

# Market Performance

## Aug'25: KSE:100 index gains 9,227pts | 6.6% MoM



29-Aug-2025

REP-300

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Top 25 Companies  
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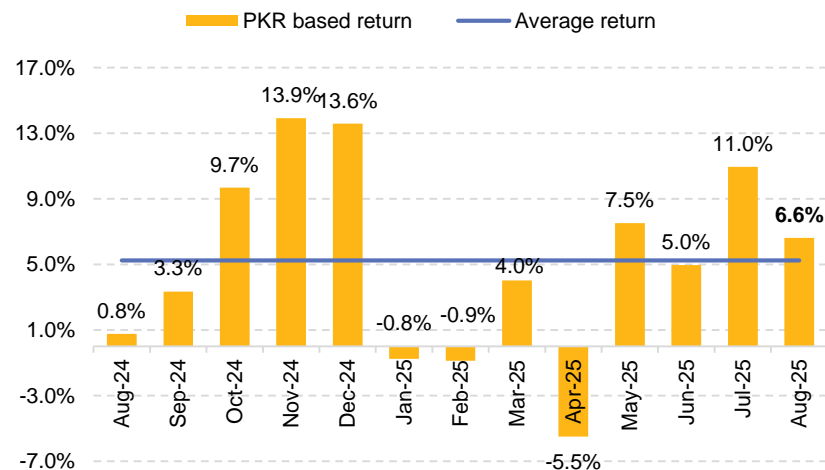
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# PSX Performance – Aug 2025

## KSE-100 up 9,227 points, closes at 148,618

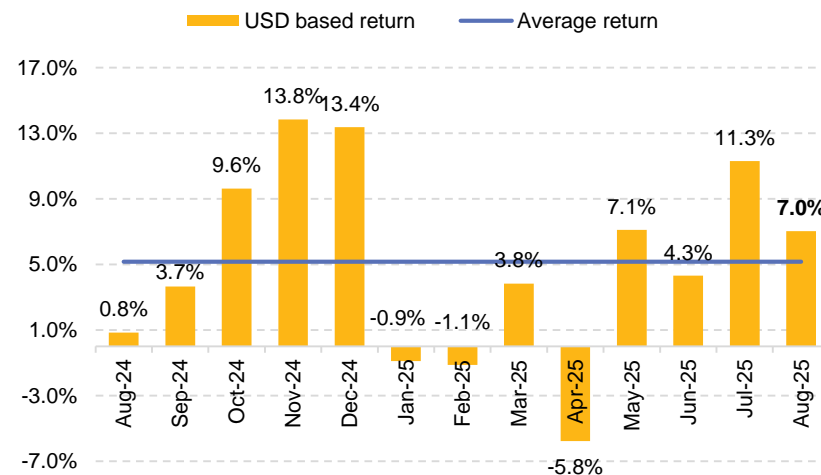
- The KSE-100 Index sustained its bullish momentum in Aug'25, (reached at an all-time high 150,591pts level during the month, on closing basis) and closed at 148,618 points, posting a MoM gain of 9,227 points. The rally was underpinned by robust institutional and fund inflows, further supported by the ongoing result season.
- Moody's upgraded Pakistan's sovereign rating to Caa1 from Caa2, citing improving external buffers, fiscal consolidation, and reform progress under the IMF program.
- According to the MoF, the overall fiscal deficit narrowed to PKR 6.2trn (5.4% of GDP), improving from 6.8% in FY24. This progress was driven by robust growth in both tax and non-tax revenues, outpacing the rise in expenditures.
- The Current Account Deficit (CAD) narrowed to USD 254mn in Jul'25, reflecting a 37% YoY decline from USD 348mn.
- The headline inflation for the month of Jul'25 clocked-in at 4.1% YoY compared to 3.2% in Jun'25.
- In the MSCI Index Review for Aug'25, one stock (FABL) was added to the FM Standard Index, while two stocks (IDYM and JGICL) were added and two removed (HABSM and OCTOPUS) from the Small Cap Index.
- In addition to this, total circular debt stock in the power sector were reported where the power circular debt as of Jun'25 declined to PKR 1,614bn.
- The SBP's foreign exchange reserves fell by USD 50mn, bringing the total down to USD 14.27bn.

**Figure:** KSE-100 historical performance (PKR based)



Source (s): PSX, AHL Research

**Figure:** KSE-100 historical performance (USD based)



Source (s): PSX, SBP, AHL Research

## Major News and Economic developments

### Major News

Power generation dipped 5% YoY to 14,123 GWh due to lower seasonal demand, though generation cost dropped 13% YoY to PKR 7.78/KWh, staying below reference levels. Pakistan's petroleum sales rose 2% YoY to 1.22mn tons in Jul'25, driven by lower MS and HSD prices compared to last year. Cement dispatches surged by 30.1% in Jul'25 on robust exports and post-Eid demand recovery. Auto sales (Cars, LCVs and Vans & Jeeps) declined by 49% MoM to 11k units during Jul'25. While on YoY basis, it increased by 28%. Auto financing increased by 25.3% YoY to PKR 286bn in Jul'25, up from PKR 228bn in Jul'24. On MoM basis, it also increased by 3.3%. Technology exports hit an all-time high in Jul'25, reaching USD 354mn, the highest monthly figure on record.

### Economic Development

- Reflecting continued fiscal consolidation, Pakistan posted a primary surplus of PKR 2.7trn (2.4% of GDP) in FY25. The overall fiscal deficit narrowed to PKR 6.2trn (5.4% of GDP), improving from 6.8% in FY24. This progress was driven by robust growth in both tax and non-tax revenues, outpacing the rise in expenditure.
- In Jul'25, the current account recorded a deficit of USD 254mn, marking a decline compared to a deficit of USD 348mn in Jul'24 and a surplus of USD 335mn in Jun'25.
- The trade deficit in Jul'25 stood at USD 2.8bn, showing a 3% YoY growth due to increased imports. However, on a MoM basis, trade deficit showcased a growth of 11%.
- Workers' remittances grew robustly by 7% YoY, reaching USD 3.2bn in Jul'25, compared to USD 3.0bn in Jul'24. On a MoM basis, remittances decreased by 6%, up from USD 3.4bn in Jun'25. Key contributors to this growth included Saudi Arabia, with a 8% YoY rise to USD 824mn, the UAE, which saw a 9% increase to USD 665mn, and the UK, which experienced a 2% YoY growth to USD 450mn.
- The headline inflation for the month of Jul'25 clocked-in at 4.1% YoY compared to 3.2% in Jun'25.

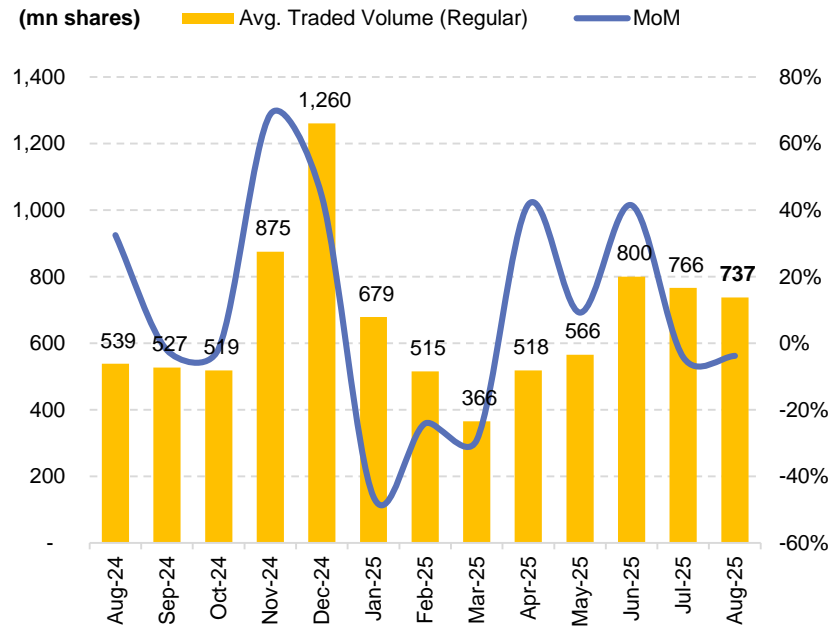
# PSX Performance – Aug 2025

## Historical volume and value

### Increase in traded volume during Aug'25

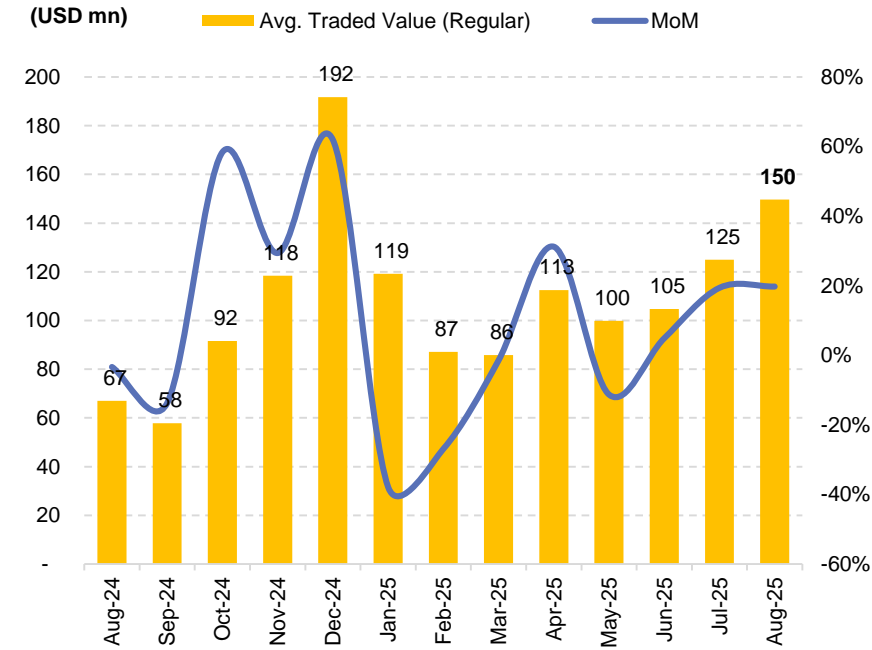
- During Aug'25, the average traded volume decreased by 4% to 737mn shares, while the average traded value increased by 20% to USD 150mn.

Figure: PSX historic average traded volume



Source (s): PSX, AHL Research

Figure: PSX historic average traded value



Source (s): PSX, SBP, AHL Research

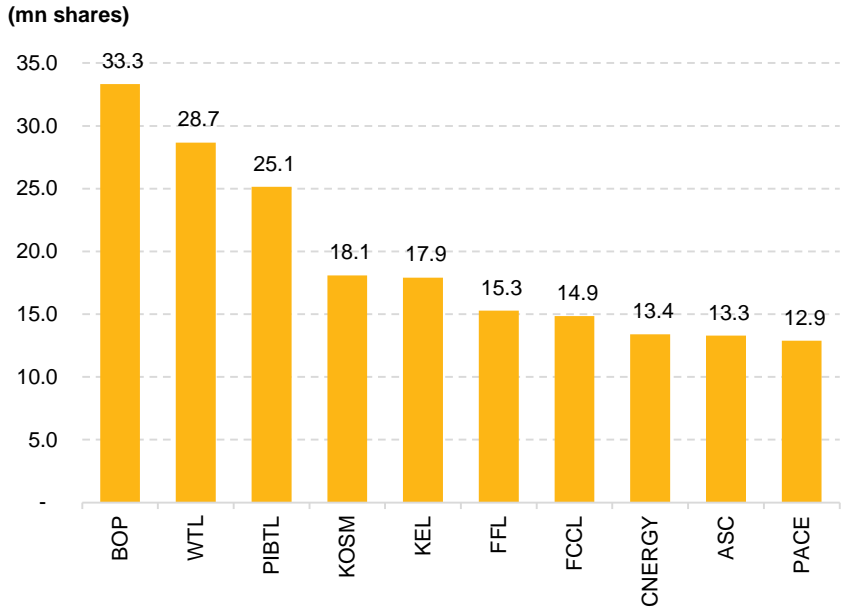
# PSX Performance – Aug 2025

## Company & sector wise volume leaders

### Volume leaders during Aug'25

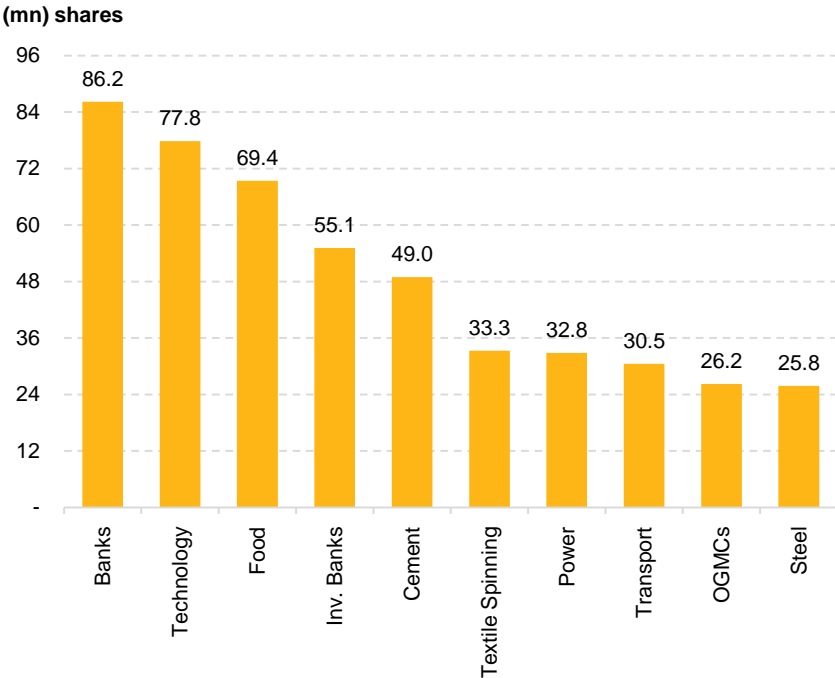
- Sectors that garnered the most activity during the month were Banks, Technology, Food, Inv. Banks, and Cement, reporting average volumes of 86.2mn, 77.8mn, 69.4mn, 55.1mn and 49.0mn respectively.
- Whereas on a scrip-wise basis, volumes were led by BOP (33.3mn), WTL (28.7mn), PIBTL (25.1mn), KOSM (18.1mn), and KEL (17.9mn).

Figure: Top Scrip-wise volume leaders (Aug-25)



Source (s): PSX, AHL Research

Figure: Top sector-wise volume leaders (Aug-25)



Source (s): PSX, AHL Research

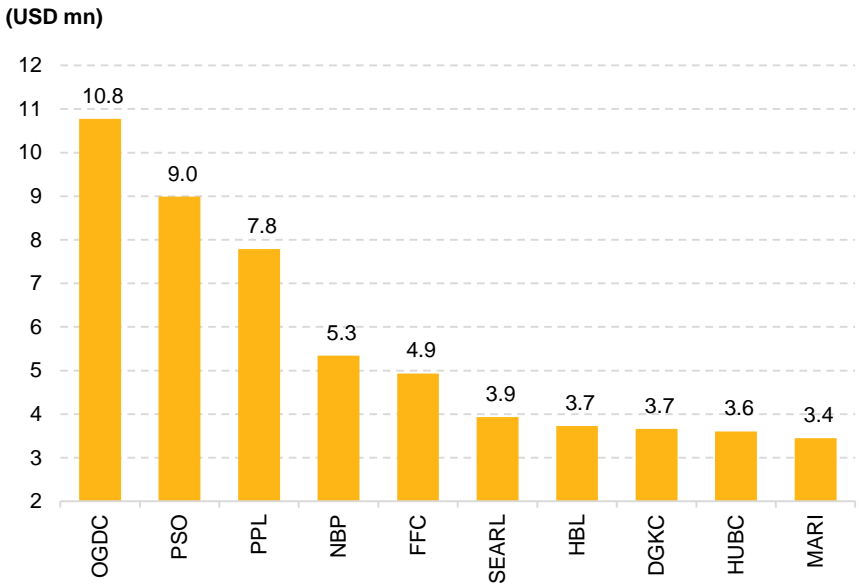
# PSX Performance – Aug 2025

## Company & sector wise value leaders

### Value leaders during Aug'25

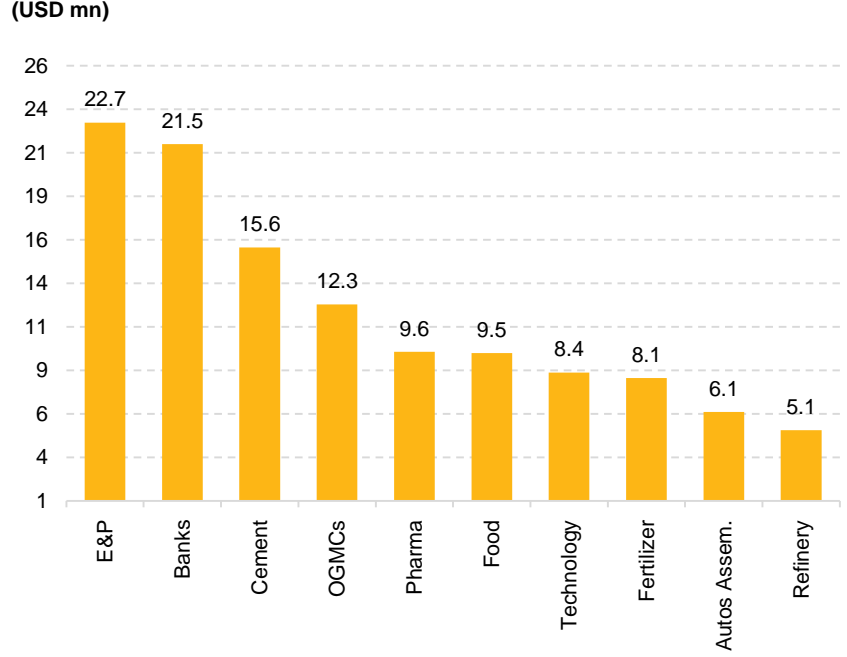
- On a sector-wise basis, the most activity during the period was witnessed in E&Ps, Banks, Cement, OGMCs and Pharma posting a trade value of USD 22.7mn, USD 21.5mn, USD 15.6mn, USD 12.3mn, and USD 9.6mn, respectively.
- Meanwhile, on a scrip-wise basis, the highest trading values were dominated by OGDC (USD 10.8mn), PSO (USD 9.0mn), PPL (USD 7.8mn), NBP (USD 5.3mn), and FFC (USD 4.9mn).

**Figure:** Top scrip-wise value leaders (Aug-25)



Source (s): PSX, SBP, AHL Research

**Figure:** Top sector-wise value leaders (Aug-25)



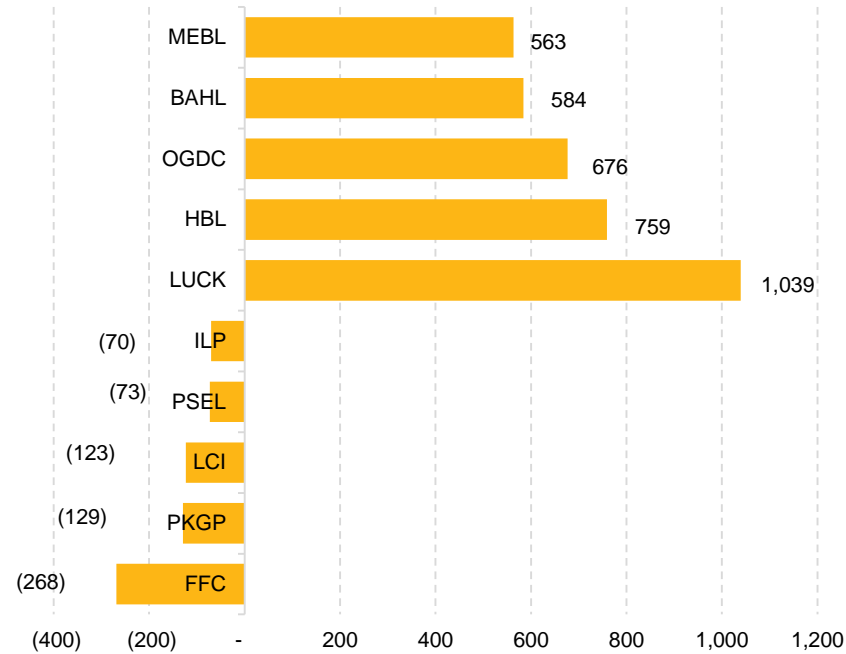
Source (s): PSX, SBP, AHL Research

# PSX Performance – Aug 2025

## Index contribution

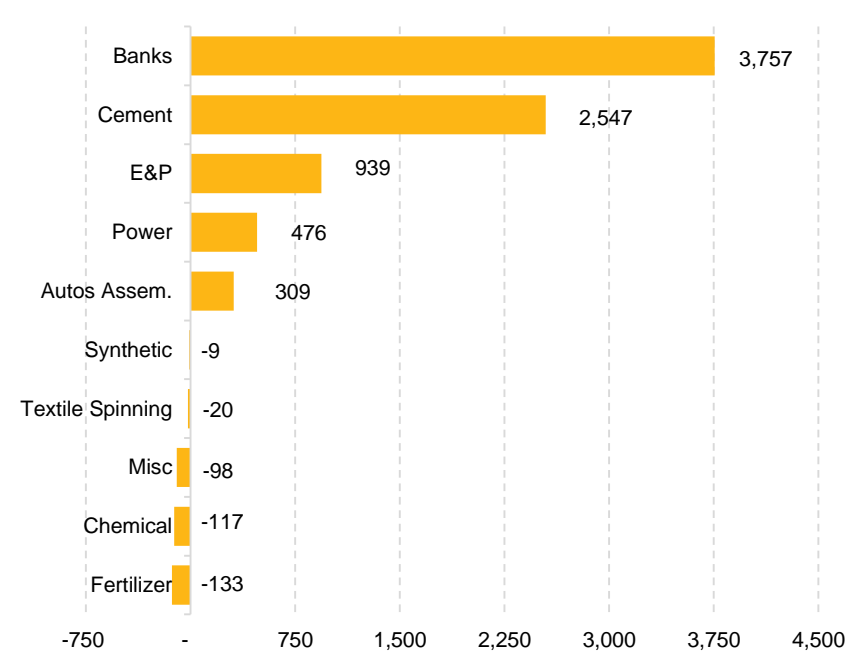
- Sectors contributing positively to the index during Aug'25 include Banks (3,757pts), Cements (2,547pts), E&Ps (939 pts), Power (476pts), and Autos (309pts). However, the sectors contributing negatively comprised of Fertilizer (-133pts) followed by Chemical (-117pts), Misc. (-98pts), Textile Spinning (-20 points), and Synthetic (-9pts).
- Scrip wise positive contributors during the month were LUCK (1,039pts), HBL (759pts), OGDC (676pts), BAHL (584pts) and MEBL (563pts). Scrip-wise negative contributors were FFC (-268pts), PKGP (-129pts), LCI (-123pts), PSEL (-73pts) and ILP (-70pts).

**Figure:** Top Scrip-wise index contributors (Aug-25)



Source (s): PSX, AHL Research

**Figure:** Top sector-wise index contributors (Aug-25)



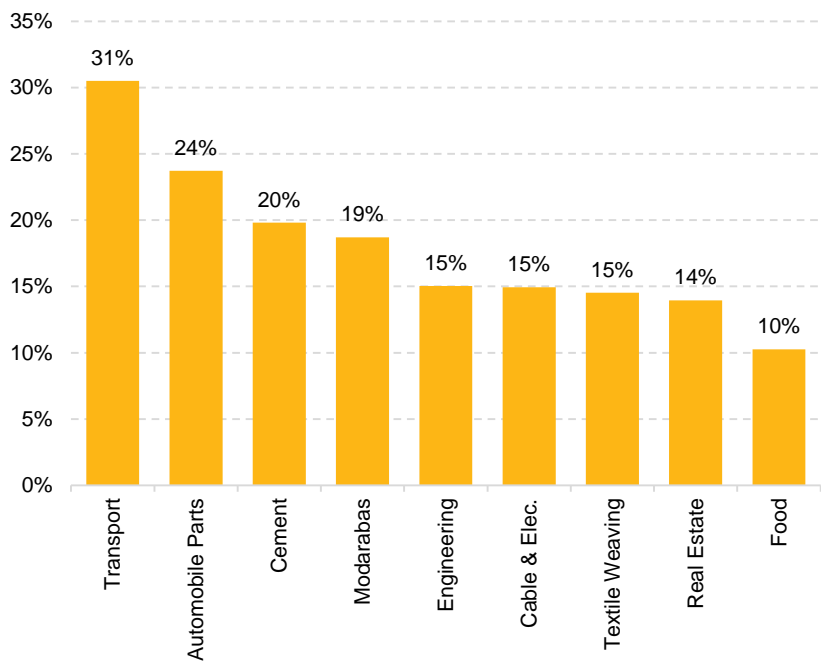
Source (s): PSX, AHL Research

# PSX Performance – Aug 2025

## Sector-wise major gainers and losers

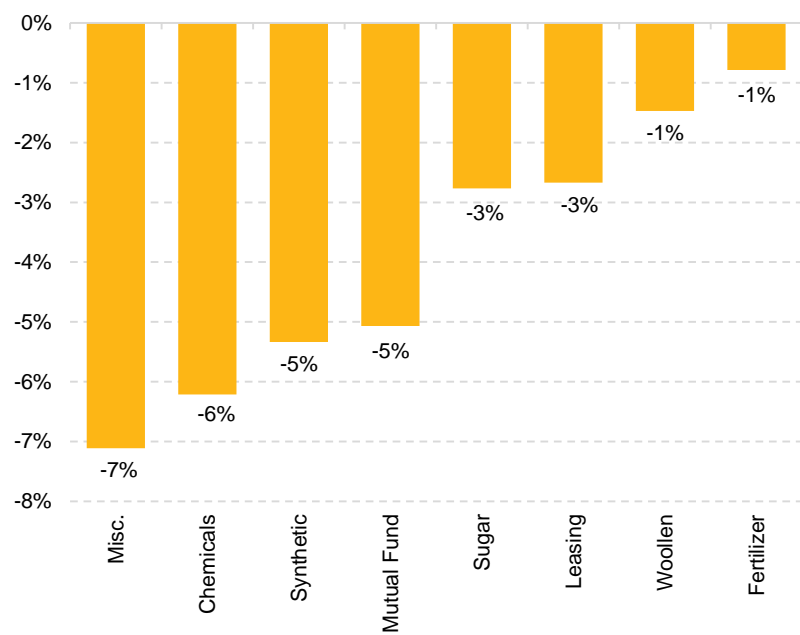
- In terms of sectors, major gainers were Transport (31%), Auto Parts (24%), Cement (20%), Modarbas (19%), Engineering (15%) and Cable & Electric (15%) during Aug'25. However, major losers were Misc. (-7%), Chemicals (-6%), Synthetic (-5%) & Mutual Funds (-5%)

**Figure:** Sector wise major gainers (KSE100)



Source (s): PSX, AHL Research

**Figure:** Sector wise major losers (KSE100)



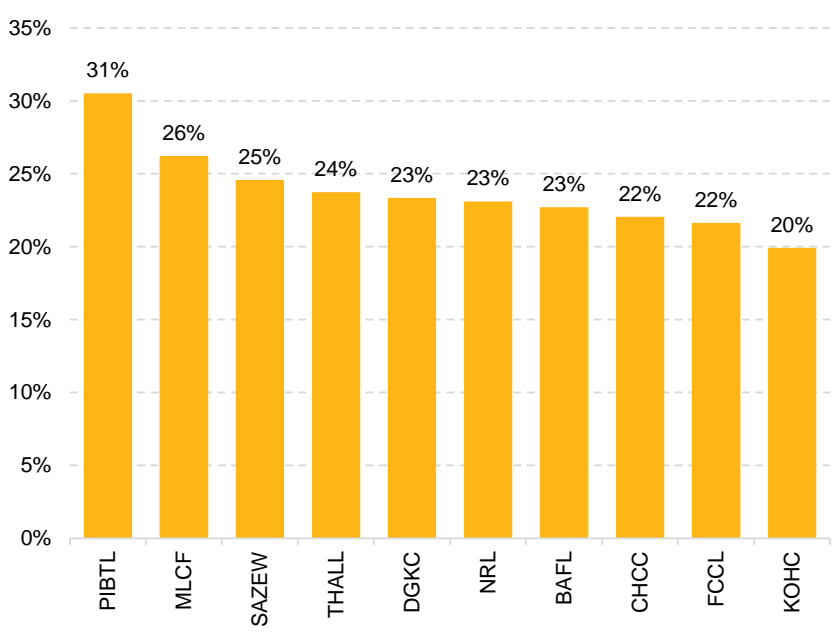
Source (s): PSX, AHL Research

# PSX Performance – Aug 2025

## Scrip-wise major gainers and losers

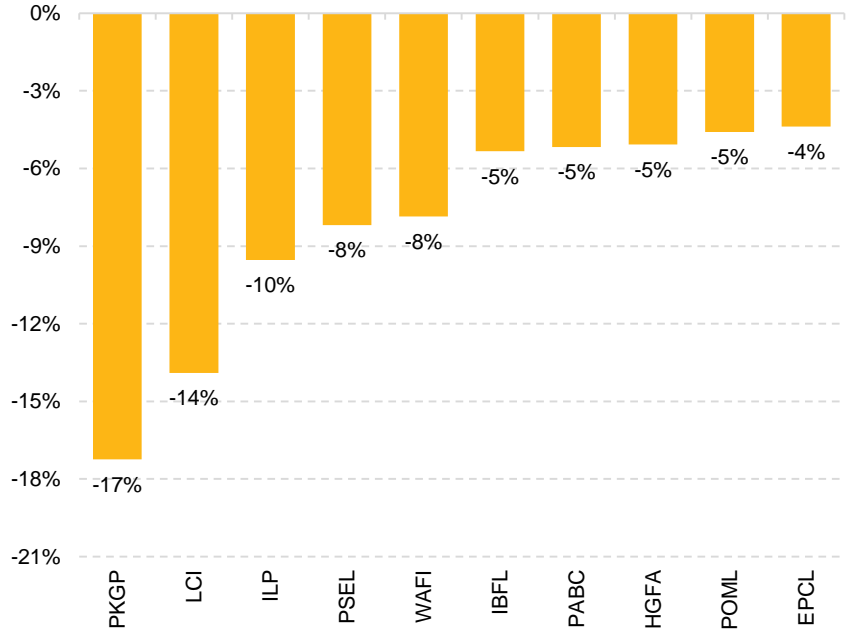
- Scrip-wise major gainers during Aug'25 were PIBTL, MLCF, SAZEW, THALL, and DGKC, posting returns of 31%, 26%, 25%, 24%, and 23%, respectively. Meanwhile, negative returns during the month came from PKGP, LCI, ILP, PSEL, and WAFI, each posting returns of -17%, -14%, -10%, -8%, and -8%, respectively.

**Figure:** Scrip wise major gainers (KSE100)



Source (s): PSX, AHL Research

**Figure:** Scrip wise major losers (KSE100)

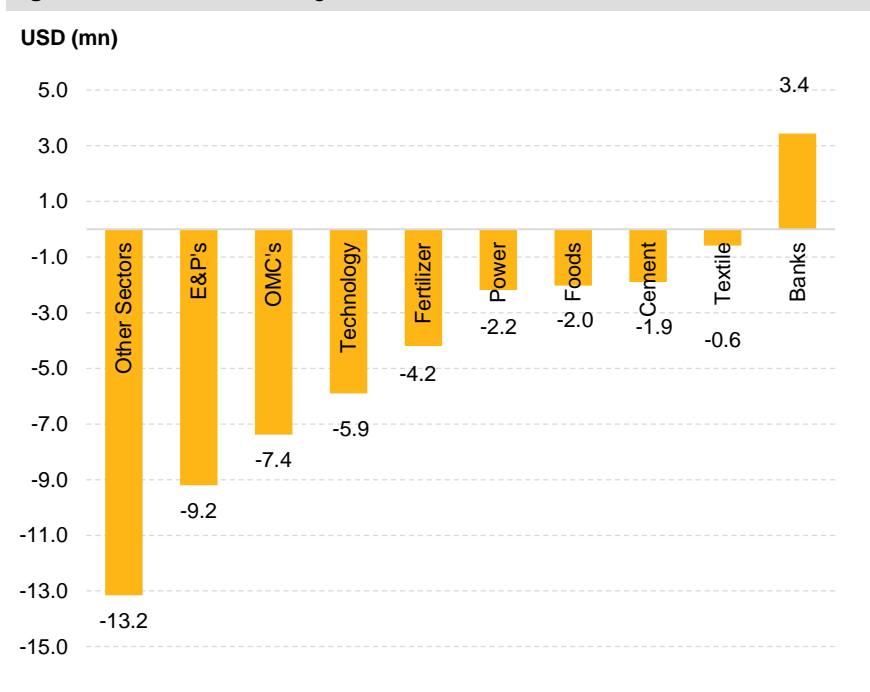


Source (s): PSX, AHL Research

## Regional portfolio investment and FIPI

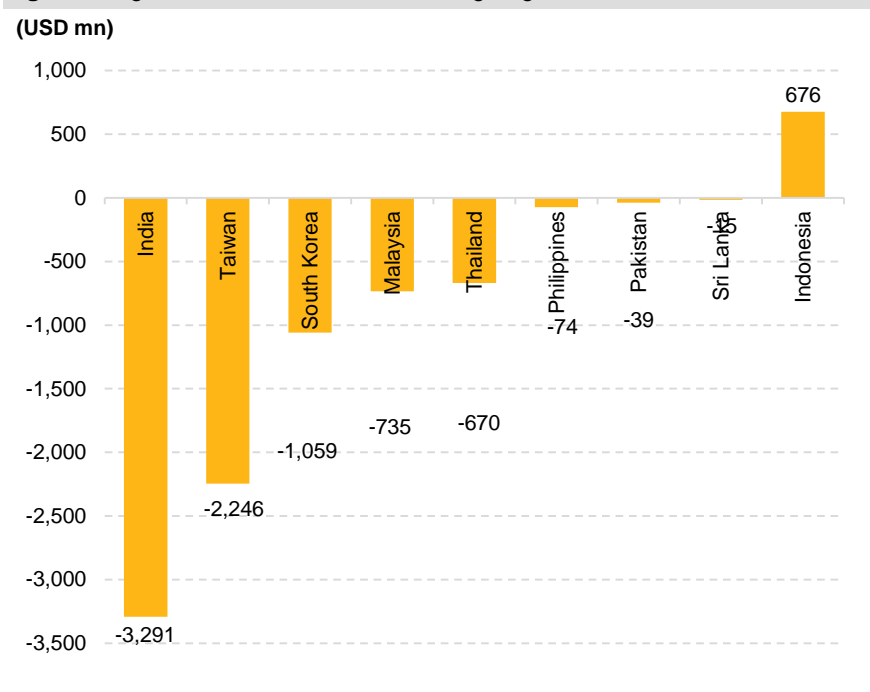
- Foreign selling was witnessed in the Asia-pacific region during Aug'25, which was led by India (USD 3.2bn), followed Taiwan (USD 2.2bn), and South Korea (USD 1.1bn).
- On the domestic stock exchange, foreign selling activity of USD 43.1mn was reported for the month of Aug'25. The outflows were predominantly in Other Sectors (-USD 13.2mn), E&Ps (-USD 9.2mn) & OMC's (-USD 7.4mn). Whereas, net buying was observed in Banks (USD 3.4mn).

**Figure:** Sector wise FIPI Aug-25



Source (s): NCCPL, AHL Research

**Figure:** Regional Portfolio investment during Aug-25



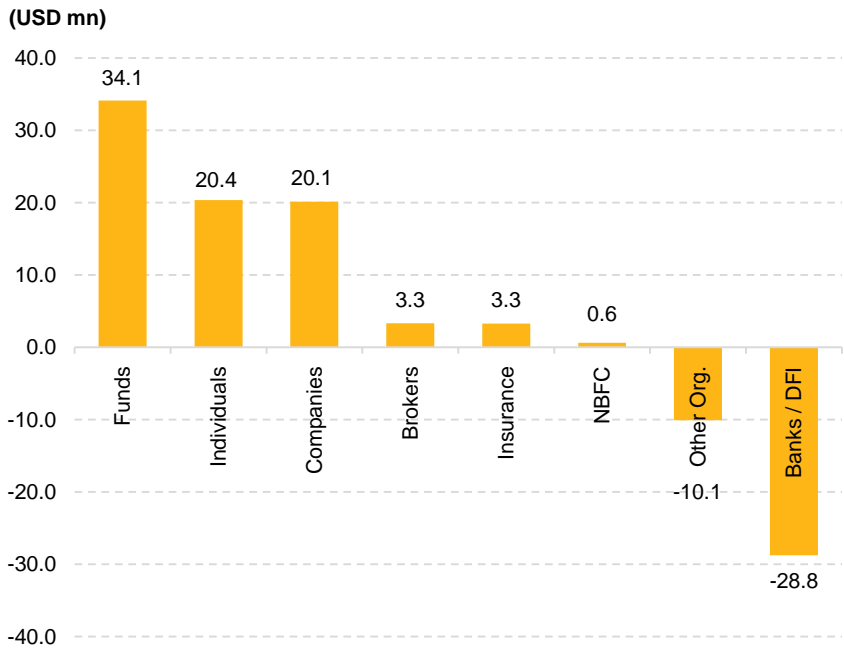
Source (s): NCCPL, Bloomberg, AHL Research

# PSX Performance – Aug 2025

## Portfolio investment (LIPI)

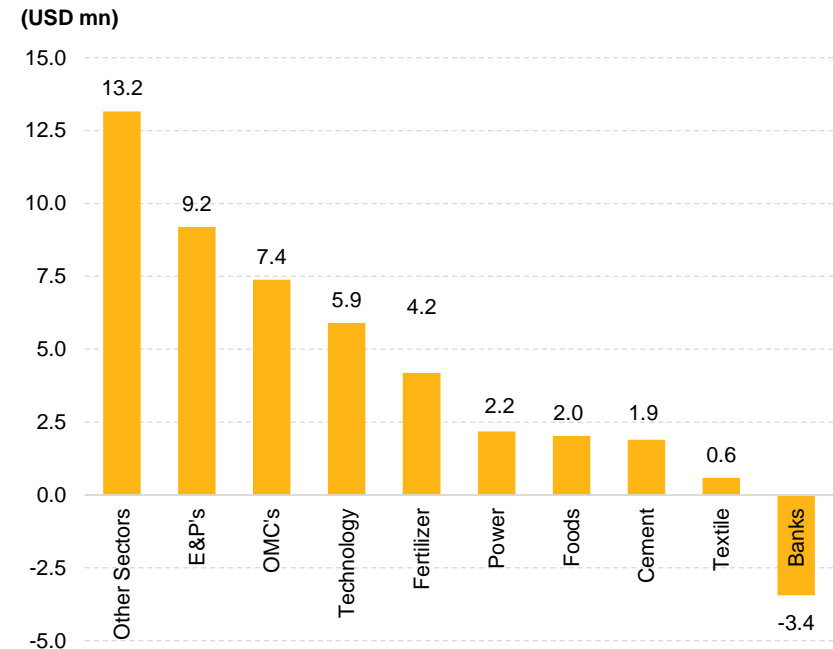
- On the local front, buying was reported by Funds (USD 34.1mn), Individuals (USD 20.4mn), Companies (USD 20.1mn), Insurance (USD 3.3mn) and Broker (USD 3.3mn). Meanwhile, selling was witnessed by Banks/DFI (-USD 28.8mn), and Other Organization (-USD 10.1m) Aug'25.

**Figure:** Local Investors Portfolio Investment (Aug-25)



Source (s): NCCPL, AHL Research

**Figure:** Sector wise LIPI (Aug-25)



Source (s): NCCPL, AHL Research

# PSX Performance – Aug 2025

## Outlook & Recommendation

The month ahead is expected to be eventful, marked by several significant developments. These include the visit of the IMF team to Pakistan for the second review under the Extended Fund Facility (EFF) and RSF facility, as well as the SBP's upcoming monetary policy announcement scheduled for 15<sup>th</sup> Sep'25. In addition, the ongoing corporate earnings season will remain a key driver of market sentiment.

We expect headline inflation to clock in at 3.84% YoY in Aug'25, reflecting a mild decline from 4.06% YoY in Jul'25. Core inflation (NFNE) continues to show persistence, with projections indicating a 7.46% YoY increase in Aug'25. On a monthly basis, inflation is projected to rise by 0.2% MoM, driven largely by food prices. The food index is expected to increase by 0.7% MoM, led by significant price hikes in perishable items such as onions, tomatoes, and eggs.

The KSE-100 is currently trading at a PER of 7.9x (2025) compared to its 15-year average of 8.6x offering a dividend yield of ~6.8% compared to its 15-year average of ~6.1%. Our preferred stocks are OGDC, PPL, MEBL, NBP, MCB, FFC, LUCK, GAL, MUGHAL, FCCL, KOHC, PSO, HUBC, AIRLINK and ATRL.

# PSX Performance – Aug 2025

## World Indices Performance

**Exhibit:** World's Major Stock Market Performance (USD based return, Aug-25)

Sr#	Index	Country	Index	Return (%)	Sr#	Index	Country	Index	Return (%)
1	Nigeria	NGSEINDX Index	140,220	0.4	36	USA	INDU Index	45,552	3.2
2	Thailand	SET Index	1,237	0.7	37	Tunisia	TUSISE Index	11,915	1.3
3	Bangladesh	DSEX Index	5,518	2.0	38	Lebanon	BLOM Index	1,916	(5.2)
4	<b>Pakistan</b>	<b>KSE100 Index</b>	<b>148,618</b>	<b>7.0</b>	39	Bahrain	BHSEASI Index	1,929	(1.4)
5	Ghana	GGSECI Index	7,331	(5.5)	40	Spain	IBEX Index	14,941	5.9
6	Vietnam	VNIndex Index	1,682	11.3	41	Canada	SPTSX Index	28,435	5.1
7	Sri Lanka	CSEALL Index	20,997	7.0	42	Hungary	BUX Index	103,480	5.1
8	Dubai	DFMGI Index	6,064	(1.6)	43	Australia	AS51 Index	8,973	4.2
9	Kenya	NSEASI Index	173	7.6	44	South Africa	JALSH Index	101,754	6.2
10	Argentina	MERVAL Index	1,997,379	(12.6)	45	Iceland	ICEXI Index	2,045	(2.3)
11	Oman	MSM30 Index	5,063	5.9	46	Austria	ATX Index	4,643	4.8
12	Egypt	EGX30 Index	35,727	4.6	47	Poland	WIG20 Index	2,807	(2.7)
13	Indonesia	JCI Index	7,830	4.8	48	Mexico	MEXBOL Index	59,152	3.9
14	Romania	BET Index	20,559	4.0	49	Serbia	BELEX15 Index	1,202	0.5
15	Turkey	XU100 Index	11,363	4.3	50	Mongolia	MSETOP Index	48,394	(2.0)
16	Jordan	JOSMGNFF Index	2,966	1.8	51	France	CAC Index	7,740	1.7
17	Qatar	DSM Index	11,227	(0.3)	52	Latvia	RIGSE Index	917	2.8
18	Slovenia	SBITOP Index	2,411	0.4	53	Finland	HEX Index	10,817	3.4
19	Uae	ADSMI Index	10,095	(2.7)	54	New Zealand	NZSE Index	1,864	0.7
20	Greece	ASE Index	2,033	4.0	55	Germany	DAX Index	24,051	2.0
21	Taiwan	TWSE Index	24,233	0.6	56	Europe	SX5E Index	5,379	3.2
22	Singapore	FSSTI Index	4,270	3.3	57	Bulgaria	SOFIX Index	1,081	6.1
23	China	SHSZ300 Index	4,497	11.4	58	Norway	OBXP Index	684	4.2
24	USA	NDX Index	23,588	1.6	59	Ireland	ISEQ Index	11,301	1.1
25	Hong Kong	HSI Index	25,078	1.9	60	Switzerland	SMI Index	12,227	4.6
26	South Korea	KOSPI Index	3,186	(1.9)	61	Saudi Arabia	SASEIDX Index	10,732	(1.7)
27	USA	SPX Index	6,502	2.6	62	Japan	NKY Index	42,718	6.5
28	Kazakhstan	KZKAK Index	6,993	9.5	63	Lithuania	VILSE Index	1,225	3.9
29	Czech Republic	PX Index	2,271	3.9	64	Malaysia	FBMKLCI Index	1,575	5.1
30	Belgium	BEL20 Index	4,809	5.9	65	Netherland	AEX Index	901	1.9
31	Mauritius	SEMDEX Index	2,448	2.4	66	Estonia	TALSE Index	2,021	1.5
32	Croatia	CRO Index	3,691	0.3	67	India	SENSEX Index	79,810	(2.4)
33	Sweden	OMX Index	2,638	5.4	68	Philippines	PCOMP Index	6,156	0.2
34	Portugal	PSI20 Index	7,789	3.1	69	Ukraine	PFTS Index	463	0.8
35	UK	UKX Index	9,209	2.6	70	Chile	IPSA Index	8,921	9.4
36	Italy	FTSEMIB Index	42,336	5.4					

Source (s): Bloomberg, AHL Research

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Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Jun 2026 for Target Price. In addition, return excludes all type of taxes. For more details, kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +15% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between 0% and +15% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than 0% from last closing of market price(s)

## Equity Valuation Methodology

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

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

**Risks:** The following risks may potentially impact our valuations of subject security (ies);

- Market risk
- Interest Rate Risk
- Exchange Rate (Currency) Risk

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