

# Market Performance

## Sep'25: KSE:100 index gains 16.9k points | +11.36% MoM

30-Sep-2025

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# PSX Performance - Sep 2025

## KSE-100 gains 16.9k points, closing at 165.5k level

- The KSE-100 Index extended its bullish run in Sep'25, closing at an all-time high of 165,494 points, up 16,876 points MoM. The rally was fueled by a series of favorable economic and political developments.
- A key highlight was the signing of the Strategic Mutual Defense Agreement (SMDA) between Pakistan and Saudi Arabia during Prime Minister Shahbaz Sharif's visit to Riyadh.
- Additionally, the Prime Minister's meeting with the U.S. President at the White House bolstered investor confidence, with the latter expressing keen interest in exploring investment opportunities in Pakistan.
- On the domestic front, the government finalized a PKR 1.225trn circular debt resolution agreement, a significant step toward alleviating the power sector burden.
- Meanwhile, the SBP's Monetary Policy Committee in Sep'25 policy opted to maintain the policy rate at 11%, reflecting caution amid flood-related uncertainties.
- Headline inflation eased to 3.0% YoY in Aug'25, down from 4.1% in Jul'25.
- The Current Account Deficit (CAD) narrowed to USD 245mn in Aug'25, compared to USD 379mn in Jul'25, though it remained higher than USD 82mn in Aug'24.
- The SBP's foreign exchange reserves improved by USD 110mn, taking the total to USD 14.38bn.

### Exhibit: Market Performance and Activity during Sep'25

#### KSE100 Index Performance

	Index Level	% Change	Absolute Change
Sep-25	165,494	11.4%	16,876
CY25TD	115,127	43.7%	50,367

#### PSX Activity

			MoM Change
Average Volume	mn shares	1,341.4	82.0%
Average Value	USD mn	194.5	30.0%

Source (s): PSX, AHL Research

### Exhibit: Net FIPI and LIPI during Sep'25

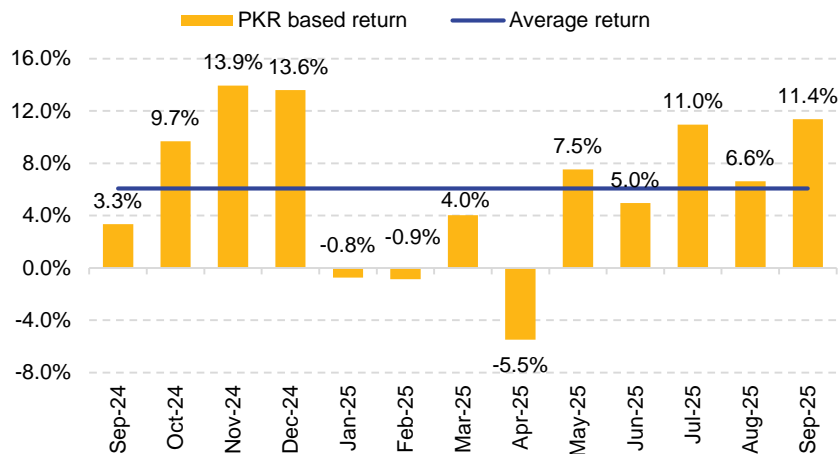
USD mn	FIPI	Ind.	Comp.	Banks	NBFC	Funds	Others	Brokers	Insurance
E&P	(8.1)	(14.7)	0.7	(4.3)	0.0	28.5	(0.2)	(1.7)	(0.2)
Commercial Banks	(21.1)	10.8	5.4	(2.5)	(0.1)	7.5	0.1	(0.8)	0.6
All Others Sectors	(3.6)	24.0	(9.7)	(16.1)	0.2	17.5	(7.4)	(1.6)	(3.3)
Food Producers	(1.9)	(0.2)	0.5	0.9	(0.0)	2.3	0.9	(2.0)	(0.6)
Telecom	(3.0)	0.0	(3.2)	(5.1)	(0.0)	9.1	0.1	(0.3)	2.4
Fertilizer	(9.1)	2.9	0.6	(4.5)	(0.0)	10.0	(0.1)	0.2	0.1
OMC	(5.9)	(1.5)	2.5	(5.8)	(0.0)	10.6	(0.5)	0.7	(0.2)
Textile	(2.4)	(1.4)	2.6	(3.0)	(0.0)	4.6	0.5	(0.1)	(0.9)
Power Gen	(6.1)	15.7	1.0	(5.0)	(0.1)	(3.4)	(2.2)	0.9	(0.9)
Debt	0.0	0.1	0.9	52.0	-	(56.8)	1.0	(0.0)	2.9
Cements	3.9	(1.6)	(0.2)	(2.7)	(0.1)	0.5	0.2	(0.1)	0.1
<b>Total</b>	<b>(57.3)</b>	<b>34.0</b>	<b>1.1</b>	<b>4.0</b>	<b>(0.0)</b>	<b>30.5</b>	<b>(7.5)</b>	<b>(4.8)</b>	<b>0.0</b>

Source (s): NCCPL, AHL Research

# PSX Performance - Sep 2025

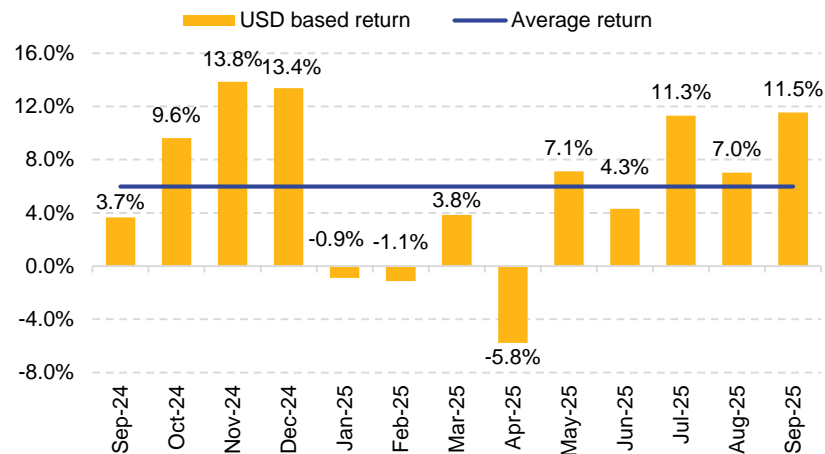
## KSE-100 gains 16.9k points, closing at 165.5k level

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



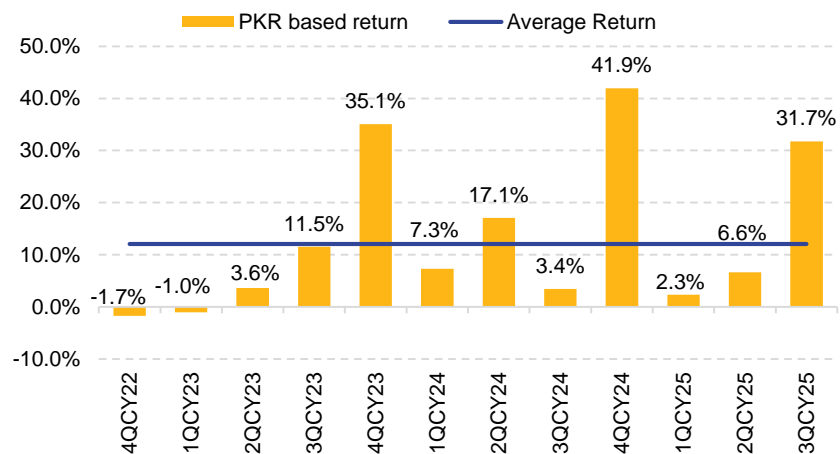
Source (s): PSX, AHL Research

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



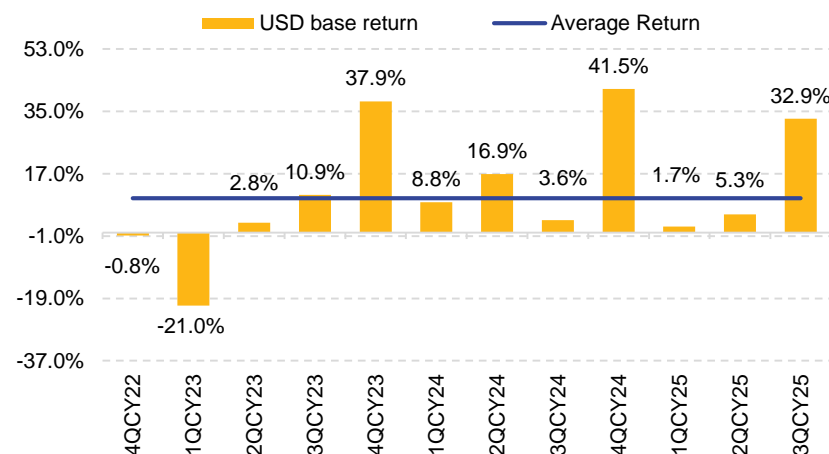
Source (s): PSX, SBP, AHL Research

**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

# PSX Performance - Sep 2025

## Major News and Economic developments

### Major News

Power generation rose by 8% YoY to 14,218 GWh supported by higher demand and lower tariffs, though generation cost dropped 3% YoY to PKR 7.27/KWh, staying above reference levels. Pakistan's petroleum sales rose by 7% YoY to 1.30mn tons in Aug'25, while improving 6% MoM following better demand and curtailment in smuggling. Urea sales recorded 46% YoY jump in offtakes for Aug'25, reaching at 817k tons, while DAP sales also increased by 40% YoY in Aug'25 to 125k tons. Cement dispatches surged by 12.5% YoY in Aug'25 reaching at 3.8mn tons on robust exports and local demand recovery. Auto sales (Cars, LCVs and Vans & Jeeps) improved by 28% MoM to 14.1k units during Aug'25. On YoY basis, it increased by 62%. Auto financing increased by 29.4% YoY to PKR 294bn in Aug'25, up from PKR 227bn in Aug'24. On MoM basis, it also increased by 3.0%.

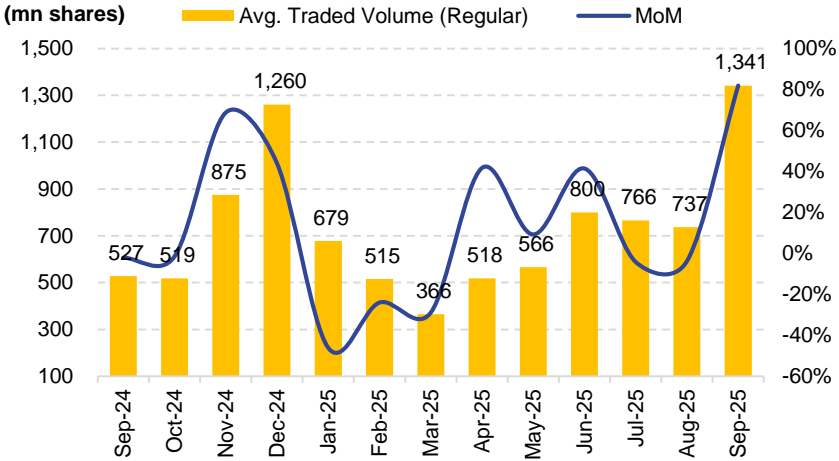
### Economic Development

- The balance on primary income (deficit) increased to USD 680mn, compared to USD 562mn in Aug'24. The balance of payments for Aug'25 recorded a surplus of USD 23mn, a significant change from the USD 188mn deficit observed during the same period last year.
- In Aug'25, a current account deficit of USD 245mn was recorded, compared to a deficit of USD 82mn in Aug'24 and a deficit of USD 379mn in Jul'25.
- The trade deficit in Aug'25 stood at USD 2.9bn, showing a 31% YoY growth due to increased imports and lower exports. However, on a MoM basis, trade deficit showcased a dip of 8%.
- Net foreign direct investment (inflow) settled at USD 156mn in Aug'25, compared to net inflow of USD 208mn during Jul'25.
- Remittances by overseas Pakistani increased by 7% YoY to USD 3.14bn during Aug'25 compared to USD 2.9bn during Aug'24. On MoM basis, remittances decreased by 2%. Key contributors to this growth included UAE, with a 19% YoY rise to USD 643mn, the Saudi Arabia, which saw a 3% increase to USD 737mn, and the EU countries, which experienced a 15% YoY growth to USD 433mn.
- Pakistan RDA gross inflows reached USD 10,912mn as of Aug'25. Out of total received funds, USD 1,859mn has been repatriated while USD 7,001mn has been utilized locally. With this Net repatriable liability remained at USD 2,052mn.
- During Aug'25, technology exports went up by 13% YoY | -5% MoM to USD 337mn, contributing 50% to the overall services.
- The headline inflation for the month of Aug'25 clocked-in at 3.0% YoY compared to 4.1% in Jul'25.

# PSX Performance - Sep 2025

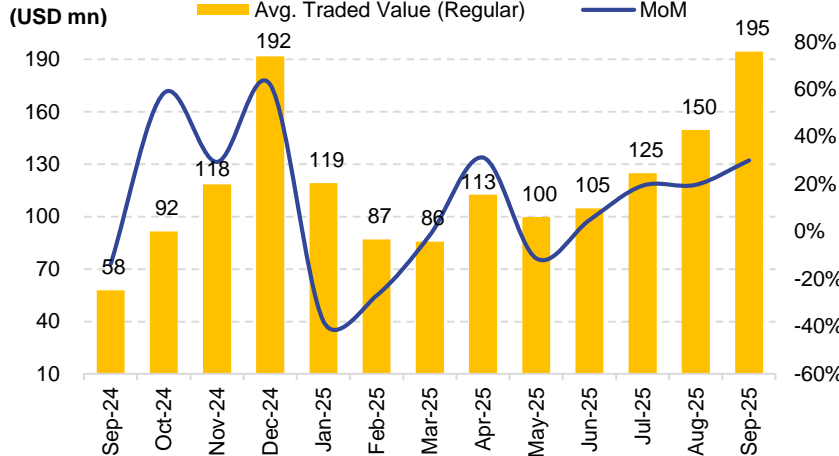
## Historical volume and value

**Figure:** PSX historic average traded volume



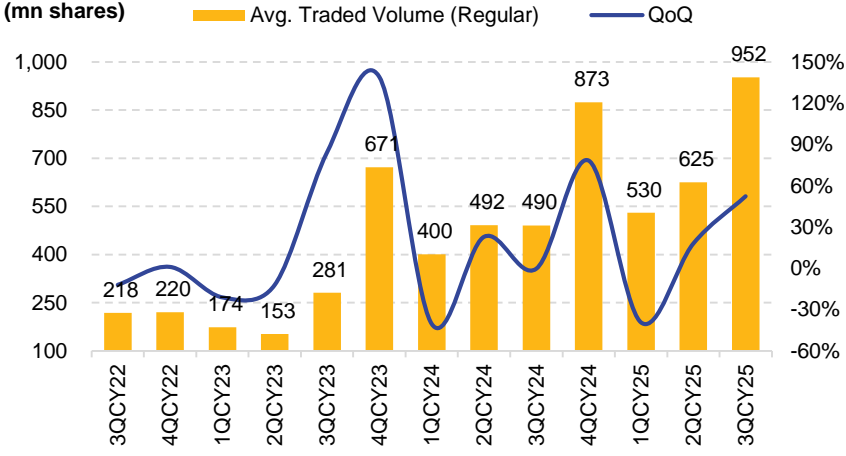
Source (s): PSX, AHL Research

**Figure:** PSX historic average traded value



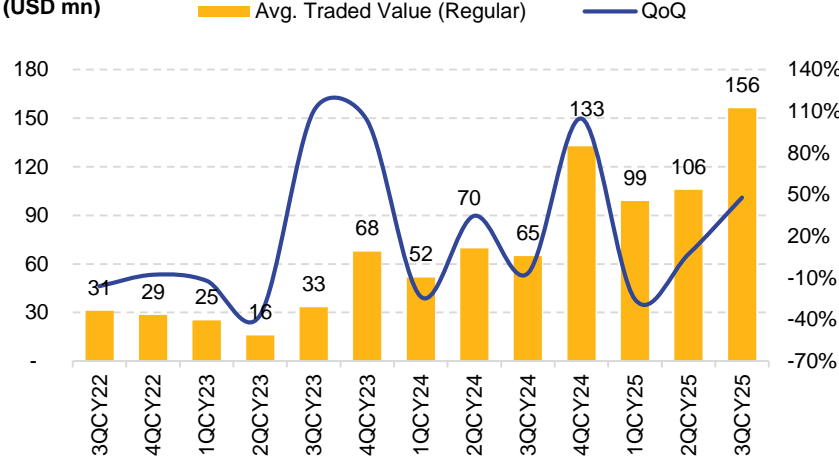
Source (s): PSX, SBP, AHL Research

**Figure:** PSX historic average traded volume



Source (s): PSX, AHL Research

**Figure:** PSX historic average traded value



Source (s): PSX, SBP, AHL Research

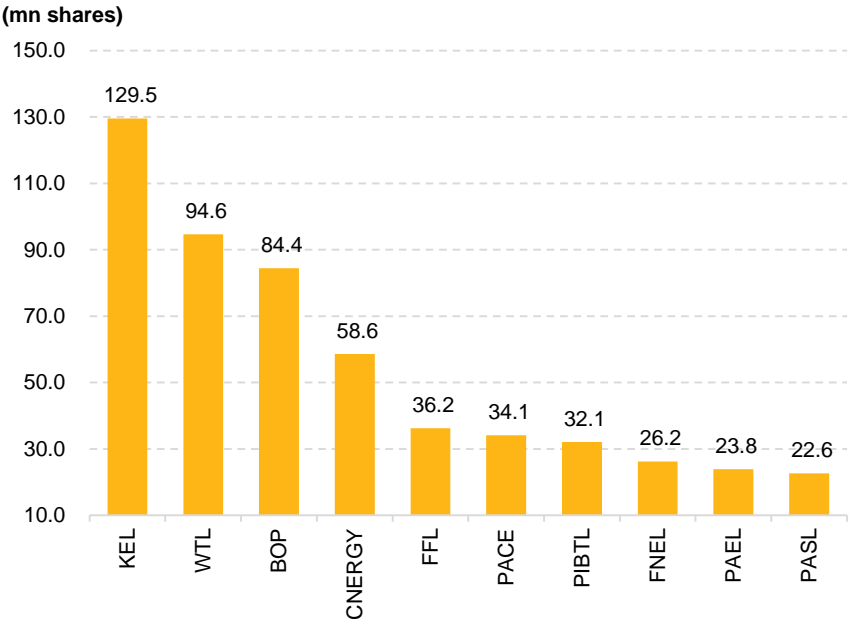
# PSX Performance - Sep 2025

## Company & sector wise volume leaders

### Volume leaders during Sep'25

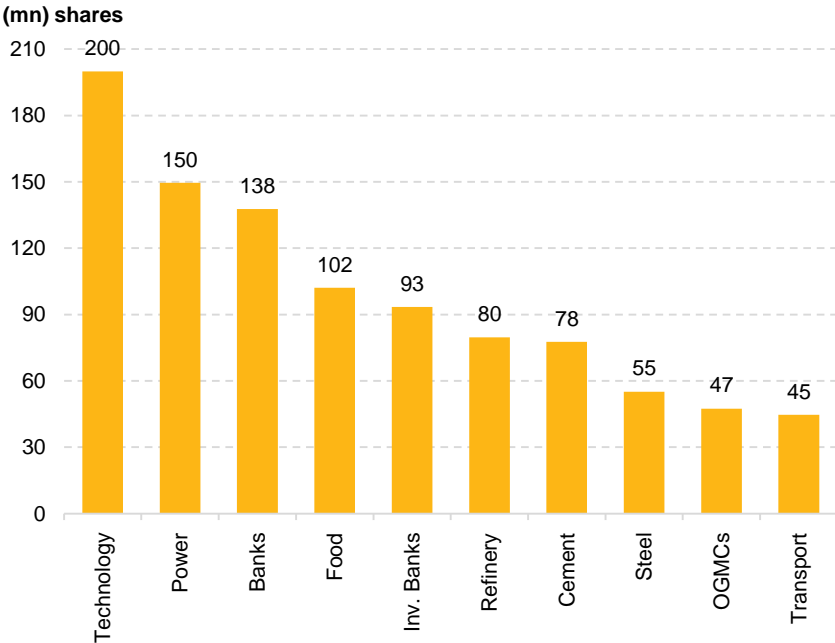
- Sectors that garnered the most activity during the month were Technology, Power, Banks, Food, Inv. Banks, Refinery, and Cement, reporting average volumes of 200mn, 150mn, 138mn, 102mn, 93mn, 80mn and 78mn, respectively.
- Whereas on a scrip-wise basis, volumes were led by KEL (129.5mn), WTL (94.6mn), BOP (84.4mn), CYNERGY (58.6mn) and FFL (36.2mn).

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



Source (s): PSX, AHL Research

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



Source (s): PSX, AHL Research

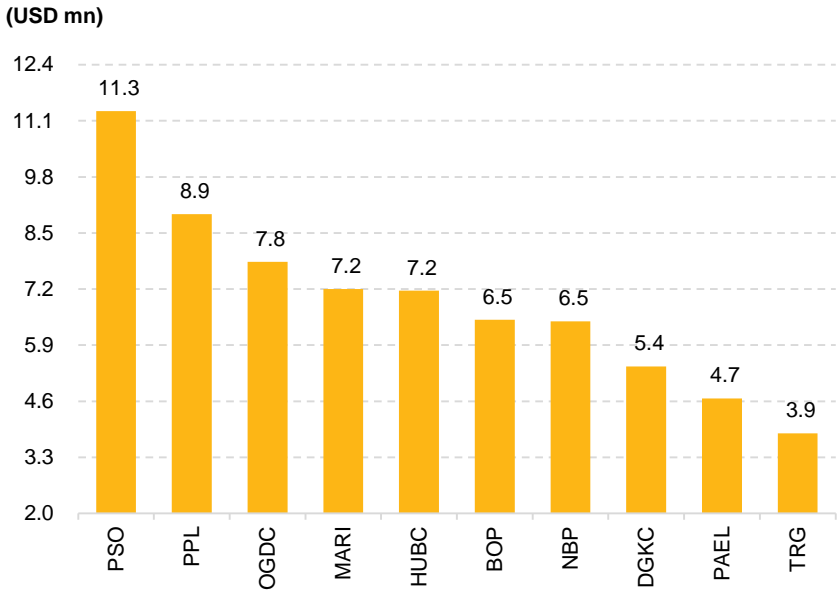
# PSX Performance - Sep 2025

## Company & sector wise value leaders

### Value leaders during Sep'25

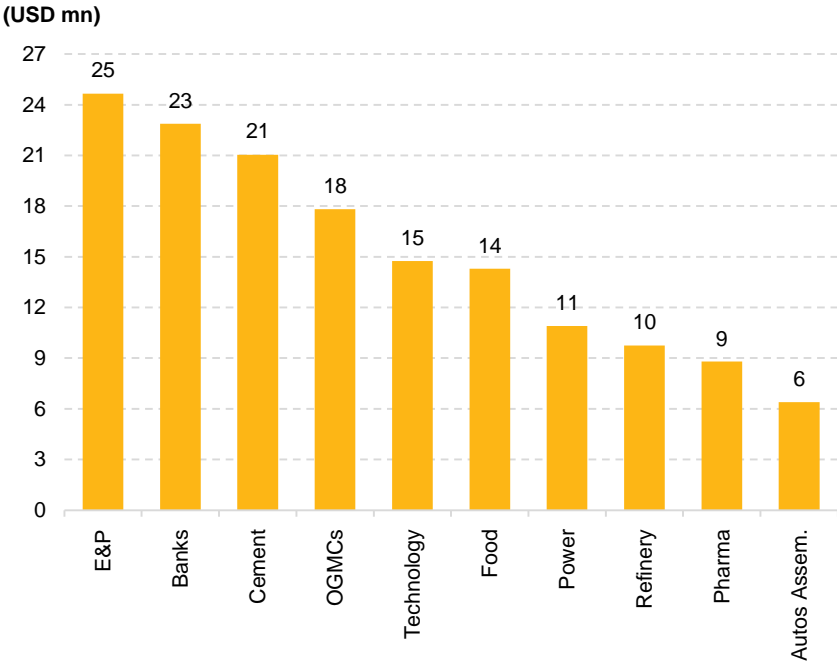
- On a sector-wise basis, the most activity during the period was witnessed in E&P, Banks, Cement, OMCs, and Technology posting a trade value of USD 25mn, USD 23mn, USD 21mn, USD 18mn, and USD 15mn, respectively.
- Meanwhile, on a scrip-wise basis, the highest trading values were dominated by PSO (USD 11.3mn), followed by PPL (USD 8.9mn), OGDC (USD 7.8mn), MARI (USD 7.2mn), and HUBC (USD 7.2mn).

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



Source (s): PSX, SBP, AHL Research

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

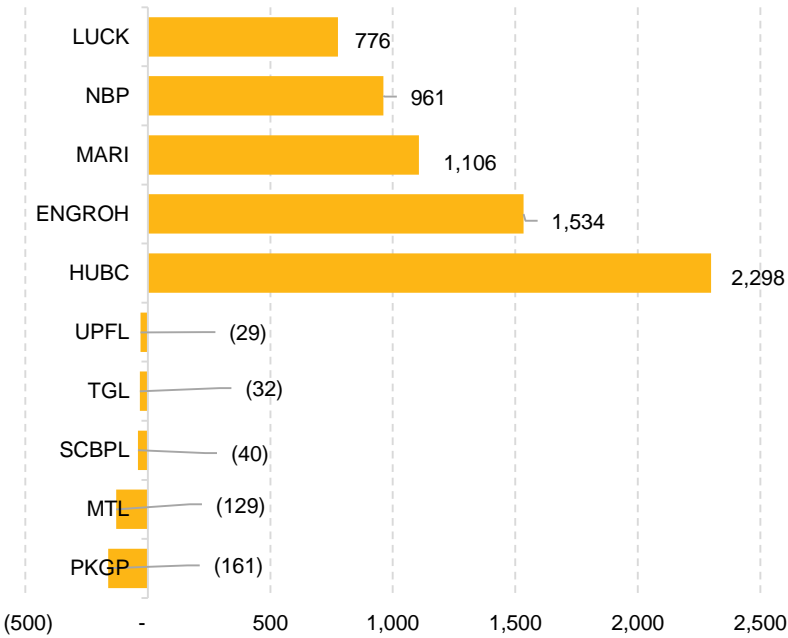


Source (s): PSX, SBP, AHL Research

## Index contribution

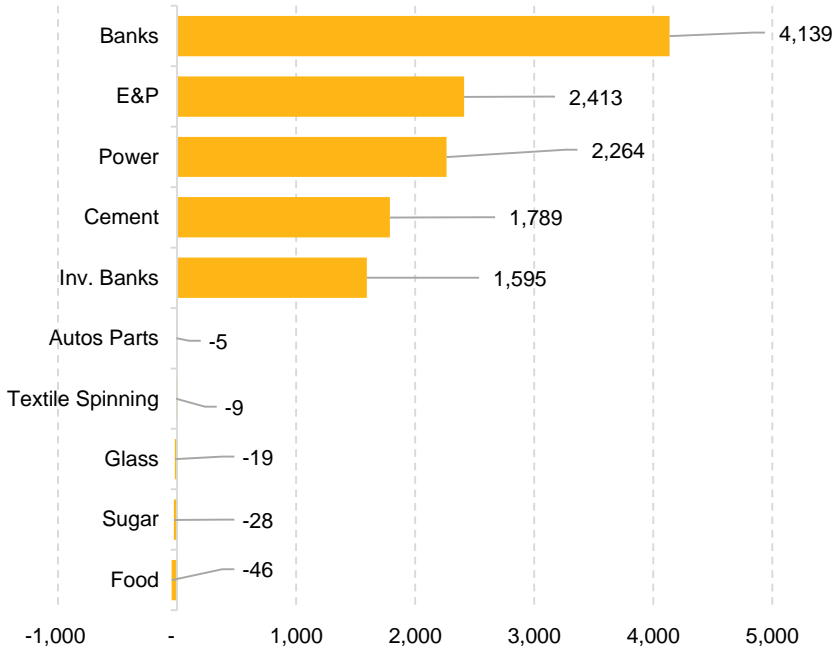
- Sectors contributing positively to the index during Sep'25 include Banks (4,139pts), E&P (2,413pts), Power (2,264pts), Cement (1,789pts), and Inv. Banks (1,595pts). However, the sectors contributing negatively comprised of Food (-46pts) followed by Sugar (-28pts), Glass (-19pts), Textile Spinning (-9pts) and Auto Parts (-5pts).
- Scrip wise positive contributors during the month were HUBC (2,298pts), ENGROH (1,534pts), MARI (1106pts), NBP (961pts), and LUCK (776pts), and. Scrip-wise negative contributors were PKGP (-161pts), MTL (-129pts), SCBPL (-40pts), TGL (-32pts) and UPFL (-29pts).

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



Source (s): PSX, AHL Research

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



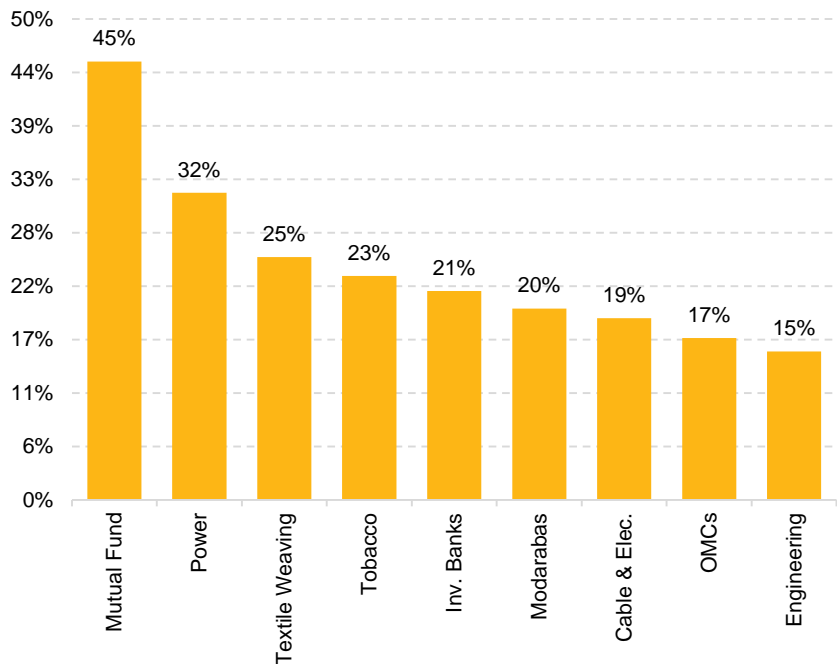
Source (s): PSX, AHL Research

# PSX Performance - Sep 2025

## Sector-wise major gainers and losers

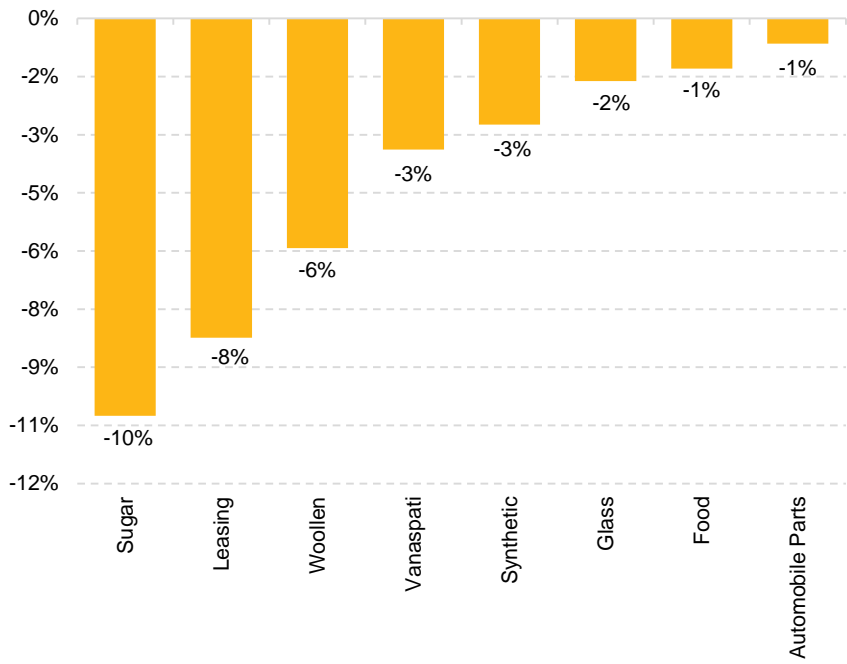
▪ In terms of sectors, major gainers were Mutual Funds (45%), Power (32%), Textile Weaving (25%), Tobacco (23%), and Inv. Banks (21%) during Sep'25. However, major losers were Sugar (-10%), Leasing (-8%), and Woollen (-6%).

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



Source (s): PSX, AHL Research

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



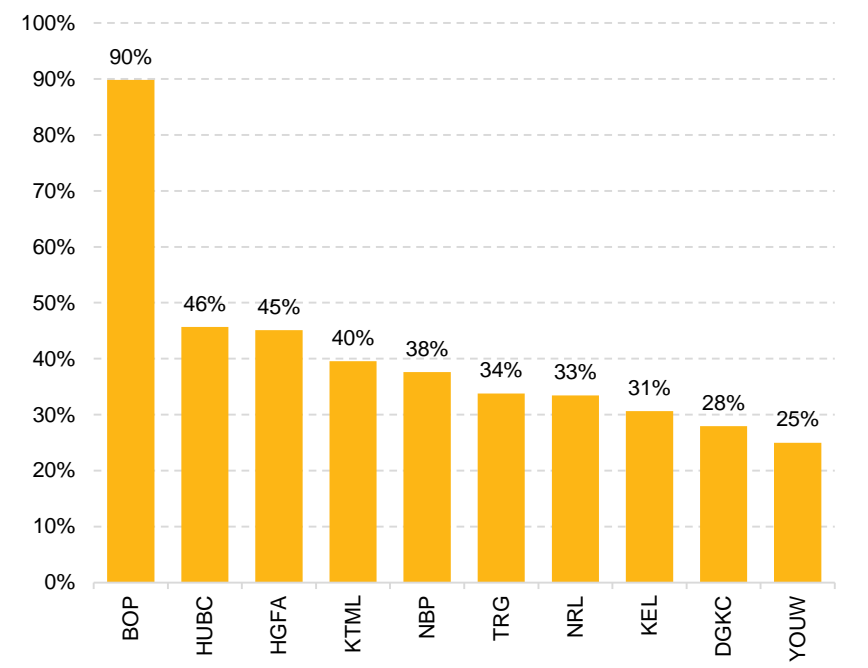
Source (s): PSX, AHL Research

# PSX Performance - Sep 2025

## Scrip-wise major gainers and losers

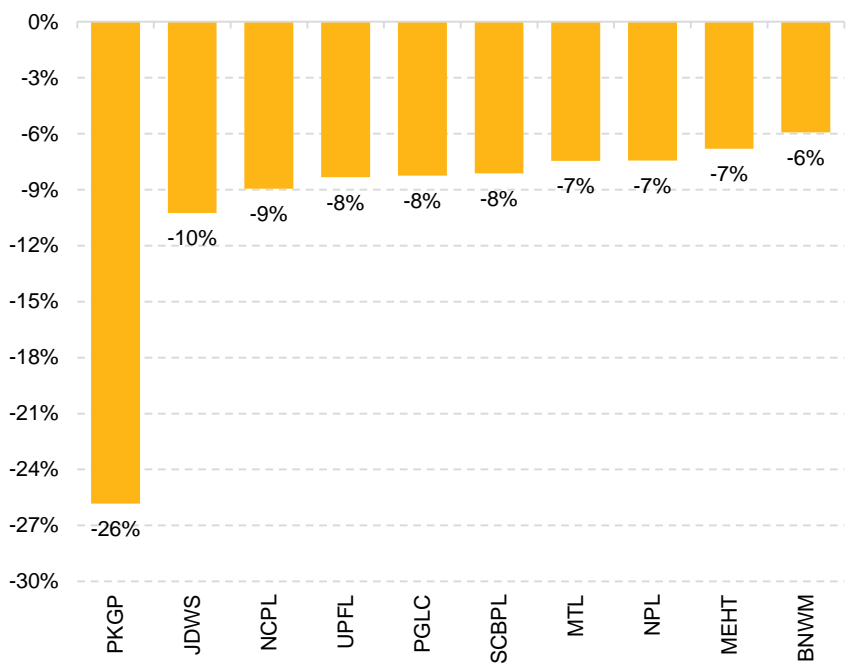
- Scrip-wise major gainers during Sep'25 were witnessed in BOP, HUBC, HGFA, KTML and NBP posting returns of 90%, 46%, 45%, 40%, and 38%, respectively. Meanwhile, negative returns during the month came from PKGP, JDWS, NCPL, UPFL and PGLC, each posting returns of -26%, -10%, -9%, -8%, and -8%, respectively.

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



Source (s): PSX, AHL Research

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



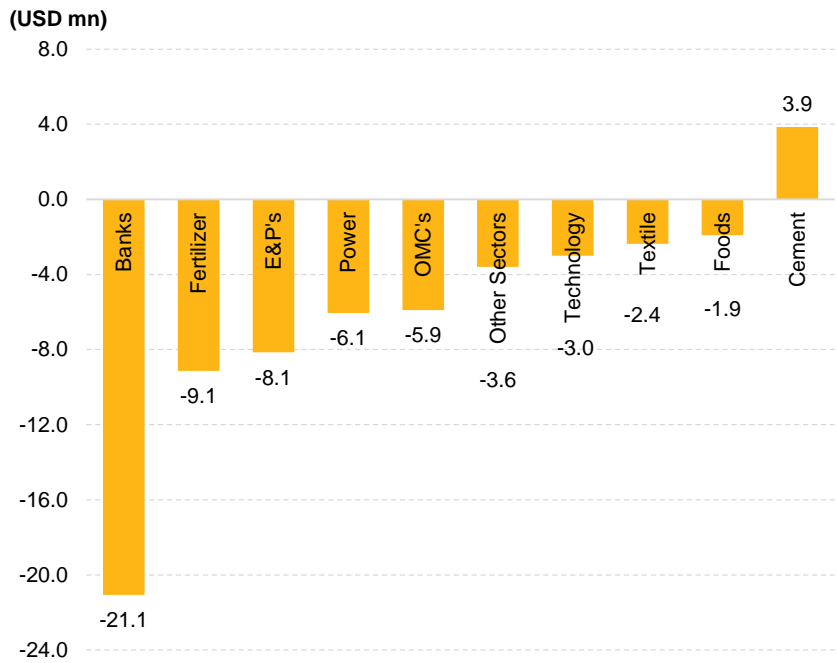
Source (s): PSX, AHL Research

# PSX Performance - Sep 2025

## Regional portfolio investment and FIPI

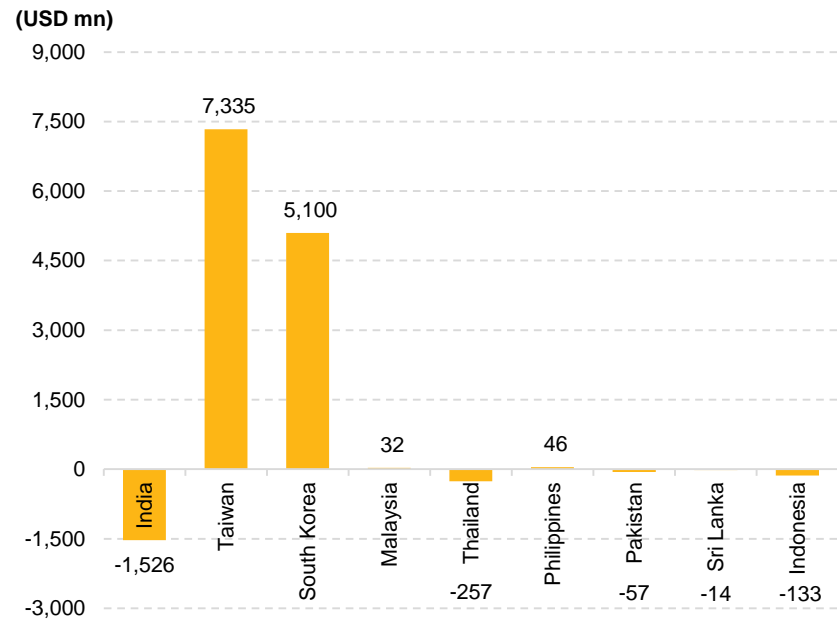
- Significant foreign buying was witnessed in the Asia-pacific region during Sep'25, which was led by Taiwan (USD 7.335bn) followed by South Korea (USD 5.1bn), while India led in selling (-USD 1.526bn) followed by Thailand (-USD 0.257bn) and Indonesia (-USD 0.133bn).
- On the domestic stock exchange, foreign selling activity of USD 57.0mn was reported for the month of Sep'25. The outflows were predominantly in Banks (-USD 21.1mn), Fertilizer (-USD 9.1mn), E&Ps (-USD 8.1mn), Power (-USD 6.1mn), and OMCs (-USD 5.9mn). Whereas, net buying was observed in Cement (USD 3.9mn).

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



Source (s): NCCPL, AHL Research

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



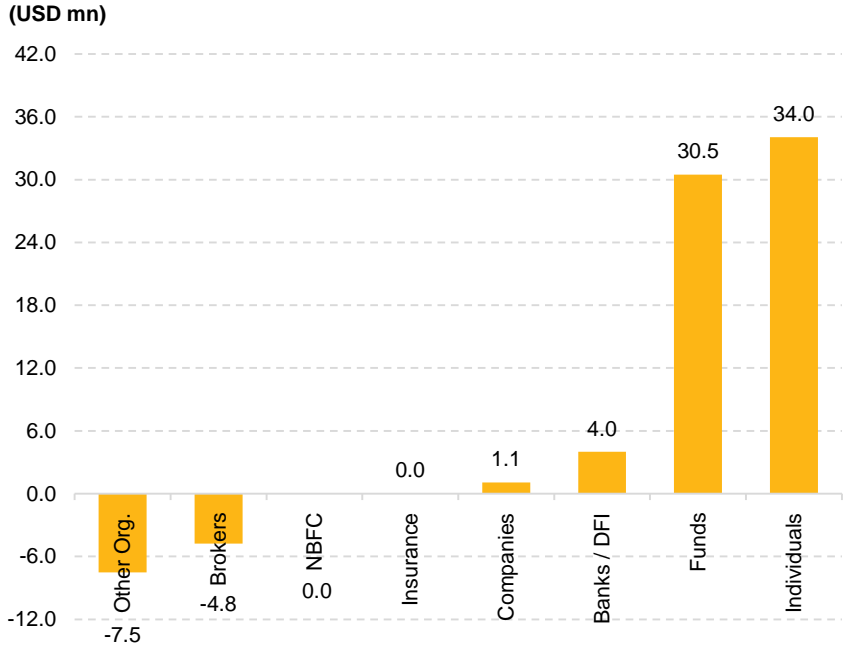
Source (s): NCCPL, Bloomberg, AHL Research

# PSX Performance - Sep 2025

## Portfolio investment (LIPI)

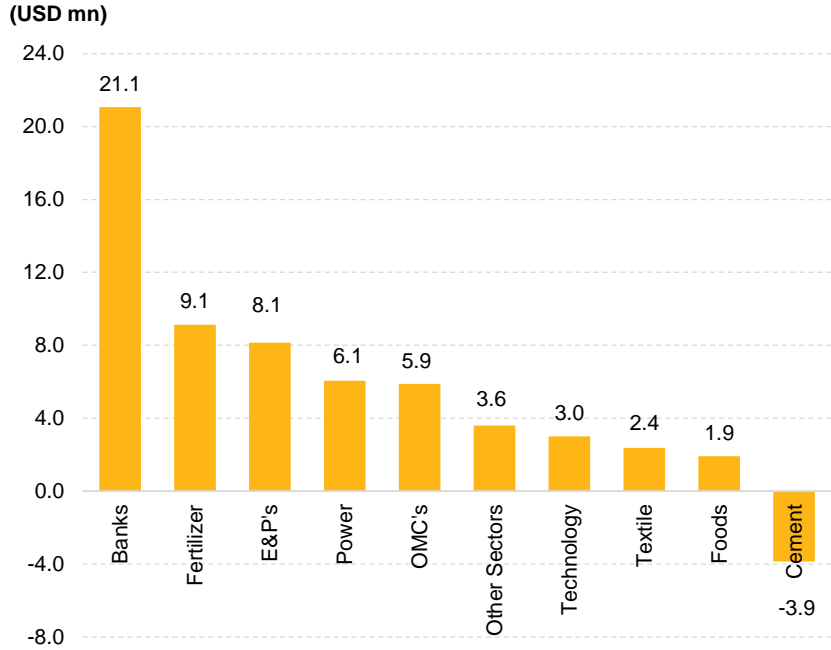
- On the local front, buying was reported by Individuals (USD 34.0mn), Funds (USD 30.5mn), and Banks/DFI (USD 4.0mn). Meanwhile, selling was witnessed by Other Organizations (-USD 7.5mn) and Brokers (-USD 4.8mn) during Sep'25.

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



Source (s): NCCPL, AHL Research

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



Source (s): NCCPL, AHL Research

The market is anticipated to sustain a bullish outlook in the upcoming month, fuelled by optimism surrounding several key developments. The ongoing IMF review is expected to yield a positive outcome, paving the way for the disbursement of USD 1.1bn under the Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF). Additionally, the disbursement of power sector circular debt payments, the upcoming MSCI review, and the scheduled monetary policy meeting further contribute to the market sentiment.

We expect headline inflation to clock in at 5.89% YoY in Sep'25, reflecting a significant increase from 3.0% YoY in Aug'25. Core inflation (NFNE) continues to show persistence, with projections indicating a 7.30% YoY increase in Sep'25. On a monthly basis, inflation is projected to rise by 2.3% MoM, driven largely by sharp increase in food prices. The food index is expected to increase by 6.5% MoM, led by significant price hikes in perishable items such as onions, tomatoes, pulse and wheat.

The KSE-100 is currently trading at a PER of 8.5x (2025) compared to its 15-year average of 8.6x offering a dividend yield of ~5.6% compared to its historical average of ~6.2%. Our preferred stocks are PSO, OGDC, PPL, FFC, FCCL, LUCK, KOHC, HUBC, NBP, MEBL, MCB, and ATRL.

# PSX Performance - Sep 2025

## World Indices Performance

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

Sr#	Index	Country	Index	Return (%)	Sr#	Index	Country	Index	Return (%)
1	Nigeria	NGSEINDX Index	142,789	5.2	36	USA	INDU Index	46,316	1.5
2	Thailand	SET Index	1,274	1.4	37	Tunisia	TUSISE Index	12,380	3.8
3	Bangladesh	DSEX Index	5,416	(1.9)	38	Lebanon	BLOM Index	2,042	5.6
4	<b>Pakistan</b>	<b>KSE100 Index</b>	<b>165,494</b>	<b>11.4</b>	39	Bahrain	BHSEASI Index	1,948	1.0
5	Ghana	GGSECI Index	8,163	2.2	40	Spain	IBEX Index	15,370	2.5
6	Vietnam	VNIndex Index	1,662	(1.4)	41	Canada	SPTSX Index	29,972	4.2
7	Sri Lanka	CSEALL Index	21,779	4.5	42	Hungary	BUX Index	98,959	(2.7)
8	Dubai	DFMGI Index	5,840	(4.0)	43	Australia	AS51 Index	8,849	(0.3)
9	Kenya	NSEASI Index	177	2.7	44	South Africa	JALSH Index	107,144	7.7
10	Argentina	MERVAL Index	1,793,185	(10.3)	45	Iceland	ICEXI Index	2,102	3.7
11	Oman	MSM30 Index	5,182	2.3	46	Austria	ATX Index	4,651	0.5
12	Egypt	EGX30 Index	36,670	4.0	47	Poland	WIG20 Index	2,815	(0.0)
13	Indonesia	JCI Index	8,061	(0.5)	48	Mexico	MEXBOL Index	62,610	7.5
14	Romania	BET Index	21,349	4.1	49	Serbia	BELEX15 Index	1,221	2.1
15	Turkey	XU100 Index	10,988	(4.6)	50	Mongolia	MSETOP Index	49,327	1.4
16	Jordan	JOSMGNFF Index	3,033	2.3	51	France	CAC Index	7,853	1.7
17	Qatar	DSM Index	11,053	(1.6)	52	Latvia	RIGSE Index	910	(0.6)
18	Slovenia	SBITOP Index	2,505	4.0	53	Finland	HEX Index	11,001	2.0
19	Uae	ADSMI Index	10,015	(1.0)	54	New Zealand	NZSE Index	1,899	0.5
20	Greece	ASE Index	2,022	(0.5)	55	Germany	DAX Index	23,767	(0.7)
21	Taiwan	TWSE Index	25,821	6.9	56	Europe	SX5E Index	5,504	2.5
22	Singapore	FSSTI Index	4,300	0.5	57	Bulgaria	SOFIX Index	1,070	(0.1)
23	China	SHSZ300 Index	4,641	4.1	58	Norway	OBXP Index	684	1.5
24	USA	NDX Index	24,611	3.8	59	Ireland	ISEQ Index	11,557	2.1
25	Hong Kong	HSI Index	26,856	7.6	60	Switzerland	SMI Index	12,033	(1.1)
26	South Korea	KOSPI Index	3,425	5.7	61	Saudi Arabia	SASEIDX Index	11,496	7.2
27	USA	SPX Index	6,661	2.5	62	Japan	NKY Index	44,933	4.1
28	Kazakhstan	KZKAK Index	7,146	1.9	63	Lithuania	VILSE Index	1,240	1.6
29	Czech Republic	PX Index	2,331	3.5	64	Malaysia	FBMKLCI Index	1,612	1.8
30	Belgium	BEL20 Index	4,796	(0.1)	65	Netherland	AEX Index	940	4.6
31	Mauritius	SEMDEX Index	2,461	1.8	66	Estonia	TALSE Index	1,926	(4.1)
32	Croatia	CRO Index	3,793	3.1	67	India	SENSEX Index	80,268	(1.1)
33	Sweden	OMX Index	2,657	1.2	68	Philippines	PCOMP Index	5,953	(6.0)
34	Portugal	PSI20 Index	7,956	2.5	69	Ukraine	PFTS Index	463	0.4
35	UK	UKX Index	9,312	0.4	70	Chile	IPSA Index	8,997	1.2
36	Italy	FTSEMIB Index	42,565	0.8					

Source (s): Bloomberg, AHL Research

# Analyst Certification and Disclaimer

**Analyst Certification:** The research analyst(s) is (are) principally responsible for preparation of this report. The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject security (ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security (ies). Furthermore, compensation of the Analyst(s) is not determined nor based on any other service(s) that AHL is offering. Analyst(s) are not subject to the supervision or control of any employee of AHL's non-research departments, and no personal engaged in providing non-research services have any influence or control over the compensatory evaluation of the Analyst(s).

## Equity Research Ratings

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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