

Cement Dispatches

05-June-2025



Local cement sales hit a 21 months high

REP-300

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Pakistan Cement Sector

May'25: Local cement sales hit a 21 months high to 3.7mn tons

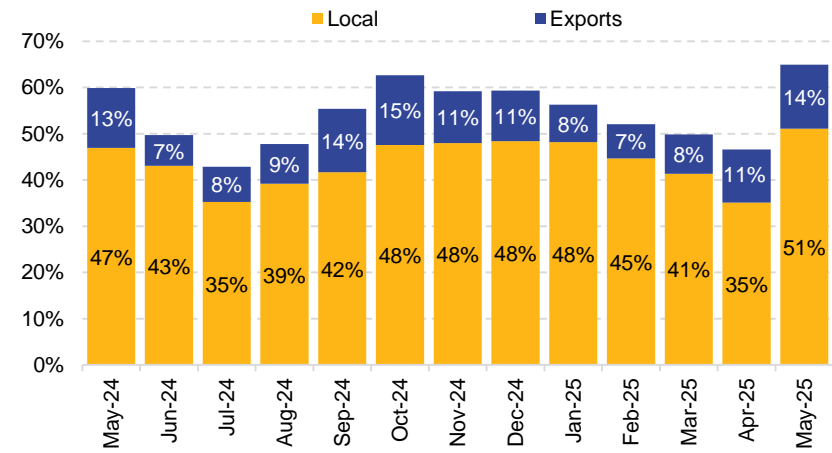
- Cement dispatches for May'25 saw a 8.6% YoY increase, reaching 4.7mn tons compared to 3.3mn tons in the same period last year.
- Domestic cement dispatches increased by 8.9% YoY to 3.6mn tons. On a MoM basis, cement dispatches in May'25 surged by 45.6%, supported primarily by seasonal recovery and monetary easing.
- Regionally, northern local dispatches were up by 9.7% YoY to 3.0mn tons, while local dispatches in the south surged by 5.4% YoY, reaching 642K tons.
- Exports also saw a rise in May'25, growing by 7.3% YoY to 989K tons. Exports from the southern region decreased marginally by 1.5% YoY to 748K tons, while those from the northern region surged by 48.3% YoY, reaching 242K tons compared to 114k tons during May'24.
- Total dispatches for May'25 increased by 8.6% YoY. Regional performance showed a 1.5% YoY increase in total offtake from the south, while the north experienced a 11.9% YoY rise in total dispatches.
- Utilization of the industry clocked in at 65% in May'25 with utilization of the North region settled at 57% while south region utilization clocked in at 95%.
- Cement dispatches during 11MFY25 totaled 42.8mn tons, marking a YoY increase of 2.5% from 41.7mn tons. Export dispatches continue to see a significant increase of 25.7% YoY, rising to 8.3mn tons compared to the same period last year.
- During 11MFY25, cement dispatches from the southern region increased to 12.8mn tons, reflecting a YoY growth of 11.7%. This rise was primarily driven by a significant 29.9% YoY increase in export volumes to 6.9mn tons. In contrast, local dispatches in the southern region declined by 3.9% YoY, amounting to 6.9mn tons.
- During 11MFY25, cement dispatches from the northern region declined by 1% YoY, totaling 30.0mn tons. This decrease was largely attributed to a 1.5% YoY reduction in local dispatches. Conversely, export volumes from the region recorded a 9.5% YoY increase, reaching 1.5mn tons.

Exhibit: Cement Dispatches

(000) tons	May-25	Apr-25	MoM	May-24	YoY	11MFY25	11MFY24	YoY
North	3,261	2,239	46%	2,915	12%	29,965	30,279	-1%
Local	3,020	2,124	42%	2,753	10%	28,489	28,931	-2%
Exports	242	114	111%	163	48%	1,476	1,348	9%
South	1,390	1,100	26%	1,369	2%	12,799	11,459	12%
Local	642	391	64%	609	5%	5,930	6,171	-4%
Exports	748	709	6%	759	-2%	6,869	5,288	30%
Total	4,651	3,339	39%	4,284	9%	42,764	41,739	2%
Local	3,662	2,516	46%	3,362	9%	34,419	35,102	-2%
Exports	989	823	20%	922	7%	8,345	6,637	26%

Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization



Source (s): APCMA, AHL Research

Pakistan Cement Sector

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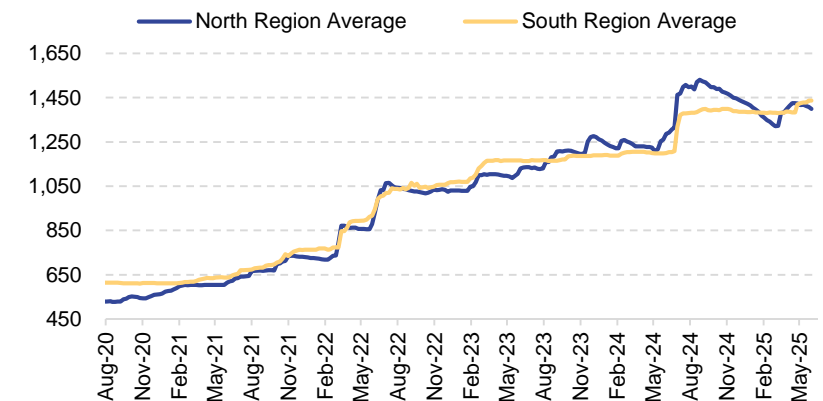
- In May'25, POWER's total dispatches rose by 50% MoM to 293K tons, marking a 73% YoY increase. Local sales grew 14% YoY, while exports surged by 195%. However, during 11MFY25, the company's overall dispatches declined by 11% YoY, with local sales down 1% and exports falling 20%.
- MLCF's cement dispatches jumped 33% MoM and 14% YoY in May'25, reaching 389K tons. Local sales rose 11% YoY, while exports soared by 53%. Despite this, overall dispatches during 11MFY25 declined by 2% YoY, with local sales falling 4% and exports increasing 47% YoY.
- FCCL's dispatches rose 49% MoM and 12% YoY in May'25, totaling 566K tons. Local sales grew 7% YoY, while exports surged by 55%. Over 11MFY25, the company's overall dispatches increased by 7% YoY, with local sales up 8% and exports up 1%.
- LUCK's dispatches increased by 27% MoM and 8% YoY in May'25, reaching 855k tons. Local sales posted a 10% YoY growth, while exports rose by 3%. During 11MFY25, total dispatches grew by 11% YoY, driven by a 56% YoY increase in exports, but seeing a 5% YoY decrease in local sales.
- ACPL's dispatches rose by 5% MoM and 7% YoY in May'25 to 273K tons. Local sales grew by 6% YoY, while exports up by 9%. Over 11MFY25, total dispatches recorded an 11% YoY growth, supported by a 1% rise in local sales and a 21% surge in exports.
- In May 2025, KOHC reported a 2% YoY increase in dispatches, while DGKC saw a 15% YoY decline. Over 11MFY25, KOHC's dispatches were down 9% YoY, whereas DGKC recorded an 11% YoY increase, driven by a 49% YoY surge in exports.
- Outlook:** We expect FY25 to end with a 1.8% YoY decline in local cement dispatches. However, a recovery is anticipated in FY26, with local sales projected to grow by ~10%, supported by easing inflation, lower interest rates, and the rollout of the 200K low-cost housing scheme. Based on our estimates, this initiative could generate additional demand of ~3mn tons of cement. Furthermore, higher export prices are likely to benefit cement producers in the southern region.

Exhibit: Cement Dispatches - Company Wise

(000) tons	May-25	Apr-25	MoM	May-24	YoY	11MFY25	11MFY24	YoY
POWER	293	195	50%	169	73%	2,156	2,414	-11%
BWCL	749	454	65%	602	24%	6,318	6,359	-1%
FECTC	49	40	24%	43	15%	530	489	8%
MLCF	389	292	33%	341	14%	3,529	3,601	-2%
FCCL	566	380	49%	503	12%	4,955	4,613	7%
GWLC	119	86	38%	106	12%	1,121	1,082	4%
PIOC	210	158	33%	193	8%	1,910	2,176	-12%
LUCK	855	672	27%	793	8%	8,583	7,742	11%
ACPL	273	260	5%	255	7%	2,427	2,195	11%
KOHC	223	168	33%	218	2%	2,154	2,367	-9%
CHCC	252	177	42%	246	2%	2,174	2,409	-10%
DGKC	553	376	47%	650	-15%	5,002	4,505	11%

Source (s): AHL Research

Exhibit: Historical Trend of Cement Prices (PKR/bag)

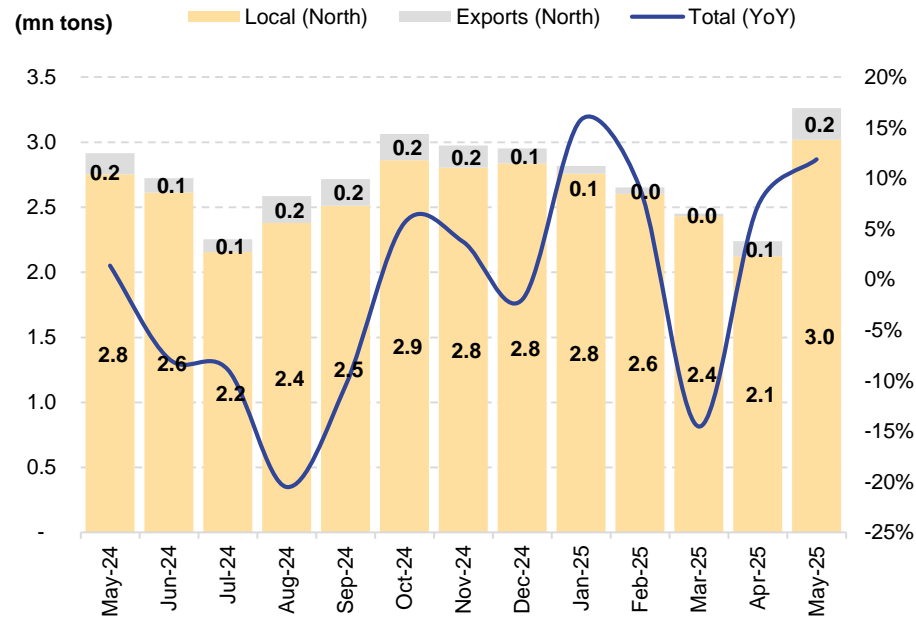


Source (s): PBS, AHL Research

Pakistan Cement Sector

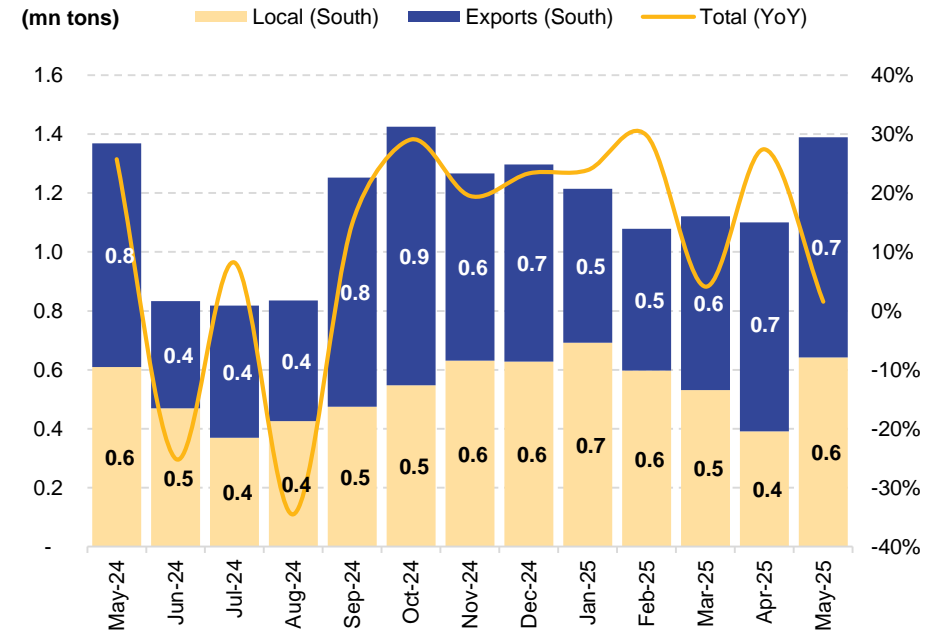
Region-wise dispatches trend

Exhibit: North region dispatches



Source (s): APCMA, AHL Research

Exhibit: South region dispatches

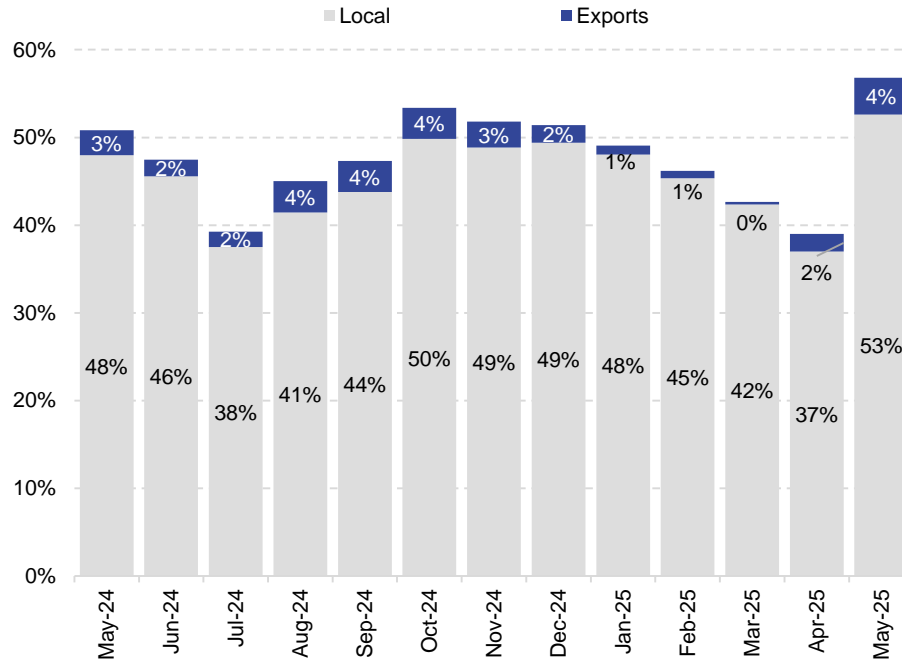


Source (s): APCMA, AHL Research

Pakistan Cement Sector

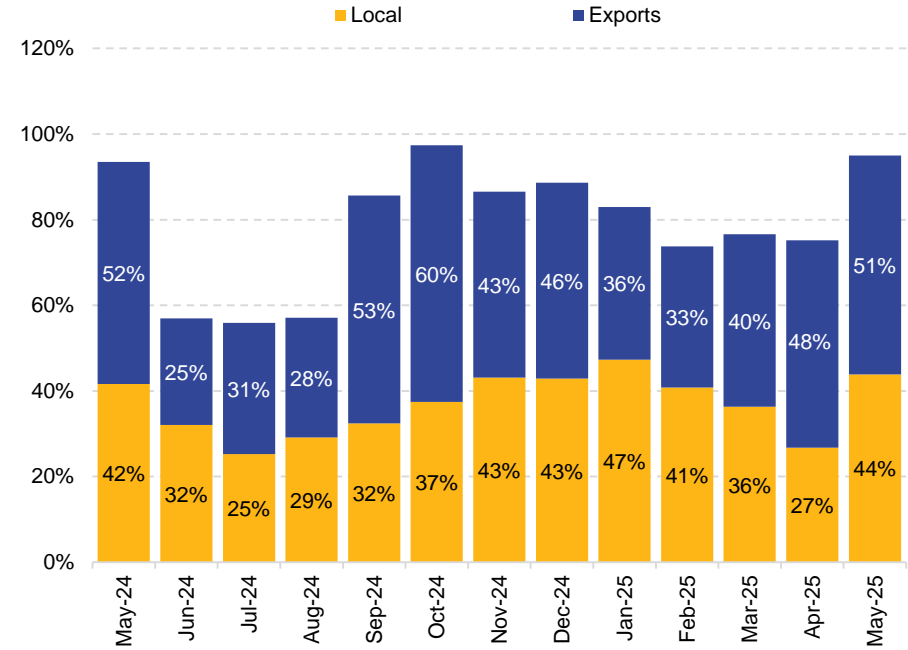
Region-wise capacity utilization

Exhibit: Trend of Utilization (North)



Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization (South)



Source (s): APCMA, AHL Research

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- Dividend Discount Model (DDM)
- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

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