Commercial Banks

MEBL: 3QCY26 Management Call Takeaways

- MCB Bank Limited (MCB) held an investor briefing session to discuss the 3QCY26 financial results and provide key insights on the future outlook for the Bank.
- To recall, the Bank reported earnings of PKR 14.9bn (EPS PKR 12.6) in 3QCY26, compared to earnings of PKR 13.8bn (EPS PKR 11.6) in the similar period last year, reflecting an increase of 8%y/y. On quarterly basis, the bank's earnings increased by +9%y/y. The bank announced a dividend of PKR 9/share along with the result.
- The management highlighted that the Bank's total deposits increased by +20%y/y to PKR 2.7tn during 9MCY26 while the CA proportion decreased to 52% from 54% in Dec-25. The bank's CASA ratio stood at 95.1% by the end of 9MCY26. Moreover the bank's cost of deposits declined to 4.57% during the period. The Bank's deposit market share for the period stood at 6.03%.

MEBL Bank Limited (MCB) held an investor briefing session to discuss the 3QCY26 financial results and provide key insights on the future outlook for the Bank.

MEBL reported earnings of PKR 25.6bn (EPS: PKR: 14.2/share) during 3QCY26

To recall, the Bank reported earnings of PKR 25.6bn (EPS PKR 14.2) in 3QCY26, compared to earnings of PKR 21.1bn (EPS PKR 11.7) in the similar period last year, reflecting an increase of 21%y/y. On quarterly basis, the bank's earnings remained flat. The bank announced a dividend of PKR 8/share along with the result.

Key highlights from management conference call

- The management highlighted that the Bank's total deposits increased by +17%y/y to PKR 3.0tn during 9MCY26 while the CA proportion decreased to 52% from 54% in Dec-25. The bank's CASA ratio stood at 95.1% by the end of 9MCY26. Moreover the bank's cost of deposits declined to 4.57% during the period. The Bank's deposit market share for the period stood at 6.03%.

- The Bank's investments portfolio increased by 11% reaching PKR 2.2tn. The management informed that the investment book consists of 52% floating rate PIBs while 25% is held in Fixed PIBs and 16% in T-Bills.

Analyst

Sakina Makati
sakina.makati@igi.com.pk

- The bank has successfully opened 31 new branches by the end of Sep-26 whereas the full year target stands at 40. The management highlighted that the bank aims to open further 50-60 branches in CY27 to support deposit growth.

- The bank's Advances have increased by 11%y/y during 9MCY26 which has increased its market share to 4.92%. This increase in advances was primarily driven by strong growth in consumer advances by 34%y/y. Wholesale advances however grew by 9%y/y supported by commodity financing.

- The management of the bank informed that the removal of the MDR for eligible deposits is expected to provide a positive quarterly impact of PKR 700mn to 1bn which will support funding costs.

- The management also highlighted that FX income is expected to remain under pressure due to the transfer of remittance-related rebate expenses to banks effective from July 1, 2026.

- Regarding the 50bps policy rate hike, the management expects some compression in NII in 4QCY26 as deposit and borrowing costs reprice.

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IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009
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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
Saher Hussain	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 974	saher.hussain@igi.com.pk
Syed Muzammil Hasan Rizvi	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 569	muzammil.rizvi@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
Fax: (+92-21) 35309169, 35301780

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

LSE Plaza
Office No.1A at North Mezzanine Floor of the LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
Tel: (+92-42) 38303565

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
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