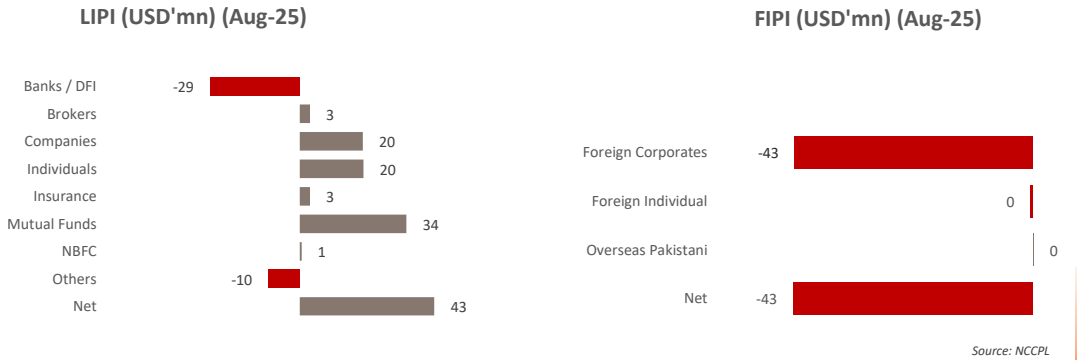
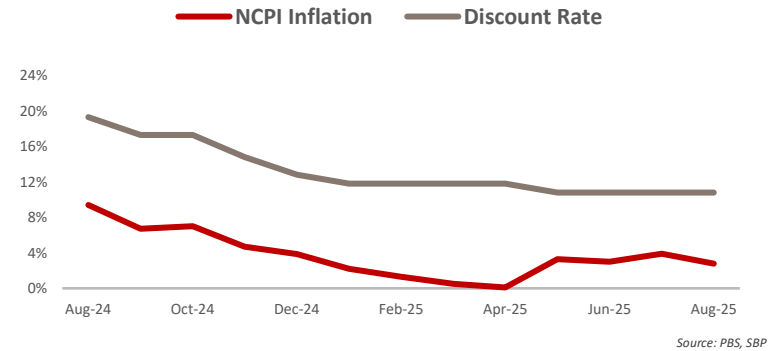
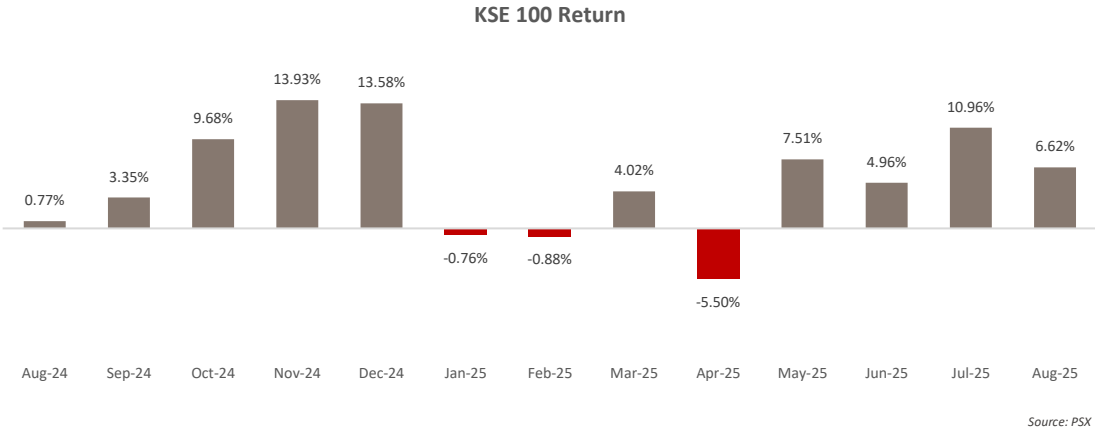


ACPL DIGEST (Aug-25)



Remittances			Exports			Imports			Current Account	
1MFY26	1MFY25	Change	1MFY26	1MFY25	Change	1MFY26	1MFY25	Change	1MFY26	1MFY25
\$3.21 bn	\$2.99 bn	▲ 7.35%	\$2.74 bn	\$2.36 bn	▲ 16.2%	\$5.42 bn	\$4.85 bn	▲ 11.8%	-\$0.250 bn	-\$0.348 bn

The KSE-100 Index sustained its bullish momentum in August 2025, hitting an all-time high of 151,261 before closing at 148,618 (+9,227 MoM), driven by strong institutional inflows and the corporate results season. Market sentiment was further supported by Moody’s upgrade of Pakistan’s sovereign rating to Caa1, citing improving external buffers, fiscal consolidation, and IMF-led reforms. On the macro front, the fiscal deficit narrowed to 5.4% of GDP in FY25 (vs. 6.8% in FY24), with a primary surplus of 2.4% of GDP. The CAD declined 37% YoY to USD 254mn in July, while remittances rose 7% YoY to USD 3.2bn. Inflation, however, inched up to 4.1% (vs. 3.2% in June). The power sector circular debt eased to PKR 1.6tn, though restructuring efforts remain stalled. Meanwhile, Reko Diq secured USD 6bn in funding



PORTFOLIO INVESTMENTS (SECTOR WISE)

pledges, and SBP reserves stood at USD 14.27bn. Severe monsoon rains since mid-June 2025 have caused significant damage across Punjab and Khyber-Pakhtunkhwa, with key sectors likely affected including Textiles, Fertilizer, Automobiles, Construction Materials, and OMCs. Looking ahead, the market anticipates key developments, including the IMF team visit for the second review under the Extended Fund Facility and RSF, the SBP's monetary policy announcement on 15th September 2025, and ongoing corporate earnings, all expected to remain significant drivers of market sentiment.

	(USD' mn) (Aug-25)											
	Cement	Banks	Fertilizer	Food	E&P	OMC	Power	Tech	Textile	Others	Gross	
LIPI Portfolio	Banks / DFI	-6.55	-8.53	-36.25	4.85	3.35	0.59	-0.02	1.36	0.55	11.89	-28.76
	Broker Proprietary Trading	-1.36	-0.84	0.43	2.80	2.07	-1.19	-0.10	0.27	-0.62	1.85	3.32
	Companies	11.41	3.40	5.14	-0.65	1.31	-0.49	-0.36	-1.23	-0.16	1.79	20.15
	Individuals	-7.91	2.15	13.28	-4.26	9.20	5.48	-2.22	5.36	-3.28	2.58	20.37
	Insurance Companies	-0.71	-5.25	1.74	1.06	-1.27	1.70	1.26	0.21	0.62	3.93	3.30
	Mutual Funds	8.20	5.39	20.15	1.66	-0.88	1.29	3.79	0.16	3.39	-9.05	34.11
	NBFC	-0.05	0.34	0.41	0.06	0.02	0.02	0.06	0.04	-0.04	-0.22	0.64
	Other Organization	-1.14	-0.09	-0.72	-3.49	-4.60	-0.02	-0.22	-0.27	0.12	0.37	-10.05
	LIPI Total	1.89	-3.44	4.19	2.03	9.20	7.38	2.18	5.90	0.59	13.14	43.07
	Cement	Banks	Fertilizer	Food	E&P	OMC	Power	Tech	Textile	Others	Gross	
FIPI Portfolio	Foreign Corporates	0.74	2.45	-5.30	-3.90	-9.00	-7.77	-0.92	-7.72	-0.24	-11.09	-42.74
	Foreign Individual	-0.02	-0.13	-0.01	0.00	-0.01	0.00	0.00	-0.26	0.00	-0.02	-0.45
	Overseas Pakistani	-2.61	1.12	1.12	1.87	-0.19	0.39	-1.27	2.07	-0.35	-2.04	0.11
	Total	-1.89	3.44	-4.19	-2.03	-9.20	-7.38	0.66	-5.90	-0.59	-13.16	-43.09

Source: NCCPL

COMMODITIES OVERVIEW

Crude

Crude oil futures plunged approximately 8.07% in August, reflecting a confluence of weakening demand and surging supply dynamics. This decline was largely driven by OPEC+ accelerating the rollback of earlier production cuts, swelling global supply, while the fading U.S. summer driving season dampened consumption outlooks. Additionally, rising U.S. tariffs and uncertainty surrounding global trade, particularly in relation to India's continued purchase of Russian crude, weighed further on market sentiment. U.S. Energy Information Administration (EIA) data showed crude inventories climbing by nearly 6 million barrels in August, well above seasonal norms, reinforcing signs of oversupply. Analysts also pointed to the build-up in stockpiles at Cushing, Oklahoma the WTI delivery hub as evidence of sluggish refinery runs.

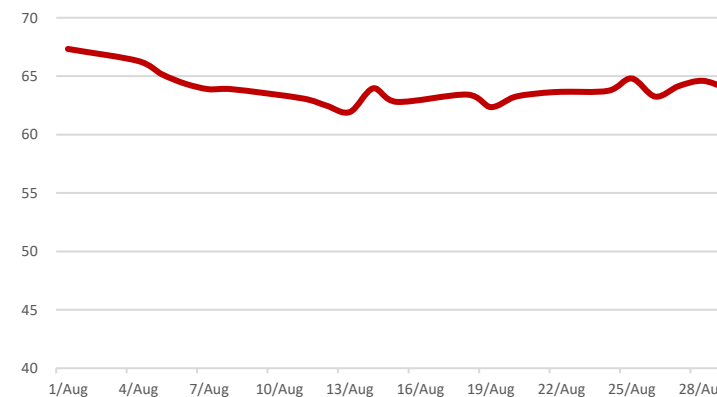
Looking ahead, technical indicators suggest crude prices could retest the \$67.75–\$69.00 range by the end of this month, provided bullish momentum formation. On the fundamental side, traders will closely watch the upcoming OPEC+ ministerial meeting, where discussions on supply adjustments may surface amid growing pressure from member states. Meanwhile, China's industrial activity and refinery runs remain key drivers, with weaker-than-expected data likely to amplify downside risks in oil markets.

Gold

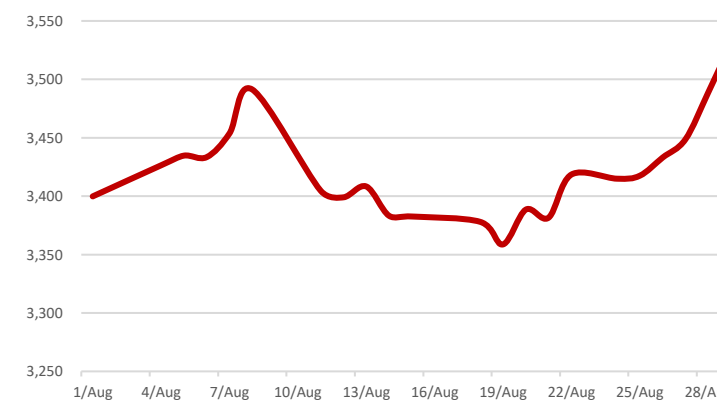
Gold futures surged by approximately 5.525% in August, settling near \$3,533 per ounce, as investors sought refuge amid escalating economic and geopolitical tensions. A softer U.S. dollar and growing expectations of Federal Reserve rate cuts buoyed demand for the non-yielding asset throughout the month. Still, speculative positioning remained bullish as COMEX net-long bets expanded, reflecting persistent speculative interest.

Looking ahead, gold futures are expected to extend their bullish momentum, with prices likely to target the \$3,600–\$3,650 range by the end of September. The metal remains technically strong, trading firmly above its all-time highs and supported by sustained buying interest from both institutional investors and central banks. Upcoming fundamentals will be pivotal: U.S. PCE inflation data and the Federal Reserve's September policy meeting are in focus, with any dovish tilt reinforcing gold's appeal.

Brent



Gold



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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DCF	Discounted Cash Flows
PE	Price to Earnings Ratio	PB	Price to Book Ratio	BVPS	Book Value Per Share
EPS	Earnings Per Share	DPS	Dividend Per Share	ROE	Return of Equity
ROA	Return on Assets	SOTP	Sum of the Parts	JPB	Justified Price to Book

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

VALUATION METHODOLOGY

To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

- I. Discounted Cash Flow Model
- II. Dividend Discount Model
- III. Relative Valuation Model
- IV. Sum of Parts Valuation

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