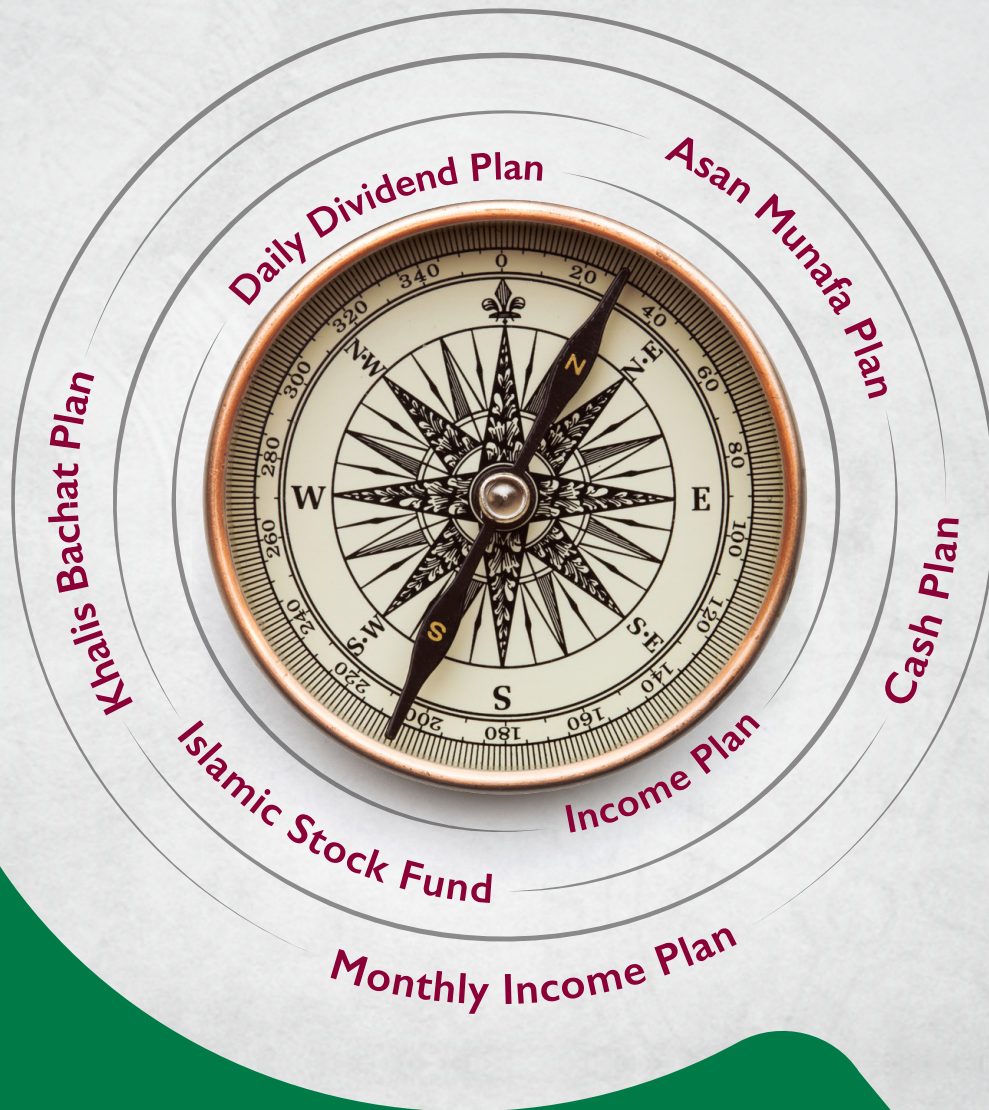




PAK-QATAR
ASSET MANAGEMENT



INVESTOR'S OUTLOOK

November 15, 2024

Pak-Qatar Asset Management Company Limited

Keynote November 15, 2024

Market Summary

	15-Nov-24	MTD	30days	90days	FYTD	CYTD
KSE100	94,764	10.40%	9.9%	21.4%	20.8%	51.7%
KMI30	144,543	11.74%	10.7%	15.7%	14.3%	38.0%
KMIALL	41,802	11.91%	10.9%	19.1%	19.9%	36.4%

Global Markets

	15-Nov-24	MTD	30days	90days	FYTD	CYTD
UK	8,064	2.3%	3.3%	3.1%	1.2%	-4.1%
USA	18,680	-2.0%	-1.7%	-5.6%	-4.3%	-19.6%
China	3,331	-3.9%	-3.8%	-13.5%	-10.9%	-10.7%
Japan	38,643	3.3%	1.4%	-1.5%	-9.8%	-13.4%
India	77,580	5.5%	5.1%	3.7%	1.9%	-6.9%

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	(11)	(36)	(137)	18	34	37
LIPI (net)	11	36	137	(18)	(34)	(37)
Ind.	8	(10)	3	(38)	(38)	(3)
Banks/DFIs	(5)	(25)	(41)	(119)	(184)	(161)
Companies	(11)	(8)	23	(16)	42	119
M.Funds	14	53	144	117	73	(8)
Brokers	2	2	(3)	(15)	(26)	(34)
Others	(0)	11	15	(13)	(21)	(12)
Ins.	3	12	(4)	66	122	61
NBFC	(0)	(0)	(1)	(1)	(1)	1

Key Economic Figures

		FY21	FY22	FY23	FY24	15-Nov
Policy Rate	15-Nov-24	7.0%	13.8%	22.0%	20.5%	15.0%
1yr KIBOR	15-Nov-24	8.1%	15.7%	23.3%	19.2%	13.5%
Inflation	Oct End	9.8%	21.3%	29.4%	12.6%	6.2%
PKR USD*	15-Nov-24	157.3	204.8	286.0	279.0	277.7

Key Economic Figures

		FY21	FY22	FY23	FY24	FY25-TD
Imports	USD'mn	56,380	72,048	51,979	48,402	18,832
Exports	USD'mn	25,304	32,450	27,903	28,678	10,508
Trade Deficit	USD'mn	(31,076)	(39,598)	(24,076)	(19,724)	(8,324)
Remittances	USD'mn	29,370	31,238	27,028	27,093	11,848
FX Reserves	USD'mn	24,398	15,742	9,181	14,207	15,966

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	13.14	(48)	(47)	(391)	(689)	(782)
PKRV 3Y	12.38	(12)	(17)	(322)	(410)	(431)
PKRV 5Y	12.32	(17)	(19)	(261)	(304)	(338)
PKRV 10Y	12.15	3	3	(185)	(198)	(276)
PKRV 20Y	11.96	3	4	(188)	(204)	(279)

*Inter Bank Rate

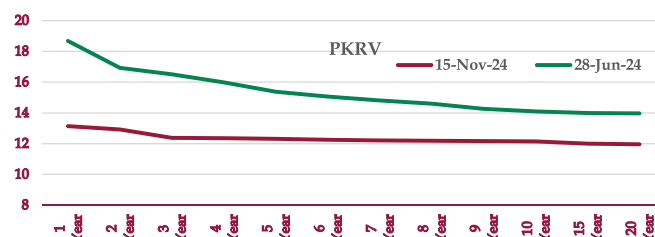
KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Market Cap (PKR'Bn)	Change (%) in Market Cap.
COMMERCIAL BANKS	18	706	694	1.76
FERTILIZER	8	451	443	1.80
OIL & GAS EXPLORATION COMPANII	16	413	378	9.33
CEMENT	5	240	218	9.94
CHEMICAL	3	51	47	9.09
OIL & GAS MARKETING COMPANIES	2	98	87	13.28
PHARMACEUTICALS	3	94	81	15.94

Commentary

Economic Review The recent IMF delegation, headed by Nathan Porter, successfully concluded its visit to Pakistan by mentioning several Key Points (i) IMF urged Pakistan to reduce state intervention in the economy and foster competition to enable private sector growth. (ii) Structural energy reforms are critical to restoring the energy sector's viability and ensuring sustainable growth (iii) Discussions centered on reducing vulnerabilities, implementing prudent fiscal and monetary policies, and mobilizing revenue from untapped tax bases (iv) Urged Pakistan to meet the tax collection target of Rs12,970 billion for the current fiscal year, initiating agricultural income tax collection from January 2025. (v) Strengthening the Finance Division's capacity to improve macro-fiscal forecasting for better budget preparation. IMF stated that strong program implementation could create a more prosperous and inclusive Pakistan, by improving living standards. On a promising note, Pakistan's external account is showing encouraging signs. PKR: USD has stabilized, with the Current Account achieving a surplus of US \$349 million in October 2024, marking a significant turnaround from the US \$287 million deficit in October 2023. Pakistan received over US\$ 3 billion in home remittances during October 2024, marking the highest monthly inflow in the ongoing fiscal year. Total remittances for FY25 have reached US \$11,848.3 million so far. The stronger inflows will support Pakistan in stabilizing the PKR and managing the current account deficit. Pakistan's total liquid foreign exchange reserves have reached US\$ 15,965.5 million, with the SBP reserves at US\$11,258.6 million and commercial banks' reserves at US\$ 4,706.9 million. While, the Secondary market yield is currently trading below the established policy rate of 15%, which has significantly affected short-term interest rates, causing them to remain below the set policy rate. Lower interest rates could stimulate the economy by encouraging borrowing and spending. This favorable lending environment may be leveraged by consumers and businesses, potentially driving economic growth.

Stock Market Review During the fortnightly basis the KSE 100 recorded a positive return of 10.40 % and the KMI 30 showed positive returns, marking a 11.47% increase. Notably, the Cement, Pharmaceuticals, Fertilizers and Oil & Gas Exploration Companies, Oil and Gas Marketing Companies have experienced positive sentiments. The Central Bank maintained a steady policy rate, prompting participants to adopt a cautious approach, anticipating the peak of the interest rate cycle. This stability helped maintain positive investor confidence, leading some investors to take long positions in the equity market. Meanwhile, local investors recorded an outflow of ~USD 9 million. Looking ahead, we expect index to consolidate around these levels.



15-Nov-24

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PAK-QATAR

ASSET MANAGEMENT



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