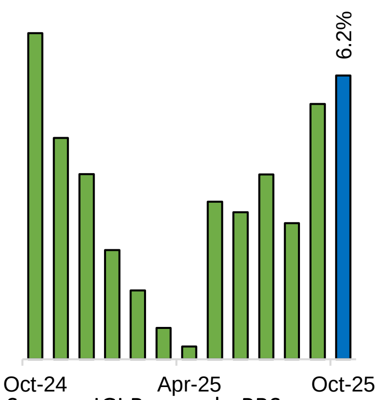
Day Break

Tuesday, November 4, 2025

IGI Securities
SERVING YOU SINCE 1994

Exhibit: Monthly CPI trend



Source: IGI Research, PBS

Inflation

Oct-25: CPI Prints +6.24%y/y Growth

- Recent inflation data released by Pakistan Bureau of Statistics (PBS), shows for the month of Oct-25, headline CPI registered a +6.2%y (up by +1.83%m) growth compared to previous month, +5.61%y (up by +2.01%m).
- Increase in monthly CPI reading was mainly led by higher food, electricity and POL prices. On yearly basis, growth in inflation was mainly due to elevated food, gas and POL prices despite high base effect. This brings average inflation for 4MFY26 to 4.7% compared to 8.7% in the similar period last year.
- Inflation continued to rise in Oct-25 after increasing in Sep-25 owing to higher food, electricity and POL prices. Recent floods are likely to temporarily keep food inflation higher during 2HFY26 and is expected to normalize from FY27. Moreover, rise in oil prices and PKR depreciation remain key risk to our inflation outlook. We expect inflation to average between 5-6% for FY26.

Oct-25: Inflation prints +6.2%y/y, up by +1.83%m/m

Recent inflation data released by Pakistan Bureau of Statistics (PBS), shows for the month of Oct-25, headline CPI registered a +6.2%y (up by +1.83%m) growth compared to previous month, +5.61%y (up by +2.01%m). Increase in monthly CPI reading was mainly led by higher food, electricity and POL prices. On yearly basis, growth in inflation was mainly due to elevated food, gas and POL prices despite high base effect. This brings average inflation for 4MFY26 to 4.7% compared to 8.7% in the similar period last year.

Exhibit: Monthly National Consumer Price Index (CPI) growth estimates

Estimated For the month of: Oct, 2025

	Wt.	y/y	m/m	4MFY26	4MFY25	4MFY24
National	**100.0%**	**6.2%**	**1.8%**	4.7%	8.7%	28.47%
Food	35%	5.6%	2.7%	2.4%	1.1%	34.5%
Transport	6%	6.7%	0.9%	4.0%	0.5%	24.5%
Utility/Rent	24%	4.2%	2.2%	3.8%	21.9%	16.8%
Essentials	17%	8.3%	0.3%	8.4%	15.3%	17.5%
Disc.	18%	8.0%	1.4%	7.5%	9.8%	41.7%

Source: PBS, IGI Research

Analyst

Abdullah Farhan
Abdullah.farhan@igi.com.pk

Food and electricity prices lift overall inflation during Oct-25

Food index increased by +2.7%m/m during Oct-25 owing to increase in prices of Wheat, Rice, Meat, Milk, Eggs, Cooking Oil, Fresh Fruits, Onions, Tomatoes and Fresh vegetables over the previous month whereas prices of Pulses, Potatoes and Chicken have declined. Housing index inclined by +2.2%m/m mainly due to increase in electricity charges and quaterly house rent adjustment.

Transport index up by +0.9%m/m

Transport index increased by +0.9%m/m mainly due to higher POL prices along with surge in transport service cost.

Rural inflation outpaced Urban

Urban inflation increased by +1.54%m/m or up +6.0%y/y during the month of Oct-25, whereas rural inflation inclined by +6.59%m/m or up by +2.26%y/y.

SPI inches up in Oct-25

Other indices, Wholesale Price Index (WPI) registered a +1.10%y/y increase and up +0.5%m/m during Oct-25. Sensitive Price Index (SPI) recorded a +4.79%y/y growth and up by +0.9%m/m during the month of Oct-25 compared to +4.47%y/y increase in the preceding month.

Outlook

Inflation continued to rise in Oct-25 after increasing in Sep-25 owing to higher food, electricity and POL prices. Recent floods are likely to temporarily keep food inflation higher during 2HFY26 and is expected to normalize from FY27. Moreover, rise in oil prices and PKR depreciation remain key risk to our inflation outlook. We expect inflation to average between 5-6% for FY26.

Exhibit: National Core-inflation measures

	Oct-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	Nov-24
CPI	**6.2**	**5.6**	**3.0**	**4.1**	**3.2**	**3.5**	**0.3**	**0.7**	**1.5**	**2.4**	**4.1**	**4.9**
SPI	4.8	4.5	2.6	-0.9	-1.9	-0.6	-3.2	-2.3	-0.2	0.7	4.2	7.3
WPI	1.1	0.6	-1.0	-0.5	0.6	0.4	-2.2	-1.6	-0.7	0.6	1.9	2.3
NFNE	7.9	7.3	7.3	7.4	7.6	7.9	8.0	9.0	8.8	8.8	9.1	9.7
Trimmed	6.3	6.0	4.0	5.0	4.9	4.8	3.6	4.8	4.8	5.4	6.3	7.6

Source: PBS, IGI Research

Exhibit: Historical CPI Trend

Headline inflation increases amid higher food prices

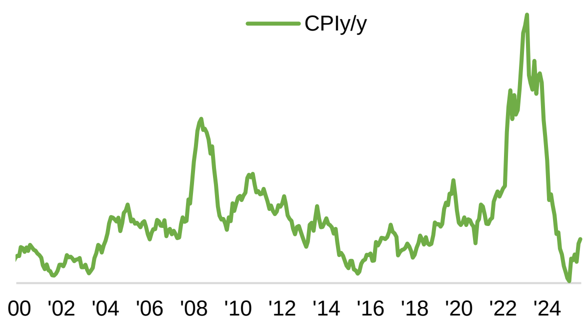


Exhibit: CPI rebased to June

CPI rebased to June shows rise in inflation

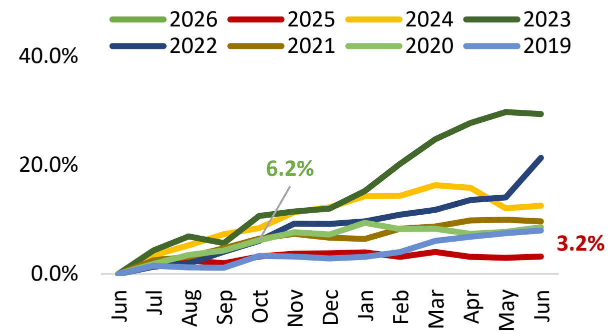


Exhibit: Major Price Indices

All major indices have depicted a slight pickup in growth including for SPI and WPI

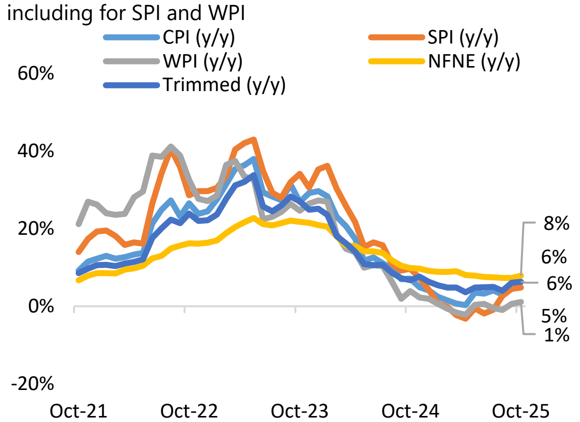
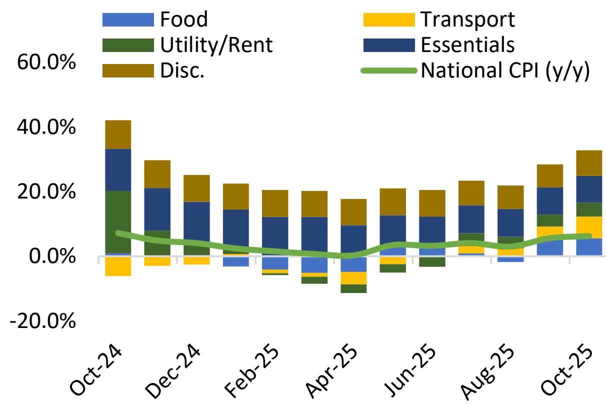


Exhibit: Percentage point impact of each group on headline figure

Higher food prices led to overall increase in inflation



Source: PBS, SBP, IGI Research

Important Disclaimer and Disclosures

Research Analyst(s) Certification: The Research Analyst(s) hereby certify that the views about the company/companies and the security/ securities discussed in this report accurately reflect his or her or their personal views and that he/she has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report. The analyst(s) is principally responsible for the preparation of this research report and that he/she or his/her close family/relative does not own 1% or more of a class of common equity securities of the following company/companies covered in this report.

Disclaimer: The information and opinions contained herein are prepared by IGI Finex Securities Limited and is for information purposes only. Whilst every effort has been made to ensure that all the information (including any recommendations or opinions expressed) contained in this document (the information) is not misleading or unreliable, IGI Finex Securities Limited makes no representation as to the accuracy or completeness of the information. Neither, IGI Finex Securities Limited nor any director, officer or employee of IGI Finex Securities Limited shall in any manner be liable or responsible for any loss that may be occasioned as consequence of a party relying on the information. This document takes no account of the investment objectives, financial situation and particular needs of investors, who shall seek further professional advice before making any investment decision. The subject Company (ies) is a client of the IGI Finex Securities Limited and IGI Finex Securities offers brokerage services to Subject Company (ies) on a regular basis, in line with industry practice. This document and the information may not be reproduced, distributed or published by any recipient for any purpose. This report is not directed or intended for distribution to, or use by any person or entity not a client of IGI Finex Securities Limited, else directed for distribution. All Research Analysts are receiving fixed pay and reporting directly to Head of Research who reports to CEO.

Rating system: IGI Finex Securities employs three tier ratings system, depending upon expected total return (return is defined as capital gain exclusive of tax) of the security in stated time period, as follows:

Recommendation Rating System
Buy if target price on aforementioned security (ies) is more than 10%, from its last closing price(s)
Hold if target price on aforementioned security (ies) is in between -10% and 10%, from its last closing price(s)
Sell if target price on aforementioned security (ies) is less than -10%, from its last closing price(s)

Valuation Methodology: To arrive at Target Prices, IGI Finex Securities uses different valuation methodologies including

- Discounted Cash Flow (DCF)
- Reserve Based DCF
- Dividend Discount Model (DDM)
- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

Risk: Investment in securities are subject to economic risk, market risk, interest rate risks, currency risks, and credit risks, political and geopolitical risks. The performance of company (ies) covered herein might unfavorably be affected by multiple factors including, business, economic, and political conditions. Hence, there is no assurance or guarantee that estimates, recommendation, opinion, etc. given about the security (ies)/company (ies) in the report will be achieved.

Basic Definitions and Terminologies used: Target Price: A price target is the projected price level of a financial security stated by an investment analyst or advisor. It represents a security's price that, if achieved, results in a trader recognizing the best possible outcome for his investment, **Last Closing:** Latest closing price, **Market Cap.:** Market capitalization is calculated by multiplying a company's shares outstanding by current trading price. **EPS:** Earnings per Share. **DPS:** Dividend per Share. **ROE:** Return on equity is the amount of net income returned as a percentage of shareholders' equity. **P/E:** Price to Earnings ratio of a company's share price to its per-share earnings. **P/B:** Price to Book ratio used to compare a stock's market value to its book value. **DY:** The dividend yield is dividend per share, divided by the price per share.

IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009

Contact Details

Equity Sales

Zaeem Haider Khan	Head of Equities	Tel: (+92-42) 35301405	zaeem.haider@igi.com.pk
Syeda Mahrukh Hameed	Regional Head (North)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Faraz Naqvi	Branch Manager (Karachi)	Tel: (+92-21) 111 234 234 Ext: 826	faraz.naqvi@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	Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Sakina Makati	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 810	sakina.makati@igi.com.pk
Sania Bajwa	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 569	sania.bajwa@igi.com.pk
Sufyan Siddiqui	Database Officer	Tel: (+92-21) 111-234-234 Ext: 888	sufyan.siddiqui@igi.com.pk

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited |
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

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

Islamabad Office
3rd Floor, Kamran Centre,
Block- B, Jinnah Avenue, Blue Area
Tel: (+92-51) 2604861-2, 2604864, 2273439
Fax: (+92-51) 2273861

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

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

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

IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009