

PSX HALF-YEARLY NEWSLETTER (1HFY26)

THE CLIMB CONTINUES



Macroeconomic Dashboard



GDP Growth

1QFY26
3.71%

1QFY25
1.56%

SBP Reserves (USD mn)

Dec, 2025 ↑ **36%**
15,915

Dec, 2024
11,732

Policy Rate

Dec, 2025
10.50%

Dec, 2024
13.00%

Consumer Price Index

1HFY26
5.12%

1HFY25
7.22%

Current Account Balance (USD mn)

1HFY26
(1,174)

1HFY25
957

Remittances (USD mn)

1HFY26 ↑ **11%**
19,734

1HFY25
17,847

HALF-YEARLY HIGHLIGHTS

The KSE-100 Index recorded a strong return of 38.55% in PKR terms during 1HFY26, reflecting improved investor sentiment amid macroeconomic stabilization, enhanced market liquidity, and continued reform implementation under the IMF program.

Economic activity showed encouraging momentum during the period. GDP growth reached 3.71% in 1QFY26, compared to 1.56% in 1QFY25. The agriculture sector expanded by 2.89% (1QFY25: 1.01%), while the industrial sector rebounded sharply, recording growth of 9.38% (1QFY25: 0.12%). Growth in the services sector remained modest at 2.35%, broadly in line with last year (1QFY25: 2.24%).

Monetary policy eased further, with the State Bank of Pakistan (SBP) reducing the policy rate by 50 basis points to 10.50% from 11.00%, reflecting easing inflation expectations.

Inflationary pressures continued to moderate, with headline CPI inflation averaging 5.12% during 1HFY26, compared to 7.22% in the corresponding period of FY25, supported by fiscal discipline and improved supply-side conditions.

Pakistan's external credit outlook improved during the period. Moody's upgraded Pakistan's sovereign rating to Caa1, while Fitch and S&P raised the rating to B- from CCC+, citing stronger external buffers, fiscal consolidation, and steady IMF-led reforms.

Workers' remittances remained a key source of external support, rising to USD 19.7 billion during 1HFY26, compared to USD 17.8 billion in the same period last year. Remittances are expected to reach USD 40 billion in FY26.

Market depth improved significantly, with market capitalization increasing from PKR 15.24 trillion (USD 53.7 billion) as of June 30, 2025, to PKR 19.69 trillion (USD 70.25 billion) by the end of the period.

Net Foreign Direct Investment (FDI) stood at USD 808.1 million during the first half of FY26, reflecting a 43.28% decline compared to USD 1.42 billion recorded in the same period last year.

During the period, Pakistan received its third IMF disbursement, amounting to USD 1 billion under the Extended Fund Facility (EFF) and USD 200 million, being the first disbursement under the Resilience and Sustainability Facility (RSF) in December. Total IMF disbursements to date now stand at USD 3.3 billion.

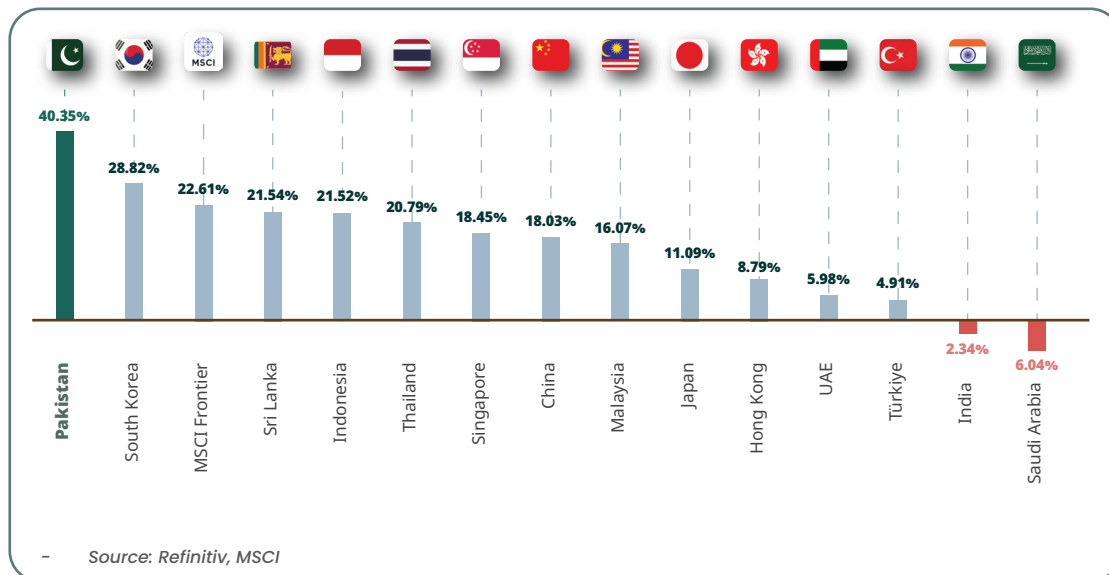
The government also made notable progress on its privatization agenda. During 1HFY26, two state-owned enterprises were successfully privatized. In October 2025, the government's 82.64% stake in First Women Bank Limited was sold to Abu Dhabi-based International Holding Company (IHC). Subsequently, in December 2025, a 75% stake in Pakistan International Airlines (PIA) was sold to the Arif Habib consortium for PKR 135 billion, with further SOE privatizations planned going forward.

In a landmark development for the power sector, the federal government signed a PKR 1.225 trillion financing agreement with a consortium of 18 banks to address the country's circular debt, at a pricing of KIBOR minus 0.9%.

On the external front, IT exports continued their strong momentum, reaching record monthly levels of USD 356 million in November 2025. Cumulatively, IT exports totaled USD 1.8 billion during the first five months of FY26 (July–November), representing a 19% year-on-year increase.

Source: SBP, PBS, NAC

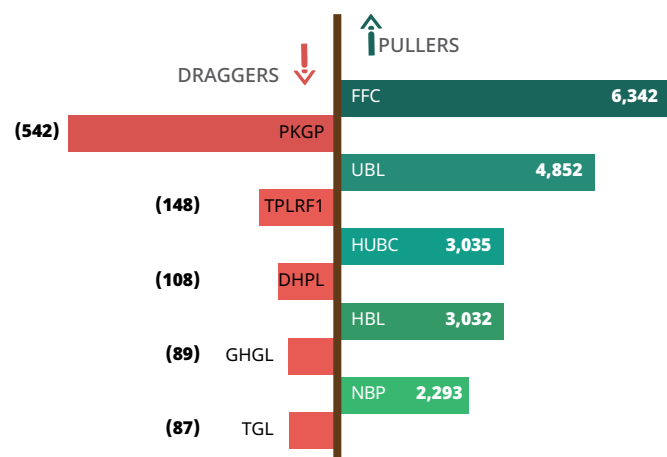
Performance of Global Stock Indices in USD during July 2025 - December 2025



The KSE-100 Index is currently trading at a PER of **9.2x** offering a dividend yield of **~5.4%**.

Source: Arif Habib Limited Weekly Market Update

KSE100 Scrip-wise Pullers and Draggers (1HFY26)



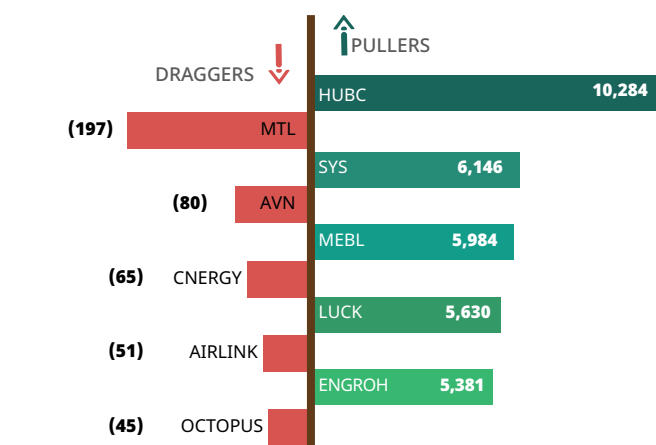
KSE100 Top Performing Sectors (1HFY26)

Sector	Points Contribution	% of Total
Commercial Banks	18,399	37.99%
Fertilizer	7,933	16.38%
Cement	4,526	9.35%
Oil & Gas Exploration Companies	4,287	8.85%
Technology & Communication	3,014	6.22%

The KSE100 Index witnessed notable contributions from Commercial Banks (37.99%), Fertilizer (16.38%), Cement (9.35%), Oil & Gas Exploration (8.85%) and Technology and Communication (6.22%).

Top scrips which contributed to the index rally include FFC (+6,342pts), UBL (+4,852pts), HUBC (+3,035pts), HBL (+3,032pts) and NBP (+2,293pts), while PKGP (-542pts) and TPLRF1 (-148pts) acted as major draggers.

KMI30 Scrip-wise Pullers and Draggers (1HFY26)



KMI30 Top Performing Sectors (1HFY26)

Sector	Points Contribution	% of Total
Oil & Gas Exploration Companies	12,313	19.34%
Cement	11,074	17.40%
Power Generation & Distribution	10,284	16.16%
Commercial Banks	6,589	10.35%
Technology & Communication	5,949	9.35%

The KMI30 Index witnessed notable contributions from Oil & Gas Exploration (19.34%), Cement (17.40%), Power Generation & Distribution (16.16%), Commercial Banks (10.35%) and Technology and Communication (9.35%).

Top scrips which contributed to the index rally include HUBC (+10,284pts), SYS (+6,146pts), MEBL (+5,984pts), LUCK (+5,630pts) and ENGROH (+5,381pts), with MTL (-197pts) and AVN (-80pts) as major draggers.

Monthly Trading Statistics (1HFY26)

Month	Average Daily Traded Volume (Mn)		Average Daily Traded Value (PKR Mn)	
	Ready	Futures	Ready	Futures
July	766	183	35,507	10,252
August	737	197	42,221	13,890
September	1,341	295	54,759	16,575
October	1,430	391	52,690	18,445
November	819	286	34,861	15,116
December	864	292	43,469	17,220

- KSE100 Index witnessed its highest value traded for the 1HFY26 of PKR 78.7 billion on October 03, 2025.
- Value traded in KSE-All surged to PKR 107 billion, its fourth highest ever on September 26, 2025.
- October, 2025 recorded highest ever average monthly traded volume of 1.43bn shares, and third largest average monthly traded value of PKR 55 bn.

Top KSE100 Stocks Based On Total Shareholder Return (1HFY26)

Company Name	Symbol	Return (%)
The Bank of Punjab	BOP	292.53%
Pakistan Telecommunication Company Ltd.	PTC	133.77%
National Bank of Pakistan	NBP	122.82%
Pakistan International Bulk Terminal	PIBTL	115.45%
Askari Bank Limited	AKBL	112.23%
Habib Bank Limited	HBL	86.75%
Javedan Corporation Limited	JVDC	80.79%
Pakistan Stock Exchange Limited	PSX	75.04%
Pioneer Cement Limited	PIOC	73.69%
HBL Growth Fund	HGFA	72.27%

Top 10 Companies by Market Capitalization

Symbol	Market Capitalization (PKR Bn) - Dec'25	Market Capitalization (PKR Bn) - Dec'24	YoY Change
OGDC	1,209	977	24%
UBL	1,063	468	127%
MARI	860	864	-1%
FFC	841	521	61%
MEBL	800	434	84%
LUCK	696	322	116%
PPL	641	554	16%
NBP	515	142	262%
HBL	474	256	85%
MCB	450	333	35%

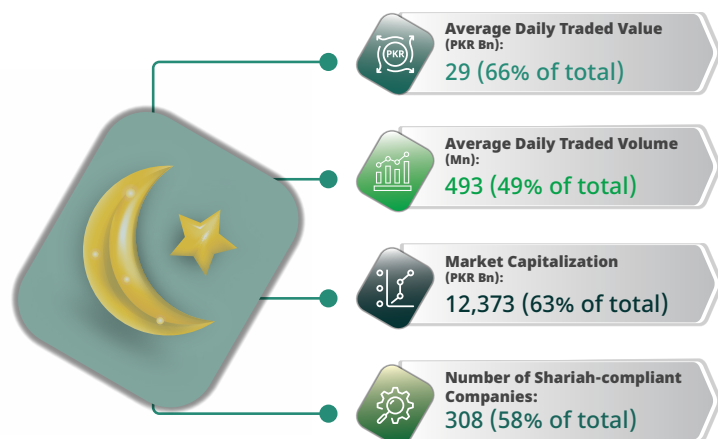
As of December 31, 2025, PSX lists 18 companies with a market capitalization exceeding USD 1 billion. This marks a remarkable increase from just 11 companies in Dec'24.

Asset Class Returns (USD) - 1HFY26

Silver 97.46%	KSE100 Index 40.35%
Gold 30.61%	PKR/USD -1.28%
	Bitcoin -13.69%

Silver delivered the highest return among other asset classes followed by KSE-100 Index and gold. The index continued its upward momentum in 1HFY26, after an impressive return of 57% (USD) in FY25.

Shariah Related Performance (1HFY26)



GIS Auction Statistics (Jul'25 - Dec'25)

Number of Auctions	6
Amount Raised (PKR Bn)	1,211
Oversubscription	3.42x

GIS Auction Statistics (Dec'23 - Dec'25)

Number of Auctions	29
Amount Raised (PKR Bn)	4,036
Oversubscription	3.83x

What's Happening at PSX

1. Successful Re-launch of Cash-Settled Futures (CSF)

After extensive consultation with market participants, PSX relaunched Cash-Settled Futures (CSF), a new addition to its derivatives product suite. This game-changing move unlocks enhanced risk management tools and broader market coverage, spanning 82 symbols at the time of launch, with maturities of 1, 2, and 3 months.

This relaunch marks a bold step forward, empowering investors with greater opportunities, sharper strategies, and a more vibrant trading landscape. PSX [CSF webpage](#) provides more details about this new addition to derivatives market at PSX.

2. New Listings



In 1HFY26, PSX witnessed 3 IPOs for the Main Board; including Image REIT, Blue-Ex Limited and Pak-Qatar Family Takaful, having a total paid-up capital of ~PKR 5,350mn and raising PKR 1,887mn. Additionally, 4 corporate debts were issued with the total issue size of PKR 5,450mn.

3. PSX Accelerates Issuer Pipeline with Nationwide Outreach

During 1HFY26, PSX utilized targeted business development and nationwide outreach to strengthen its issuer pipeline. These efforts included conducting 53 investor awareness sessions, organizing 3 IPO roundtable conferences in Peshawar and Faisalabad, holding 4 National Incubation Centre sessions for startups, and hosting 6 industry awareness sessions with various regional associations and chambers. Additionally, the PSX participated in 15 industry expos and conducted 95 meetings with potential unlisted companies, while also exploring debt market opportunities with 3 listed companies. These efforts support a growing pipeline of equity and debt listings.

4. PSX Top 25 Companies

PSX announced the recipients of the prestigious [Top 25 Companies Award](#) for the calendar year 2024. These coveted awards, recognize excellence in the corporate sector of Pakistan. The winning companies were selected on the basis of a comprehensive and stringent selection criteria approved by the PSX Board, which evaluates performance across various dimensions.

5. GIS Primary Market Developments

(a) Launch of Bai' Muajjal (Deferred Payment Sale) Auctions

PSX, in collaboration with the Debt Management Office of the Ministry of Finance (MoF), National Clearing Company of Pakistan (NCCPL) and Central Depository Company of Pakistan (CDC) successfully launched the first Bai' Muajjal auction for GIS on October 8, 2025. Following the successful launch, the PSX has conducted two more Bai' Muajjal auctions in the month of Nov-25 and Dec-25 for GIS Discounted Instruments.

(b) Enhancing Transparency through Capital Market Collaboration

PSX, in collaboration with the other Capital Market Infrastructure Institutions (CMIIs) worked with the Debt Management Office (DMO) of the Ministry of Finance (MoF) to implement the Debt Management and Financial Analysis System (DMFAS), a specialized system developed by the United Nations Conference on Trade and Development (UNCTAD) to help countries manage their public debt more effectively. This initiative was undertaken under an arrangement between the MoF and the Asian Development Bank (ADB), and is now in development stage.

6. GIS Secondary Market Developments

(a) Implementation of Delivery-versus-Free (DVF) Mechanism

PSX, in collaboration with the NCCPL and CDC has successfully implemented a Delivery Versus Free (DVF) reporting mechanism for GIS. The DVF mechanism is actually part of Bai' Muajjal transactions executed between the commercial banks and mutual funds in order to manage their liquidity.

(b) Introduction of GIS Portal

PSX has launched a dedicated data portal for the secondary market trading of GoP Ijarah Sukuk (GIS). The GIS data portal facilitated informed decision-making for investors and promote greater participation in the Sukuk market, thereby supporting the development of Pakistan's Islamic capital market infrastructure.

(c) Direct Trading Access

PSX has inducted one Islamic bank and one mutual fund as trading participants for proprietary account trading in GIS.

7. PESC/Circular Debt Related Facilitation

PSX played a vital role in providing operational support for the successful execution of Pakistan Energy Sukuk (PESC) deal by the Central Power Purchasing Authority (CPPA), ensuring system & regulatory compliance. These efforts helped streamline the transaction process and successful execution of around PKR 400 bn early redemption of PESC1 and PESC2.

8. PSX Enhances International Presence with DBAG Collaboration

In the first half of FY26, the Exchange sustained robust growth in its data vending business and continued to foster a strong, collaborative partnership with its international strategic data vending partner, Deutsche Börse AG (DBAG). PSX has also introduced its PSX Index, Market Statistics, and Corporate Announcements (PSX EOD) offering on the [Deutsche Börse Marketplace](#), strengthening its international presence. Further, direct connectivity contracts with leading international data vendors were renewed, sustaining an incremental revenue stream.

9. PSX Drives Participation and Confidence with Progressive Market Reforms

The Pakistan Stock Exchange Limited (PSX) has introduced several regulatory changes to boost market transparency and investor participation. Key measures include allowing minors to open trading accounts to promote financial literacy, formalizing Shariah-compliant brokerage services, and publicly disclosing disciplinary actions taken by PSX against non-compliant listed companies. Additionally, listed companies must now provide Shariah disclosures in financial reports and hold mandatory annual Corporate Briefing Sessions (CBS) with enhanced features including mandatory presence of CEO and CFO to boost the investors' confidence.

10. Disclosure of Gender Pay Gap Data by the Listed Companies in Annual Financial Statements and their Corporate Websites

In alignment with the Prime Minister's Women Empowerment Package 2024 and an SECP circular, the PSX has facilitated the SECP to ensure that the listed companies disclose gender pay-gap data in their annual reports and on their websites. The PSX issues monthly reminders to companies to ensure timely compliance with these new transparency and gender equality reporting requirements.

Events & Engagements

PSX Marks World Investor Week 2025 with Focus on Financial Literacy & Battle of the Bulls Awards



Pakistan Stock Exchange inaugurated World Investor Week 2025 with an opening ceremony led by Chairperson Dr. Shamshad Akhtar, underscoring PSX's commitment to transparency and investor confidence. Key dignitaries from SECP, PSX, CDC, NCCPL, and PSBA joined in striking the gong to launch the week's activities.

The event also featured the Battle of the Bulls 2025 Award Distribution, where CEO PSX Mr. Farrukh H. Sabzwari announced the winning prizes and presented tokens of appreciation to the top position holders. The ceremony concluded with participants' feedback and a networking session, celebrating collaboration and financial literacy across Pakistan's capital markets.

PSX and the SECP jointly led the first-ever IPO Round Table in Peshawar



Pakistan Stock Exchange, in collaboration with SECP and the Industrialists' Association Peshawar, hosted the first-ever IPO Round Table in Peshawar under the theme "Empowering the Future of Capital Markets." Building on the success of the Lahore Round Table earlier in 2025, the event guided private companies on leveraging IPOs for growth and corporatization.

With participation from 16 companies and key dignitaries, the Round Table offered regulatory insights and success stories, strengthening the IPO ecosystem in KPK and reaffirming PSX's commitment to expanding market access nationwide.

Future of Finance at PSX: The Speaker Series



Pakistan Stock Exchange hosted a Speaker Series on Innovation, AI & ESG on October 8, 2025.

Key speakers included:

Murtaza Abbas, Joint Director, SECP, Nazish Shekha, Centre of Excellence in Responsible Business, Mubashir Zuberi, CFA, Investment Professional.

The session highlighted how Artificial Intelligence (AI) and ESG practices are shaping the future of finance, with engaging discussions on innovation, sustainability, and market growth.

PSX and SECP sign an MOU to provide SECP access to the New Surveillance System



PSX and SECP have signed an MOU to provide SECP access to the New Surveillance System, strengthening regulatory oversight and ensuring a fair and transparent market.

Gong Ceremony at PSX during International Capital Market Conference 2025



Pakistan Stock Exchange hosted a Gong Ceremony as part of the International Capital Market Conference & Expo 2025, warmly welcoming distinguished delegations from across the region. The event brought together key stakeholders from regulatory bodies, financial institutions, and the corporate sector to explore strategies for capital market growth, investor participation, and sustainable economic development.

Speakers and panelists shared insights on market development, policy reforms, and financial inclusion, emphasizing collaboration and long-term vision. The presence and support of SECP, CDC, NCCPL, PMEX, Meezan Bank, Baku Stock Exchange, Bangladesh Securities and Exchange Commission (BSEC), IBA CEIF, Shariah Committee Iran, Arif Habib Dolmen REIT, and TerraBiz reflected a shared commitment to transparency, innovation, and regional integration.

UAE Ambassador's Visit to PSX



Pakistan Stock Exchange had the honor of hosting His Excellency, Mr. Salem Mohammed Salem Al Bawab Al Zaabi, Ambassador of the United Arab Emirates.

Roundtable on Navigating Trade Disruptions – What is the Outlook for the Global Economy?



Highlights from an exclusive roundtable hosted at the Pakistan Stock Exchange with Mr. Jonathan Ashworth, Chief Economist at ACCA UK. CEOs and top management from Brokerages and AMCs came together to explore the theme: Navigating Trade Disruptions – What is the Outlook for the Global Economy?

The roundtable was marked by thought-provoking insights and collaborative dialogue, setting a forward-looking tone for the challenges and opportunities that lie ahead in 2026.

CFA & PSX Speaker Series: Unlocking Global Investment Themes



Investing Beyond the Cycle: Global Themes for 2026 and Beyond

CFA Society Pakistan, in collaboration with Pakistan Stock Exchange (PSX), hosted an exclusive session on 25th November 2025 featuring Mr. Ali Naqvi, a seasoned global strategist. The talk, titled “Investing Beyond the Cycle: Global Themes for 2026 and Beyond”, explored emerging macro trends and forward-looking investment themes poised to shape global markets in the coming years.

The session offered valuable foresight for professionals, highlighting global trends and investment themes set to shape markets in 2026 and beyond. It provided actionable insights to help investors align portfolios with evolving dynamics and long-term opportunities.

PSX conducts a Breast Cancer Awareness Session as part of its Pinktober Activities



As part of its Pinktober Activities, Pakistan Stock Exchange hosted a Breast Cancer Awareness session led by Ms. Azra Maqsood, highlighting the importance of mental wellness, emotional support, and resilience in the cancer journey.

Together, we stand with our 'Sheroes', the women who inspire strength, courage, and hope every day.

IPO Roundtable, Faisalabad: Industry Leaders Explore How Public Listings Drive Growth & Visibility



Continuing the journey of issuer awareness, this session marked the first-ever IPO Roundtable held in Faisalabad.

The event brought together key stakeholders for focused discussions, meaningful insights, and constructive dialogue around capital market opportunities.

A significant milestone and a step forward in strengthening engagement with the business community.

Startups at NIC Hyderabad Explore the Path to Going Public, Expert Insights from PSX & SECP Leaders



In an insightful session led by Ahmad Abbas, Chief Listing Officer, PSX, Obaid Rehman, AGM Marketing, PSX, and Fahad Raza from SECP, founders explored how the Pakistan Stock Exchange Limited opens doors to growth capital, investor confidence, and long-term scalability.

From understanding GEM & Main Board listings to navigating regulatory frameworks, the discussion helped startups see how "going public" isn't just for big corporations, it's the next frontier for ambitious founders ready to scale.

A big thank you to Pakistan Stock Exchange (PSX) and all three speakers for sharing their time, knowledge, and experience to guide our startups toward thinking bigger and building stronger.

Empowering Investors: PSX's Webinars on Financial Literacy

Pakistan Stock Exchange has consistently taken the lead in promoting investor education and financial literacy across the country. As part of these efforts, PSX has conducted a series of insightful webinars in collaboration with leading financial institutions, brokerage houses, and Self-Regulatory Organizations (SROs). These sessions have served as an interactive platform for market participants, professionals, and the investing public to gain deeper understanding of capital markets, regulatory frameworks, and investment opportunities.

Through these webinars, PSX has not only strengthened its engagement with stakeholders but also reinforced its commitment

to fostering transparency, awareness, and inclusivity in Pakistan's financial ecosystem.

PSX Launches Podcast Series with Strong Debut on Cash Settled Futures

PSX launched the much-awaited PSX Podcast with its first episode on Cash Settled Futures, featuring Aamir Mushtaq Kanju, Head of Strategy, Products and Data Science at PSX. **The debut received an overwhelming response, with listeners already suggesting exciting topics for upcoming episodes that PSX has begun working on.**



Catch Episode 1 of the PSX Podcast, just scan the QR code or click the link below.
<https://www.youtube.com/watch?v=oN8fRYffGUE>

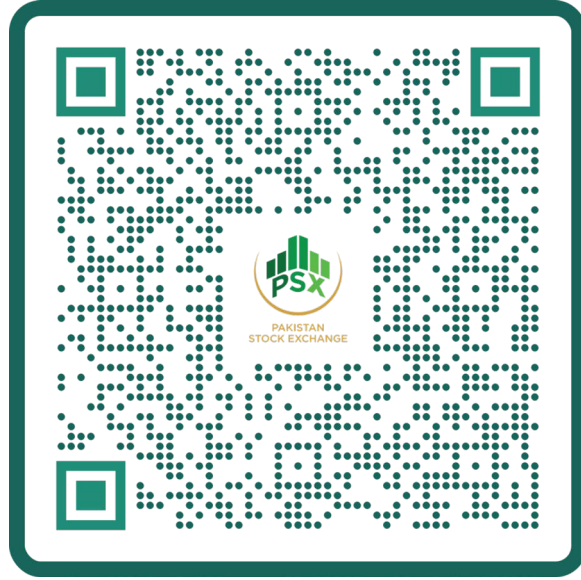
PSX Leads Investor Education & Awareness Workshops Nationwide, Collaborates with Brokerage Houses & Leading Institutions



Pakistan Stock Exchange, in collaboration with leading brokerage houses, organized a series of investor education sessions and financial literacy workshops across Pakistan. These initiatives engaged students, women-only groups, and the general public, aiming to strengthen awareness of capital market fundamentals and encourage informed financial decision-making.

Among the many institutions where sessions were held were University of the Punjab, Grand Asian University Sialkot, Punjab College, Millennium Universal College (TMUC), International Islamic University, IBA Karachi, SZABIST, University of Sindh Jamshoro, Salim Habib University, and The University of Mirpurkhas. These represent just a few amongst many universities and educational institutes that partnered with PSX to advance financial literacy and investor empowerment nationwide.

Through these efforts, PSX continues to champion transparency, inclusivity, and long-term market stability by fostering a financially literate society.



Scan to learn more about PSX



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