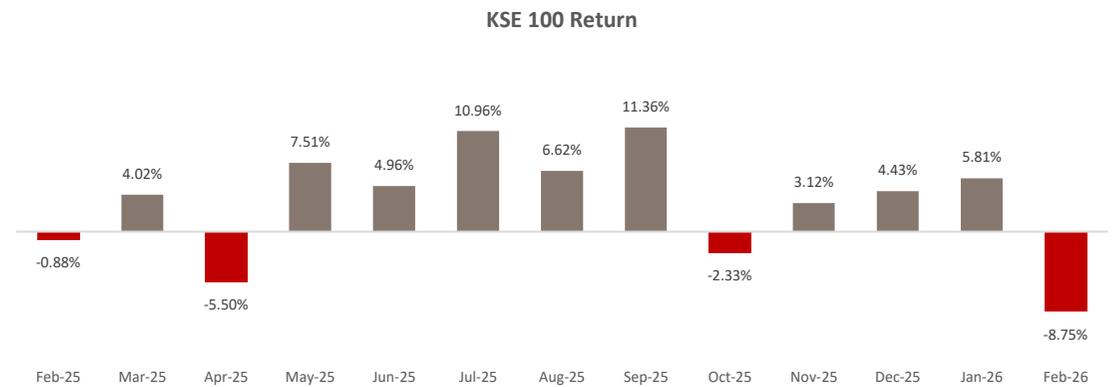


ACPL DIGEST (Feb-26)

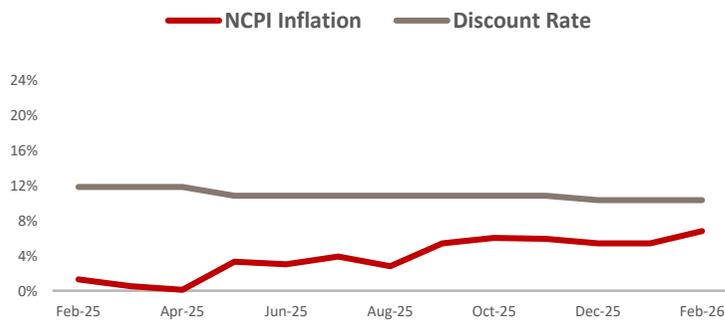


Remittances			Exports			Imports			Current Account	
7MFY26	7MFY25	Change	7MFY26	7MFY25	Change	7MFY26	7MFY25	Change	7MFY26	7MFY25
\$23.20 bn	\$20.84 bn	▲ 11.30%	\$23.90 bn	\$24.10 bn	▼ -0.8%	\$44.40 bn	\$40.00 bn	▲ 11.0%	-\$1.100 bn	\$0.600 bn

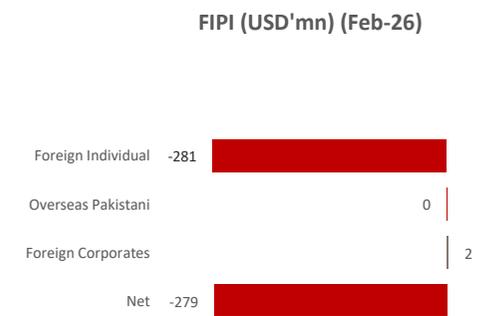
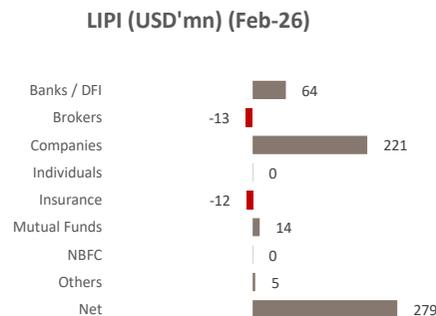
February 2026 marked a significant correction for the KSE-100 Index at the Pakistan Stock Exchange, which declined by 16,112 points, or 8.7% month-on-month, to close at 168,062, representing its sharpest monthly fall since March 2020. The decline was primarily driven by escalating geopolitical tensions, foreign outflows of USD 279 million, earnings disappointments in select heavyweight stocks, and concerns related to key strategic projects such as Reko Diq, with foreign selling concentrated in Cement, Technology, and E&P sectors. Despite relatively stable macro indicators, including a current account surplus of USD 121 million in January and 11% year-on-year growth in remittances, investor sentiment remained cautious. Liquidity also weakened, with average traded volume and value declining by 29% and 37%.



Source: PSX



Source: PBS, SBP



Source: MCCPL

respectively, reflecting a defensive market stance, while Banks and E&P were the largest negative contributors to index performance. From a valuation standpoint, the correction has brought the index down to approximately 8.3x price-to-earnings with a dividend yield near 6%, levels that have historically offered medium-term support provided macro stability is sustained.

Going forward, market direction is likely to remain closely tied to the upcoming IMF review, which will serve as a key determinant of investor confidence. At the same time, ongoing geopolitical tensions present risks of renewed inflationary pressures, which could translate into additional volatility and weigh on equity market performance.

Recommended stocks: AIRLINK, APL, ASTL, BBFL, CNERGY, DGKC, EFERT, FFC.

		(USD' mn) (Feb-26)										
		Cement	Banks	Fertilizer	Food	E&P	OMC	Power	Tech	Textile	Others	Gross
LIPI Portfolio	Banks / DFI	6.73	10.07	-0.01	-1.83	11.06	0.43	0.41	-0.23	-0.29	37.52	63.85
	Broker Proprietary Trading	0.60	-4.37	0.32	1.06	-7.56	-2.58	6.72	-0.82	0.02	-6.85	-13.46
	Companies	198.70	12.90	1.50	-0.94	-0.52	1.02	-4.56	1.64	-0.01	11.28	221.00
	Individuals	8.88	-16.11	3.82	2.59	4.08	3.09	-1.60	5.06	-1.03	-8.50	0.27
	Insurance Companies	2.06	-3.28	0.58	-0.12	-9.20	-0.52	-0.26	0.93	-0.06	-2.13	-12.00
	Mutual Funds	11.73	0.68	-2.61	0.50	9.83	4.61	2.51	7.21	1.32	-21.89	13.89
	NBFC	0.06	0.06	-0.01	0.00	0.03	-0.00	0.02	-0.01	-0.00	0.22	0.38
	Other Organization	-0.07	7.17	-1.28	-0.03	0.74	0.22	0.09	-0.23	-0.09	-1.51	5.02
LIPI Total		228.69	7.13	2.31	1.23	8.47	6.26	3.34	13.55	-0.15	8.14	278.95
FIPI Portfolio	Foreign Corporates	-0.02	-0.01	-0.05	0.00	-0.02	-0.01	-0.01	0.03	-0.06	-5.10	-5.25
	Foreign Individual	2.77	2.98	1.50	-0.36	-0.16	-0.51	-1.97	0.58	0.11	-0.04	4.89
	Overseas Pakistani	-231.43	-10.10	-3.75	-0.86	-8.29	-5.74	-1.36	-14.16	0.10	-3.00	-278.60
	Total	-228.69	-7.13	-2.31	-1.23	-8.47	-6.26	1.01	-13.55	0.15	-8.14	-278.95

COMMODITIES OVERVIEW

Crude Oil

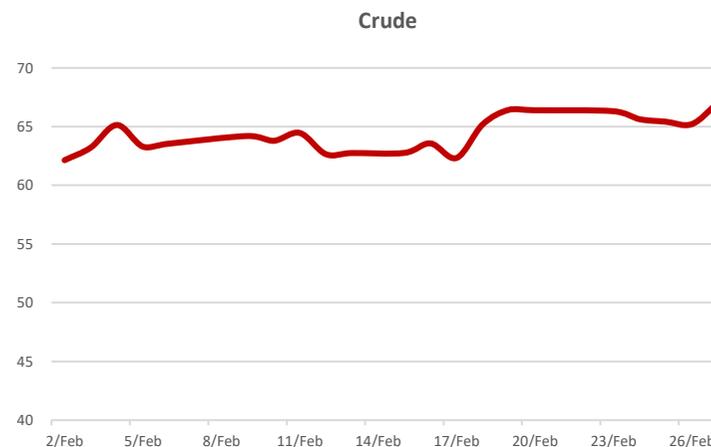
Crude oil traded in a firm \$61 to \$67 range throughout February, balancing resilient demand with rising geopolitical uncertainty. Prices found support near \$61 on renewed supply concerns, while rallies toward \$67 faced profit taking. Escalating tensions involving Iran and Israel added a risk premium, with fears of disruptions near key energy infrastructure and the Strait of Hormuz lifting crude to multi week highs. Meanwhile, steady refinery activity and stable consumption limited downside risks. Volatility was driven mainly by geopolitical headlines and production decisions rather than macroeconomic data, keeping the market highly sensitive to external shocks.

Looking ahead, while near-term price action may continue to fluctuate within established technical levels, the broader bias appears constructive. If geopolitical risks especially the ongoing Iran-Israel war and associated regional instability persist and inventory trends remain supportive, crude oil is likely to build upward momentum, with prices potentially targeting the \$80–\$85 zone by the end of March.

Gold

Gold futures stayed strongly bullish in February, consolidating after January’s sharp rally while maintaining a firm underlying tone. Prices moved within a wide range as safe haven demand driven by geopolitical tensions in the Middle East and Eastern Europe offset periodic profit taking. Shifting expectations around U.S. monetary policy and real yields created two way price action, preventing a decisive breakout. Ongoing central bank buying and portfolio hedging provided structural support, allowing gold to stabilize despite volatility and keeping the broader bullish trend intact.

Looking ahead, gold futures are expected to regain upward traction if geopolitical risks persist and economic data reinforce expectations of a more accommodative policy stance. With safe-haven demand likely to remain elevated amid ongoing war uncertainties and global macro risks, prices could gradually build momentum toward retesting the 5,626 level by the end of March, especially if inflation data and labor market indicators soften in the coming weeks.



DISCLAIMER

This report has been prepared by Abbasi & Company (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Abbasi & Company (Private) Limited and or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Abbasi & Company (Private) Limited accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation, and needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Abbasi & Company (Private) Limited Research Department and do not necessarily reflect those of the company or its directors. Abbasi & Company (Private) Limited as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. Abbasi & Company (Private) Limited does not act as a market maker in the securities of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives do not have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company at the time of issuance of this report. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives are not currently serving or have served in the past three years as a director or officer of the subject company. Abbasi & Company (Private) Limited or any officers, directors, associates or close relatives have not received compensation from the subject company in the previous 12 months. The subject company currently is not, or during the 12-month period preceding the date of publication or distribution of this report, was not, a client of Abbasi & Company (Private) Limited. We have not managed or co-managed a public offering or any take-over, buyback or delisting offer of securities for the subject company in the past 12 months and/or received compensation for corporate advisory services, brokerage services or underwriting services from the subject company in the past 12 months. Abbasi & Company (Private) Limited does not expect to receive or intend to seek compensation for corporate advisory services or underwriting services from the subject company in the next 3 months All rights reserved by Abbasi & Company (Private) Limited. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever.

VALIDITY OF THE PUBLICATION OR REPORT

The information may be subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the company, jurisdiction or financial instruments referred to in this report. The valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report and were based upon several estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein is not to be relied upon as a representation and/or warranty by Abbasi & Company (Private) Limited and/or its other associated and affiliated companies, that:

- I. Such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- II. There is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein

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

PREPARED BY

Haroon Abdul Razzaq
Phone: (+92) 42 38302028
Ext: 116
Email: haroon@abbasiandcompany.com

RESEARCH DEPARTMENT

6 - Shadman, Lahore
Phone: (+92) 42 38302028; Ext: 116, 117
Email: research@abbasiandcompany.com
web: www.abbasiandcompany.com

HEAD OFFICE

6 - Shadman, Lahore
Phone: (+92) 42 38302028
Email: support@abbasiandcompany.com
web: www.abbasiandcompany.com