

# Market Performance

## Mar'26: KSE:100 index drops 19kpts | -11.5% MoM



31-Mar-2026

REP-300

### AHL Research

D: +92 21 3828 0283

UAN: (021) 382 80 297

E: research@arifhabibltd.com



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



Best Securities House: '23  
 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



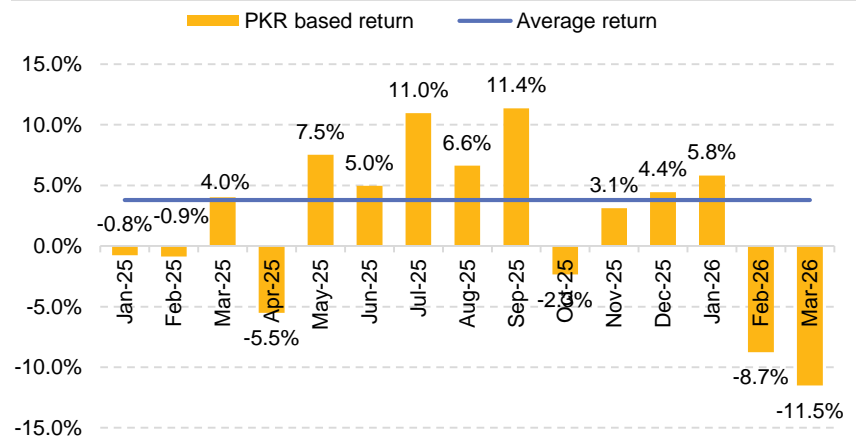
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# PSX Performance – March 2026

## KSE-100 down by 11.5%, closes at 149k

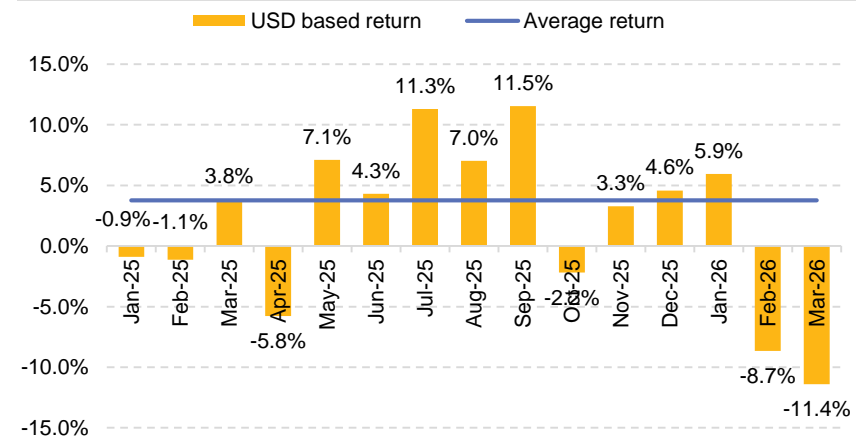
- The KSE-100 Index posted a weak performance in Mar'26, declining by 19,319 points MoM. Investor sentiment remained subdued amid heightened geopolitical tensions, rising global oil prices, persistent domestic selling pressure, and seasonal slowdown during Ramadan.
- In Mar'26, KSE-100 index depicted a negative return of 11.5%, the largest MoM decline since Mar'20 in percentage terms.
- CPI for Feb'26 rose to 7.0% YoY, up from 5.8% in Jan'26, marking the highest level since Oct'24.
- The current account recorded a surplus of USD 427mn in Feb'26, the highest since Mar'25, compared to a deficit of USD 85mn in SPLY and a surplus of USD 68mn in the previous month. On a cumulative basis, 8MFY26 posted a deficit of USD 700mn versus a surplus of USD 479mn last year.
- In Mar'26, SBP kept the policy rate unchanged at 10.5%, adopting a cautious stance amid rising uncertainty from the Middle East conflict and volatile global commodity prices.
- Pakistan reached a staff-level agreement with the IMF on the EFF and RSF reviews, unlocking ~USD 1.21bn (subject to approval). The IMF noted the program remains on track, supported by fiscal discipline and improving macro indicators, while risks from geopolitical tensions and energy prices persist. Authorities reaffirmed commitment to fiscal, structural, and energy sector reforms.
- Petroleum pricing saw an initial upward adjustment in Mar'26, with the government increasing both MS and HSD prices by PKR 55/ltr effective 07-Mar-26, driven by higher ex-refinery prices amid rising global oil prices. Subsequently, despite continued surge in international prices and premiums due to geopolitical tensions, fuel prices were kept unchanged for multiple weeks. This resulted in elevated PDCs (~PKR 96/ltr for MS and ~PKR 204/ltr for HSD), implying a subsidy of ~125bn in PDC claims.

**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 – March 2026

## Sectoral and Economic developments

### Sectoral Development

During Feb'26, power generation increased by 11% YoY to 7,696 GWh, taking 8MFY26 generation to 84,192 GWh (+3% YoY). Generation cost rose 8% YoY to PKR 8.15/kWh due to a lower hydel/nuclear mix and higher imported coal reliance. OMC in Feb'26 sales increased 13% YoY to 1.28mn tons, driven by MS and HSD demand, though declining 15% MoM due to Ramadan and fewer days. 8MFY26 offtake rose 4% YoY to 10.96mn tons, while refinery upliftment increased 29% YoY (8MFY26: +12.5% YoY to 7.1mn tons). Urea offtake declined 28% YoY to 251k tons, remaining weak. For 2MCY26, cumulative sales fell 41% YoY to 468k tons, the lowest on record. Cement dispatches increased 12.5% YoY to 4.19mn tons, with 8MFY26 volumes at 34.79mn tons (+10.9% YoY). Automobile sales declined 26% MoM to 17.1k units due to Ramadan and normalization post-Jan, though remaining up 42% YoY. 8MFY26 sales increased 43% YoY to 128.5k units.

### Economic Development

- In Feb'26, the FBR collected PKR 944bn in taxes, marking an 11% YoY increase, though falling short of the target by PKR 85bn. Cumulatively, tax collection reached PKR 8,120bn in 8MFY26, remaining PKR 430bn below the target of PKR 8,550bn.
- CPI for Feb'26 clocked-in at 7.0% YoY (highest since Oct'24), compared to 5.8% in Jan'26.
- A current account surplus of USD 427mn was recorded in Feb'26, the highest since Mar'25, compared to a deficit of USD 85mn in Feb'25 and a surplus of USD 68mn in Jan'26. For 8MFY26, the country posted a current account deficit of USD 700mn, compared to a surplus of USD 479mn in SPLY.
- Remittances increased by 5% YoY to USD 3.3bn in Feb'26, though declining 5% MoM. Cumulatively, 8MFY26 remittances rose by 10% YoY to USD 26.5bn.
- The country witnessed a net FDI inflow of USD 214mn in Feb'26, compared to a net outflow of USD 173mn in Jan'26. For 8MFY26, net FDI inflow declined by 33% YoY to USD 1,195mn, compared to USD 1,793mn in SPLY.
- Real Effective Exchange Rate (REER) clocked in at 102.54 in Feb'26, down 0.7% MoM.
- LSMI output grew by 10.5% YoY in Jan'26, with a 12.1% MoM increase. On a cumulative basis, 7MFY26 LSMI rose by 5.8% YoY.
- Central government debt increased by 1.0% MoM to PKR 79.3trn in Jan'26 (+10.0% YoY), compared to PKR 72.1trn in Jan'25.

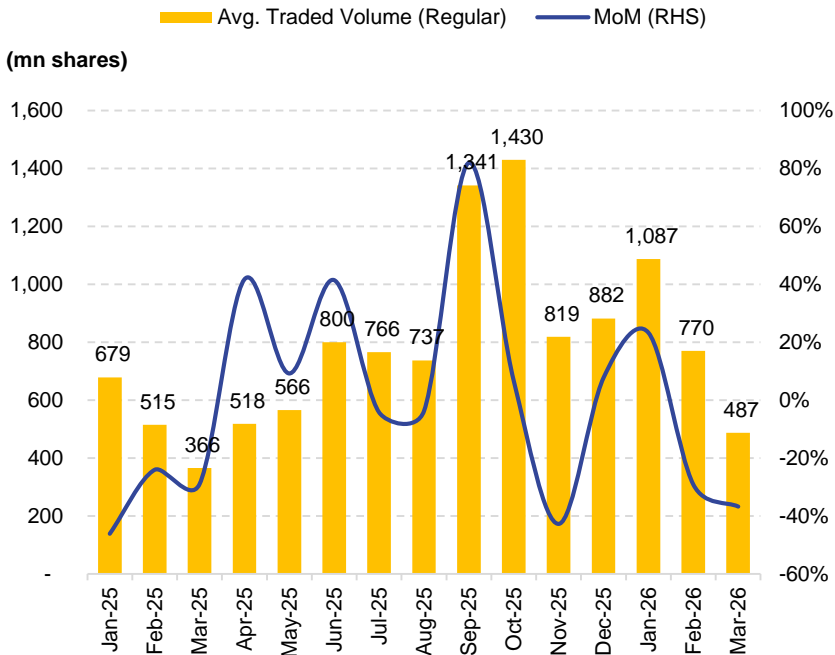
# PSX Performance – March 2026

## Historical volume and value

### Increase in traded volume during Mar'26

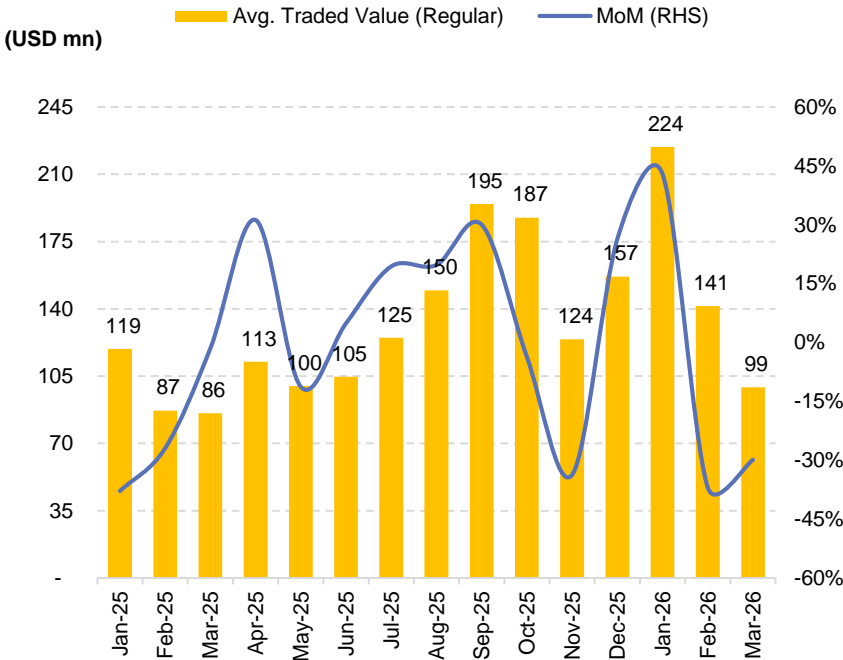
- During Mar'26, the average traded volume declined by 37% to 487mn shares, with the average traded value declining significantly by 30% to USD 99.1mn.

Figure: PSX historic average traded volume



Source (s): PSX, AHL Research

Figure: PSX historic average traded value



Source (s): PSX, SBP, AHL Research

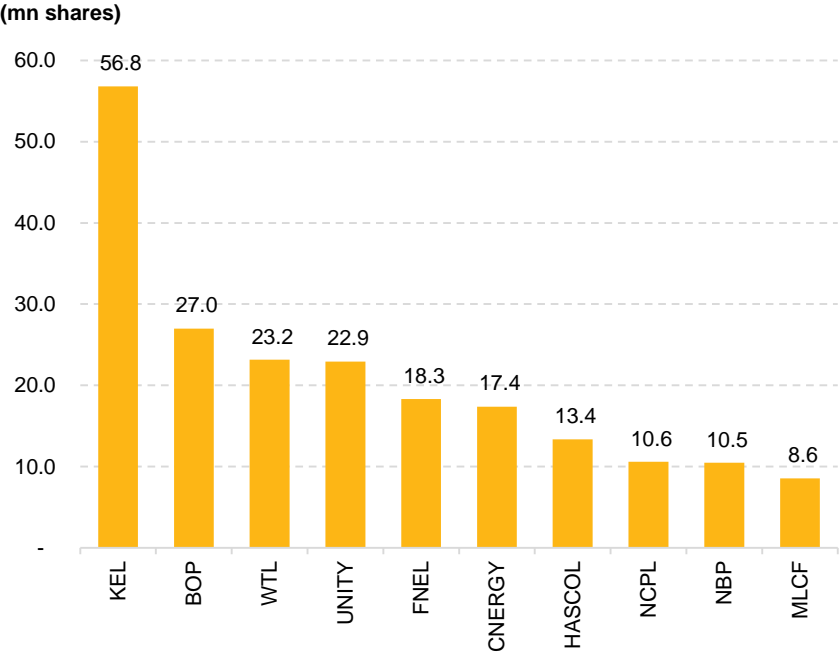
# PSX Performance – March 2026

## Company & sector wise volume leaders

### Volume leaders during Mar'26

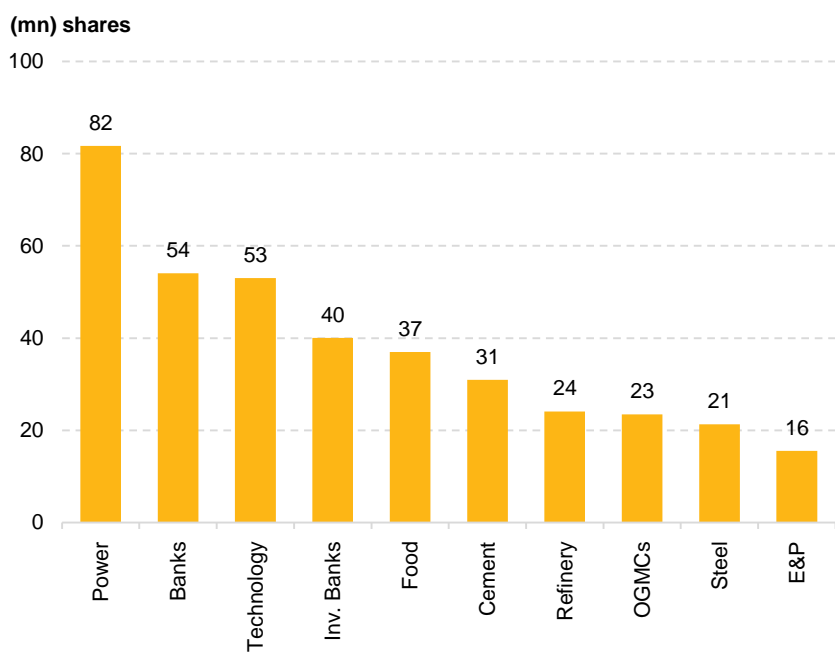
- Sectors that contributed the most activity during the month were Power, Banks, Technology, Investment Banks and Food, reporting average volumes of 82mn, 54mn, 53mn, 40mn and 37mn respectively.
- Whereas on a scrip-wise basis, volumes were led by KEL (56.8mn), BOP (27.0mn), WTL (23.2mn), UNITY (22.9mn), and FNEL (18.3mn).

Figure: Top Scrip-wise volume leaders (Mar-26)



Source (s): PSX, AHL Research

Figure: Top sector-wise volume leaders (Mar-26)



Source (s): PSX, AHL Research

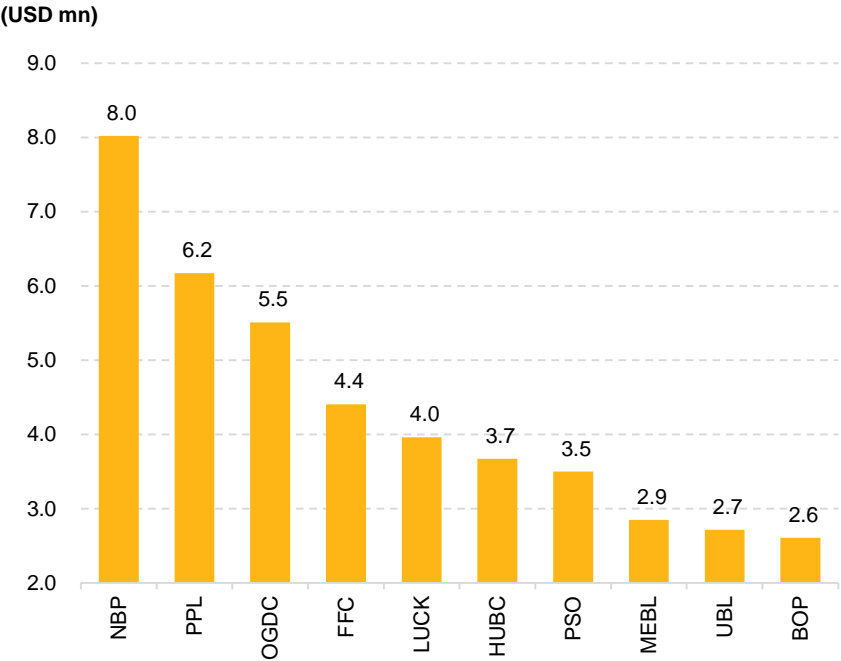
# PSX Performance – March 2026

## Company & sector wise value leaders

### Value leaders during Mar'26

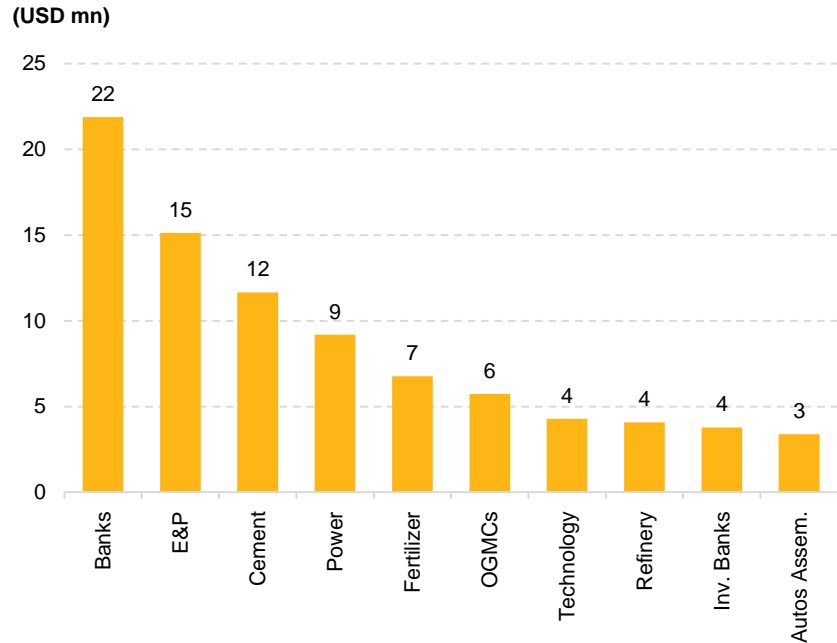
- On a sector-wise basis, the highest activity in terms of value was observed in Banks (USD 22mn), followed by E&Ps (USD 15mn), Cement (USD 12mn), Power (USD 9mn) and Fertilizer (USD 7mn).
- Meanwhile, on a scrip-wise basis, the highest trading values were dominated by NBP (USD 8.0mn), PPL (USD 6.2mn), OGDC (USD 5.5mn), FFC (USD 4.4mn) and LUCK (USD 4.0mn).

Figure: Top scrip-wise value leaders (Mar-26)



Source (s): PSX, SBP, AHL Research

Figure: Top sector-wise value leaders (Mar-26)



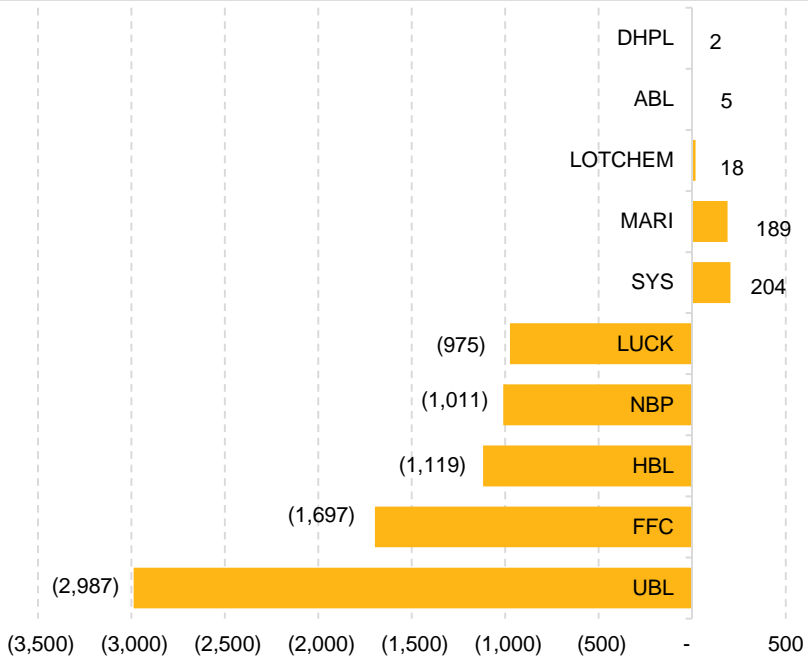
Source (s): PSX, SBP, AHL Research

# PSX Performance – March 2026

## Index contribution

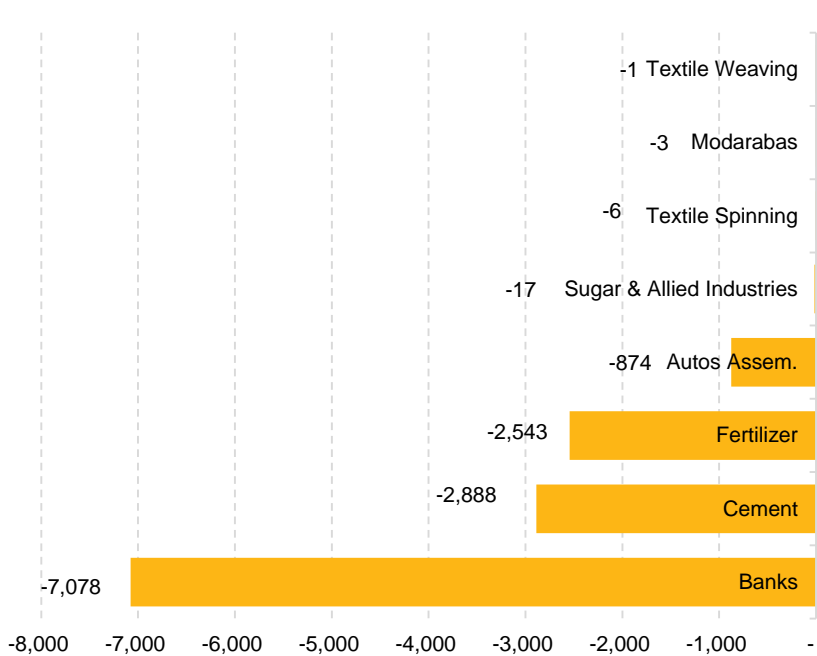
- Sectors contributing negatively to the index during Mar'26 include Banks (-7,078pts), Cement (-2,888pts), Fertilizer (-2,543pts) and Auto Assemblers (-874pts).
- Scrip wise negative contributors during the month were UBL (-2,987pts), FFC (-1,697pts), HBL (-1,119pts), NBP (-1,011pts), and LUCK (-975pts). Scrip-wise positive contributors were SYS (204pts), MARI (189pts), LOTCHEM (18pts), ABL (5pts) and DHPL (2pts).

**Figure: Top Scrip-wise index contributors (Mar-26)**



Source (s): PSX, AHL Research

**Figure: Top sector-wise index contributors (Mar-26)**

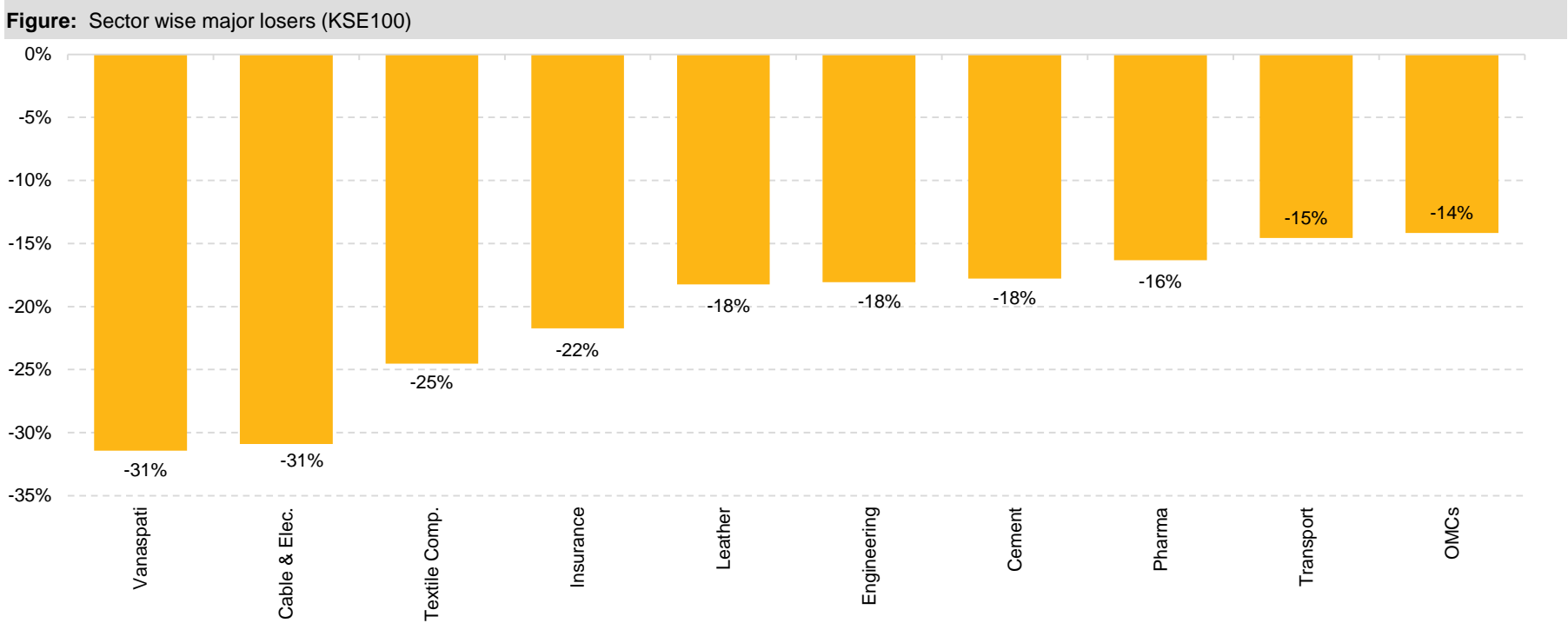


Source (s): PSX, AHL Research

# PSX Performance – March 2026

## Sector-wise major gainers and losers

- In terms of sectors, major losers were Vanaspati (-31%), Cable & Electrical (-31%), Textile Composite (-25%), Insurance (-22%) & Leather (-18%) during Mar'26.



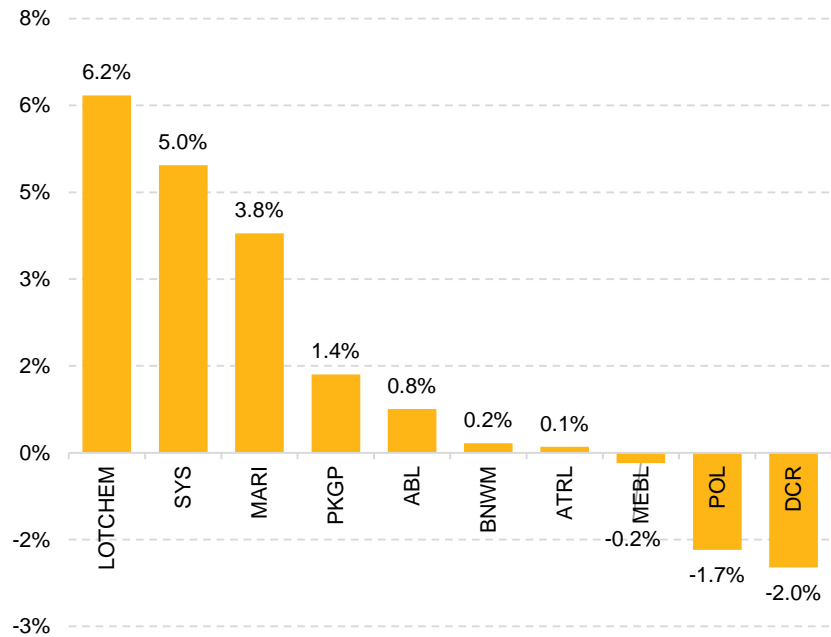
Source (s): PSX, AHL Research

# PSX Performance – March 2026

## Scrip-wise major gainers and losers

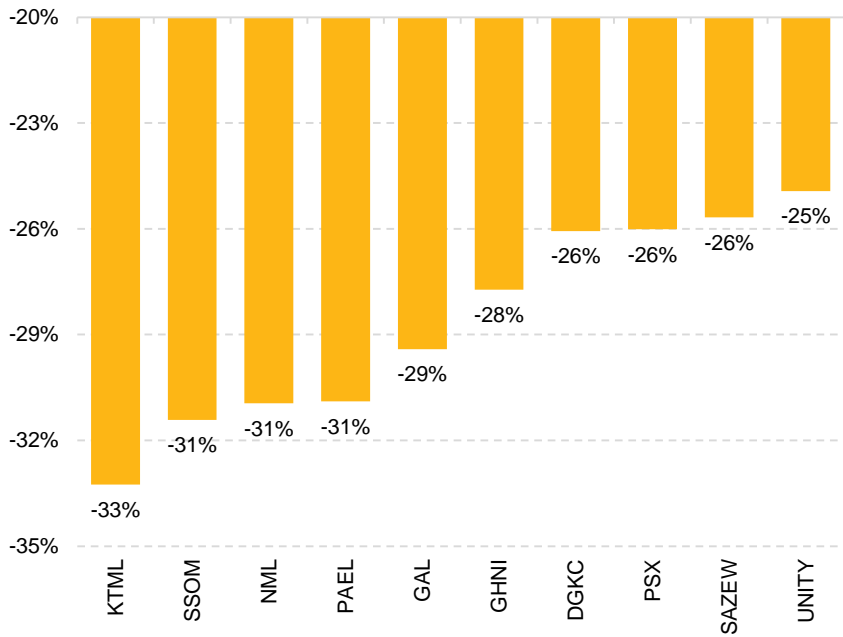
- Scrip-wise major losers during Mar'26 were KTML, SSOM, NML, PAEL, and GAL, posting losses of 33%, 31%, 31%, 31%, and 29%, respectively. Meanwhile, major gainers during the month were LOTCHEM, SYS, MARI, PKGP, and ABL, each posting returns of 6.2%, 5.0%, 3.8%, 1.4%, and 0.8%, respectively.

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



Source (s): PSX, AHL Research

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



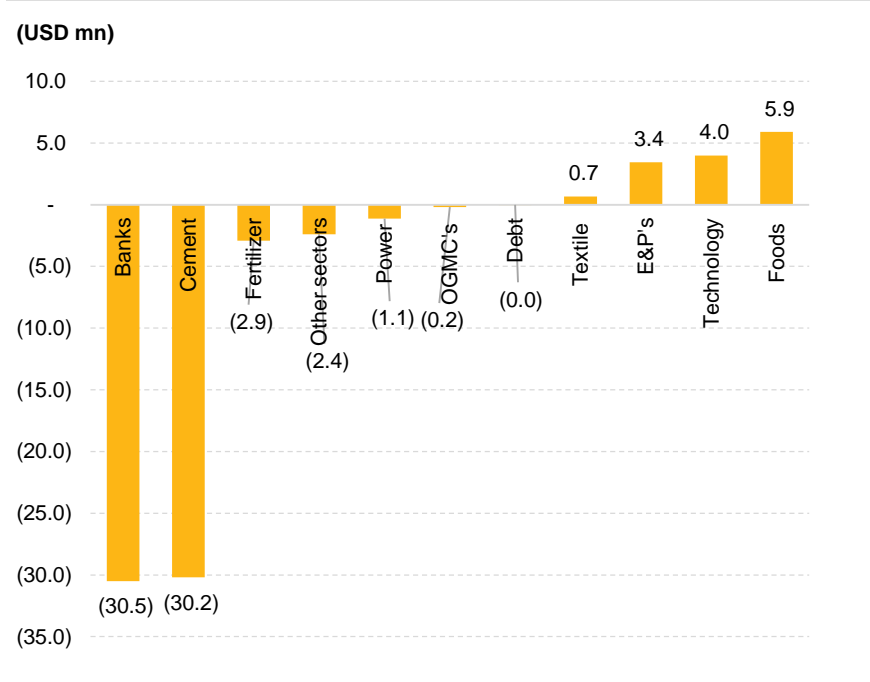
Source (s): PSX, AHL Research

# PSX Performance – March 2026

## Regional portfolio investment and FIPI

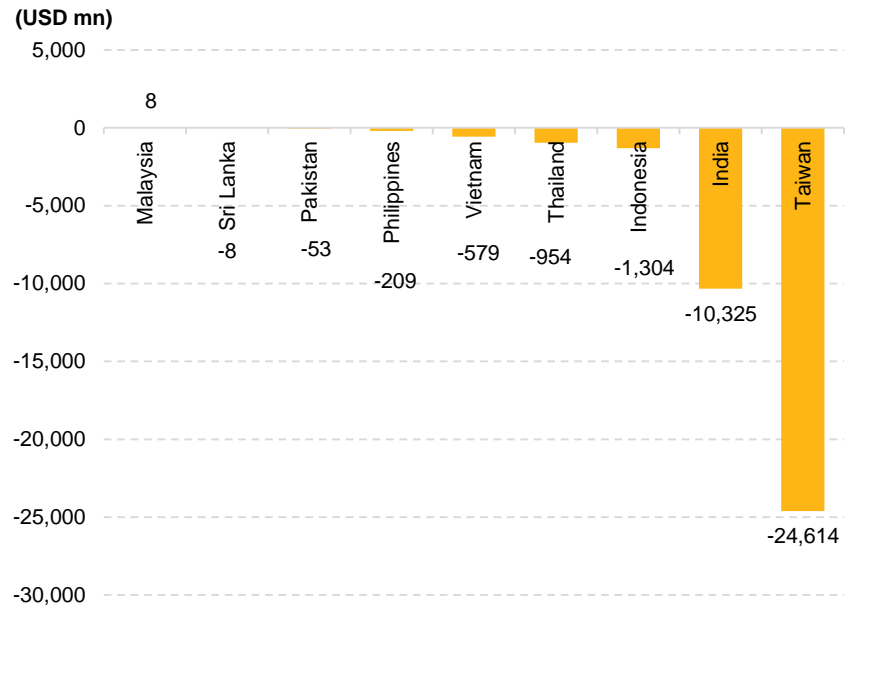
- Foreign selling was witnessed in the Asia-pacific region during Mar'26, which was led by Taiwan (USD 24,614mn), followed by India (USD 10,325mn), and Indonesia (USD 1,304mn).
- On the domestic stock exchange, foreign selling activity of USD 53mn was reported for the month of Mar'26. The outflows were predominantly in Banks (-USD 30.5mn), Cement (-USD 30.2mn) & Fertilizers (-USD 2.9mn).

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



Source (s): NCCPL, AHL Research

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



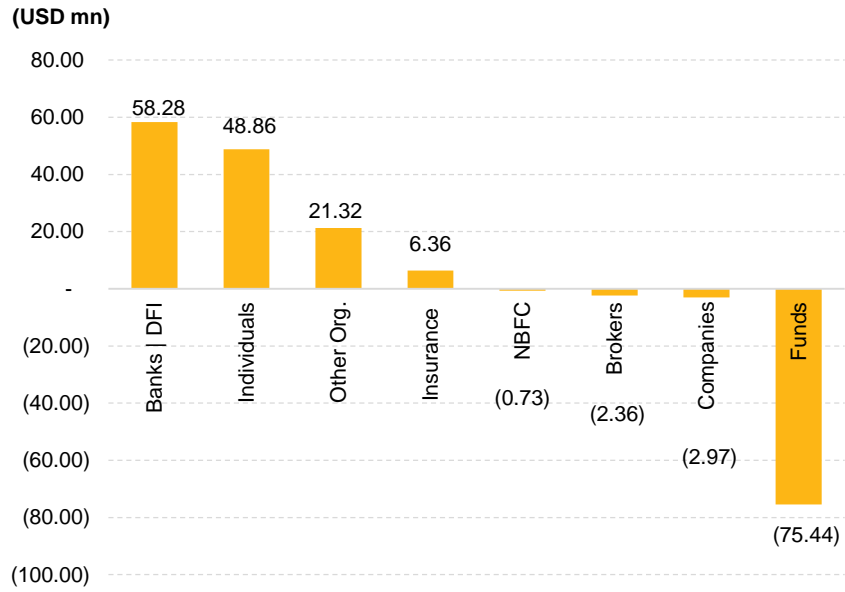
Source (s): NCCPL, Bloomberg, AHL Research

# PSX Performance – March 2026

## Portfolio investment (LIPI)

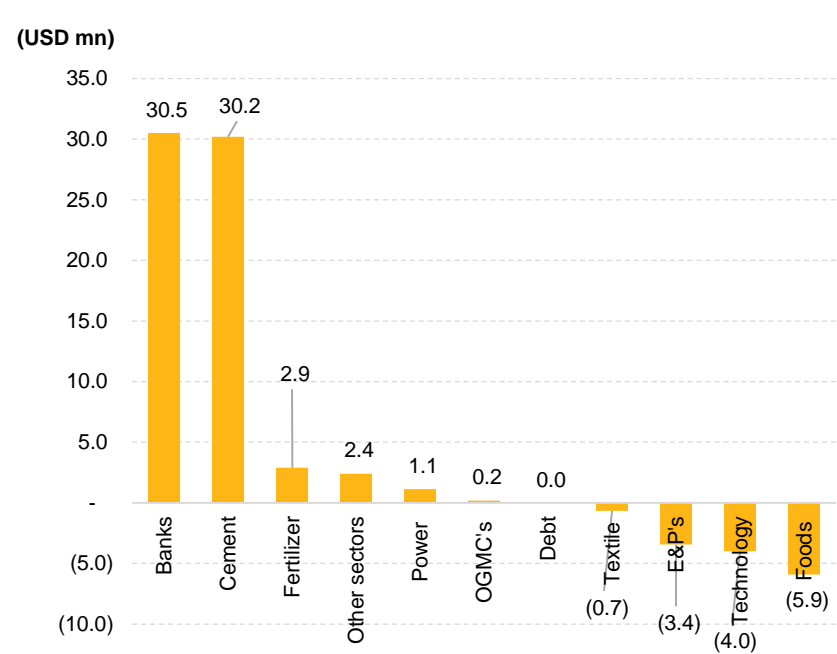
- On the local front, buying was reported by Banks & DFIs (USD 58.3mn), Individuals (USD 48.9mn), Other Organizations (USD 21.3mn), and Insurance (USD 6.4mn). Meanwhile, selling was witnessed by Funds (USD -75mn), Companies (USD 3mn), Brokers (2.4mn) and NBFC (USD -0.7m) in Mar'26.

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



Source (s): NCCPL, AHL Research

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



Source (s): NCCPL, AHL Research

# PSX Performance – March 2026

## Outlook & Recommendation

Looking ahead to Apr'26, the performance of the KSE-100 Index is expected to remain closely tied to developments on the geopolitical front. Any improvement in the geopolitical environment could help drive a near-term recovery in the market. With the upcoming results season, investor focus is likely to shift back toward corporate fundamentals. Moreover, approval of the recently agreed IMF tranche of ~USD 1.2bn by the Executive Board would provide additional support to market sentiment.

Headline inflation for Mar'26 is expected to come in at 7.6% YoY, compared to 7.0% YoY in Feb'26, and 0.7% in Mar'25. For 9MFY26, average headline inflation is projected to settle around 5.7%, compared to 5.4% in SPLY. Core inflation (NFNE) for Mar'26 is projected at 8.3% YoY, showing a moderation from 9.2% YoY in Mar'25.

The KSE-100 Index is currently trading at a PER of 7.3x offering a dividend yield of ~6.9%. Our top picks include NBP, OGDC, PPL, FFC, LUCK, HUBC, PSO and ATRL.

# PSX Performance – March 2026

## World Indices Performance

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

Sr#	Index	Country	Index	Return (%)	Sr#	Index	Country	Index	Return (%)
1	Oman	MSM30 Index	8,168	10.5	37	Bahrain	BHSEASI Index	1,899	(9.0)
2	Argentina	MERVAL Index	2,865,754	8.8	38	Hungary	BUX Index	121,487	(9.0)
3	Norway	OBXP Index	862	7.6	39	Austria	ATX Index	5,309	(9.7)
4	Saudi Arabia	SASEIDX Index	11,266	5.1	40	Bulgaria	SOFIX Index	1,213	(9.7)
5	Kazakhstan	KZKAK Index	7,736	4.9	41	Italy	FTSEMIB Index	43,945	(9.7)
6	Nigeria	NGSEINDX Index	200,386	2.1	42	Belgium	BEL20 Index	5,057	(9.9)
7	Jordan	JOSMGNFF Index	3,641	1.2	43	Czech Republic	PX Index	2,493	(9.9)
8	Ghana	GGSECI Index	13,263	0.5	44	Spain	IBEX Index	17,043	(10.0)
9	Ukraine	PFTS Index	463	(1.5)	45	Chile	IPSA Index	10,418	(10.2)
10	Tunisia	TUSISE Index	15,390	(1.5)	46	Kenya	NSEASI Index	195	(10.3)
11	Mongolia	MSETOP Index	52,126	(2.4)	47	Thailand	SET Index	1,448	(10.7)
12	Serbia	BELEX15 Index	1,227	(3.3)	48	Mexico	MEXBOL Index	67,088	(10.7)
13	Estonia	TALSE Index	2,056	(3.5)	49	Slovenia	SBITOP Index	2,749	(10.9)
14	Lebanon	BLOM Index	1,782	(3.6)	50	Ireland	ISEQ Index	12,038	(11.1)
15	Romania	BET Index	27,820	(4.1)	51	Australia	AS51 Index	8,482	(11.2)
16	Singapore	FSSTI Index	4,885	(4.2)	52	New Zealand	NZSE Index	1,815	(11.3)
17	Portugal	PSI20 Index	9,127	(4.6)	53	Vietnam	VNIndex Index	1,674	(11.9)
18	Latvia	RIGSE Index	880	(5.3)	54	France	CAC Index	7,789	(12.0)
19	Malaysia	FBMKLCI Index	1,690	(5.3)	55	Europe	SX5E Index	5,551	(12.3)
20	Lithuania	VILSE Index	1,347	(5.7)	56	<b>Pakistan</b>	<b>KSE100 Index</b>	<b>148,743</b>	<b>(11.4)</b>
21	Mauritius	SEMDEX Index	2,214	(6.1)	57	Switzerland	SMI Index	12,753	(12.7)
22	China	SHSZ300 Index	4,450	(6.2)	58	Taiwan	TWSE Index	31,723	(12.7)
23	Hong Kong	HSI Index	24,788	(7.1)	59	Iceland	ICEXI Index	1,993	(12.8)
24	Finland	HEX Index	12,510	(7.5)	60	Sri Lanka	CSEALL Index	21,066	(12.9)
25	USA	INDU Index	45,216	(7.7)	61	Germany	DAX Index	22,639	(13.2)
26	USA	SPX Index	6,344	(7.8)	62	Greece	ASE Index	2,032	(13.5)
27	Croatia	CRO Index	3,822	(7.8)	63	Philippines	PCOMP Index	5,949	(14.5)
28	Poland	WIG20 Index	3,324	(7.9)	64	India	SENSEX Index	71,948	(14.6)
29	Qatar	DSM Index	10,188	(7.9)	65	Sweden	OMX Index	2,916	(14.7)
30	USA	NDX Index	22,953	(8.0)	66	Japan	NKY Index	51,064	(15.2)
31	Bangladesh	DSEX Index	5,178	(8.1)	67	Indonesia	JCI Index	7,048	(15.5)
32	UK	UKX Index	10,169	(8.6)	68	Dubai	DFMGI Index	5,447	(16.3)
33	Turkey	XU100 Index	12,651	(8.9)	69	South Africa	JALSH Index	113,157	(18.4)
34	Uae	ADSMI Index	9,519	(8.9)	70	Egypt	EGX30 Index	45,515	(18.8)
35	Netherland	AEX Index	964	(9.0)	71	South Korea	KOSPI Index	5,052	(23.9)
36	Canada	SPTSX Index	31,935	(9.0)					

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)

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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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