

Flash Note

Wednesday, August 23, 2023



Commercial Banks

Bank AL Habib Limited (BAHL)

Earnings: Bank Al Habib Limited (BAHL) announced its financial result for the second quarter of the year 2023. As per the financial result, the Bank reported unconsolidated earnings of PKR 7.6bn (PKR 6.8/share) during 2QCY23 compared to PKR 4.7bn (PKR 4.2/share) last year, a decrease of 28%q/q and a jump of +62%/y/y. This brings total profitability for 1HCY23 to PKR 18.1bn (PKR 16.3/share), up by +62%/y/y.

Dividend/Payout: The Company announced a cash dividend of PKR 4.5/share along with the result compared to no dividend announced last year same period.

Operating Performance: During the 2QCY23 period under review, the Bank reported net-interest income of PKR 26bn (up by +45%/y/y) and non-interest income of PKR 5bn (down by 8%/y/y). As a result, the bank's total revenue stood at PKR 32bn (up by +32%/y/y). Moreover, BAHL recorded operating expenses of PKR 17.5bn (up by +31%/y/y), which has kept the bank's cost/income ratio constant at 55% (last year: 55%). The bank booked a provision reversal of PKR 0.2bn during 2QCY23 compared to a provision charge of PKR 0.5bn in the same period last year. The tax charge for this quarter came at PKR 6.8bn (effective tax rate of 48% compared to 54% in 2QCY22).

Exhibit: Financial Highlights Bank Al-Habib Limited (BAHL)								
Latest result published for 2Q'/23								
Period (PKRbn)	2Q'/23	1Q'/23	2022	4Q'/22	3Q'/22	2Q'/22	1Q'/22	2021
Net Interest Income	26	25	77	23	20	18	16	56
Fee Income	4	3	12	3	3	3	3	9
Treasury Income	2	3	9	2	3	3	1	5
Non-Interest Income	5	6	21	5	6	6	4	14
Total Revenue	32	31	99	28	26	24	20	70
Op. Exp.	(18)	(15)	(53)	(13)	(14)	(13)	(12)	(39)
Provision charge	0.2	1.0	(13)	(10)	(2)	(0.5)	(0.2)	0
Profit Before Tax	14	17	33	4	10	10	8	30
Tax	(7)	(6)	(16)	(2)	(5)	(6)	(3)	(12)
Profit After tax	7.55	10.54	16.57	1.60	5.34	4.67	4.96	18.70
EPS	6.79	9.48	14.91	1.44	4.80	4.20	4.46	16.83
DPS	4.50	0.00	7.00	7.00	0.00	0.00	0.00	7.00

Source: Company accounts, IGI Research. No. of shares: 1111.4mn

Analyst

Abdullah Farhan

Abdullah.Farhan@igi.com.pk

Tel: +92 21 111 234 234 Ext: 912

Aariz Raza

Aariz.Raza@igi.com.pk

Tel: +92 21 111 234 234 Ext: 810

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IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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Contact Details

Equity Sales

Faisal Jawed Khan	Head of Equities	Tel: (+92-21) 35301779	faisal.jawed@igi.com.pk
Zaeem Haider Khan	Regional Head (North)	Tel: (+92-42) 38303559-68	zaeem.haider@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Syeda Mahrukh Hameed	Branch Manager (Lahore)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

Research Team

Abdullah Farhan	Deputy Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Aariz Raza	Analyst	Tel: (+92-21) 111-234-234 Ext: 810	Aariz.raza@igi.com.pk

IGI Finex Securities Limited

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Corporate member of Pakistan Mercantile Exchange Limited

Website: www.igisecurities.com.pk

Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,
 Khayaban-e-Jami Block-09, Clifton, Karachi-75600
 UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
 Fax: (+92-21) 35309169, 35301780

Stock Exchange Office

Room # 134, 3rd Floor, Stock Exchange Building,
 Stock Exchange Road, Karachi.
 Tel: (+92-21) 32429613-4, 32462651-2
 Fax: (+92-21) 32429607

Lahore Office

Shop # G-009, Ground Floor,
 Packages Mall
 Tel: (+92-42) 38303560-69
 Fax: (+92-42) 38303559

Faisalabad Office

Office No. 2, 5 & 8, Ground Floor, The
 Regency International 949, The Mall
 Faisalabad
 Tel: (+92-41) 2540843-45

Multan Office

Mezzanine Floor, Abdali Tower,
 Abdali Road
 Tel: (92-61) 4512003, 4571183

Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,
 Block- B, Jinnah Avenue, Blue Area
 Tel: (+92-51) 2604861-2, 2604864, 2273439
 Fax: (+92-51) 2273861

Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,
 Model Town, Town Hall Road
 Tel: (+92-68) 5871652-3
 Fax: (+92-68) 5871651

IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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