



PAK-QATAR  
ASSET MANAGEMENT



# INVESTOR'S OUTLOOK

*September 15, 2025*

## Pak-Qatar Asset Management Company Limited

Keynote September 15, 2025

### Market Summary

	15-Sep-25	MTD	30days	90days	FYTD	CYTD
KSE100	153,385	4.55%	6.1%	27.4%	21.2%	35.0%
KMI30	227,645	7.19%	9.3%	26.5%	21.8%	27.4%
KMIALL	63,888	4.34%	5.8%	22.4%	17.9%	26.4%

### Global Markets

	15-Sep-25	MTD	30days	90days	FYTD	CYTD
UK	9,277	1.0%	-1.5%	-4.8%	-5.3%	-11.9%
USA	22,349	4.2%	-3.2%	-12.7%	-9.6%	-13.6%
China	3,861	0.1%	-4.2%	-12.3%	-10.4%	-13.2%
Japan	44,938	5.2%	-3.5%	-14.7%	-12.2%	-11.2%
India	81,786	2.5%	-1.5%	-0.2%	2.2%	-4.5%

### Portfolio Investments (USD mn)

	15 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	(22)	(58)	(113)	(420)	(97)	(215)
LIPI (net)	22	58	113	420	97	215
Ind.	22	34	83	103	77	114
Banks/DFIs	(38)	(31)	(50)	353	(96)	369
Companies	16	36	53	150	43	112
M.Funds	36	23	49	(169)	107	(369)
Brokers	(4)	(0)	0	(14)	0	(11)
Others	(4)	(8)	(33)	(5)	(33)	(1)
Ins.	3	5	10	1	5	(7)
NBFC	(0)	(0)	2	4	1	4

### Key Economic Figures

		FY21	FY22	FY23	FY24	FY25	FY26-TD
Policy Rate	15-Sep-25	7.0%	13.8%	22.0%	20.5%	11.0%	11.00%
1yr KIBOR	15-Sep-25	8.1%	15.7%	23.3%	19.2%	11.3%	11.27%
Inflation	Aug End	9.8%	21.3%	29.4%	12.6%	3.20%	3.00%
PKR USD*	15-Sep-25	157.3	204.8	286.0	279.0	283.7	281.55

### Key Economic Figures

		FY21	FY22	FY23	FY24	FY25	FY26-TD
Imports	USD'mn	56,380	72,048	51,979	48,402	59,076	11,115
Exports	USD'mn	25,304	32,450	27,903	28,678	32,296	5,102
Trade Deficit	USD'mn	(31,076)	(39,598)	(24,076)	(19,724)	(26,780)	(6,013)
Remittances	USD'mn	29,370	31,238	27,028	27,093	38,346	6,352
FX Reserves	USD'mn	24,398	15,742	9,181	14,207	18,091	19,681

### PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	11.00	4	9	(6)	(73)	(543)
PKRV 3Y	11.16	8	9	(20)	(83)	(305)
PKRV 5Y	11.47	10	10	(23)	(94)	(259)
PKRV 10Y	12.00	(2)	-	(24)	(32)	(111)
PKRV 20Y	12.43	(2)	(3)	4	20	(50)

\*Inter Bank Rate

15-Sep-25

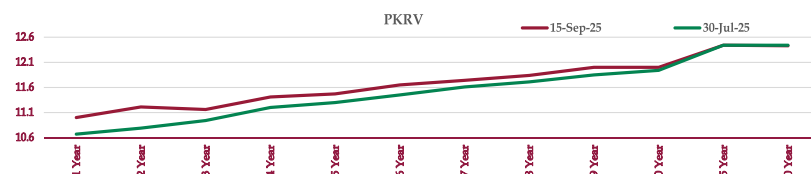
### KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

SECTORS	Index Weight (%)	Current Market Cap	Previous Market Cap (PKR Bn)	Change (%) in Market
COMMERCIAL BANKS	22	1,298	1,280	1.36
FERTILIZER	7	559	532	4.93
OIL & GAS EXPLORATION COMPANIE	15	551	525	4.92
CEMENT	7	463	428	8.29
CHEMICAL	2	52	50	4.67
OIL & GAS MARKETING COMPANIES	2	154	145	6.44
PHARMACEUTICALS	2	121	120	0.81

### Commentary

**Economic Review:** The Monetary Policy Committee (MPC) kept the policy rate unchanged at 11 percent in September 2025, noting that inflation remained moderate in July and August but is likely to rise temporarily due to flood-related supply shocks and energy price adjustments. Inflation eased to 3.0 percent in August from 4.1 percent in July, with food and energy volatility driving short-term trends, while core inflation continued to decline at a slower pace. In the real sector, economic momentum carried forward from H2-FY25, with Large-Scale Manufacturing growing 3 percent year-on-year in Q4-FY25 and 4.1 percent in June, led by textiles, petroleum products, automobiles, pharmaceuticals, and cement, though recent floods caused Kharif crop losses and supply chain disruptions that may dampen activity; Rabi crops are expected to provide some relief. On the fiscal side, consolidation remained on track as the deficit narrowed to 5.4 percent of GDP, the lowest in eight years, and the primary surplus rose to 2.4 percent of GDP, the highest in over two decades, supported by strong tax and non-tax revenues, expenditure discipline, and a sharp rise in PSDP spending. In the first two months of FY2026, FBR tax collection grew by 14.1 percent year-on-year, further supported by SBP profit transfers and higher petroleum levy, although flood-related pressures may increase expenditures and soften revenues. Externally, the current account deficit stood at \$254 million in July 2025, with robust growth in exports (+16.2%), remittances (+7.4%), and IT services (+23.8%) partly offset by higher imports; FDI increased by 6.9 percent, mainly in power and financial services, while portfolio investment recorded outflows. SBP's foreign exchange reserves remained stable at \$14.3 billion, while total reserves stood at \$19.6 billion, projected to rise with expected inflows. Overall, GDP growth in FY2026 is now anticipated to be closer to the lower side of the range, reflecting the negative impact of recent floods that have disrupted economic activity and slow recovery.

**Stock Market Review:** During the last fortnight, the PSX displayed resilience as the market navigated through a mix of cautious optimism and external headwinds. The KSE-100 Index managed to sustain much of its earlier gainsposting a gain of around 6.55%, while the KMI-30 Index climbed by 7.19%, boosted by local institutional buying and improved clarity after the State Bank of Pakistan opted to hold interest rates steady at 11%. Despite concerns around flood-related disruptions—especially in agriculture—and inflation rising from supply shocks, investor confidence held up, thanks in part to steady corporate earnings. Key sectors like cement, fertilizers and oil & gas marketing emerged as strong performers, helping offset pressure elsewhere. While the market saw a combined net inflows of USD 22 million across equity and debt. In equities, foreign corporates and local Banks/DFIs were net sellers, while local companies, insurance firms, mutual funds, and overseas Pakistanis were net buyers. In the debt market, Mutual Funds and local companies sold, whereas Banks and DFIs were net buyers Looking ahead, attention will center on upcoming macroeconomic data, expected revisions to GDP growth forecast in light of the flash flooding, and further cues from monetary policy although we expect the market to show positive momentum driven by positive news flow.



**Disclaimer:** The information contained in this report has been compiled by research department of Pak Qatar Asset Management Company Limited(PQAMC), 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.

# 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](mailto:info@pqamcl.com)  
or visit us at [www.pqamcl.com](http://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.