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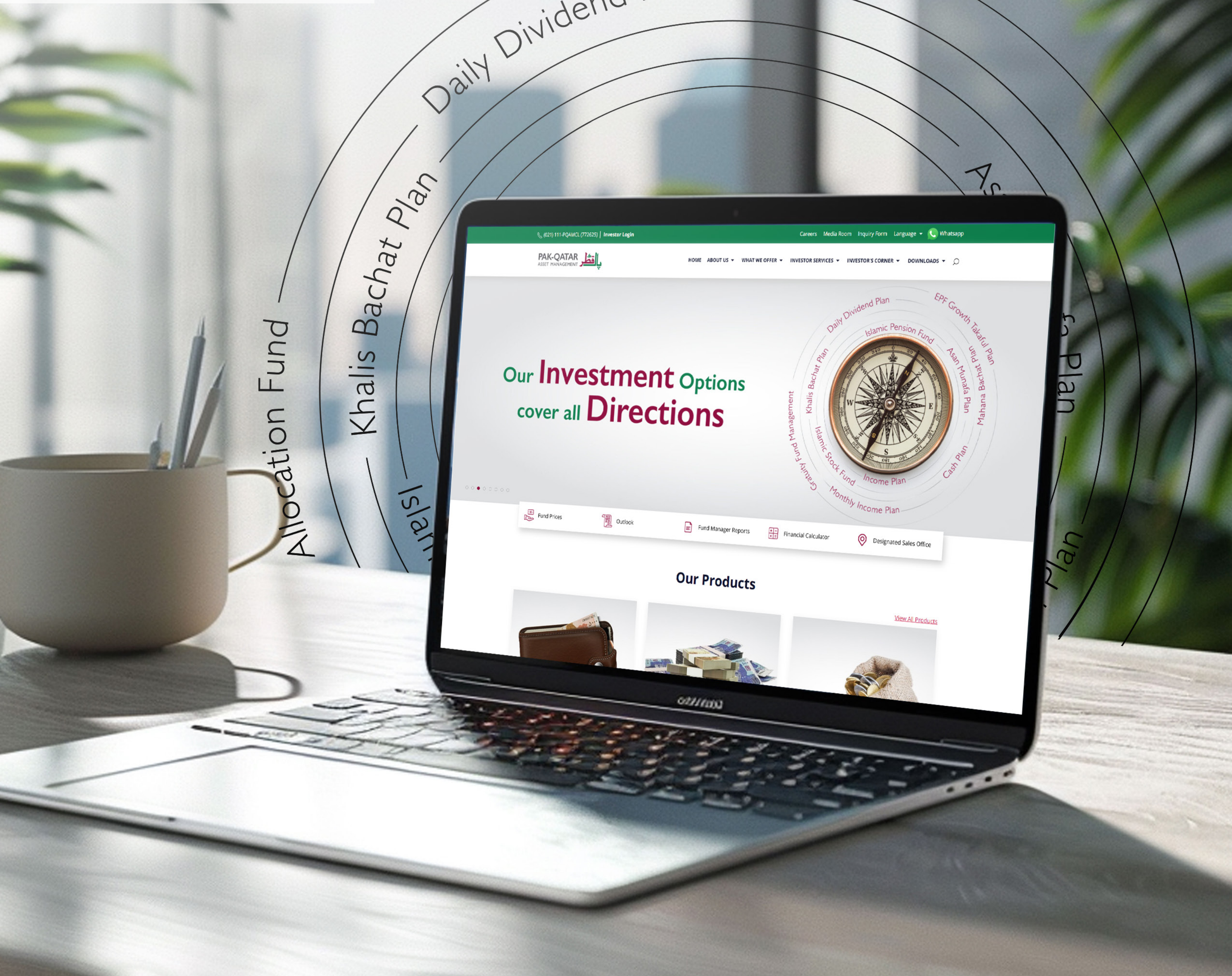
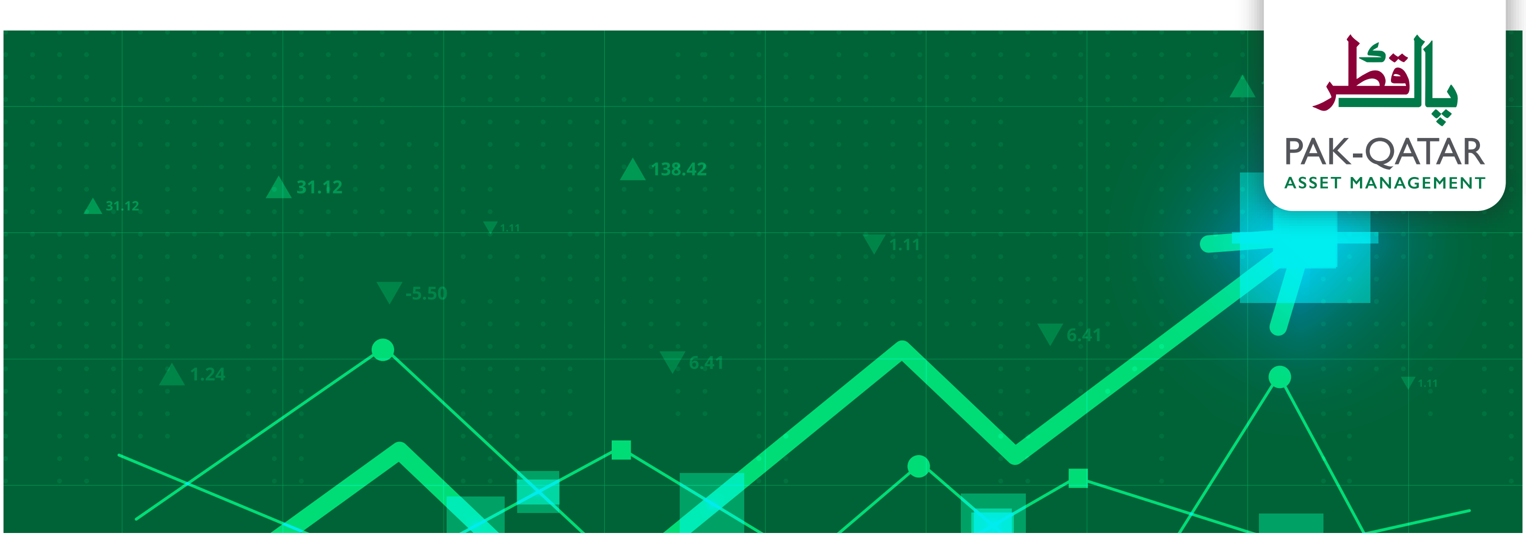
PAK-QATAR
ASSET MANAGEMENT

INVESTOR'S OUTLOOK

September 15, 2026





Pak-Qatar Asset Management Company Limited

Keynote September 15, 2026

PAK-QATAR ASSET MANAGEMENT

Market Summary	15-Sep-26	MTD	30days	90days	FYTD	CYTD
KSE100	169,392	-4.28%	-5.9%	-6.2%	-6.1%	-2.7%
KMI30	241,109	-4.19%	-4.7%	-6.3%	-6.3%	-3.0%
KSEAll	102,247	-4.83%	-6.1%	-5.8%	-6.1%	-2.3%

Global Markets	15-Sep-26	MTD	30days	90days	FYTD	CYTD
FTSE 100	10,658	-1.5%	-0.9%	1.4%	1.5%	7.3%
NASDAQ Composite	25,982	-1.5%	-2.8%	-0.2%	-0.9%	11.8%
Shanghai Composite	3,864	-3.1%	-1.6%	-5.9%	-5.6%	-2.6%
Nikkei 225	63,713	-3.2%	-7.6%	-8.9%	-10.4%	26.6%
Nifty 50	23,119	-4.0%	-5.1%	-4.0%	-3.1%	-11.5%

Portfolio Investments (USD mn) EQUITY	15 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	(15)	(26)	(158)	(752)	(1)	(598)
LIPI (net)	15	26	158	752	1	598
Ind.	31	50	49	345	86	208
Banks/DFIs	(1)	(17)	(46)	(94)	(39)	(100)
Companies	14	23	246	560	21	524
M.Funds	(29)	(34)	(23)	224	(50)	99
Brokers	(3)	(5)	(2)	(11)	(5)	(21)
Others	1	3	(9)	(26)	(6)	2
Ins.	2	7	(57)	(249)	(8)	(7)
NBFC	(0)	(0)	1	4	1	2

Key Economic Figures	FY23	FY24	FY25	FY26	FYTD
Policy Rate	22.0%	20.5%	11.0%	11.50%	11.50%
1yr KIBOR	23.3%	19.2%	11.3%	12.06%	12.30%
Inflation	28.4%	23.9%	4.61%	11.10%	10.15%
PKR USD*	247.99	279.00	279.33	280.65	277.72

Key Economic Figures		FY23	FY24	FY25	FY26	FYTD
Imports	USD'mn	52,695	53,156	59,146	64,470	6,154
Exports	USD'mn	27,875	30,979	32,342	30,821	3,008
Trade Deficit	USD'mn	(24,820)	(22,177)	(26,804)	(33,649)	(3,146)
Remittances	USD'mn	27,332	30,250	38,299	41,584	7,287
FX Reserves	USD'mn	9,181	14,207	18,091	22,442	23,715

PKRV Rates (change in bps)	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	12.00	5	5	(1)	37	100
PKRV 3Y	12.14	23	43	8	59	98
PKRV 5Y	12.15	25	39	17	10	68
PKRV 10Y	12.37	20	27	(2)	(12)	37
PKRV 20Y	12.53	8	14	(20)	(20)	10

**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	30.60	1,462	1,550	(0.06)
FERTILIZER	12.51	598	605	(0.01)
OIL & GAS EXPLORATION COMPANIES	12.58	601	624	(0.04)
CEMENT	8.59	410	438	(0.06)
AUTOMOBILE ASSEMBLER	3.65	174	182	(0.04)
OIL & GAS MARKETING COMPANIES	2.69	129	139	(0.07)
PHARMACEUTICALS	2.36	113	120	(0.06)

Commentary

Economic Review

Pakistan's economy entered FY27 with improved macroeconomic stability, with FY26 GDP growth at 3.7%, while the SBP projects FY27 growth at 3.5–4.5%. However, the recovery is facing renewed external pressure from the Middle East conflict, with Brent crude at US$107.82/bbl and dwindling sea traffic in Strait of Hormuz as well as crisis situation developing in Red Sea and hitting of oil facilities in Saudi Arabia, raising risks to Pakistan's energy import bill, inflation and current account. August CPI accelerated to 11.1% YoY from 9.2% in July. Central bank has taken a stance to maintain the policy rate at 11.5% amid External buffers which strengthened substantially, with SBP reserves reaching a record US$21.4bn following Eurobond inflows, while total liquid reserves were US$23.72bn as of 4th September. Remittances remain a key cushion, while the 2MFY27 trade deficit widened 18.1% YoY to US$7.12bn, highlighting renewed import pressure. Going forward, growth should remain moderate, but elevated oil prices, inflation, fiscal constraints and external vulnerabilities remain key risks. Sustained IMF reforms, fiscal discipline, export diversification, investment and energy-sector reforms will be critical for converting stabilization into durable growth.

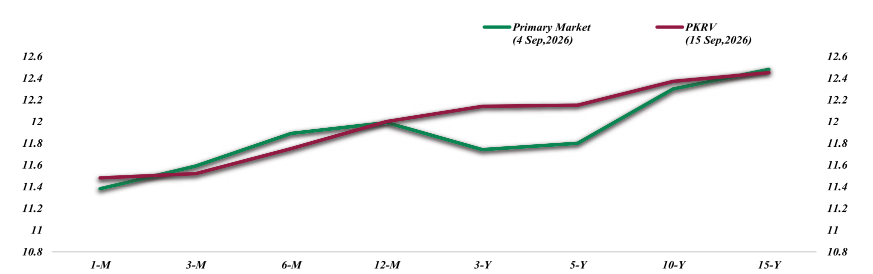
Capital Market Review

Money Market: The T-Bill auction held on 3 September 2026 showed mixed yield movements compared with the 19 August 2026 auction. The 1-month cut-off yield declined by 8.23 bps to 11.38% from 11.46%, while the 3-month yield fell by 4.58 bps to 11.59% from 11.64%. In contrast, the 6-month yield increased by 10.10 bps to 11.89% from 11.79%, while the 12-month yield remained unchanged at 11.99%. On a percentage basis, the 6-month tenor recorded the largest increase of approximately 0.86%, whereas the 1-month yield declined by around 0.72%. Weighted average yields for the 1-month and 3-month tenors decreased by 5.71 bps and 2.79 bps, respectively, while the 6-month weighted average yield rose by 9.02 bps. Demand remained strong, particularly for the 1-month and 6-month tenors, with competitive bids increasing significantly. Overall, the yield curve remained upward sloping, reflecting relatively higher yields at longer maturities.

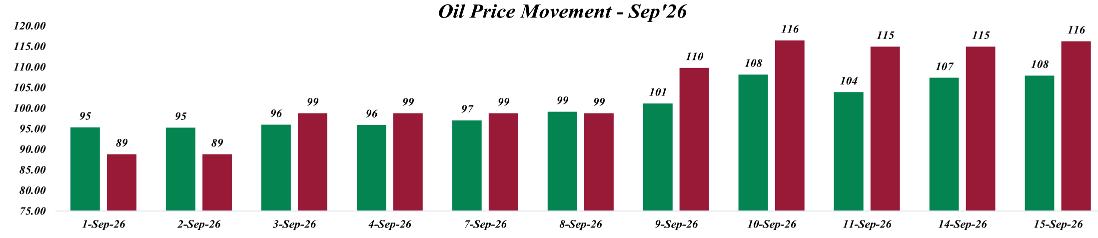
In the latest GoP Hybrid Sukuk auction, PKR 53 billion was raised across fixed-rate categories, including PKR 29 billion from 1-Year, PKR 20 billion from 3-Month, and PKR 5 billion from 6-Month Sukuk. Cut-off yields stood at 11.98%, 11.54%, and 11.74%, respectively. The 10-Year Variable Rental Rate Sukuk raised PKR 48 billion at 11.65%.

Equity Market: The Pakistan equity market remained volatile in September, with the KSE-100 falling 4.29% from 176,467 points on 1 September to 169,392 points on 15 September, as Middle East tensions, elevated oil prices and concerns over inflation and the external account weighed on sentiment; however, the index rebounded 0.85% on 15 September on broad-based value buying. On a MoM basis, the index was down approximately 4.29% from the 31-August close of 176,976. FYTD performance stood at -6.05%, from 180,302 at end-June, while the index remained 9.01% higher YoY, compared with 155,385 on 15 September 2025. Sectorally, the September correction was broad-based, with banks, fertilizer, cement, technology, power and E&P stocks coming under pressure during the sell-off, while refineries and energy-linked names remained sensitive to oil-price and policy developments. On 15 September, however, fertilizer (+3.46%), cement (+1.55%), automobiles (+1.08%), power (+0.94%), E&P (+0.72%) and banks (+0.61%) led the recovery.

PKRV - Primary Market



Oil Price Movement - Sep'26



15-Sep-26

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