



PAK-QATAR
ASSET MANAGEMENT



INVESTOR'S OUTLOOK

March 28, 2025

Pak-Qatar Asset Management Company Limited

Keynote March 28, 2025

Market Summary

	28-Mar-25	MTD	30days	90days	FYTD	CYTD
KSE100	117,807	4.02%	3.5%	5.8%	49.5%	2.3%
KMI30	183,106	8.06%	7.2%	6.9%	44.5%	2.5%
KMIAll	51,538	6.56%	6.0%	5.4%	47.8%	2.0%

Global Markets

	28-Mar-25	MTD	30days	90days	FYTD	CYTD
UK	8,659	1.7%	0.8%	-5.9%	-5.7%	-5.6%
USA	17,323	8.8%	10.1%	13.8%	4.1%	11.5%
China	3,351	-0.9%	0.9%	1.5%	-10.6%	0.0%
Japan	37,120	0.1%	3.1%	8.5%	6.8%	7.5%
India	77,415	-5.4%	-3.6%	1.7%	2.7%	0.9%

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	4	(16)	(54)	(176)	(242)	(55)
LIPI (net)	(4)	16	54	176	242	55
Ind.	9	(7)	13	(6)	38	11
Banks/DFIs	(6)	328	298	250	281	301
Companies	(6)	(1)	25	57	54	28
M.Funds	8	(292)	(287)	(109)	(116)	(299)
Brokers	(2)	(3)	(11)	(8)	(15)	(10)
Others	3	3	0	(25)	(8)	9
Ins.	(11)	(12)	14	17	8	13
NBFC	(0)	0	1	(0)	1	1

Key Economic Figures

		FY21	FY22	FY23	FY24	28-Mar
Policy Rate	28-Mar-25	7.0%	13.8%	22.0%	20.5%	12.0%
1yr KIBOR	28-Mar-25	8.1%	15.7%	23.3%	19.2%	12.3%
Inflation	March End	9.8%	21.3%	29.4%	12.6%	0.7%
PKR USD*	28-Mar-25	157.3	204.8	286.0	279.0	280.56

Key Economic Figures

		FY21	FY22	FY23	FY24	FY25-TD
Imports	USD'mn	56,380	72,048	51,979	48,402	38,325
Exports	USD'mn	25,304	32,450	27,903	28,678	21,820
Trade Deficit	USD'mn	(31,076)	(39,598)	(24,076)	(19,724)	(16,505)
Remittances	USD'mn	29,370	31,238	27,028	27,093	23,969
FX Reserves	USD'mn	24,398	15,742	9,181	14,207	15,580

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	11.98	37	35	(15)	(173)	(876)
PKRV 3Y	11.97	18	18	(48)	(41)	(472)
PKRV 5Y	12.46	22	22	5	28	(310)
PKRV 10Y	12.31	5	5	12	20	(189)
PKRV 20Y	12.22	12	14	17	6	(180)

*Inter Bank Rate

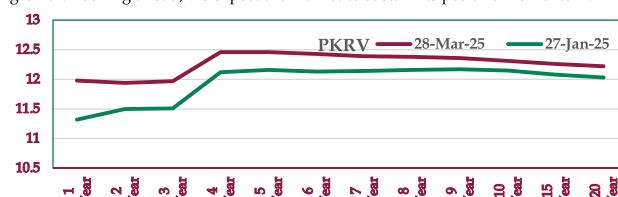
KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Market Cap (PKR'Bn)	Change (%) in Market Cap.
COMMERCIAL BANKS	18	839	849	(1.16)
FERTILIZER	7	468	500	(6.47)
OIL & GAS EXPLORATION COMPANIE	17	516	458	12.75
CEMENT	6	309	292	6.12
CHEMICAL	3	55	56	(2.56)
OIL & GAS MARKETING COMPANIES	3	139	115	20.19
PHARMACEUTICALS	3	111	104	6.55

Commentary

Economic Review: Pakistan's GDP growth has shown encouraging signs of recovery and resilience during 2QFY25. In, 2QFY25, the GDP growth rate reached at 1.73%. The real sectors have shown positive trends specifically in agriculture and service sector. While the Industrial sector experienced a downturn, Large-Scale Manufacturing still managed a modest growth of 2.1% in January 2025. Although the inflation figures are gradually decreasing with a positive primary balance. During the month National CPI kept hovering at 0.7% as compared to 1.5% in the previous month~ with a significant drop in food & housing index being passed on to consumers. The Real Interest rate indicates on a positive trajectory while keeping a managed current account. The current account recorded a surplus of \$691 million, a significant improvement from the \$1,730 million deficit reported during the same period last year due to a robust growth in workers' remittances surged by 32.5%, reaching a substantial \$24.0 billion during Jul-Feb FY2025, compared to \$18.1 billion in the corresponding period last year. In a positive trend, PKR: USD has stabilized, Pakistan's total liquid foreign exchange reserves stood at \$15.6 billion, with the State Bank of Pakistan holding \$10.6 billion, as of 28th March 2025. The country continues to comply with IMF program, with broadly supportive economic indicators reflecting a positive outlook. with the International Monetary Fund (IMF) on the first review of the 37-month USD 7 billion Extended Fund Facility (EFF). Subject to executive board approval, this agreement will unlock a USD 1.0 billion disbursement (SRD 760 million), bringing the total disbursement under the EFF to USD 2 billion. In addition, Pakistan has secured vital funding for climate resilience. The IMF has approved a \$1.3 billion loan under the Climate Resilience and Sustainability Facility, which will help address the country's climate challenges. The government's fiscal performance is showing upward trend, with direct tax collections for the 8MFY25 reaching PKR 3.25 trillion, surpassing the target of PKR 3.1 trillion. This marks a 12.5% increase from the previous year, providing crucial fiscal space. The economy is gaining from rising exports, imports, and remittances, which are helping maintain the current account at a manageable level. Backed by IMF assistance, climate financing, and stronger tax collection, along with steady GDP growth, Pakistan is well-placed to tackle economic challenges and maintain fiscal stability, laying a strong foundation for continued recovery and sustained economic stability in coming months.

Stock Market Review: On a monthly basis, the KSE 100 recorded a gain of 4.02%, while the KMI 30 also demonstrated positive returns, marking an increase of 8.06%. Notably, sectors such as Oil & Gas Exploration, Oil & Gas Marketing, Cement, and Pharmaceuticals experienced favorable market sentiment. Conversely, the Chemicals, Commercial Banks, and Fertilizers sectors underwent a period of consolidation. At the beginning of the month, the market faced a downturn, with the KSE-100 Index declining. However, by mid-month, the market rebounded as optimism grew regarding the resolution of circular debt and progress in negotiations with the International Monetary Fund (IMF). Market sentiment was shaped by several key factors, including the announcement of a staff-level agreement between Pakistan and the IMF, the stability of the USD/PKR exchange rate, external fund inflows, a slowdown in inflation, and a recovery in Large-Scale Manufacturing (LSM) growth. Looking ahead, we expect the market to sustain its positive momentum.



PAK-QATAR

ASSET MANAGEMENT



For information regarding
Pak-Qatar Asset Management Company products
Please call us at
111-PQAMCL (772-625)

email us at info@pqamcl.com
or visit us at www.pqamcl.com

Address: Suite G 8-9 Business Arcade Block 6 PECHS Sharah-e-Faisal, Karachi

Disclaimer: The information contained in this report has been compiled by research department of Pak Qatar Asset Management Company Limited (PQAMCL), from various sources supposed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. Moreover, all opinions, figures and estimates contained in this document are based judgments as of the date of this document and are subject to change without notice and are provided in good faith but without legal responsibility. Finally, the recipient should check this email and any attachments for the presence of any viruses. PQAMCL accepts no liability for any damage caused by any virus/error transmitted by this email.