

KSE 100 Index



KSE 100 Index Statistics

Open	158,529.73
High	159,046.59
Low	158,133.31
Closed	158,236.69
Change	0.18%
Volume	1.03B

Economic Snapshot

Reserves	\$19,659.50
Inflation CPI (Aug, 2025)	3.00%
Policy Rate	11%
Exports	PKR 683518 Million
Imports	PKR 1494050 Million
Current Account (July, 2025)	\$268 Million
Remittance	\$3100 Million

Snapshot: News Impacting PSX

- Positive
Circular Debt Deal
READ MORE
- Positive
Budget 2025-26
READ MORE
- Positive
KSE-100 Record High
READ MORE
- Positive
ITCN Asia 2025
READ MORE
- Positive
Saudi-Pakistan Defense Pact
READ MORE
- Negative
US H-1B Fee Hike
READ MORE
- Positive
IMF Review Talks
READ MORE
- Positive
Global Oil Prices
READ MORE
- positive
Flood Relief Concessions
READ MORE
- Mixed
Corporate Earnings Mixed
READ MORE

## Exchange Rates

Crosses	Price	Day	%
USDPKR	283.609	0.084	0.03%
EURPKR	330.43	0.0478	0.01%
GBPPKR	378.49	0.0563	0.01%

## Portfolio Investments FIPI LIPI

<b>Grand Total FIPI, net</b>	<b>\$(3,470,339)</b>
Banks/DFI	\$(3,957,658)
Broker Proprietary Trading	\$893,577
Companies	\$1,624,606
Individuals	\$(2,711,386)
Insurance Companies	\$4,034,333
Mutual Funds	\$3,737,231
NBFC	\$(37,815)
Other Organization	\$(112,548)
<b>Grand Total LIPI, net</b>	<b>\$3,470,340</b>

## Government Ijarah Sukuk (GIS)

GIS FRR (Cut-off / Price) 3Y	100.2842
GIS FRR (Cut-off / Price) 5Y	100.0022
GIS VRR (Cut-off / Price) 3Y	99.0800
GIS VRR (Cut-off / Price) 5Y	98.7600

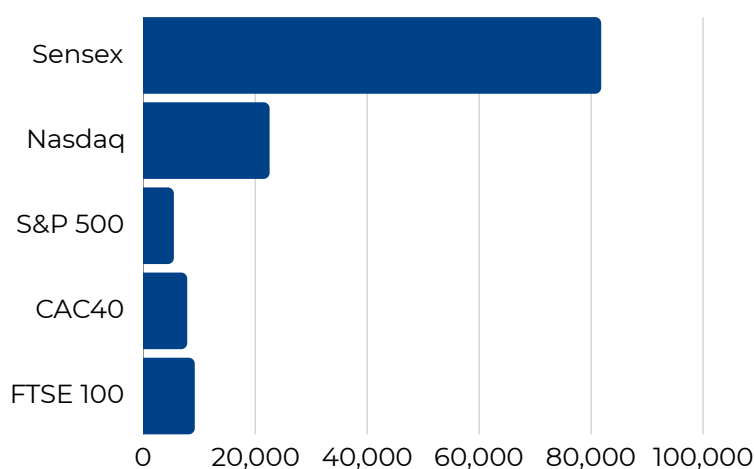
## Commodities

Item	Value (PKR)
Gold 10 Grams PKR	341,906
Petrol/Litre	264.61
Diesel/Litre	272.77
Karachi Cotton PKR/37.32 KG	15,580

## Debt Instruments Yields

T-Bills 3M	10.8502%
T-Bills 6M	10.8376%
T-Bills 1Y	10.9999%
PIB 3Y	11.1400%
PIB 5Y	11.4395%
PIB 10Y	12.0400%

## World Index Volumes



## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 1. LANDMARK RS1.225 TRILLION CIRCULAR DEBT RESOLUTION DEAL SIGNED

THE GOVERNMENT OF PAKISTAN, IN PARTNERSHIP WITH A CONSORTIUM OF 18 LEADING DOMESTIC BANKS, SIGNED A GROUNDBREAKING RS1.225 TRILLION DEBT RESOLUTION AND FINANCING TRANSACTION AIMED AT TACKLING THE CRIPPLING CIRCULAR DEBT IN THE POWER SECTOR. THE AGREEMENT RESTRUCTURES RS659.6 BILLION WORTH OF LEGACY LOANS AND INJECTS RS565.4 BILLION IN FRESH FINANCE TO CLEAR OVERDUE PAYMENTS TO INDEPENDENT POWER PRODUCERS (IPPS). NOTABLY, THIS DEAL FEATURES A HIGHLY CONCESSIONAL INTEREST RATE (KIBOR MINUS 90 BASIS POINTS), INTRODUCES NO NEW SURCHARGES FOR CONSUMERS, AND DIVERTS THE EXISTING RS3.23 PER KWH SURCHARGE SOLELY TOWARD REPAYMENT. THE ARRANGEMENT ALSO UNLOCKS RS660 BILLION IN SOVEREIGN GUARANTEES, INCREASING LIQUIDITY FOR THE BANKING SECTOR TO SUPPORT OTHER KEY INDUSTRIES SUCH AS AGRICULTURE, SMES, HOUSING, EDUCATION, AND HEALTHCARE.

THIS DEVELOPMENT IS UNEQUIVOCALLY POSITIVE FOR THE PSX, ESPECIALLY FOR POWER, BANKING, AND RELATED SECTORS. CLEARING CIRCULAR DEBT ADDRESSES THE SINGLE BIGGEST STRUCTURAL RISK IN PAKISTAN'S ENERGY SECTOR, BOOSTING LIQUIDITY FOR POWER PRODUCERS AND INSTILLING CONFIDENCE AMONG INVESTORS AND CREDITORS. THE RESTRUCTURING RELIEVES IMMEDIATE FISCAL PRESSURE, LOWERS RISK PREMIUMS FOR LENDING TO THE GOVERNMENT, AND MAY IMPROVE CREDIT RATINGS. BY FREEING UP LIQUIDITY IN BANKS, THE DEAL ENABLES RENEWED LENDING TO PRIORITY ECONOMIC SEGMENTS, WHICH COULD STIMULATE ECONOMIC ACTIVITY. ENERGY COMPANIES WILL LIKELY BENEFIT FROM IMPROVED CASH FLOWS, WHILE THE FINANCIAL SECTOR'S WILLINGNESS TO LEND AT CONCESSIONAL RATES SUGGESTS AN INTENT TO STABILIZE THE MACRO ENVIRONMENT RATHER THAN CHASE SHORT-TERM EARNINGS.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 2. PAKISTAN FEDERAL BUDGET 2025-26: MARKET-POSITIVE TAXATION, REFORMS, AND SECTORAL INCENTIVES

**THE 2025-26 FEDERAL BUDGET ANNOUNCED BY PAKISTAN'S MINISTRY OF FINANCE TARGETS ROBUST ECONOMIC GROWTH (4.2%) AND FISCAL DISCIPLINE (DEFICIT OF 3.9% OF GDP). MAJOR FEATURES INCLUDE NO NEW TAXES ON CAPITAL GAINS OR DIVIDENDS, REDUCTION OF SUPER TAX RATES FOR MID-TIER CORPORATES, RATIONALIZED PROPERTY AND CONSTRUCTION TAXES, STRONG INCENTIVES FOR THE CONSTRUCTION, DIGITAL, INDUSTRIAL, AND RENEWABLE SECTORS, AND AN INCREASE IN SOCIAL SPENDING. SIMULTANEOUSLY, THE BUDGET HIKES TAX RATES ON INTEREST INCOME (TO 20%), STEPS UP DIGITAL/E-COMMERCE TAXATION, REMOVES EXCISE DUTY ON CONSTRUCTION, AND INCREASES THE CARBON LEVY ON PETROLEUM PRODUCTS.**

INVESTOR SENTIMENT HAS IMPROVED MARKEDLY ON THE BACK OF THE BUDGET. POSITIVE EFFECTS DOMINATE DUE TO THE ABSENCE OF NEW TAXES ON EQUITIES AND DIVIDENDS—RESULTING IN VALUATION STABILITY AND SECTORAL INCENTIVES DRIVING INVESTMENT INTO MARKET HEAVYWEIGHTS SUCH AS CONSTRUCTION, CEMENT, BANKING, IT, AND GREEN ENERGY. REDUCED CONSTRUCTION PROPERTY TAXES AND EXCISE HELP BOOST THE REAL ESTATE, CEMENT, AND BANKING SECTORS, WHILE PLANNED PRIVATIZATION OF STATE-OWNED ENTERPRISES MAY UNLOCK VALUE. THE TIGHTENING OF COMPLIANCE AND DIGITAL TAX ADMINISTRATION RAISES OPERATIONAL COSTS FOR NON-COMPLIANT ENTITIES BUT ALIGNS WITH EFFORTS TO BROADEN THE TAX NET AND MEET IMF BENCHMARKS. THE OVERALL FISCAL STRATEGY IS WIDELY INTERPRETED AS EQUITY-MARKET-FRIENDLY AND A HARBINGER OF POLICY STABILITY.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 3. PAKISTAN STOCK EXCHANGE (KSE-100) HITS 158,000+ RECORD AMID INVESTOR RESILIENCE

THE KSE-100 INDEX ROSE TO A RECORD 158,236.68 POINTS ON 24 SEPTEMBER 2025, GAINING 291 POINTS IN A SINGLE SESSION, WITH CONTINUED BULLISH MOMENTUM AND IMPROVED TRADING VOLUMES. INVESTOR OPTIMISM WAS BUOYED BY THE GOVERNMENT'S ECONOMIC DIPLOMACY WITH CREDITORS, A RESILIENT CORPORATE EARNINGS TREND IN KEY SECTORS (BANKING, CEMENT, AUTOMOTIVE, PHARMACEUTICALS), AND A SUSTAINED PRIMARY SURPLUS. THE PSX'S FUNDAMENTALS SHOW AN INCREASE IN PROFITABILITY (1.8% YOY, FY25), BROAD-BASED SECTORAL STRENGTH, AND HEAVY BUYING IN BANKING, CEMENT, FERTILIZER, AND ENERGY. NOTABLY, K-ELECTRIC, PAKISTAN PETROLEUM, HUB POWER, AND UNITED BANK WERE AMONG THE SESSION'S TOP GAINERS.

THIS POSITIVE MARKET PERFORMANCE REINFORCES INVESTOR CONFIDENCE AND SIGNALS UNDERLYING MACROECONOMIC STABILIZATION. A BULLISH EQUITY MARKET CAN ATTRACT FOREIGN PORTFOLIO FLOWS AND MOBILIZE DOMESTIC INVESTMENT. FURTHERMORE, BROAD PARTICIPATION ACROSS BLUE CHIPS SUGGESTS MARKET DEPTH AND DECREASED SPECULATIVE VOLATILITY. THE CONTINUATION OF THIS TREND HINGES ON THE SUSTAINABILITY OF CREDIT DEALS, THE BUDGET'S PASSAGE, AND GLOBAL RISK FACTORS SUCH AS OIL PRICES AND POLITICAL STABILITY. CONFIDENCE IN SECTOR PROSPECTS (BANKING, CONSTRUCTION, AUTO, PHARMACEUTICALS) MAY LEAD TO FURTHER RALLIES, ASSUMING NO EXTERNAL SHOCKS.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 4. ITCN ASIA KARACHI 2025 TECH EXPO: SURGE IN INVESTMENT AND INNOVATION

PAKISTAN'S LARGEST TECH EXPO, ITCN ASIA 2025, WAS HELD FROM SEPTEMBER 23 TO 25 IN KARACHI, DRAWING OVER 50,000 PARTICIPANTS INCLUDING INTERNATIONAL INVESTORS, POLICYMAKERS, MAJOR TECH COMPANIES, AND 700+ EXHIBITORS FROM MORE THAN 25 COUNTRIES. THE EVENT SAW AN ESTIMATED \$500 MILLION IN INVESTMENT MOUS IN 2024, WITH EXPECTATIONS TO SURPASS THAT BENCHMARK IN 2025. ITCN ASIA SHOWCASED ADVANCES IN AI, CYBERSECURITY, E-COMMERCE, FINTECH, AND 5G, AND FOSTERED GLOBAL PARTNERSHIPS THROUGH THE ENDORSEMENT OF THE MINISTRY OF IT AND THE SPECIAL INVESTMENT FACILITATION COUNCIL (SIFC). THE EVENT UNDERScoreD TECH AS A DRIVER OF EXPORT GROWTH, EMPLOYMENT, AND FOREIGN DIRECT INVESTMENT, POSITIONING PAKISTAN AS A REGIONAL DIGITAL HUB.

THE POSITIVE SPILLOVER FROM THE EXPO IS EXPECTED TO BE MOST PRONOUNCED FOR THE TECHNOLOGY, COMMUNICATIONS, AND FINTECH SECTORS. INCREASED DEAL FLOW, FOREIGN PARTNERSHIPS, AND RECORD MOU SIGNINGS PROMISE TO DRIVE FDI INFLOWS, EXPORTS, AND JOB CREATION IN THE IT SECTOR. LISTED TECH STOCKS SUCH AS SYSTEMS LIMITED, NETSOL, AND TRG PAKISTAN STAND TO BENEFIT FROM BOTH FOREIGN DEMAND AND CAPITAL INJECTION. THE EVENT'S SUCCESS ALSO ELEVATES THE PROFILE OF PAKISTAN'S DIGITAL ECONOMY, POTENTIALLY ACCELERATING LISTINGS, NEW PRODUCT OFFERINGS, AND CROSS-BORDER INVESTMENTS.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 5. SAUDI-PAKISTAN STRATEGIC DEFENSE PACT: IMPLICATIONS FOR SECURITY AND ECONOMIC ENGAGEMENT

SAUDI ARABIA AND NUCLEAR-ARMED PAKISTAN FORMALIZED A MUTUAL DEFENSE PACT, DECLARING THAT AGGRESSION AGAINST ONE WILL BE CONSIDERED AGGRESSION AGAINST THE OTHER. THE AGREEMENT ENCOMPASSES COMPREHENSIVE DEFENSE COOPERATION, JOINT TRAINING, DEFENSE-INDUSTRIAL COLLABORATION, AND A STRATEGIC COMMITMENT TO STABILITY IN SOUTH ASIA AND THE MIDDLE EAST. THE PACT IS SEEN AS AN AVENUE FOR SAUDI INVESTMENT IN PAKISTAN—INCLUDING POSSIBLE OIL PAYMENT DEFERRALS, DEPOSITS, AND PUBLIC INVESTMENT FUND (PIF) ENGAGEMENTS—AS WELL AS A SECURITY UMBRELLA, AFTER YEARS OF INFORMAL COLLABORATION.

THIS IS A POSITIVE TRIGGER FOR MARKET SENTIMENT AND STABILITY. THE AGREEMENT IMMEDIATELY MOVED THE PSX, WHICH RALLIED NEARLY 1,800 POINTS AFTER NEWS OF THE PACT BROKE, REFLECTING INVESTOR EXPECTATIONS FOR ENHANCED REGIONAL SECURITY, DEFERRED OIL PAYMENT FACILITIES, FRESH SAUDI DEPOSITS, AND RENEWED FDI FROM THE GULF. COMMERCIAL BANKS, DEFENSE-RELATED INDUSTRIES, ENERGY COMPANIES, AND INFRASTRUCTURE SECTORS ARE POTENTIAL BENEFICIARIES. THE PACT PROVIDES PAKISTAN WITH A BUFFER AMIDST GLOBAL UNCERTAINTY AND COULD LEAD TO DIRECT CAPITAL INFLOWS, LOWER FOREIGN CURRENCY VOLATILITY, AND IMPROVED MACROECONOMIC CONFIDENCE.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 6. TRUMP ADMINISTRATION IMPLEMENTS \$100,000 H-1B VISA FEE FOR NEW APPLICANTS

**ON SEPTEMBER 21, 2025, THE U.S. ANNOUNCED A DRASTIC INCREASE IN THE H-1B VISA FEE FOR NEW FOREIGN WORKERS, IMPOSING A \$100,000 ONE-TIME, NON-REFUNDABLE CHARGE FOR NEW APPLICATIONS (NOT RENEWALS). THE MEASURE, INTRODUCED BY PRESIDENT TRUMP, IS JUSTIFIED AS WAGE AND JOB PROTECTION FOR AMERICAN WORKERS BUT IS WIDELY INTERPRETED AS A DETERRENT TO NEW SKILLED WORKER INFLOWS. THE TECH, HEALTH, AND RESEARCH INDUSTRIES IN THE U.S. ARE EXPECTED TO FEEL AN ACUTE IMPACT, ESPECIALLY FOR INDIAN AND PAKISTANI IT AND ENGINEERING PROFESSIONALS, AS SOUTH ASIANS MAKE UP THE BULK OF H-1B RECIPIENTS.**

THE IMPACT IS NEGATIVE FOR PAKISTAN'S IT AND TECH SECTORS, ESPECIALLY FOR COMPANIES WITH MATERIAL U.S.-BASED REVENUE OR THOSE THAT DERIVE DEMAND FROM THE EXPATRIATE/SKILLS MARKET. A STEEP DROP IN NEW H-1B APPROVALS COULD CUT PAKISTAN'S IT EXPORTS AND REMITTANCES, SQUEEZE GLOBAL OUTSOURCING CONTRACTS, AND CURTAIL OPPORTUNITIES FOR LOCAL GRADUATES AND IT EXPORTERS. SMALL- AND MIDCAP TECHNOLOGY COMPANIES, AS WELL AS THE EDUCATION AND SERVICES SEGMENTS FEEDING OFF THE U.S. TECH LABOR MARKET, MAY FACE HEADWINDS. HOWEVER, TOP TECH STOCKS ON THE PSX SHOWED RESILIENCE INITIALLY, REFLECTING THE FACT THAT THE FEE ONLY APPLIES TO NEW APPLICATIONS—IF LATER INTERPRETED MORE RESTRICTIVELY, THE IMPACT COULD DEEPEN OVER TIME.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 7. IMF PROGRAM UPDATE AND PAKISTAN-IMF REVIEW TALKS SCHEDULED FOR SEPTEMBER 25

**PAKISTAN IS SET TO BEGIN ITS NEXT ROUND OF IMF REVIEW TALKS ON 25 SEPTEMBER 2025, SEEKING TO UNLOCK THE SUBSEQUENT \$1 BILLION TRANCHE UNDER THE \$7 BILLION EXTENDED FUND FACILITY. THE IMF'S PRIOR ASSESSMENT COMMENDED PAKISTAN'S PROGRESS ON QUANTITATIVE TARGETS, PRIMARY SURPLUS, AND FISCAL DISCIPLINE, BUT FLAGGED CONCERNS OVER INCOMPLETE STRUCTURAL REFORMS, ESPECIALLY PRIVATIZATION OF STATE-OWNED ENTITIES, ENERGY SECTOR REFORMS, AND GOVERNANCE DIAGNOSTICS. THE FISCAL DEFICIT TARGET AND TAX COLLECTION ARE SUBJECT TO IMF SCRUTINY, AND PRESSURE REMAINS TO DELIVER ON THE PRIVATIZATION, SOE REFORMS, AND ANTI-CORRUPTION FRAMEWORKS.**

NEWS OF PROGRESS OR ANTICIPATED SUCCESS IN IMF TALKS IS POSITIVE FOR THE STOCK MARKET. THE IMMEDIATE EFFECT COMES VIA FOREIGN EXCHANGE STABILITY, AS IMF TRANCHES BOLSTER RESERVES AND ANCHOR THE RUPEE, MAKING EQUITIES MORE ATTRACTIVE TO BOTH LOCALS AND FOREIGN INVESTORS. PROGRESS PLEASES RATING AGENCIES AND CAN UNLOCK PARALLEL FINANCING FROM BILATERAL PARTNERS. HOWEVER, IF IMF DEMANDS INTENSIFY, PARTICULARLY AROUND PRIVATIZATION OR SUBSIDY REDUCTIONS, TARGETED SECTORS (ENERGY, UTILITIES, LARGE SOES) COULD SEE VOLATILITY OR WORKFORCE UNREST. THUS, WHILE SHORT-TERM SENTIMENT IS POSITIVE, THE MARKET IS SENSITIVE TO THE DETAILS EMERGING FROM THE IMF'S CONDITIONS.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 8. GLOBAL OIL PRICE FLUCTUATIONS AND PSX SENSITIVITY TO ENERGY SHOCKS

GLOBAL OIL PRICES IN MID- TO LATE SEPTEMBER 2025 HOVERED AROUND \$67.5-\$68 PER BARREL, DOWN ABOUT 8.8% YEAR-ON-YEAR. HOWEVER, PAKISTAN FACES ONGOING VOLATILITY RISK, AS SUPPLY SHOCKS AND REGIONAL TENSIONS CAN RAPIDLY ALTER THE PRICE CURVE. RECENT ACADEMIC AND MARKET STUDIES UNDERSCORE THE DIRECT AND ASYMMETRIC IMPACT OF OIL PRICE VOLATILITY ON THE PSX, WITH ENERGY, TRANSPORT, MANUFACTURING AND CHEMICAL SECTORS ESPECIALLY SENSITIVE. FOR 2025, DECLINING PRICES RELIEVED BALANCE-OF-PAYMENT PRESSURES, BUT UNCERTAINTY—PARTICULARLY AMID MIDDLE EAST TENSIONS—KEPT ENERGY STOCKS AND RELATED INDUSTRIES VOLATILE.

THE RECENT IMPACT IS POSITIVE, WITH LOWER GLOBAL OIL PRICES IMPROVING PAKISTAN'S IMPORT BILL, SHRINKING INFLATION, AND SUPPORTING A STRONGER RUPEE. THIS TAILWIND REDUCED OPERATING COSTS ACROSS MAJOR INDUSTRIES AND IMPROVED PROFIT OUTLOOKS FOR TRANSPORT, MANUFACTURING, AND CEMENT. HOWEVER, SHOULD OIL PRICES RISE (DUE TO, E.G., GULF CONFLICT OR SUPPLY DISRUPTION), ENERGY-INTENSIVE INDUSTRIES AND MACRO STABILITY COULD QUICKLY REVERSE DIRECTION—MAKING ENERGY AND REFINERY STOCKS SENSITIVE BOTH WAYS, WITH EXPLORATION COMPANIES SOMETIMES GAINING ON PRICE RISES BUT TYPICALLY WEIGHED DOWN BY LOCAL PRICE CONTROLS AND COST STRUCTURES.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 9. INTERNATIONAL LENDERS AND IMF CONCEDE TO FLOOD RELIEF NEEDS

**CATASTROPHIC FLOODS IN SUMMER 2025 DEVASTATED LARGE SWATHES OF KHYBER PAKHTUNKHWA, PUNJAB, AND SINDH, RESULTING IN NEARLY A THOUSAND DEATHS AND MAJOR INFRASTRUCTURE LOSSES. IN RESPONSE, THE GOVERNMENT, THE IMF, AND OTHER INTERNATIONAL LENDERS BEGAN NEGOTIATIONS FOR RELIEF PACKAGES, INCLUDING ELECTRICITY BILL CONCESSIONS FOR FLOOD-AFFECTED REGIONS. AS OF MID/LATE SEPTEMBER, THE IMF PUBLICLY ACKNOWLEDGED THE CRISIS AND SIGNALLED A WILLINGNESS TO TEMPORARILY RELAX FISCAL TARGETS AND ALLOW FOR INCREASED RELIEF EXPENDITURES, PROVIDED THE GOVERNMENT ADHERED TO MACROECONOMIC DISCIPLINE. THE WORLD BANK AND ASIAN DEVELOPMENT BANK MONITORED THE SITUATION, WITH ADB ALREADY DISBURSING EMERGENCY SUPPORT.**

INTERNATIONAL ACCOMMODATION ALLOWS PAKISTAN TO DIVERT MORE RESOURCES TO RECONSTRUCTION WITHOUT VIOLATING IMF TERMS OR LOSING MACROECONOMIC CREDIBILITY. RELIEF SPENDING STIMULATES LOCAL ECONOMIES (CONSTRUCTION, MATERIALS, BANKS), WHILE TEMPORARY RELAXATION OF FISCAL TARGETS AVERTS CONTRACTIONARY BELT-TIGHTENING. ON THE OTHER HAND, AGRICULTURE STOCKS (ESPECIALLY THOSE WITH EXPOSURE TO THE HARDEST-HIT REGIONS) AND INSURANCE COMPANIES MAY FACE PRESSURES FROM CROP AND ASSET LOSSES. NONETHELESS, THE OVERALL EFFECT IS MARKET-SUPPORTIVE AS IT SIGNALS POLICY FLEXIBILITY AND HUMANITARIAN PRIORITIZATION.

## Recent News Affecting PSX

[Scroll to Top ↑](#)

### 10. MAJOR CORPORATE EARNINGS ANNOUNCEMENTS: MIXED PICTURES IN ENERGY AND POWER

SEPTEMBER BROUGHT FULL-YEAR AND QUARTERLY EARNINGS REPORTS FROM MAJOR PSX-LISTED CORPORATES. PAKISTAN PETROLEUM LIMITED (PPL) REPORTED A 19–22% YOY DECLINE IN NET INCOME, ATTRIBUTED TO LOWER OIL AND GAS OUTPUT AND TEPID GLOBAL PRICES<sup>44</sup>. HUB POWER COMPANY (HUBC) SAW A 68% PROFIT DROP FOR 2QFY25, AMID A BASE PLANT PPA TERMINATION AND REVENUE CONTRACTION, EVEN AS IT RESUMED A CASH PAYOUT. BOTH COMPANIES FLAGGED PERSISTENT RECEIVABLES AND CIRCULAR DEBT AS ONGOING RISKS. MEANWHILE, BANKS AND SOME HEAVYWEIGHTS IN CEMENT AND AUTO CONTINUED TO OUTPERFORM, ON THE BACK OF THE CYCLICAL ECONOMIC UPSWING.

THESE CORPORATE RESULTS SEND MIXED SIGNALS TO THE MARKET. NEGATIVE SURPRISES IN THE ENERGY AND IPP SPACE HAVE DAMPENED THE OUTLOOK FOR THOSE STOCKS, ESPECIALLY GIVEN UNDERLYING PRODUCTION DECLINES AND POLICY RISK. FOR INVESTORS, THESE RESULTS JUSTIFY A FLIGHT TOWARD SECTORS WITH RESILIENT DEMAND OR REFORM TAILWINDS, SUCH AS FINANCIALS, CONSTRUCTION, AND CONSUMER. THAT BEING SAID, AS CIRCULAR DEBT RESOLUTION AND FISCAL CONSOLIDATION GAIN TRACTION, ENERGY SECTOR EARNINGS MAY RECOVER IN THE MEDIUM TERM—BUT SHORT-TERM SENTIMENT IS CAUTIOUS TO NEGATIVE FOR OIL & GAS AND CONVENTIONAL POWER STOCKS.

## Market Impact Overview

News Headline	Impact	Affected Sector(s)	Anticipated Change
Landmark Rs1.225 Trillion Circular Debt Resolution Deal Signed	Positive	Energy, Power, Banks, Economy-wide	Boosts liquidity for IPPs and banks; improves investor confidence and credit outlook
Pakistan Federal Budget 2025-26: Market-Positive Taxation, Reforms, and Sectoral Incentives	Positive	Construction, Cement, Banking, IT, Renewable Energy, Real Estate	Supports valuations with no new equity/dividend taxes; sectoral incentives drive growth in construction, IT, and green energy
Pakistan Stock Exchange (KSE-100) Hits 158,000+ Record Amid Investor Resilience	Positive	Banking, Cement, Fertilizer, Energy, Auto, Pharma	Reinforces investor confidence; broad-based buying signals market depth and stability
Saudi-Pakistan Strategic Defense Pact: Implications for Security and Economic Engagement	Positive	Banks, Defense, Energy, Infrastructure, Economy-wide	Strengthens investor sentiment; potential Saudi inflows and oil deferrals stabilize FX and macro outlook
Trump Administration Implements \$100,000 H-1B Visa Fee for New Applicants	Negative	IT, Tech Services, Education, Outsourcing	Cuts IT exports and remittances; headwinds for small/midcap tech and services tied to U.S. labor market
IMF Program Update and Pakistan-IMF Review Talks Scheduled for September 25	Positive	Economy-wide, Energy, Utilities, SOEs, Banks	Supports FX stability and reserves; risks of volatility if IMF pushes strict reforms
Global Oil Price Fluctuations and PSX Sensitivity to Energy Shocks	Positive	Energy, Transport, Manufacturing, Chemicals, Cement	Lower oil prices ease import bill and inflation; volatility risk keeps energy stocks sensitive
International Lenders and IMF Concede to Flood Relief Needs	Positive	Construction, Materials, Banks, Agriculture, Insurance	Relief spending boosts reconstruction and sentiment; agri/insurance face pressure from losses
Major Corporate Earnings Announcements: Mixed Pictures in Energy and Power	Mixed	Oil & Gas, Power, Banks, Cement, Auto	Weak earnings hit E&Ps and IPPs; investors rotate toward banks, cement, and consumer sectors

## Analyst Certificate:

The Research Report is prepared by the research analyst at WE Financial Services Ltd. It includes analysis and views of our research team that precisely reflects the personal views and opinions of the analysts about the subject security(ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security(ies). The views expressed in this report are unbiased and independent opinions of the Research Analyst which accurately reflect his/her personal views about all of the subject companies/securities and no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

## Disclaimer:

The Report is purely for information purposes and the opinions expressed in the Report are our current opinions as of the date of the Report and may be subject to change from time to time without notice. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by WE Financial Services Ltd. and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments. The information provided in the Report is from publicly available data, which we believe, are reliable.

This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, WE Financial Services Ltd. does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. WE Financial Services Ltd. reserves the right to make modifications and alterations to this statement as may be required from time to time. However, WE Financial Services Ltd. is under no obligation to update or keep the information current. WE Financial Services Ltd. is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult his or her own advisors to determine the merits and risks of such investment. WE Financial Services Ltd. or any of its affiliates shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

## Stock Ratings

WE Financial Services Ltd. uses three rating categories, depending upon return from current market price, with Target period as December 2018 for Target Price. In addition, return excludes all type of taxes. For more details kindly refer the following table:

Potential to target price	
Buy Upside	More than +10% from last closing price
Hold	In between -10% and +10% from last closing price
Sell	Less than -10% from last closing price

## Equity Valuation Methodology

WE Research uses the following valuation technique(s) to arrive at the period end target prices:

- Discounted Cash Flow (DCF)
- Dividend Discount Model (DDM)
- Relative valuation (P/E, P/B, P/S)
- Equity & Asset return based (EVA, Residual income)

## Risks

The following risks may potentially impact our valuations of subject security(ies):

- Market Risk
- Interest Rate Risk
- Exchange rate risk

Disclaimer: This document has been prepared by Research Analysts at WE Financial Services Ltd.

WE Research is Available on our website (<http://www.we.com.pk/research.php>), Thomson Reuters, Bloomberg, S & P Capital IQ, FactSet