

# Market Performance

## Feb'26: KSE:100 index drops 16,112pts | -8.7% MoM



27-Feb-2026

REP-300

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Best Broker: '25  
 Best Bank for Research: '25  
 Best Investment Bank for M&A: '25  
 Best for Research: '24  
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 Best Investment Bank: '23



Best Corporate Finance House: '25, '23-'13  
 Best Brokerage House: '23 - '21  
 Best Brokerage House (Runner-up): '25-'24  
 Best Economic Research House: '23-'21  
 Best Economic Research House (Runner-up): '25-'24



Best Brokerage House:  
 2023



Best Broker: '25  
 Best Equity Capital  
 Market House: '25



Top 25 Companies  
 ('17-'19)



Best Gender Equality Bond: '24  
 Best Equity Advisor: '21



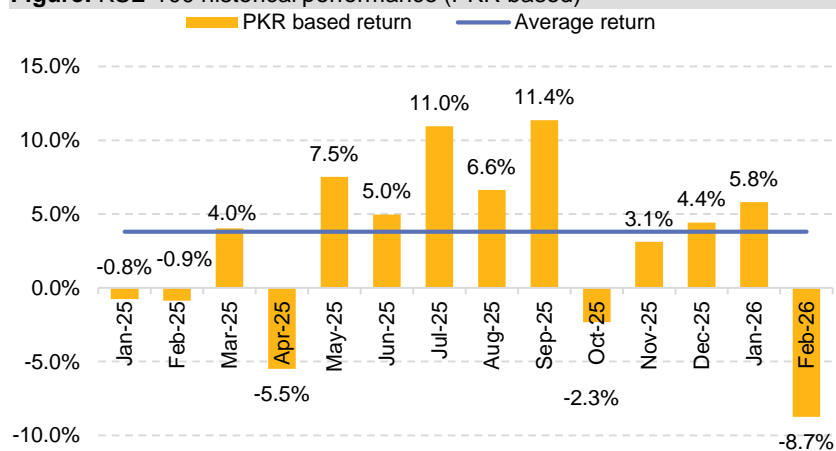
Excellence Award Leading  
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# PSX Performance – Feb 2026

## KSE-100 down by 8.7%, closes at 168k

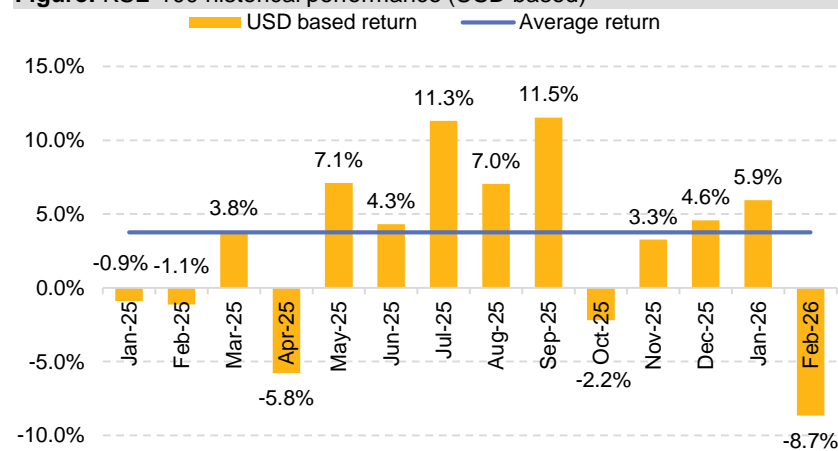
- The KSE-100 Index delivered a lackluster performance in Feb'26, losing 16,112 points MoM. Market sentiment remained weak, caused by geopolitical tensions, foreign selling pressure, some lower than expected corporate earnings and concerns regarding Reko Diq. Consequently, the index closed the month at 168,062 points.
- In Feb'26, KSE-100 index depicted a negative return of 8.7%, the largest decline since Mar'20 (-26% MoM).
- Moody's revised Pakistan's banking sector outlook from positive to stable, indicating gradual recovery in operating environment along with improvement in macroeconomic indicators.
- NCCPL, in collaboration with CDC, PSX, and SECP transitioned Pakistan's capital market settlement cycle from T+2 to T+1 on 9<sup>th</sup> February.
- CPI for Jan'26 clocked-in at 5.8% YoY compared to 5.6% in Dec'25.
- A current account surplus of USD 121mn was recorded in Jan'26, compared to a deficit of USD 393mn in Jan'25 and a deficit of 265mn in Dec'25. For 7MFY26, the country posted a current account deficit of USD 1,074mn, compared to a surplus of USD 564mn during the same period last year.
- Remittances increased by 15% YoY in 7MFY26 to USD 3.5bn during Jan'26, compared to USD 3bn during Jan'25, while on MoM basis, remittances decreased by 4%. Cumulatively for 7MFY26, remittances increased by 11% YoY to USD 23.2bn.

**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 – Feb 2026

## Major News and Economic developments

### Major News

During Jan'26, OMC sales increased by 12% MoM to 1.52mn tons, while improving 10% YoY. Cumulatively, in 7MFY26, OMC offtake stood at 9.67mn tons, up 3% YoY. Automobile sales record exceptional growth in Jan'26, with volumes reaching 23.1k units (+74% MoM, +36% YoY), the highest level since Jun'22. On a cumulative basis, 7MFY26 auto sales grew 44% YoY to 111.4k units. Urea offtake fell 52% YoY to 214k tons (lowest monthly offtake), while DAP offtake dropped 37% YoY to 39k tons, with steep MoM decline. Cement exports recorded its highest MoM growth since Sept'24, surging by 51% MoM to 0.94mn tons. In absolute terms this marked the highest level since Jul'25, when exports stood at 1.01mn tons. On YoY basis, dispatches grew 13% YoY in Jan'26 compared to SPLY. Power Generation in Jan'26 was up by 12% YoY at 9,140 GWh, the record highest level for the month of January, with 7MFY26 generation settling at 76,496 GWh, up 2% from the previous year.

### Economic Development

- In Jan'26, the FBR collected PKR 1,015bn in taxes, marking a 16% increase YoY. This amount was recorded to be below the target of PKR 1,030bn. Cumulatively tax collection went to PKR 7,176bn for 7MFY26, below the target of PKR 7,521bn.
- CPI for Jan'26 clocked-in at 5.8% YoY compared to 5.6% in Dec'25.
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- Remittances increased by 15% YoY in 7MFY26 to USD 3.5bn during Jan'26, compared to USD 3bn during Jan'25, while on MoM basis, remittances decreased by 4%. Cumulatively for 7MFY26, remittances increased by 11% YoY to USD 23.2bn.
- The country witnessed a net FDI inflow of USD 173mn during Jan'26, compared to USD 135mn in Dec'25. For 7MFY26, net FDI inflow was down by 41% YoY and settled at USD 981mn compared to an inflow of USD 1,661mn in 7MFY25.
- Real Effective Exchange Rate (REER) clocked in at 103.29 as of Dec'25 as compared to 103.73 in Nov'25.
- LSMI output grew by 0.4% YoY in Dec'25, and a 9.3% uptick on a MoM basis.
- Central Government debt increased by 1.3% MoM to PKR 78.5trn (+9.6% YoY) as of Dec'25, compared to PKR 71.6trn in Dec'24.

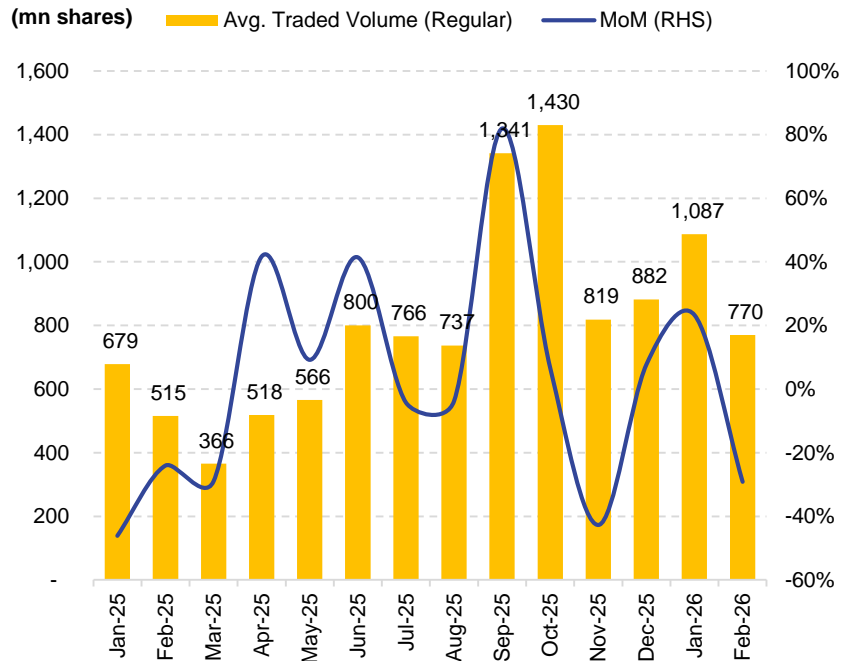
# PSX Performance – Feb 2026

## Historical volume and value

### Increase in traded volume during Feb'26

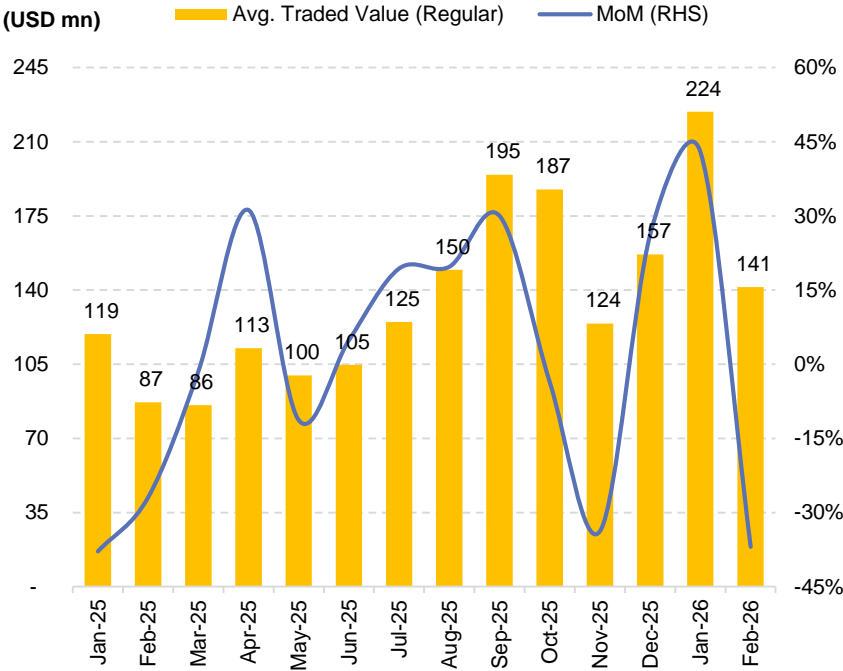
- During Feb'26, the average traded volume declined by 29% to 770mn shares, with the average traded value declining significantly by 37% to USD 141mn.

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 – Feb 2026

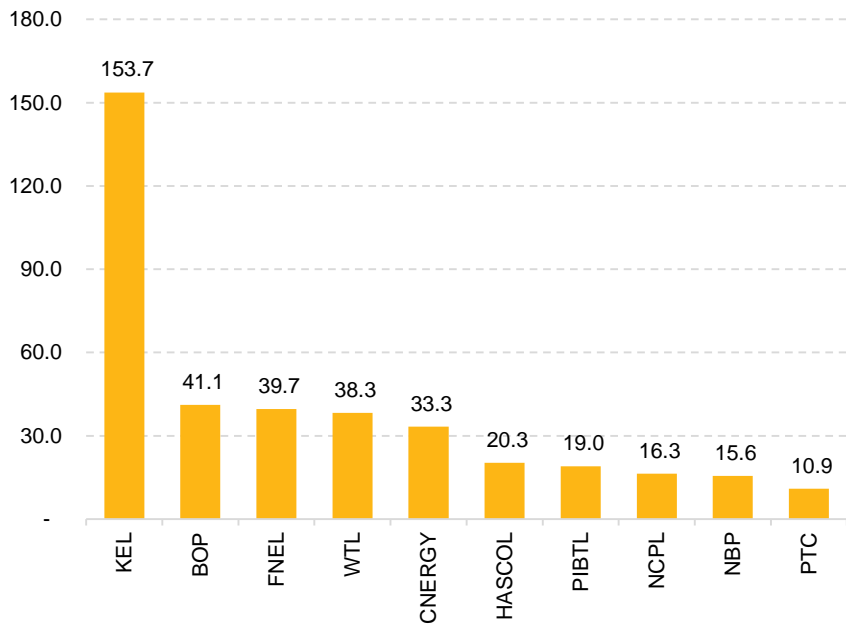
## Company & sector wise volume leaders

### Volume leaders during Feb'26

- Sectors that contributed the most activity during the month were Power, Technology, Inv. Banks, Banks and Refinery, reporting average volumes of 191mn, 89mn, 79mn, 76mn and 41mn respectively.
- Whereas on a scrip-wise basis, volumes were led by KEL (153.7mn), BOP (41.1mn), FNEL (39.7mn), WTL (38.3mn), and CENERGY(33.3mn).

**Figure:** Top Scrip-wise volume leaders (Feb-26)

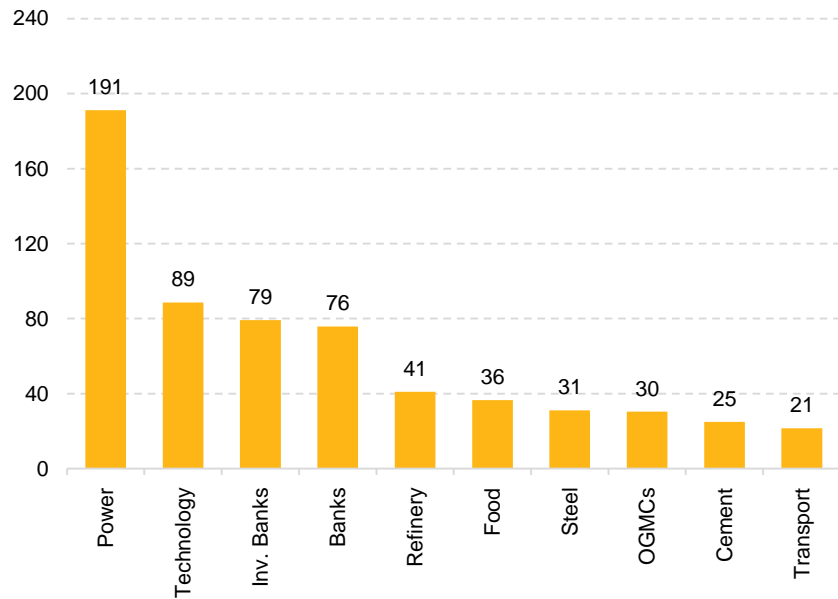
(mn shares)



Source (s): PSX, AHL Research

**Figure:** Top sector-wise volume leaders (Feb-26)

(mn shares)



Source (s): PSX, AHL Research

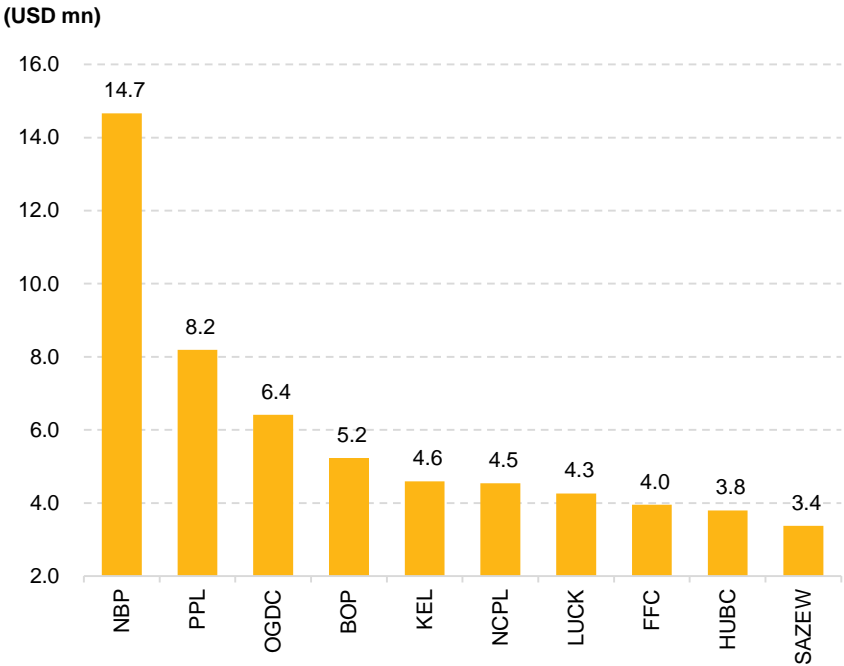
# PSX Performance – Feb 2026

## Company & sector wise value leaders

### Value leaders during Feb'26

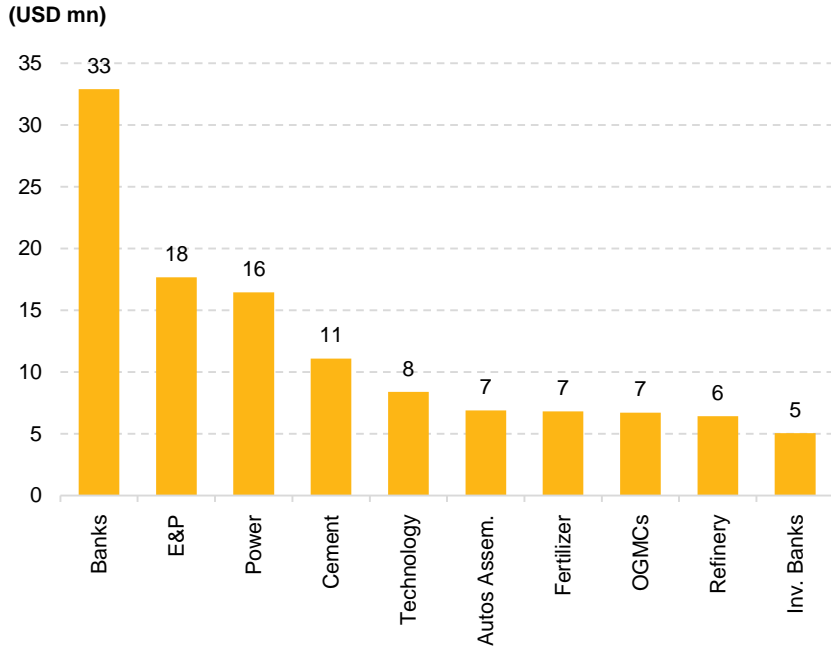
- On a sector-wise basis, the most activity in terms of value during the period was witnessed in Banks (USD 33mn), E&Ps (USD 18mn), Power (USD 16mn), Cement (USD 11mn) and Technology (USD 8mn).
- Meanwhile, on a scrip-wise basis, the highest trading values were dominated by NBP (USD 14.7mn), PPL (USD 8.2mn), OGDC (USD 6.4mn), BOP (USD 5.2mn) and KEL (USD 4.6mn).

**Figure:** Top scrip-wise value leaders (Feb-26)



Source (s): PSX, SBP, AHL Research

**Figure:** Top sector-wise value leaders (Feb-26)

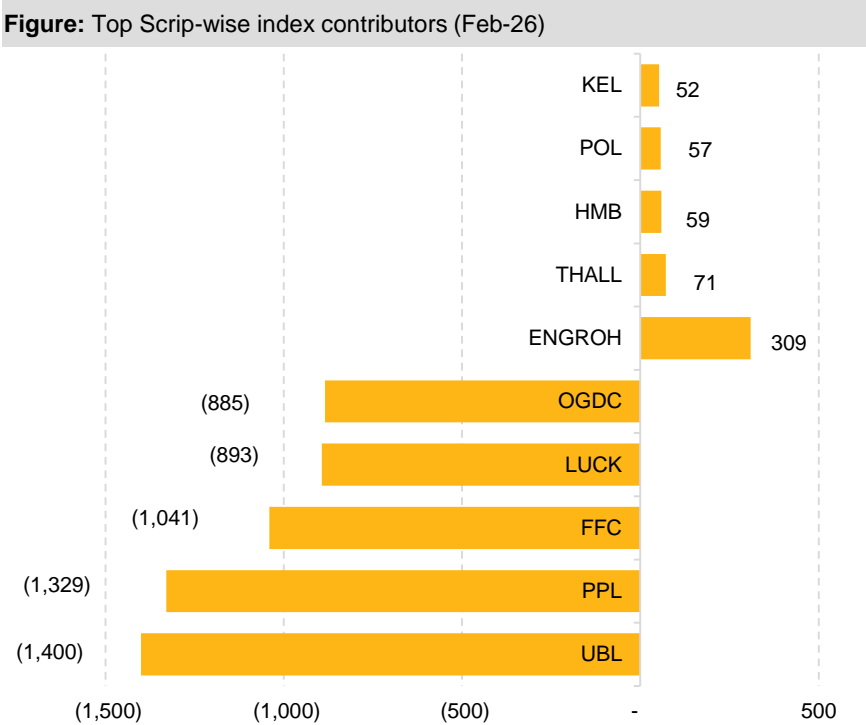


Source (s): PSX, SBP, AHL Research

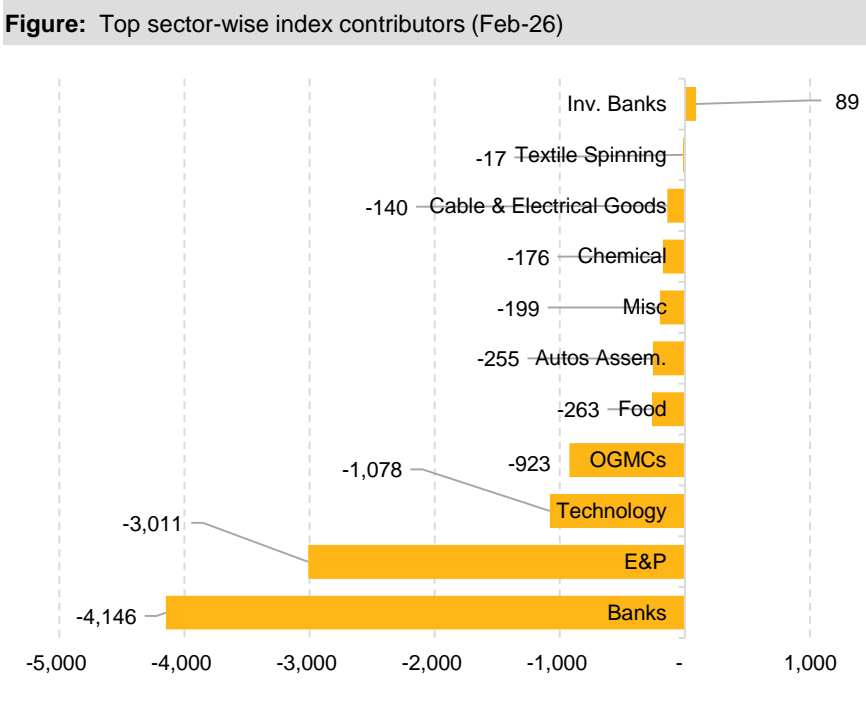
# PSX Performance – Feb 2026

## Index contribution

- Sectors contributing negatively to the index during Feb'26 include Banks (-4,146pts), E&P (-3,011pts), Technology (-1,078pts) and OGMCs (-923pts).
- Scrip wise negative contributors during the month were UBL (-1,400pts), PPL (-1,329pts), FFC (-1,041pts), LUCK (-893pts), and OGDC (-885pts). Scrip-wise positive contributors were ENGROH (309pts), THALL (71pts), HMB (59pts), POL (57pts) and KEL (52pts).



Source (s): PSX, AHL Research



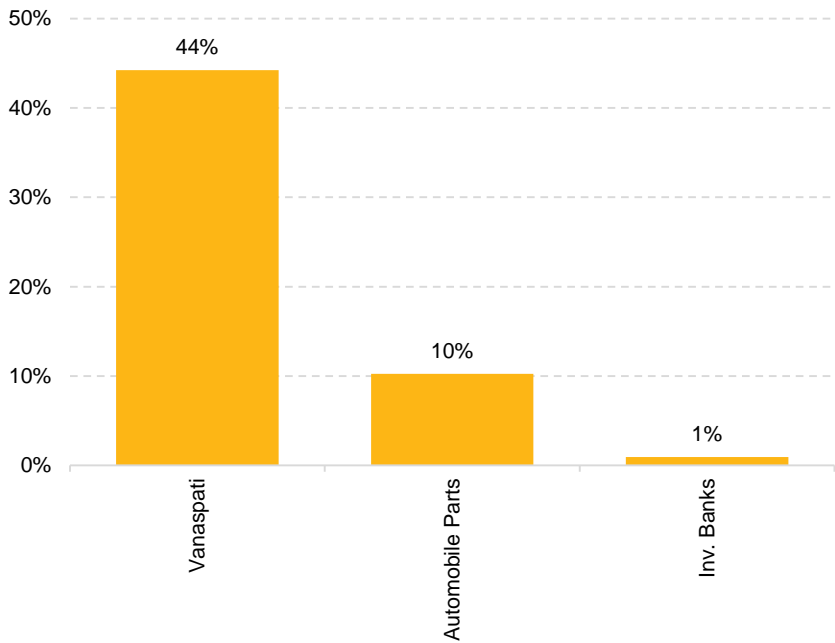
Source (s): PSX, AHL Research

# PSX Performance – Feb 2026

## Sector-wise major gainers and losers

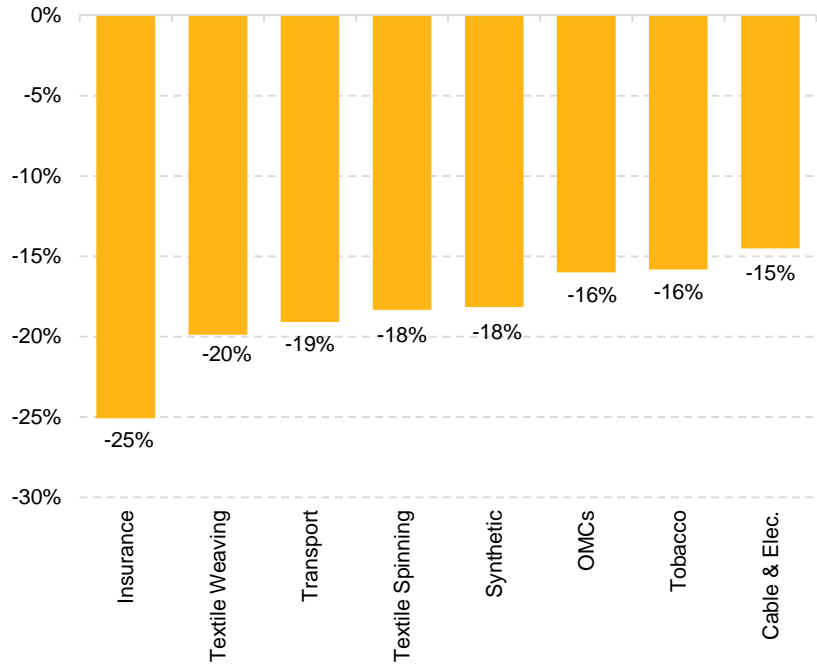
- In terms of sectors, major losers were Insurance (-25%), Textile Weaving (-20%), Transport (-19%) & Textile Spinning (-18%) during Feb'26. Major gainers were Vanaspati (44%), Auto Parts (10%) and Inv. Banks (1%)

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



Source (s): PSX, AHL Research

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



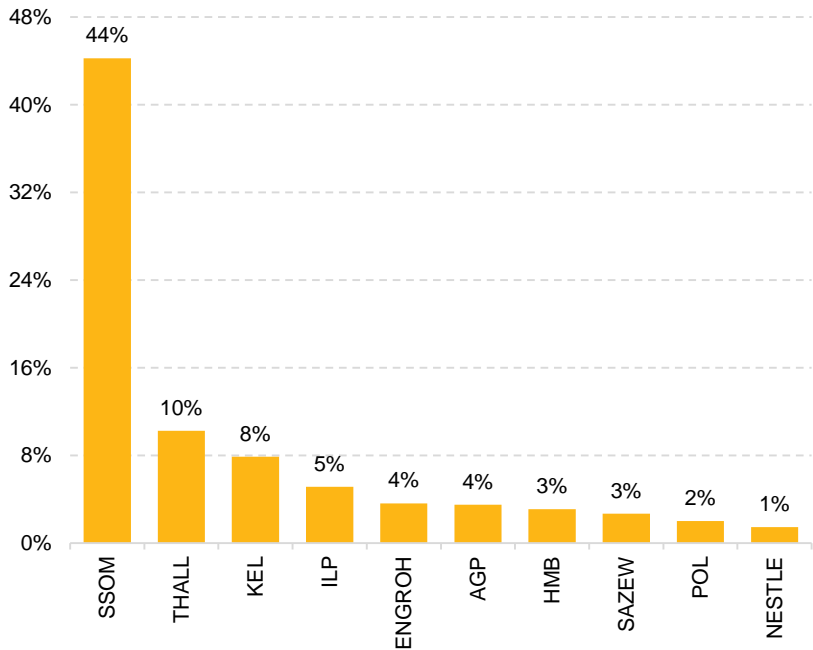
Source (s): PSX, AHL Research

# PSX Performance – Feb 2026

## Scrip-wise major gainers and losers

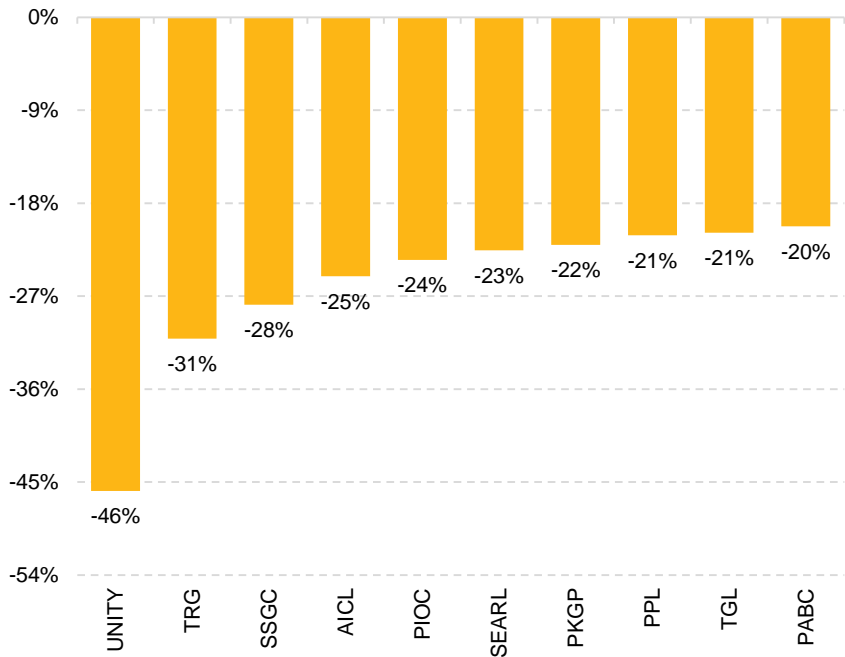
- Scrip-wise major losers during Feb'26 were UNITY, TRG, SSGC, AICL, and PIOC, posting losses of 46%, 31%, 28%, 25%, and 24%, respectively. Meanwhile, major gainers during the month were SSOM, THALL, KEL, ILP, and ENGROH, each posting returns of 44%, 10%, 8%, 5%, and 4%, respectively.

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



Source (s): PSX, AHL Research

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

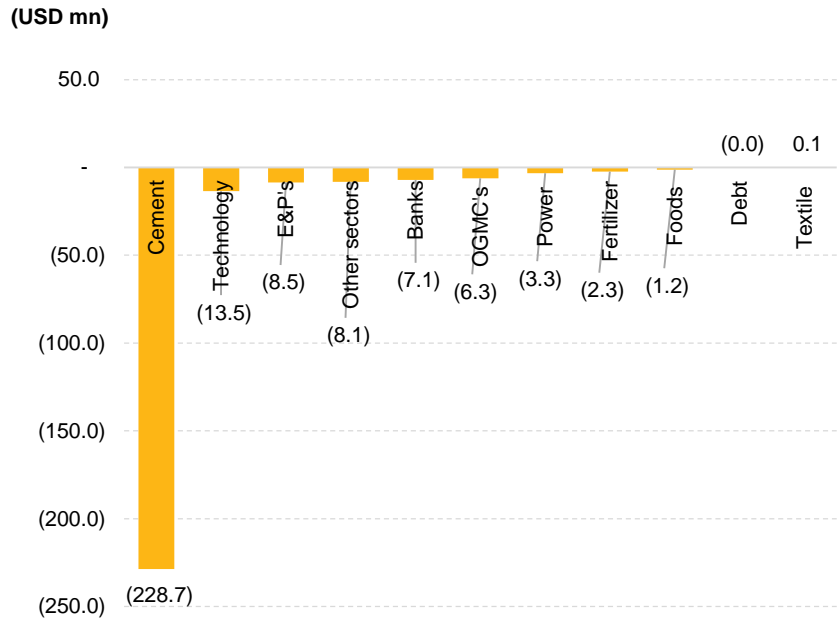


Source (s): PSX, AHL Research

## Regional portfolio investment and FIPI

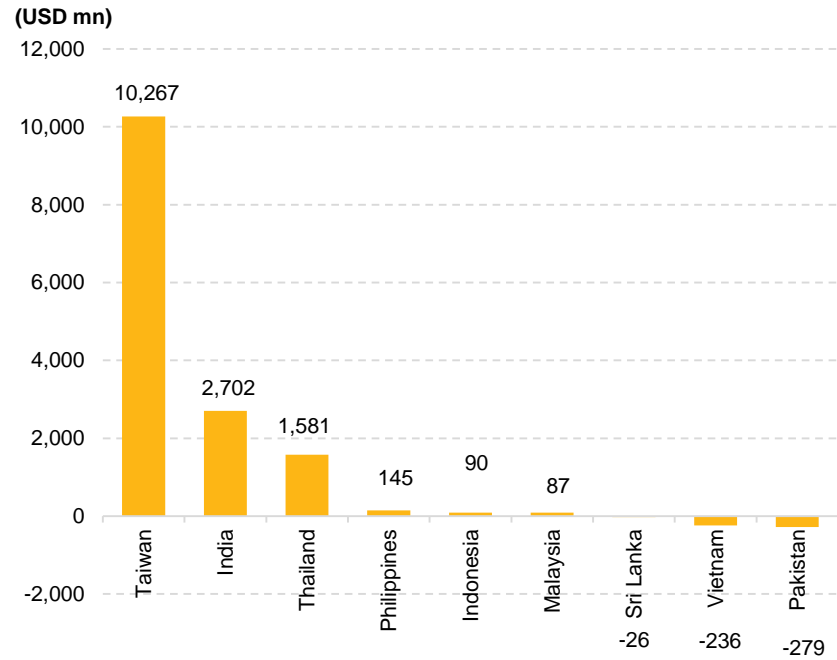
- Foreign buying was witnessed in the Asia-pacific region during Feb'26, which was led by Taiwan (USD 10,267mn), followed India (USD 2,702mn), and Thailand (USD 1,581mn).
- On the domestic stock exchange, foreign selling activity of USD 279mn was reported for the month of Feb'26. The outflows were predominantly in Cement (-USD 228.7mn), Technology (-USD 13.5mn) & E&Ps (-USD 8.5mn).

**Figure:** Sector wise FIPI Feb-26



Source (s): NCCPL, AHL Research

**Figure:** Regional Portfolio investment during Feb-26



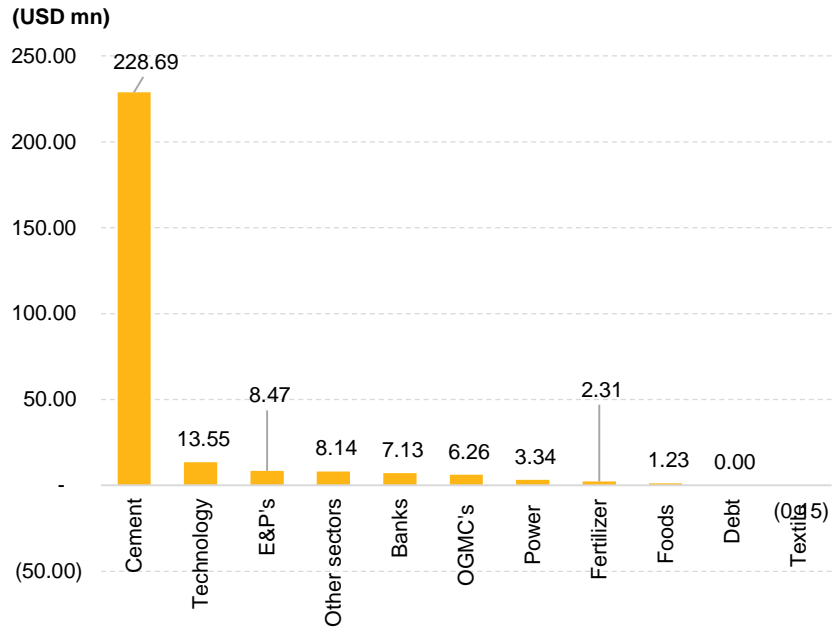
Source (s): NCCPL, Bloomberg, AHL Research

# PSX Performance – Feb 2026

## Portfolio investment (LIPI)

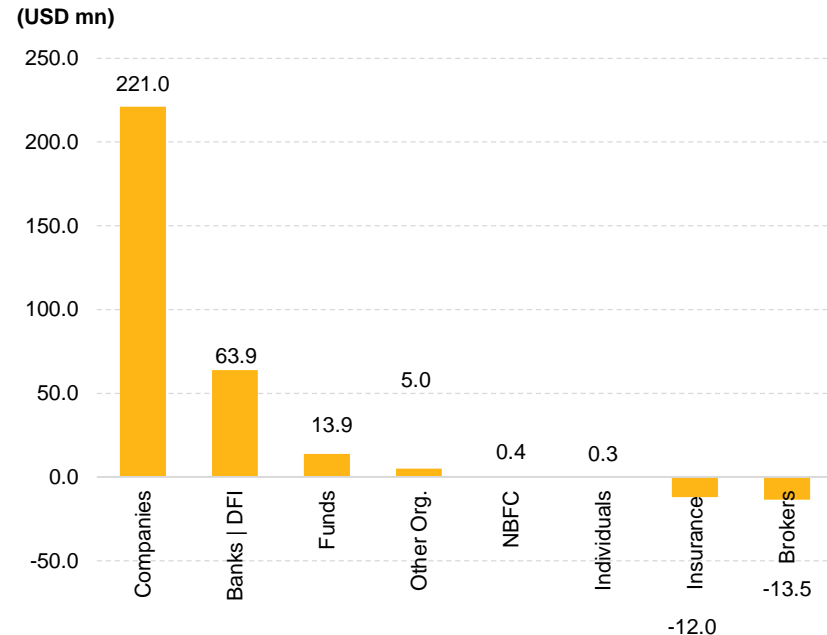
- On the local front, buying was reported by Companies (USD 221mn), Banks & DFIs (USD 63.9mn), Funds (USD 13.9mn), and Other Org. (USD 5.0mn). Meanwhile, selling was witnessed by Insurance companies (USD -12mn) and Brokers (USD -13.5mn) in Feb'26.

**Figure:** Local Investors Portfolio Investment (Feb-26)



Source (s): NCCPL, AHL Research

**Figure:** Sector wise LIPI (Feb-26)



Source (s): NCCPL, AHL Research

# PSX Performance – Feb 2026

## Outlook & Recommendation

Going forward, we expect market direction to be primarily influenced by geopolitical developments, cross-border situations and the ongoing IMF review. Successful completion of the review is expected to unlock USD 1.1bn under the EFF and USD 220mn under the RSF, which should lend support to investor sentiment. With corporate fundamentals largely intact, we maintain a constructive long-term outlook.

Headline inflation for Feb'26 is expected to come in at 7.2% YoY, compared to 5.8% YoY in Jan'26, and 1.52% in Feb'25. For 8MFY26, average headline inflation is projected to settle around 5.45%, compared to 5.96% in SPLY. Core inflation (NFNE) for Feb'26 is projected at 7.97% YoY, showing a moderation from 9.0% YoY in Feb'25.

The KSE-100 Index is currently trading at a PER of 8.3x offering a dividend yield of 6.0%. Our top picks include MEBL, NBP, FFC, OGDC, PPL, FCCL, KOHC, NPL, NCPL, SYS, AIRLINK, PSO, SAZEW, INDU and PAEL.

# PSX Performance – Feb 2026

## World Indices Performance

**Exhibit: World's Major Stock Market Performance (USD based return, Feb'26)**

Sr#	Index	Country	Index	Return (%)	Sr#	Index	Country	Index	Return (%)
1	GGSECI Index	Ghana	12,533	43.0	38	JOSMGNFF Index	Jordan	3,599	1.9
2	KOSPI Index	South Korea	6,244	20.2	39	AEX Index	Netherland	1,023	1.6
3	NGSEINDX Index	Nigeria	193,568	19.8	40	KZKAK Index	Kazakhstan	7,751	1.5
4	SET Index	Thailand	1,528	17.0	41	SHSZ300 Index	China	4,711	1.5
5	MSM30 Index	Oman	7,393	16.8	42	INDU Index	USA	49,499	1.2
6	TWSE Index	Taiwan	35,414	11.3	43	NZSE Index	New Zealand	1,946	1.2
7	NSEASI Index	Kenya	216	10.7	44	BHSEASI Index	Bahrain	2,061	0.8
8	NKY Index	Japan	58,850	9.2	45	BEL20 Index	Belgium	5,451	0.7
9	DSEX Index	Bangladesh	5,600	8.7	46	EGX30 Index	Egypt	49,213	0.6
10	OBXP Index	Norway	777	8.6	47	BUX Index	Hungary	127,986	0.3
11	JALSH Index	South Africa	128,245	8.4	48	ISEQ Index	Ireland	13,246	0.2
12	BLOM Index	Lebanon	1,851	7.4	49	SENSEX Index	India	81,745	0.2
13	IBOV Index	Brazil	191,005	7.3	50	CRO Index	Croatia	4,011	0.1
14	SPTSX Index	Canada	34,502	7.2	51	FBMKLCI Index	Malaysia	1,717	0.0
15	SBITOP Index	Slovenia	3,003	7.1	52	CSEALL Index	Sri Lanka	23,755	(0.2)
16	PSI20 Index	Portugal	9,303	6.8	53	XU100 Index	Turkey	13,932	(0.4)
17	PCOMP Index	Philippines	6,611	6.7	54	SPX Index	USA	6,909	(0.4)
18	MEXBOL Index	Mexico	71,390	6.6	55	PFTS Index	Ukraine	462	(0.5)
19	SMI Index	Switzerland	14,043	6.3	56	JCI Index	Indonesia	8,235	(1.2)
20	AS51 Index	Australia	9,199	5.9	57	ASE Index	Greece	2,296	(1.3)
21	LUXXX Index	Luxembourg	2,078	5.6	58	TALSE Index	Estonia	2,068	(1.5)
22	CAC Index	France	8,619	5.5	59	NDX Index	USA	25,034	(2.0)
23	UKX Index	UK	10,892	4.9	60	ICEXI Index	Iceland	2,226	(2.2)
24	OMX Index	Sweden	3,222	4.7	61	DSM Index	Qatar	11,055	(2.3)
25	BET Index	Romania	28,573	4.5	62	IPSA Index	Chile	11,050	(2.8)
26	TUSISE Index	Tunisia	15,127	4.5	63	HSI Index	Hong Kong	26,631	(3.0)
27	HEX Index	Finland	13,122	4.0	64	VILSE Index	Lithuania	1,385	(3.1)
28	FTSEMIB Index	Italy	47,509	3.8	65	SEMDEX Index	Mauritius	2,319	(3.3)
29	SX5E Index	Europe	6,165	3.1	66	PX Index	Czech Republic	2,668	(3.6)
30	IBEX Index	Spain	18,519	3.0	67	RIGSE Index	Latvia	899	(4.0)
31	DAX Index	Germany	25,354	2.8	68	BELEX15 Index	Serbia	1,231.4	(4.6)
32	ADSMI Index	UAE	10,562	2.7	69	SOFIX Index	Bulgaria	1,313	(5.0)
33	DFMGI Index	Dubai	6,601	2.6	70	SASEIDX Index	Saudi Arabia	10,709	(5.9)
34	VNINDEX Index	Vietnam	1,880	2.4	<b>71</b>	<b>KSE100 Index</b>	<b>Pakistan</b>	<b>168,375</b>	<b>(8.2)</b>
35	FSSTI Index	Singapore	4,994	2.3	72	MERVAL Index	Argentina	2,754,420	(11.6)
36	ATX Index	Austria	5,761	2.3	73	KFX Index	Denmark	1,427	(17.6)
37	WIG20 Index	Poland	3,453	1.9					

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 Dec 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 +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -5% and +10% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -5% 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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