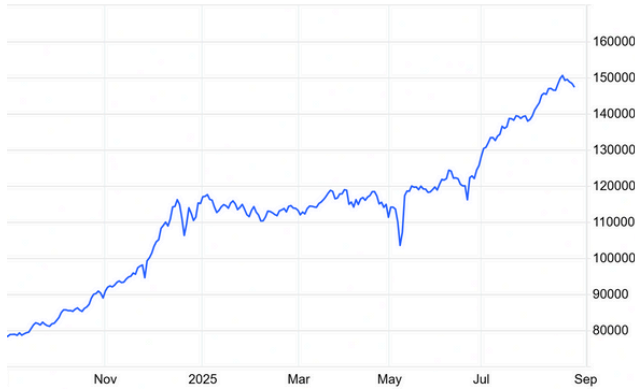


KSE 100 Index



KSE 100 Index Statistics

Open	148,841.67
High	149,237.92
Low	147,337.02
Change	-0.63%
Volume	186.41M

Economic Snapshot

Reserves	\$19,607 Million
Inflation CPI (July, 2025)	4.10%
Policy Rate	11%
Exports	PKR 762,746 Million
Imports	PKR 166,9239 Million
Current Account (July, 2025)	\$268 Million
Remittance	\$3200 Million

Exchange Rates

Crosses	Price	Day	%
USDPKR	281.85	-1.85	-0.65%
EURPKR	328.39	-2.042	-0.62%
GBPPKR	380.89	-2.1994	-0.57%

Recent News Affecting PSX

ADB APPROVES \$800 MILLION FOR FISCAL SUSTAINABILITY (POSITIVE)
 THE ASIAN DEVELOPMENT BANK (ADB) APPROVED AN \$800 MILLION LOAN TO SUPPORT PAKISTAN'S FISCAL REFORMS, FOCUSING ON SUSTAINABILITY, REVENUE MOBILIZATION, AND PUBLIC EXPENDITURE EFFICIENCY AMID ONGOING ECONOMIC RECOVERY EFFORTS.

THIS INFUX STRENGTHENS GOVERNMENT FINANCES, POTENTIALLY REDUCING BORROWING COSTS AND BOOSTING CONFIDENCE IN MACROECONOMIC STABILITY. IT COULD POSITIVELY IMPACT BANKING AND INFRASTRUCTURE STOCKS BY ENABLING MORE PUBLIC-PRIVATE PROJECTS, THOUGH SKEPTICS NOTE IT MAY NOT FULLY ADDRESS POVERTY-DRIVEN DEMAND WEAKNESS.

REKO DIQ SECURES \$6 BILLION FUNDING PLEDGES (POSITIVE)

THE REKO DIQ MINING PROJECT, A KEY COPPER-GOLD VENTURE, RECEIVED \$6 BILLION IN FUNDING COMMITMENTS FROM INTERNATIONAL INVESTORS, INCLUDING BARRICK GOLD, SIGNALING PROGRESS IN RESOURCE EXTRACTION UNDER THE FOREIGN PRIVATE INVESTMENT PROMOTION AND PROTECTION ACT.

1. ENHANCED FOREIGN DIRECT INVESTMENT (FDI) IN MINING COULD DRIVE GAINS IN RESOURCE-LINKED STOCKS, IMPROVING EXPORT REVENUES AND FOREX RESERVES. HOWEVER, ENVIRONMENTAL CONCERNS FROM LOCAL STAKEHOLDERS MIGHT INTRODUCE REGULATORY RISKS, TEMPERING LONG-TERM ENTHUSIASM.

GOVERNMENT FINALIZES PETROLEUM SECTOR REFORMS (POSITIVE)

THE PAKISTANI GOVERNMENT IS FINALIZING REFORMS TO ALLEVIATE FINANCIAL DISTRESS IN THE PETROLEUM SECTOR, INCLUDING DEREGULATION AND EFFICIENCY MEASURES TO ATTRACT INVESTMENT AND STABILIZE SUPPLY CHAINS.

THESE REFORMS COULD LOWER OPERATIONAL COSTS FOR ENERGY FIRMS, BOOSTING PROFITABILITY AND ATTRACTING FOREIGN PLAYERS. POSITIVE FOR OIL & GAS STOCKS LIKE PSO AND SNGPL, THOUGH OPPOSITION FROM UNIONS ARGUES IT MAY LEAD TO JOB LOSSES AND HIGHER CONSUMER PRICES.

PAKISTAN CLEARS RS100 BILLION CHINESE ENERGY DEBT (POSITIVE)

PAKISTAN SETTLED RS100 BILLION IN OUTSTANDING DUES TO CHINESE ENERGY FIRMS, EASING TENSIONS IN THE POWER SECTOR AND PAVING THE WAY FOR RENEWED COOPERATION UNDER THE CHINA-PAKISTAN ECONOMIC CORRIDOR (CPEC).

DEBT CLEARANCE IMPROVES BILATERAL TIES AND COULD UNLOCK FURTHER CPEC INVESTMENTS, BENEFITING ENERGY AND CONSTRUCTION SECTORS. CRITICS, HOWEVER, WARN OF DEPENDENCY ON CHINA, POTENTIALLY EXPOSING THE MARKET TO GEOPOLITICAL SHIFTS.

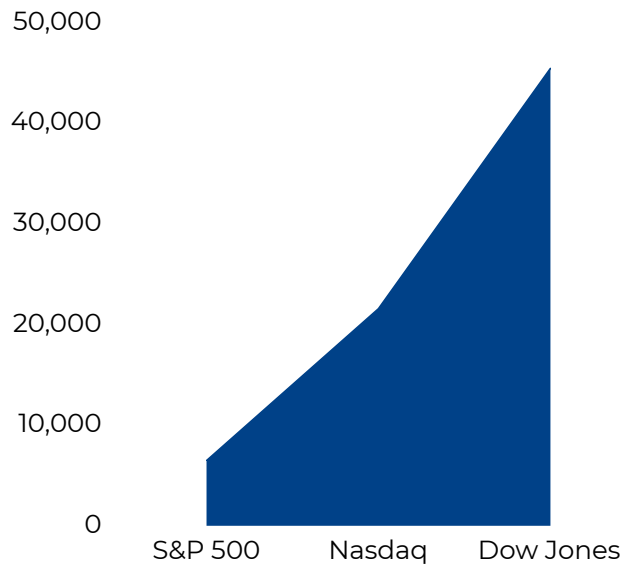
Cumulative FIPI/LIPI

Grand Total FIPI, net	\$(2,247,283)
Banks/DFI	\$(291,569)
Broker Proprietary Trading	\$(2,189,193)
Companies	\$1,832,640
Individuals	\$5,371,068
Insurance Companies	\$(729,988)
Mutual Funds	\$(1,714,065)
NBFC	\$(27,493)
Other Organization	\$(4,115)
Grand Total LIPI, net	\$2,247,285

UAE PRESIDENT'S UPCOMING VISIT TO STRENGTHEN TIES (POSITIVE)
 UAE PRESIDENT SHEIKH MOHAMED BIN ZAYED AL NAHYAN'S PLANNED VISIT AIMS TO ENHANCE BILATERAL RELATIONS, WITH DISCUSSIONS ON TRADE, INVESTMENT, AND THE PAK-UAE JOINT MINISTERIAL COMMISSION.
 EXPECTED DEALS IN TRADE AND ENERGY COULD SPUR FDI INFLOWS, POSITIVELY AFFECTING BANKING AND EXPORT STOCKS. BALANCED VIEWS NOTE THAT WHILE GULF TIES ARE STRONG, REALIZATION OF INVESTMENTS DEPENDS ON PAKISTAN'S POLITICAL STABILITY.

FLOOD DEVASTATION AND IRAN'S OFFER OF SUPPORT (NEGATIVE)
 MONSOON FLOODS CAUSED WIDESPREAD DAMAGE IN KHYBER PAKHTUNKHWA AND GILGIT, WITH IRAN OFFERING ASSISTANCE; UN RELEASED \$600,000 IN AID EARLIER IN AUGUST.
 DISRUPTIONS TO AGRICULTURE AND INFRASTRUCTURE COULD HURT RELATED STOCKS, ERODING SHORT-TERM SENTIMENT. WHILE AID PROVIDES RELIEF, CRITICS POINT TO INADEQUATE PREPAREDNESS AS A RECURRING RISK FACTOR.

World Index Volumes



SBP PURCHASES \$7.76 BILLION FROM CURRENCY MARKET (POSITIVE)
 THE STATE BANK OF PAKISTAN (SBP) BOUGHT \$7.76 BILLION FROM THE INTERBANK MARKET OVER 12 MONTHS TO BOLSTER RESERVES, STABILIZING THE RUPEE AT AROUND PKR 281.83 PER USD.
 STRONGER RESERVES REDUCE IMPORT INFLATION RISKS, SUPPORTING IMPORTER AND CONSUMER STOCKS. DETRACTORS ARGUE IT MASKS UNDERLYING TRADE DEFICITS, POTENTIALLY LEADING TO FUTURE VOLATILITY.

OIL PRICES STEADY AMID US TARIFF CONCERNS ON RUSSIA-LINKED IMPORTS (NEGATIVE)
 OIL PRICES HELD STEADY AS US TARIFFS ON INDIAN EXPORTS (RELATED TO RUSSIAN OIL PURCHASES) RAISED GLOBAL SUPPLY DISRUPTION FEARS, WITH BRENT AT \$67.12 PER BARREL.
 HIGHER ENERGY COSTS FROM TARIFFS COULD PRESSURE REFINERIES AND TRANSPORTERS, NEGATIVELY IMPACTING PSX ENERGY INDICES. PRO-TARIFF VIEWS IN THE US CONTRAST WITH PAKISTAN'S NEED FOR AFFORDABLE IMPORTS, AMPLIFYING CONTROVERSY.

Commodities

Item	Value (PKR)
Gold 10 Grams PKR	309,242
Petrol/Litre	264.61
Diesel/Litre	272.99
Karachi Cotton PKR/37.32 KG	16,480

Debt Instruments Rates

PIB 3Y	11.1400%
PIB 5Y	11.4399%
PIB 10Y	12.1500%
T-Bills 3M	10.8502%
T-Bills 6M	10.8501%
T-Bills 1Y	10.9990%

Government Ijarah Sukuk (GIS) Rates

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

MSCI AUGUST 2025 REVIEW ADDS PAKISTANI STOCKS (POSITIVE)

MSCI ADDED FAYSAL BANK (FABL) TO ITS FRONTIER MARKETS STANDARD INDEX AND OTHERS LIKE INDUS DYEING (IDYM) TO THE SMALL CAP INDEX, EFFECTIVE AUGUST 26, POTENTIALLY DRAWING PASSIVE FUND INFLOWS.

INDEX INCLUSIONS HISTORICALLY BOOST LIQUIDITY AND FOREIGN INVESTMENT, LIFTING BANKING SECTOR VALUATIONS. SOME ANALYSTS CAUTION THAT BROADER EM OUTFLOWS COULD DILUTE BENEFITS IF GLOBAL SENTIMENT SOURS.

US INTEREST IN PAKISTAN'S OIL SECTOR GROWS AMID TRUMP CLAIMS (MIXED/POSITIVE LEAN)

US COMPANIES EXPRESSED INCREASED INTEREST IN PAKISTAN'S OIL AND GAS SECTOR FOLLOWING PRESIDENT TRUMP'S CLAIMS OF "MASSIVE" RESERVES, THOUGH EXPERTS ESTIMATE RECOVERABLE SHALE OIL AT ONLY 238 MILLION BARRELS.

POTENTIAL US INVESTMENTS COULD REVITALIZE EXPLORATION STOCKS, BUT SKEPTICISM FROM DEPARTING FIRMS LIKE SHELL HIGHLIGHTS RISKS, POSSIBLY LEADING TO SECTOR-SPECIFIC GAINS AMID BROADER CAUTION.

Snapshot: News Impacting PSX

News Item	Date	Impact	Affected Sectors	Estimated Change
ADB \$800m Approval	Aug 1, 2025	Positive	Banking, Infrastructure	+0.5-1% uplift
Reko Diq \$6b Funding	Aug 1, 2025	Positive	Mining, Resources	+1-2% in sector indices
Petroleum Reforms	Aug 1, 2025	Positive	Energy, Oil & Gas	+0.8-1.5% gains
Clearing Chinese Debt	Aug 1, 2026	Positive	Power, Construction	+0.7-1.2% boost
UAE Visit	Aug 1, 2026	Positive	Trade, Banking	+0.5-1% sentiment lift
MSCI Additions	Aug 1, 2026	Positive	Finance, Overall Market	+1-1.5% from inflows
SBP Currency Purchases	Aug 1, 2026	Positive	Importers, Consumers	+0.4-0.8% stability
US Oil Interest	Aug 1, 2027	Positive Lean	Oil & Gas Exploration	+0.6-1% selective gains
Oil Prices & Tariffs	Aug 1, 2027	Negative	Refineries, Transport	-0.5-1% pressure
Floods & Aid	Aug 1, 2025	Negative	Agriculture, Infra	-0.7-1.2% drag

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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

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