

Market Performance

Apr'25: KSE:100 index loses 6,480pts | -5.5% MoM



30-Apr-2025

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EUROMONEY

Best for Research: '24
Best for Diversity & Inclusion: '24
Best Investment Bank: '23

ASIAMONEY

Best Securities House: '23
Best Investment Bank: '23

**CFA Society
Pakistan**

Best Brokerage House: '23 – '21
Best Corporate Finance House: '23 - '13
Best Economic Research House: : '23 – '21
Best Research Analyst: '22 – '20

FinanceAsia

Best Investment Bank: '22

**INTERNATIONAL
FINANCE**

Best Brokerage House: '23

PSX
PAKISTAN
STOCK EXCHANGE
LIMITED

Top 25 Companies
(17-'19)

ASSET ASIAN AWARDS
TRIPLE A

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

CC
CENTRAL
DEPOSITORY
COMPANY

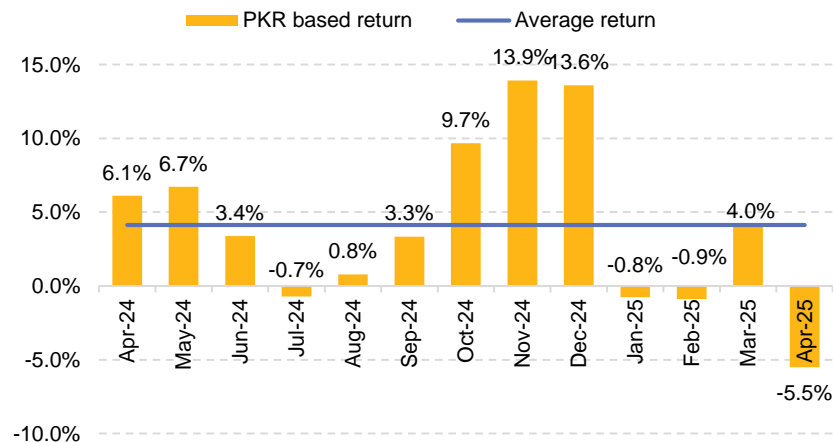
Excellence Award Leading
Brokerage House for RDA '21

PSX Performance - April 2025

KSE-100 down 6,480 points, closing at 111,327

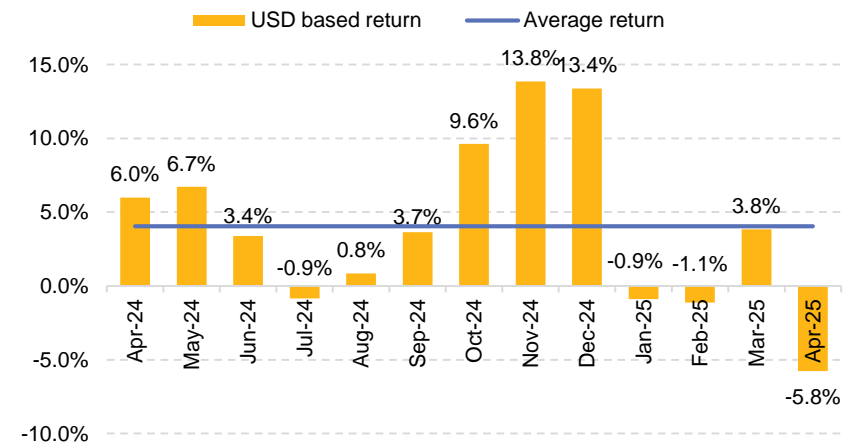
- In Apr'25, the KSE-100 index posted a mixed, though ultimately negative, performance amid heightened volatility fueled by both external and domestic factors. Global trade concerns escalated after the U.S. imposed reciprocal tariffs on 60 countries, most prominently targeting China. However, some relief followed as the U.S. later announced a 90-day pause on tariffs above 10% for most countries. Meanwhile, regional sentiment was further weighed down by renewed geopolitical tensions between India and Pakistan.
- On the domestic front, several positive indicators helped limit downside pressure. Inflationary pressures continued to ease, with CPI for Mar'25 dropping to just 0.7%, the lowest level in nearly six decades.
- Optimism grew as Pakistan hosted a mineral mining conference during the month, drawing foreign investors from the US, UK, Australia, and Saudi Arabia, signaling renewed interest in the country's untapped resource potential.
- Investor sentiment received a strong boost from the record current account surplus of USD 1.2bn in Mar'25, the highest monthly surplus ever recorded.
- Further supporting optimism, remittances surged to an all-time high of USD 4.1bn, marking the first instance of monthly inflows crossing the USD 4bn threshold. This reflected a 33% YoY and 30% MoM increase, largely driven by seasonal inflows during Ramadan and Eid.
- Market confidence also improved with progress on resolving the circular debt issue, as leading banks finalized a term sheet for a PKR 1.275trn loan aimed at stabilizing the power sector and enabling structural reforms. In addition, power tariff cuts for consumers and for industries, contributed to the positive sentiment.
- However, this was tempered by a dip in SBP reserves, which declined by 4.1% MoM to USD 10.2bn by the end of April.
- The overall index closed 111,327 points | -5.5% lower on a MoM basis, reflecting cautious investor sentiment despite improving macroeconomic signals.

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 - April 2025

Major News and Economic developments

Major News

Pakistan's petroleum sales depicted a growth of 5% YoY and 7% MoM to reach 1.22mn tons in Mar'25, Cement sales declined by 9% YoY, Urea and DAP sales in Mar'25 plunged by 54% and 64% YoY, respectively, Car sales rose by around 18% YoY in March, Pakistan's power generation increased by 5% in March, Pakistan's textile exports increased by 10% YoY to USD 1.4bn in Mar'25. OGDCL, Mari made new discoveries, Pakistan to attract major foreign investment within six months, market reacted to Trump's tariffs, Honda Atlas Pakistan makes history with 1st-ever CBU vehicle export to Japan, Bangladesh, Pakistan, and Sri Lanka sign deal to strengthen capital markets, Barrick Gold to sign \$3 billion funding package for Reko Diq project, Funds worth Rs15bn approved: CM announces 'unique' package for wheat farmers, Profit repatriation jumps to \$1.72bn in July-March FY25.

Economic Development

- The current account balance recorded its highest-ever monthly surplus of USD 1,195mn in Mar'25, compared to a surplus of USD 363mn in Mar'24 and a deficit of USD 97mn in Feb'25. The improvement in the current account position was primarily driven by record-high remittances, which rose by 37% YoY to USD 4.1bn, up from USD 2.9bn in the SPLY. On a cumulative basis, the country posted a current account surplus of USD 1,859mn during 9MFY25, a significant turnaround from the deficit of USD 1,652mn recorded in the SPLY.
- Workers' remittances continued to grow robustly by 37% YoY, reaching USD 4,055mn in Mar'25, compared to USD 2,954mn in Mar'24. On a MoM basis, remittances increased by 30%, up from USD 3,124bn in Feb'25. In 9MFY25, remittances increased by 33%YoY to USD 28.0bn. Key contributors to this growth included Saudi Arabia, with a 40% YoY rise to USD 987mn, the UAE, which saw a 54% increase to USD 842mn, and the UK, which experienced a 48% YoY growth to USD 684mn.
- The Country witnessed net FDI inflow of USD 26mn during Mar'25. Net foreign direct investment (inflow) settled at USD 26mn in Mar'25, compared to net inflow of USD 95mn during Feb'25. During 9MFY25, net FDI inflow up by 14% YoY to USD 1,644mn compared to an inflow of USD 1,442mn in 9MFY24.
- Large Scale Manufacturing Industries (LSMI) output witnessed a decrease of 3.5% YoY during Feb'25 while on MoM basis, it decreased by 5.9%. During 8MFY25, LSM output decreased by 1.9% YoY.

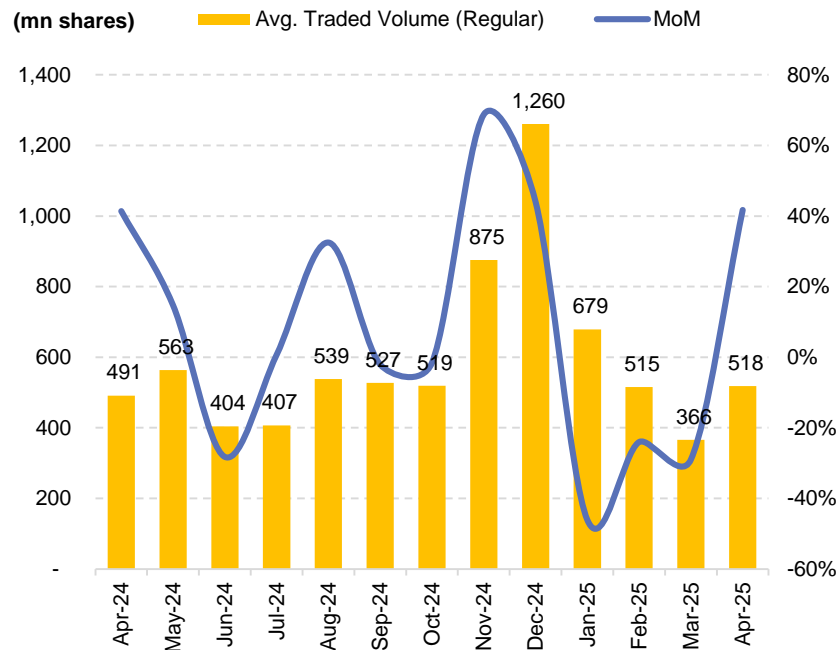
PSX Performance - April 2025

Historical volume and value

Increase in traded volume during Apr-25

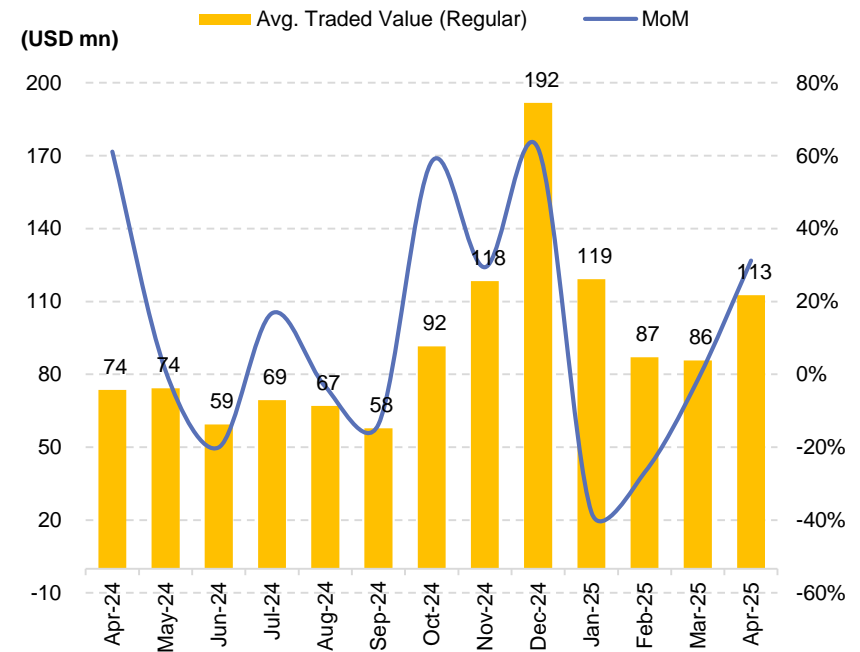
- During Apr'25, the average traded volume increased by 42% to 518mn shares, while the average traded value also increased by 36% to USD 113mn.

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 - April 2025

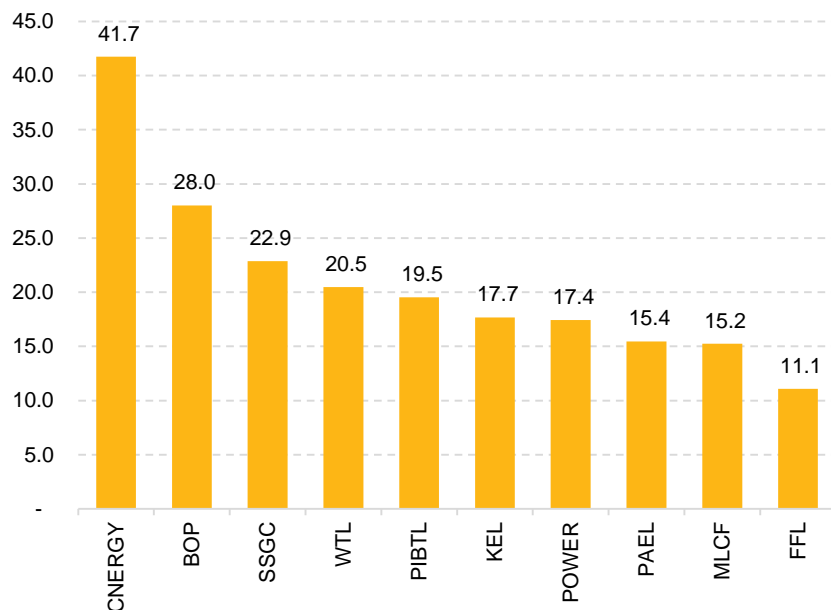
Company & sector wise volume leaders

Volume leaders during Apr'25

- Sectors that garnered the most activity during the month were Cement, Banks, Refineries, OGMC's, Technology, reporting average volumes of 62mn, 60mn, 51mn, 47mn and 47mn respectively.
- Whereas on a scrip-wise basis, volumes were led by CENERGY (42mn), BOP (28mn), SSGC (23mn), WTL (21mn) and PIBTL (20mn).

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

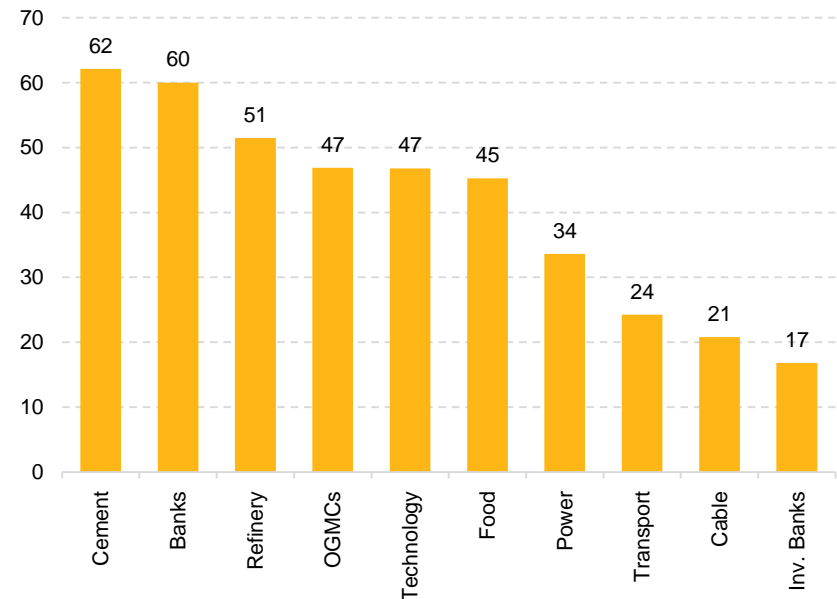
(mn shares)



Source (s): PSX, AHL Research

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

(mn shares)



Source (s): PSX, AHL Research

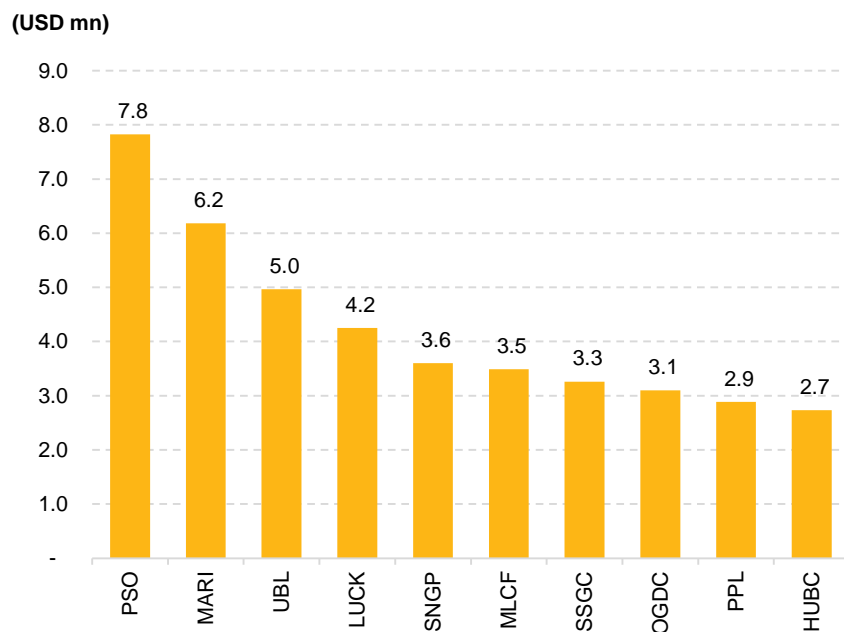
PSX Performance - April 2025

Company & sector wise value leaders

Value leaders during Apr'25

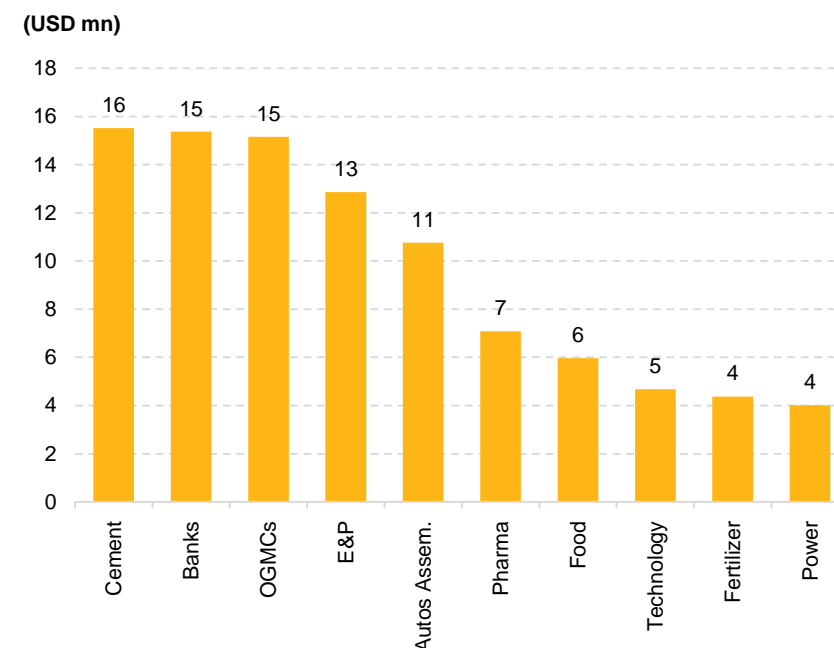
- On a sector-wise basis, the most activity during the period was witnessed in Cement, Banks, OGMCs, E&P and Auto Assemblers posting a trade value of USD 16mn, USD 15mn, USD 15mn, USD 13mn, and USD 11mn, respectively.
- Meanwhile, on a scrip-wise basis, the highest trading values were dominated by PSO (USD 8mn), followed by MARI (USD 6mn), UBL (USD 5mn), LUCK (USD 4mn), and SNGP (USD 4mn).

Figure: Top scrip-wise value leaders (Apr-25)



Source (s): PSX, SBP, AHL Research

Figure: Top sector-wise value leaders (Apr-25)



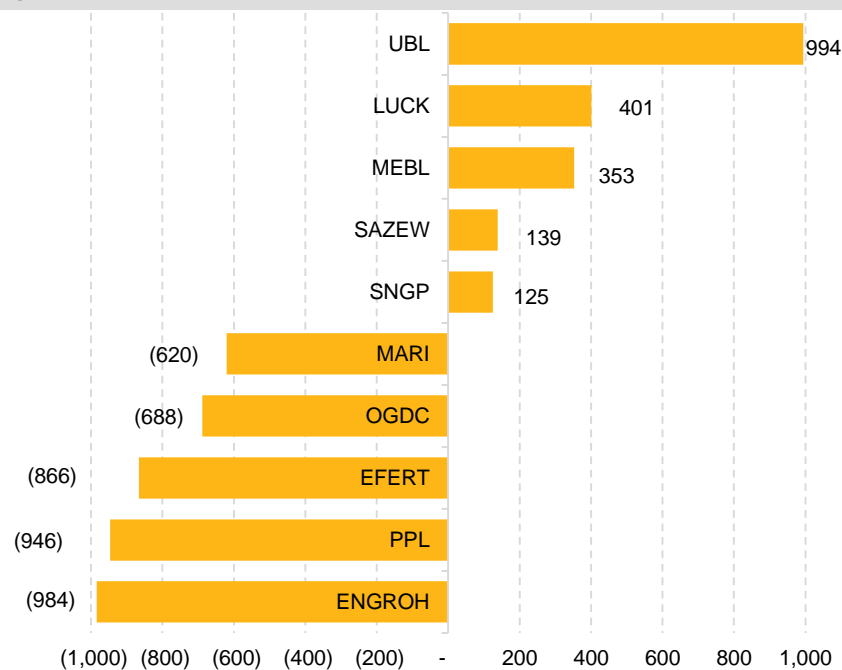
Source (s): PSX, SBP, AHL Research

PSX Performance - April 2025

Index contribution

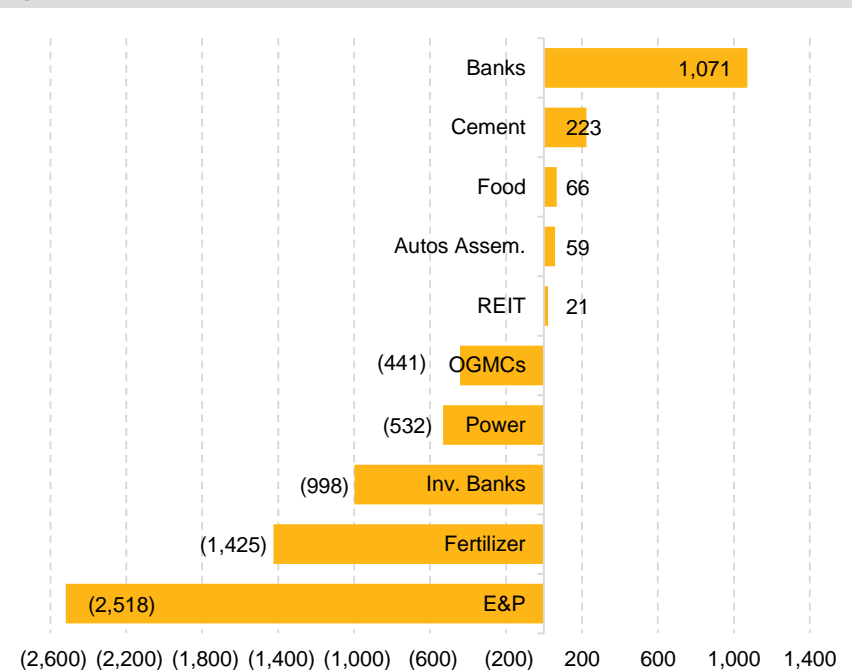
- Sectors contributing positively to the index during Apr'25 include Banks (1,071pts), Cement (223pts), Food (66 pts), Auto Assmeblers (59pts), and REIT (21pts). However, the sectors contributing negatively comprised of E&P's (-2,518pts) followed by Fertilizer (-1,425pts), Investment Banks (-998pts), Power (-532pts) and OGMCs (-441pts).
- Scrip wise positive contributors during the month were UBL (994pts), LUCK (401pts), MEBL (353pts), SAZEW (139pts) and SNGP (125pts). Scrip-wise negative contributors were ENGROH (-984pts), PPL (-946pts), EFERT (-866pts), OGDC (-688pts) and MARI (-620pts).

Figure: Top Scrip-wise index contributors (Apr-25)



Source (s): PSX, AHL Research

Figure: Top sector-wise index contributors (Apr-25)



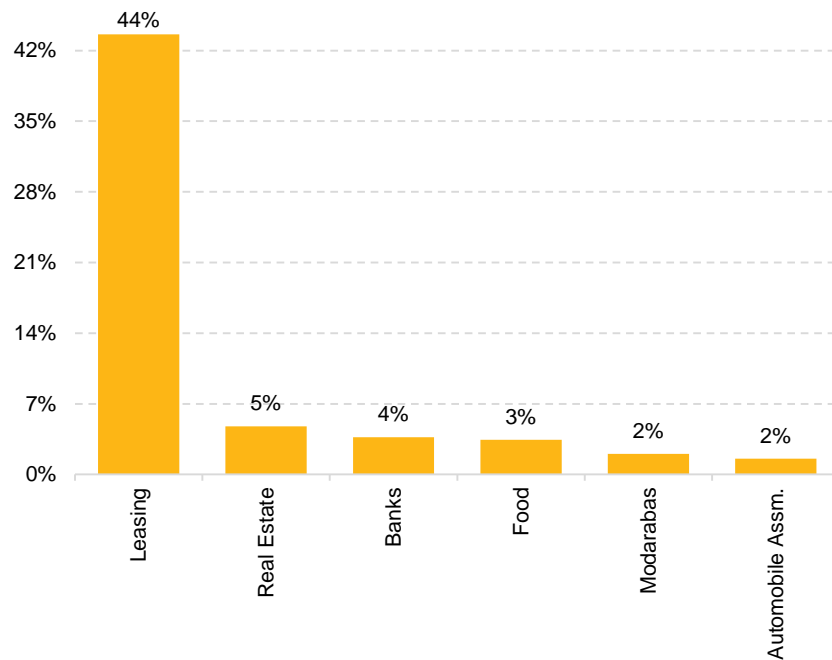
Source (s): PSX, AHL Research

PSX Performance - April 2025

Sector-wise major gainers and losers

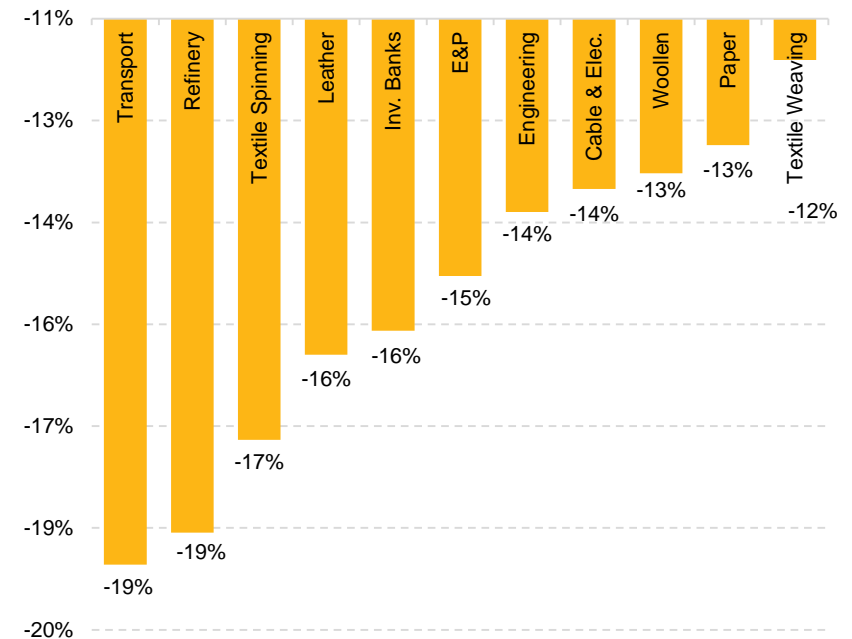
- In terms of sectors, major gainers were Leasing (44%), Real Estate (5%), Banks (4%), Food (3%) and Modarbas (2%) during Apr'25. However, major losers were Transport (-19%), Refinery (-19%), Textile Spinning (-17%), Leather (-16%) and Investment Banks (-16%).

Figure: Sector wise major gainers (KSE100)



Source (s): PSX, AHL Research

Figure: Sector wise major losers (KSE100)



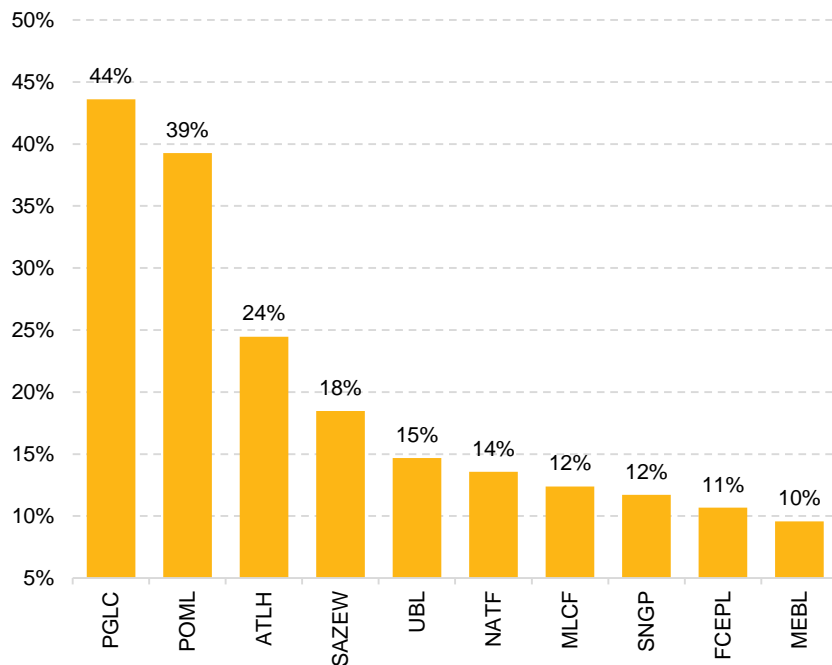
Source (s): PSX, AHL Research

PSX Performance - April 2025

Scrip-wise major gainers and losers

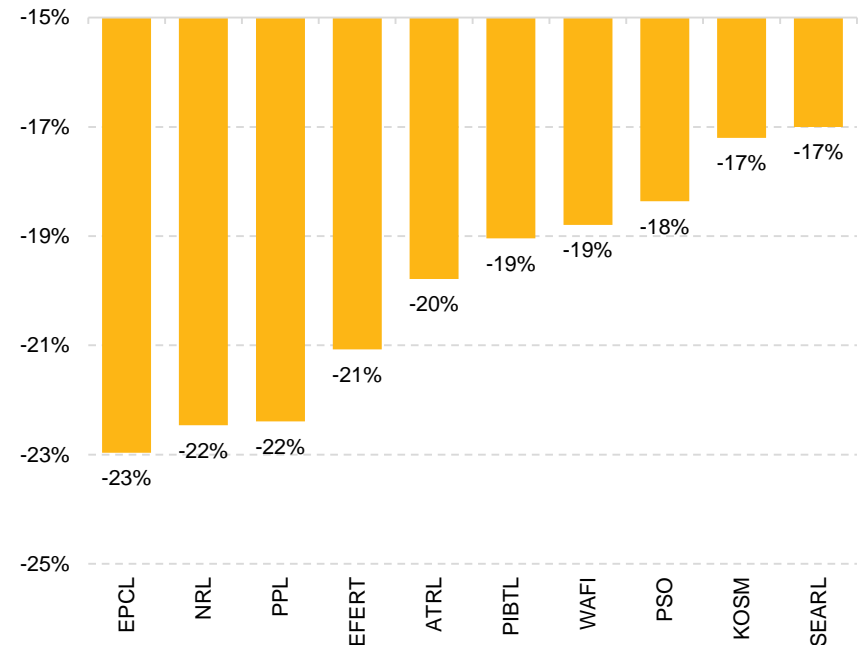
- Scrip-wise major gainers during Apr'25 were witnessed in PGLC, POML, AT LH, SAZEW and UBL posting returns of 44%, 39%, 24%, 18%, and 15%, respectively. Meanwhile, negative returns during the month came from EPCL, NRL, PPL, EFERT and ATRL, each posting returns of -23%, -22%, -22%, -21%, and -20%, respectively.

Figure: Scrip wise major gainers (KSE100)



Source (s): PSX, AHL Research

Figure: Scrip wise major losers (KSE100)



Source (s): PSX, AHL Research

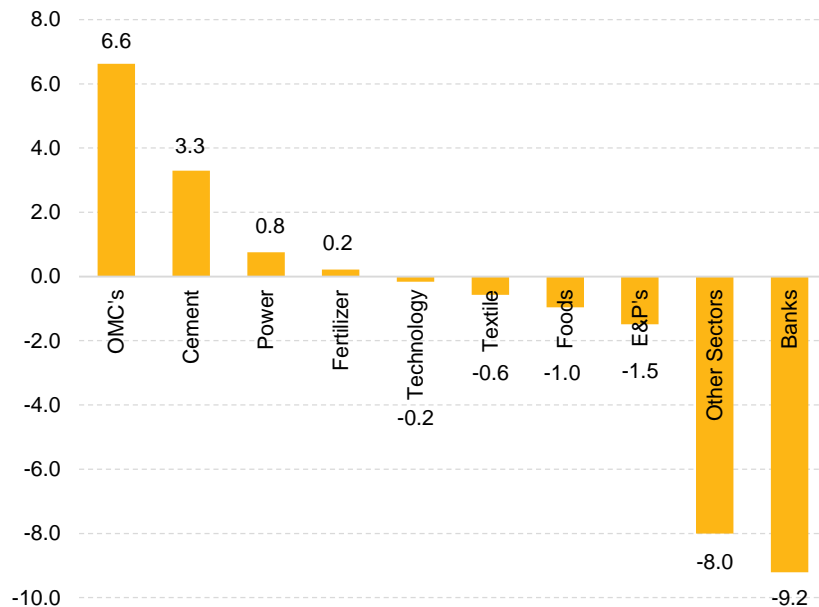
PSX Performance - April 2025

Regional portfolio investment and FIPI

- Hefty foreign selling was witnessed in the Asia-Pacific region during Apr'25, which was led by South Korea (-USD 7.0bn) followed by Indonesia (-USD 1.2bn), Thailand (-USD 0.5bn), Vietnam (-USD 0.5bn) and Malaysia (-USD 0.5bn).
- On the domestic stock exchange, foreign selling activity of USD 9.5mn was reported for the month of Apr'25. The outflows were predominantly in Banks (-USD 9.2mn), Other Sectors (-USD 8.0mn) & E&P's (-USD 1.5mn). Whereas, net buying was observed in OMC's (USD 6.6mn), Cements (USD 3.3mn), Power (USD 0.8mn) and Fertilizer (USD 0.2mn).

Figure: Sector wise FIPI Apr-25

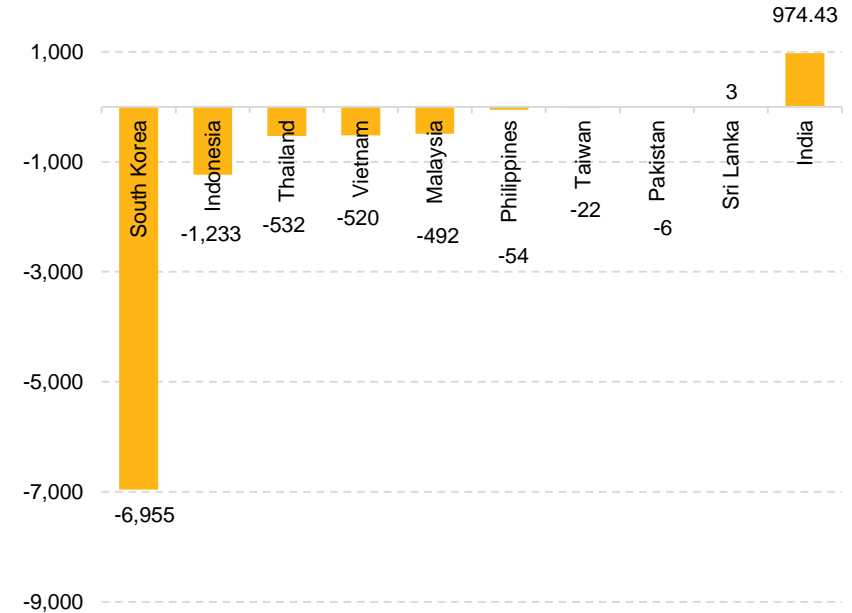
(USD mn)



Source (s): NCCPL, AHL Research

Figure: Regional Portfolio investment during Apr-25

(USD mn)



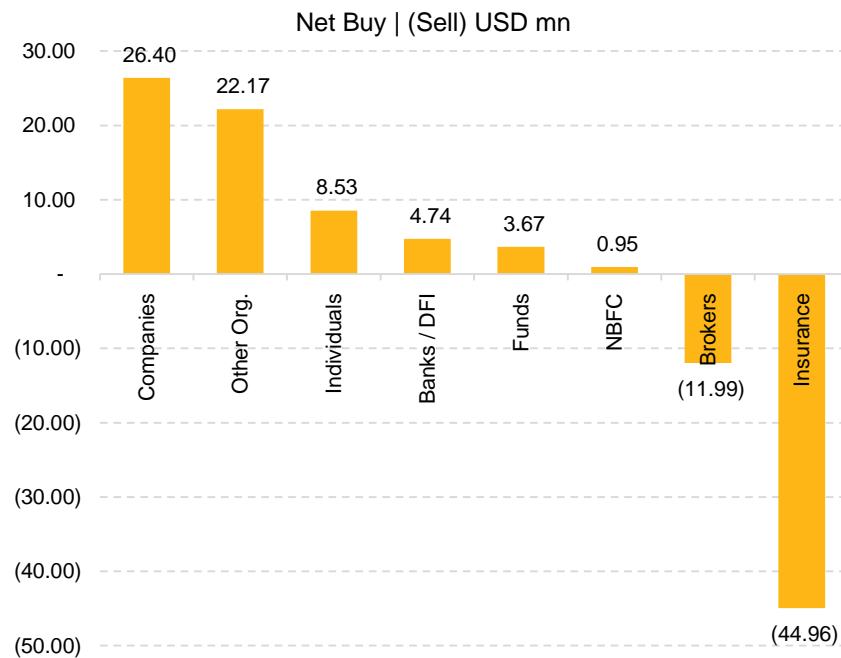
Source (s): NCCPL, Bloomberg, AHL Research

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Portfolio investment (LIPI)

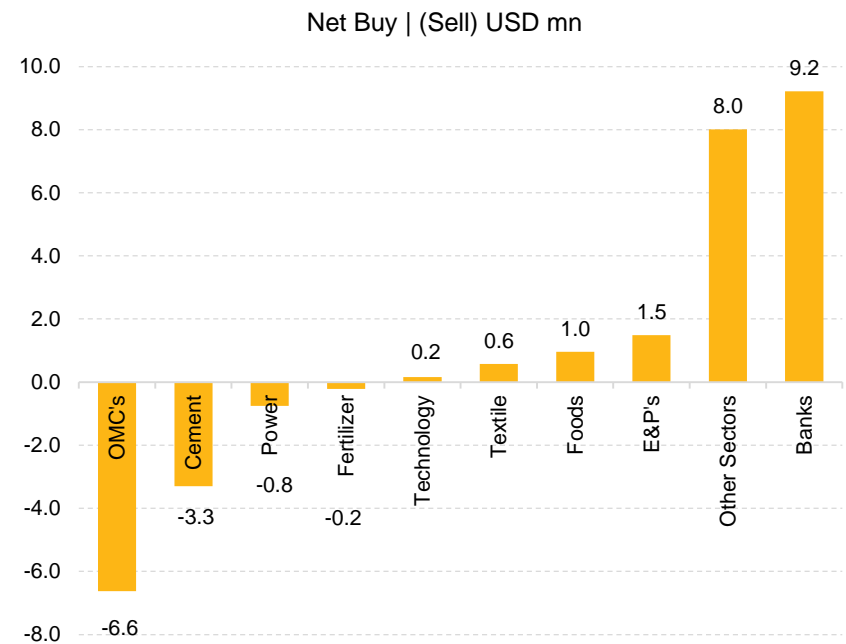
- On the local front, buying was reported by Companies (USD 26.40mn), Other Organization (USD 22.17mn), Individuals (USD 8.53mn), Bank/FDI (USD 4.74mn), Funds (USD 3.67m) and NBFCs (USD 0.95m). Meanwhile, selling was witnessed by Insurance (-USD 44.96mn) and Brokers (-USD 11.99mn), during Apr'25.

Figure: Local Investors Portfolio Investment (Apr-25) (Excluding Debt Markets)



Source (s): NCCPL, AHL Research

Figure: Sector wise LIPI (Apr-25)



Source (s): NCCPL, AHL Research

PSX Performance - April 2025

Outlook & Recommendation

We maintain a cautious outlook for the market in the coming month amid persistent geopolitical uncertainties. Any signs of de-escalation on this front would be a welcome development. That said, some support could emerge from key upcoming events. The IMF Executive Board is set to meet on May 9 to review Pakistan's USD 7bn EFF, along with a request under the RSF. Additionally, expectations of a 50bps cut in the policy rate, bringing it down to 11.5%, may uplift investor sentiment. Market participants will also keep a close watch on the MSCI review scheduled for May 13.

Pakistan's headline inflation for Apr'25 is projected to decline sharply to 0.45% YoY, a historic low across various base years per SBP (Easy Data), down from 0.69% in Mar'25. This is primarily due to a high base effect and easing in food and housing prices. Going forward, if global commodity and energy prices stay stable and the PKR maintains its current strength, the inflation outlook is expected to remain favorable with reduced pressures across key sectors.

The KSE-100 is currently trading at a PER of 6.0x (2025) compared to its 10-year average of 8.0x offering a dividend yield of ~8.9% compared to its 10-year average of ~6.5%. Our preferred stocks are PSO, OGDC, PPL, FFC, HUBC, FCCL, NBP, AKBL, SYS, INDU & AIRLINK.

PSX Performance - April 2025

World Indices Performance

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

Sr#	Index	Country	Index	Return (%)	Sr#	Index	Country	Index	Return (%)
1	GGSECI Index	Ghana	6,181	8.5	38	UKX Index	UK	8,472	0.8
2	MEXBOL Index	Mexico	55,613	7.8	39	NKY Index	Japan	36,045	0.7
3	TUSISE Index	Tunisia	11,256	7.2	40	ATX Index	Austria	4,071	0.6
4	PSI20 Index	Portugal	6,988	6.8	41	JALSH Index	South Africa	91,847	0.4
5	TALSE Index	Estonia	1,957	6.6	42	CAC Index	France	7,600	0.3
6	PCOMP Index	Philippines	6,355	6.3	43	KFX Index	Denmark	1,714	(0.1)
7	VILSE Index	Lithuania	1,163	6.1	44	PFTS Index	Ukraine	505	(0.1)
8	BEL20 Index	Belgium	4,426	5.2	45	EGX30 Index	Egypt	32,126	(0.1)
9	SBITOP Index	Slovenia	2,014	4.8	46	NZSE Index	New Zealand	1,720	(0.2)
10	SENSEX Index	India	80,242	4.8	47	PX Index	Czech Republic	2,018	(0.7)
11	DAX Index	Germany	22,555	4.8	48	MSM30 Index	Oman	4,316	(1.2)
12	CRO Index	Croatia	3,305	4.5	49	FSSTI Index	Singapore	3,833	(1.3)
13	RIGSE Index	Latvia	868	4.2	50	NDX Index	USA	19,545	(1.3)
14	BUX Index	Hungary	92,197	4.1	51	CSEALL Index	Sri Lanka	15,800	(1.6)
15	BET Index	Romania	17,283	4.0	52	LUXXX Index	Luxembourg	1,457	(1.8)
16	JCI Index	Indonesia	6,767	3.7	53	OMX Index	Sweden	2,434	(1.9)
17	DFMGI Index	Dubai	5,307	3.6	54	BHSEASI Index	Bahrain	1,912	(2.0)
18	IBOV Index	Brazil	135,093	3.6	55	KZKAK Index	Kazakhstan	5,631	(2.2)
19	AS51 Index	Australia	8,126	3.5	56	SPX Index	USA	5,561	(2.3)
20	BELEX15 Index	Serbia	1,143	3.4	57	SASEIDX Index	Saudi Arabia	11,678	(2.9)
21	SOFIX Index	Bulgaria	886	3.4	58	SEMDEX Index	Mauritius	2,365	(3.0)
22	IBEX Index	Spain	13,157	3.3	59	NSEASI Index	Kenya	126	(3.7)
23	IPSA Index	Chile	8,059	3.3	60	OBXP Index	Norway	624	(3.7)
24	ISEQ Index	Ireland	10,343	3.3	61	NGSEINDX Index	Nigeria	105,665	(3.8)
25	ASE Index	Greece	1,709	3.2	62	SHSZ300 Index	China	3,771	(4.2)
26	FBMKLCI Index	Malaysia	1,540	3.0	63	INDU Index	USA	40,528	(4.2)
27	HEX Index	Finland	9,983	2.7	64	TWSE Index	Taiwan	20,235	(4.5)
28	DSM Index	Qatar	10,460	2.2	65	JOSMGNFF Index	Jordan	2,493	(5.7)
29	SPTSX Index	Canada	24,874	2.2	66	KSE100 Index	Pakistan	111,327	(5.8)
30	WIG20 Index	Poland	2,752	2.1	67	DSEX Index	Bangladesh	4,918	(5.9)
31	SET Index	Thailand	1,197	2.1	68	HSI Index	Hong Kong	22,119.4	(6.0)
32	ADSMI Index	UAE	9,534	1.5	69	XU100 Index	Turkey	9,140	(6.1)
33	FTSEMIB Index	Italy	37,626	1.4	70	ICEXI Index	Iceland	1,997	(6.9)
34	SX5E Index	Europe	5,171	1.3	71	VNINDEX Index	Vietnam	1,226	(8.8)
35	AEX Index	Netherlands	878	1.1	72	BLOM Index	Lebanon	2,064	(9.6)
36	KOSPI Index	South Korea	2,557	1.1	73	MERVAL Index	Argentina	2,158,848	(17.8)
37	SMI Index	Switzerland	12,140	0.9					

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 2025 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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Arif Habib Limited (AHL) has a shareholding in EFERT, FFC and PSO