clients may receive the material at the same time.

HMFS Stock Ratings System

Investors should carefully read the definitions of all rating used within every research reports. In addition, research reports carry an analyst's independent view and investors should ensure careful reading of the entire research reports and not infer its contents from the rating ascribed by the analyst. Ratings should not be used or relied upon as investment advice. An investor's decision to buy, hold or sell a stock should depend on said individual's circumstances and other considerations. HMFS uses a three tier rating system: i) Buy, ii) Hold and iii) Sell with our rating being based on total stock returns. A table presenting HMFS' rating definitions is given below:

Valuation Methodology

To arrive at our fair value estimates, HMFS uses different valuation methodologies including but not limited to:

- •Discounted cash flow (DCF, DDM)
- •Relative Valuation (P/E, P/B, P/S etc.)
- •Equity & Asset return based methodologies (EVA, Residual Income etc.)

HMFS RATING GUIDE	
BUY	More than 15% Upside
HOLD	Between 15% Upside & 15% Downside
SELL	More than 15% Downside

Note: All fair value estimates are for a twelve month time horizon unless specified otherwise in the report
Upside/Downside represents the difference between the stated "Fair Value" & the prevailing "Market Price"
Total Return is based on both the Capital Gains return & the Dividend Yield & is exclusive of all applicable taxes